FORCE FILED

VANCOUVER
SEP 16 2026
REGISTRY

Province of British Columbia
Bankruptcy Division
Vancouver Registry
Court File No.VLC-S-B-260250
Estate No. 11-3352394

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1281805 BC LTD.

NOTICE OF APPLICATION

Name of applicant: 1281805 BC Ltd. (the "**Company**")

To: The Service List, attached hereto as Schedule "A" and those parties who have filed registrations in the personal property registry in British Columbia

TAKE NOTICE that an Application will be made by the applicant to the presiding justice at the courthouse at 800 Smithe Street, Vancouver, British Columbia V6Z 2E1 on September 18, 2026, at 9:45 a.m. for the Order(s) set out in Part 1 below.

The applicant estimates that the Application will take 10 minutes.

☐ This matter is within the jurisdiction of an associate judge.

☒ This matter is not within the jurisdiction of an associate judge.

Part 1: ORDER(S) SOUGHT

1. An order substantially in the form of the draft order attached as **Schedule "B"**:

    (a) abridging the time for service of this application such that it is properly returnable on the date that it is heard;

    (b) authorizing and empowering the Company to borrow funds pursuant to an interim debtor-in-possession (**"DIP"**) facility from Envision Financial, a division of Tru Cooperative Bank (in this capacity, the **"DIP Lender"**);

    (c) granting a super-priority charge over the assets, property and undertakings of the Company and related parties in favour of Envision Financial securing repayment of the Proposed DIP Facility; and

    (d) authorizing and directing the Proposal Trustee to distribute sale proceeds presently held in trust from completed Phase I unit sales to Envision Financial a division of

Tru Cooperative Bank (in this capacity, "**Envision**") in repayment of indebtedness secured by the first-ranking mortgage over the Everwood Project.

2. Such other relief as counsel may advise and this Honourable Court deems just.

Part 2: FACTUAL BASIS

1. The Company is a British Columbia company incorporated for the purpose of pursuing a real estate development project at 23697 Fern Crescent in Maple Ridge, British Columbia, known as the Everwood Project (the "**Everwood Project**"). The Everwood Project is a gated townhouse development comprising 35 residential units.[1]

2. On March 26, 2026, the Company filed a notice of intention (the "**NOI**") to make proposal under s. 50.4 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 (the "**BIA**"), and thereby commenced these proceedings. FTI Consulting Canada Inc. was appointed as the Proposal Trustee.[2]

3. Since filing the NOI, the Company has obtained a series of stay extensions, implemented a Court-approved claims process, obtained approval and vesting orders in respect of numerous unit sales within the Everwood Project.[3]

4. The Company has continued pursuing a restructuring strategy directed toward filing a proposal for the benefit of creditors.[4]

New DIP Approval

5. During the NOI Proceedings, the Company obtained approval of, and fully utilized, a interim DIP financing facility that enabled it to complete construction of Phase I of the Everwood Project and advance the closing of pre-sale transactions. The Proposal Trustee reports that the DIP facility was repaid in full on August 26, 2026.[5]

6. The Company's successful completion of Phase I construction, monetization of Phase I unit sales and repayment of the initial DIP facility demonstrate the progress achieved through the restructuring process and the Company's continued efforts to maximize value for stakeholders.[6]

7. The Company requires additional liquidity in order to continue and complete the restructuring process, fund professional and administrative costs associated with the

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[1] Fifth Report of the Proposal Trustee, to be filed (the "**Fifth Report**") at paras. 2-4.
[2] Fifth Report at paras. 1 and 7.
[3] Financing Order and Claims Process Order of Justice Basran dated April 20, 2026; Order of Justice Blake dated June 1, 2026; Order of Justice Morishita dated July 24, 2026; Fourth Report of the Proposal Trustee filed September 3, 2026 at paras. 36-38.
[4] Affidavit #5 of Talbir Mann made September 16, 2026 ("**Mann #5**") at para. 3.
[5] Fifth Report at paras. 15-17 and 26.
[6] Affidavit #4 of Talbir Mann filed September 3, 2026 ("**Mann #4**") at para. 6; Fifth Report at paras. 15-17 and 26; Fourth Report at para. 26.

proposal proceedings, provide necessary working capital, and continue advancing development activities associated with the Everwood Project.[7]

8. Since obtaining the benefit of the initial DIP financing, the Company has made substantial progress in its restructuring efforts. The Proposal Trustee reports that all Phase I purchase agreements have now closed.[8]

9. The Proposal Trustee reports that the proposed Phase 3 DIP is intended to fund continued operations, assist the Company in implementing its proposal to creditors and support the construction of residential units on the remaining undeveloped lands comprising Phase 3 of the Everwood Project.[9]

10. The Proposed DIP Facility is intended to finance professional fees, restructuring costs, administrative expenses, working capital requirements, refinancing efforts and activities necessary to continue advancing the remaining stages of the Everwood Project. In particular, a portion of the proposed financing is intended to fund the Company's proposal to creditors and permit the Company to continue advancing development work while it seeks longer-term construction and development financing.[10]

11. The Company is presently working toward the formulation and filing of a proposal to its creditors. As part of those efforts, it has been evaluating the development and financing requirements associated with the next phase of the Everwood Project and has been working on its business plan for Phase 2. The Proposal Trustee reports that the Company's ability to formulate a proposal is contingent upon successfully advancing and monetizing the Phase 2 development.[11]

12. The Company believes that the Proposed DIP Facility will provide a better outcome for creditors than a liquidation or distressed realization of the remaining development lands and inventory. The Company is advised that, absent additional financing, any realization of the remaining development assets would likely occur on a distressed basis and would require a purchaser to assume completion risks and incur additional costs to complete and monetize the remaining units.[12]

13. The material terms of the Proposed DIP Facility include the following:

(a) a maximum principal amount of $1,483,319;

(b) interest at prime plus 4.00%;

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[7] Mann #5 at paras 3-7.
[8] Fifth Report at para. 15.
[9] Fifth Report at paras. 17-21.
[10] Mann #5 at paras. 8-13; Fifth Report at paras. 17-21.
[11] Fifth Report at para. 32; Mann #5 at paras. 3-4.
[12] Mann #5 at paras. 6-7, 13, and 15.

(c) a maturity date that is the earliest of:

(i) four months following the initial advance;

(ii) termination of the NOI proceedings;

(iii) commencement of a CCAA proceeding, receivership, or bankruptcy process; or

(iv) ten days following notice of an Event of Default;

(d) security consisting of a court-ordered super-priority charge together with the security described in Schedule A to the Offer of Credit; and

(e) such further terms as are set out in the Offer of Credit dated September 16, 2026.[13]

14. The Offer of Credit for the Proposed DIP Facility expressly requires, as a condition precedent to any advance, the issuance of a Court order granting Envision Financial a super-priority charge against all of the assets, properties and undertakings of the Company in respect of the Proposed DIP Facility, ranking in priority to all other security interests, claims and deemed trusts. Accordingly, approval of the Proposed DIP Facility and the requested DIP Lender's Charge are necessary in order for the Company to obtain access to the proposed financing.[14]

15. The Proposed DIP Facility is intended to finance professional fees, restructuring costs, administrative expenses, working capital requirements, continued operations, proposal implementation and development activities associated with the remaining phases of the Everwood Project. The Proposal Trustee reports that the proposed financing will support both the Company's proposal and the marketability and value of the remaining unsold units.[15]

16. The Proposal Trustee reports that continuation of construction activities at Everwood will enhance the value of the project by reducing the risk of the development being perceived as distressed and will provide funding necessary for the Company to finalize its proposal to creditors. The Company believes the Proposed DIP Facility will enhance the prospects of a successful restructuring and proposal.[16]

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[13] Mann #5 at para. 9, Ex. A.
[14] Mann #5 at para. 10, Ex. B.
[15] Fifth Report at para. 32 (Recommendation 2).
[16] Fifth Report at para. 32, (Recommendation 2); Mann #5 at paras 13 and 15.

17. The Company is not aware of any creditor who would be materially prejudiced by the relief sought.[17]

The Envision Mortgage

18. The Proposal Trustee obtained an independent legal opinion regarding the validity and priority of the security granted in favour of Envision.[18]

19. The Proposal Trustee reports that the legal opinion concludes that Envision's mortgage constitutes a valid and enforceable first-ranking security interest against the Everwood lands. As a result of that opinion, the Proposal Trustee reports that the Company intends to seek an order authorizing the remittance of proceeds held from completed Phase I unit sales, previously approved by this Court, to Envision in repayment of its mortgage debt.[19]

20. The Proposal Trustee reports that net proceeds from the sale of Phase I units totaling approximately $9.16 million have been collected and deposited into the Proposal Trustee's trust account and estimates that approximately $6.77 million will remain available following GST remittances.[20]

21. The Proposal Trustee supports the requested repayment of mortgage indebtedness on the basis that the proposed payments will reduce the outstanding mortgage balance and associated interest costs for the benefit of stakeholders.[21]

<u>Part 3: LEGAL BASIS</u>

1. The Company relies on

   (a) the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3 (the **"BIA"**), in particular Part III, Division I and section 183;

   (b) the *Bankruptcy and Insolvency Rules*, C.R.C., c. 368, Rules 11 to 13;

   (c) the *Supreme Court Civil Rules*, B.C. Reg 168/2009 (the **"Rules"**), in particular Rules 1-3, 8-1, 8-5, 22-1, and 22-4;

   (d) the inherent and equitable jurisdiction of this Court; and

   (e) such further and other legal basis as counsel may advise and this Court may allow.

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[17] Fifth Report, paras. 31-32 (Recommendations); Mann #5 at para. 14.
[18] Fifth Report, paras. 27-30 (Summary of Security Review).
[19] Fifth Report, paras. 31-32 (Recommendations) and paras. 27-30 (Summary of Security Review).
[20] Fifth Report, paras. 22-26 (Summary of Funds Held by the Proposal Trustee).
[21] Fifth Report, paras. 31-32 (Recommendations).

DIP Financing and Super-Priority Charge

2. Sections 50.6(1) and (3) of the BIA expressly authorizes the Court to approve interim financing and order a priority charge as security for amounts advanced to a debtor pursuant to said financing in NOI proceedings.

3. Under s. 50.6(5) of the BIA, the Court is to consider the following factors in deciding whether to make an order for interim financing:

   (a) the period during which the debtor is expected to be subject to proceedings under this Act;

   (b) how the debtor's business and financial affairs are to be managed during the proceedings;

   (c) whether the debtor's management has the confidence of its major creditors;

   (d) whether the loan would enhance the prospects of a viable proposal being made in respect of the debtor;

   (e) the nature and value of the debtor's property;

   (f) whether any creditor would be materially prejudiced as a result of the security or charge…

4. Courts have recognized that while interim financing may impact other creditors to some degree, in circumstances where the debtor's operations would cease if the relief were not granted, any prejudice is outweighed by the benefits to all stakeholders of a successful proposal.[22]

5. Courts have accordingly approved DIP lender's charges where:

   (a) declining to approve interim financing and an attendant charge would result in the cessation of the debtor's business;

   (b) the interim financing and a corresponding charge were supported by the proposal trustee; and

   (c) the interim financing provided at least the prospect of increased value and a successful proposal.[23]

6. The Company further submits that authorization of the proposed repayment to Envision is appropriate in the circumstances. The Proposal Trustee has obtained an independent legal opinion confirming the validity and first-ranking nature of Envision's security and supports

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[22] *P.J. Wallbank Manufacturing Co. (Re)*, ["***Wallbank***"] 2011 ONSC 1794 at para. 34.
[23] *Wallbank* at para. 24; *Mustang GP Ltd. (Re)*, 2015 ONSC 6562 at paras. 28-29 ["***Mustang***"]; *Eureka 93 Inc. et. al. (Re)*, 2020 ONSC 1482 at para. 24.

repayment of secured indebtedness from the proceeds generated through the Phase I sales process.

7. The following factors support approval of the Proposed DIP Facility and DIP Lender's Charge:

   (a) the Company continues to pursue a restructuring and proposal for the benefit of creditors and is working with the Proposal Trustee and its advisors to formulate and implement a proposal;

   (b) the proposed financing will assist the Company in completing the proposal process, funding restructuring and administrative costs, providing working capital, advancing development activities associated with the Everwood Project and pursuing refinancing efforts;

   (c) the initial DIP facility enabled the Company to complete construction of Phase I of the Everwood Project, advance the closing of Phase I unit sales and was repaid in full on August 26, 2026;

   (d) the proposed financing enhances the prospects of a viable proposal being made. The Proposal Trustee reports that the proposed Phase 3 DIP will provide funding for the Company's proposal and support the marketability and value of the remaining unsold units;

   (e) the Everwood Project has demonstrated significant realizable value through the completion and sale of the Phase I units and the Company continues to hold development assets associated with future phases of the Project;

   (f) the Proposal Trustee supports approval of the Proposed DIP Facility and reports that continuation of construction activities will enhance the value of the project by reducing the risk of the development being perceived as distressed; and

   (g) the Company is not aware of any creditor who would be materially prejudiced by the requested relief.

8. The Proposal Trustee supports approval of the Proposed DIP Facility on the basis that it provides funding for the Company's proposal and supports the marketability and value of the remaining unsold units.[24]

Repayment of the Envision Mortgage

9. Section 183 of the BIA vests this Court with jurisdiction at law and in equity sufficient to exercise original, auxiliary and ancillary jurisdiction in bankruptcy and insolvency proceedings.

[24] Fifth Report, paras. 31-32 (Recommendations).

10. In *Bear Creek Contracting Ltd. (Re)*,[25] the Punnett J. confirmed that where the BIA does not specifically address a matter arising in a restructuring proceeding, this Court may exercise its jurisdiction under s. 183 to grant relief necessary to facilitate the restructuring process. Punnett J. relied on that jurisdiction to authorize payments that were necessary to permit the debtor to continue operating and pursuing its restructuring strategy.[26]

11. In the present case, the Proposal Trustee has obtained an independent legal opinion regarding the validity and priority of Envision's security. The Proposal Trustee reports that the opinion concludes that:[27]

    (a) Envision's security documents constitute legal, binding, and enforceable obligations;

    (b) Envision holds a valid security interest in the Everwood Project lands;

    (c) Envision's security has been properly perfected and registered; and

    (d) Envision holds the first-ranking security against the Everwood Project lands.

12. The Proposal Trustee further reports that the Company intends to seek authorization for the remittance of proceeds generated from completed Phase I unit sales to Envision in repayment of its secured mortgage indebtedness.

13. The proceeds proposed to be distributed arise from Court approved Phase I sales, and the proposed distribution is consistent with the priority of Envision's secured claim as confirmed through the Proposal Trustee's security review.

14. The Proposal Trustee supports the requested relief and reports that repayment of the mortgage will reduce mortgage indebtedness and associated interest costs to the benefit of stakeholders.[28]

15. In the circumstances, having regard to the confirmed validity and priority of Envision's security and the Court's jurisdiction under s. 183 of the BIA, the Company submits that it is appropriate to authorize the remittance of proceeds to Envision in partial repayment of its secured indebtedness.

Part 4: MATERIAL TO BE RELIED ON

1. Fourth Report of the Proposal Trustee filed September 3, 2026.

2. Fifth Report of the Proposal Trustee, to be filed.

3. Affidavit #4 of Talbir Mann filed September 3, 2026.

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[25] *In the Matter of the Bankruptcy of Bear Creek Contracting Ltd*, 2021 BCSC 783 [**"*Bear Creek*"**].
[26] *Bear Creek* at paras. 23, 60, 63, and "Orders" at para. 9.
[27] Fifth Report, Summary of Security Review.
[28] Fifth Report, Recommendations of the Proposal Trustee.

4. Affidavit #5 of Talbir Mann filed September 16, 2026.

5. Such further and other materials as counsel may advise and this Honourable 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;

Date: September 16, 2026

Signature of ☐ applicant
☒ Lawyer for applicant
David Gruber / William Stransky /
Mila Ghorayeb

THIS NOTICE OF APPLICATION was prepared by David Gruber, William Stransky, and Mila Ghorayeb of the firm of McEwan Cooper Kirkpatrick LLP, whose place of business and address for delivery is Vancouver Centre II, 1500 – 733 Seymour Street, Vancouver, BC V6B 0S6, Telephone: (604) 283-7740; Fax: (778) 300-9393.

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" – Service List

Province of British Columbia
Bankruptcy Division
Vancouver Registry
Court File No.VLC-S-B-260250
Estate No. 11-3352394

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF
1281805 BC LTD.

SERVICE LIST

McEwan Partners 1500 – 733 Seymour Street Vancouver, BC V6B 0S6 Attention: David Gruber William Stransky Mila Ghorayeb ***Counsel for 1281805 BC Ltd*** dgruber@mcewanpartners.com wstransky@mcewanpartners.com mghorayeb@mcewanpartners.com	FTI Consulting Canada 701 West Georgia Street Suite 1450 Vancouver, BC V7Y 1B6 Attention: Craig Munro Tessa Chiricosta ***Proposal Trustee*** craig.munro@fticonsulting.com tessa.chiricosta@fticonsulting.com
Dentons Canada LLP 250 Howe Street 20th Floor Vancouver, BC V6C 3R8 Attention: Sherryl Dubo Dannis Yang ***Counsel for Envision Financial, a division of Tru Cooperative Bank*** sherryl.dubo@dentons.com; dannis.yang@dentons.com	Department of Justice B.C. Regional Office 900 – 840 Howe Street Vancouver, BC V6Z 2S9 Attention: Jessico Ko jessica.ko@justice.gc.ca

1383604 B.C. Ltd. dba Taiga Landscapes 9148 189th Street Surrey V4N 3M6 ***Lien Claimant*** ***sat@taqigalandscapes.ca***	Devin Cheema Law Corporation 202 – 8434 – 120th Street Surrey, BC V3W 7S2 ***Counsel to 138604 B.C. Ltd.*** ***reception@dclawcorp.ca***
Active Doors & Mouldings Ltd. 8519 – 132 Street Surrey, BC V3W 4N8 Attention: Gurleen Kaur Brar ***Lien Claimant*** ***jasdhaliwal@activedoors.com***	
Amar Exteriors Ltd. 19415 78 Ave, Surrey, V4N 6C7 ***Lien Claimant*** ***manjot@amarexteriors.com***	Baker Newby 200-2955 Gladwin Road, Abbotsford, BC, V2T 5T4 Attention: A. Habib ***Counsel to Amar Exteriors Ltd.*** **ahabib@bakernewby.com**
Bucks Garage Doors Ltd. 9249 202B St, Langley, BC V1M 3Y1 ***Lien Claimant*** **bucks_doors@hotmail.com**	
Boyal Enterprises Ltd. 324-31935 South Fraser Way, Abbotsford, BC V2T 1V5 ***Lien Claimant*** **csboyal@hotmail.com**	RSG Law 1 – 2838 Garden Street Abbotsford, BC V2T 4W7 ***Counsel to Boyal Enterprises Ltd.*** **clientcontact@rsglawyers.ca**

CP Painting Ltd. 1931-136A St, Surrey, BC V4A 9E9 ***Lien Claimant*** **harjit@colourspainting.ca**	
Diamond Cabinets Ltd. 3-31236 Peardonville Rd, Abbotsford, BC V2T 6K3 ***Lien Claimant*** ***diamondcabinet@gmail.com***	RSG Law 1 – 2838 Garden Street Abbottsford, BC V2T 4W7 Attention: Navjeet Sandhu ***Counsel to Diamond Cabinets Ltd.*** ***navjeet@rsglawyers.ca***
Dick's Lumber 2580 Gilmore Avenue, Burnaby, BC V5C 4T5 ***Lien Claimant*** ***gregg@dickslumber.com***	McKechnie & Company 300-1122 Mainland Street, Vancouver, BC V6B 5L1 ***Counsel to Dick's Lumber*** ***gordon@mckechnie.bc.ca***
Fast Frost Heating & Air Conditioning Ltd. 8279 171 St Surrey, BC V4N 0B2 **Lien Claimant** ***fastfrost@hotmail.com***	

Fibretech Distributors Inc. c/o Alliance Lawyers #103 – 20316 – 56th Avenue Langley BC V3A 3Y7 ***Lien Claimant*** ***sunney@fibretechbc.ca***	Alliance Lawyers #103 – 20316 – 56th Avenue Langley BC V3A 3Y7 ***Counsel to Fibretech Distributors Inc.*** ***pavan@alliancelawyers.ca***
Koome Urban Forestry Ltd. #305 – 1163 The Hight Street Coquitlam, BC V3B 7W2 Attention: Kelly Kome **Lien Claimant**	
Lucky Tiles Ltd. 14294-110 Avenue, Surrey, BC V3R 1Z9 ***Lien Claimant*** **luckytilesltd@gmail.com**	Herr Law Group Unit 211, 15240 – 56 Avenue Surrey, BC V3S 5K7 Attention: Gurvir Dulay ***Counsel to Lucky Tiles Ltd.*** ***gdulay@herrlawgroup.com*** ***reception@herrlawgroup.com***
Morrison Windows Ltd. 8400 – 124 Street, Surrey, BC V3W 6K1 Attention: Gurtej Singh Dhillon ***Lien Claimant***	
Millwood Finishing Ltd. 15712 96A Avenue, Surrey BC V4N 2T2 ***Lien Claimant*** **princirooprai@gmail.com**	Ahuja Litigation Mediation Arbitration 208 – 15272 Croydon Drive Surrey, BC V3Z 0Z5 ***Counsel to Millwood Finishing Ltd.*** ***harman@almalaw.ca***

M&N Drywall Ltd. 12242 98A Avenue Surrey, BC V3V 7S5 ***Lien Claimant*** **hgosal14@gmail.com**	Herr Law Group Unit 211, 15240 – 56 Avenue Surrey, BC V3S 5K7 ***Counsel to M&N Drywall Ltd.*** ***reception@herrlawgroup.com***
Omax Concrete & Pumping Ltd. 18284 – 64 Avenue Surrey, BC V3S 8A7 Attention: Onkar Singh ***Lien Claimant*** **onkar.rai01@gmail.com**	Paragon Rebar & Dampproofing (2010) Ltd. 5838 Kettle Crescent E, Surrey BC V3S 8R5 ***Lien Claimant*** **paragonrebar@gmail.com**
S & B Janitorial Services 13831 60a Avenue, Surrey BC V3X 0H3 ***Lien Claimant*** **bains.inderjit@gmail.com**	Ahuja Litigation Mediation Arbitration 208 - 15272 Croydon Drive Surrey BC V3Z 0Z5 ***Counsel to S & B Janitorial Services*** ***reception@almalaw.ca***
Securiforce Security 5946 124 St. Surrey, B.C. V3X1X5 ***Lien Claimant*** **admin@securiforce.com**	

West Harbour Electric ***Lien Claimant*** **praneel@westharbourelectric.com**	West Harbour Electric c/o Atwal & Associates Trial Lawyers #309 – 3211 - 152 Street Surrey, BC V3S 3M1 Attention: Raman S. Atwal ***Counsel to West Harbour Electric*** **rsatwal@atwallawyers.ca**
New Way Railing & Metal Works Ltd. 14992 88a Avenue, Surrey, B.C. V3R 6Y5 ***Lien Claimant*** **info@newwayrailing.com**	

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Schedule "B" – Draft Order

Province of British Columbia
Bankruptcy Division
Vancouver Registry
Court File No. B-260250
Estate No. 11-3352394

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF
1281805 BC LTD.

ORDER MADE AFTER APPLICATION

	)		)	
BEFORE	)	THE HONOURABLE	)	18/SEP/2026
	)	JUSTICE	)	
	)		)	
	)		)	

ON THE APPLICATION of 1281805 BC Ltd. (the **"Company"**) coming on for hearing at Vancouver, British Columbia, on the 18th day of September 2026; AND ON HEARING William Stransky, counsel for the Company; AND UPON READING the material filed, including the Affidavit #5 of Talbir Mann made September 16, 2026, and the Fifth Report of the Proposal Trustee dated September 16, 2026, AND pursuant to the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3, as amended (the **"BIA"**) and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

Service

1. The time for service of the Notice of Application and supporting materials for this Order be and is hereby abridged such that the application is properly returnable today.

Interim Financing

2. The Company is hereby authorized and empowered to obtain and borrow under a credit facility from Envision Financial, a division of Tru Cooperative Bank, formerly known as First West Credit Union (the **"DIP Lender"**) in order to finance the continuation of its business and these proceedings and the preservation of its current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the **"Property"**), provided that borrowings under such credit facility shall not exceed $1,483,319 unless permitted by further Order of this Court (the **"DIP Facility"**).
3. The DIP Facility shall be in accordance with the terms and subject to the conditions set forth in the Offer of Credit dated September 16, 2026 between the Company and the DIP Lender (the **"Offer of Credit"**), appended as Exhibit "A" to the Affidavit #5 of Talbir Mann made September 16, 2026. The Offer of Credit is hereby approved.
4. The DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the **"DIP Lender's** Charge") over all of the Property securing repayment of the DIP Facility. The DIP Lender's Charge shall constitute a super-priority charge and shall rank in priority to all other security interests, claims and deemed trusts (statutory or otherwise) affecting the Property. The DIP Lender's Charge shall not secure an obligation that exists before this Order is made.
5. The Company is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees, and other definitive documents (collectively, the **"Definitive Documents"**) as are contemplated by the DIP Facility or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Company is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities, and obligations to the DIP Lender under and pursuant to the DIP Facility and the Definitive Documents as and when the same become due and are to be performed.
6. Any security documentation evidencing, or the filing, registration, or perfection of, the DIP Lender's Charge shall not be required, and that the DIP Lender's Charge shall be effective as against the Property and shall be valid and enforceable for all purposes, including as against any right, title, or interest filed, registered or perfected subsequent to the DIP Lender's Charge coming into existence, notwithstanding any failure to file, register or perfect the DIP Lender's Charge.
7. The DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the DIP Lender shall not otherwise be limited or impaired in any way by:
    a. the pendency of these proceedings and the declarations of insolvency made herein;
    b. any application(s) for bankruptcy order(s) issued pursuant to the BIA or any bankruptcy order made pursuant to such application(s);
    c. the filing of any assignments for the general benefit of creditors pursuant to the BIA;
    d. the provisions of any federal or provincial statutes; or
    e. any negative covenants, prohibitions, or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances contained in any existing

loan document, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (each, an **"Agreement"**) which binds the Company, and notwithstanding any provision to the contrary in any Agreement;

i. the creation of the DIP Lender's Charge shall not create or be deemed to constitute a breach by the Company of any Agreement caused by or resulting from the Company creating the DIP Lender's Charge; and

ii. the payments made by the Company pursuant to this Order and the granting of the DIP Lender's Charge does not and will not constitute a preference, fraudulent conveyance, transfer at undervalue, oppressive conduct, or other challengeable or voidable transaction under any applicable law.

8. Upon the occurrence of an event of default under the DIP Documents or the DIP Lender's Charge, the DIP Lender, upon 10 day's notice to the Company and to the Company's Proposal Trustee, may exercise any and all of its rights and remedies against the Company or the Property or pursuant to the DIP Facility, DIP Documents, and the DIP Lender's Charge.

Repayment to Envision Financial

9. The Proposal Trustee is hereby authorized and directed to remit to Envision Financial, a division of Tru Cooperative Bank, from the proceeds presently held in trust from completed Phase I unit sales, such amounts as are necessary to repay or reduce the indebtedness secured by Envision Financial's first-ranking mortgage over the Everwood Project lands.

10. The remittance authorized by paragraph 9 shall be applied toward repayment of the secured indebtedness owing to Envision Financial and may be paid notwithstanding the continuation of these NOI Proceedings.

11. The Proposal Trustee is authorized and directed to take all steps necessary to give effect to paragraphs 9 and 10 of this Order.

12. Except as expressly provided in this Order, the payment authorized herein shall not affect the validity, priority or enforceability of any claims attaching to any remaining proceeds held by the Proposal Trustee.

Miscellaneous

13. The Company, the Proposal Trustee, 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.

14. References in this Order to the singular shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender.

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

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS NOTED ABOVE:

Signature of William Stransky

Lawyer for the Applicant

BY THE COURT

REGISTRAR IN BANKRUPTCY