

SUPREME COURT  
OF BRITISH COLUMBIA  
VANCOUVER REGISTRY

JUN 08 2026

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED

- AND -

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57

- AND -

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF  
464 EAGLECREST DRIVE LIMITED PARTNERSHIP, TCD DEVELOPMENTS  
(GIBSONS) LTD., and 464 EAGLECREST DRIVE PROPERTIES LTD.

PETITIONERS

**PETITION TO THE COURT**

**Petitioners:**

464 Eaglecrest Drive Limited Partnership,  
TCD Developments (Gibsons) Ltd., and  
464 Eaglecrest Drive Properties Ltd.  
c/o Bridgehouse Law LLP  
9<sup>th</sup> floor, 900 West Hastings Street  
Vancouver, BC V6C 1E5

**Attention: Benjamin La Borie**

**On Notice to:** Envision Financial, a division of Tru Cooperative Bank, formerly known  
as First West Credit Union ("**Envision**")

The address of the registry is: 880 Smithe Street, Vancouver, British Columbia

The Petitioner estimates that the hearing of the petition will take **1 hour**.

This matter is not an application for judicial review.

**This proceeding is brought for the relief set out in Part 1 below by the person  
named as petitioner in the style of proceedings above**

If you intend to respond to this petition, you or your lawyer must

- a. file a response to petition in Form 67 in the above-named registry of this  
court within the time for response to petition described below, and

- b. serve on the petitioner
  - (i) 2 copies of the filed response to petition, and
  - (ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

**Orders, including orders granting relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.**

**Time for response to petition**

A response to petition must be filed and served on the petitioner,

- (a) if you reside anywhere within Canada, within 21 days after the date on which a copy of the filed petition was served on you,
- (b) if you reside in the United States of America, within 35 days after the date on which a copy of the filed petition was served on you,
- (c) if you reside elsewhere, within 49 days after the date on which a copy of the filed petition was served on you, or
- (d) if the time for response has been set by order of the court, within that time.

<p>(1) The ADDRESS FOR SERVICE of the petitioner is:</p> <p>Address: Bridgehouse Law LLP 9<sup>th</sup> Floor, 900 West Hastings Street Vancouver, B.C., V6E 1C5 Attention: Benjamin La Borie</p> <p>Fax number address for service of the petitioner: 604.684.0916</p> <p>Email addresses for service of the petitioner: <a href="mailto:blaborie@bridgehouselaw.ca">blaborie@bridgehouselaw.ca</a></p>
<p>(2) The name and office address of the petitioner's (s') lawyer is:</p> <p style="text-align: center;">Same as address for service</p>

**CLAIM OF THE PETITIONER**

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

1. The petitioners, 464 Eaglecrest Drive Limited Partnership, TCD Developments (Gibsons) Ltd., and 464 Eaglecrest Drive Properties Ltd. (the "**Petitioners**") seek an initial order under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended ("**CCAA**"), substantially in the form attached as **Schedule "A"** (the "**Initial Order**") to this Petition, among other things:
  - a. abridging the time for service of this Petition and the supporting materials so that the application is returnable June 8, 2026;

- b. declaring the Petitioners to be companies to which the CCAA applies;
- c. appointing FTI Consulting Canada Inc. ("**FTI**") as an officer of this Court to monitor the assets, business, and affairs of the Petitioners (in such capacity, the "**Monitor**");
- d. ordering that, until the Comeback Hearing (defined below), all proceedings against the Petitioner and its directors and officers be stayed, and extending certain protections under the stay of proceedings to a non-applicant party that is related to the Petitioners;
- e. approving financing to be provided to the Petitioners, for a total facility of \$6.75 million on the terms and conditions set out in the Interim Financing Term Sheet (as defined below);
- f. granting the following charges over the assets, properties, and undertakings of the Petitioners as security for the obligations of the Petitioners to the beneficiaries of such charges, in each case as set out in the initial Order, and having the following relative priorities as among such charges:
  - i. First, an "Administration Charge" as security for the respective fees and disbursements incurred by the Monitor, counsel to the Monitor, and counsel to the Petitioner at the standard rates and charges of the Monitor and such counsel, both before and after the making of the Initial Order, which are related to the Petitioner's restructuring; and
  - ii. Second, an "Interim Lender's Charge" as security for amounts advanced to the Petitioners (the "**Interim Financing**") by Tru Cooperative Bank, formerly known as First West Credit Union (in such capacity, the "**Interim Lender**") under the provisions of a Debtor-in-Possession Financing Agreement dated June 4, 2026 (the "**Interim Financing Term Sheet**").
- g. granting such further and other orders as this Honourable Court may deem just and convenient and as may be appropriate in the circumstances.

## **Part 2: FACTUAL BASIS**

### **The Petitioners**

1. TCD Developments (Gibsons) Ltd. ("**TCD**") is a corporation incorporated under the laws of British Columbia on or about August 22, 2018, with its registered office located in Vancouver, British Columbia.
2. 464 Eaglecrest Drive Limited Partnership ("**Eaglecrest Partnership**") is a limited partnership formed under the laws of the Province of British Columbia on or about August 24, 2018. Its sole general partner is TCD, and its registered office is located in Vancouver, British Columbia.

3. Eaglecrest Partnership was established for the purpose of acquiring, developing, constructing, and marketing the Project.
4. 464 Eaglecrest Drive Properties Ltd. ("**Eaglecrest Properties**") a corporation incorporated under the laws of British Columbia on or about September 14, 2016, with its registered office located in Vancouver, British Columbia.
5. Eaglecrest Properties holds legal title to the Property (as defined hereafter) as bare trustee.

### **Overview**

6. The Petitioners face significant liquidity constraints and have defaulted on obligations to various creditors, including their primary secured creditor, Envision Financial, a division of Tru Cooperative Bank, formerly known as First West Credit Union ("**Envision**"), with aggregate indebtedness exceeding \$55 million.
7. The Petitioners require the Initial Order to access critical funding, stabilize the Project, and complete construction of a residential development known as Eagle View Heights in Gibsons, British Columbia (the "**Project**").
8. The Petitioners commence these proceedings with a commitment for completion funding within a CCAA proceeding, which is expected to enable completion of the Project.
9. The Petitioners have entered into pre-sale agreements for 60 of the 63 Phase 1 units (the "**Pre-sale Units**"), with sale proceeds expected to satisfy creditor claims in full upon completion of the Project.
10. In or about April 2026, funding pressures and escalating construction costs resulted in a temporary suspension of construction activities while additional financing arrangements were pursued.
11. As funding constraints intensified in 2026, multiple builders' liens were filed against the Property.
12. Absent relief under the CCAA, the Project's construction and pre-sale arrangements are at risk. The Petitioners do not presently have access to alternative construction financing outside of these proceedings but have identified a path toward interim financing and completion of the Project within the framework of these proceedings.

### **Corporate Organization and Management**

13. The principals of the Petitioners are Jun Bi ("**Bi**") and Robert Chetner ("**Chetner**"). Bi and Chetner have been involved in the Project since its inception.
14. The Petitioners do not directly employ construction personnel in British Columbia. Construction work at the Project is performed by third-party subcontractors retained

through Kindred Construction Ltd. ("**Kindred**"), the Project's general contractor, and overseen by Kind Development Group Ltd. ("**Kind Development**"), the Project manager.

### **Kind Development**

15. Bi and Chetner are directors of Kind Development, which manages several real estate development projects in British Columbia, including the Project, under a management arrangement with the Petitioners.
16. Kind Development is not a shareholder of Eagle Properties, TCD or a partner in Eaglecrest Partnership. It currently is conducting business over two separate projects.
17. While Kind Development has certain financial exposure related to the Project, it operates as a separate entity and is currently able to meet its obligations as they become due; however, these proceedings may adversely affect its operations, including potential disruption or termination of its other financing arrangements and related contractual relationships.

### **The Project**

18. The Property consists of approximately 4.7 acres (1.9 hectares) extending from Eaglecrest Drive to Winn Road/Stewart Road in Gibsons, British Columbia, and is legally described as PID: 030-982-421, Lot A, Plan EPP86390, District Lot 1328, Group 1, New Westminster Land District.
19. The Project is planned in two phases. Phase 1 of the Project consists of 63 residential units ("**Phase 1**"). A contemplated Phase 2 is expected to add approximately 24 additional units.
20. Phase 1 consists of 63 residential units across 12 buildings, together with a multi-level parkade, a shared amenity facility serving both phases of the Project, and a central landscaped park.

### **Municipal Permits and Strata Registration**

21. The Petitioners have completed the principal municipal approval process for the Project, including obtaining rezoning approval, a development permit, and building permits from the Town of Gibsons.
22. Except for one building, the Phase 1 building permits are scheduled to expire on or about July 12, 2026, but the Petitioners are confident those dates can be extended by the Township of Gibsons for the benefit of stakeholders.
23. The Petitioners are in a position to submit the strata plan for registration with the British Columbia Land Title Office, but registration has been delayed pending

satisfaction of additional municipal requirements, including the posting of approximately \$297,398.40 in additional landscaping security requested by the Town of Gibsons in connection with completion of the central landscaped park and common areas.

### **Status of Construction**

24. Construction of the Project commenced in 2021.
25. Most of Phase 1's construction has been completed, including the buildings, parkade, amenity facility, and related structural, mechanical, electrical, and finishing work.
26. The remaining work is limited in scope and consists primarily of deficiency remediation, minor finishing work, system commissioning and testing, landscaping, final inspections, municipal sign-offs, and occupancy approvals.
27. Due to funding constraints and escalating construction costs, active construction operations were paused in or about April 2026. The Project site remains secured and monitored.
28. Subject to the availability of sufficient funding, the Petitioners anticipate completing Phase 1 within three months of the recommencement of construction, subject to the availability of necessary funding.

### **Costs to Complete**

29. The Petitioners estimate that the remaining costs required to complete Phase 1 of the Project are approximately \$6.75 million, inclusive of professional fees for a CCAA proceeding.
30. The estimated costs to complete also exclude amounts required to fully fund statutory holdback obligations.

### **Status of Pre-Sale Units**

31. The Petitioners have entered into pre-sale agreements for approximately 60 Phase 1 units, representing an aggregate contracted sale value of approximately \$59,862,392. Only three Phase 1 units remain unsold with a list price of approximately \$4.5 million.
32. Approximately \$12.1 million in pre-sale deposits including a bond in the amount of \$4,759,478.48 are held in trust in accordance with applicable legal requirements and contractual arrangements.
33. Under the current disclosure statement for the Project, the outside date for completion of Phase 1 of the Project is August 3, 2026.

## **Financial Difficulties and Operational Challenges**

34. The original construction budget for the Project was approximately \$48 million. In December 2021, the Project experienced significant cost increases arising from escalation claims, increased material and trade costs, change orders, design revisions, delays, and a temporary construction pause during which a retendering process further increased costs.
35. By the end of 2023, the Project budget had increased to approximately \$54 million, with construction and carrying costs continuing to escalate thereafter. The construction budget, as overseen by Kindred, continued to escalate thereafter and is currently estimated to be approximately \$66 million.
36. In 2026, disputes arose with multiple trade creditors (together, the “**Lien Claimants**”) regarding unpaid amounts and budget overruns, resulting in multiple builders lien claims against the Property (the “**Lien Claims**”). The Lien Claims, together with ongoing carrying costs and project delays, materially impaired the Petitioners’ ability to continue construction in the ordinary course.

## **FINANCING AND LIABILITIES**

### **Defaults and Demand for Payment**

37. The Petitioners subsequently failed to satisfy payment obligations owing under their construction financing arrangements.
38. On May 5, 2026, Envision issued formal demand for repayment and delivered notices of intention to enforce its security.
39. As of May 5, 2026, the amounts owing to Envision total approximately \$48.3 million.

### **Other Creditors**

40. The Petitioners’ unsecured creditors consist primarily of lien claimants, subcontractors, suppliers, and other trade creditors that provided labour, materials, or services in connection with the Project.
41. The lien claimants claim approximately \$6.5 million, although those claims are likely duplicative, and the Petitioners’ remaining unsecured creditors are owed approximately \$691,136.
42. The claims of lien claimants and unsecured creditors are subordinate to the secured indebtedness owing to Envision.

## **NEED FOR CREDITOR PROTECTION**

43. The Petitioners are experiencing significant financial and liquidity constraints and require relief under the CCAA in order to maintain the status quo while completing and implementing a restructuring process.
44. The Petitioners require a stay of proceedings to prevent enforcement actions by secured creditors, lien claimants, and other creditors, and require authority to obtain interim financing to address immediate liquidity requirements and fund completion of the Project.
45. The Petitioners' current plan while under CCAA protection involves the following:
  - a. To immediately complete construction and finishing of the Project;
  - b. Close existing pre-sale purchase agreements; and
  - c. Resolve existing Lien Claims and other claims if possible.
46. Prior to commencing these proceedings, the Petitioners explored various alternatives to address their financial challenges, including discussions with stakeholders, financing efforts, and consultations with professional advisors regarding restructuring options.
47. Envision supports the commencement of these proceedings and has agreed, subject to Court approval and enhanced Monitor's powers, to provide interim financing to facilitate completion of the Project.

## **FINANCIAL STATUS AND RESTRUCTURING**

### **Assets**

48. The primary assets of Eaglecrest Partnership consist of cash, accounts receivable, the holdback account, the Property, and construction work in progress associated with the Project.
49. The holdback account is currently held by Kindred pursuant to an agreement with the Petitioners. The Petitioners intend to secure the account for the benefit of stakeholders.
50. As of December 31, 2025, Eaglecrest Partnership's assets totalled approximately \$87,230,804, consisting primarily of the Property and cash, accounts receivable, deposits/prepaid expenses and GST receivable.

### **Liabilities**

51. The principal liabilities of Eaglecrest Partnership consist of accounts payable, accrued liabilities, amounts owing under the construction financing, and related-party obligations incurred in connection with the Project.

### **The Monitor**

52. FTI Consulting Canada Inc. ("FTI") has consented to act as monitor in these proceedings, subject to Court approval.

### **Administration Charge**

53. The Petitioners seek an administration charge of \$200,000 over their assets, property, and undertaking in favour of the proposed Monitor, counsel to the Monitor, and counsel to the Petitioners as security for professional fees and disbursements incurred in connection with these proceedings.
54. The administration charge secures the continued participation of the proposed Monitor and legal counsel during the restructuring proceedings.

### **Interim Financing**

55. The Petitioners require interim financing to continue restructuring efforts, fund remaining construction costs, maintain operations, satisfy ongoing obligations, and preserve the value of the Project.
56. The Petitioners have negotiated the Interim Financing with the Interim Lender to provide liquidity for completion of the Project and continuation of these proceedings. In addition, the Interim Lender requires that a payment of \$281,276.54 on May 28, 2026 for insurance for the Project be secured by the Interim Financing Charge.
57. The Interim Financing Term Sheet is summarized in Affidavit #1 of Jun Bi, and a copy is also attached as Exhibit V. The critical terms include:
- a. the Interim Financing Facility will be a non-revolving credit facility up to a maximum principal amount of \$6,750,000;
  - b. as noted above, security for repayment of the Interim Financing Facility will be, among other things, the Interim Financing Charge;
  - c. interest is Prime plus 6%, calculated daily and payable monthly in arrears on the first business day of each month; and
  - d. a one-time fee of \$150,000, which is included in the maximum principal amount, will be payable to the Interim Lender on the date of the initial advance.
58. The Petitioners seek approval of entry into the Interim Financing and its related priority charges.

### **Stay of Proceedings**

59. The Petitioners require a stay of proceedings to protect against various risks, including steps that could result in inequity among creditors or termination of various agreements, including of the pre-sale purchase agreements of the Project.

60. The Petitioners also seek to extend the benefits of the stay to Kind Development. There is a risk that the Petitioners commencing these proceedings may expose Kind Development to risk including potential termination of its financing arrangements, or contracts or agreements that are critical to the Petitioners' operations and business.

**Part 3: LEGAL BASIS**

**Applicable Legislation**

1. The Petitioner relies on:
  - a. CCAA;
  - b. Business Corporations Act, S.B.C. 2002, c.57;
  - c. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA");
  - d. *Supreme Court Civil Rules*, B.C. Reg, 168/2009, as amended;
  - e. the inherent and equitable jurisdiction of this Court; and
  - f. such further and other legal basis as counsel may advise and this Honourable Court may allow.

**Applicability of the CCAA**

2. The CCAA applies in respect of a "debtor company" where the total amount of claims against the debtor exceed five (5) million dollars. The term "debtor company" is defined in Section 2 of the CCAA to include any company that is "insolvent".

CCAA, ss. 2(1) and 3(1)

3. The claims against the Petitioners are substantially more than the CCAA's statutory \$5 million threshold.
4. Although the term "insolvent" is not defined in the CCAA, Canadian courts have applied the BIA definition of "insolvent person" for the purposes of assessing entitlement to apply for relief under the CCAA, which term includes persons who are for any reason unable to meet their obligations as they generally become due. Courts have interpreted this test expansively to include a company that "is reasonably expected to run out of liquidity within reasonable proximity of time as compared with the time reasonably required to implement a restructuring".

*Stelco Inc., Re*, 2004 CarswellOnt 1211  
(Ont. Sup. Ct. J.) at para. 26, leave to appeal ref'd  
2004 CarswellOnt 2936 (Ont. C.A.) and 2004  
CarswellOnt 5200 (S.C.C.)

See also, *Lemare Holdings Ltd., Re.*, 2014 BCSC 893  
at para. 18

5. In this case, the Petitioners meets this statutory definition. The Petitioners are unable to meet their construction funding requirements. Absent CCAA protection, the Petitioners will also not be able to meet their post-filing obligations to its creditors and stakeholders generally.
6. It is well established that the court has the jurisdiction, under section 11 of the CCAA, to extend a stay of proceedings to a partnership, related to a petitioner, in order to ensure that the purposes of the CCAA can be achieved.

*Target Canada Co. (Re)*, 2015 ONSC 303 at para.42;  
See also, *1057863 B.C. Ltd. (Re)*, 2020 BCSC 1057  
at para. 5. CCAA, s.11

7. Although the definition of "debtor company" in the CCAA does not capture a partnership, courts have held that where a limited partnership is significantly interrelated to the business of a debtor company and forms an integral part of its operations, the Court may extend the stay of proceedings accordingly.

*Payless ShoeSource Canada Inc. and Payless  
ShoeSource Canada GP Inc. (Re)*, 2019 ONSC 1215  
at para 26

### **Purpose of Application of CCAA**

8. The CCAA is remedial legislation which gives Canadian courts flexible mechanisms to achieve the CCAA's legislative purpose, which is to avoid the social and economic losses resulting from liquidations of insolvent companies.

*Century Services Inc. v. Canada (Attorney General)*,  
2010 SCC 60 ("**Century Services**") at paras 14 and 70

9. The CCAA's distinguishing feature is: "a grant of broad and flexible authority to the supervising court to make ... the orders necessary to facilitate the reorganization of the debtor and achieve the CCAA's objectives."

*Century Services* at para 19

10. Courts have also granted orders under the CCAA wherein debtor companies used interim financing and other CCAA protections to complete unfinished construction projects.

*Mizrahi Commercial (The One) LP et al.*, 2025 ONSC 2672 at  
paras. 49-52; *V2 Investment Holdings Inc. v. Sam Mizrahi*, 2025  
ONSC 1715 at para. 2; and *Worldspan Marine Inc. (Re)*, 2011  
BCSC 1758 at paras. 37-38

11. The purpose of the stay of proceedings is to assist the debtor in maintaining the status quo, while working to stabilize its affairs and negotiate a plan of arrangement with creditors, thus benefiting both the debtor and its creditors.

*Century Services* at paras. 60-62

12. The power to grant a stay of proceedings should be construed broadly to facilitate the CCAA's legislative purpose. The CCAA is remedial legislation, affording courts with broad jurisdiction to approve and implement restructuring arrangements. The legislation is remedial in the purest sense in that it provides a means whereby the devastating social and economic effects of bankruptcy or creditor initiated termination of ongoing business operations can be avoided while a court-supervised attempt to reorganize the financial affairs of the debtor company is made.

*Century Services* at para. 59

13. As the primary policy instrument available under the CCAA, a stay of proceedings helps to facilitate compromises and arrangements between companies and their creditors. It provides an essential period of reprieve from litigation proceedings, allowing a debtor company to instead focus on negotiations with creditors.

*Campeau v. Olympia & York Developments Ltd.*, 1992  
CarswellOnt 185 (Ct. J. (Gen. Div.)) at para. 17

14. The stay of proceedings also facilitates the on-going operations of the debtor's business, preserves the value of the operations and provides the debtor with the necessary time, flexibility and "breathing room" to carry out a court-supervised restructuring or sale process.

*Re Lehdortf General Partners Ltd.*, 1993 CarswellOnt 183  
(Ont. Ct. J.) at paras. 57

15. The threshold for a debtor company to obtain a stay of proceedings under the CCAA is low. The company only has to satisfy the Court that a stay of proceedings would "*usefully further*" its efforts to reorganize. The debtor company is not required to put forward anything more than a germ of a plan that requires protection.

*Century Services* at para. 70;  
*Industrial Properties Regina Limited v. Copper Sands Land Corp.*, 2018 SKCA 36 at para. 21

16. Further, since November 1, 2019, when certain amendments to the CCAA became effective, any stay of proceedings in an initial order under the CCAA is restricted to ten days, albeit subject to extension at the first comeback application and subsequently thereafter. This short initial stay period is meant to minimize prejudice to creditors who may have received shod or no notice of the initial petition. Any creditor with concerns about the adequacy of service is only required to wait ten

days to make its case in opposition to the debtor company's filing or the resulting stay of proceedings.

CCAA, s. 11.02(1)

17. The Petitioners submit that the remedial purposes of the CCAA are engaged in this circumstance. The Petitioners seek to preserve and enhance the value of their assets, while addressing the various claims against them. The Petitioners submit that providing breathing space to enable the Petitioners to restructure and continue their operations will unlock significant value for stakeholders and is preferable to the devastating social and economic effects of a creditor-initiated liquidation at this stage.
18. In *Alderbridge Way GP Ltd. (Re)*, 2022 BCSC 1436, Fitzpatrick J. stated the following with respect to use of CCAA proceedings in the context of an incomplete development:

[18] the CCAA has been used in the past and can be appropriately applied here [to an incomplete development], to allow [the petitioners] to fashion a solution that does not simply result in a receivership of this development property. Their "germ of the plan", as I stated earlier, anticipates that various options will be explored during the SISF in what is undoubtedly a very complex situation. That process is not intended to simply achieve a sale of a "hole in the ground", admittedly a type of asset that could potentially be addressed in a simpler receivership proceeding.

[19] Accordingly, I do not accept that the stage of the development necessarily dictates whether or not relief under the CCAA is appropriate. It seems to me that, in this very complex situation, the flexibility of the CCAA (a hallmark of the CCAA) can very much benefit all of the stakeholders involved.

*Alderbridge Way GP Ltd. (Re)*, 2022 BCSC 1436 at paras. 17-19

### **Appointment of a Monitor**

19. Pursuant to section 11.7 of the CCAA, the Court shall appoint a person to monitor the business and financial affairs of a debtor company at the same time that an initial CCAA order is made. The person so appointed must be a trustee, within the meaning of subsection 2(1) of the BIA.

CCAA, s. 11.7

20. FTI is a Licensed insolvency Trustee pursuant to the *BIA*, and has consented to act as the Monitor of the Petitioners if so appointed by this Court
21. Section 11.02(1) of the CCAA provides that on an initial application, the Court may:

...make an order on any terms that it may impose, effective for the period that the court considers necessary, which period may not be more than 10 days,

(a) staying, until otherwise ordered by the court, all proceedings taken or that might be taken in respect of the company under the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act;

(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and

(c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

CCAA, s. 11.02(1)

22. As a precondition to the Interim Financing, Envision has requested that FTI be granted "enhanced powers" under the Initial Order in order to facilitate the construction of the Project and closing of pre-sales. Those additional powers include:

a. Exercise any powers exercisable by a board of directors of the Petitioners;

b. Control the Petitioners' receipts and disbursements; and

c. Reporting to Court and the Interim Lender as to these proceedings and the Petitioners' financial information.

23. Under subsection 23(1)(k) of the CCAA, the Court may direct the Monitor to carry out any other function in relation to the debtor company. These additional functions are known as "enhanced" or "expanded" powers of the Monitor. This provision gives the Court broad authority to tailor the Monitor's role to the particular circumstances to further the purposes of the CCAA, including taking on the responsibilities of the board of directors and senior management of a corporation.

*Inca One Gold Corp. (Re)*, 2024 BCSC 1478 at para 36  
citing *8640025 Canada Inc. (Re)*, 2018 BCCA 93 at para 49.

24. The enhanced powers sought in these proceedings are reasonably necessary not only because they are a condition of Envision supporting these proceedings, but also because they will facilitate the efficient conduct of these proceedings.

25. The Petitioners support enhancing the Monitor's powers to assist with these proceedings. As a result, the Petitioners submit that it is appropriate in the circumstances for the Court to grant the requested enhanced powers in the Initial Order.

## **Extension of Stay to Third Party Non-Petitioners**

26. Courts have extended the stay of proceedings granted under the CCAA to non-debtor third parties in appropriate circumstances.
27. In *Woodward's Ltd. (Re)*, 1993 CarswellBC 530, the Court noted the following considerations when granting a stay in favour of a third party in CCAA proceeding:
  - a. Is the stay important to the reorganization process?
  - b. Is the prejudice to the affected party greater than the benefit that will be achieved by the insolvent company?

*Woodward's Ltd. (Re)*, 1993 CarswellBC 530  
("Woodward's") at paras. 31-32

28. With respect to prejudice, the Court in *Woodward's* noted that the "*threshold of prejudice will be much lower than the threshold required to persuade the Court that it should not exercise its discretion under s. 11 of the CCAA to grant or continue a stay that is prejudicial to a creditor of the insolvent company (or other party affected by the stay)*".

*Woodward's* at paras. 31-34

29. In *Miniso International Hong Kong Limited v. Migu Investments Inc.*, the Court, citing *Re Cinram International Inc.*, set out additional circumstances that could justify extending the stay to third party non-applicants:
  - a. where it is important to the reorganization process;
  - b. where the business operations of the Applicants and the third party nonapplicants are intertwined and the third parties are not subject to the jurisdiction of the CCAA (such as partnerships that are not "companies" under the CCAA);
  - c. against non-applicant subsidiaries of a debtor company where such subsidiaries were guarantors under the note indentures issued by the debtor company; and
  - d. against non-applicant subsidiaries relating to any guarantee, contribution or indemnity obligation, liability or claim in respect of obligations and claims against the debtor companies.

*Miniso International Hong Kong Limited v. Migu Investments Inc.*, 2019 BCSC 1234 at para. 60; *Re Cinram International Inc.*, 2012 ONSC 3767 at para. 64

30. Courts have also extended stays to third parties in CCAA proceedings in other jurisdictions in various circumstances. For example, in *2675970 Ontario Inc.*, the Ontario Superior Court of Justice extended a stay of proceedings to a non-debtor third party, DAK Capital Inc. ("**DAK**"), who extended the debtor parties a guarantee pursuant to a share purchase agreement, which was the subject of an arbitration proceeding. As a result of the CCAA initial order, the arbitration was stayed against all of the defendants, other than DAK.

*2675970 Ontario Inc.*, 2024 ONSC 6174 ("**2675970 Ontario Inc.**") at paras. 6-7

31. The Court in *2675970 Ontario Inc.* extended the stay to DAK, as it was satisfied it had the jurisdiction to do so under Section 11 of the CCAA, and it was appropriate to do so in the circumstances, noting that the monitor reported that not staying the arbitration against DAK would be counterproductive to the SISP and overall restructuring efforts in the CCAA proceeding.

*2675970 Ontario Inc.* at paras 46 and 48

32. The Court in *Arrangement relatif à ELNA Medical Group Inc./Groupe Medical ELNA Inc.* ("**ELNA Medical**"), summarized factors for courts to consider when extending stays of proceedings to third parties

- a. the business and operations of the third party was significantly intertwined and integrated with those of the debtor company;
- b. extending the stay to the third party would help maintain stability and value during the CCAA process;
- c. not extending the stay to the third party would have a negative impact on the debtor company's ability to restructure, potentially jeopardizing the success of the restructuring and the continuance of the debtor company.
- d. if the debtor company is prevented from concluding a successful restructuring with its creditors, the economic harm would be far-reaching and significant.
- e. failure of the restructuring would be even more harmful to customers, suppliers, landlords and other counterparties whose rights would otherwise be stayed under the third party stay;
- f. if the restructuring proceedings are successful, the debtor company will continue to operate for the benefit of all of its stakeholders, and its stakeholders will retain all of its remedies in the event of future breaches by the debtor company or breaches that are not related to the released claims; and
- g. the balance of convenience favours extending the stay to the third party.

33. Kind Development provides the following services to the Petitioners, among others:
- a. Accounting support, including financial statements, general ledger and banking reconciliations;
  - b. GST reporting and filing;
  - c. Job cost analysis and reporting;
  - d. Budget preparation and monitoring;
  - e. Contract negotiations and negotiations with trades; and
  - f. Working with planners and architects.
34. Kind Development is also an indemnitor under the existing loan documents and has granted security to Envision. Extending the stay of proceedings to Kind Development will help maintain stability and value during a CCAA proceeding. It will also assist with preserving the status quo and allow the Petitioners and Kind Development to focus on the completion and sale of the Development for the benefit of all stakeholders.
35. Failure to extend the stay would jeopardize Kind Development’s other loan obligations and thus its ability to continue to provide services to the Petitioners.

**The Priority Charges are Necessary and Appropriate**

36. The Petitioners seek an Order granting the following Charges over the assets of the Petitioners in priority to all other claims, charges, and encumbrances:
- a. A first-ranking Administration Charge in the amount of \$200,000 to secure the collective fees and disbursements incurred both before and after the commencement of these proceedings by legal counsel for the Petitioners, the Proposed Monitor, and legal counsel for the Proposed Monitor; and
  - b. an “Interim Lender’s Charge” as security for amounts advanced to the Petitioners (the “**Interim Financing**”) by the Interim Lender for the purpose of these proceedings.
37. Section 11.52 of the CCAA, provides that a court may grant a priority charge in respect of certain professional fees and expenses incurred in proceedings under the CCAA.
- CCAA, s. 11.52
38. Courts have recognized that, unless professional advisor fees are protected with the benefit of a charge over the assets of a debtor company, the objectives of the CCAA would be frustrated because professionals would be unlikely to risk offering their

services without any assurance of ultimately being paid. Specifically, any failure to provide protection for professional fees will "result in the overwhelming likelihood that the CCAA proceedings would come to an abrupt halt, followed, in all likelihood by bankruptcy proceedings".

*Re Timminco Ltd.*, 2012 ONSC 506 at para. 66. See also *Canada v. Canada North Group Inc.*, 2021 SCC 30 at paras. 24-25 and 30

39. Factors the court will consider in granting a charge under section 11.52 include:
- a. the size and complexity of the business being restructured;
  - b. the proposed role of the beneficiaries of the charge;
  - c. whether there is unwarranted duplication of roles;
  - d. whether the quantum of the proposed charge appears to be fair and reasonable;
  - e. the position of the secured creditors likely to be affected by the charge; and
  - f. the views of the monitor.

*Re Canwest Publishing Inc.*, 2010 ONSC 222 ("Canwest") at para. 54. CCAA, s.11.52

40. The Section 11.52 factors support the granting of the Administration Charge, given that:
- a. there is sizable debt owing by the Petitioners and the Development requires considerable work to bring it to completion, thus making for a complex restructuring proceeding;
  - b. legal counsel for the Petitioners, the Proposed Monitor and legal counsel for the Proposed Monitor will play an active role in this insolvency and have the necessary experience and expertise to assist the Petitioners in reaching a successful restructuring;
  - c. it is not anticipated that there will be any duplication of roles as between the legal counsel for the Petitioners, the Proposed Monitor and legal counsel for the Proposed Monitor, as each serves a unique role in this insolvency proceeding;
  - d. the Petitioners submit that the quantum of the charge appears to be fair and reasonable and reflects the market standard of an insolvency of this complexity;

- e. the secured creditors will be primed by the charge, but the Petitioners submit that the secured creditors will benefit from the CCAA and the Administration Charge is a necessary part of this CCAA proceeding; and
  - f. the Proposed Monitor is supportive of the charge.
41. The Petitioners require the specialized expertise, knowledge and continuing participation of the proposed beneficiaries of the Administration Charge in order to carry out and complete a restructuring and the Administration Charge is necessary to ensure their continued assistance and participation in this proceeding.
  42. The quantum of the Administration Charge was determined in consultation with FTI and Envision and is fair and reasonable in light of the number of beneficiaries, the size and complexity of the Petitioners' operations, and the complexity of the proposed restructuring.
  43. Therefore, the Petitioners submit that it is appropriate in these circumstances to grant the Administration Charge over the Petitioners' assets, properties and undertaking ranking in first priority.
  44. The Petitioners seeks the approval of the Interim Financing Facility in the amount of \$6,750,000 to facilitate their restructuring. Section 11.2(1) of the CCAA expressly provides the Court with the power to grant an order declaring that all or part of the company's property is subject to an appropriate security or charge in favour of a lender providing financing for the restructuring.
  45. The test to approve interim financing is codified in s. 11.2(4) of the CCAA. The court must be satisfied that the financing is necessary to permit the debtor to continue operating and pursue a restructuring, that the terms are fair and reasonable in the circumstances, and that the benefit to the estate outweighs any prejudice to stakeholders whose priority may be affected.
  46. With regard to those factors:
    - a. The stay of proceedings is currently sought to June 18, 2026, with any further extension likely granted in accordance with how the Petitioners are progressing in their refinancing efforts and the Monitor's comments on those efforts. There will accordingly be continuing oversight by the court;
    - b. the petitioners' business and financial affairs are to be managed during the proceedings by the Monitor;
    - c. The Interim Financing is required for a viable compromise or arrangement. The Petitioners plan to complete existing sales and the marketing of the remaining units to the benefits of all stakeholders. Under the CCAA, the Monitor can facilitate such sales under existing disclosure statements in the name of the owner, with accompanying warranties, and avoid the need for new disclosure statements and the stigma of a receivership;

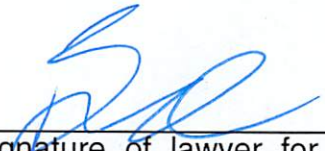
- d. There is limited prejudice to the Lien Claimants as there exists sufficient equity for their claims if proven.

*Azure Dynamics Corporation (Re)*, 2012 BCSC 781 at paras. 37-45

**Part 4: MATERIAL TO BE RELIED UPON**

1. Affidavit #1 of Jun Bi made June 5, 2026.

Date: June 8, 2026

  
Signature of lawyer for the  
Petitioners  
Benjamin La Borie

***To be completed by the court only:***

Order made

- in the terms requested in paragraphs ..... of Part 1 of this petition  
 with the following variations and additional terms:

.....  
.....  
.....  
.....  
.....

Date: .....

.....  
Signature of  Judge  Master

**SCHEDULE "A"**

**Initial Order**

**SCHEDULE "A"**

No. \_\_\_\_\_  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED

- AND -

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57

- AND -

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF  
464 EAGLECREST DRIVE LIMITED PARTNERSHIP, TCD DEVELOPMENTS  
(GIBSONS) LTD., and 464 EAGLECREST DRIVE PROPERTIES LTD.

PETITIONERS

**ORDER MADE AFTER APPLICATION**  
**INITIAL ORDER**

BEFORE THE HONOURABLE JUSTICE )  
MILMAN )  
)

June 08, 2026

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 8th day of June, 2026 (the "**Order Date**"); AND ON HEARING Benjamin La Borie, and Cinthya Nunez, counsel for the Petitioners, and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed, including the First Affidavit of Jun Bi sworn June 5, 2026 (the "**Bi Affidavit**") and the consent of FTI Consulting Canada Inc. to act as Monitor; AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

**JURISDICTION**

1. The Petitioners are companies to which the CCAA applies.

## **SUBSEQUENT HEARING DATE**

2. The hearing of the Petitioners' application for an extension of the Stay Period (as defined in paragraph 11 of this Order) and for any ancillary relief shall be held at the Courthouse at 800 Smithe Street, Vancouver, British Columbia at 9:00 am on the 18<sup>th</sup> day of June, 2026 or such other date as this Court may order.

## **PLAN OF ARRANGEMENT**

3. The Petitioners shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

## **POSSESSION OF PROPERTY AND OPERATIONS**

4. Subject to this Order and any further Order of this Court, the Petitioners shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), and continue to carry on its business (the "**Business**") in the ordinary course and in a manner consistent with the preservation of the Business and the Property. The Petitioners shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.

## **CASH MANAGEMENT SYSTEM**

5. The Petitioners shall be entitled to continue to utilize the central cash management system currently in place as described in the Bi Affidavit, or replace it with another substantially similar cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System,

or as to the use or application by the Petitioners of funds paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Petitioners, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. Subject to the Definitive Documents (as hereinafter defined), the Petitioners shall be entitled, but not required, to pay the following expenses which may have been incurred prior to the Order Date:

- (a) all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Order Date, in each case incurred in the ordinary course of business and consistent with the relevant compensation policies and arrangements existing at the time incurred (collectively "**Wages**");
- (b) with the consent of the Monitor, amounts owing for goods and services actually supplied to the Petitioners prior to the date of this Order by third party suppliers up to the aggregate amount of \$1,000,000.00 if such third party is critical to the Business and ongoing operations of the Petitioners; and
- (c) the fees and disbursements of any Assistants retained or employed by the Petitioners which are related to the Petitioners' restructuring, at their standard rates and charges, including payment of the fees and disbursements of legal counsel retained by the Petitioners, whenever and wherever incurred, in respect of:

- (i) these proceedings or any other similar proceedings in other jurisdictions in which the Petitioners or any subsidiaries or affiliated companies of the Petitioners are domiciled;
- (ii) any litigation in which the Petitioners are named as a party or is otherwise involved, whether commenced before or after the Order Date; and
- (iii) any related corporate matters.

7. Except as otherwise provided herein, the Petitioners shall be entitled to pay all expenses reasonably incurred by the Petitioners in carrying on the Business in the ordinary course following the Order Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services, provided that any capital expenditure exceeding \$100,000 shall be approved by the Monitor; and
- (b) all obligations incurred by the Petitioners after the Order Date, including without limitation, with respect to goods and services actually supplied to the Petitioners following the Order Date (including those under purchase orders outstanding at the Order Date but excluding any interest on the Petitioners' obligations incurred prior to the Order Date); and
- (c) fees and disbursements of the kind referred to in paragraph 6(c) which may be incurred after the Order Date.

8. The Petitioners are authorized to remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Petitioners in connection with the sale of goods and services by the Petitioners, but only where such Sales Taxes accrue or are collected after the Order Date, or where such Sales Taxes accrued or were collected prior to the Order Date but not required to be remitted until on or after the Order Date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.

9. Until such time as a real property lease is disclaimed in accordance with the CCAA, the Petitioners shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated between the Petitioners and the landlord from time to time ("**Rent**"), for the period commencing from and including the Order Date, twice- monthly in equal payments on the first and fifteenth day of the month in advance {but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the Order Date shall also be paid.

10. Except as specifically permitted herein, the Petitioners are hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Petitioners to any of their creditors as of the Order Date except as authorized by this Order;
- (b) to make no payments in respect of any financing leases which create security interests;
- (c) to grant no security interests, trust, mortgages, liens, charges or encumbrances upon or in respect of any of its Property, nor become a guarantor or surety, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this Order;
- (d) to not grant credit except in the ordinary course of the Business only to its customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by the Petitioner to such customers as of the Order Date; and
- (e) to not incur liabilities except in the ordinary course of Business.

### **STAY OF PROCEEDINGS, RIGHTS AND REMEDIES**

11. Until and including June 18, 2026, or such later date as this Court may order (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal (each, a "**Proceeding**") against or in respect of the Petitioners or the Monitor, or affecting the Business or the Property, or against Kind Developments Ltd. ("**Kind Developments**") in connection with the Petitioners, the Property or the Business, shall be commenced or continued except with the written consent of the Petitioners or Kind Developments (as applicable) and the Monitor or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Petitioners or affecting the Business or the Property, or in respect of Kind Developments in connection with the Business or Property, are hereby stayed and suspended pending further Order of this Court. Kind Developments shall continue to carry on its business in the ordinary course and, in doing so, shall not dispose of or dissipate any of its property or business.

12. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the Petitioners, Kind Developments (to the extent that such right or remedy arises in connection with the Petitioners, the Property or the Business) or the Monitor, or affecting the Business or the Property, (including without limitation, any lien funds relating to the Business or the Property), are hereby stayed and suspended except with the written consent of the Petitioners and the Monitor or leave of this Court.

13. During the Stay Period, the Superintendent of Real Estate shall not require the Petitioners (or any of them) to file a new disclosure statement under subsection 16(2) of the *Real Estate Development Marketing Act*, S.B.C. 1004, c. 41 ("REDMA") nor take any steps that would otherwise trigger a purchaser's right of rescission under REDMA, and any rights and remedies of purchasers to rescind pre-sale contracts with the Respondents (or either of them) are stayed and suspended.

14. Nothing in this Order, including paragraphs 11-13, shall: (i) empower the Petitioners or Kind Developments to carry on any business which the Petitioners or Kind Developments are not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the Petitioners.

#### **NO INTERFERENCE WITH RIGHTS**

15. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Petitioners or Kind Developments

(to the extent that such right, contract, agreement, licence or permit is connected with the Property or Business) , except with the written consent of the Petitioners and the Monitor or leave of this Court

### **CONTINUATION OF SERVICES**

16. During the Stay Period, all Persons having oral or written agreements with the Petitioners or Kind Developments (to the extent that such agreement or mandate is connected with the Property or Business) or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business, the Petitioners, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by the Petitioners or Kind Developments, and that the Petitioners and Kind Developments shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the Order Date are paid by the Petitioners or Kind Developments, as applicable, in accordance with normal payment practices of the Petitioners or Kind Developments, as applicable, or such other practices as may be agreed upon by the supplier or service provider and the Petitioners, Kind Developments and the Monitor, or as may be ordered by this Court.

### **NON-DEROGATION OF RIGHTS**

17. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Order Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to the Petitioners on or after the Order Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

## **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

18. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of the Petitioners with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Petitioners whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Petitioners, if one is filed, is sanctioned by this Court or is refused by the creditors of the Petitioners or this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of the Petitioners that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

## **APPOINTMENT OF MONITOR**

19. FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Petitioners with the powers and obligations set out in the CCAA or set forth herein, and that the Petitioners and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Petitioners pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

20. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) exercise any powers which may be properly exercised by a board of directors or any officers of the Petitioners to cause the Petitioners to, including without limitation:

- (i) take any and all actions and steps, and execute all agreements, documents and writings, on behalf of, and in the name of, the Petitioners in order to facilitate the performance of any of the Petitioners' powers or obligations, including, without limitation, as contemplated by any Order of this Court;
- (ii) engage, retain, or terminate the services of any officer, employee, consultant, agent, representative, advisor, or other persons or entities, including without limitation, enter into, terminating (in accordance with the terms of the agreement), or disclaim any agreement with a construction manager or supplier of goods or services with respect to the Property or Business. For greater certainty, any such officer, employee, consultant, agent, representative, advisor, or other persons or entities engaged or retained pursuant to this paragraph 20(a)(ii) shall thereafter be deemed to be an Assistant under the Initial Order;
- (iii) perform such other functions or duties, and enter into any agreements or incur any obligations, as the Monitor considers necessary or desirable in order to facilitate or assist the realization and/or sale of all of the Property, or any other related activities;
- (iv) exercise any rights of the Petitioners;
- (v) initiate, prosecute, and/or continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Petitioners, the Property, or the cash and proceeds of the Petitioners;
- (vi) deal with any taxing or regulatory authority, including to execute any appointment or authorization form on behalf of the Petitioners that any taxing or regulatory authority may require, in order to confirm the

appointment of an authorized representative of the Petitioners (which may be a representative of the Monitor) for such purposes;

- (vii) claim any and all insurance refunds or tax refunds to which the Petitioners are entitled on behalf of the Petitioners;
  - (viii) file, or take such actions necessary for the preparation and filing of, on behalf of and in the name of the Petitioners, (i) any tax returns, and (ii) the Petitioners' employee-related remittances, T4 statements and records of employment for the Petitioners' former employees, in either case, based solely upon the information in the Petitioners' books and records and on the basis that the Monitor shall incur no liability or obligation to any person with respect to such returns, remittances, statements, records or other documents; and
  - (ix) engage, deal, communicate, negotiate and, with further Order of this Court, settle with any creditor or other stakeholder of the Petitioners (including any governmental authority);
- (b) control the Petitioners' receipts and disbursements, including by controlling any and all cash or deposits held in the Petitioners' trust accounts;
  - (c) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
  - (d) report to the mortgagees of the Petitioners on the operations, business and financial affairs of the Petitioners or developments in these proceedings or any related proceedings; assist the Petitioners, to the extent required by the Petitioners and the Replacement Interim Lender (as defined below), in their dissemination to the Interim Lender and its counsel, financial information and reporting as contemplated in the Commitment Letter;

- (e) advise the Petitioners in their preparation of the Petitioners' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor, its counsel, and its advisors on such basis as may be agreed by the Petitioners and delivered to the DIP Lender and its counsel in accordance with the Commitment Letter;
- (f) monitor the allocation of costs to and among the Petitioners;
- (g) control all payments, obligations and transfers as between the Petitioners and parties related thereto;
- (h) advise the Petitioners in their development of the Plan and any amendments to the Plan;
- (j) assist the Petitioners with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (k) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Petitioners, to the extent that is necessary to adequately assess the Petitioners' business and financial affairs or to perform its duties arising under this Order;
- (l) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (m) perform such other duties as are required by this Order or by this Court from time to time; and
- (n) take any steps reasonably incidental to the exercise by the Monitor of the powers listed above or the performance of any statutory obligations or obligations under this Order.

21. As of the date hereof, the Monitor is authorized and empowered, but not required, to operate and control, on behalf of the Petitioners, all of the Petitioners' existing accounts at any financial institution (each an "Account", and collectively the "Accounts") in such manner or open new accounts as the Monitor, in its sole discretion, deems necessary or appropriate, including without limitation, to:

- (a) exercise control over the funds credited to or deposited in the Accounts; effect any disbursement from the Accounts permitted by the Initial Order or any other Order granted in these CCAA proceedings;
- (b) take control and possession of any funds held as holdback, including funds held pursuant to the *Builders' Lien Act*, SBC 1997, c 45 and in respect of the Business or Property;
- (b) give instructions from time-to-time with respect to the Accounts and the funds credited to or deposited therein, including to transfer the funds credited to or deposited in such Accounts to such other account or accounts as the Monitor may direct; and
- (c) add or remove persons having signing authority with respect to any Account or to direct the closing of any Account;
- (d) and the financial institutions maintaining such Accounts shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer payment, collection or other action taken in accordance with the instructions of the Monitor as to the use or application of funds transferred, paid, collected, or otherwise dealt with in accordance with such instructions, and such financial institutions shall be authorized to act in accordance with and in reliance upon the instructions of the Monitor without any liability in respect thereof to any person.

22. The powers and authorities granted to the Monitor by virtue of this Order shall, if exercised in any case, be paramount to the power and authority of the Petitioners and their respective boards of directors, as applicable, with respect to such matters.

23. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

24. Nothing herein contained shall require or allow the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Fisheries Act*, the *British Columbia Environmental Management Act*, the *British Columbia Fish Protection Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, the Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

25. The Monitor shall provide any creditor of the Petitioners with information provided by the Petitioners in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Petitioners is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Petitioners may agree.

26. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

#### **ADMINISTRATION CHARGE**

27. The Monitor, counsel to the Monitor, and counsel to the Petitioners shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Petitioners as part of the cost of these proceedings. The Petitioners are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor, and counsel to the Petitioners on a periodic basis and, in addition, the Petitioners are hereby authorized to pay to each of the Monitor, the Monitor's counsel, and counsel to the Petitioners, retainers in the amounts of \$50,000 respectively to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

28. The Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the British Columbia Supreme Court who may determine the manner in which such accounts are to be passed, including by hearing the matter on a summary basis or referring the matter to a Registrar of this Court.

29. The Monitor, counsel to the Monitor, if any, and counsel to the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$200,000.00 as security for their respective fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order which are related to the Petitioner's restructuring. The Administration Charge shall have the priority set out in paragraph 36 hereof.

## INTERIM FINANCING

30. The Petitioners are hereby authorized and empowered to obtain and borrow under a credit facility from Tru Cooperative Bank, formerly known as First West Credit Union (the "**Interim Lender**") in order to finance the continuation of the Business and preservation of the Property, provided that borrowings under such credit facility shall not exceed \$6,750,000 unless permitted by further Order of this Court (the "**Interim Facility**").

31. Such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Petitioners and the Interim Lender dated as of June June 5, 2026 (the "**Commitment Letter**"), filed herein.

32. The Petitioners are 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 Commitment Letter or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Petitioners are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the Interim Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

33. The Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property as security for the Petitioners obligations under the Commitment Letter, which shall be up to the maximum of \$6,750,000. The Interim Lender's Charge shall not secure any obligation that exists before the Initial Order in these proceedings was made, save and except for the payment made by the Interim Lender in the amount of \$281,276.54 on May 28, 2026 in respect of insurance coverage for the Petitioners (the "**Insurance Payment**") and in anticipation of the commencement of these proceedings. The Insurance Payment is hereby deemed to have been paid on behalf of the Petitioners and from the Interim Facility, and the repayment of which is hereby secured by the Interim Lender's Charge. The Interim Lender's Charge shall have the priority set out in paragraph 36 herein.

34. Notwithstanding any other provision of this Order:

- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under any of the Definitive Documents or the Interim Lender's Charge, the Interim Lender, upon 5 days' notice to the Petitioners and the Monitor, may exercise any and all of its rights and remedies against the Petitioners or the Property under or pursuant to the Commitment Letter, Definitive Documents and the Interim Lender's Charge, including without limitation, to cease making advances to the Petitioners and set off and/or consolidate any amounts owing by the Interim Lender to the Petitioners against the obligations of the Petitioners to the Interim Lender under the Commitment Letter, the Definitive Documents or the Interim Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Petitioners and for the appointment of a trustee in bankruptcy of the Petitioners; and the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Petitioners or the Property.

35. The Interim Lender, in such capacity, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the *Bankruptcy and Insolvency Act* of Canada [("BIA")], with respect to any advances made under the Definitive Documents.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

36. The priorities of the Administration Charge, Interim Lender's Charge, as among them, shall be as follows:

- (a) First-Administration Charge (to the maximum amount of \$200,000.00); and

- (b) Second - Interim Lender's Charge (to the maximum amount of \$7,500,000), plus interest and charges accrued under the Commitment Letter).

Any security documentation evidencing, or the filing, registration or perfection of, the Administration Charge and the Interim Lender's Charge (collectively, the "**Charges**") shall not be required, and that the Charges 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 Charge coming into existence, notwithstanding any failure to file, register or perfect any such Charges.

37. Subject to paragraph 36 herein, the Charges shall constitute a mortgage, security interest, assignment by way of security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**"), in favour of any Person, save and except for those claims contemplated by section 11.8(8) of the CCAA.

38. Except as otherwise expressly provided herein, or as may be approved by this Court, the Petitioners shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless the Petitioners obtains the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Administration Charge.

39. Subject to paragraph 36 herein, the Administration Charge, the Commitment Letter, the Definitive Documents and the Interim Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") not be rendered invalid or unenforceable and the rights and remedies of the Chargees entitled to the benefit of the Charges shall not otherwise be limited or impaired in any way by (i) the pendency of these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (iii) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (iv) the provisions of any federal or provincial statutes; or (v)

any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Petitioners; and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Petitioners of any Agreement to which it is a party; and
- (b) the payments made by the Petitioners pursuant to this Order do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

40. Any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Petitioners' interest in such real property leases.

## **SERVICE AND NOTICE**

41. The Monitor shall within five days after Order Date, (a) make this Order publicly available in the manner prescribed under the CCAA, (b) send, in the prescribed manner, a notice to every known creditor who has a claim against the Petitioners of more than \$1,000, and (c) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

42. The Petitioners and the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Petitioners' creditors or other interested parties at their respective addresses as last shown on the records of the Petitioners and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed

to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

43. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Monitor. The Monitor shall post and maintain an up to date form of the Service List on its website at: <http://cfcanda.fticonsulting.com/eaglecrest> (the "**Website**").

44. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on the Website.

45. Notwithstanding paragraphs 42 and 44 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, and in respect of the British Columbia Crown.

## **GENERAL**

46. The Petitioners or the Monitor may from time to time apply to this Court for directions in the discharge of its powers and duties hereunder.

47. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Petitioners, the Business or the Property.

48. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of

America in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

49. Each of the Petitioners and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as a foreign representative of the Petitioners.

50. The Petitioners may (subject to the provisions of the CCAA and the BIA) at any time file a voluntary assignment in bankruptcy or a proposal pursuant to the commercial reorganization provisions of the BIA if and when the Petitioners determine that such a filing is appropriate.

51. The Petitioners are hereby at liberty to apply for such further interim or interlocutory relief as it deems advisable within the time limited for Persons to file and serve Responses to the Petition.

52. Leave is hereby granted to hear any application in these proceedings on two (2) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

53. Any interested party (including the Petitioners and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

54. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

55. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

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 Benjamin La Borie  
Lawyer for the Petitioners

BY THE COURT

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REGISTRAR

Schedule "A"

<b>Counsel Name</b>	<b>Party Represented</b>
Jeffrey Bradshaw	FTI Consulting Canada Inc.
Adnan N. Habib	First West Credit Union