



Clerk's stamp:

COURT FILE NUMBER

2303-00601

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF

**ENDALE GUTAMA in his capacity as  
Litigation Representative of MELESSE  
DAHESSA GUTAMA (deceased)**

DEFENDANTS

**VITAL PROPERTY SERVICES INC., TIDY  
HOLDINGS CORPORATION, HUSSEIN  
CHOUFI also know as HUSS CHOUFI and  
BASIMA CHOUFI**

DOCUMENT

**FIRST REPORT TO THE COURT OF MNP  
LTD. IN ITS CAPACITY AS INTERIM  
RECEIVER OF VITAL PROPERTY  
SERVICES INC. AND TIDY HOLDINGS  
CORPORATION.**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

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**Counsel:**

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Suite 2500, Canadian Western Bank Place  
10303 Jasper Avenue NW  
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**IN THE MATTER OF THE INTERIM RECEIVERSHIP OF  
VITAL PROPERTY SERVICES INC. AND TIDY HOLDINGS CORPOATION**

**TABLE OF CONTENTS**

PURPOSE OF REPORT .....2

BACKGROUND INFORMATION .....2

INSOLVENCY EVENTS .....3

RECEIVER’S ACTIVITIES .....4

WEEKLY PAYABLES, DEPOSITS AND BANK ACCOUNT PROCESS .....5

ASSETS OF THE COMPANIES .....6

LIABILITIES OF THE COMPANIES .....8

STATEMENT OF RECEIPTS AND DISBURSEMENTS .....10

CONCLUSION .....10

**Appendices**

- A. A copy of the Consent Interim Receivership Order – February 6, 2023
- B. A copy of the title of the Property
- C. Interim Statement of Receipts and Disbursements for the period February 6, 2023, to April 24, 2023.

## PURPOSE OF REPORT

1. Pursuant to a Consent Order of the Court of King's Bench of Alberta granted February 6, 2023 (the "**Interim Receivership Order**"), MNP Ltd. ("**MNP**") was appointed interim receiver and manager (the "**Interim Receiver**") of all current and future assets, undertakings and properties of every nature and kind whatsoever of Vital Property Services Inc. ("**Vital**") and Tidy Holdings Corporation ("**Tidy**") (collectively the "**Companies**"). A copy of the Interim Receivership Order is attached as **Appendix "A"**.
2. This is the first report to Court filed by the Interim Receiver regarding the administration of the estate of the Companies (the "**First Report**").
3. The purpose of this report is to provide this Honourable Court with:
  - i. An update and summary of our activities since our appointment as Interim Receiver; and,
  - ii. An interim statement of receipts and disbursements for the period of February 6, 2023, to April 24, 2023.

## BACKGROUND INFORMATION

4. The current directors of the Companies are Mr. Choufi Hussein ("**Huss**") and Mr. Melesse Gutama ("**Gutama**"), late of Edmonton, Alberta.
5. Vital operates as a commercial and specialized cleaning and building maintenance company providing services such as commercial landscape maintenance and installation, cleaning and litter services, parking lot services, concrete repair, snow removal and other maintenance related services.
6. As at the date of the Interim Receivership, the assets of Vital included:
  - i. Cash in bank accounts;
  - ii. Service contracts;
  - iii. Accounts receivable; and,

- iv. Vehicles and equipment.
7. Tidy is a holding corporation and as at the date of the Interim Receivership, the assets included:
- i. Cash in bank accounts;
  - ii. A vehicle; and,
  - iii. Real property described as;
    - 12304 – 96 Street NW, Edmonton, Alberta
    - Legal Description:
    - Lot 4
    - Block 10
    - Plan 6999ET
 (the “**Property**”)
8. A copy of the Certificate of Title for the Property is attached as **Appendix “B”**.
9. Vital operates out of the main level of the Property with the basement being rented to an employee of Vital.

### **INSOLVENCY EVENTS**

10. The Plaintiff, Endale Gutama in his capacity as Executor of the Will of Melesse Gutama, is the estate of Gutama (the “**Estate**”).
11. Gutama died in Ethiopia on January 15, 2022. For a period of approximately 1 year prior to his death he was mentally incapacitated and unable to execute transaction documents.
12. On or about December 13, 2021, an agent of the Companies filed a change of shareholders for Vital purporting to list Huss as holding 100% of the shares of Vital.
13. On or about July 27, 2022, Huss filed annual returns for Tidy purporting to list Huss as holding 50% of the shares and Basima Choufi as the other 50% holder.
14. By purporting to amend the shareholdings of Vital and Tidy, against the terms of the Unanimous Shareholders’ Agreement in respect to Vital and in contradiction of the requirements of the *Business Corporations Act* (Alberta), the Plaintiff took the position that the

interests of the Estate were unfairly disregarded by the Defendants and would suffer a corresponding deprivation as a result.

15. Accordingly, the Plaintiff made an application to appoint a receiver and manager or liquidator of the Companies.
16. On February 6, 2023, by way of Consent Order, MNP was appointed as Interim Receiver pursuant to the provisions of the Interim Receivership Order. The intention of the Interim Receivership was to preserve and protect the assets and to review available financial information while Huss and the Estate attempted to resolve the dispute and reach a settlement acceptable to both parties.
17. We note that current management of the Companies has been cooperative to date and has provided the Interim Receiver with most of the requested financial information. Most recently there was a request made to current management by the Plaintiff for various historical books and records, of which certain items remain outstanding.
18. The Interim Receiver has been advised that despite efforts the parties have been unable to reach an agreement with respect to their dispute regarding the Companies. As such, the Plaintiff believes that continuing with the current management of the Companies is impractical, has resulted in an effective deadlock in management decisions, and is therefore seeking the appointment of a Receiver or Liquidator to wind down the Companies.

## **RECEIVER'S ACTIVITIES**

19. Upon its appointment, the Interim Receiver attended the Companies premises and took possession.
20. In addition to the above, the Interim Receiver has performed the following:
  - Obtained keys and alarm codes to the Property;
  - Had discussions with current employees and management regarding use and location of assets;
  - Prepared an inventory of the equipment and vehicles;
  - Confirmed and reviewed property and liability insurance coverage;
  - Through its counsel, filed Amended Notices of Shareholders for Vital and Tidy, to return the shareholdings to be 50% held by Huss and 50% held by Gutama.

- Reviewed the Companies' bank statements for the 12-month period prior to the appointment;
- Reviewed financial statements for the year ended April 30, 2021, and April 30, 2022, for Vital;
- Reviewed financial statements for the year ended March 31, 2020, for Tidy, being the most recent financial statements prepared;
- Reviewed accounts payable and accounts receivable listings for Vital;
- Transferred \$200,000 from the bank account of Vital to be held in trust by the Interim Receiver;
- Transferred \$110,000 from the bank account of Tidy to be held in trust by the Interim Receiver;
- Confirmed balances owing to and compliance with Canada Revenue Agency ("CRA");
- Reviewed current lease agreements;
- Reviewed filed 2022 T4s;
- Reviewed a list of ongoing contracts and jobs;
- Confirmed all utility accounts for the Property are current and will be paid in the normal course on the go forward;
- Obtained and reviewed various other books and records provided by the Companies;
- Established a payable approval process for the payment of ongoing operating expenses and payroll;
- Prepared a creditor listing and sent notice of the interim receivership to all known creditors; and
- Set up and maintained a dedicated case website.

21. The Interim Receiver continues to complete its administrative requirements pursuant to the BIA. The Interim Receiver set up a website to provide information to the Companies creditors and interested parties and held discussions with creditors regarding the status of the Interim Receivership and the administration of the estate.

#### **WEEKLY PAYABLES, DEPOSITS AND BANK ACCOUNT PROCESS**

22. The Interim Receiver has informed employees, management, and directors that no payments, except for regular preauthorized payments such as utilities, may be made without the written

approval of the Interim Receiver. The following process has been implemented by the Interim Receiver with respect to the deposits and expense approvals from the Companies' accounts;

- i. Every Monday by 5 p.m. MST send the following to the Interim Receiver;
  - A list of all cheques required, with backup (including any payments to VISA) for any amounts over \$250;
  - A list of all deposits made for the prior week (including cheques and auto deposits);
  - Payroll summary (every two weeks) showing per employee gross, deductions, and net pay; and,
  - Confirmation and evidence of the current bank balances.
  
- ii. Every Month on the 10<sup>th</sup> day, send the following to the Interim Receiver;
  - A detailed summary of "telepay" for contractors;
  - Source deductions to CRA (monthly) and related payroll register; and
  - GST return and backup (every three months).

23. A listing of automatic monthly payments has been presented to and approved by the Interim Receiver.

24. Bank balances are assessed on a weekly basis and any excess funds not required for ongoing operations will be transferred to the Interim Receiver to be held in trust.

25. As at the date of this First Report, the Companies' staff, management, and Directors have fully adhered to the above procedure.

26. Given the dispute amongst shareholders, the Interim Receiver notes that a payment in the amount of \$5,000 was approved from Vital's account to be used as a retainer for Huss's personal counsel in respect of these proceedings.

## **ASSETS OF THE COMPANIES**

27. Through its review of the books and records, the Interim Receiver has identified the following assets of Vital;

<b>Assets of Vital</b>		
	<b>As at February 8, 2023</b>	<b>Notes</b>
	<b>\$'s</b>	
Cash	315,773	
Accounts Receivable	76,502	[1]
Contracts	Unknown	
Equipment & Vehicles	53,248	[2]
<b><u>Notes</u></b>		
[1]- Per books and records as at February 8, 2023.		
[2] - NBV per April 30, 2022 unaudited financial statements. Realizable value unknown.		

28. The Interim Receiver has confirmed Vital holds a deposit account with Toronto Dominion Bank ("TD"). The Interim Receiver has transferred \$200,000 from the Vital bank account into the Interim Receiver's estate trust account.
29. Accounts receivables are generally current, and management has confirmed all amounts are collectible. The accounts receivable balance as at April 17, 2023 is \$170,346.
30. Vital has contracts for ongoing jobs and services that are negotiated on an annual basis. The Interim Receiver has not reviewed the contracts in detail.
31. Vital has cleaning equipment, vehicles, trailers and tools much of which is kept on site with customers sites. The realizable value of the equipment and vehicles is unknown.
32. We understand Tidy has not completed financial statements, including a reconciliation of intercompany and shareholder balances, for the fiscal years ending March 31, 2021, and March 31, 2022. Through review of the available books and records, the Interim Receiver understands Tidy has the following assets:



<b>Assets of Tidy</b>	
	<b>As at February 8, 2023</b>
	<b>\$'s</b>
Cash	139,211
Vehicle	Unknown
Land and Building	Unknown
<b>Total</b>	<u><b>139,211</b></u>

33. The Interim Receiver has confirmed Tidy holds a deposit account with TD. The Interim Receiver has transferred \$110,000 from the Tidy bank account into the Interim Receiver's estate trust account.
34. Tidy owns the Property as described above. The house is a single level bungalow with a finished basement built in 1985. The Property is unencumbered. The Interim Receiver attended the Property and considers it well kept and in good general condition.
35. We understand Gutama had life insurance with the beneficiary thereof being the Companies, or one of them. The Interim Receiver has been unable to obtain or review a copy of the policy and has been advised by the insurer that they are currently reviewing and investigating the claim.

#### **LIABILITIES OF THE COMPANIES**

36. Through review of the books and records, the Interim Receiver understands Vital has the following liabilities:

<b>Liabilities of Vital</b>		
	<b>As at April 17, 2023</b>	<b>As at February 8, 2023</b>
	<b>\$'s</b>	
<b>Secured / Priority Liabilities</b>		
Tricor Lease & Finance Corp.	2,917	4,084
Canada Revenue Agency	-	3,916
The Bank of Nova Scotia	1,922	2,690
<b>Unsecured Liabilities</b>		
Accounts Payable	21,183	53,060
<b>Total</b>	<b>26,022</b>	<b>63,750</b>

37. As at the date of this First Report, Vital is current on its payroll source deductions and GST remittances to CRA.

38. As at the date of this First Report, Vital is current on its Workers' Compensation Board ("**WCB**") insurance premium payments.

39. Through review of the available books and records, the Interim Receiver understands Tidy has the following liabilities:

<b>Liabilities of Tidy</b>		
	<b>As at April 17, 2023</b>	<b>As at February 8, 2023</b>
	<b>\$'s</b>	
<b>Secured Liabilities</b>		
Royal Bank of Canada	2,126	3,189
<b>Total</b>	<b>2,126</b>	<b>3,189</b>

40. We note that Tidy is not compliant with CRA in respect of filing corporate tax returns for the fiscal years ending March 31, 2021, and March 31, 2022.

41. As Tidy is a holding company, there are no employees and therefore, no CRA payroll deduction account or WCB account.

42. Property taxes owing on the Property are current.

**STATEMENT OF RECEIPTS AND DISBURSEMENTS**

43. A copy of the interim statement of receipts and disbursements for the period of February 6, 2023, to April 24, 2023, is attached as **Appendix "C"**. Receipts and disbursements to date total \$310,013 and \$26,652 respectively.

44. As at April 24, 2023, the Receiver holds \$283,390 in its trust account.

**CONCLUSION**

45. The Interim Receiver respectfully requests the Court approve the Interim Receiver's statement of receipts and disbursements for the period February 6, 2023, to April 24, 2023, and approve the activities of the Interim Receiver outlined in this First Report.

All of which is respectfully submitted this 28<sup>th</sup> day of April 2023.

**MNP Ltd.**

Interim Receiver of all current and future assets, undertakings and properties of every nature and kind whatsoever of Vital Property Services Inc. and Tidy Holdings Corporation

Per:



Kristin Gray, CPA, CA, CIRP, LIT

## **APPENDIX A**

A copy of the Receivership Order – February 6, 2023

COURT FILE NUMBER 2303 00601  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON  
PLAINTIFF/APPLICANT ENDALE GUTAMA in his capacity as Litigation Representative of MELESSE DAHESSA GUTAMA (deceased)  
DEFENDANTS/RESPONDENTS VITAL PROPERTY SERVICES INC., TIDY HOLDINGS CORPORATION, HUSSEIN CHOUFI also known as HUSS CHOUFI and BASIMA CHOUFI



DOCUMENT CONSENT INTERIM RECEIVERSHIP ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Sharek Logan & van Leenen LLP, Barristers & Solicitors  
2100, 10060 Jasper Avenue NW, Edmonton, Alberta, T5J 3R8  
Attn: David Archibold and Genuino Di Pinto  
File: 16524/GDP Phone: 780.413.3100

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DATE ON WHICH ORDER WAS PRONOUNCED: February 6, 2022  
LOCATION OF HEARING: Edmonton, Alberta  
NAME OF JUSTICE WHO GRANTED THIS ORDER: Justice Neilson in Commercial Chambers  
Neilson

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UPON the application of ENDALE GUTAMA in his capacity as Litigation Representative of MELESSE DAHESSA GUTAMA (deceased) in respect of VITAL PROPERTY SERVICES INC. and TIDY HOLDINGS CORPORATION (the "Debtors"); AND UPON having read the Application, the Affidavit of ENDALE GUTAMA, and the Affidavits of Service filed; AND UPON reading the consent of MNP LTD. to act as receiver and manager (the "Receiver") of the Debtors, filed; AND UPON hearing counsel for the Applicant, counsel for the proposed Receiver and any other counsel or other interested parties present; AND UPON REFERENCE TO Section 244 of the Alberta Business Corporations Act (Court Order to Rectify Records) and Section 242(3)(b) of the Business Corporations Act (Relief by Court on the grounds of oppression or unfairness); **IT IS HEREBY ORDERED AND DECLARED THAT:**

**Service**

1. The time for service of the notice of application for this order (the "Order") is hereby abridged and deemed good and sufficient in the manner described and this application is properly returnable today.

**Declarations of Shareholdings and Correction of Corporate Records**

2. It is declared that the shareholders of VITAL PROPERTY SERVICES INC. were at all material times and are as of the date of this Order:

Hussein Choufi	50 Class "A" Shares
Melesse Dahessa Gutama (deceased)	50 Class "A" Shares

It is hereby ordered and directed that, pursuant to section 244(3)(a) of the Business Corporations Act, that the Receiver shall file with the Registrar of Corporations an Amended Notice of Shareholders listing the voting shareholders of Vital Property Services Inc. as

Hussein Choufi	50% Voting Shares
Melesse Dahessa Gutama (deceased)	50% Voting Shares

3. It is declared that the shareholders of TIDY HOLDINGS CORPORATION were at all material times and are as of the date of this Order:

Hussein Choufi	50 Common Shares
Melesse Dahessa Gutama (deceased)	50 Common Shares

It is hereby ordered and directed, pursuant to section 244(3)(a) of the Business Corporations Act, that the Receiver shall file, with the Registrar of Corporations an Amended Notice of Shareholders listing the voting shareholders of Vital Property Services Inc. as

Hussein Choufi	50% Voting Shares
Melesse Dahessa Gutama (deceased)	50% Voting Shares

### **Appointment**

4. Pursuant to sections 13(2) of the *Judicature Act*, RSA 2000, c.J-2, 99(a) and 242 of the *Business Corporations Act*, RSA 2000, MNP LTD. is hereby appointed Interim Receiver-Manager, without security, of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "Property").

### **Receiver's Powers**

5. The Receiver is hereby 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 hereby 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 proceeds, 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, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical

inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate and carry on the business of the Debtors, 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 Debtors;
- (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 machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (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 Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof in the ordinary course of business, or, with the approval of this Court, outside of the ordinary court of business, and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.
- (l) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a

purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtors and not in its personal capacity;
- (o) 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 thought desirable by the Receiver, in the name of the Debtors;
- (p) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (q) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person (as defined below).

#### **Duty to Provide Access and Co-operations to the Interim Receiver**

6. (i) The Debtors, (ii) all of its 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 (all of the foregoing, collectively, being "**Persons**" and each being 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.
7. All Persons 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 Debtors, and any computer



programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph 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 the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

8. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by 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 onto paper 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 in its discretion require including 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 Interim Receiver**

9. 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**

10. No Proceeding against or in respect of the Debtors 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 Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) 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 (ii) affect a Regulatory Body's investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "Regulatory Body" means a person or body

that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

### **No Exercise of Rights of Remedies**

11. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
- (a) empower the Debtors to carry on any business that the Debtors are not lawfully entitled to carry on;
  - (b) prevent the filing of any registration to preserve or perfect a security interest;
  - (c) prevent the registration of a claim for lien; or
  - (d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.
12. Nothing in this Order shall prevent any party from taking an action against the Debtors where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

### **No Interference with the Interim Receiver**

13. No Person shall accelerate, suspend, 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, except with the written consent of the Debtor and the Receiver, or leave of this Court.

### **Continuation of Services**

14. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with the Debtors, 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 Debtors,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The

Debtors shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtors in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtors and the Receiver, or as may be ordered by this Court.

#### **Receiver to Hold Funds**

15. 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**

16. Subject to employees' rights 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, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c.47 ("**WEPPA**").
17. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, the Receiver shall 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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **Limitations on Environmental Liabilities**

18. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- i. before the Receiver's appointment; or
  - ii. 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.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for 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,
- i. if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause ii below, the Receiver:
    - A. complies with the order, or
    - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
  - ii. during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
    - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
    - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
  - iii. if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

### **Limitation on the Interim Receiver's Liability**

19. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

### **Interim Receiver's Accounts**

20. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$150,000.00, as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.
21. The Receiver and its legal counsel shall pass their accounts from time to time.
22. 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 the legal fees and disbursements, incurred at the normal 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**

23. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$150,000.00 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it 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 hereby 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, deemed 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 set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
24. 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. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.
26. 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.
27. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

#### **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 various assets comprising the Property

#### **General**

29. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
30. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
31. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy or receiver of the Debtors.
32. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby 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, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
33. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that 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.

34. The determination of the Plaintiff's costs of this Application, up to and including entry and service of this Order, and the priority of same, is adjourned sine die.
35. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

### Filing

36. This Order is issued and shall be filed in Court of King's Bench Action No. 2303 00601
37. The Receiver shall establish and maintain a website in respect of these proceedings at <https://mnpdebt.ca/en/corporate/corporate-engagements/vital-property-services-inc-and-tidy-holdings-corporation> (the "**Receiver's Website**") and shall post there as soon as practicable:
  - (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
38. Service of this Order shall be deemed good and sufficient by:
  - (a) serving the same on:
    - i. the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
    - ii. any other person served with notice of the application for this Order;
    - iii. any other parties attending or represented at the application for this Order; and
  - (b) posting a copy of this Order on the Receiver's Websiteand service on any other person is hereby dispensed with.
39. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

### Interim Order

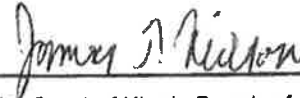
40. Other than paragraphs 1 through 3 hereof which shall be a final Order of this Court, the balance of this Order shall continue until the earliest of:
  - (a) the taking of possession by a receiver, within the meaning of part 8 of the *Business Corporations Act* of the Debtor's property over which the interim receiver was appointed,

(b) the taking of possession by a trustee of the Debtor's property over which the interim receiver was appointed, or

(c) further Order of this Court terminating the appointment of the Interim Receiver,

and thereafter be of no force and effect without further order of the Court.

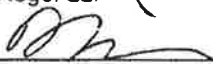
41. The balance of the applicant's Application is adjourned *sine die*.



Justice of the Court of King's Bench of Alberta

Consented to this 6<sup>th</sup> day of February, 2023 by

Cooper Regel LLP

Per:   
Solicitors for HUSSEIN CHOUI also known  
as HUSS CHOUI and BASIMA CHOUI



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that MNP LTD., the interim receiver and receiver and manager (the "Receiver") of all of the assets, undertakings and properties of VITAL PROPERTY SERVICES INC. and TIDY HOLDINGS CORPORATION appointed by Order of the Court of King's Bench of Alberta (the "Court") dated the \_\_\_\_\_ day of \_\_\_\_\_, 2023 (the "Order") made in action number Enter Action Numbers, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of Enter Amount, being part of the total principal sum of Enter Amount that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded Select an Option after the date hereof at a notional rate per annum equal to the rate of Enter Rate per cent above the prime commercial lending rate of Name of Institution from time to time.
3. 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 (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Enter Address.
5. 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.
6. The charge securing this certificate shall operate so as 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.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

MNP LTD., solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: \_\_\_\_\_

Name:

Title:

## **APPENDIX B**

A copy of the title of the Property



LAND TITLE CERTIFICATE

S  
LINC                      SHORT LEGAL                      TITLE NUMBER  
0015 934 649            6999ET;10;4                      202 176 935

LEGAL DESCRIPTION  
PLAN 6999ET  
BLOCK 10  
LOT 4  
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE  
ATS REFERENCE: 4;24;53;16;NW

MUNICIPALITY: CITY OF EDMONTON

REFERENCE NUMBER: 172 004 928

---

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
202 176 935	20/08/2020	TRANSFER OF LAND	\$310,500	SEE INSTRUMENT

OWNERS

TIDY HOLDINGS CORPORATION.  
OF 12304-96 STREET  
EDMONTON  
ALBERTA T5G 1W5

---

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION	DATE (D/M/Y)	PARTICULARS
NUMBER		
152 221 982	21/07/2015	MORTGAGE MORTGAGEE - THE TORONTO DOMINION BANK. 500 EDMONTON CITY CENTRE EAST EDMONTON ALBERTA T5J5E8 ORIGINAL PRINCIPAL AMOUNT: \$290,000

TOTAL INSTRUMENTS: 001

( CONTINUED )

PENDING REGISTRATION QUEUE

PAGE 2

# 202 176 935

DRR RECEIVED  
NUMBER DATE (D/M/Y) CORPORATE LLP TRADENAME

LAND ID

E0015U5 22/02/2023 THE TORONTO-DOMINION BANK  
780-670-9169  
CUSTOMER FILE NUMBER:  
1225570 GUTAMA

001 DISCHARGE

0015 934 649

E001TYX 27/02/2023 WITTEN LLP  
780-701-3136  
CUSTOMER FILE NUMBER:  
131780.2 BRC/CJ

001 ORDER - ENDORSEMENT

0015 934 649

TOTAL PENDING REGISTRATIONS: 002

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN  
ACCURATE REPRODUCTION OF THE CERTIFICATE OF  
TITLE REPRESENTED HEREIN THIS 2 DAY OF MARCH,  
2023 AT 01:12 P.M.

ORDER NUMBER: 46622667

CUSTOMER FILE NUMBER: 131780-2BRC



\*END OF CERTIFICATE\*

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED  
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,  
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

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THE CONTACT INFORMATION DISPLAYS N/A PLEASE EMAIL LTO@GOV.AB.CA.

## **APPENDIX C**

Interim Statement of Receipts and Disbursements for the period  
February 6, 2023 to April 24, 2023

Estate No: 24-116296

Estate No: 24-116297

**In the Matter of the Interim Receivership of  
Vital Property Services Inc. and Tidy Holdings Corporation  
Interim Receiver's Interim Statement of Receipts and Disbursements  
For the Period of February 6, 2023 to April 24, 2023**

<b>Receipts</b>	<b>\$'s</b>
Cash in bank from Vital Property Services Inc.	200,000
Cash in bank from Tidy Holdings Corporation	110,000
Interest	43
	<b>310,043</b>
<b>Disbursements</b>	
Receiver's fees and disbursements	25,314
GST Paid	1,266
Filing fees	73
	<b>26,652</b>
<b>Funds Held In Trust</b>	<b>283,390</b>

**MNP Ltd.**

Interim Receiver of Vital Property Services Inc. and Tidy Holdings Corporation