



FORCE FILED

No. S-234092  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BANK OF MONTREAL

PETITIONER

AND:

POLYCAN HEALTH CENTRE (CANADA) INC., ANQI MAI, ALSO  
KNOWN AS AN QI MAI, ALSO KNOWN AS ANDREW MAI,  
WEIDONG ZHU, ALSO KNOWN AS WEI DONG ZHU, ALSO  
KNOWN AS WILLIAM ZHU, SUI ZHANG AND HUA XU

RESPONDENTS

**NOTICE OF APPLICATION**

**Name of applicant:** Deloitte Restructuring Inc., court appointed receiver of PolyCan Health Centre (Canada) Inc. (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, BC, V6Z 2E1 on February 26, 2024, at 9:45 a.m. for the order set out in Part 1 below.

The applicant estimates that the application will take 2 hours.

This matter is not within the jurisdiction of an Associate Judge.

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

1. An Order substantially in the form attached hereto as **Schedule "A"**:
  - (a) declaring that service of notice of this Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this Application, and time for service of this Application is abridged to that actually given;

- (b) approving the asset purchase agreement dated February 5, 2024 between 1461890 B.C. Ltd. (the “**Purchaser**”) and the Receiver, attached as Appendix “C” to the First Report of the Receiver dated February 9, 2024 (the “**Purchase Agreement**”) concerning the sale of the Purchased Assets, as defined in the Purchase Agreement, vesting of all the Company’s right, title and interest in the Purchased Assets to the Purchaser, free and clear from any and all security interests, hypothecs, mortgages, trusts or deemed trusts, liens, executions, levies, charges or other financial or monetary claims; and
  - (c) providing for an interim distribution to the Bank of Montreal in an amount not to exceed \$2,650,000; and
2. Such further and other relief as counsel may advise and this Honourable Court may deem appropriate.

**Part 2: FACTUAL BASIS**

- 1. Polycan Health Centre (Canada) Inc. (“**PolyCan**”) is engaged in the business of operating a health care centre and a walk-in medical clinic. The walk-in medical clinic ceased operations on December 19, 2023 at the direction of the Receiver.
- 2. PolyCan contracts with persons with experience in the operation of healthcare facilities and health care practitioners. PolyCan’s health care practitioners provide various services including, among other things, physiotherapy, massage therapy, acupuncture, shockwave therapy, and counselling.
- 3. PolyCan operates from a 20,000 square foot leased premises at units 102 and 205, 9055 University High Street, Burnaby, BC (the “**Premises**”). PolyCan is a tenant under a lease agreement with the landlord, SFU Community Corporation as Trustee of the SFU Community Trust (“**SFU**”), dated April 15, 2019 (the “**SFU Lease**”)
- 4. A portion of the Premises is sublet to the City of Burnaby, specifically the Burnaby Fire Department, pursuant to a commercial sublease agreement between PolyCan and the City of Burnaby dated December 15, 2022 (the “**Sublease**”).
- 5. Mr. Andrew Mai (“**Mr. Mai**”) is the sole director and officer of PolyCan. Ms. Sui Zhang (also known as Ms. Sonia Mai, “**Ms. Mai**” and, together with Mr. Mai, the “**Mais**”) is Mr. Mai’s spouse and is also involved with the operations of PolyCan.

6. As of October 2023, PolyCan had two employees, a junior doctor and a medical office assistant, and nine health practitioners engaged under fee sharing contracts with PolyCan (the “**Health Practitioners**”).

#### *The Indebtedness*

7. PolyCan’s primary assets include medical equipment, the extensive leasehold improvements undertaken at the Premises, and the goodwill associated with the operating business.
8. PolyCan’s principal secured creditor is the Bank of Montreal (“**BMO**”), who is owed \$4,502,381 as at February 6, 2024, pursuant to letter of credit (the “**BMO Credit Facility**”) and General Security Agreement granted by PolyCan, as amended and restated from time to time.
9. In addition to the BMO Credit Facility, the following guarantees were granted to BMO:
  - (a) a guarantee by the Mais for all debts and liabilities of PolyCan to BMO dated April 26, 2018, limited to the amount of \$2,550,000 plus interest at the rate of BMO’s prime rate plus 3%; and
  - (b) a guarantee by Mr. Weidong (William) Zhu (“**Mr. Zhu**”) and Ms. Hua (Alice) Xu (“**Ms. Xu**”) of the obligations of PolyCan to BMO under its credit facilities (the “**Zhu and Xu Guarantee**”), limited to the amount of \$2,450,000 plus interest at the rate of BMO’s prime rate plus 3%.
10. PolyCan invested substantial sums in the setting up of the health centre, including in fixtures, fittings, and leasehold improvements of the Premises, equipment, and a partially finished surgical centre that is not operational. In addition, the COVID-19 pandemic affected PolyCan’s ability to grow their patient base. PolyCan’s revenues were insufficient to cover its operating costs, rent and debt service obligations.
11. Beginning in October 2020, PolyCan committed several events of default under the BMO Credit Facility and began searching for alternative financing. PolyCan was not able to find alternative financing to repay BMO.

12. Pursuant to an Order of the Supreme Court of British Columbia dated October 26, 2022, with effect as of November 23, 2023, Deloitte Restructuring Inc. was appointed Receiver (the “**Receivership Order**”).
13. The Receivership Order stated the Receiver may, with the approval of the Court, sell, convey, transfer and assign all or any part of the assets out of the ordinary course of the business.

#### *Sales Activities*

14. Upon its appointment, the Receiver immediately started a process to identify parties that may be interested in acquiring the business and assets of PolyCan. Mr. Mai had previously canvassed the market for buyers prior to the pronouncement of the Receivership Order.
15. Due to PolyCan’s ongoing operating losses, the previous canvassing of the market by Mr. Mai, and the specific nature of the assets, the Receiver determined that any purchaser would need to be able to conclude a transaction quickly to be viable.
16. The Receiver has conducted a sales process over 10 weeks in which they:
  - (a) approached a targeted group of potential buyers that the Receiver believed would be able to conclude a transaction in the required timeline;
  - (b) marketed the assets by way of a notice in “Insolvency Insider”;
  - (c) prepared an electronic data room (the “Data Room”), which included information pertaining to PolyCan and certain financial information;
  - (d) prepared a binding non-disclosure agreement (“**NDA**”);
  - (e) facilitated the viewing of the Premises for several interested parties; and
  - (f) held discussions with potential purchasers(the “**Marketing Efforts**”).
17. The Receiver directly contacted, or was contacted by, twenty-three different interested parties and provided those parties with a summary of the potential investment opportunity.

18. A total of six parties (the “**Interested Parties**”) executed NDAs and were allowed access to the Data Room.
19. On January 1, 2024, the Receiver provided counsel for the Purchaser with a proposed draft form of asset purchase agreement (the “**Draft APA**”).
20. The Receiver advised all of the Interested Parties that the Receiver was working with an interested party to negotiate a Draft APA, and that a redacted Draft APA would be provided when available. The Interested Parties were advised to conduct their due diligence as soon as possible.
21. On January 17, 2024, the Receiver received a non-binding expression of interest from an interested party (“**Bidder 1**”) which was subject to a 30-day due diligence period and financing. Bidder 1 was encouraged to complete its diligence as soon as possible and was advised a formal bid deadline would be set shortly.
22. On January 26, 2024, the Receiver sent an email to four parties attaching guidelines for the submission of final binding bids (the “**Final Bid Procedure**”), including the form of asset purchase agreement to be used as the basis of offers. The deadline to submit binding offers according to the Final Bid Procedure was February 2, 2024, at 5:00 p.m. Pacific Time (the “**Offer Deadline**”).
23. The Purchaser submitted a binding offer. No other offers were received by the Receiver by the Offer Deadline.
24. On February 2, 2024, Bidder 1 sent an email to the Receiver indicating that it was unable to submit a binding offer for the business and assets of PolyCan, but that it remained interested and would continue to work on a proposal that it may submit directly to the Court at the appropriate time.
25. On February 5, 2024, after discussions with BMO, the Receiver notified the Purchaser that it had been selected as the successful bidder with a view to negotiating the terms of an asset purchase agreement.
26. On February 5, 2024, the Receiver and the Purchaser entered into the Purchase Agreement, with, *inter alia*, the following material terms:

- (a) **Purchased Assets** (as defined in the Purchase Agreement):
- (i) all of PolyCan's right, title and interest in, to and under the Assets, which includes, *inter alia*:
    - A. all inventory and supplies used in the business;
    - B. all intellectual property that is owned by PolyCan and used in or necessary for the conduct of the business;
    - C. specific contracts listed in the Purchase Agreement (the "**Assigned Contracts**");
    - D. all furniture, fixtures, equipment, machinery, tools, office equipment, supplies, computers, telephones and other tangible personal property; and
    - E. all permits which are held by PolyCan and required for the conduct of the business as currently conducted or for the ownership and use of the Purchase Assets;
- (b) **Excluded Assets**: include, *inter alia*:
- (i) cash or cash equivalents;
  - (ii) all accounts or notes receivable held by PolyCan;
  - (iii) any proceeding, claim, cause of action or insurance claim of PolyCan that existed prior to the closing of the Sale Agreement, including the Alleged Zhu and Xu Claims (as defined below);
  - (iv) contracts that are not Assigned Contracts;
  - (v) any permit not freely assignable by the Receiver;
  - (vi) municipal business licences;
  - (vii) Diagnostic Accreditation Program Certificate of Accreditation for PolyCan Health Centre Diagnostic Imaging (Facility ID: 30114DI);

- (viii) certain specific equipment, including:
    - A. a Siemens Acuson S2000 ABVS 3D/4D ultrasound breast volume scanner;
    - B. a Surgifresh mini turbo; and
    - C. a Q80 shockwave therapy machine;
  - (c) **Closing Date:** February 29, 2024, or as otherwise agreed upon by the Receiver and the Purchaser;
  - (d) **Deposit:** the Purchaser paid a deposit of \$300,000 upon the execution of the Purchase Agreement as a deposit against the purchase price;
  - (e) **Representations and Warranties:** consistent with the standard terms of an insolvency transaction (i.e., on an “as-is, where-is” basis, without any representations, warranties or covenants by the Receiver in respect of the purchased assets);
  - (f) **Conditions:** the Purchase Agreement is subject to the delivery, if required by SFU under the SFU Lease, of an assignment, assumption and consent agreement or equivalent document duly executed by the Receiver as assignor, or alternatively an order of the Court assigning the SFU Lease to the Purchaser upon payment of any cure costs.
27. The purchase price under the Purchase Agreement includes, *inter alia*:
- (a) a payment to BMO (the “**Guarantee Discharge Amount**”) of an amount sufficient to provide a release and discharge of:
    - (i) the Zhu and Xu Guarantee (limited to the amount of \$2,450,000 plus interest at the rate of BMO’s prime rate plus 3%);
    - (ii) the judgment granted against Mr. Zhu and Ms. Xu on October 26, 2023, and any registration or charge filed in connection with the judgment; and

- (iii) all collateral security for the Zhu and Xu Guarantee granted by Mr. Zhu and Ms. Xu; and
  - (b) a deposit of \$300,000 to be applied to the purchase price.
- 28. The principle secured creditor of PolyCan, BMO, is supportive of the Purchase Agreement. The Receiver expects that BMO will suffer a shortfall in respect of the debt owed to it by PolyCan.
- 29. The Receiver understands the Purchaser or entities related to the Purchaser own separate health clinics and that it is the Purchaser's intent to continue the operations of PolyCan's health centre, to re-open the walk-in clinic, and to retain the Health Practitioners.

**Alleged Claims of Mr. Mai and PolyCan against Mr. Zhu and Ms. Xu**

- 30. Dr. Mai has informed the Receiver about certain claims PolyCan and Mr. Mai might have against Mr. Zhu and Ms. Xu, which allegedly took place during their involvement with PolyCan prior to these Receivership proceedings (the "**Alleged Zhu and Xu Claims**").
- 31. Dr. Mai has indicated that the Alleged Zhu and Xu Claims to the Receiver include potential theft of equipment and patient data, as well as collection of accounts receivable of PolyCan.
- 32. While the Receiver acknowledges the Alleged Zhu and Xu Claims are serious in nature, it has also pointed out to Dr. Mai:
  - (a) in most cases the claims appear to be internal shareholder disputes not PolyCan claims;
  - (b) the Receiver has asked for evidence proving the veracity of these claims, but has not been convinced there was enough to substantiate them to date;
  - (c) the Alleged Zhu and Xu Claims are undoubtedly disputed by Mr. Zhu and Ms. Xu;
  - (d) to the extent the Alleged Zhu and Xu Claims are claims which can be proven in favour of PolyCan at some point, these claims are carved out of the proposed transaction anyway; and



- (e) the Alleged Zhu and Xu Claims do not need to be addressed or litigated at this time.

#### *The Proposed Interim Distribution Order*

- 33. The Receiver has, in reviewing PolyCan's books and records, identified that PolyCan is indebted to BMO in the amount of \$4,502,381 as at February 6, 2024.
- 34. The Receiver's legal counsel has reviewed BMO's security and provided an opinion that, subject to the standard and customary qualifications, assumptions, and limitations, the security of BMO over the assets, property, and undertakings of PolyCan is valid and enforceable.
- 35. The Receiver is seeking approval of the Court to make a distribution of \$2,650,000 (the "**BMO Distribution**"), inclusive of the Guarantee Discharge Amount.
- 36. After the closing of the Purchase Agreement, the Receiver will retain a balance on hand as disclosed in the Receiver's First Confidential Report, dated February 9, 2024. This amount will be held by the Receiver to satisfy any potential priority claims that may be advanced by the Canada Revenue Agency (the "**CRA**") and the remaining Receiver's fees and disbursements, pending further order of the Court.

#### **Part 3: LEGAL BASIS**

- 1. The Receiver relies on:
  - (a) Rule 8-1, Rule 13-5, Rule 21-7 of the *Supreme Court Civil Rules*;
  - (b) *Law and Equity Act*, R.S.B.C. 1996, c. 253; and
  - (c) the Receivership Order pronounced in this proceeding.

#### *The Sale Approval*

- 2. In deciding to approve a sale by a receiver, the following factors have been considered helpful by courts in British Columbia:
  - (a) whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;

- (b) the efficiency and integrity of the receiver's sale process by which offers were obtained;
- (c) whether there has been unfairness in the working out of the process; and
- (d) the interests of all parties.

*Royal Bank of Canada v. Soundair Corp.*, 1991 CanLII 2727 (ON CA)  
 (“**Soundair**”), at para. 16.

3. The primary interest to be considered by the Court is that of the creditors, and to see that the best possible price is obtained, though the interests of all parties, including the debtor and the Receiver's recommended purchaser, must also be considered.

*Soundair*, at paras. 42-46.

4. In the present case, the Receiver has conducted a fair and transparent sales process. The Marketing Efforts were robust and sufficient to elicit an acceptable offer for the Purchased Assets.
5. The Receiver submits that it acted in a reasonable and provident manner to fully expose the assets of PolyCan to the market and to prospective purchasers.
6. In the circumstances, the Receiver submits that there has been no unfairness in the sales process. The major secured creditor of PolyCan is supportive of the Purchase Agreement, and the Purchaser intends to continue the business of a walk-in clinic and health centre, benefitting the local community.
7. The Receiver seeks Court approval of the Purchase Agreement for the purchase of Polycan's assets and vesting Polycan's right, title and interest in its assets, property and undertakings to the Purchaser, free and clear of all encumbrances.

*The BMO Distribution is Appropriate*

8. Pursuant to paragraph 13 of the Receivership Order, the Receiver is to hold monies collected from and after the making of the Receivership Order in the “Post-Receivership Accounts”, as defined in the Receivership Order. The Receiver is then to hold such funds to be paid in accordance with the terms of the Receivership Order or any further order of the Court.

Receivership Order, s. 13.

9. Pursuant to paragraph 36 of the Receivership Order, the Receiver may apply to this Court for advice and directions in the discharge of its powers and duties.

Receivership Order, s. 36.

10. The BMO Distribution is required to discharge the Zhu and Xu Guarantee, which is a term of the Sale Agreement.
11. The Receiver expects BMO to suffer a shortfall with regards to the BMO Credit Facility, and there will therefore be no distribution to any unsecured creditors in any event.
12. The Receiver will retain funds sufficient to pay any priority payables, including any tax claims by the CRA. Any further distributions will be subject to approval by this Court.
13. The Receiver believes that making the BMO Distribution is appropriate in the circumstances.

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

1. First Report of the Receiver dated February 9, 2023;
2. Confidential Supplement to the First Report of the Receiver dated February 9, 2023; and
3. Such further material allowed by this Honourable Court.

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).

February 15, 2024  
Date

DLA Piper (Canada) LLP  
Signature of  lawyer for filing party  
DLA Piper (Canada) LLP (Colin D. Brousson)  
Lawyer for the Receiver

<b>To be completed by the court only:</b>	
Order made	
in the terms requested in paragraphs _____ of Part 1 of this notice of application	
with the following variations and additional terms:	
_____ _____ _____ _____	
Date: _____	Signature of Judge Master/ Associate
Judge	

**APPENDIX**

*The following information is provided for data collection purposes only and is of no legal effect.*

**THIS APPLICATION INVOLVES THE FOLLOWING:**

discovery: comply with demand for documents

discovery: production of additional documents

oral matters concerning document discovery

extend oral discovery

other matter concerning oral discovery

amend pleadings

add/change parties

summary judgment

summary trial

service

mediation

adjournments

proceedings at trial

case plan orders: amend

case plan orders: other

experts

none of the above

**SCHEDULE "A"**

No. S-234092  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BANK OF MONTREAL

PETITIONER

AND:

POLYCAN HEALTH CENTRE (CANADA) INC., ANQI MAI, ALSO  
KNOWN AS AN QI MAI, ALSO KNOWN AS ANDREW MAI,  
WEIDONG ZHU, ALSO KNOWN AS WEI DONG ZHU, ALSO  
KNOWN AS WILLIAM ZHU, SUI ZHANG AND HUA XU

RESPONDENTS

**ORDER MADE AFTER APPLICATION**

BEFORE ) THE HONOURABLE JUSTICE ) February 26, 2024  
) )  
) )  
) )

ON THE APPLICATION of the Deloitte Restructuring Inc., in its capacity as court-appointed receiver (the "**Receiver**") of Polycan Health Centre (Canada) Inc. (the "**Debtor**") coming on for hearing at 800 Smithe Street, Vancouver, BC V6Z 2E1 on February 26, 2024, and on hearing Colin D. Brousson, counsel for the Receiver and those other counsel listed on Schedule "A" hereto; and no one else appearing although duly served; AND UPON READING the materials filed, including the First Report of the Receiver dated February 9, 2024 (the "**First Report**") and the Confidential Supplement to the First Report of the Receiver dated February 9, 2024 (the "**Confidential Supplement**");

THIS COURT ORDERS that:

1. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this Application, and time for service of this Application is abridged to that actually given.

### **The Transaction**

2. The sale transaction (the “**Transaction**”) contemplated by the Asset Purchase Agreement dated February 5, 2024 (the “**Sale Agreement**”) between the Receiver and 1461890 B.C. Ltd. (the “**Purchaser**”), a copy of which is attached as Schedule “B” hereto is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Sale Agreement (the “**Purchased Assets**”).
3. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as Schedule “C” hereto (the “**Receiver’s Certificate**”), all of the Debtor’s right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated October 26, 2023; (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act of British Columbia or any other personal property registry system, and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
4. For the purposes of determining the nature and priority of Claims, the net Purchase Price (as defined in the Sale Agreement) shall stand in the place and stead of the Purchased

Assets, and from and after the delivery of the Receiver's Certificate all Claims shall attach to the net Purchase Price with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.

5. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof.
6. Pursuant to Section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or Section 18(10)(o) of the *Personal Information Protection Act of British Columbia*, the Receiver is hereby authorized and permitted to disclose and transfer to the Purchaser all Personal Information (as defined in the Sale Agreement) in the Debtor's records. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
7. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, including any real property, shall be delivered by the Receiver to the Purchaser at 12:00 noon on the Closing Date (as defined in the Sale Agreement).
8. The Receiver, with the consent of the Purchaser, shall be at liberty to change the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court in accordance with the terms of the Sale Agreement.

### **Distribution**

9. The Receiver is hereby authorized to distribute to the Bank of Montreal an amount not to exceed \$2,650,000 on account of the BMO Debt and the Guarantee Discharge Amount (both as defined in the First Report).

### **General**

10. Notwithstanding:
  - (a) these proceedings;



(b) any applications for a bankruptcy order in respect of the Debtor now or hereafter made pursuant to the Bankruptcy and Insolvency Act and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made by or in respect of the Debtor,

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

11. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
12. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.

13. Endorsement of this order by other counsel appearing other than counsel for the Receiver is hereby dispensed with.

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

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Signature of  lawyer for the Receiver  
DLA Piper (Canada) LLP (Colin D. Brousson)

BY THE COURT

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REGISTRAR

**SCHEDULE "A"**  
**List of Counsel Appearing**

<b>Name of Counsel</b>	<b>Party Representing</b>

**SCHEDULE "B"**  
**Sale Agreement**

**SCHEDULE "C"**  
**Form of Receiver's Certificate**

**RECEIVER'S CERTIFICATE**

- A. Pursuant to an order of the Honourable Justice Gomery of the Supreme Court of British Columbia (the "**Court**") dated October 26, 2023, Deloitte Restructuring Inc. (the "**Receiver**") was appointed as the receiver of all the undertakings and property of PolyCan Health Centre (Canada) Inc. (the "**Debtor**").
- B. Pursuant to an order of the Court dated \_\_\_\_\_, 2024, the Court approved the Asset Purchase Agreement (the "**Sale Agreement**") between the Receiver and 1461890 B.C. Ltd. (the "**Purchaser**") dated February 5, 2024, and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon delivery by the Receiver to the Purchaser of a certificate confirming (i) payment by the Purchaser of the Purchase Price for the Purchased Assets; and (ii) the transaction contemplated by the Sale Agreement has been completed to the satisfaction of the Receiver.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER HEREBY CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement.
2. The transaction contemplated by the Sale Agreement has been completed to the satisfaction of the Receiver.

DATED the \_\_\_\_ day of \_\_\_\_\_, 2024.

Deloitte Restructuring Inc., solely in its  
capacity as Receiver of the Property, and not  
in its personal capacity

Per:  
Name:  
Title:

No. S-234092  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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DONG ZHU, ALSO KNOWN AS WILLIAM ZHU, SUI  
ZHANG AND HUA XU

RESPONDENTS

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**ORDER MADE AFTER APPLICATION**

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Fax No. 604.687.1612

File No.: 036474-00005

CDB/saa/day

No. S-234092  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BANK OF MONTREAL

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WILLIAM ZHU, SUI ZHANG  
AND HUA XU

RESPONDENTS

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**NOTICE OF APPLICATION**

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File No.: 036474-00005

SAA/day