



No. S230742
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

HSBC BANK CANADA

PETITIONER

AND:

BAYWEST MANUFACTURING INC., FORMERLY BIG FOOT
MANUFACTURING INC.
BAYWEST HOLDINGS LIMITED
POWREGENT ENTERPRISES LTD.
RICHARD ZHANG, ALSO KNOWN AS XIADONG ZHANG
NEW AMEIZING HOMES LTD.
BAOYU XUE
YANLING DONG
ZHONGFENG WANG
HER MAJESTY THE QUEEN IN RIGHT OF CANADA
THE CROWN IN RIGHT OF BRITISH COLUMBIA
ALL TENANTS OR OCCUPIERS OF THE SUBJECT LANDS AND
PREMISES

RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE) WEDNESDAY, THE 27TH
ASSOCIATE JUDGE)
ROBERTSON) DAY OF MARCH, 2024
)

THE APPLICATION of the Petitioner coming on for hearing on March 27, 2024, at Vancouver, B.C.; AND UPON HEARING Joel Schachter, Counsel for the Petitioner, and no one appearing on behalf of the Respondents, although given due notice of this application in accordance with the Supreme Court Civil Rules; and on reading the materials filed herein.

THIS COURT ORDERS that:

Receiver's Appointment

1. MNP Ltd. is hereby appointed Receiver (the "**Receiver**"), without security, of the property, lands and premises located at 3380 Ford Road, Tappen, British Columbia, which are the subject matter of this proceedings, and are described as follows:

VERNON ASSESSMENT AREA
 PARCEL IDENTIFIER: 013-841-106
 LEGAL SUBDIVISION 12 OF SECTION 22 TOWNSHIP 21 RANGE 10
 WEST OF THE 6TH MERIDIAN KAMLOOPS DIVISION YALE
 DISTRICT AS SHOWN ON PLAN OF THE NORTH EAST 1/4 OF SAID
 TOWNSHIP DATED AT OTTAWA THE 9TH DAY OF MARCH, 1917

(the "**Lands**").

Receiver's Powers

2. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Lands and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized, upon consultation with the Petitioner, to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Lands, including taking any and all steps to prevent trespassing, and over any and all proceeds, receipts and disbursement arising out of or from the Lands;
 - (b) to receive, preserve and protect the Lands, or any parts thereof, including, but not limited to, changing locks and security codes, engaging independent security personnel, completing necessary repairs, taking physical inventories and placing insurance coverage;
 - (c) to engage consultants, appraisers, agents, experts, caretakers, and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order, including the re-energization of the industrial facilities on the Lands;
 - (d) to undertake environmental or health and safety assessments of the Lands as the Receiver may deem necessary or desirable;
 - (e) to apply for any permits, licences, approvals or permissions relating to the Lands as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtor, including but not limited to any approvals from BC Hydro required to maintain the Lands existing power allocation;

- (f) to pay, on behalf of the Petitioner, all necessary protective disbursements in connection with the Lands, including, without limiting the generality of the foregoing, payment of utilities, property taxes, and payments to any consultants, appraisers, agents, experts, caretakers of the Lands, and such monies so expended shall form a charge on the Lands in favour of the Receiver in priority to the claims of the parties to this proceeding;
- (g) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other persons, including the Respondents herein, and without interference from any other person.

3. No proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.
4. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be done in Possession of an of the Lands within the meaning of any environmental legislation, including, without limitation, the *Canadian Environmental Protection Act*, 1999, S.C. 1999, c. 33, the *Fisheries Act*, R.S.C. 1985, c. F-14, the *Environmental Management Act*, R.S.B.C. 1996, c. 118 and the *Fish Protection Act*, S.B.C. 1997, c. 21 and regulations thereunder (collectively “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
5. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - (a) any gross negligence or wilful misconduct on its part; or
 - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.
6. Nothing in this Order shall derogate from the protections afforded for the Receiver by Section 14.06 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3 as amended (the “**BIA**”) or by any other applicable legislation.

Receiver’s Charge, Funding of the Receivership and Passing of Accounts

7. The Receiver and its legal counsel, if any, are granted a charge (the “**Receiver’s Charge**”) on the Lands as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver’s Charge shall form a first charge on the

Lands in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

8. In carrying out any of the duties and activities authorized herein, the Receiver shall be entitled to:
 - (a) its reasonable fees, at its standard rates and charges; and
 - (b) pay all necessary disbursements in connection with those activities and duties, including any legal fees and disbursements of the Receiver, and in preserving, protecting, and maintaining the Lands, including, without limiting the generality of the foregoing, payment of utilities, property taxes, and payments to any consultants, appraisers, agents, experts, caretakers of the Lands as employed by the Receiver in the discharge of its duties

(the “**Receiver’s Fee and Disbursements**”).
9. The Bank is at liberty to pay the Receiver’s Fees and Disbursements, incurred both before and after this order, as a protective disbursement under and in accordance with the terms of the Mortgage as defined in the Order Nisi pronounced in these proceedings on April 27, 2023, to be secured by the Mortgage and repayable according to their terms, with such charges forming part of the Amount Required to Redeem as defined in the Order Nisi, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person, including the respondents herein.
10. The Receiver shall only pass its accounts for the Receiver’s Fees and Disbursements (the “**Receiver’s Accounts**”) in the event that the parties of record give a notice of dispute of same and after a copy of such notice of dispute has been provided to the Receiver.
11. From time to time prior to the passing of the Receivers accounts (if required), the Petitioner shall be at liberty to pay and the Receiver shall be at liberty to apply reasonable amounts out of the monies in its hands, against the Receiver’s Fees and Disbursements and such amounts shall constituted advances against its remuneration and disbursements when and as approved by this Court.
12. Notwithstanding anything in this order, the issues of priority of the Receiver’s Charge in relation to any statutory deemed trust amounts pursuant to the *Income Tax Act* and related legislation is to be dealt with by agreement of the Petitioner, the Attorney General of Canada and the Receiver, or by further order of this Court.

General Matters

13. The Receiver may from time to time apply to this Court for amendments to this order and for advice and directions in the discharge of its powers and duties hereunder.

14. The Petitioner is entitled to its costs of this application on a solicitor and own client basis.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Joel Schachter
COUNSEL FOR THE PETITIONER

BY THE COURT



REGISTRAR

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VANCOUVER REGISTRY

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OTHERS

RESPONDENTS

ORDER MADE AFTER APPLICATION



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