No. S-246877
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

NATIONAL BANK OF CANADA

PETITIONER

AND

MANNA INDUSTRIAL FUND (VALUE-ADD) LIMITED PARTNERSHIP, MANNA INDUSTRIAL FUND (VALUE-ADD) GP CORP, 1578199 B.C. LTD., GENESIS MANNA HOLDINGS LTD. AND ALLION HOLDINGS LTD.

RESPONDENTS

## NOTICE OF APPLICATION

**Name of applicant:** FTI Consulting Canada Inc. ("**FTI**"), in its capacity as Court-appointed receiver and manager of Manna Industrial Fund (Value-Add) Limited Partnership ( "**Manna LP**"), Manna Industrial Fund (Value-Add) GP Corp (together with Manna LP, the "**Debtors**") and 1578199 B.C. Ltd. (in such capacity, the "**Receiver**").

To: The Service list

TAKE NOTICE that an application will be made by the Receiver to the presiding judge at the courthouse at 800 Smithe Street, Vancouver, British Columbia on September 9, 2026 at 11:00 a.m. for the order set out in Part 1 below.

The Receiver estimates that the application will take 1 hour.

This matter is not within the jurisdiction of an associate judge. Justice Fitzpatrick is seized of this matter.

### Part 1: ORDERS SOUGHT

1. The Receiver seeks a "**Distribution Order**", substantially in form attached as **Schedule "A"**, which shall (among other things) authorize the Receiver to distribute funds to 13531953 Canada Inc. ("**135 Canada**").

2. The Receiver may also seek such further and other orders, declarations, and directions as counsel may request and this Honourable Court allows.

## Part 2: FACTUAL BASIS

### *Background*

3. The Debtors are a real estate fund that was engaged in the acquisition and management of commercial and industrial properties.

4. On May 8, 2025, FTI was appointed as Receiver over certain property, shares, and assets of the Debtors, 8826 Jim Bailey Ltd., 375 Potterton Ltd., Genesis Manna Holdings Ltd., and Allion Holdings Ltd. pursuant to a Receivership Order (the "**Receivership Order**"). In particular, FTI was appointed as Receiver over two commercial properties in Kelowna, British Columbia (the "**Real Property**").

5. The Real Property, situated on 14 acres of land, is comprised of two income-producing industrial warehouse buildings totaling approximately 266,000 square feet of net rental industrial space.

6. The senior secured lenders in relation to the Real Property were National Bank of Canada ("**NBC**") and Institutional Mortgage Capital Canada Inc. ("**IMC**"). As at May 8, 2025, NBC and IMC were owed approximately $26.8 million and $17.5 million, respectively.

7. On December 10, 2025, this Court approved the sale of the Real Property by way of a reverse vesting order (the "**RVO**"). The sale approved pursuant to the RVO (the "**RVO Transaction**") closed on February 17, 2026.

8. Pursuant to an Amendment of Receivership Order granted February 12, 2026 (the "**Receivership Amendment Order**"), the receivership was expanded to include all of Manna LP's right, title to, and interest in and to Manna Industrial Brampton Limited Partnership (the "**Brampton LP**"). In particular, the Receivership Amendment Order included an order that Poulus Ensom Smith LLP transfer any and all funds received from Fogler Rubinoff LLP in connection with the property of the Brampton LP to the Receiver.

9. Pursuant to a Discharge and Distribution Order granted March 10, 2026, the Receiver was authorized to distribute the net proceeds of the RVO Transaction to NBC and IMC, and the Receiver was discharged as Receiver of the present and after-acquired personal property of Genesis Manna Holdings Ltd. and Allion Holdings Ltd. NBC's secured claim was repaid in full and approximately $17.0 million was distributed to IMC.

10. Pursuant to the Receivership Amendment Order, the Receiver collected approximately $8.9 million associated with the Brampton LP (the "**Brampton LP Proceeds**"). The primary remaining objective of the receivership is to determine entitlement to and distribute the Brampton LP Proceeds.

### *Secured Claims Filed Against Manna LP*

11. Three parties have filed proofs of claim asserting secured claims against Manna LP:

(a) 135 Canada, in the amount of approximately $1.5 million as of March 2, 2026 plus interest;

(b) Nanite King George Limited Partnership, by its General Partner Nanite International Holding Ltd. ("**Nanite**"), in the amount of approximately $17.6 million as of March 2, 2026 plus interest; and

(c) Allion Holdings Ltd. ("**Allion**"), in the amount of approximately $6.9 million as of March 2, 2026 plus interest.

12. Registrations in the Alberta and/or Ontario Personal Property Security Registries (together, the "**PPR**") were made by the above parties in the following sequence:

(a) Nanite, on October 11, 2024, which registration relates to a Unit Pledge Agreement securing a portion of Nanite's claim, in the amount of approximately $1.5 million as of March 2, 2026 plus interest ("**Nanite's Unit Pledge Claim**");

(b) 135 Canada, on December 31, 2024;

(c) Allion, on April 9, 2025; and

(d) Nanite, on September 18 2025.

13. The Receiver understands that Nanite and Allion each dispute all or a portion of the other party's secured claim on a variety of grounds. The Receiver anticipates that resolving the secured claims of Nanite and Allion may require determinations by the Court.

### *The Proposed Distribution to 135 Canada*

14. The Receiver is of the view that it is appropriate to make a distribution from the Brampton LP Proceeds to 135 Canada at this time, to avoid further interest accruing on such claim pending resolution of other secured claims.

15. As above, 135 Canada's secured claim was registered in the PPR after Nanite's Unit Pledge Claim. The proposed distribution to 135 Canada does not prejudice Nanite's Unit Pledge Claim because the Brampton LP Proceeds are sufficient to satisfy both 135 Canada's secured claim and Nanite's Unit Pledge Claim, if determined to be a valid claim.

16. A security review has been conducted of 135 Canada's security.

## Part 3: LEGAL BASIS

17. Orders distributing funds are frequently granted by Canadian courts in insolvency proceedings.

> *Ontario Securities Commission v. Bridging Income Fund L.P.*, 2022 ONSC 4472 at paras. 8, 12; *First Source Financial Management v. Chacon Strawberry Fields Inc.*, 2024 ONSC 7229 at para 44.

18. While other claims to the Brampton LP Proceeds need to be determined, it is in the best interest of the estate and its stakeholders that funds be distributed to 135 Canada now.

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

19. The Receiver intends to rely upon:

    (a) the Third Report of the Receiver dated August 31, 2026;

    (b) the pleadings and other documents filed in this proceeding; and

    (c) such further materials as counsel may advise and this Court may permit.

Date: August 31, 2026

Signature of Peter Rubin / Jenna Willis
Lawyers for FTI Consulting Canada Inc.

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

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

(a) file an application response in Form 33,

(b) file the original of every affidavit, and of every other document, that

    (i) you intend to refer to at the hearing of this application, and

    (ii) has not already been filed in the proceeding, and

(c) serve on the Applicant 2 copies of the following, and on every other party of record one copy of the following:

   (i) a copy of the filed application response;

   (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;

(iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

## APPENDIX

**THIS APPLICATION INVOLVES THE FOLLOWING:**

[ ] discovery: comply with demand for documents

[ ] discovery: production of additional documents

[ ] 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

**Schedule "A" to Notice of Application**

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RESPONDENTS

## ORDER MADE AFTER APPLICATION
## (Distribution Order)

| | | | | |
|---|---|---|---|---|
| BEFORE | ) | THE HONOURABLE MADAM JUSTICE FITZPATRICK | ) | September 9, 2026 |

ON THE APPLICATION of FTI Consulting Canada Inc. ("**FTI**") in its capacity as Court-appointed Receiver (the "**Receiver**") of Manna Industrial Fund (Value-Add) Limited Partnership ("**Manna LP**"), Manna Industrial Fund (Value-Add) GP Corp and 1578199 B.C. Ltd., coming on for hearing at Vancouver, British Columbia, on the 9th day of September, 2026; AND ON HEARING Peter Rubin, counsel for the Receiver, and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the material filed, including the Third Report of the Receiver dated August 31, 2026,

THIS COURT ORDERS AND DECLARES that:

1. Capitalized terms not defined herein shall have the meaning as defined in the Receivership Order dated May 8, 2025 (as amended, the "**Receivership Order**") or the Amendment of Receivership Order dated February 12, 2026 (the "**Amendment to Receivership Order**").

**DISTRIBUTION**

2. The Receiver is hereby authorized to make a distribution from the proceeds of the Brampton LP Property to 13531953 Canada Inc. ("**135**") on account of the secured debt owing by Manna LP to 135.

3. Notwithstanding;

(a) the pendency of these proceedings;

(b) any assignment in bankruptcy or any petition for a bankruptcy order now or hereafter issued pursuant to the BIA, and any order issued pursuant to any such petition; or

(c) any provisions of any federal or provincial legislation;

any payments, distributions and disbursements contemplated by this Order shall be made free and clear of any security interests, hypothecs, mortgages, trusts or deemed trusts, (whether contractual, statutory or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including any encumbrances or charges created by the Receivership Order and all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Colombia or any other personal property registry system, shall be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Receiver and any party receiving payments, distributions, and disbursements pursuant to this Order, and shall not constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

4. In addition to the rights and protections afforded to the Receiver under the Receivership Order, the Receiver shall not be liable for any act or omission on the part of the Receiver pertaining to the distribution of any funds under this Order, save and except for any claim or liability arising out of any gross negligence or willful misconduct on the part of the Receiver. Nothing in this Order shall derogate from the protections afforded to the Receiver under the Receivership Order or any other federal or provincial applicable law.

5. Any payments, distributions, and disbursements made by the Receiver under this Order shall not constitute a "distribution" for the purposes of section 159 of the *Income Tax Act*, as amended, or section 270 of the *Excise Tax Act*, or any other similar federal or provincial legislation (collectively, the "**Tax Statutes**"). The Receiver in making any such payments, distributions, or disbursements is not "distributing", nor shall be considered to "distribute" nor have "distributed", such funds for the purpose of the Tax Statutes, and the Receiver shall not incur any liability under the Tax Statutes in respect of the making of any payments ordered or permitted under this Order.

6. The Receiver may apply to the Court as necessary to seek further orders and directions with respect to payments and distributions made pursuant to this Order.

**ENDORSEMENT**

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

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

Signature of Peter Rubin
Counsel for FTI Consulting Canada Inc.

BY THE COURT.

Registrar

## Schedule A

### Counsel List

| Counsel | Party Represented |
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