



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 (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**").

**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 Tuesday, the 19<sup>th</sup> day of August, 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 substantially in the form attached hereto as **Schedule “B”**, among other things,
  - (a) ordering the cancellation of the CPL from the Residential Lots (both as defined herein); and
  - (b) ordering Zi Hao Li and Shu Juan Ding (together, the **“CPL Registrants”**) to pay the Receiver special costs of this application; and
2. Such other relief as this Honourable Court deems just.

**PART 2: FACTUAL BASIS**

1. The Debtors, together, are owner developers of a mixed-use residential and commercial development known as “Chloe”, located at 2096 West 47<sup>th</sup> Avenue, Vancouver, British Columbia (the **“Project”**).

First Report of the Receiver, dated July 4, 2025 (**“First Report of the Receiver”**) at Appendix J.1 (Disclosure Statement), s. 1.1

2. 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)

3. The Original Lands were subdivided, and the portion of the Original Lands where the Project is situated has been stratified into commercial and residential strata lots 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)

4. 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

5. The Property includes the following strata lots of the Project (the “**Residential Lots**”), of which 107 is the registered owner:

<b>District Lot 526 Group 1 New Westminster District Strata Plan EPS9999</b>	
PID: 032-299-508	Strata Lot 3
PID: 032-299-524	Strata Lot 5
PID: 032-299-532	Strata Lot 6
PID: 032-299-541	Strata Lot 7
PID: 032-299-559	Strata Lot 8
PID: 032-299-567	Strata Lot 9
PID: 032-299-575	Strata Lot 10
PID: 032-299-605	Strata Lot 13
PID: 032-299-621	Strata Lot 15
PID: 032-299-648	Strata Lot 17
PID: 032-299-656	Strata Lot 18
PID: 032-299-664	Strata Lot 19
PID: 032-299-672	Strata Lot 20
PID: 032-299-729	Strata Lot 25
PID: 032-299-737	Strata Lot 26
PID: 032-299-745	Strata Lot 27
PID: 032-299-761	Strata Lot 29

District Lot 526 Group 1 New Westminster District Strata Plan EPS9999	
PID: 032-299-800	Strata Lot 33
PID: 032-299-818	Strata Lot 34
PID: 032-299-842	Strata Lot 37
PID: 032-299-851	Strata Lot 38
PID: 032-299-869	Strata Lot 39
PID: 032-299-907	Strata Lot 43
PID: 032-299-931	Strata Lot 46

First Affidavit of Susan Danielisz, sworn August 6, 2025 ("**Danielisz #1**")  
at Ex. A.1-A.24 (Title Searches for Residential Lots)

6. The Receivership Order included orders that no proceeding or enforcement process in any court or tribunal be commenced or continued against the Receiver or in respect of the Debtors or the Property without the consent of the Receiver or leave of this Court, and that all such proceedings currently under way are stayed (the "**Stay of Proceedings**").

Receivership Order at paras. 7, 8

7. On July 10, 2025, the CPL Registrants commenced an action against the Debtors and others (the "**Action**") by causing a notice of civil claim to be filed in the Supreme Court of British Columbia, Vancouver Registry under court file number VLC-S-S-255166.

Danielisz #1 at Ex. B (Notice of Civil Claim)

8. On July 11, 2025, the CPL Registrants caused a certificate of pending litigation to be filed in the New Westminster Land Title Office under instrument number CB2169060 (the "**CPL**") charging, among other lands, the Residential Lots.

Danielisz #1 at Ex. C (Certificate of Pending Litigation CB2169060)

9. The CPL Registrants lacked consent of the Receiver or leave of this Court to file the Notice of Civil Claim as against the Debtors or to register the CPL as against the Residential Lots.

10. On July 14, 2025, Lance Williams, counsel for the Receiver, emailed Lawrence Wong, counsel for the CPL Registrants, to confirm Mr. Wong's prior knowledge of the Receivership Order, including the Stay of Proceedings, and to demand:

- (a) The discontinuance of the Action as against the Debtors; and
- (b) The immediate discharge of the CPL as against the Residential Lots.

Danielisz #1 at Ex. D

11. In his July 14, 2025 email, Mr. Williams advised that should the CPL Registrants not comply, the Receiver would bring this application, including for special costs. Mr. Williams repeated his request by email the following day.

Danielisz #1 at Ex. D

12. On July 23, 2025, Mr. Butler, also counsel for the Receiver, send a letter to Mr. Wong requesting that Mr. Wong immediately confirm that the CPL Registrants would:

- (a) Take no steps in the Action against the Debtors other than in accordance with the Receivership Order; and
- (b) Discharge the CPL from the Residential Lots within that week, failing which the Receiver would bring this application, including for special costs.

Danielisz #1 at Ex. E

13. On July 24, 2025, Mr. Williams emailed Mr. Wong again advising that the Receiver would seek special costs based on the CPL Registrants' disregard for the Receivership Order.

Danielisz #1 at Ex. F

14. On July 30, 2025, Mr. Butler emailed Mr. Wong again advising that the Receiver would proceed with this application.

Danielisz #1 at Ex. G

### **PART 3: LEGAL BASIS**

15. The Receivership Order includes the Stay of Proceedings, which became effective on February 24, 2025.
16. The Action and CPL were filed after the Receivership Order became effective and without consent of the Receiver or leave of this Court, in breach of the Stay of Proceedings.
17. There is no basis for the CPL Registrants' breach of the Receivership Order and this court should order the immediate removal of the CPL in the form attached as Schedule "B".

#### **Special Costs**

18. The CPL Registrants' conduct in this matter justifies an award of special costs under Rule 14-1 of the *Rules* on a full indemnity basis.
19. Special Costs are awarded where a litigant engages in reprehensible, scandalous or outrageous conduct, including disregarding a stay of proceedings in a receivership. "It is axiomatic that contempt of a court order is reprehensible conduct." Registration of a certificate of pending litigation is litigation conduct and is the proper subject of a costs award.

*Young v. Young*, [1993] 4 S.C.R. 3 (S.C.C.) at para. 260;  
*Hy's North Transportation Ltd. v. Yukon Zinc Corp.*, 2014 BCSC  
2291 at paras. 51-53;  
*Langford (City) v. dos Reis*, 2016 BCCA 460 (in Chambers) at  
paras. 28-29;  
*Basha Sales Co Ltd. v. Adera Equities Inc.*, 2017 BCSC 1715 at  
para. 8

20. The CPL Registrants' disregard for the Stay of Proceedings by commencing the Action and filing the CPL, and continued disregard by maintaining the CPL even after repeated requests to discharge it, is reprehensible and deserving of rebuke.

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

1. First Report of the Receiver dated July 4, 2025;

2. First Affidavit of Susan Danielisz, sworn August 6, 2025; and
3. 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: August 6, 2025



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

***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

<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 hailey.liu@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</b></p> <p>Email: lwilliams@mccarthy.ca abowron@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 Shun Feng Investment Ltd. and 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</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>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>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>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>Harold Wong</b> Email: Haroldcwong@gmail.com</p>	<p><b>Lawrence Wong &amp; Associates</b> 210-2695 Granville Street Vancouver, BC V6H 3H4</p> <p><b>Attention: Lawrence Wong</b></p> <p>Email: lwong@lwacorp.com</p> <p><i>Counsel to Zi Hao Li and Shu Juan Ding</i></p>

**Email Distribution List**

[colin.brousson@ca.dlapiper.com](mailto:colin.brousson@ca.dlapiper.com); [arad.mojtahedi@ca.dlapiper.com](mailto:arad.mojtahedi@ca.dlapiper.com);  
[tom.powell@fticonsulting.com](mailto:tom.powell@fticonsulting.com); [hailey.liu@fticonsulting.com](mailto:hailey.liu@fticonsulting.com); [lwilliams@mccarthy.ca](mailto:lwilliams@mccarthy.ca);  
[abowron@mccarthy.ca](mailto:abowron@mccarthy.ca); [sdanielisz@mccarthy.ca](mailto:sdanielisz@mccarthy.ca); [claire.hildebrand@blakes.com](mailto:claire.hildebrand@blakes.com);  
[peter.rubin@blakes.com](mailto:peter.rubin@blakes.com); [bgibbons@lawsonlundell.com](mailto:bgibbons@lawsonlundell.com); [ldmcleod@lawsonlundell.com](mailto:ldmcleod@lawsonlundell.com);  
[nyan@ymlaw.ca](mailto:nyan@ymlaw.ca); [jgray@ymlaw.ca](mailto:jgray@ymlaw.ca); [ghan@ymlaw.ca](mailto:ghan@ymlaw.ca); [service@ymlaw.ca](mailto:service@ymlaw.ca);  
[jliu@foundationlawyers.com](mailto:jliu@foundationlawyers.com); [hliao@foundationlawyers.com](mailto:hliao@foundationlawyers.com); [ali@foundationlawyers.com](mailto:ali@foundationlawyers.com);  
[bwu@silvergatelaw.com](mailto:bwu@silvergatelaw.com); [james@silvergatelaw.com](mailto:james@silvergatelaw.com); [dchen@avid-law.com](mailto:dchen@avid-law.com); [fyang@avid-law.com](mailto:fyang@avid-law.com);  
[ntam@avid-law.com](mailto:ntam@avid-law.com); [Haroldcwong@gmail.com](mailto:Haroldcwong@gmail.com); [wzhang@glgzlaw.com](mailto:wzhang@glgzlaw.com);  
[nng@glgzlaw.com](mailto:nng@glgzlaw.com); [ansonlee@glgzlaw.com](mailto:ansonlee@glgzlaw.com); [lwong@lwacorp.com](mailto:lwong@lwacorp.com)

## 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 (Cancellation of CPL)

BEFORE THE HONOURABLE	)	TUESDAY, THE 19 <sup>TH</sup> DAY
	)	
MADAM JUSTICE FITZPATRICK	)	OF AUGUST, 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 pronounced 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 19<sup>th</sup> day of August, 2025; AND ON HEARING H. Lance Williams and Andrew Butler, counsel for the Receiver, and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the material filed;

THIS COURT ORDERS THAT:

#### Cancellation of CPL

1. The Registrar of Land Titles at the New Westminster Land Title Office shall cause the certificate of pending litigation filed July 11, 2025 under registration number CB2169060

to be cancelled as against the lands set out in **Schedule "B"** hereto upon production of a certified copy of this Order.

**Costs**

2. Zi Hao Li and Shu Juan Ding shall pay the Receiver special costs of this application, to be assessed forthwith and payable forthwith after assessment.
3. Any other person who opposes the relief sought in this application shall pay the Receiver costs of this application at Scale B, to be assessed forthwith and payable forthwith after assessment.

**Endorsement**

4. Endorsement of this Order by any person appearing on this application other than the Receiver is hereby dispensed.

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**

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

## **SCHEDULE "B"**

### **LIST OF LANDS**

<b>District Lot 526 Group 1 New Westminster District Strata Plan EPS9999</b>	
PID: 032-299-508	Strata Lot 3
PID: 032-299-524	Strata Lot 5
PID: 032-299-532	Strata Lot 6
PID: 032-299-541	Strata Lot 7
PID: 032-299-559	Strata Lot 8
PID: 032-299-567	Strata Lot 9
PID: 032-299-575	Strata Lot 10
PID: 032-299-605	Strata Lot 13
PID: 032-299-621	Strata Lot 15
PID: 032-299-648	Strata Lot 17
PID: 032-299-656	Strata Lot 18
PID: 032-299-664	Strata Lot 19
PID: 032-299-672	Strata Lot 20
PID: 032-299-729	Strata Lot 25
PID: 032-299-737	Strata Lot 26
PID: 032-299-745	Strata Lot 27
PID: 032-299-761	Strata Lot 29
PID: 032-299-800	Strata Lot 33
PID: 032-299-818	Strata Lot 34
PID: 032-299-842	Strata Lot 37
PID: 032-299-851	Strata Lot 38
PID: 032-299-869	Strata Lot 39
PID: 032-299-907	Strata Lot 43
PID: 032-299-931	Strata Lot 46