COURT FILE NUMBER

2103 00842

EDMONTON

COURT

JUDICIAL CENTRE

PLAINTIFF

COURT OF QUEEN'S BENCH OF ALBERTA

ERAN GURVICH, IN HIS CAPACITY AS ENFORCING AGENT FOR BALRAJ BRAR, MARK VAN BOMMEL, WILSON LEE, DARYL ROITMAN, EDWARD TAN AND ANG FC LTD.



DEFENDANT INTELIFE LP AND INTELIFE GP LTD.

DOCUMENT

ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

OGILVIE LLP Barristers & Solicitors 1400, 10303 Jasper Avenue Edmonton, AB T5J 3N6 Kentigern A. Rowan, Q.C. Phone: (780) 429-6236 Fax: (780) 429-4453 File No. 41087.19

DATE ON WHICH ORDER WAS PRONOUNCED: October 27, 2021

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER:

The Honourable Madam Justice D. Shelley

UPON the application of **MNP Ltd.** in its capacity as Receiver (the "Receiver") of Intelife LP ("ILP"), Intelife GP Ltd. ("IGP"), Intelife Financial Corporation ("IFC") and Intelife Security and Automation Ltd. ("ISA") (ILP, IGP, IFC and ISA being collectively referred to as "Intelife" or the "Debtor"); **AND UPON** reviewing the Receiver's First Report, Second Report, First Supplement to the Second Report, Third Report, Fourth Report and Confidential Addendum to the Fourth Report (hereinafter collectively referred to as the "Reports"); **AND UPON** reviewing the Orders of this Honourable Court granted in these proceedings on January 19, 2021 (the "First Receivership Order"), February 1, 2021 (the "Second Receivership Order"), March 23, 2021 (the "First Mah Order") and May 21, 2021 (the "Second Mah Order") (collectively referred to as the "Orders") **AND UPON** noting that:

A. The Receiver was appointed Receiver of ILP and IGP by the First Receivership Order;

B. The Receiver was appointed Receiver of IFC and ISA by the Second Receivership Order; 2021;

AND UPON noting that there is contained in the Reports and the Orders, definitions of the following terms:

"Bojan IFC Dealer Contracts" - defined in preamble paragraph "e" to the First Mah Order;

"Bojan ISA Customer Contracts" - defined in preamble paragraph "e" to the First Mah Order;

"Bojan ISA Pulse Customer Contracts" – defined in preamble paragraph "e" to the Second Mah Order;

"Bojan Pulse Payment" - defined in paragraph 44 of the Receiver's Fourth Report;

"Missing Accounts" - defined in preamble paragraph "e" to the First Mah Order;

"Non-Funded Accounts" - defined in preamble paragraph "h" to the First Mah Order;

"PLS Security Contract" - defined in paragraph 29 of the Receiver's Fourth Report;

"Rapid Protection Security Accounts" – defined in paragraph 30 of the Receiver's Fourth Report;

"Remaining ISA Accounts" - defined in paragraph 63 of the Receiver's Fourth Report:

AND UPON reading the Affidavit of Service of notice of this Application and materials in support; **AND UPON** hearing counsel for the Receiver and counsel for such other parties who appeared and made representations on this Application; **IT IS HEREBY ORDERED AND ADJUDGED THAT:**

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

DEFINITIONS

2. Except as otherwise defined herein, the capitalized terms used in this Order shall have the definitions as recited in the preamble hereto.

BOJAN ISA CUSTOMER CONTRACTS

3. The transfer of the Bojan ISA Customer Contracts as detailed in the Receiver's Fourth Report, including the provision of the no interest letter as defined in the Receiver's Fourth Report, be and is hereby approved and the Receiver is not required to take any other steps with respect to the transfer of the Bojan ISA Customer Contracts.

BOJAN ISA PULSE DEALER CONTRACTS

- 4. The restrictions on Bojan Konstandinovic ("Bojan") in dealings with the Bojan ISA Pulse Dealer Contracts as provided for in the Second Mah Order be and are hereby terminated.
- 5. The Receiver is not required to take any further steps with respect to the Bojan ISA Pulse Customer Contracts.

BOJAN IFC DEALER CONTRACTS

- The Receiver's attempts to transfer the Rapid Protection Security Accounts forming part of the Bojan IFC Dealer Contracts, as described in the Receiver's Fourth Report, be and are hereby approved.
- Bojan is hereby granted fifteen (15) days from the date of this Order to provide further information to the Receiver to assist the Receiver in effecting a transfer of the Rapid Protection Security Accounts to Bojan.
- 8. If Bojan fails to provide any further information to the Receiver within fifteen (15) days of the date of this Order, then the Receiver is authorized to provide Bojan with a No Interest Letter with respect to the Rapid Protection Security Accounts forming part of the Bojan IFC Dealer Contracts and upon provision of the No Interest Letter, the Receiver is relieved of any further obligations with respect to the Rapid Protection Security Accounts forming part of the Bojan IFC Dealer IFC Dealer Contracts, including the transfer thereof, to Bojan.
- 9. There shall be an Application before this Honourable Court with respect to whether the objections by Capitol Security Group Ltd. ("Capitol"), Pulse Medical Inc. ("Pulse") and Turniphome Ltd. ("Turnip") ("Capitol, Pulse and Turnip being hereinafter collectively referred to as the "Dealers") to the transfer of the Bojan IFC Dealer Contracts are valid (the "Objection Application").
- 10. As it relates to the Objection Application:
 - (a) on or before November 12, 2021, or such other date as counsel for Capitol, Pulse, Turnip and Bojan may by unanimous consent agree, Capitol, Pulse, Turnip and Bojan shall file and serve on each of the other parties any Affidavit evidence that they intend to rely on at the hearing of the Objection Application (the "Affidavit Filing Date");
 - (b) any party has the right to cross-examine on any Affidavit filed by any other party, with such cross-examinations to be completed on or before that day that is twenty-one (21) days from the Affidavit Filing Date;
 - (c) Bojan shall file an Application or Applications (the "Application Materials") for the hearing of the Objection Application with this Honourable Court within sixty (60) days of the Affidavit Filing Date;

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- (d) the filing of the Application Materials for hearing of the Objection Application by Bojan is without prejudice to the rights and arguments of any party, and the filing of such Application does not place an onus on Bojan to establish that the objections by the Dealers are unreasonable;
- (e) the Dealers, or so many thereof against whom Bojan files an Application to determine the Objection Application, shall file their response materials to Bojan's Application Materials within thirty (30) days of being served with Bojan's Application Materials (the "Response Materials");
- (f) the Receiver is not required to file any materials with respect to the Applications, or take any position with respect thereto;
- (g) if the Dealers, or any one of them, fail to file their Affidavit evidence or Response Materials, as the case may be, by the times as provided for in this Order, then the transfer of the Bojan IFC Dealer Contracts associated with the defaulting party shall be deemed to have been consented to by the said defaulting party;
- (h) if Bojan fails to file his Affidavit evidence or Application Materials, as the case may be, by the times as provided for in this Order, then the transfer of the Bojan IFC Dealer Contracts shall be deemed to have not been transferred to Bojan and shall remain the property of Intelife.
- (i) notwithstanding the time periods set forth in this paragraph 10, counsel for Capitol, Pulse, Turnip and Bojan may vary any of the time periods by unanimous consent.
- Until further Order of this Honourable Court, the Receiver shall not be required to take any steps to enforce any outstanding payments or to commence action to obtain judgments on any Bojan IFC Dealer Contracts.
- 12. The provisions of paragraphs 12 to 15 of the First Mah Order shall be applicable to the PLS Security Contract, forming part of the Bojan IFC Dealer Contracts.

NET BOJAN RMR

- 13. It is hereby declared that the amount of recurring monthly revenue ("RMR") collected by the Receiver on account of the Bojan ISA Customer Contracts and the Rapid Protection Security Accounts, forming part of the Bojan IFC Dealer Contracts, net of expenses incurred by the Receiver with respect thereto, is \$1,953.81 (the "Net Bojan RMR").
- 14. The Receiver is not required to account to or pay to Bojan, other than the Net Bojan RMR, any other amounts on account of the Bojan ISA Customer Contracts or the Rapid Protection Security Contracts.

- 15. The Receiver is not required to take any further steps to collect or enforce payment of any amounts relating to the Bojan ISA Customer Contracts and the Rapid Protection Security Accounts.
- Bojan be and is hereby at liberty to collect any outstanding amounts related to the Bojan ISA Customer Contracts and the Rapid Protection Security Accounts from any party who owes the said amount.
- 17. The Receiver be and is hereby entitled to set-off against the Net Bojan RMR any amounts declared by this Court to be due by Bojan to Intelife.

NON-FUNDED ACCOUNTS

18. The activities of the Receiver with respect to the Non-Funded Accounts as detailed in the Reports, be and is hereby approved and the Receiver is not required to take any further steps with respect to the Non-Funded Accounts including, but not limited to, returning the Non-Funded Accounts to any Dealers.

REMAINING ISA ACCOUNTS

- 19. The activities of the Receiver as described in the Reports and with respect to the Missing ISA Contracts be and are hereby approved and the Receiver is not required to take any further steps with respect to the Missing ISA Contracts.
- 20. The Receiver is authorized to send to each customer associated with each of the Remaining ISA Accounts, a notice informing the customer that the Receiver will cease making payments to any service provider on account of the said account, commencing sixty (60) days after the date of sending the notice (the "Expiry Date") and that the customer is at liberty to seek a new service provider. The notice maybe sent by the Receiver by Ordinary mail to the last address for the customer as indicated in the records of Intelife, or at such other address as the Receiver is able to obtain from any service provider associated with the said account.
- 21. From and after the Expiry Date, the Receiver shall not be required to make any further payments to any service provider with respect to the Remaining ISA Accounts.

BOJAN PULSE PAYMENT

- 22. The Plaintiffs in these proceedings (the "Gurvich Group") be and are hereby at liberty to:
 - (a) within thirty (30) days of the date of this Order, file with this Honourable Court and serve upon Bojan, an Application and corresponding materials to reverse the Bojan Pulse Payment and require Bojan to repay the Bojan Pulse Payment to the Receiver (the "Gurvich Application Materials");

- (b) Bojan shall file and serve upon the Gurvich Group any materials in response to the Bojan Pulse Payment Application within thirty (30) days of service of the Gurvich Application Materials upon him (the "Gurvich Response Materials");
- (c) The Plaintiffs and Bojan shall complete any cross-examinations on any of the Gurvich Application Materials or the Gurvich Response Materials within thirty (30) days of delivery by Bojan to the Plaintiffs of the Gurvich Response Materials;
- (d) the Receiver is not required to file any materials with respect to the Applications or take any position with respect thereto;
- (e) if the Gurvich Group does not file the Gurvich Application Materials within the time limit provided for in this Order, the Bojan Pulse Payment shall be declared a legitimate payment to Bojan and Bojan shall not be required to account for the payment to any party, including, but not limited to, the Gurvich Group and the Receiver;
- (f) if Bojan does not file his Gurvich Response Materials within the time limit provided for in this Order, then the Bojan Pulse Payment shall be declared a preferential payment and Bojan shall repay the Bojan Pulse Payment to the Receiver and the Receiver will be granted judgment against Bojan for the amount of the Bojan Pulse Payment;
- (g) the Plaintiffs shall be entitled to rely on any facts as reported in the Reports of the Receiver filed in these proceedings provided, however, that any positions or conclusions of the Receiver contained in the said Reports shall not be relied on by the Plaintiffs;
- (h) counsel for Bojan and the Gurvich Group may, by agreement, amend any of the time limits as set forth in this paragraph.

SECURED CREDITORS

- 23. It is hereby declared that:
 - (a) ILP holds valid and enforceable security over the assets of ISA and IFC in priority to the claims of all other creditors except for Crown claims where statutory provisions provide priority over the claims of ILP;
 - (b) the Gurvich Group has a valid and enforceable security over the personal property of ILP and IGP in priority to the claims of all other creditors except for Crown claims where statutory provisions provide priority over the claims of the Gurvich Group;
 - (c) Bojan has a valid and enforceable security over the personal property of ILP and IGP in priority to the claims of all other creditors except for the claims of the Gurvich Group and for Crown claims where statutory provisions provide priority over the claims of Bojan.

RECEIVERSHIP ORDERS

- 24. The administrative charge in favour of the Receiver provided for in the First Receivership Order and Second Receivership Orders be and are hereby increased to the amount of \$475,000.00.
- 25. The Receiver be and is hereby entitled to pay and retire any amounts due to any party who has lent money to the Receiver pursuant to the Receiver's borrowing powers as provided for in the First Receivership Order or the Second Receivership Order.
- The monetary limits set forth in paragraph 4(I)(i) of the Second Receivership Order be and are hereby increased to \$50,000.00 for any individual transaction with an aggregate of all transactions not to exceed \$250,000.00.

GENERAL

- 27. The activities of the Receiver as described in the Receiver's Fourth Report and the Confidential Addendum thereto be and are hereby approved and ratified. Except as otherwise provided in this Order, and until further Order of this Court, any party is entitled to challenge any of the conclusions or recommendations of the Receiver contained in the Receiver's Fourth Report and Confidential Addendum.
- The interim statement of receipts and disbursements appended to the Receiver's Fourth Report be and is hereby approved and ratified.
- 29. The accounts of the Receiver and the Receiver's counsel as described in the Receiver's Fourth Report be and hereby approved and passed without the need for formal taxation.
- 30. Service of this Order shall be deemed good and sufficient by:
 - (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser or the Purchaser's solicitors; and
 - (b) Posting a copy of this Order on the Receiver's website at: https://mnpdebt.ca/en/corporate/corporate-engagements/intelife-lp

and service on any other person is hereby dispensed with.

 Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

MUULI

Justice of the Court of Queen's Bench of Alberta

APPROVED AS TO THE ORDER GRANTED:

EMERY JAMIESON LLP

awaran fer: Per: KYLE KAWANAMI

Counsel for the Plaintiff

BYRAN & COMPANY LLP

BURNET DUCKWORTH & PALMER LLP

RYAN ALGAR

Counsel for Pulse Medical Inc. and Capitol Security Group Ltd.

SANGHA LAW

Per:

Per:

BRIAN CROZIER Counsel for Bojan Konstandinovic HARDEEP SANGHA Counsel for Turniphome Ltd. 31. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of Queen's Bench of Alberta

APPROVED AS TO THE ORDER GRANTED:

EMERY JAMIESON LLP

Per:

KYLE KAWANAMI Counsel for the Plaintiff

BRYAN BYRAN & COMPANY LLP

Per: Bryan

BRIAN CROZIER Counsel for Bojan Konstandinovic

BURNET DUCKWORTH & PALMER LLP

Per:

RYAN ALGAR Counsel for Pulse Medical Inc. and Capitol Security Group Ltd.

SANGHA LAW

Per:

HARDEEP SANGHA Counsel for Turniphome Ltd.

Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. 31. Service is deemed to be effected the next business day following transmission or delivery of this Order.

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Justice of the Court of Queen's Bench of Alberta

APPROVED AS TO THE ORDER GRANTED:

EMERY JAMIESON LLP

Per:

KYLE KAWANAMI Counsel for the Plaintiff

BYRAN & COMPANY LLP

Per:

BRIAN CROZIER Counsel for Bojan Konstandinovic

BURNET DUCKWORTH & PALMER LLP

Per:

Per:

RYAN ALGAR

Counsel for Pulse Medical Inc. and Capitol Security Group Ltd.

SANGHA LAW

HARDEEP SANGHA Counsel for Turniphome Ltd.