



No. H-250150
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PETERSON INVESTMENT GROUP INC.

PETITIONER

AND:

1076255 B.C. LTD., LIGHTSTONE DEVELOPMENT LTD.,
1082463 B.C. LTD., 1218548 B.C. LTD., GOLD COAST
INDUSTRIES LTD., XIAO SONG ZHENG, XIZAO LI, YING
ZHENG YU, BLUESHORE LEASING LTD., GOULD LEASING
LTD., LI JIAN, BEI CHEN, QUING SU, JIDE LIU, 686912366
INVESTMENT LTD., LEI BUN LEUNG, XIAO LIAN ZHANG,
JOHNSON RUI LEUNG, JON KIT LEUNG, KAREN LEUNG,
SHUN FENG INVESTMENT LTD., LIWEI SUN, AND
12503343 B.C. LTD.

RESPONDENTS

APPLICATION RESPONSE

Application response of: Peterson Investment Group Inc., (the “**Peterson**” or the “**Petitioner**”)

THIS IS A RESPONSE TO the notice of application of FTI Consulting Canada, Inc. (“**FTI**”) in its capacity as court-appointed receiver and manager (the “**Receiver**”) without security, of all of the assets, undertakings and property (the “**Property**”) of 1076255 B.C. Ltd. (“**107**”) and Lightstone Development Ltd. (“**Lightstone**,” and together with 107, the “**Debtors**”).

The application respondent estimates that the application will take one day.

PART 1 ORDERS CONSENTED TO

Peterson consents to the granting of the orders set out in the following paragraphs of Part 1 of the notice of application on the following terms: **ALL**.

PART 2 ORDERS OPPOSED

Peterson opposes the granting of the orders set out in the following paragraphs of Part 1 of the notice of application: **NONE**.

PART 3 ORDERS ON WHICH NO POSITION IS TAKEN

Peterson takes no position on the granting of the orders set out in the following paragraphs of Part 1 of the notice of application: **NONE**.

PART 4 FACTUAL BASIS

1. Peterson adopts the facts set out in paragraphs 1-26 in Part 2 of the Receiver's Notice of Application in these proceedings filed July 4, 2025 (the "**Notice of Application**").
2. Capitalized terms not otherwise defined have the same meaning ascribed to them in the Notice of Application.
3. Peterson supports and agrees with the Receiver's assessment of maximizing value by disclaiming the Incomplete Contracts.
4. Peterson is the fulcrum secured creditor to the Debtors. The Receiver has assessed that secured creditors will likely not recover in full.

PART 5 LEGAL BASIS

1. Peterson's interests, as a mortgagee, has legal priority over those of the Purchasers because the Mortgage is registered against title to the Incomplete Units and the Incomplete Contracts are not.

Land Title Act, R.S.B.C. 1996, c. 250, ss. 26 and 28.

2. Completing the incomplete contracts would give the Purchasers a preference in value over the Mortgagees, a result which they should not obtain.

Forjay Management Ltd. v 0981478 B.C. Ltd., 2018 BCSC 527, aff'd 2018 BCCA 251, at para 11.

3. The proposed disclaimers will enhance the value of the Incomplete Units for the Debtors' estate, which will benefit the stakeholders generally.

PART 6 MATERIAL TO BE RELIED ON

1. Order Made After Application (Receivership Order) made February 13, 2025;
 2. First Report of the Receiver dated July 4, 2025;
 3. Confidential Supplement to the First Report of the Receiver, dated July 4, 2025;
 4. Such further and other materials as counsel may advise and this Court may allow.
- ☒ The application respondent has filed in this proceeding a document that contains the application respondent's address for service.
- ☐ The application respondent has not filed in this proceeding a document that contains an address for service.

July 11, 2025

Dated



Signature of ☒ lawyer for application respondent
DLA Piper (Canada) LLP (Arad Mojtahedi)
Lawyer for Peterson Investment Group Inc.

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LTD., LIWEI SUN, AND 12503343 B.C. LTD.

RESPONDENTS

APPLICATION RESPONSE

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