



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  
Lawyer: Douglas S. Nishimura  
Phone Number: (403) 260-8548  
Fax Number: (403) 264-7084  
Email Address: dnishimura@fieldlaw.com  
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>Monday, November 24, 2014</u>
TIME	<u>2:00 p.m. – Commercial List</u>
WHERE	<u>Court House, Calgary, Alberta</u>
BEFORE WHOM	<u>Madam Justice K. M. Horner</u>

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

**Remedy claimed or sought:**

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. Approval of the settlement proposed by the Trustee and ITC Residential AB I Inc.
3. Approval of the settlement proposed by the Trustee and The Snowden Block Inc.
4. Approval of the settlement proposed by the Trustee and Norcal Construction Inc.
5. Approval of the settlement proposed by the Trustee and Executive Flight Centre Developments Ltd.
6. Declaring that the interests of claimants against funds paid into Court or trust accounts pursuant to Court Orders, are to be determined in accordance with the priorities set forth in the *Bankruptcy and Insolvency Act* (the "BIA") and the *Income Tax Act*.
7. Such further and other relief as Counsel may seek.

**Grounds of the Application:**

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

***ITC Residential AB I Inc. ("ITC")***

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

Plan 3324JK

Block A

Lot 1

Containing 2.57 Hectares (6.34 Acres) More or Less

Excepting Thereout:

Plan	Number	Hectares	(Acres) More or Less
Road	0011794	0.1201	0.297

Excepting Thereout All Mines and Minerals

and

PLAN 1013890  
 BLOCK 17  
 LOT 1  
 CONTAINING 1.4160 HECTARES (3.5 ACRES) MORE OR LESS  
 EXCEPTING THEREOUT:

	HECTARES (ACRES) MORE OR LESS
A) PLAN 1312882	STRATA
EXCEPTING THEREOUT ALL MINES OR MINERALS	
AREA: 1.416 HECTARES (3.5 ACRES) MORE OR LESS	

where Sas-Can provided services (referred to as the "**TTC Project**").

10. The registrations of the lien claims of all parties were discharged by virtue of consent orders providing for the payment of funds by ITC into Court or trust, as replacement security for the lien claim.
11. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with ITC, subject to approval of the Court and conditional upon payment of the funds to the Trustee for distribution to Canada Revenue Agency ("CRA").

***The Snowden Block Inc. ("Snowden")***

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

Plan 1594F  
 Block O

where Sas-Can provided services (referred to as the "**Snowden Project**").

13. Certain Sub-Lien Claimants also filed lien claims in respect of contract work done for Sas-Can on the same Snowden Project.
14. The registrations of the lien claims of all parties were discharged by virtue of consent orders providing for the payment of funds by Snowden into Court or trust, as replacement security for the lien claim.
15. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with Snowden, subject to approval of the Court and conditional upon payment of the funds to the Trustee for distribution to CRA.

16. The settlement concludes the retention by Snowden of certain scaffolding left on site by Sas-Can.

***Norcal Construction Inc. ("Norcal")***

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

Plan 9210847

Block A

Containing 1969 Hectares (4865.51 Acres) More or Less

Excepting Thereout:

Plan	Number	Hectares	(Acres) More or Less
Road	0013167	16.02	39.59

Excepting Thereout All Mines and Minerals

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

18. Certain Sub-Lien Claimants also filed lien claims in respect of contract work done for Con-Forte on the same Norcal Project.
19. The registrations of the lien claims of all parties were discharged by virtue of consent orders providing for the payment of funds by Norcal into Court or trust, as replacement security for the lien claim.
20. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with Norcal, subject to approval of the Court and conditional upon payment of the funds to the Trustee for distribution to CRA.
21. 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 (including CRA) claim priority under, *inter alia*, the BIA and the *Income Tax Act*.

***Executive Flight Centre Developments Ltd. ("EFC")***

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:

Plan 9022386

Block A

Containing 2542 Hectares (6281.42 Acres) More or Less

Excepting thereout:

	Hectares	(Acres) More or Less
A) Plan 9021856 – Lot 121	2.60	6.42
Excepting Thereout all Mines and Minerals		

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

23. Certain Sub-Lien Claimants also filed lien claims in respect of contract work done for Con-Forte on the same EFC Project.
24. The registrations of the lien claims of all parties were discharged by virtue of consent orders providing for the payment of funds by EFC into Court or trust, as replacement security for the lien claim.
25. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with EFC, subject to approval of the Court and conditional upon payment of the funds to the Trustee for distribution to CRA.
26. 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 (including CRA) claim priority under, *inter alia*, the BIA and the *Income Tax Act*.
27. Such further and other grounds as counsel may advise.

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

28. First Report of the Trustee dated December 10, 2013.
29. Second Report of the Trustee dated April 29, 2014.
30. Third Report of the Trustee, to be filed.

31. The Order granted in the within Actions by the Honourable Madam Justice K. M. Horner on September 11, 2014.
32. Such further and other materials as counsel may advise and this Honourable Court may permit.

**Applicable Rules:**

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

**Applicable Acts and Regulations:**

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

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

41. N/A

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

42. 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.