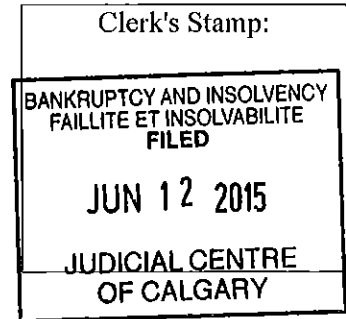


COURT FILE NUMBER 25-1799518  
25-1799530  
25-1799540  
25-1799546  
25-1799555  
25-1800429

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE BANKRUPTCY OF  
PLG CORPORATE SERVICES INC.  
PLG RESIDENTIAL SERVICES INC.  
SAS-CAN MASONRY AND RESTORATION INC.  
ASTY CONSTRUCTION INC.  
CON-FORTE CONTRACTING COMPANY INC.  
PLUMB-LINE GROUP HOLDINGS INC.  
(collectively referred to as the "Plumb-Line Group")

APPLICANT **DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS  
TRUSTEE IN BANKRUPTCY, and not in its personal capacity**

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

Field LLP  
400 - 604 1 ST SW  
Calgary AB T2P 1M7  
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File No. 58083-2

**NOTICE TO RESPONDENT**

This Application is made against you. You are a Respondent.

You have the right to state your side of this matter before the Justice.

To do so, you must be in Court when the application is heard as shown below:

DATE	<u>Wednesday, June 17, 2015</u>
TIME	<u>10:00 a.m. – Commercial List</u>
WHERE	<u>Court House, Calgary, Alberta</u>
BEFORE WHOM	<u>Madam Justice Streckf</u>

Go to the end of this document to see what else you can do and when you must do it.

**The Applicants seek an Order:**

1. Abridging the time for service of this Application and the supporting materials, as necessary, and deeming service thereof to be good and sufficient as outlined in the Affidavit of Service of Elvina Hussein.
2. Approving the settlement proposed by the Trustee and the following parties:
  - (a) Aman Building Corporation;
  - (b) Penalta Group Ltd.;
  - (c) Concure Restoration Inc.;
  - (d) Volker Stevin Contracting Ltd.; and
  - (e) Bird Construction Group.
3. Declaring that the interests of claimants against funds paid into Court or trust accounts pursuant to Court Orders relating to the matters involving the Trustee and the parties listed in paragraph 2 above, are to be determined in accordance with the priorities set forth in the *Bankruptcy and Insolvency Act* (the "BIA") and the *Income Tax Act*;
4. Providing advice and direction from this Honourable Court with respect to the distribution of funds paid into the trust by Intergulf – Cidex Development (X) Corp. on behalf of Beacon Heights Shopping Centre Ltd.
5. Approving of the actions of the Trustee to date in respect of administering the bankruptcy estate of the Plumb-Line Group.
6. Approving the Consolidated Interim Statement of Receipts and Disbursements as outlined in the Fourth Report of the Trustee dated June 11, 2015 ("**Fourth Report**").
7. Approving the allocation of disbursements incurred by the Trustee between the various entities within the Plumb-Line Group as described in the Fourth Report.
8. Approving the distributions to Canada Revenue Agency ("CRA") up to the total amount of their deemed trust claims for employee source deductions against each of the Plumb-Line Group of Companies and of distributions to Human Resources and Skills Development Canada ("HRDC") up to the total of their super-priority claim under the Wage Earner Protection Plan, as further described herein. and

9. Such further and other relief as Counsel may seek.

**Grounds of the Application:**

10. The Plumb-Line Group was assigned into bankruptcy on October 16, 2013 and October 18, 2013.

**Administration and Distribution**

11. The Trustee has taken certain actions in the administration of the Plumb-Line Group as reported in the Fourth Report for which it seeks approval of this Honourable Court.
12. The Trustee has proposed an interim distribution of funds received in the bankruptcy and seeks the Court's approval of the same.

**Settlements**

***Aman Building Corporation ("Aman")***

13. Due to the presence of a number of outstanding accounts receivable on the books and records of Con-Forte Contracting Company Inc. ("**Con-Forte**") and Sas-Can Masonry and Restoration Inc. ("**Sas-Can**"), the Trustee took the step of filing a builder's lien registration against the lands described as:

CONDOMINIUM PLAN 1110612  
 UNIT 1  
 AND 1341 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON  
 PROPERTY  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

\*\*\*\*

CONDOMINIUM PLAN 1110612  
 UNIT 2  
 AND 1139 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON  
 PROPERTY  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

\*\*\*\*

CONDOMINIUM PLAN 1110612  
 UNIT 3  
 AND 3104 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON  
 PROPERTY  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

\*\*\*\*

CONDOMINIUM PLAN 1110612  
 UNIT 4  
 AND 4406 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON  
 PROPERTY  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

where Con-Forte and Sas-Can provided services (referred to as the "**Aman Project**").

14. Certain Sub-Lien Claimants also filed lien claims in respect of contract work done for Con-Forte on the Aman Project.
15. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with Aman, subject to approval of the Court and conditional upon payment of the settlement funds to the Trustee for distribution to Canada Revenue Agency ("**CRA**") or other parties holding priority to such funds.

***Penalta Group Ltd. ("Penalta")***

16. Due to the presence of a number of outstanding accounts receivable on the books and records of Con-Forte, the Trustee took the step of filing a builder's lien registration against the lands described as:

MERIDIAN 4, RANGE 25, TOWNSHIP 53, SECTION 3  
 PLAN 938MC, BLOCK 1, LOT 15  
 CONTAINING 0.599 HECTARES MORE OR LESS  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

MERIDIAN 4, RANGE 25, TOWNSHIP 53, SECTION 3  
 PLAN 938MC, BLOCK 1, LOT 16  
 CONTAINING 0.340 HECTARES MORE OR LESS  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

MERIDIAN 4, RANGE 25, TOWNSHIP 53, SECTION 3  
 PLAN 938MC, BLOCK 1, LOT 17  
 CONTAINING 0.429 HECTARES MORE OR LESS  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

MERIDIAN 4, RANGE 25, TOWNSHIP 53, SECTION 3  
 PLAN 938MC, BLOCK 1, LOT 18  
 CONTAINING 0.474 HECTARES MORE OR LESS  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

MERIDIAN 4, RANGE 25, TOWNSHIP 53, SECTION 3  
 PLAN 938MC, BLOCK 1, LOT 19  
 CONTAINING 0.474 HECTARES MORE OR LESS  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

where Con-Forte provided services (referred to as the "**Penalta Project**").

17. Certain Sub-Lien Claimants also filed lien claims in respect of contract work done for Con-Forte on the Penalta Project.
18. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with Penalta, subject to approval of the Court and conditional upon payment of the settlement funds to the Trustee for distribution to CRA or other parties holding priority to such funds.

*Concure Restoration Inc. ("Concure")*

19. Due to the presence of a number of outstanding accounts receivable on the books and records of Con-Forte, the Trustee took the step of filing a builder's lien registration against the lands described as:

MERIDIAN 5 RANGE 1 TOWNSHIP 24  
 SECTION 10  
 THOSE PORTIONS OF THE NORTH WEST QUARTER  
 AS SHOWN OUTLINED IN RED ORANGE INK ON PLAN 5933AK  
 CONTAINING 2.044 HECTARES (5.06 ACRES) MORE OR LESS  
 EXCEPTING THEREOUT:  
 PORTIONS ON ROAD PLANS 5162JK AND 8211113  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

where Con-Forte provided services (referred to as the "**Concure Project**").

20. Certain Sub-Lien Claimants also filed lien claims in respect of contract work done for Con-Forte on the Concure Project.
21. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with Concure, subject to approval of the Court and conditional upon payment of the settlement funds to the Trustee for distribution to CRA or other parties holding priority to such funds.

*Volker Stevin Contracting Ltd. ("Volker Stevin")*

22. Due to the presence of a number of outstanding accounts receivable on the books and records of Con-Forte, the Trustee took the step of filing a builder's lien registration against the lands described as:

MERIDIAN 5 RANGE 2 TOWNSHIP 25  
SECTION 27  
THE SOUTHERLY 504 METRES IN PERPENDICULAR  
WIDTH THROUGHOUT OF THE SOUTH EAST QUARTER  
CONTAINING 40.5 HECTARES (100 ACRES) MORE OR LESS  
EXCEPTING THEREOUT:

PLAN	NUMBER	HECTARES	(ACRES)	MORE OR LESS
ROAD	9811261	0.008	0.02	
ROAD	1310376	0.009	0.02	

EXCEPTING THEREOUT ALL MINES AND MINERALS AND THE RIGHT TO WORK THE SAME

where Con-Forte provided services (referred to as the "**Volker Stevin Project**").

23. Certain Sub-Lien Claimants also filed lien claims in respect of contract work done for Con-Forte on the Volker Stevin.
24. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with Volker Stevin, subject to approval of the Court and conditional upon payment of the settlement funds to the Trustee for distribution to CRA or other parties holding priority to such funds.

*Bird Construction Group ("Bird")*

25. Due to the presence of a number of outstanding accounts receivable on the books and records of Con-Forte, the Trustee took the step of filing a builder's lien registration against the lands described as:

MERIDIAN 5 RANGE 1 TOWNSHIP 24  
SECTION 10  
THOSE PORTIONS OF THE NORTH WEST QUARTER  
AS SHOWN OUTLINED IN RED ORANGE INK ON PLAN 5933AK  
CONTAINING 2.044 HECTARES (5.06 ACRES) MORE OR LESS  
EXCEPTING THEREOUT:  
PORTIONS ON ROAD PLANS 5162JK AND 8211113  
EXCEPTING THEREOUT ALL MINES AND MINERALS

where Con-Forte provided services (referred to as the "**Bird Project**").

26. Certain Sub-Lien Claimants also filed lien claims in respect of contract work done for Con-Forte on the Bird Project.
27. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with Bird, subject to approval of the Court and conditional upon payment of the settlement funds to the Trustee for distribution to CRA or other parties holding priority to such funds.
28. The Sub-Lien Claimants may claim priority to funds paid into Court or trust pursuant to the *Builders' Lien Act*, however, other creditors of Con-Forte and Sas-Can (including CRA) claim priority under, *inter alia*, the BIA and the *Income Tax Act*.

***Beacon Heights Shopping Centre Ltd. and North Star Contracting Inc.***

29. Counsel for Beacon Heights Shopping Centre Ltd. has paid funds into the trust account of counsel for the Receiver.
30. The parties with interests in the funds have not been able to agree as to the priority of distribution of those funds.
31. Such further and other grounds as counsel may advise.

**Material or evidence to be relied on:**

32. First Report of the Trustee dated December 10, 2013.
33. Second Report of the Trustee dated April 29, 2014.
34. Third Report of the Trustee dated November 12, 2014.
35. Fourth Report of the Trustee dated June 11, 2015.
36. The Order granted in the within Actions by the Honourable Madam Justice K. M. Horner on September 11, 2014 and November 24, 2014.
37. Such further and other materials as counsel may advise and this Honourable Court may permit.

**Applicable Rules:**

38. *Alberta Rules of Court*, Rule 372.
39. Such further and other rules as counsel may advise.

**Applicable Acts and Regulations:**

- 40. *The Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3.
- 41. *Builders' Lien Act*, R.S.A. 2000, c.B-7.
- 42. *Income Tax Act*.
- 43. *Excise Tax Act*.
- 44. The inherent jurisdiction of this Honourable Court.
- 45. Such further and other Acts and regulations as counsel may advise.

**Any irregularity complained of or objection relied on:**

- 46. N/A

**How the Application is proposed to be heard or considered:**

- 47. This Application is proposed to be heard in Justice Chambers.

**WARNING**

If you do not come to Court either in person or by your lawyer, the Court may give the Applicant what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the Applicant.