



NO. S-237489
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

QRD (WILLOUGHBY) HOLDINGS INC., QRD
(WILLOUGHBY) LIMITED PARTNERSHIP, QRD
(WILLOUGHBY) GP INC., QUARRY ROCK
DEVELOPMENTS INC., RICHARD LAWSON, MATTHEW
WEBER, CANADIAN MORTGAGE SERVICING
CORPORATION, OVERLAND CAPITAL CANADA INC.,
WUBS INVESTMENTS LTD., and STEELCREST
CONSTRUCTION INC.

RESPONDENTS

NOTICE OF APPLICATION

NAME OF APPLICANT: MNP Ltd. in its capacity as receiver and manager (in such capacity, the “**Receiver**”), without security, of all the assets, undertakings and property of QRD (Willoughby) Holdings Inc. QRD (Willoughby) Limited Partnership and QRD (Willoughby) GP Inc (collectively, the “**Debtor**”)

To: The Service List, attached hereto as **Schedule “A”**

TAKE NOTICE that an application will be made by the applicant to the presiding Judge in Chambers at the courthouse at **800 Smithe Street, Vancouver, B.C.** on April 19, 2024 at **9:45 a.m.**, for the orders set out in Part 1 below.

The Applicant(s) estimate(s) that the application will take **10 minutes**.

This matter is not within the jurisdiction of an Associate Judge

PART 1: ORDERS SOUGHT

1. An Order further amending the Amended and Restated Receivership Order (the “**ARRO**”) granted herein by Justice Whately on December 15, 2023:
 - (a) to provide the Receiver the power to market the subject lands, assets, undertakings and property of the Debtor (the “**Property**”), as contemplated by the Receiver’s Second Report to the Court filed herewith, by amending Paragraph 3(k) of the ARRO as follows:

3(k) ~~with the approval of this court~~ to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
 - (b) to increase the amount the Receiver is authorized and empowered to borrow under paragraph 24 of the ARRO from \$2,209,000 to \$2,384,000, and increase the total amount of Receiver’s Charge and the Receiver’s Borrowings Charge under paragraph 24 of the ARRO from \$2,209,000 to \$2,384,000;

as set out in the draft form of Order attached hereto as **Schedule “B”**, with a blacklined version compared to the ARRO attached as **Schedule “C”**.

2. An Order that the activities of the Receiver as described in the Receiver’s First Report to the Court filed December 6, 2023 (the “**First Report**”) and the Receiver’s Second Report to the Court filed April 8, 2024 (the “**Second Report**”) filed herein, be approved, as set out in the draft form of Order attached hereto as **Schedule “D”**.
3. Such further and other relief as counsel may advise and this Honourable Court may deem just.

Part 2: FACTUAL BASIS

The Project

1. Pursuant to the Receivership Order dated November 8, 2023 (the “**Receivership Order**”), as amended by the ARRO dated December 15, 2023, MNP Ltd. has been appointed as receiver and manager (in such capacity, the “**Receiver**”), without security, of all the assets, undertakings and property (the “**Property**”) of QRD (Willoughby) Holdings Inc. QRD (Willoughby) Limited Partnership and QRD (Willoughby) GP Inc (collectively, the “**Debtor**”).
2. The Debtor was in the process of building and marketing a real estate development of 87 three-storey row townhouse units located at the Lands, being 20335 70A Avenue, Langley, British Columbia (the “**Project**”).

3. The Project consists of three phases:
 - (a) Phase 1 – 34 Units (“**Phase 1**”)
 - (b) Phase 2 – 23 Units (“**Phase 2**”)
 - (c) Phase 3 – 30 units (“**Phase 3**”)
4. Phase 1 is under construction and consists of seven separate buildings with a combined 34 units. Building one (4 units) and building two (6 units) in Phase 1 have been completed, and the Township of Langley approved the final inspections for these buildings on March 27, 2024.
5. The winterization of the Phase 1 units has also been completed. The Receiver has continued to monitor the winterization work, and minor maintenance and remediation work are ongoing.
6. Construction of the Phase 2 and 3 units has yet to commence.

Receiver’s Activities

7. Since the Receivership Order, the Receiver has undertaken all of the activities listed in paragraph 20 of the Receiver’s First Report to Court, dated December 6, 2023.
8. Since its First Report, the Receiver has undertaken the various activities outlined in the Second Report, which include the following:
 - (a) Continued to oversee the protection and preservation of the Project including dealing with security, utilities, maintenance issues and requirements from the Township of Langley;
 - (b) Held various discussions with the Companies’ insurance broker and Receiver’s Insurance advisor regarding required coverage and extension of insurance;
 - (c) Held various discussion and correspondence with the Companies legal counsel and pre-sale purchasers regarding status of pre-sale contract and deposits;
 - (d) Attended the Project site on an ongoing basis and held meetings and discussions with relevant stakeholders;
 - (e) Monitored the progress of the Winterization of Phase 1 and the completion of Building One and Building Two;
 - (f) Obtained marketing proposals and opinions of value from commercial and residential real estate brokerages;

- (g) Held numerous discussions and meetings with commercial and residential real estate brokerages regarding their proposals;
 - (h) Held discussions with various consultants and reviewed consulting reports to establish an estimate of the timeline and assess costs to complete Phase 1;
 - (i) Obtained quotes from contractors for costs to complete Phase 1;
 - (j) Prepared a preliminary analysis to determine the estimated realization under various scenarios; and
 - (k) Held discussions with secured creditors regarding the estimated realizations under difference scenarios.
9. The Receiver seeks an Order that the activities of the Receiver, as set out in the Receiver's First and Second Report to the Court be approved.

Marketing the Project

10. The ARRO expressly authorizes and empowers the Receiver to apply to this Court for approval to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate.
11. In order to carry out its duties and obligations as Receiver in accordance with the Receivership Order, the Receiver will need to be granted authority by this Honourable Court to list and market the Property for sale, including engaging realtors or other professionals to assist with the advertising and marketing process;
12. The Receiver has contacted, solicited proposals, and held discussions with three residential project marketing firms and two commercial real estate brokerages to assess the realization strategy for the Project, and has determined that the options available for the sale of the Project consist of:
- (a) the sale of the Project on an "as is, where is" basis; or
 - (b) the completion of construction of Phase 1 and sale of 34 finished units directly to buyers, concurrently with the sale of Phase 2 and Phase 3 on an "as is, where is" basis.
13. The potential value achievable in the sale of the Project on an "as is, where is" basis cannot be determined accurately without exposing the Project to the market.
14. For the reasons set out in the Second Report, the Receiver recommends listing the Project for sale on an open basis, with no set parameters other than a minimum listing period, to

maintain flexibility in negotiations with potential purchasers, while ensuring the Project is adequately exposed to the market.

Increasing Receiver's Borrowing Charges

15. Pursuant to section 31 of the *BIA*, with the permission of the court, a receiver within the meaning of subsection 243(2) may make necessary or advisable advances, incur obligations, borrow money and give security on the debtor's property in any amount, on any terms and on any property that may be authorized by the court and those advances, obligations and money borrowed must be repaid out of the debtor's property in priority to the creditors' claims.
16. Paragraph 21 of the ARRO grants a charge on Property of the Debtor in favour of the Receiver and its counsel as security for the payment of their fees and disbursements, which ranks in priority to all claims against the Property, subject to certain exceptions (the "**Receiver's Charge**").
17. Paragraph 24 of the ARRO authorizes and empowers the Receiver to borrow monies necessary for funding the powers and duties of the Receiver under the Receivership Order, and charges the whole of the Property by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, provided that the principal amount does not exceed \$2,209,000.
18. Paragraph 36 of the ARRO authorizes the Receiver to apply to the Court for advice and directions in the discharge of its powers thereunder.
19. The Receiver completed the winterization of the Phase 1 units and construction of Building One and Building Two, and has drawn the full amount of the Receiver's Borrowings.
20. The Receiver continues to incur monthly site costs including, but not limited to, utilities, security, fence rental, insurance, site maintenance, and inspections and professional fees.
21. The estimated monthly site costs have increased since the Receiver's First Report due to increased actual energy costs incurred and additional security monitoring requirements on site.
22. The Receiver requires an estimated additional funding of \$175,000 for the ongoing protection and preservation of the Project. Accordingly, the Receiver applies under the *BIA* and further to paragraph 24 and 36 of ARRO to increase the amount it is authorized under paragraph 23 to borrow by \$175,000, for the sum of \$2,384,000.

Part 3: LEGAL BASIS

23. Based upon the facts set out in Part 2 above, the Petitioner submits that it is entitled to the orders sought herein.

24. The Petitioner will rely on Rule 13-5, 21-7 of the Supreme Court Civil Rules, s. 235 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and s. 15 of the *Law and Equity Act*, R.S.B.C. 1996, c. 253.

Approving the Receiver's Activities

25. A receiver, as a court-appointed officer experienced in the insolvency field, is entitled to considerable deference. As such, the Court should be reluctant to second-guess, with the benefit of hindsight, the considered business decisions made by its receiver.

Denison Environmental Services v. Cantera Mining Ltd. (2005), 2005 CanLII 15475 (ON SC) at para 13, additional reasons at [2005] O.J. No. 2421 (Ont SCJ); *Chahal v Chabrra et al.*, 2014 ONSC 6770 at para 23.

26. In particular, the case law is clear that where the court is concerned with the disposition of property, the purpose of appointing a receiver is “to have the receiver do the work that the court would otherwise have to do.”

2403177 Ontario Inc. v Bending Lake Iron Group Limited, 2016 ONSC 199 at para 73, quoting *Re Selkirk (1986)*, 58 CBR (NS) 245 (Ont SC), at p. 246.

27. The conduct of a receiver should be viewed in the light of the specific mandate provided by the court and the expansive articulation of the receivership provisions of the BIA.
28. Here the Receiver's activities fall directly within the scope of its authority and powers under the Receivership Order and serve the purpose of enhancing and facilitating the preservation and realization of the Debtors' Property for the benefit of their creditors. An order approving the Receiver's activities clearly fits within the Court's broad mandate under s. 243(1)(c) of the BIA.

Increasing Borrowings and Marketing Powers

29. The order sought herein by the Receiver is authorized by the ARRO and the Court's inherent jurisdiction to supervise these receivership proceedings.
30. The increase in borrowing power is required to ensure that the operations of the Project can be continued without interruption for the benefit of all stakeholders and marketing the Project “as-is” is necessary to assess the market and determine the potential value of the Project.
31. The Receiver is not aware of any commercial reasons why the order sought should not be granted.

Part 4: MATERIALS TO BE RELIED ON

1. Amended and Restated Receivership Order, dated December 15, 2023;

2. Receiver's First Report to Court, filed December 6, 2023;
3. Receiver's Second Report to the Court, filed April 8, 2024; and
4. Such further and other material as counsel may advise and this Honourable Court may consider.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to the application, you must

- (a) file an Application Response in Form 33 within 5 days after the date of service of this Notice of Application or, if the application is brought under Rule 9-7 of the Supreme Court Civil Rules, within 11 days after the date of service of this notice of application, and
- (b) at least 2 days before the date set for the hearing of the application, serve on the applicant 2 copies, and on every other party one copy, of a filed copy of the Application Response and the other documents referred to in Rule 9-7(12) of the Supreme Court Civil Rules.

Dated at the City of Vancouver, in the Province of British Columbia, this 8th day of April, 2024.



Lawson Lundell LLP
Counsel for MNP Ltd.

This Notice of Application is filed by Kimia Jalilvand, the law firm of Lawson Lundell LLP, whose place of business and address for delivery is 1600 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

To be completed by the court only:

Order made

- in the terms requested in paragraphs _____ of Part
1 of this Notice of Application
- with the following variations and additional terms:

Date:

Signature of Judge Associate Judge

APPENDIX

The following information is provided for data collection purposes only and is of no legal effect.

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts

To be completed by the court only:

Order made

in the terms requested in paragraphs _____ of Part 1 of this Notice of Application

with the following variations and additional terms:

Date: _____

Signature of Judge Associate Judge

APPENDIX

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- case plan orders: other
- experts

SCHEDULE "A"

No. S-237489
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

QRD (WILLOUGHBY) HOLDINGS INC., QRD (WILLOUGHBY) LIMITED PARTNERSHIP, QRD (WILLOUGHBY) GP INC., QUARRY ROCK DEVELOPMENTS INC., RICHARD LAWSON, MATTHEW WEBER, CANADIAN MORTGAGE SERVICING CORPORATION, OVERLAND CAPITAL CANADA INC., WUBS INVESTMENTS LTD., and STEELCREST CONSTRUCTION INC.

RESPONDENTS

Service List

(Last updated December 20, 2023)

<p>DLA Piper (Canada) LLP Suite 2700, 1 133 Melville Street Vancouver, BC V6E 4E5</p> <p>Attention: Colin Brousson Alexandra McCawley</p> <p>Email: colin.brousson@dlapiper.com alexandra.mccawley@dlapiper.com dannis.yang@dlapiper.com</p> <p>Tel: 604.687.9444</p> <p><i>Counsel for the Petitioner</i></p>	<p>Lawson Lundell I-LP Cathedral Place, 925 W Georgia St #1600, Vancouver, BC V6C 31.2</p> <p>Attention: William Roberts</p> <p>Email: wroberts@lawsonlundell.com</p> <p>Tel: 604.631.9163</p> <p><i>Counsel for the Receiver</i></p>
<p>MNP Ltd. PO Box 72, Bentall One 505 Burrard Street, Suite 403 Vancouver, BC 1M3</p> <p>Attention: Mario Mainella Gordon Brown</p> <p>Email: mario.mainella@mnp.ca gordon.brown@mnp.ca</p> <p>Tel: 604.689.8939</p> <p><i>The Receiver</i></p>	<p>McQuarrie Hunter I-LP suite 1500, 13450 102 Avenue Surrey, BC V3T 5X3</p> <p>Attention: Dan Moseley</p> <p>Email: dmoseley@mcquarrie.com</p> <p>Tel: 604.580.7022</p> <p><i>Counsel for QRD (Willoughby) Holdings Inc., QRD (Willoughby) Limited Partnership, QRD (Willoughby) GP Inc., Quarry Rock Developments Inc., Richard Lawson and Matthew Weber</i></p>

<p>Koffman Kalef LLP 19th Floor, 885 West Georgia Street Vancouver, BC V6C 3H4</p> <p>Attention: Shawn Poisson</p> <p>Email: sap@kkbl.com; cyw@kkbl.com</p> <p>Tel: 604.891.3688</p> <p><i>Counsel for Canadian Mortgage Servicing Corporation</i></p>	<p>Fasken Martineau DuMoulin LLP 550 Burrard Street, Suite 2900 Vancouver, BC, V6C OA3</p> <p>Attention: Glen Nesbitt Ashley Kumar</p> <p>Email: gnesbitt@fasken.com akumar@fasken.com</p> <p>Tel: 604.631.4833</p> <p><i>Counsel for 1181970 B.C. Ltd. (formerly Steelcrest Construction Inc.)</i></p>
<p>Watson Goepel LLP 1200 - 1075 West Georgia Street Vancouver, BC V6E 3C9</p> <p>Attention: Jeremy West</p> <p>Email: jwest@watsongoepel.com ccochrane@watsongoepel.com</p> <p>Tel: 604.642.5684</p> <p><i>Counsel for Overland Capital Canada Inc.</i></p>	<p>Superintendent of Real Estate 600 – 750 West Pender Street Vancouver, BC V6C 2T8</p> <p>Attention: Kyle Ferguson</p> <p>Email: kyle.ferguson@bcfsa.ca</p> <p>Tel: 778-725-0755</p>
<p>His Majesty the King in Right of Canada Department of Justice 900 - 840 Howe Street Vancouver, B.C. V6Z 2S9</p> <p>Email: collectionsservice@justice.gc.ca</p>	<p>Golbey Levine 2707 Clarke Street Port Moody, BC V3H 1Z5</p> <p>Attention: Graham Buchanan</p> <p>Email: graham@golbey.com</p> <p>Tel: 604.800.1629 ext. 109</p> <p><i>Counsel for Audrey Mae Cuarte and Rey Carlo Domingo Clores</i></p>
<p>Fraser Valley Refrigeration 26121 Fraser Highway Langley, BC V4W 2W8</p> <p>Attention: Christine Masztalar</p> <p>Email: christinem@fvrl.com</p> <p>Tel: 604.856.8644; ext 235 / 604.309.9810</p>	

SCHEDULE "B"

No. S-237489
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

QRD (WILLOUGHBY) HOLDINGS INC., QRD (WILLOUGHBY)
LIMITED PARTNERSHIP, QRD (WILLOUGHBY) GP INC.,
QUARRY ROCK DEVELOPMENTS INC., RICHARD LAWSON,
MATTHEW WEBER, CANADIAN MORTGAGE SERVICING
CORPORATION, OVERLAND CAPITAL CANADA INC., WUBS
INVESTMENTS LTD., AND STEELCREST CONSTRUCTION INC.

RESPONDENTS

ORDER MADE AFTER APPLICATION

(FURTHER AMENDED AND RESTATED RECEIVERSHIP ORDER)

BEFORE) FRIDAY, THE 19th DAY
) OF APRIL, 2024

ON THE APPLICATION of MNP Ltd., in its capacity as Court-appointed receiver and manager (in such capacity, the "**Receiver**"), without security, over the Respondents, QRD (Willoughby) Holdings Inc., QRD (Willoughby) Limited Partnership, and QRD (Willoughby) GP Inc. (collectively, the "**Debtor**"), coming on for hearing on April 19, 2024, at Vancouver, British Columbia.

AND ON READING the material filed, including the order granted herein on November 8, 2023 as amended on December 15, 2023, (the "**Receivership Order**"), and the Receiver's First Report to the Court filed December 6, 2023, and the Receiver's Second Report; AND ON HEARING William L. Roberts, Counsel for the Receiver, and other counsel as listed on Schedule "A" hereto, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

1. This Further Amended and Restated Receivership Order amends and restates the Amended and Restated Receivership Order granted in these proceedings on December 15, 2023.

APPOINTMENT

2. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA, MNP Ltd. is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtor, including all proceeds (the “Property”).

RECEIVER’S POWERS

3. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
 - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel 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;
 - (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
 - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;
 - (g) to settle, extend or compromise any indebtedness owing to the Debtor;
 - (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver’s name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
 - (i) to undertake environmental or workers’ health and safety assessments of the Property and operations of the Debtor;

- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of a single transaction for consideration up to \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions 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;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) 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 (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. Each of (i) the Debtor; (ii) all of the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
5. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
6. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
7. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

8. 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.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

10. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any “eligible financial contract” as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

11. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

12. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtor’s current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment

practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post- Receivership Accounts**”) and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

14. Subject to the employees’ right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor’s behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

15. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property

that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (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.

17. 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 in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
18. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,
 - (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
19. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

20. 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.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

21. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property 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 Property 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.

22. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
23. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

24. The Receiver is authorized and empowered to borrow by way of a non-revolving credit facility, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$2,384,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

The advance of a \$356,000 portion of the above-noted amount, being amounts budgeted for construction costs of Building One and Building Two (as defined in the Receiver’s First Report dated December 12, 2023) shall only be authorized with the concurrent written approval of MCAP Financial Corporation and Canadian Mortgage Servicing Corporation.

25. Neither the Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
26. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule “B” hereto (the “**Receiver’s Certificates**”) for any amount borrowed by it pursuant to this Order.
27. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver’s Certificates.

ALLOCATION

28. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver’s Charge and Receiver’s Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

29. The Receiver shall establish and maintain a website in respect of these proceedings at: <https://mnpdebt.ca/en/corporate/corporate-engagements/qrd-willoughby> (the “**Website**”) and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
30. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule “C” (the “**Demand for Notice**”). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
31. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the “**Service List**”). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
32. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.
33. Notwithstanding paragraph 31 of this Order, service of the Notice of Application and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
34. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor’s creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

35. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
36. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
37. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
38. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
39. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
40. The Petitioner shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

41. Endorsement of this Order by counsel appearing on this application, other than counsel for the Applicant, is dispensed with.

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

Signature of lawyer for Applicant
Lawson Lundell LLP (William L. Roberts)

BY THE COURT

REGISTRAR

SCHEDULE "A"
LIST OF COUNSEL

Counsel/Person Appearing	Party Represented

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP Ltd., the Receiver and Manager (the "**Receiver**") of all of the assets, undertakings and properties of QRD (Willoughby) Holdings Inc., QRD (Willoughby) Limited Partnership, and QRD (Willoughby) GP Inc. (collectively, the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "**Court**") dated the ____ day of November, 2023 (the "**Order**") made in SCBC Action No. _____ has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

42. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly] not in advance on the ____ day of each month after the date hereof at a notional rate per annum equal to the rate of ____ per cent above the prime commercial lending rate of ____ from time to time.

43. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.

44. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.

45. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

46. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

47. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 202__.

MNP Ltd. solely in its capacity as Receiver of the
Property, and not in its personal capacity

Per:
Name:
Title:

Schedule "B"

Demand for Notice

TO: MCAP Financial Corporation
c/o DLA Piper (Canada) LLP
Attention: Colin D. Brousson
Email: colin.brousson@dlapiper.com

AND TO: MNP Ltd.
Attention: Mario Mainella
Email: mario.mainella@mnp.ca

Re: In the matter of the Receivership of QRD (Willoughby) Holdings Inc., QRD (Willoughby) Limited Partnership, and QRD (Willoughby) GP Inc.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

OR

2. By facsimile, at the following facsimile number (or numbers):

OR

3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

No. S-237489
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

QRD (WILLOUGHBY) HOLDINGS INC.,
QRD (WILLOUGHBY) LIMITED
PARTNERSHIP, QRD (WILLOUGHBY) GP
INC., QUARRY ROCK DEVELOPMENTS
INC., RICHARD LAWSON, MATTHEW
WEBER, CANADIAN MORTGAGE
SERVICING CORPORATION, OVERLAND
CAPITAL CANADA INC., WUBS
INVESTMENTS LTD., AND STEELCREST
CONSTRUCTION INC.

RESPONDENTS

ORDER MADE AFTER APPLICATION



Suite 1600 Cathedral Place
925 West Georgia Street,
Vancouver BC V6C 3L2
A. Phone: 604-685-3456

Attention: William Roberts
wroberts@lawsonlundell.com

Schedule "C"

B.C. MODEL RECEIVERSHIP ORDER

SCHEDULE B

No. _____ S-237489

_____ Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

~~[PLAINTIFF/BETWEEN:~~

MCAP FINANCIAL CORPORATION

PETITIONER[†]

Plaintiff/Petitioner

~~-and-~~

~~[DEFENDANT/RESPONDENT]~~

Defendant/Respondent

Action No. _____

Estate No. _____

~~IN THE SUPREME COURT OF BRITISH COLUMBIA~~

~~IN BANKRUPTCY AND INSOLVENCY~~

~~IN THE MATTER OF THE RECEIVERSHIP OF~~

~~[THE DEBTOR]~~

AND:

[†]—In British Columbia, unless the order is by consent (BCSC Rule 17-1), a receivership application may be commenced by an “application” (BIA s. 243(1)) brought in proceedings commenced either by Petition or brought by Notice of Application within a proceeding commenced by Notice of Civil Claim. If the proceeding was commenced by Notice of Civil Claim, upon the application being made under section 243 of the BIA, the BCSC Bankruptcy Court jurisdiction should also be invoked by adding the additional style of cause noted above.

QRD (WILLOUGHBY) HOLDINGS INC., QRD (WILLOUGHBY) LIMITED PARTNERSHIP, QRD (WILLOUGHBY) GP INC., QUARRY ROCK DEVELOPMENTS INC., RICHARD LAWSON, MATTHEW WEBER, CANADIAN MORTGAGE SERVICING CORPORATION, OVERLAND CAPITAL CANADA INC., WUBS INVESTMENTS LTD., AND STEELCREST CONSTRUCTION INC.

RESPONDENTS

ORDER MADE AFTER APPLICATION²

BEFORE THE HONOURABLE)
)
) DD/MM/YEAR
 JUSTICE)
)

(FURTHER AMENDED AND RESTATED RECEIVERSHIP ORDER)

BEFORE _____) FRIDAY, THE 19th DAY
_____) OF APRIL, 2024

ON THE APPLICATION of [Plaintiff/Applicant]³ for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") [and/or] Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "LEA") appointing **[RECEIVER'S NAME]** as **[Receiver and/or Receiver and Manager]** MNP Ltd., in its capacity as Court-appointed receiver and manager (in such capacity, the "Receiver"), without security, of all of the assets, undertakings and property of **[DEBTOR'S NAME]** (the over the Respondents, QRD (Willoughby) Holdings Inc., QRD (Willoughby) Limited Partnership, and QRD (Willoughby) GP Inc. (collectively, the "Debtor") acquired for, or used in relation to a business

² This model order is not in any way determinative of the applicant's entitlement to the relief set out in this model order. It is the responsibility of counsel to ensure that the form of order they propose is appropriate in the circumstances and to justify the relief sought, including providing the necessary evidentiary support and judicial authority. The footnotes in this model order identify some, but not all, of the issues that might arise in respect of the relief sought.

³ Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".

carried on by the Debtor,") coming on for hearing this day on April 19, 2024, at _____, Vancouver, British Columbia.

AND ON READING the Affidavit # _____ of [NAME] sworn [DATE] and the consent of [RECEIVER'S NAME] to act as the Receiver; material filed, including the order granted herein on November 8, 2023 as amended on December 15, 2023, (the "Receivership Order"), and the Receiver's First Report to the Court filed December 6, 2023, and the Receiver's Second Report; AND ON HEARING _____, William L. Roberts, Counsel for [NAME] the Receiver, and other counsel as listed on Schedule "A" hereto, and no one else appearing, although duly served.⁴

THIS COURT ORDERS AND DECLARES that:

1. This Further Amended and Restated Receivership Order amends and restates the Amended and Restated Receivership Order granted in these proceedings on December 15, 2023.

APPOINTMENT

- ~~1.2.~~ Pursuant to Section 243(1) of the BIA ~~and/or~~ Section 39 of the LEA, [RECEIVER'S NAME], MNP Ltd. is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtor,⁵ including all proceeds (the "Property").⁶

RECEIVER'S POWERS⁷

- ~~2.3.~~ The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;

⁴ If the application is brought *ex parte*, or service has been brought on short notice, the Order should reflect that. If the application is brought *ex parte*, counsel should also consider whether or not all of the relief sought is appropriate on a without notice basis. Specifically, pursuant to the BIA s.243(6), a charge for the receiver's fees and disbursements (Paragraph 20) can only be made if the Court is satisfied that the secured creditors who would be materially affected were given reasonable notice and an opportunity to make submissions.

⁵ If the Order is made only under section 243(1) of the BIA, the wording "acquired for, or used in relation to a business carried on by the Debtor" should be added at this point in the paragraph to reflect the specific wording of section 243 of the BIA.

⁶ This definition of "Property" is expansive and is intended to include all real and personal property, including anything arising or derived from such property. There may be circumstances where a narrower definition or carve-outs is preferable. Given the expansive definition of Property, counsel should be cognizant of the scope of the appointing creditor's security. In particular, counsel should consider whether the creditor's application is based on their security pursuant to the BIA s.243 or equity pursuant to the LEA s.39, or some combination. Counsel should also bear in mind the differing tests for appointment depending on the nature and extent of the creditor's security.

⁷ Counsel should consider whether all of the powers sought in Paragraph 2 are appropriate on an initial basis, particularly if the application is brought without notice. Counsel should also consider whether there is sufficient evidence for granting such powers on an initial basis.

- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
- (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel 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;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business: ^s
 - (i) without the approval of this Court in respect of a single transaction for consideration up to \$, \$50,000, provided that the aggregate

^s As noted above, counsel should consider whether there is sufficient basis for granting this power on an initial basis.

consideration for all such transactions does not exceed
\$; \$250,000; and

- (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,

and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions 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;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) 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 (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3-4. Each of (i) the Debtor; (ii) all of the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.

4-5. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the “**Records**”) in that Person’s possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person’s possession or control.

5-6. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.

6-7. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7-8. 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.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8-9. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

~~9.~~10. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA,⁹ (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any “eligible financial contract” as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

~~10.~~11. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

~~11.~~12. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtor’s current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

~~12.~~13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post- Receivership Accounts**”) and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

⁹ Counsel should consider whether, on an initial or subsequent application, they should apply to extend the stay of proceedings to specific regulatory bodies under section 69.6 (3) of the BIA, other applicable statutes or the inherent jurisdiction of the Court.

EMPLOYEES

~~13.~~14. Subject to the employees' right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

~~14.~~15. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

~~15.~~16. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (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.

~~16.~~17. 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 in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.

~~17.~~18. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:

- (a) before the Receiver's appointment; or,
- (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.

~~18.19.~~ Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

~~19.20.~~ 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.⁴⁰

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

~~20.21.~~ The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property 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 Property in priority to all security interests, trusts,⁴¹ 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.⁴²

~~21.22.~~ The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.

⁴⁰ For example, and without limitation, Sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

⁴¹ The reference to "trusts" is to trusts, including statutory trusts, which secure the performance of an obligation.

⁴² Subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations". Accordingly, counsel should give notice of the application to all secured creditors whose security interests would rank subordinate to the proposed Receiver's Charge, including any beneficiaries of statutory trusts.

~~22-23.~~ Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.⁴³

FUNDING OF THE RECEIVERSHIP

~~23-24.~~ The Receiver is authorized and empowered to borrow by way of a non-revolving credit or otherwise facility, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$~~_____~~\$2,384,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts,⁴⁴ liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

The advance of a \$356,000 portion of the above-noted amount, being amounts budgeted for construction costs of Building One and Building Two (as defined in the Receiver’s First Report dated December 12, 2023) shall only be authorized with the concurrent written approval of MCAP Financial Corporation and Canadian Mortgage Servicing Corporation.

~~24-25.~~ Neither the Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

~~25-26.~~ The Receiver is authorized to issue certificates substantially in the form annexed as Schedule “**AB**” hereto (the “**Receiver’s Certificates**”) for any amount borrowed by it pursuant to this Order.

~~26-27.~~ The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver’s Certificates.

ALLOCATION

~~27-28.~~ Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver’s Charge and Receiver’s Borrowings Charge amongst the Property.

⁴³ This Order’s reference to “standard rates and charges” is not approval of the reasonableness of those fees and charges. The fees and charges of the Receiver and its legal counsel remain subject to Court approval in accordance with paragraph 21. The Court’s approval of fees and charges will include an assessment of whether the amounts charged are fair and reasonable in the circumstances.

⁴⁴ The reference to “trusts” is to trusts, including statutory trusts, which secure the performance of an obligation.

SERVICE AND NOTICE OF MATERIALS

~~28.29.~~ The Receiver shall establish and maintain a website in respect of these proceedings at: ~~[WEB ADDRESS]~~<https://mnpdebt.ca/en/corporate/corporate-engagements/qrd-willoughby> (the “**Website**”) and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
- (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

~~29.30.~~ Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B“**C**” (the “**Demand for Notice**”).⁴⁵ The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.⁴⁶

~~30.31.~~ The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the “**Service List**”). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.

~~31.32.~~ Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

~~32.33.~~ Notwithstanding paragraph 31 of this Order, service of the Petition ~~[OR the Notice of Application]~~ and any affidavits filed in support shall be made on the Federal and British Columbia Crowns⁴⁷ in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations

⁴⁵ It is important to note that the restriction on notice created by this section only applies to parties that are served with a copy of the Receivership Order.

⁴⁶ This provision (and paragraph 31 confirming service by email or fax) is intended to simplify and streamline service of applications in receivership proceedings, particularly since many applications may need to be heard on short notice. Although this Order alters the service requirements for future applications in accordance with the Rules of Court, where a party’s interests are directly affected by the relief sought on an application, the Committee is of the view that it would be best practice to serve those parties, even if they were served with the Receivership Order and did not deliver a Demand for Notice. In such cases, the Court may require service on those affected parties, notwithstanding this provision.

⁴⁷ Counsel should consider whether the Debtor has property in any other provinces and, if so, consider whether it is appropriate to include a reference to those Provinces and the relevant legislation in those Provinces with respect to service.

for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.⁴⁸

~~33.34.~~ The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

~~34.35.~~ Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.

~~35.36.~~ The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

~~36.37.~~ Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

~~37.38.~~ This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

~~38.39.~~ The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

⁴⁸ ~~The Crown Proceeding Act, R.S.B.C. 1996, c. 89, s. 8 provides for service on the British Columbia Crown, as follows:~~

~~8.—A document to be served on the government~~

~~(a) must be served on the Attorney General at the Ministry of the Attorney General in the City of Victoria, and~~

~~(b) is sufficiently served if~~

~~(i) left there during office hours with a solicitor on the staff of the Attorney General at Victoria, or~~

~~(ii) mailed by registered mail to the Deputy Attorney General at Victoria.~~

A similar provision relating to the Federal Crown is found at s. 23(2) of the *Crown Liability and Proceeding Act*, R.S. 1985, c. C-50, which provides for service on the Deputy Attorney General of Canada or the chief executive officer of the agency in whose name the proceedings are taken, as the case may be. The Federal Crown requests that service of documents be by delivery to Department of Justice, 900—840 Howe Street, Vancouver, B.C. V6Z 2S9

39.40. The ~~[[Plaintiff/Applicant]]~~ Petitioner shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the ~~[[Plaintiff/Applicant]]~~ 's Applicant's security or, if not so provided by the ~~[[Plaintiff/Applicant]]~~ 's Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

40.41. Endorsement of this Order by counsel appearing on this application, other than counsel for the
~~{Plaintiff}~~ Applicant, is dispensed with.

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

Signature of lawyer for Applicant
Lawson Lundell LLP (William L. Roberts)

BY THE COURT

REGISTRAR

SCHEDULE "A"
LIST OF COUNSEL

APPROVED BY: _____ Signature of [type of print name] lawyer for [Plaintiff/Applicant] <u>Counsel/Person</u> <u>Appearing</u>	<u>Party Represented</u>
	BY THE COURT DISTRICT REGISTRAR

SCHEDULE "AB"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], MNP Ltd., the [Receiver and/or Receiver and Manager] (the "Receiver") of all of the assets, undertakings and properties of [DEBTOR'S NAME] QRD (Willoughby) Holdings Inc., QRD (Willoughby) Limited Partnership, and QRD (Willoughby) GP Inc. (collectively, the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "Court") dated the _____ day of _____, 201____November, 2023 (the "Order") made in SCBC Action No. _____ and/or SCBC Action No. _____/Estate No. _____ has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

~~41-42.~~ The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [~~daily~~] [~~monthly~~] not in advance on the _____ day of each month after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of _____ from time to time.

~~42-43.~~ Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.

~~43-44.~~ All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.

~~44-45.~~ Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

~~45-46.~~ The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

~~46-47.~~ The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 201202.

[RECEIVER'S NAME], MNP Ltd. solely in its capacity as Receiver of the Property, and not in its personal capacity

Per:
Name:
Title:

Schedule "B"

Demand for Notice

TO: ~~[Name of Applicant]~~ MCAP Financial Corporation
c/o ~~[Name of Counsel to the Applicant]~~ DLA Piper (Canada) LLP
Attention: Colin D. Brousson
Email: colin.brousson@dlapiper.com

AND TO: ~~[Name of Receiver]~~ MNP Ltd.
~~c/o [Name of Counsel to the Receiver]~~
Attention: Mario Mainella
Email: mario.mainella@mnp.ca

Re: In the matter of the Receivership of ~~[DEBTOR]~~ QRD (Willoughby) Holdings Inc., QRD (Willoughby) Limited Partnership, and QRD (Willoughby) GP Inc.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

OR

2. By facsimile, at the following facsimile number (or numbers):

OR

3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

Action No. _____

IN THE SUPREME COURT OF BRITISH
COLUMBIA

No. S-237489
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

~~[PLAINTIFF/MCAP
FINANCIAL
CORPORATION~~

PETITIONER]
Plaintiff/Petitioner

~~-and-~~

~~[DEFENDANT/RESPONDENT]~~

Defendant/Respondent

AND:

Action No. _____

_____ Estate No.

~~IN THE SUPREME COURT OF BRITISH
COLUMBIA
IN BANKRUPTCY AND INSOLVENCY~~

~~IN THE MATTER OF THE RECEIVERSHIP OF
[THE DEBTOR]~~

AND:

QRD (WILLOUGHBY)
HOLDINGS INC., QRD
(WILLOUGHBY)
LIMITED
PARTNERSHIP, QRD
(WILLOUGHBY) GP
INC., QUARRY ROCK
DEVELOPMENTS INC.,
RICHARD LAWSON,
MATTHEW WEBER,
CANADIAN
MORTGAGE
SERVICING
CORPORATION,
OVERLAND CAPITAL
CANADA INC., WUBS
INVESTMENTS LTD.,
AND STEELCREST
CONSTRUCTION INC.

RESPONDENTS

ORDER MADE AFTER APPLICATION



Suite 1600 Cathedral Place
925 West Georgia Street,
Vancouver BC V6C 3L2
A. Phone: 604-685-3456

Attention: William Roberts
wroberts@lawsonlundell.com

B.C. MODEL RECEIVERSHIP ORDER VERSION

NO. 3, _____, 2015

SCHEDULE "D"

No. S-237489
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

QRD (WILLOUGHBY) HOLDINGS INC., QRD
(WILLOUGHBY) LIMITED PARTNERSHIP, QRD
(WILLOUGHBY) GP INC., QUARRY ROCK
DEVELOPMENTS INC., RICHARD LAWSON, MATTHEW
WEBER, CANADIAN MORTGAGE SERVICING
CORPORATION, OVERLAND CAPITAL CANADA INC.,
WUBS INVESTMENTS LTD., AND STEELCREST
CONSTRUCTION INC.

RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE) FRIDAY, THE 19th DAY
) OF APRIL, 2024

ON THE APPLICATION of MNP Ltd., in its capacity as Court-appointed receiver and manager (in such capacity, the "**Receiver**"), without security, over the Respondents, QRD (Willoughby) Holdings Inc., QRD (Willoughby) Limited Partnership, and QRD (Willoughby) GP Inc. (collectively, the "**Debtor**"), coming on for hearing on April 19, 2024, at Vancouver, British Columbia.

AND ON READING the material filed, including the order granted herein on November 8, 2023 as amended on December 15, 2023, (the "**Receivership Order**"), and the Receiver's First Report to the Court filed December 6, 2023 (the "**First Report**"), and the Receiver's Second Report (the "**Second Report**"); AND ON HEARING William L. Roberts, Counsel for the Receiver, and other counsel as listed on Schedule "A" hereto, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

1. The activities of the Receiver to date, as set out in the First Report, be and are hereby approved by the Court.
2. The activities of the Receiver to date, as set out in the Second Report, be and are hereby approved by the Court.
3. Endorsement of this Order by counsel appearing on this application other than counsel for the Receiver is dispensed with.

THE FOLLOWING PARTIES CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of lawyer for Applicant
Lawson Lundell LLP (William L. Roberts)

BY THE COURT

REGISTRAR

SCHEDULE "A"
LIST OF COUNSEL

Counsel/Person Appearing	Party Represented

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

QRD (WILLOUGHBY) HOLDINGS INC., QRD
(WILLOUGHBY) LIMITED PARTNERSHIP, QRD
(WILLOUGHBY) GP INC., QUARRY ROCK
DEVELOPMENTS INC., RICHARD LAWSON, MATTHEW
WEBER, CANADIAN MORTGAGE SERVICING
CORPORATION, OVERLAND CAPITAL CANADA INC.,
WUBS INVESTMENTS LTD., and STEELCREST
CONSTRUCTION INC.

RESPONDENTS

NOTICE OF APPLICATION



Barristers & Solicitors
1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia V6C 3L2
Phone: (604) 685-3456
Attention: William Roberts

NO. S-237489
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

QRD (WILLOUGHBY) HOLDINGS INC., QRD
(WILLOUGHBY) LIMITED PARTNERSHIP, QRD
(WILLOUGHBY) GP INC., QUARRY ROCK
DEVELOPMENTS INC., RICHARD LAWSON, MATTHEW
WEBER, CANADIAN MORTGAGE SERVICING
CORPORATION, OVERLAND CAPITAL CANADA INC.,
WUBS INVESTMENTS LTD., and STEELCREST
CONSTRUCTION INC.

RESPONDENTS

NOTICE OF APPLICATION



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Vancouver, British Columbia V6C 3L2
Phone: (604) 685-3456
Attention: William Roberts