



No. H200268  
Vancouver Registry

BETWEEN:

HONG LIU and MENG RUI LI a.k.a. MENGRUI LI

PETITIONERS

AND:

EAGLE Q PARTNERS INC.,  
JIAN JIN,  
ZHIHONG CHU A.K.A. ZHI HONG CHU,  
THE FENG FU, AND  
HANYUM DEVELOPMENT CORP.

RESPONDENTS

**NOTICE OF APPLICATION**

(Approval & Vesting Order and Discharge Order)

**Name of applicant:** FTI Consulting Canada Inc., as receiver (in such capacity, the "Receiver"), without security, of all of the assets, undertaking and property of the Respondent Eagle Q Partners Inc. (the "Debtor")

**On notice to:** The Petitioners  
Her Majesty the Queen in Right of the Province of British Columbia (Ministry of the Attorney General)  
Her Majesty the Queen in Right of Canada (Deputy Attorney General)

TAKE NOTICE that an application will be made by the Receiver to the presiding Judge at the courthouse at 800 Smithe Street, Vancouver, British Columbia, on **January 6, 2021, at 9:45AM**, for the orders set out in Part 1 below.

**PART 1: ORDERS SOUGHT**

1. An order (the "Approval and Vesting Order") substantially in the form attached hereto as **Schedule "A"**.
2. An order (the "Discharge Order") substantially in the form attached hereto as **Schedule "B"** that, among other things:

- (a) approves the professional fees and accounts of the Receiver and those of its counsel, Borden Ladner Gervais LLP (“BLG”), as set out in the Receiver’s Report to Court dated December 8, 2020 (the “Receiver’s Report”), Affidavit #1 of Tom Powell dated December 11, 2020 (the “Powell Affidavit”), and Affidavit #1 of Ryan Laity dated December 14, 2020 (the “Laity Affidavit”);
- (b) approves the activities of the Receiver as set out in the Receiver’s Report; and
- (c) discharges the Receiver in these proceedings.

3. Such further and other orders, declarations, and directions as counsel may request and this Honourable Court deems to be just and convenient in the circumstances.

## **PART 2: FACTUAL BASIS**

### **A. Background**

1. The Debtor is a corporation existing under the laws of British Columbia, whose primary business purpose was to raise capital which was then invested in various business ventures. The Debtor holds an 82% interest in a corporation which provides management services to The Westside School (the “School”), a private school in downtown Vancouver.
2. The Petitioners are the sole secured creditors to the Debtor. They are owed in excess of \$4 million by the Debtor pursuant to various loans secured by a general security agreement (the “GSA”) from the Debtor, along with the Respondents Jian Jin, Zhihong Chu, and Tie Feng Fu (collectively, the “Borrowers”), in respect of all of the Borrowers’ present and future indebtedness and liabilities, for which a financing statement was registered in the Personal Property Registry of British Columbia.
3. By letters dated March 10, 2020 enclosing Notices of Intention to Enforce Security, the Petitioners demanded payment of the amounts secured by the GSA, which were in default.
4. By an order made on May 26, 2020 (the “Receivership Order”), this Honourable Court appointed the Receiver as the receiver, without security, of all of the assets, undertaking and property of the Debtor with authority to, among other things:

- (a) market any or all of the Property (as defined in the Receivership Order);
- (b) sell the Property out of the ordinary course of business:
  - (i) without the approval of this Court in respect of a single transaction for consideration up to \$25,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
  - (ii) with the approval of the Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above; and
- (c) apply for any vesting order or other orders as necessary to convey the Property to a purchaser(s), free and clear of any liens or encumbrances.

5. Pursuant to a receiver's certificate dated October 30, 2020, the Receiver has borrowed, and Hong Liu has advanced, \$40,000 (the "**Receiver's Borrowings**").

**B. Sale of Eagle Loans**

6. Since 2013, the Debtor made significant investments in the School totalling approximately \$13.7 million. In the period 2013 to 2018, these advances were recorded as grants. Beginning in 2018, the advances were recorded as loans and an additional approximately \$4.8 million (the "**Eagle Loans**") was advanced on the basis of a loan. The Receiver has not located an executed document in respect of the Eagle Loan.

7. The Receiver has taken steps to collect the Eagle Loans, including making formal demand for payment from the School, meeting with the School's representatives and seeking a payment plan from the School.

8. The School has advised that it disputes the amounts owed as loans, and that in any event, the School is financially distressed and unable to pay the amounts due to the Petitioner without substantial new financing.

9. Given the lack of funds in the estate, the Receiver is unable to continue collection efforts against the School. The Petitioners have advised that they are unwilling to advance further funds for the purpose of the Receiver continuing those collection efforts.

10. However, one of the Petitioners, Hong Liu (the “Purchaser”), made an offer to acquire the Eagle Loans, for a purchase price equal to the Receiver’s Borrowings and any other costs in connection with or arising from the receivership (the “Offer”). The purchase price will be paid, in part, through forgiveness of the Receiver’s Borrowings which had been advanced to the Receiver by the Purchaser.

11. The Receiver determined that the Offer represented the best transaction available in the circumstances based on the limited market for the sale of receivables and uncertainty surrounding of collection of receivables, particularly in light of the School’s financial position. Accordingly, the Receiver entered into an asset purchase agreement with the Purchaser, which is attached as Appendix A to the Receiver’s Report.

12. The key commercial terms of the Agreement are:

- (a) the Purchaser agrees to purchase all accounts receivable, notes receivable, book debts and other debts due and owing to the Debtor under the Eagle Loan;
- (b) the purchase price shall be an amount equal to the Receiver’s Borrowings and any other costs in connection with or arising from these proceedings;
- (c) the agreement is subject to approval by this Honourable Court; and
- (d) the assets are sold on an “as-is, where-is” basis without representations.

**C. Activities of the Receiver**

13. The activities of the Receiver in the course of these receivership proceedings are set out in detail in the Receiver’s Report. The Receiver’s activities included, among other things:

- (a) attending at the Debtor’s offices to secure its physical books and records and vacate the premises;
- (b) meeting with former management to advise them of the Receivership Order and obtain additional information in respect of the Debtor and its property;

- (c) various engagement and discussions with interested parties and stakeholders, including the School, the Petitioners and a former minority investor in the Debtor's operating subsidiary (the company holding the partial interest in the School and providing management services to the School);
- (d) steps to collect the Eagle Loans and assessment of recovery options arising from the Debtor's assets; and
- (e) pursuing various avenues of potential recovery, including discussions and arrangements in respect of the proposed transaction in respect of the Eagle Loans.

**D. Professional Fees and Disbursements**

14. From May 26, 2020 to November 30, 2020, the Receiver billed approximately 101.2 hours in connection with these receivership proceedings, representing total fees and disbursements incurred by the Receiver at its standard rates and charges during the relevant period, inclusive of taxes, of \$54,698.80, which consists of \$50,570 in fees, \$1,524.09 in disbursements, and \$2,604.71 in applicable taxes.

15. The details of the Receiver's fees and disbursements in these proceedings are set out in the Powell Affidavit. Details of the work required of the Receiver is set out in the Receiver's Report.

16. From May 19, 2020 to November 30, 2020, BLG billed approximately 46.1 hours in connection with these receivership proceedings, representing total fees incurred by BLG at their standard rates and charges during the relevant period, inclusive of taxes, of \$17,390.18 which consists of \$15,518.50 in fees, \$9.00 in disbursements, \$776.38 in GST, and \$1,086.30 in PST.

17. The details of BLG's fees and disbursements in these proceedings are set out in the Laity Affidavit.

**E. Discharge of the Receiver**

18. With the conclusion of the transaction for the Eagle Loans described above, the Receiver will have completed the activities contemplated by the Receivership Order, and the activities described in the Receiver's Report represent the final activities of the Receiver to conclude its administration of the estate

of the Debtor in these receivership proceedings. As such, the Receiver seeks to be discharged of its role as the receiver of the assets, property and undertaking of the Debtor.

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

1. The Receiver relies on:

- (a) the *Supreme Court Civil Rules*;
- (b) the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3 (the “BIA”); and
- (c) the inherent jurisdiction of this Honourable Court.

#### **A. General Powers and Obligations of the Receiver**

2. The court may appoint a receiver to take possession of an insolvent person’s property, exercise any control that the court considers advisable over that property, and to take any other action that the court considers advisable.

BIA, s. 243.

3. A receiver has the obligation to act honestly and in good faith, and to deal with the property of an insolvent person in a commercially reasonable manner.

BIA, s. 247.

#### **B. Approval of Sale Transaction**

4. In considering a proposed sale transaction regarding the property of an insolvent person, the court considers:

- (a) whether the receiver has made a sufficient effort to obtain the best price and has not acted improvidently;
- (b) whether the interests of all parties have been considered;
- (c) the efficacy and integrity of the process by which offers have been obtained; and
- (d) whether there has been unfairness in the working out of the process

(the “*Soundair Test*”).

*Pricewaterhousecoopers Inc v. 1905393 Alberta Ltd*, 2019 ABCA 433 at para. 10 [*Pwc v 190*].

*Royal Bank v. Soundair Corp.*, (1991), 7 C.B.R. (3d) 1 (Ont. C.A.) at para. 16.

5. In applying the *Soundair* Test, the court assesses whether the receiver acted in a commercially reasonable manner in the circumstances with a view to obtaining the best price having regard to the competing interests of the interested parties. The court's function is not to consider whether a receiver has failed to get the best price.

*Pwc v 190* at paras. 13-14.

6. The Receiver submits that the proposed transaction meets the requirements of the *Soundair* Test and that it has not acted improvidently. In particular, the Receiver made efforts to collect the Eagle Loans, but has been unable to do so to-date. Any recovery on the Eagle Loan will likely require commencing legal action against the School, but the estate has insufficient funds to pursue enforcement proceedings and the secured creditor will not advance additional funds for the purpose of doing so. Further, should litigation be successful, it is uncertain whether the School would have sufficient liquidity to pay any judgment against it in the near term.

7. However, the Purchaser made an offer to acquire the Eagle Loans, with a purchase price representing the Receiver's Borrowings and the costs in connection with these receivership proceedings.

8. The Receiver has considered the marketability of receivables, and in particular the Eagle Loans, and concluded that it is commercially reasonable to conclude the proposed transaction with the Purchaser. In particular:

- (a) the Receiver is of the view that a longer period of active receivership and a sale process for the Eagle Loans would be inappropriate in the circumstances since there are no viable sources to realize on additional assets and the ongoing costs of the receivership will be borne by the Petitioners, one of whom is the Purchaser;
- (b) the Purchaser is ready, willing and able to close the Sale Agreement in accordance with the Offer and, accordingly, will allow for a timely conclusion of these proceedings and mitigate the ongoing professional costs of administering the estate; and
- (c) the Receiver is satisfied that the Offer is the best price in the circumstances and in the best interests of the creditors and stakeholders of Eagle Q.

9. In reviewing, assessing, and selecting the Offer, the Receiver has confirmed (among other things), the Purchaser's ability to conclude the contemplated transaction and the best interests of the Debtor's stakeholders.

10. Based on the above considerations, the Receiver seeks the Approval and Vesting Order approving the: (i) Sale Agreement contemplated by the Offer, (ii) the acceptance, execution and entering into of the Offer by the Receiver, and (iii) vesting of all right, title and interest in and to the Eagle Loans to the Purchaser in accordance with the terms of the Offer (as amended).

**C. Approval of Fees and Disbursements of the Receiver and its Counsel**

11. The court may make any order respecting the payment of fees and disbursements of the receiver and its legal counsel that it considers proper, provided the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations.

BIA, s. 243(6).

12. In assessing whether the fees of a receiver and its counsel ought to be approved, the court considers whether those fees and disbursements are "fair and reasonable", on the basis of evidence verified by affidavit and disclosing: (i) the name of each person who rendered services; (ii) the dates on which the services were rendered; (iii) the time expended each day; (iv) the rate charged; and (v) the total charges for each of the categories of services rendered.

*Re Redcorp Ventures Ltd.*, 2016 BCSC 188 at para. 22 [*Redcorp*].

*Re Confectionately Yours Inc.*, 2002 CarswellOnt 3002 (ONCA) at paras. 37-42 [*Confectionately Yours*].

13. While it is necessary to review some description of the nature of services rendered and the standard rates and charges of professionals and counsel, a line-by-line review of the documentation for the fees is not required.

*Canadian Imperial Bank of Commerce v. Rempel Copper Sky Development Ltd.*, 2015 BCSC 2183 at para. 84.

14. In assessing whether the fees of a receiver and its counsel are fair and reasonable, the court considers the "standard rates and charges" of a receiver and its counsel according to the standard billing format and practice of the profession in question. It is standard for the hourly rates of chartered accountants and court officers to exclude the cost of administrative or support staff.



*Bank of Montreal v. Nican Trading Co.*, 1990 CarswellBC 397 at paras. 36-38.

*Northland Bank v. G.I.C. Industries Ltd.*, 1986 CarswellAlta 426 at paras. 30-35.

15. The court considers a number of factors in assessing whether the fees of a receiver are reasonable, including: (i) the nature, extent and value of the assets handled; (ii) the complications and difficulties encountered; (iii) the degree of assistance provided by the debtor; (iv) the time spent; (v) the receiver's knowledge, experience and skill; (vi) the diligence and thoroughness displayed; (vii) the responsibilities assumed; (viii) the results of the receiver's efforts; and (ix) the cost of comparable services when performed in a prudent and economical manner.

*Re Hanfeng Evergreen Inc.*, 2017 ONSC 7161 at para. 31 [*Hangfeng*].

*HSBC Bank of Canada v. Maple Leaf Loading Ltd.*, 2014 BCSC 2245 at para. 11 [*Maple Leaf*].

*Redcorp* at para. 23.

*Confectionately Yours* at paras. 42-45.

16. Similar factors are considered on the assessment of the fees and disbursements of legal counsel in insolvency proceedings, including: (i) the time expended; (ii) the complexity of the receivership; (iii) the degree of responsibility assumed by the lawyers; (iv) the amount of money involved; (v) the degree of skill of the lawyers involved; (vi) the results achieved; and (vii) the client's expectations as to the fee.

*Maple Leaf* at para. 12.

*Redcorp* at para. 33.

17. The Receiver submits that its fees and the fees of its counsel are fair and reasonable in the circumstances and consistent with the market for legal services in British Columbia. The invoices of its counsel were provided to the Receiver when rendered. In this respect, the Receiver submits that the work completed was delegated to the appropriate professionals within the Receiver and BLG with the appropriate seniority and hourly rates, and the services were performed by the Receiver and its legal counsel in a prudent and economical manner.

18. The Receiver will satisfy all technical requirements for the approval of fees, including providing reasonable notice to all secured creditors who would be materially affected by the order and verifying the fees and disbursements to be approved by affidavit.

**D. Approval of Receiver's Activities**

19. The court has the inherent jurisdiction to review the activities of a court-appointed receiver and, if satisfied that the receiver has acted reasonably, prudently and not arbitrarily, to approve the activities set out in the receiver's report. The assessment of whether the receiver has acted "reasonably, prudently and not arbitrarily" is made on an objective basis.

*Leslie & Irene Dube Foundation Inc. v. P218 Enterprises Ltd.*, 2014 BCSC 1855 at para. 54.

20. There are good policy and practice reasons for the court to provide a level of protection for the receiver by approving its activities. However, the court should limit the benefit of such approval to the receiver itself, and exercise caution in approving the receiver's reports and activities in a general sense.

*Hanfeng* at para. 17.

2. The Receiver has, on an informal basis, reported to interested parties and stakeholders throughout these proceedings. The Receiver submits that it carried out its obligations in the receivership in a prudent and commercially reasonable manner, and that it made all commercially reasonable efforts to maximize the value received for the Debtor's assets throughout these proceedings.

21. The Receiver respectfully submits that its activities since its appointment have been carried out in a reasonable, prudent and not arbitrary manner. Accordingly, the Receiver submits that an order approving its activities, as set out in the Receiver's Report, is appropriate.

**E. Discharge of Receiver**

22. Upon the completion of its mandate, including the sale of all realizable assets, a court-appointed receiver will typically seek a discharge order from the court.

*Ed Mirvish Enterprises Ltd. v. Stinson Hospitality Ltd.*, [2009] O.J. No. 4265 at paras. 8 and 9.

23. The Receiver submits that upon filing a certificate certifying that it has completed the remaining outstanding activities described in the Receiver's Report, the Receiver will have fulfilled its

mandate as set out in the Receivership Order. Accordingly, the Receiver is seeking a discharge order from this Honourable Court. Notwithstanding any such discharge, the Receiver shall remain Receiver for the performance of such incidental duties as may be required for the administration of the receivership proceedings.

**PART 4: MATERIALS TO BE RELIED ON**

24. The Applicant relies on:

- (a) the pleadings and materials taken and filed herein;
- (b) the Affidavit of Hong Liu, sworn May 4, 2020;
- (c) the Receiver's Report to the Court dated December 8, 2020;
- (d) the Affidavit of Tom Powell, sworn December 11, 2020;
- (e) the Affidavit of Ryan Laity, sworn December 14, 2020; and
- (f) such other materials as counsel may advise and this Honourable Court may permit.

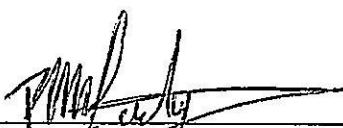
The Applicant estimates that the application will take 30 minutes.

- This matter is within the jurisdiction of a master.
- This matter is not within the jurisdiction of a master.

**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: December 14, 2020

  
\_\_\_\_\_  
Signature of Lisa Hiebert/Ryan Laity  
 applicant  lawyer for Applicant

*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  Master

## 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 matters 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
- other

**Schedule "A"**

**FORM OF APPROVAL AND VESTING ORDER**

Please see attached.

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

HONG LIU and MENG RUI LI a.k.a. MENGRUI LI

PETITIONERS

AND:

EAGLE Q PARTNERS INC.,  
JIAN JIN,  
ZHIHONG CHU A.K.A. ZHI HONG CHU,  
TIE FENG FU, AND  
HANYUM DEVELOPMENT CORP.

RESPONDENTS

ORDER MADE AFTER APPLICATION

APPROVAL AND VESTING ORDER

BEFORE THE HONOURABLE \_\_\_\_\_ ) WEDNESDAY, THE 6<sup>TH</sup> DAY  
 ) OF JANUARY, 2021  
 )

ON THE APPLICATION of FTI Consulting Canada Inc., in its capacity as Court-appointed Receiver (the “Receiver”) of the assets, undertakings and properties of Eagle Q Partners Inc. (the “Debtor”) coming on for hearing at Vancouver, British Columbia, on the 6<sup>th</sup> day of January, 2021, by telephone or Microsoft Teams (as the case may be); AND ON HEARING Lisa Hiebert, counsel for the Receiver, and those other counsel listed on **Schedule “A”** hereto, and no one appearing for the Debtor, although duly served; AND UPON READING the material filed, including the Report of the Receiver dated December 8, 2020 (the “Report”);

THIS COURT ORDERS AND DECLARES THAT:

1. The sale transaction (the “Transaction”) contemplated by the Asset Purchase Agreement dated November 13, 2020 (the “Sale Agreement”) between the Receiver and Hong Liu (the “Purchaser”), a copy of which is attached as Appendix A to the Report is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed

to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Sale Agreement (the “**Purchased Assets**”).

2. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as **Schedule “B”** hereto (the “**Receiver’s Certificate**”), all of the Debtor’s right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule “C”** hereto shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated May 26, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; and (iii) those Claims listed on **Schedule “D”** hereto (all of which are collectively referred to as the “**Encumbrances**”), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
3. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver’s Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
4. The Receiver is to file with the Court a copy of the Receiver’s Certificate forthwith after delivery thereof.
5. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets shall be delivered by the Receiver to the Purchaser at 5:00 p.m. (PST) on the Closing Date (as defined in the Sale Agreement).
6. The Receiver, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.



7. Notwithstanding:
- (a) these proceedings;
  - (b) any applications for a bankruptcy order in respect of the Debtor now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
  - (c) any assignment in bankruptcy made by or in respect of the Debtor,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All 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 or to assist the Receiver and its agents in carrying out the terms of this Order.
9. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
10. Endorsement of this Order by counsel appearing on this application, other than counsel for the Receiver, is hereby 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:

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Signature of Lisa Hiebert  
 Party  Lawyer for the Petitioners

BY THE COURT

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REGISTRAR

**Schedule "A" – Counsel**

<b>NAME OF COUNSEL</b>	<b>PARTY REPRESENTED</b>

**Schedule "B" – Form of Receiver's Certificate**

No. H200268  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

HONG LIU and MENG RUI LI a.k.a. MENGRUI LI

PETITIONERS

AND:

EAGLE Q PARTNERS INC.,  
JIAN JIN,  
ZHIHONG CHU A.K.A. ZHI HONG CHU,  
TIE FENG FU, AND  
HANYUM DEVELOPMENT CORP.

RESPONDENTS

**RECEIVER'S CLOSING CERTIFICATE**

All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Approval and Vesting Order, as pronounced by the Honourable [Mr./Madam] Justice \_\_\_\_\_ in these proceedings on the 6<sup>th</sup> day of January, 2021 (the "Sale Approval Order").

Pursuant to paragraph 2 of the Sale Approval Order, FTI Consulting Canada Inc., in its capacity as Receiver of the assets, properties and undertakings of Eagle Q Partners Inc., hereby delivers and files with the Court this Certificate and hereby certifies that the Transaction contemplated in the Sale Agreement has closed and is complete in all respects.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 2021

**FTI CONSULTING CANADA INC.**, in its capacity as  
Receiver of the properties, assets, and undertakings of  
Eagle Q Partners Inc., and not in its personal capacity:

Per: \_\_\_\_\_  
Name:  
Title:

**Schedule "C" – Purchased Assets**

All right, title and interest of Eagle Q Partners Inc. in and to the Eagle Loans (as defined in the Sale Agreement), including without limitation the following:

- (a) all accounts receivable, notes receivable, book debts and other debts due or accruing due to the Receiver under the Eagle Loans, and the full benefit of any related security granted by the School (as defined in the Sale Agreement) in connection therewith; and
- (b) all books, documents, contracts, agreements, corporate and accounting records, and any other papers, records and information of any kind relating to the Eagle Loans and in the possession of the Receiver as of the date of the Sale Agreement.

### **Schedule D – Claims**

1. A financing statement filed in the British Columbia Personal Property Registry under base registration number 988468L in favour of Hong Liu and Meng Rui Li.
2. A financing statement filed in the British Columbia Personal Property Registry under base registration number 102504M in favour of Meng Rui Li.
3. A financing statement filed in the British Columbia Personal Property Registry under base registration number 005246M in favour of Hanyum Development Corp.

**Schedule "B"**

**FORM OF DISCHARGE ORDER**

Please see attached.

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

HONG LIU and MENG RUI LI a.k.a. MENGRUI LI

PETITIONERS

AND:

EAGLE Q PARTNERS INC.,  
JIAN JIN,  
ZHIHONG CHU A.K.A. ZHI HONG CHU,  
TIE FENG FU, AND  
HANYUM DEVELOPMENT CORP.

RESPONDENTS

ORDER MADE AFTER APPLICATION

**DISCHARGE ORDER**

BEFORE THE HONOURABLE

\_\_\_\_\_

)  
)  
)

WEDNESDAY, THE 6<sup>TH</sup> DAY  
OF JANUARY, 2021

ON THE APPLICATION of FTI Consulting Canada Inc., in its capacity as Court-appointed Receiver (the "Receiver") of the assets, undertakings and properties of Eagle Q Partners Inc. (the "Debtor") coming on for hearing at Vancouver, British Columbia, on the 6<sup>th</sup> day of January, 2021, by telephone or Microsoft Teams (as the case may be); AND ON HEARING Lisa Hiebert, counsel for the Receiver, and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the materials filed, including the Report of the Receiver dated December 8, 2020 (the "Report"), Affidavit #1 of Tom Powell dated December 11, 2020, and Affidavit #1 of Ryan Laity dated December 14, 2020 (collectively, the "Fee Affidavits");

THIS COURT ORDERS AND DECLARES THAT:

1. The activities of the Receiver, as set out in the Report, are hereby approved.
2. The fees and disbursements of the Receiver and its counsel, Borden Ladner Gervais LLP ("BLG"), as set out in the Report and the Fee Affidavits, are hereby approved.
3. After payment of the fees and disbursements of the Receiver and BLG as herein approved, the Receiver shall pay all funds remaining in its hands in the manner set out in the Report.

4. Upon payment of the amounts set out in paragraph 3 hereof, and upon the Receiver filing a certificate in substantially the form attached as **Schedule "B"** (the "**Discharge Certificate**") certifying that it has completed the remaining outstanding activities described in the Report, the Receiver shall be discharged as Receiver of the assets, undertaking and property of the Debtor, provided that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of FTI Consulting Canada Inc. in its capacity as Receiver.

5. Notwithstanding any provision herein, this Order shall not affect any person to whom notice of these proceedings was not delivered as required by the *Bankruptcy and Insolvency Act* and regulations thereto, any other applicable enactment or any other Order of this Court.

6. Endorsement of this Order by counsel appearing on this application, other than counsel for the Receiver, is hereby dispensed with.

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

\_\_\_\_\_  
Signature of Lisa Hiebert

Party  Lawyer for the Petitioners

BY THE COURT

\_\_\_\_\_  
REGISTRAR



**Schedule "A" – Counsel**

<b>NAME OF COUNSEL</b>	<b>PARTY REPRESENTED</b>

Schedule "B" – Form of Receiver's Certificate

No. H200268  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

HONG LIU and MENG RUI LI a.k.a. MENGRUI LI

PETITIONERS

AND:

EAGLE Q PARTNERS INC.,  
JIAN JIN,  
ZHIHONG CHU A.K.A. ZHI HONG CHU,  
TIE FENG FU, AND  
HANYUM DEVELOPMENT CORP.

RESPONDENTS

RECEIVER'S DISCHARGE CERTIFICATE

WHEREAS pursuant to the Order of the Honourable [Mr./Madam] Justice \_\_\_\_\_ made January \_\_\_\_, 2021 (the "Discharge Order"), FTI Consulting Canada Inc., in its capacity as Court-appointed Receiver (the "Receiver") of the assets, properties and undertakings of Eagle Q Partners Inc., was discharged as receiver with such discharge to be effective upon the Receiver filing a certificate with this Court certifying that the Receiver has completed the administration of the estate.

THE UNDERSIGNED HEREBY CERTIFIES as follows:

1. The Receiver has complied with the Discharge Order.
2. The Receiver has completed all other matters that are incidental to the termination of these proceedings and the discharge of the Receiver.

NOW THEREFORE AS A RESULT OF THE FORGOING, the Receiver is entitled to be fully and completely discharged in accordance with the terms of the Discharge Order and relieved of any further powers or duties as Receiver in these proceedings.

THIS RECEIVER'S DISCHARGE CERTIFICATE is made and filed by the Receiver in accordance with paragraph 4 of the Discharge Order.

**FTI CONSULTING CANADA INC.**, in its  
capacity as Receiver of the properties, assets,  
and undertakings of Eagle Q Partners Inc.,  
and not in its personal capacity:

Date: \_\_\_\_\_

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

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

HONGLIU and MENG RUI LI a.k.a. MENG RUI LI

PETITIONERS

AND:

EAGLE Q PARTNERS INC.,

JIAN JIN,

ZHIHONG CHU a.k.a. ZHI HONG CHU,

TIE FENG FU, and

HANYUM DEVELOPMENT CORP.

RESPONDENTS

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**NOTICE OF APPLICATION**

(Approval & Vesting Order and Discharge Order)

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BORDEN LADNER GERVAIS LLP

1200 Waterfront Centre

200 Burrard Street, P.O. Box 48600

Vancouver, BC V7X 1T2

Ryan Laiity

Tel: 604.632.3544

Email: rlaity@blg.com