



FORCE FILED

NO. H250150  
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, XIAO LI, YING ZHENG  
YU, BLUESHORE LEASING LTD., GOULD LEASING LTD.,  
LI JIANG, BEI CHEN, QING 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

**NOTICE OF APPLICATION**

**Name of applicant:** FTI Consulting Canada, Inc. ("FTI") in its capacity as court-appointed receiver and manager without security, of all of the assets, undertakings and property of 1076255 B.C. Ltd. and Lightstone Development Ltd. (the "**Debtors**").

**TO:** The attached Service List (**Schedule "A"**)

TAKE NOTICE that an application will be made by the applicant to Madam Justice Fitzpatrick at the courthouse at 800 Smithe Street, Vancouver, British Columbia, on Wednesday, the 16<sup>th</sup> day of July, 2025 at 10:00 a.m. for the orders set out in Part 1 below.

The applicant estimates that the application will take one day.

- ☐ This matter is within the jurisdiction of an associate judge.
- ☒ This matter is not within the jurisdiction of an associate judge. Madam Justice Fitzpatrick is seized of these proceedings and this matter has been booked through trial scheduling.

**PART 1: ORDER(S) SOUGHT**

1. An order approving disclaimer of certain pre-receivership contracts for purchase and sale of commercial and residential units, described further below, substantially in the form attached hereto as **Schedule "B"**.
2. An order substantially in the form attached hereto as **Schedule "C"** sealing the Confidential Supplement to the First Report of the Receiver, dated July 4, 2025 (the "**Confidential Supplement**").
3. Such other relief as this Honourable Court deems just.

**PART 2: FACTUAL BASIS**

**Overview**

1. On February 13, 2025 this Court granted an order (the "**Receivership Order**") pursuant to s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, as amended and s. 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended, appointing FTI as receiver and manager (the "**Receiver**"), without security, of all the assets, undertakings and property of the Debtors, including certain lands, and all proceeds thereof (collectively, the "**Property**"), effective February 24, 2025.

Order Made After Application dated February 13, 2025  
[**Receivership Order**] at para. 1

2. The lands over which receivership was granted included the following lands and premises in the Chloe development (the "**Project**"):
  - (a) 13 residential units (the "**Residential Units**") located at 2096 47th Avenue West, Vancouver, BC, legally described as set out in **Schedule "D"** hereto; and
  - (b) 11 commercial units (the "**Commercial Units**") located at the civic addresses as set out in **Schedule "D"** hereto and legally described as set out therein
(collectively, the "**Incomplete Units**").

First Report of the Receiver, dated July 4, 2025  
**("First Report of the Receiver")** at Appendix L  
(Title Searches for Incomplete Units)

3. The Debtors entered (or in one case, may have entered) into pre-sale contracts for the sale of the Incomplete Units, but these transactions have not completed (the **"Incomplete Contracts"**).

First Report of the Receiver at para. 17 and Appendix K  
(Incomplete Contracts)

4. Pursuant to the Receivership Order, the Receiver is empowered to disclaim contracts entered into by the Debtors prior to the receivership, where doing so would maximize the value of the Property. The Receiver, exercising its business judgement, has determined that more value can be realized from the Incomplete Units by disclaiming the Incomplete Contracts.

#### **The Project, Original Lands and Mortgages**

5. The Debtors, together, are owner developers of the Project, which is a mixed-use residential and commercial development known as "Chloe" and located at 2096 West 47<sup>th</sup> Avenue, Vancouver, British Columbia.

First Report of the Receiver at Appendix J.1  
(Disclosure Statement), s. 1.1

6. The Project is located on a portion of lands formerly legally described as follows

PID: 031-145-884  
Lot 1 Block 2 District Lot 526 Group 1 New Westminster District  
Plan EPP91453

(the **"Original Lands"**)

First Report of the Receiver at Appendix J.1  
(Disclosure Statement), s. 2.1(a)

7. 107 was the registered owner, and Lightstone was the beneficial owner, of the Original Lands.

First Report of the Receiver at Appendix J  
(Disclosure Statement), s. 1.1

8. The Original Lands were subdivided, and the portion of the Original Lands where the Project is situated has been stratified into strata lots, including the Incomplete Units, pursuant to Strata Plan EPS9998 and Strata Plan EPS9999 respectively, filed July 8, 2024.

First Report of the Receiver at Appendix A.1 (Strata Plan EPS9998 and A.2 (Strata Plan EPS9999)

9. To fund construction of the Project, the Debtors borrowed funds from or otherwise incurred obligations to, National Bank of Canada ("**NBC**"), Peterson Investment Group Inc. ("**Peterson**"), and Westmount West Services Inc. ("**Westmount**", and together with NBC and Peterson, the "**Mortgagees**") pursuant to three facilities, each including an assignment of rents (each a "**Mortgage**" and together, the "**Mortgages**"). The Mortgages were registered against title to the Original Lands on October 20, 2022 under the following registration numbers:

- (a) NBC Mortgage: CB292874-CB292875;
- (b) Peterson Mortgage: CB293126-CB293127; and
- (c) Westmount Mortgage: CB294046-CB294047; and

First Report of the Receiver at para. 19(a)-(c) and Appendix D  
(Historical Title Search for Original Lands)

10. Prior to the Mortgages, the Debtors had borrowed funds from NBC pursuant to an earlier mortgage and assignment of rents (the "**First NBC Mortgage**"), which was registered against title to the Original Lands on December 22, 2020 under registration number CA8665673-CA8665674 but discharged following registration of the above Mortgages.

First Report of the Receiver at Appendix D  
(Historic Title Search of Original Lands)

11. As of the effective date of the Receivership Order, \$47.3 million had been advanced and secured under the NBC Mortgage, \$19.2 million had been advanced and secured under the Peterson Mortgage, together with accrued interest and legal costs. The Westmount Mortgage relates to the Debtors deposit protection program, and secures deposits previously paid to the Debtors' solicitors in trust by potential purchasers and released to the Debtors under that program.

First Report of the Receiver at para. 19(a)-(c)

## The Incomplete Contracts

12. Prior to completion of the Project, the Debtors entered into the Incomplete Contracts with purchasers. In the case one case, the purchaser assigned the Incomplete Contract to an assignee. The original purchasers, or assignee, as applicable, are referred to as the **"Purchasers"**.

First Report of the Receiver at Appendix K (Incomplete Contracts)  
and Appendix M (Assignment Agreement)

13. The Incomplete Contracts are pre-sale purchase agreements in respect of the Incomplete Units. The "Strata Lot #" and "Suite #" noted in each Incomplete Contract in respect of Residential Units correspond to the preliminary strata plan current at the time each such Incomplete Contract was entered. The "Strata Lot #" and "Suite #" applicable to each such Incomplete Contract was revised by amendments to the disclosure statement filed by the Debtors in respect of the Project under the *Real Estate Development Marketing Act* (the **"Disclosure Statement"**).

First Report of the Receiver at Appendix J.5 (Fourth Amendment  
to Disclosure Statement) at Exhibit L

14. Particulars of the Incomplete Contracts and their corresponding Incomplete Unit are set out in the tables below:

Incomplete Unit by Strata Lot #	Suite #	Purchaser(s)	Contract Date	Outside Date	First Report of the Receiver Appendix
<b>Residential Units</b>					
3	203	Andy Ting Lu Wang	November 1, 2024	August 31, 2025	K.1
3	203	Jiang, Xuelian	January 24, 2025	August 31, 2025	K.2
5	205	Zi Hao Li	June 24, 2021	February 28, 2025	K.3
6	206	Taupe Hospitality Group Inc.	February 19, 2025	August 31, 2025	K.4
9	209	Yang, Yihan	December 19, 2023	March 14, 2025	K.5

Incomplete Unit by Strata Lot #	Suite #	Purchaser(s)	Contract Date	Outside Date	First Report of the Receiver Appendix
15	215	Xiangjun Wang	June 24, 2021	February 28, 2025	K.6
19, 37, 43	302, 402, 408	Bei Chen, Qing Su, Jide Liu	October 27, 2024	Unknown	-
25	309	Jiang, Xuelian	January 24, 2025	August 31, 2025	K.7
27	311	1250334 B.C. Ltd.	August 10, 2021	February 28, 2025	K.8
34	318	686912366 Investment Ltd.	May 9, 2024	February 28, 2025	K.9
37	402	1250334 B.C. Ltd.	July 14, 2021	February 28, 2025	K.10
39	404	Jian, Xuelian	January 24, 2025	August 31, 2025	K.11
43	408	Liwei Sun	July 14, 2021	February 28, 2025	K.12
46	411	Lin Zhou	February 22, 2022	February 28, 2025	K.13
<b>Commercial Units</b>					
1, 2	1, 2	Kui Chen	May 16, 2022	February 28, 2025	K.14
3, 4, 5	3, 4, 5	1363448 B.C. Ltd. and Qing Su	September 25, 2023	February 28, 2025	K.15
		1518861 B.C. Ltd. (Assigned to Lunanova Shipping Ltd.)	January 6, 2025	N/A	K.16, M
6, 7, 8	6, 7, 8	Lei Bun Leung, Xiao Lian Zhang, Johnson Rui Leung, Jon Kit Leung, Karen Leung	September 25, 2023	February 28, 2025	K.17
6, 7, 8	6, 7, 8	Hao He	September 24, 2024	February 28, 2025	K.18
9, 10, 11	9, 10, 11	1518861 B.C. Ltd.	January 6, 2025	N/A	K.19



15. The following Incomplete Contract was entered in respect of residential strata lot #2, which has been sold to another purchaser. The Receiver is planning to disclaim the following Incomplete Contract in respect of residential strata lot #2:

Strata Lot #	Suite #	Purchaser(s)	Contract Date	Outside (Termination) Date	First Report of the Receiver Appendix
2	202	Andy Ting Lu Wang	November 1, 2024	August 31, 2025	K.20

First Report of the Receiver at para. 55 and Appendix G.2 (Completed Contract with Kevin Li)

16. In respect of the Incomplete Contract with Bei Chen, Qing Su, Jide Liu dated October 27, 2024, the Receiver has been unable to confirm the existence of the Incomplete Contract, but has discovered reference to it in other documents. The Receiver seeks to disclaim it along with the other Incomplete Contracts for efficiency, finality and certainty.

First Report of the Receiver at para. 57(b)

17. 107 remains the registered owner, and Lightstone, the beneficial owner, of the Incomplete Units. The Mortgages remain registered against title.

First Report of the Receiver at para. 16 and Appendix L (Title searches for Incomplete Units)

18. The majority of the Incomplete Contracts provide for an outside date for completion (the "**Outside Dates**"), after which each Incomplete Contract terminates automatically. The Outside Dates have passed for all Incomplete Units, except for Residential Units 3, 6, 25 and 39. The Receiver seeks to disclaim these along with the other Incomplete Contracts for efficiency, finality and certainty.

First Report of the Receiver at para. 57(a) and Appendix K (Incomplete Contracts)

19. All of the Incomplete Contracts expressly provided that the Incomplete Contracts create contractual rights only and not any interest in land.

First Report of the Receiver at Appendix K.9 at Schedule A, s. 11.11; K.1, K.2, K.4, K.5, K.7, K.11, K.20 at Schedule A, s. 12.11; K.3, K.6, K.8, K.10, K.12, K.13 at Schedule A, s. 14.11; K.15, K.16, K.17, K.19 at s. 16; K. 14, K.18 at s. 27 (Incomplete Contracts)

20. For most—but not all—Incomplete Contracts, deposits were collected from Purchasers and held in trust by counsel for the Debtors. All deposits were subsequently released. No deposits remain in trust with the Debtors' counsel.

First Report of the Receiver at para. 58

21. Certain Purchasers allege they have paid the Debtors directly and in full for their Incomplete Units. The Receiver has not investigated these claims in detail, except to verify that no transfer of title was made, no funds were collected by the Debtors' solicitors, and that legal and beneficial title to the Incomplete Units remains with the Debtors. The Receiver takes no position as to the validity of these claims, except that the claims are not secured against any of the Incomplete Units and represent potential unsecured claims against the Debtors' assets.

First Report of the Receiver, at paras. 25-26

### **Notice of the Mortgages**

22. Notice of the Mortgages was provided in the Disclosure Statement. The Disclosure Statement initially provided notice that the First NBC Mortgage was registered on title to the Original Lands. The Disclosure Statement was amended on October 21, 2022 to provide notice that registration of the Refinanced Mortgages was pending, and amended again on February 27, 2024 to provide notice that the Refinanced Mortgages were registered on title.

First Report of the Receiver at Appendix J.1 (Disclosure Statement) at Exhibit J; J.4 (Third Amendment to Disclosure Statement) at Exhibit J; J.5 (Fourth Amendment to Disclosure Statement) at Exhibit J

23. All Purchasers of Residential Units acknowledged they had received a copy of the Disclosure Statement, including all amendments thereto up to the date of the relevant Incomplete Contract.

First Report of the Receiver at Appendix K.1-K.13 at Schedule A, s. 3.1



### **Disclaiming the Contracts will Maximize Value**

24. As described in the Confidential Supplement, the Receiver has obtained independent appraisals of the fair market value of the Incomplete Units, and has accordingly defined an acceptable range of purchase prices in accordance with the appraisals and on consultation with experienced listing agents (the “**Price Range**”).

Confidential Supplement at paras. 17-19

25. The Receiver has determined it is not in the best interests of creditors to complete the Incomplete Contracts. The Receiver therefore seeks to disclaim the Incomplete Contracts to maximize the value of the Incomplete Units for the benefit of all stakeholders by returning the Incomplete Units to the market.

First Report of the Receiver at para. 47

26. For clarity and out of a desire for efficiency, finality and certainty, the Receiver seeks to disclaim all the Incomplete Contracts, including those Incomplete Contracts that appear to have expired on their face because the Outside Date has passed, and including the Incomplete Contract with Bei Chen, Qing Su, Jide Liu dated October 27, 2024 that the Receiver has not confirmed the existence of. The Receiver has determined that disclaimer is appropriate in the circumstances, including incomplete documentation, uncertainty arising from certain Purchasers’ allegations they paid the entire “Purchase Price” under their Incomplete Contracts, and the apparent sale of certain Incomplete Units more than once pursuant to separate Incomplete Contracts.

First Report of the Receiver at paras. 49, 57

## **PART 3: LEGAL BASIS**

### **The Receiver’s Powers, Duties, and Deference Regarding Disclaimer**

27. The Receiver has broad powers under the Receivership Order in relation to the Project, including the Incomplete Units, the Incomplete Contracts and the Pilates Lease. These include powers to cease to perform contracts of the Debtors (including the Incomplete Contracts), and to market and sell the Property (including the Incomplete Units).

Receivership Order, ss. 2(c), (h) (k) and (l); *Forjay Management Ltd. v. 0981478 B.C. Ltd.*, 2018 BCSC 527, aff'd 2018 BCCA 251 [Forjay Management] at para. 11

28. Receivers owe a duty to all stakeholders to maximize recovery from the assets under their administration, which, subject to consideration of all equitable interests involved, includes an obligation to disclaim pre-receivership contracts when doing so would yield greater returns.

*Peoples Trust Company v. Censorio Group (Hastings & Carleton) Holdings Ltd.*, 2020 BCSC 1013 at para. 25; *Forjay Management* at paras. 35-43

29. The Receiver has determined it is not in the best interests of creditors to complete the Incomplete Contracts and seeks to disclaim them to maximize the value of the Incomplete Units for the benefit of all stakeholders. As a court-appointed officer, the business decisions of the Receiver are entitled to deference.

*RBC Investor Services Trust v. Asfars Holdings Ltd.*, 2024 BCSC 2142 at para. 32

### **The Disclaimer Framework Favours Disclaimer of the Incomplete Contracts**

30. The legal framework for assessing whether disclaimer of pre-receivership contracts is appropriate favours disclaimer of the Incomplete Contracts. The framework has three lines of inquiry:

- (a) What are the respective legal priority positions as between the competing interests?
- (b) Would a disclaimer enhance the value of the assets? If so, would a failure to disclaim the contract amount to a preference in favour of one party?
- (c) If a preference would arise, has the party seeking to avoid a disclaimer and complete the contract established that the equities support that result rather than a disclaimer?

*Forjay Management* at para. 44; *Institutional Mortgage Capital Canada Inc. v. 0876242 BC Ltd.*, 2022 BCSC 1520 at paras. 32-33

31. The Mortgagee's interests have legal priority over those of the Purchasers because the Mortgages are registered against title to the Incomplete Units and the Incomplete Contracts are not.

*Land Title Act*, R.S.B.C. 1996, c. 250 [*LTA*], ss. 26, 28

32. Disclaimer of the Incomplete Contracts will enhance the value of the Incomplete Units. As demonstrated in the Confidential Supplement, the Price Range for the Incomplete Units is greater than the value provided by the Incomplete Contracts.
33. In the circumstances, completing the Incomplete Contracts would provide the Purchasers with a preference in respect of value that would otherwise accrue to the Mortgagees under their prior ranking security. As in *Forjay Management*, this result should not be permitted:

[92] In light of the recent appraisal obtained by the Receiver, there can be no doubt that remarketing and selling these 40 units would enhance the value of the assets to be distributed to the stakeholders. The Receiver described the increase in value as "material". That fact clearly points to disclaimer as being appropriate.

[93] I also have no difficulty concluding that a failure to disclaim here would result in the purchasers receiving a preference in respect of value that would otherwise accrue to the mortgagees under their prior ranking security. In order to permit the pre-sale contracts to complete, the Court would need to order the discharge of the mortgages in circumstances where the mortgagees would not receive payment of the amounts they bargained to accept in exchange for a discharge. This would be an exceptional result and I know of no authority to order it in these circumstances. I agree with the mortgagees that it would have the effect of elevating the claims of the purchasers above the legal priority and security of the mortgagees: *bclMC* at para. 96; *Penex* at para. 27.

*Forjay Management* at paras. 92-93

34. The equities support disclaimer:
- (a) The competing equities to be balanced lie between the Purchasers under the Incomplete Contracts and the Mortgagees; not between the Purchasers and the Debtors.

*Forjay Management* at paras. 117-118

- (b) The conduct of the Debtors in respect of the Purchasers does not distinguish the Purchasers' claims from those of competing creditors (including the Mortgagees).

*Forjay Management* at paras. 97-100, 104-105, 108

- (c) The Purchasers were aware of the risks of entering into their Incomplete Contracts:

- (i) The Incomplete Contracts confirmed that the Purchasers were only obtaining contractual rights and not any interest in lands;

*Forjay Management* at para. 105

- (ii) Registration of the First NBC Mortgage and subsequently the Mortgages on title to the Incomplete Units constitutes notice of those charges;

*LTA*, s. 27

- (iii) Purchasers of Residential Units received actual notice of the First NBC Mortgage and the Mortgages via the Disclosure Statement and its amendments.

- (d) In respect of all but four of the Incomplete Contracts, the Outside Date has passed, raising an issue as to enforceability of those Incomplete Contracts.
- (e) The Purchasers have already recovered, or may yet recover, their deposits through deposit protection insurance or otherwise.

*Forjay Management* at para. 108

- (f) To the extent Purchasers paid the "Purchase Price" under their Incomplete Contract to the Debtors directly, any related claim is an unsecured claim subordinate to the Mortgagees' claims.

*Forjay Management* at paras. 110-112

### **Sealing Order**

- 35. The Receiver requests an order sealing the Confidential Supplement, including its appendices. Courts will grant a sealing order where:

- (1) court openness poses a serious risk to an important public interest;
- (2) the order sought is necessary to prevent this serious risk to the identified interest because reasonably alternative measures will not prevent this risk; and,
- (3) as a matter of proportionality, the benefits of the order outweigh its negative effects.

*Sherman Estate v. Donovan*, 2021 SCC 25 at para. 38

36. The Confidential Supplement contains valuation information in respect of the Incomplete Units as well as the methodology employed for establishing their Price Range. Filing the Confidential Supplement in open court poses a serious risk to the integrity and fairness of the ongoing marketing and sales process by ensuring that potential purchasers do not obtain an unfair advantage by obtaining sensitive valuation information in respect of the Incomplete Units. If the information contained in the Confidential Supplement formed part of the public record, the recovery for the stakeholders could be adversely affected.
37. Sealing the Confidential Supplement is necessary in order to prevent these risks. The Receiver cannot assure the Court of a fair and effective sales process for the Incomplete Units without providing the information contained in the Confidential Supplement. But any publication of that information risks undermining that same sales process.
38. Benefits of the proposed sealing order outweigh any negative effects. The proposed order preserves the integrity and fairness of the ongoing marketing and sales process and ensures effective stakeholder recovery. Prejudice (if any) to the public interest is minimal because independent evaluations like those contained in the Confidential Supplement are not typically made public in the context of real estate sales, and the public has access to parallel information in the form of annual property tax assessments.
39. Accordingly, it is appropriate for the Confidential Supplement to be sealed.

#### **PART 4: MATERIAL TO BE RELIED ON**

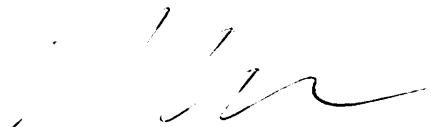
1. Order Made After Application (Receivership Order) made February 13, 2025;
2. First Report of the Receiver, FTI Consulting Canada, Inc., dated July 4, 2025;

3. Confidential Supplement to the First Report of the Receiver, dated July 4, 2025 and
4. Such further and other materials as counsel may advise and this Court may allow.

**TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION:** If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
  - (i) you intend to refer to at the hearing of this application, and
  - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following
  - (i) a copy of the filed application response;
  - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
  - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

DATE: July 4, 2025

  
\_\_\_\_\_  
Lawyer for FTI Consulting Canada, Inc.  
McCarthy Tétrault LLP  
(H. Lance Williams, Andrew Butler and  
Nico Rullmann)



***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**

### **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
- ☒ none of the above

## SCHEDULE "A"

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, XIAO LI, YING ZHENG YU,  
BLUESHORE LEASING LTD., GOULD LEASING LTD., LI JIANG,  
BEI CHEN, QING 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

### SERVICE LIST (Disclaimer Application)

<p><b>DLA Piper (Canada) LLP</b> Suite 2700, 1133 Melville Street Vancouver, BC V6E 4E5</p> <p><b>Attention: Colin Brousson Arad Mojtahedi</b></p> <p>Email: colin.brousson@ca.dlapiper.com arad.mojtahedi@ca.dlapiper.com</p> <p><i>Counsel to the Petitioner, Peterson Investment Group Inc.</i></p>	<p><b>FTI Consulting Canada Inc.</b> Suite 1450, P.O. Box 10089 701 West Georgia Street Vancouver, BC V7Y 1B6</p> <p><b>Attention: Tom Powell</b></p> <p>Email: tom.powell@fticonsulting.com</p> <p><i>Receiver</i></p>
<p><b>McCarthy Tétrault LLP</b> Suite 2400, 745 Thurlow Street Vancouver, BC V6E 0C5</p> <p><b>Attention: H. Lance Williams Ashley Bowron Andrew Butler</b></p> <p>Email: lwilliams@mccarthy.ca abowron@mccarthy.ca abutler@mccarthy.ca</p> <p><i>Counsel to the Receiver</i></p>	<p><b>Blake Cassels &amp; Graydon LLP</b> 1133 Melville Street, Suite 3500 Vancouver, BC V6E 4E5</p> <p><b>Attention: Claire Hildebrand Peter Rubin</b></p> <p>Email: claire.hildebrand@blakes.com peter.rubin@blakes.com</p> <p><i>Counsel to National Bank of Canada</i></p>

<p><b>Lawson Lundell LLP</b> 925 West Georgia Street, Suite 1600 Vancouver, BC V6C 2L1</p> <p><b>Attention: Bryan C. Gibbons</b></p> <p>Email: bgibbons@lawsonlundell.com</p> <p><i>Counsel to Westmount West Services Inc.</i></p>	<p><b>Yan Muirhead LLP</b> 1100 – 736 Granville Street Vancouver, BC V6Z 1G3</p> <p><b>Attention: Nerissa Yan Jaime Gray</b></p> <p>Email: nyan@ymlaw.ca jgray@ymlaw.ca service@ymlaw.ca</p> <p><i>Counsel to Lei Bun Leung, Xiao Lian Zhang, Johnson Rui Leung, Jon Kit Leung, and Karen Leung</i></p>
<p><b>Foundation Law Corporation</b> 830 – 8477 Bridgeport Road Richmond, BC V6X 0S8</p> <p><b>Attention: Jerry Liu</b></p> <p>Email: jliu@foundationlawyers.com</p> <p><i>Counsel to 686912366 Investment Ltd.</i></p>	<p><b>OLPLC Metrotower Law Chambers</b> Metrotower II Building 4720 Kingsway, 26th Floor Burnaby, BC V5H 4N2</p> <p><b>Attention: Ouran Li</b></p> <p>Email: oli@metrotowerlawchambers.com</p> <p><i>Counsel to Bei Chen, Qing Su, and Jide Liu</i></p>
<p><b>Avid Law Corporation</b> 5811 Cooney Road Suite 602 North Tower Richmond, BC V6X 3M1</p> <p><b>Attention: David Chen</b></p> <p>Email: dchen@avid-law.com fyang@avid-law.com ntam@avid-law.com</p> <p><i>Counsel to Liwei Sun and 1250334 B.C. LTD.</i></p>	<p><b>Marina Pratchett Law Corporation</b> 1664 Woods Road Bowen Island, BC V01 1G2</p> <p><b>Attention: Marina Pratchett</b></p> <p>Email: marina@pratchettlaw.com marinapratchett@gmail.com</p> <p><i>Counsel to Urban One Contractors Inc.</i></p>
<p><b>Owen Bird Law Corporation</b> 2900-733 Seymour Street, P.O. Box 1 Vancouver, BC V6B 0S6</p> <p><b>Attention: Terence W. T. Yu</b></p> <p>Email: tyu@owenbird.com</p> <p><i>Counsel to Gold Coast Industries Ltd. and Ying Zheng Yu</i></p>	<p><b>Silvergate Law</b> #402 - 938 Howe Street Vancouver, BC V6Z 1N9</p> <p><b>Attention: Betty Wu James Wagner</b></p> <p>Email: bwu@silvergatelaw.com james@silvergatelaw.com</p> <p><i>Counsel to Chan Xiao</i></p>

<p><b>Ascendion Law</b> 720 – 789 West Pender Street Vancouver, BC V6C 1H2</p> <p><b>Attention: Chilwin Cheng</b></p> <p>Email: chilwin@ascendionlaw.com bianca@ascendionlaw.com</p> <p><i>Counsel to Ying Zheng Yu</i></p>	<p><b>Gall Legge Grant Zwack LLP</b> #1000 – 1199 West Hastings Street Vancouver, BC V6E 3T5</p> <p><b>Attention: Wendy Zhang</b></p> <p>Email: wzhang@glgzlaw.com</p> <p><i>Counsel to Yihan Yang</i></p>
<p><b>1082463 B.C. LTD.</b> 1530 – 1200 West 73<sup>rd</sup> Avenue Vancouver, BC V6P 6G5</p>	<p><b>1218548 B.C. Ltd.</b> 1530 – 1200 West 73<sup>rd</sup> Avenue Vancouver, BC V6P 6G5</p>
<p><b>Xiao Song Zheng</b> 6261 Adera Street Vancouver, BC V6M 3J5</p>	<p><b>Xiao Li</b> 6261 Adera Street Vancouver, BC V6M 3J5</p>
<p><b>Blueshore Leasing Ltd.</b> 1250 Lonsdale Avenue North Vancouver, BC V7M 2H6</p>	<p><b>Gould Leasing Ltd.</b> 1220 Yonge Street, Suite 201 Toronto, ON M4T 1W1</p>
<p><b>Li Jiang</b> 8471 Laidmore Road Richmond, BC V7C 2B4</p>	<p><b>Shun Feng Investment Ltd.</b> c/o Lawson Lundell 1600 – 925 West Georgia Street Vancouver, BC V6C 3L2</p>
<p><b>Kui Chen</b></p> <p>Email: susanchen1821@gmail.com</p> <p>[CRU 1&amp;2]</p>	<p><b>1518861 B.C. Ltd.</b> 1414 – 175 1<sup>st</sup> Street West North Vancouver, BC V7M 3N9</p> <p>Email: luoyimingterry@gmail.com</p> <p>[CRU 3, 4, 5 (Jan 6, 2025), 9, 10, 111]</p>
<p><b>Lunanova Shipping Ltd.</b> #1520 – 1200 West 73<sup>rd</sup> Avenue Vancouver, BC V6P 6G5</p> <p>Email: tsukilu01@gmail.com</p> <p>[Assignee, CRU 3, 4, 5]</p>	<p><b>1363448 B.C. Ltd. and Qing Su</b></p> <p>Email: sliu@triviumlaw.com</p> <p>[CRU 3, 4, 5 (Sept 25, 2023)]</p>
<p><b>Hao He</b> 57 St. Joseph St Unit 2606 Toronto, ON M5S 0C5</p> <p>Email: alina20010124@gmail.com</p> <p>[CRU 6, 7, 8]</p>	<p><b>Andy Ting Lu Wang</b> 5755 Angus Drive Vancouver, BC V6M 3N7</p> <p>Email: andy.tl.wang@gmail.com</p> <p>[SL 3]</p>

<b>Xuelian Jiang</b> 16945 Bayview Avenue Newmarket, ON L3Y 4X2  Email: lydiajiang79@163.com  [SL 3, 25, 34]	<b>Zi Hao Li</b> 2328 West 47 <sup>th</sup> Avenue Vancouver, BC V6M 2N2  Email: zihao17@yahoo.ca  [SL 5]
<b>Taupe Hospitality Group Inc.</b> 700 – 275 Lansdowne Street Kamloops, BC V2C 6H6  Email: kevin.li972015@gmail.com  [SL 6]	<b>Xuemei Xiang</b> 5325 Connaught Drive Vancouver, BC V6M3G5  Email: abbyxiang0809@gmail.com  [SL 7]
<b>Xiangjun Wang</b> 6899 Angus Drive Vancouver, BC V6P 5J4  Email: shawnwang6899@gmail.com  [SL 15]	<b>Lin Zhou</b> 8011 Laburnum Street Vancouver, BC V6P 5N8  Email: zlin.sh97@gmail.com  [SL 46]



## SCHEDULE "B"

NO. H250150  
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, XIAO LI, YING ZHENG  
YU, BLUESHORE LEASING LTD., GOULD LEASING LTD.,  
LI JIANG, BEI CHEN, QING 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

### ORDER MADE AFTER APPLICATION (Authorisation and Direction to Disclaim)

BEFORE THE HONOURABLE  
MADAM JUSTICE FITZPATRICK

)  
)  
)  
)

WEDNESDAY, THE 16<sup>TH</sup> DAY  
OF JULY, 2025

ON THE APPLICATION of FTI Consulting Canada, Inc., in its capacity as court-appointed receiver and manager (the "**Receiver**"), without security, of the Property, as defined in the Receivership Order dated February 13, 2025, of 1076255 B.C. Ltd. ("**107**") and Lightstone Development Ltd. ("**Lightstone**", and together with 107, the "**Debtors**") coming on for hearing at Vancouver, British Columbia, on the 16<sup>th</sup> day of July, 2025; AND ON HEARING H. Lance Williams and Andrew Butler, counsel for the Petitioner, and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the material filed, including the First Report of the Receiver, dated July 4, 2025 (the "**First Report**") and the Confidential Supplement to First Report, dated July 4, 2025;

THIS COURT ORDERS that:

1. The Receiver is authorised and directed to disclaim the following pre-sale contracts entered into by the Debtors for the sale of residential and commercial strata lots in the development known as "Chloe" and located at 2096 West 47<sup>th</sup> Avenue, Vancouver, British Columbia:

Strata Lot #	Suite #	Purchaser(s) (Or assignees where indicated)	Contract Date
<b>Residential Units</b>			
2	202	Andy Ting Lu Wang	November 1, 2024
3	203	Andy Ting Lu Wang	November 1, 2024
3	203	Xuelian Jiang	January 24, 2025
5	205	Zi Hao Li	June 23, 2021
6	206	Taupe Hospitality Group Inc.	February 19, 2025
9	209	Yihan Yang	December 19, 2023
15	215	Xiangjun Wang	June 24, 2021
19, 37, 43	302, 402, 408	Bei Chen, Qing Su, Jide Liu	October 27, 2024
25	309	Xuelian Jiang	January 24, 2025
27	311	1250334 B.C. Ltd.	August 10, 2021
34	318	686912366 Investment Ltd.	May 9, 2024
37	402	1250334 B.C. Ltd.	July 14, 2021
39	404	Xuelian Jiang	January 24, 2025
43	408	Liwei Sun	July 14, 2021
46	411	Lin Zhou	February 22, 2022

Strata Lot #	Suite #	Purchaser(s) (Or assignees where indicated)	Contract Date
<b>Commercial Units</b>			
1, 2	1, 2	Kui Chen	May 16, 2022
3, 4, 5	3, 4, 5	1363448 B.C. Ltd. and Qing Su	September 25, 2023
3, 4, 5	3, 4, 5	1518861 B.C. Ltd. (Assigned to Lunanova Shipping Ltd.)	January 6, 2025
6, 7, 8	6, 7, 8	Lei Bun Leung, Xiao Lian Zhang, Johnson Rui Leung, Jon Kit Leung, Karen Leung	September 25, 2023
6, 7, 8	6, 7, 8	He, Hao	September 24, 2024
9, 10, 11	9, 10, 11	1518861 B.C. Ltd.	January 6, 2025

2. Endorsement of this Order by counsel other than for the Receiver 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:

\_\_\_\_\_  
Lawyer for FTI Consulting Canada, Inc.  
McCarthy Tétrault LLP  
(H. Lance Williams and Andrew Butler)

BY THE COURT

\_\_\_\_\_  
REGISTRAR

**SCHEDULE "A"**  
**LIST OF COUNSEL**

[illegible]

## SCHEDULE "C"

NO. H250150  
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, XIAO LI, YING ZHENG YU, BLUESHORE  
LEASING LTD., GOULD LEASING LTD., LI JIANG, BEI CHEN, QING  
SU, JIDE LIU, 686912366 INVESTMENT LTD., LEI BUN LEUNG,  
XIAO LIAN ZHANG, JOHNSON RUI LEUNG, JON KIT LEUNG, KA-  
REN LEUNG, SHUN FENG INVESTMENT LTD., LIWEI SUN and  
12503343 B.C. LTD.

RESPONDENTS

### SEALING ORDER

BEFORE THE HONOURABLE	)	WEDNESDAY, THE 16 <sup>th</sup> DAY
	)	
MADAM JUSTICE FITZPATRICK	)	OF JULY, 2025
	)	

ON THE APPLICATION of FTI Consulting Canada, Inc., in its capacity as court-appointed receiver and manager (the "**Receiver**"), without security, of the Property, as defined in the Receiv-  
ership Order dated February 13, 2025, of 1076255 B.C. Ltd. ("**107**") and Lightstone Develop-  
ment Ltd. ("**Lightstone**", and together with 107, the "**Debtors**") coming on for hearing at Van-  
couver, British Columbia, on the 16<sup>th</sup> day of July, 2025; AND ON HEARING H. Lance Williams  
and Andrew Butler, counsel for the Petitioner, and those other counsel listed on **Schedule "A"**  
hereto; AND UPON READING the material filed, including the First Report of the Receiver,  
dated July 4, 2025 (the "**First Report**") and the Confidential Supplement to First Report, dated  
July 4, 2025 (the "**Confidential Supplement**");

THIS COURT ORDERS THAT:

1. The following documents be sealed by the Registrar of this Honourable Court for the  
duration noted:

Description:	Date filed, if applicable	Number of copies filed, including any extra copies for the judge	Duration of sealing order [until further order of the Court; until the first day of trial; or until a specific date]	Sought	Granted	
					YES	NO
1a) Specific documents <b>Confidential Supplement to the First Report of the Receiver dated July 4, 2025</b>	To be filed	Original	Until further order of this Court	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1b) Entire court file				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2) Other court records stored by the court [e.g. court clerk's log notes, court audio recording]				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3) Orders [please specify]				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4) Reasons for Judgment				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. The applicant must file the redacted version of the Confidential Supplement by \_\_\_\_\_, 2025.
3. Access to the sealed items is restricted to the Receiver and its counsel (McCarthy Tétrault LLP).
4. Endorsement of this order by counsel appearing on this application, other than counsel for the Receiver, is hereby dispensed with.

BY THE COURT

\_\_\_\_\_  
REGISTRAR

\_\_\_\_\_  
Lawyer for FTI Consulting Canada, Inc.  
McCarthy Tétrault LLP  
(H. Lance Williams and Andrew Butler)



**SCHEDULE "A"**  
**LIST OF COUNSEL**

<b>Name of Counsel</b>	<b>Party Represented</b>

## SCHEDULE "D"

### LIST OF PARCEL IDENTIFICATION NUMBERS AND CIVIC ADDRESSES OF INCOMPLETE UNITS

<b>Residential Units, located at 2096 47<sup>th</sup> Avenue West, Vancouver, BC, legally described as District Lot 526 Group 1 New Westminster District Strata Plan EPS9999</b>		
1.	PID: 032-299-508	Strata Lot 3
2.	PID: 032-299-524	Strata Lot 5
3.	PID: 032-299-532	Strata Lot 6
4.	PID: 032-299-541	Strata Lot 7
5.	PID: 032-299-567	Strata Lot 9
6.	PID: 032-299-621	Strata Lot 15
7.	PID: 032-299-729	Strata Lot 25
8.	PID: 032-299-745	Strata Lot 27
9.	PID: 032-299-818	Strata Lot 34
10.	PID: 032-299-842	Strata Lot 37
11.	PID: 032-299-869	Strata Lot 39
12.	PID: 032-299-907	Strata Lot 43
13.	PID: 032-299-931	Strata Lot 46

<b>Commercial Units, located at the civic addresses set out below, legally described as District Lot 526 Group 1 New Westminster District Strata Plan EPS9998</b>			
1.	PID: 032-299-958	Strata Lot 1	2092 47th Avenue West, Vancouver, BC
2.	PID: 032-299-966	Strata Lot 2	2094 47th Avenue West, Vancouver, BC
3.	PID: 032-299-974	Strata Lot 3	6306 East Boulevard, Vancouver, BC

<b>Commercial Units, located at the civic addresses set out below, legally described as District Lot 526 Group 1 New Westminster District Strata Plan EPS9998</b>			
4.	PID: 032-299-982	Strata Lot 4	6316 East Boulevard, Vancouver, BC
5.	PID: 032-299-991	Strata Lot 5	6326 East Boulevard, Vancouver, BC
6.	PID: 032-300-000	Strata Lot 6	6336 East Boulevard, Vancouver, BC
7.	PID: 032-300-018	Strata Lot 7	6346 East Boulevard, Vancouver, BC
8.	PID: 032-300-026	Strata Lot 8	6350 East Boulevard, Vancouver, BC
9.	PID: 032-300-034	Strata Lot 9	6370 East Boulevard, Vancouver, BC
10.	PID: 032-300-042	Strata Lot 10	6390 East Boulevard, Vancouver, BC
11.	PID: 032-300-051	Strata Lot 11	2099 48th Avenue West, Vancouver, BC