



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

**FIRST REPORT OF THE COURT APPOINTED RECEIVER
OF POLYCAN HEALTH CENTRE (CANADA) INC.**

DATED FEBRUARY 9, 2024

PREPARED BY DELOITTE RESTRUCTURING INC.

TABLE OF CONTENTS

INTRODUCTION.....	1
Purpose of the First Report.....	1
Terms of reference.....	2
BACKGROUND.....	2
Books and records	3
Employees and contractors.....	4
Background on the financial difficulties faced by PolyCan	4
POWERS OF RECEIVER	4
POSSESSION AND CONTROL OF THE ASSETS	4
Initial actions of the Receiver.....	4
Stabilization of PolyCan’s operations.....	6
Discussions with the landlord and subtenant.....	6
Closure of the walk-in clinic.....	7
ASSETS OF THE COMPANY	7
Bank accounts.....	7
Accounts receivable.....	7
Allegations and related insurance claims	8
Inventory, equipment and leasehold improvements	8
Equipment third party and lease claims.....	9
Corporation tax refund	9
THE RECEIVER’S SALE ACTIVITIES.....	9
Proposed transaction	11
Transaction conclusions	12
CREDITORS AND SECURED CHARGES.....	12
CRA priority claims.....	12
Wage Claims	13
Receiver’s charge and borrowings	13
BMO indebtedness	13
Unsecured creditors	13
STATEMENT OF RECEIPTS AND DISBURSEMENTS.....	14
PROPOSED DISTRIBUTION.....	14
CONCLUSIONS AND RECOMMENDATIONS	14

APPENDICES

Appendix “A” – Receiver’s Statement of Receipts and Disbursements for the period from November 23, 2023 to February 8, 2024

Appendix "B" – Final Bid Procedure Document dated January 26, 2024

Appendix "C" – Asset Purchase Agreement dated February 5, 2024 (Redacted)

INTRODUCTION

- 1) Pursuant to an Order (the "**Receivership Order**") of the Supreme Court of British Columbia (the "**Court**") dated October 26, 2023, with effect as of November 23, 2023 (the "**Date of Receivership**"), Deloitte Restructuring Inc. was appointed as receiver (in such capacity, the "**Receiver**"), without security, of all assets, undertakings and properties of PolyCan Health Centre (Canada) Inc. ("**PolyCan**" or the "**Company**"). The Court proceedings in which the Receiver was appointed are referred to herein as the "**Receivership Proceedings**".
- 2) The Receivership Order was granted pursuant to an application by Bank of Montreal ("**BMO**"), the primary secured creditor of PolyCan. BMO is owed approximately \$4.5 million by PolyCan as of February 6, 2024 pursuant to various credit facilities (the "**BMO Facilities**") provided to the Company.
- 3) BMO holds various registered security over all of PolyCan's present and after-acquired real and personal property, along with various personal guarantees (collectively, the "**BMO Security**"). The BMO Facilities and the BMO Security are more fully described in the first affidavit of Mr. Daniel Yamasaki of BMO dated October 24, 2023 ("**First Yamasaki Affidavit**").
- 4) The Receiver's independent legal counsel, DLA Piper (Canada) LLP ("**DLA**"), has performed an independent review of the validity and enforceability of the BMO Security and has advised that it is valid and enforceable and ranks in priority to the unsecured creditors of PolyCan (the "**Security Opinion**").
- 5) Following the issuance of the Receivership Order, the Receiver issued a statutory Notice and Statement of the Receiver for PolyCan (the "**Notice to Creditors**") pursuant to subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act (Canada)* (the "**BIA**").
- 6) The Receivership Order, together with the Notice to Creditors have been posted on the Receiver's website at <http://www.insolvencies.deloitte.ca/en-ca/Pages/PolyCan.aspx> (the "**Receiver's Website**"). This first report of the Receiver to Court ("**First Report**") will also be posted to the Receiver's Website after it has been filed with the Court.
- 7) In addition to this First Report, the Receiver has prepared a confidential supplement to the First Report dated February 9, 2024 (the "**First Confidential Report**") which the Receiver is seeking to be sealed in the Court file.
- 8) Unless otherwise provided, all other capitalized terms not defined in this First Report are as defined in the Receivership Order.

Purpose of the First Report

- 9) The purpose of this First Report is as follows:
 - a) To provide the Court with an overview of PolyCan's business and pertinent background information;
 - b) To report on the Receiver's activities since the Date of Receivership;
 - c) To report on the receipts and disbursements in the Receivership Proceedings as outlined in the Receiver's statement of receipts and disbursements from the Date of the Receivership to February 8, 2024 ("**Receiver's R&D**"), a copy of which is attached hereto as **Appendix "A"**;

- d) To report on the sale process undertaken by the Receiver to realize on the assets of PolyCan (the "**Sale Process**");
 - e) To provide an overview of the salient terms of the asset purchase agreement entered into on February 5, 2024 (the "**APA**") as between the Receiver and 1461890 B.C. Ltd. (the "**Purchaser**"); and
 - f) To support the Receiver's application(s) (to be filed) for:
 - i) An order approving the activities of the Receiver as described in this First Report;
 - ii) An order approving the Receiver's R&D;
 - iii) An order (the "**Vesting Order**") approving the transactions contemplated by the APA (the "**Transaction**") and vesting title in the Purchased Assets (as defined in the APA) free and clear to the Purchaser;
 - iv) An order (the "**Distribution Order**") approving and authorizing the BMO Distribution (as that term is hereinafter defined); and
 - v) An order (the "**Sealing Order**") that the First Confidential Report be filed under seal pending further order of this Court.
- 10) The purpose of the First Confidential Report is to provide the Court with further details related to the APA, including the Transaction value and related negotiations with interested parties, and to provide the Court with a copy of and further information related to the equipment appraisal obtained by the Receiver.

Terms of reference

- 11) In preparing this First Report, the Receiver has relied upon unaudited financial and other information prepared by the Company's bookkeeper, the Company's books and records, and discussions with management of the company, Mr. Andrew Mai ("**Mr. Mai**") and Mrs. Sonia Mai ("**Ms. Mai**", and together with Mr. Mai, the "**Mais**").
- 12) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of this information.
- 13) All dollar amounts in this First Report are in Canadian dollars, unless otherwise indicated.

BACKGROUND

- 14) PolyCan is engaged in the business of operating a health care centre and also, prior to the Receiver ceasing operations on December 19, 2023, a walk-in medical clinic.
- 15) PolyCan health care practitioners provide various services including, among other things, physiotherapy, massage therapy, acupuncture, shockwave therapy, and counselling.
- 16) PolyCan operates from a 20,000 square foot leased premises at units 102 and 205, 9055 University High Street, Burnaby, BC, V5A 0A7 (the "**Premises**"). PolyCan is the

- 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**").
- 17) 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**").
 - 18) The Company's primary assets include medical equipment, the extensive leasehold improvements undertaken at the Premises, and the goodwill associated with the operating business.
 - 19) The leasehold improvements undertaken at the Premises by PolyCan and various medical equipment were financed by the BMO Facilities. As security for the BMO Facilities, PolyCan granted to BMO a General Security Agreement dated April 26, 2018. In addition, the following guarantees were granted to BMO, among other things:
 - a) A guarantee by the Mais, who are spouses, 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 plus 3%; and
 - b) A guarantee by Mr. William Zhu ("**Mr. Zhu**") and Hua Xu ("**Ms. Xu**"), who are also spouses, for all debts and liabilities of PolyCan to BMO dated June 3, 2022, limited to the amount of \$2,450,000 plus interest at the rate of BMO's Prime plus 3%.
 - 20) PolyCan was incorporated in British Columbia on April 19, 2017. The sole director and officer of PolyCan is Mr. Mai.
 - 21) The Receiver understands that the Mais are the primary shareholders of the Company. However, the ownership of the Company is subject to a dispute between the Mais, Mr. Zhu and Ms. Xu.
 - 22) Mr. Mai acts as the CEO and Chairman of the Company through a consulting contract between PolyCan and a company beneficially owned by Mr. Mai, MSCanada Holdings Ltd. ("**MSCanada**"). The Receiver understands that MSCanada had not been paid by the Company for several months prior to the Date of Receivership.
 - 23) Mr. Mai has not been retained or paid by the Receiver, but has assisted the Receiver with various information requests and participated in several interested party viewings and meetings.
 - 24) Ms. Mai is involved with the operations of the Company and assists with various accounting, human resources and operational matters as a consultant through her own company, ASCP Wealth Investments and Consultants Inc. ("**ASCP**").
 - 25) Ms. Mai was retained by the Receiver, through ASCP, to continue to provide payroll and operational support.

Books and records

- 26) The Company maintains hard copy and electronic books and records which are held at the Premises. Patient records are secured at the Premises and in password protected IT systems at the clinic.
- 27) The Receiver notes that the Company's financial records were not current and had not been updated for several months prior to the Date of the Receivership. This made the

task of assessing the operating cash flows and financial position of the Company more challenging and time consuming.

Employees and contractors

- 28) On the Receivership Date, PolyCan had two employees, a junior doctor and a medical office assistant. In addition, there were:
- a) Five (5) staff employed by PolyCanada Capital Holdings Ltd. ("**Holdings**"), a Company that is beneficially owned by Ms. Mai and that is not subject to the Receivership Proceedings; and
 - b) Nine (9) health practitioners (physiotherapists, massage therapists etc.) engaged under fee sharing contracts with PolyCan (the "**Health Practitioners**").

Background on the financial difficulties faced by PolyCan

- 29) The business and affairs of the PolyCan and the causes of the Company's insolvency are described in further detail in the First Yamasaki Affidavit and accordingly have not been repeated in this First Report.
- 30) In summary, PolyCan invested substantial sums in the setting up of the health centre, including in fixtures and fittings, leasehold improvements, equipment and a partially finished surgical centre that is not operational. COVID-19 impacted PolyCan's ability to grow the patient base and the revenues of the Company were not sufficient to cover its operating costs, rent and debt service obligations.
- 31) Following various events of default under the BMO Facilities starting in October 2020, PolyCan tried to obtain alternative financing for the Company. On October 26, 2022, the Honourable Mr. Justice Gomery granted the Receivership Order that provided the Company until November 22, 2023 to repay the indebtedness of BMO. Ultimately, the Company failed to find alternative financing to repay BMO, and the Receivership Order became effective on the Date of Receivership.

POWERS OF RECEIVER

- 32) The Receiver's powers are detailed in paragraph 2 of the Receivership Order and include, among things, the power to take and maintain possession and control of the Property (as defined in the Receivership Order); the power to manage, operate and carry on the business of the Company; and, the power to market and sell the Property (subject to Court approval if any one transaction exceeds \$100,000 or if the aggregate of transactions exceeds \$500,000).

POSSESSION AND CONTROL OF THE ASSETS

Initial actions of the Receiver

- 33) In the initial stages of the Receivership Proceedings, the Receiver took the following steps with respect to the assets and operations of the Company:
- a) Attended at the Premises to meet with the Mais, employees, and Health Practitioners, and to inspect the operations and equipment of PolyCan;
 - b) Arranged for a locksmith to change the locks to secure the Premises;

- c) Attended to telephone calls with various stakeholders including legal counsel to BMO;
- d) Held discussions with SFU in regards to the SFU Lease, as detailed later in this First Report;
- e) Met with the Burnaby Fire Department to explain the Receivership Proceedings and to ensure the Premises were properly secured during non-operating hours;
- f) Advised the Company's insurance broker of the Receivership Proceedings and confirmed and arranged for amendments to the existing insurance policies to reflect the Receivership Proceedings;
- g) Held multiple meetings with the Mais to discuss the operations of the Company and the potential costs to continue operations and to request various financial and other information;
- h) Retained DLA to act as legal counsel to the Receiver;
- i) Arranged for Maynards Industries Canada Appraisals Ltd. ("**Maynards**") to undertake a valuation of the assets of the Company;
- j) Reviewed the staff complement and payroll and retained Ms. Mai on a contract basis to provide certain payroll services and to collate creditor records required to draft the Notice to Creditors;
- k) Prepared and issued notices required under the BIA including:
 - i) Preparing and Mailing the Notice to Creditors;
 - ii) Submitting the Notice of Creditors to the Office of the Superintendent of Bankruptcy; and
 - iii) Setting up a page on the Receiver's Website for stakeholders to access the various Court orders and materials.
- l) Liaised with various creditors relating to the Company's outstanding liabilities and the Receivership Proceedings;
- m) Liaised with the employees and Health Practitioners in regards to the ongoing operations;
- n) Corresponded with Ms. Mai to obtain access to the Company's financial records via the Quickbooks system;
- o) Contacted the Canada Revenue Agency ("**CRA**") to review the payroll remittance and goods and services tax ("**GST**") accounts to facilitate filings for the period after the Date of Receivership; and
- p) Ensured that the patient records were secured and kept confidential.

Stabilization of PolyCan's operations

- 34) Upon its appointment, the Receiver learned that the walk-in clinic had recently opened and was operating with two nurse practitioners, a trainee Doctor (awaiting certification in British Columbia and two medical office assistants. In addition, PolyCan was awaiting various approvals and access to IT systems to allow the Company to submit billings under the Medical Services Plan ("**MSP**") billing system, and was not currently being paid for the services provided to patients.
- 35) The health centre was more established and had been operating for several months, with payments being received directly from various health insurance companies. However, the health centre is heavily under utilized given the size of the Premises.
- 36) The Receiver worked with the Mais to assess the cost of continuing the operations of the Company for a period of time while the Receiver initiated the Sale Process to solicit interest in acquiring the business as a going concern.
- 37) Based on this work, the Receiver estimated that it would cost approximately \$60,000 to continue operating the Company for a period of three weeks to December 15, 2024, inclusive of rent, payroll, and certain fees of the Receiver to oversee the operations.
- 38) The Mais believed that it was important to continue the operations of the Company in order to preserve the going concern value of the business and to continue the provision of health care to patients. In addition, Mr. Mai was continuing discussions with certain parties to seek alternative financing for the Company.
- 39) The Receiver held discussions with the Mais regarding the funding requirement, and on November 30, 2023, the Mais entered into an interim funding agreement with the Receiver pursuant to which they provided \$60,000, on an unsecured and non-refundable basis, and the Receiver agreed to continue to operate the business on a best efforts basis through to December 15, 2023 (the "**Interim Operating Period**").
- 40) During the Interim Operating Period, the Receiver operated the walk-in clinic and health centre and initiated the Sale Process for the business and assets of the Company, as further described below. In order to reduce operating costs, the Receiver closed the health centre on the weekends when there were limited patients.

Discussions with the landlord and subtenant

- 41) Upon its appointment, the Receiver entered into discussions with the landlord, SFU and reached an agreement whereby SFU agreed to decrease the cost of rent by \$10,000 to \$30,072 per month (excluding the rent paid by the City of Burnaby under the Sublease). SFU also agreed that the rent for the three-month period to February 29, 2024 would be deducted from the security deposit held by SFU of \$93,725 such that, on February 29, 2024, the security deposit would be drawn down to a balance of \$3,507. This assisted the Receiver in decreasing the cash cost of continuing the operations of PolyCan.
- 42) The sub-tenant, the City of Burnaby, pays its portion of the rent due under the SFU Lease directly to SFU. On January 11, 2024, the City of Burnaby advised SFU and the Receiver that it would exercise its option to extend the Sublease until December 31, 2024.
- 43) The Fire Department that occupies the subleased area has access to certain facilities at the Premises, including the gym, a shower and changing rooms.

Closure of the walk-in clinic

- 44) At the conclusion of the Interim Operating Period, the Receiver assessed the level of interest expressed in the PolyCan business and also prepared a cash flow forecast for the next four weeks of operations to the middle of January, 2024.
- 45) By December 15, 2013, the walk-in clinic had still not received the required approvals to make MSP billings and it was unclear if and when this would be implemented. In addition, both nurse practitioners had notified the Receiver that they would be seeking alternative employment, and the junior doctor was still waiting for certification in British Columbia.
- 46) The Receiver discussed the estimated costs to continue operating the walk-in clinic and health care centre with the Mais, and enquired as to whether they would be prepared to advance further funding to cover this cost. Ultimately, the Mai's were unable or unwilling to advance any additional funding to the Receiver.
- 47) Given the operational difficulties and ongoing operating losses of the walk-in clinic, the Receiver made the decision to wind-down the operations of the clinic while allowing a short period of time for staff to contact patients to help with transitioning them to alternative clinics and to provide any test results that had been received.
- 48) On December 19, 2023, the Receiver terminated the two PolyCan employees and Holdings terminated four of its five employees. The clinic closure allowed the Receiver to reduce the ongoing operating losses of PolyCan substantially.
- 49) The Receiver has continued to operate the health centre throughout the Receivership Proceedings.

ASSETS OF THE COMPANY

Bank accounts

- 50) Shortly after the Date of Receivership, the Receiver set up its own trust account and arranged for the balance of \$2,491 in the BMO account to be transferred to the Receiver. In addition, the Company maintained an account with TD Bank, and a balance of \$1,180 was transferred to the Receiver.

Accounts receivable

- 51) Ms. Mai provided an accounts receivable ("**AR**") listing for the Company which totalled \$1,313,387 as at the Date of Receivership.
- 52) The largest receivable related to an account with Dr. Michael O'Reilly ("**Dr. O'Reilly**") in the amount of \$1,133,909. The Receiver understands that this balance relates to one outstanding invoice for the storage of certain equipment owned by Dr. O'Reilly and the cost of certain services provided by PolyCan to Dr. O'Reilly.
- 53) The Receiver made enquiries with Dr. O'Reilly in relation to the outstanding invoice. Dr. O'Reilly disputes the invoice and claims that he did not agree to pay rent to store his equipment. He also asserts counter claims against PolyCan in relation to unpaid fees owed to him for providing services as a medical director to PolyCan and for the loss of certain equipment while stored at PolyCan's facilities.
- 54) The Receiver notes that Mr. Mai has been unable to provide any documentation or agreement to support the Dr. O'Reilly invoice.

- 55) The balance of the accounts receivable total \$179,478 and are aged and may not be collectable. The Receiver will further investigate these balances in due course.

Allegations and related insurance claims

- 56) Mr. Mai has made various unproven allegations against Mr. Zhu and Ms. Xu, including among other things, the potential theft of equipment and patient data, and collection of accounts receivable of the Company. Mr. Zhu refutes these allegations.
- 57) The PolyCan balance sheet includes a receivable totalling \$228,321 which is alleged to be owed from Mr. Zhu to PolyCan in relation to the collection of COVID test proceeds.
- 58) Mr. Mai has also made unproven allegations against Dr. Jason Chiina in relation unpaid services and has filed a claim in the small claims Court. Dr. Jason Chiina has filed a response refuting these allegations.
- 59) Mr. Mai has filed insurance claims in relation to the above mentioned allegations.
- 60) Mr. Zhu has made, among other things, several unproven allegations against PolyCan and the Mais, including that the Mais diverted operating revenue away from BMO and in relation to a disputed issuance of shares of PolyCan to Mr. Zhu and Ms. Xu.
- 61) The Receiver has made only limited investigations into these allegations, including having discussions with Mr. Zhu's legal counsel and Mr. Mai. The Receiver will review the allegations made in more detail in due course and will consider if any action may result in any recovery for the Receivership estate.
- 62) The APA excludes the Company's interest in and to any and all insurance claims or actions that occur prior to closing of the Transaction.
- 63) Given the nature of the disputes and allegations between Mr. Mai and Mr. Zhu, the Receiver has maintained control of and been present during all operating hours for the health centre and arranged for the locks to be changed upon taking possession. No keys have been provided to any other parties other than the Receiver's personnel and the Burnaby Fire Department pursuant to the Sublease.

Inventory, equipment and leasehold improvements

- 64) The Company's property and equipment is comprised mainly of medical and gym equipment, furniture and fittings located at the Premises.
- 65) The Receiver notes that there is also some second-hand surgical equipment purchased from auction that remains uninstalled or partly installed. However, Mr. Zhu has asserted a third party property claim against certain of this equipment.
- 66) Mr. Mai believes that the surgical centre will need additional funding of approximately \$1.0 million to complete. In addition, given the current legislation in British Columbia, there is some uncertainty as regards to what services could be delivered privately or otherwise from this facility.
- 67) Maynards issued an appraisal report dated December 19, 2023 providing a valuation of the equipment and inventory at the Premises (the "**Maynard's Valuation**"). The Maynard's Valuation is discussed in, and attached to, the First Confidential Report as **Appendix "A"**.

Equipment third party and lease claims

- 68) CWB National Leasing ("**CWB**") has two finance lease agreements with PolyCan with respect to a Cynosure ICON laser therapeutic machine and various security system equipment (the "**CWB Equipment**"). This equipment is secured by way of purchase money security interests registered pursuant to the *Personal Property Security Act* ("**PPSA**").
- 69) The Purchaser did not wish to assume the CWB finance agreements and the Receiver determined that there was no residual equity value in the CWB Equipment after accounting for the remaining lease payout amounts. Accordingly, if CWB's security is determined to be valid after a review by the Receiver's legal counsel, then the Receiver will disclaim its interest in the CWB Equipment.
- 70) Holdings asserts a property interest in several pieces of medical equipment including a Siemens Acuson S2000 ABVS 3D/4D ultrasound breast volume scanner (model number 10434730, serial number 250718), a Surgifresh mini turbo (model number 906500, serial number 64273689012) and a HK shockwave therapy machine (collectively, the "**Holdings Equipment**").
- 71) The Holdings Equipment was valued in the Maynard's Valuation at between \$36,000 and \$76,800 on an FLV and OLV basis, respectively.
- 72) The Mais provided equipment lease agreements entered into between PolyCan and Holdings pursuant to which PolyCan agreed to lease the Holdings Equipment. The Holdings Equipment is not secured by way of purchase money security interests registered pursuant to the PPSA. The Mais assert that PolyCan has not made any payments under the leases.
- 73) The Receiver made various investigations into the validity of the leases and the source of funds used to purchase the Holdings Equipment. Based on the information received, it appears that the Holdings Equipment was purchased by the Mais through their personal funds and the Holdings Equipment was invoiced to another company beneficially owned by the Mais, AM Healthcare Consultants Inc.
- 74) Given the limited value of the Holdings Equipment and the documentation provided by the Mais, the Receiver intends to disclaim its interest in the Holdings Equipment subject to obtaining certain assurances from the Mais. The Receiver has informed BMO of its findings and it is not opposed to the Receiver disclaiming the Holdings Equipment.
- 75) The Holdings Equipment is excluded from the Transaction pursuant to the terms of the APA.

Corporation tax refund

- 76) The Receiver understands that an amount of \$214,534 is owing to PolyCan in relation to a scientific research and experimental development ("**SR&ED**") claim for the year ending March 31, 2022. The Receiver has not yet investigated this claim and will make enquiries with CRA in due course to recover this credit, if possible.

THE RECEIVER'S SALE ACTIVITIES

- 77) At the outset of the Receivership Proceedings, the Receiver immediately started a process to identify parties that may be interested in acquiring the business and assets of PolyCan, in collaboration with Mr. Mai.

- 78) Due to the Company's ongoing operating losses and the previous canvassing of the market by Mr. Mai prior to the Receivership, and in consultation with BMO, the Receiver proceeded on the basis that a purchaser would need to be able to conclude a transaction quickly to be viable. Accordingly, as described below, the Receiver approached a targeted group of potential buyers, being the parties that the Receiver believed were the most likely parties to conclude a transaction and the parties that would be able to proceed on the timeline required in these Receivership Proceedings.
- 79) The Receiver also marketed the investment opportunity by way of a notice in the "Insolvency Insider", a weekly email publication sent to approximately 7,500 subscribers, including Licensed Insolvency Trustees, insolvency counsel, lenders, private equity companies, high net worth individuals, and other companies interested in insolvency/distressed situations.
- 80) In total, the Receiver directly contacted or was contacted by twenty three (23) different interested parties. The Receiver provided all of these parties with a summary of the potential investment opportunity and the key highlights of the PolyCan business and its assets.
- 81) The Receiver established a data room for interested parties to review information pertaining to the Company and certain financial information. All interested parties were required by the Receiver to enter into a binding non-disclosure agreement ("**NDA**") with the Receiver before being granted access to the data room. The NDA sets out various customary terms and controls to ensure that information in the data room is kept strictly confidential by the interested parties.
- 82) A total of six (6) parties executed NDAs and were allowed access to the data room.
- 83) The Purchaser expressed an interest in acquiring the business and assets of PolyCan early in the Sale Process and the Receiver had several conversations with the Purchasers' legal counsel, Dentons LLP ("**Dentons**").
- 84) On January 1, 2024, the Receiver provided Dentons with a proposed draft form of asset purchase agreement. Over the course of the next several weeks, the Receiver negotiated a form of asset purchase agreement with the Purchaser.
- 85) Interested parties were advised that the Receiver was working with an interested party to negotiate a form of asset purchase agreement and that a redacted draft would be provided when available. Parties were advised that a relatively short bid deadline would be set given the Company's financial position and they were encouraged to undertake all due diligence as soon as possible.
- 86) Throughout the Sale Process the Receiver answered enquiries from multiple parties and also facilitated the viewing of the Premises for several parties. Mr. Mai also toured a number of potential interested parties around the business and Premises.
- 87) On January 17, 2024, the Receiver received a non-binding expression of interest from an interested party ("**Bidder 1**"). However, the expression of interest was subject to a 30-day due diligence period and financing. The Receiver understands that Mr. Mai is a director and officer of Bidder 1.
- 88) Bidder 1 was encouraged to undertake its diligence in relation to the assets of PolyCan as soon as possible and was advised that a formal bid deadline would be set shortly.
- 89) On January 26, 2024, the Receiver sent an email to four (4) parties by email attaching guidelines for the submission of final binding bids ("**Final Bid Procedure**") including

the form of asset purchase agreement to be used as the basis of offers. A copy of the Final Bid Procedure is attached as **Appendix "B"** to this First Report.

- 90) Pursuant to the Final Bid Procedure, interested parties were invited to submit binding offers by 5:00pm Pacific Time on February 2, 2024 (the "**Offer Deadline**").
- 91) A binding offer was submitted by the Purchaser, and no other offers were submitted by the Offer Deadline.
- 92) 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. The Receiver notes that section 5.2 of the APA includes overbid procedures pursuant to which the Receiver may seek alternative offers for the assets and business of PolyCan and the Receiver is at liberty to advocate for the acceptance by the Court of any such alternative offer.
- 93) After discussions with BMO, on February 5, 2024, 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.

Proposed transaction

- 94) On February 5, 2024, the Receiver entered into the APA, a redacted copy of which is attached hereto as **Appendix "C"**. The APA has been redacted to exclude the Transaction value and allocation of the purchase price.
- 95) On February 8, 2024, the Receiver received a deposit of \$300,000 (the "**Transaction Deposit**") creditable against the final purchase price on closing of the Transaction.
- 96) Pursuant to the APA, the Purchaser has agreed to purchase, and the Receiver has agreed to sell, all of the PolyCan's right, title, and interest in and to the Purchased Assets (as defined in the APA), free and clear of all encumbrances (other than certain permitted encumbrances), for cash consideration.
- 97) Pursuant to the terms of the APA, closing of the Transaction is scheduled to occur on the February 29, 2024, or as otherwise agreed upon by the Receiver and Purchaser ("**Closing**"). The Transaction is not subject to financing and the Purchaser has provided certain documents to the Receiver to demonstrate its ability to fund the transaction value.
- 98) Pursuant to the terms of the APA and as part of the purchase price, on Closing, the Purchaser will make payment of the Guarantee Discharge Amount (as defined in the APA) to the Receiver which is expected to amount to approximately \$2,625,243 (assuming that the Closing occurs on February 29, 2024 as contemplated by the APA). On Closing, BMO will release and discharge the personal guarantees provided by Mr. Zhu and Ms. Xu related to the obligations of the Company under the BMO Facilities.
- 99) Closing is conditional on approval of the Transaction and granting of the Vesting Order by the Court as outlined in section 5.1 of the APA. In addition, pursuant to section 6.1 of the APA, Closing 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 (the "**SFU Lease Assignment**").

- 100) The APA provides for the payment of \$90,217 to SFU to “top-up” the security deposit under the SFU Lease, assuming the Closing occurs on February 29, 2024 as planned, or the amount increases to \$93,724.50 if Closing occurs after this date.
- 101) The Receiver has continued to correspond with SFU to ensure it receives the information it needs to assess and enter into the SFU Lease Assignment with the Purchaser.
- 102) The Sublease with the City of Burnaby is an assigned contract under the terms of the APA.

Transaction conclusions

- 103) The Receiver understands that the Purchaser or entities related to the Purchaser own and operate two separate health clinics and that it is the Purchaser’s intention to continue the operations of the PolyCan health centre, to reopen the walk-in clinic, and to retain certain of the Health Practitioners.
- 104) The Sale Process in this matter has been robust in the circumstances, was carried out over ten (10) weeks, and has engaged several interested parties. While the Final Bid Procedure was relatively short in duration, this was required in order to preserve the business value, and followed a prolonged investment and solicitation process undertaken by Mr. Mai prior to the commencement of the Receivership Proceedings. Accordingly, the PolyCan business and assets have been exposed to the market for some time.
- 105) The principal secured creditor, BMO, is supportive of the Transaction. In addition, several other stakeholders stand to benefit from the business being sold to a capable operator, including certain of the Health Practitioners, former and current employees of PolyCan and Holdings, SFU as landlord, the Burnaby Fire Department as subtenant while a new firehall is being built, and the community of Burnaby that makes use of the services provided by the health centre and walk-in clinic.
- 106) In summary, the Receiver is of the opinion that the terms of the Transaction are reasonable and appropriate under the circumstances and will maximize the value of PolyCan’s assets.

CREDITORS AND SECURED CHARGES

CRA priority claims

- 107) The Canada Revenue Agency (“**CRA**”) has not yet submitted any property claims in relation to outstanding liabilities of PolyCan. However, the Receiver is aware of outstanding employee payroll source deductions in relation to September and November 2024 amounting to approximately \$2,000 to \$3,000 (“**Potential CRA Deemed Trust Claim**”).
- 108) The Receiver is still investigating the status of the Company’s potential liabilities in relation to outstanding goods and services tax (“**GST**”). The Receiver notes that the Company has not submitted a GST return since July of 2020.
- 109) CRA has not yet conducted a payroll and GST audit on PolyCan and additional liabilities may be assessed.

Wage Claims

- 110) The Receiver is not aware of any priority claims that may relate to outstanding wage arrears and no procedures were taken or required in regards to the *Wage Earner Protection Act*.
- 111) The Receiver notes that included in its disbursements made to date are payments totalling approximately \$21,052 to certain employees and contractors that relate to work undertaken in the weeks prior to the Date of Receivership. The Receiver believes that the payment of these costs is justified as these expenditures were necessary to secure the ongoing cooperation of the employees and the contractors.

Receiver's charge and borrowings

- 112) Pursuant to paragraph 21 of the Receivership Order, the Receiver and DLA, as its legal counsel, are the beneficiaries of the Receiver's Charge to secure payment of their fees and disbursements incurred in the Receivership Proceedings. The Receiver's Charge is a first-ranking charge over the Property but subordinate to the charges, if any, created pursuant to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
- 113) Pursuant to paragraph 24 of the Receivership Order, the Receiver is authorized to borrow up to \$250,000 without further approval of the Court for the purpose of carrying out its duties and powers (the "**Borrowing Facility**"). As at the date of this First Report, the Receiver has borrowed a total of \$75,000 from the Borrowing Facility.

BMO indebtedness

- 114) As noted above, BMO is the principal secured creditor of PolyCan, and was owed \$4,502,381 as at February 6, 2024 pursuant to the BMO Facilities (the "**BMO Debt**"). BMO has valid and enforceable security as reported in the Security Opinion and interest continues to accrue on the BMO Debt.
- 115) The BMO Security is subject to certain prior ranking Court-ordered charges and statutory interests, which include:
- a) the Receiver's Charge (as that term is defined in the Receivership Order);
 - b) the Receiver's Borrowing Charge (as that term is defined in the Receivership Order);
and
 - c) certain deemed trust and priority claims.
- 116) In the event that the Court approves the Transaction, the anticipated net realizations in the Receivership Proceedings are expected to be lower than the BMO Debt. Accordingly, BMO is expected to suffer a deficit in respect of its debt.

Unsecured creditors

- 117) Based on the available books and records of PolyCan and correspondence received from creditors the Receiver estimates total unsecured creditors claims of approximately \$2,459,202 as of the Date of Receivership.
- 118) Given that BMO, the secured creditor, is expected to suffer a shortfall in respect of the BMO Debt, the Receiver has not reviewed the claims of the unsecured creditors. The Receiver has, however, provided ad-hoc updates on the status of the Receivership Proceedings to certain unsecured creditors as and when it was contacted.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

- 119) Attached as **Appendix "A"** to this First Report is a Statement of Receipts and Disbursements reflecting the administration of the Receivership Proceedings for the period from the Date of Receivership to February 8, 2024.
- 120) As of February 8, 2024, the Receiver's gross receipts amounted to \$497,258 primarily relating to the Transaction Deposit (\$300,000), operating receipts (\$58,415), the funding from the Mais (\$60,000), and Receiver borrowings (\$75,000).
- 121) During the same period, the Receiver has made disbursements totalling \$118,266 including, among other items, wages and source deductions (\$9,845), contractor services (\$93,037), insurance (\$6,739) and appraisal fees (\$6,000).
- 122) The net cash balance held by the Receiver at February 8, 2024 was \$378,992.
- 123) The Receiver has invoiced \$157,804 in fees and costs (before taxes) covering the period from the Date of Receivership to January 31, 2024. As of the Date of this First Report, no payments have been made in relation to the Receiver's fees and disbursements.
- 124) DLA has invoiced \$33,401 in fees and costs (before taxes) covering the period from the Date of Receivership to January 31, 2024. As of the Date of this First Report, no payments have been made in relation to DLA's fees and disbursements.

PROPOSED DISTRIBUTION

- 125) Subject to Court approval and granting of the Distribution Order and assuming that the Transaction closes as planned, the Receiver proposes to make payment of an interim distribution to BMO in the amount of \$2,650,000 (the "**BMO Distribution**"), inclusive of the Guarantee Discharge Amount.
- 126) After Closing and payment of the BMO Distribution, the Receiver will retain a balance on hand as disclosed in the First Confidential Report. This amount will be held by the Receiver to satisfy any potential priority claims that may be advanced by CRA and the remaining Receiver's fees and disbursements, pending further order of the Court.

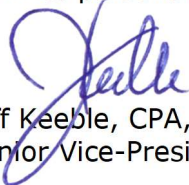
CONCLUSIONS AND RECOMMENDATIONS

- 127) Based on the foregoing, the Receiver respectfully requests that the Court grant the Orders cited at paragraph 8(e) of this First Report.

All of which is respectfully submitted at Vancouver, BC this 9th day of February, 2024.

DELOITTE RESTRUCTURING INC.

In its capacity as Court-Appointed Receiver of
PolyCan Health Centre (Canada) Inc.
and not in its personal capacity

Per:  Jeff Keeble, CPA, CMA, CIRP, LIT
Senior Vice-President

 Paul Chambers, FCA(UK), CIRP, LIT
Senior Vice-President

Appendix "A"

Receiver's Statement of Receipts and Disbursements for the period from November 23, 2023 to February 8, 2024

In the Matter of the Receivership of
PolyCan Health Centre (Canada) Inc.

Receiver's Interim Statement of Receipts and Disbursements For the Period of November 23, 2023 to February 8, 2024

<u>Description</u>		
Receipts		
Cash at bank	\$	3,671
Transaction deposit	\$	300,000
Bank interest	\$	172
Operating receipts*	\$	58,415
Non-refundable advance from shareholder	\$	60,000
Receiver borrowings	\$	75,000
Total receipts	\$	497,258
Disbursements		
Bank charges	\$	81
Filings fees paid to Official Receiver	\$	75
Payroll and source deductions	\$	9,845
Contractors	\$	93,037
Insurance	\$	6,739
Appraisal fees	\$	6,000
Utilities	\$	518
Miscellaneous costs	\$	1,036
GST and PST	\$	934
Total payments	\$	118,266
Excess of receipts over disbursements	\$	378,992

Note*: Includes an accrual of \$16,749 for operating receipts in the BMO account as of February 5, 2024 to be transferred to the Receiver.

Appendix "B"

Final Bid Procedure Document dated January 26, 2024

Binding Offer Submission Guidelines

Introduction

Pursuant to an Order of the Supreme Court of British Columbia (the "**Court**") dated November 23, 2023, Deloitte Restructuring Inc. was appointed as receiver and manager (the "**Receiver**"), without security, of all assets, undertakings, properties and legal and beneficial ownership interests (the "**Property**") of PolyCan Health Centre (Canada) Inc. ("**PolyCan**").

Binding Offer Guidelines

The proposal should be executed by an authorized representative of your company in conformity with the guidelines set forth below and should consist of: (i) a binding executed offer (the "**Offer**") addressing the issues and containing the information requested herein; and (ii) a copy of the draft asset purchase agreement ("**APA**") and related exhibits electronically marked and blacklined with any proposed changes ("**Modified APA**").

The Receiver provides the following guidance for the submission of your Offer:

- i) **Contents of the Offer:** Your Offer should reflect the best and final proposal that you are prepared to make, including with respect to price, terms and conditions. You should not assume that you will be given an opportunity to rebid, renegotiate, or improve the terms of your Offer.
- ii) **Transaction Structure:** Offers should be submitted on the basis of acquiring the Property, subject to Court approval, on an "as is, where is" basis without any representations, expressed or implied, as to the description, condition, suitability for purpose, or value of the Property, with a target closing date for the transaction of late February 2024, or as soon as possible thereafter. You should specify the full legal identity of the purchaser(s), including any entity specially formed for the purpose of effecting the contemplated transaction (the "**Acquisition Entity**"), and confirm that the Offer is made as principal and for each purchaser's own account.
- iii) **Purchase Price:** The cash consideration that you are prepared to pay in Canadian Dollars at closing for the Property, and assignment of any contracts required. For the avoidance of doubt, your Offer should be submitted on the basis of acquiring the Property, excluding any cash funds currently held by the Receiver, debt free. The Purchase Price should be expressed as a specific figure and not a range. You shall assume that the assets will be conveyed to the potential purchaser by way of an order of the Court, free and clear of all claims, liens and security interests.
- iv) **APA:** The APA is attached to the email you have received. Clarifications and questions regarding the APA should be directed to the Receiver. If required, the Receiver can arrange access to its legal counsel. An unsigned, clean copy, and an electronically marked and blacklined copy, of the Modified APA are required to be submitted along with your Offer.

The Receiver's preference is that no significant modifications be made to the APA. Please note that the Receiver will consider the extent and nature of your revisions to the APA in evaluating your Offer. Any modifications that are made must include specific proposed language changes to be considered. Each bidder should indicate in its Offer that it is prepared to promptly execute the Modified APA. Please ensure that all bullets have been completed and that all

square brackets have been removed, where possible, and all exhibits, schedules and ancillary agreements have been included.

- v) **Financing:** Include details of the sources of funding contemplated by your Offer. Your Offer should not be contingent on financing. If financing will be coming from external sources, the Offer should include all relevant financing documentation including binding commitment letters and should specify the names and telephone numbers of the lending institutions and/or equity participants involved (including the appropriate individuals) so that the Receiver may contact them to verify financing. If financing will be coming from internally available funds, the Offer should include evidence of such available funds.
- vi) **Due Diligence:** Include confirmation that you have completed all necessary due diligence required to promptly execute the Modified APA and complete the transaction shortly thereafter. Your Offer should not be contingent on any additional due diligence requirements. The Receiver will continue to be available throughout the period leading to the Offer Deadline (defined below) to provide you with the opportunity to complete your due diligence.
- vii) **Authorizations/Approvals:** Include confirmation that you have obtained all required internal approvals, including authorization and approval of your Board of Directors or equivalent authority, prior to submitting your Offer and that no additional approvals are required (including shareholder approval) to implement your Offer.
- viii) **Conditions:** You should provide your Offer with no or limited conditions except for receipt of an order of the Court conveying the Property and assigning (to the extent permissible by law) the material contracts to the purchaser free and clear of all claims, liens and security interests.

Offers with no or minimal other closing conditions will be considered more favourably by the Receiver. Include details of any conditions to which your Offer is subject and the timing for fulfilling any such conditions. Include a description of any other factors that you believe should be taken into consideration in reviewing your Offer.
- ix) **Contact information:** Please include the names, titles, telephone numbers and email addresses (the "**Contact Information**") of those persons who will be available to discuss or clarify any aspects of your Offer. Please also include the Contact Information of those representatives of your company and any financial, legal, or other advisors who will be responsible for and committed to working towards consummating the proposed transaction expeditiously.
- x) **Irrevocable Offer:** Include a statement that your Offer is irrevocable until the earlier of (i) the selection of the Successful Bidder (defined below) and (ii) seven (7) days following the Offer Deadline, provided that if you are selected as the Successful Bidder, your Offer shall remain irrevocable until the closing of the sale, notwithstanding any negotiation of the Offer or counter offers by the Receiver following receipt of your Offer.
- xi) **Other:** Include any material elements of your Offer that are not covered within the above headings.

Delivery of Documents to the Receiver

Please send your Offer to the Receiver via email by **no later than 5:00pm PT on February 2, 2024 (the "Offer Deadline")** in care of:

Paul Chambers, Vice President
Deloitte Restructuring Inc.
Tel: (604) 640 3368
Email: pachambers@deloitte.ca

Sally Bao, Analyst
Deloitte Restructuring Inc.
Tel: (778) 327 1554
Email: sbao@deloitte.ca

All communications on the foregoing should be delivered to the above contacts.

Procedures Following Receipt of Offers

The Receiver and its advisors will evaluate all Offers received by the Offer Deadline. You and your team may be contacted after the submission of your Offer in order for the Receiver to clarify any terms or conditions of your Offer.

Upon review of the Offers, the Receiver, in its sole discretion, will determine the process by which it will move forward. It is currently contemplated that the Receiver will enter into an arrangement with a single preferred bidder (the "**Successful Bidder**") to swiftly finalize a definitive APA and determine timing for Court approval of the transaction.

Prospective purchasers should note that the Receiver is under no obligation to respond to or accept any Offer, and completion of any transaction will be subject to the approval of the Court.

Qualifications Regarding the Sale Process

The Receiver is not obliged to accept any Offer, nor to accept the highest Offer if any Offer is accepted, and may amend, modify or change the procedures outlined herein at any time. The Receiver reserves its right, in its sole and absolute discretion and without explanation, to evaluate all Offers, negotiate their terms, reject any or all Offers, amend the transaction process, terminate discussions with any interested party, and initiate negotiations related to the transaction with one or more interested parties.

Interested parties are responsible for all costs and expenses incurred in connection with the investigation of this opportunity, their respective Offers, and the negotiation and execution of the definitive APA (where applicable).

Neither the Receiver nor any of its representatives makes any representations or warranties as to the accuracy or completeness of any information provided to you, and no responsibility or liability is or will be accepted by the Receiver or its representatives in relation to the accuracy or completeness of such information or any other written or oral information made available to any interested party or its advisors in connection with any further investigation of PolyCan and the Property. Interested parties must rely solely on their own independent due diligence. The Receiver reserves the right, but shall have no obligation, to amend the information contained within the electronic data room or any other written material furnished or information orally transmitted to an interested party. No information, representations or opinions set out or expressed will form the basis of any contract, agreement or understanding.

The Receiver reminds interested parties that: (i) the non-disclosure agreement ("**NDA**") entered into between interested parties and the Receiver continues in full force and effect; (ii) the existence and

contents of this letter and its attachments, as well as the existence, contents and status of any Offer you may submit, are all subject to the NDA; and (iii) the Receiver will coordinate all meetings and information requests. As such, all communications, inquiries or requests for further information should be directed to Paul Chambers at the number or email address provided above.

This document does not constitute an offer or firm commitment by the Receiver to execute, enter into or perform any transaction. Any binding obligation in respect of a potential transaction will be subject to the duly authorized and executed final documentation, and approval of the Court.

Appendix "C"

Asset Purchase Agreement dated February 5, 2024 (Redacted)

ASSET PURCHASE AGREEMENT

between

**DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS
RECEIVER AND MANAGER OF POLYCAN HEALTH CENTRE (CANADA) INC. AND NOT IN ITS PERSONAL
OR CORPORATE CAPACITY**

and

1461890 B.C. LTD.

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS	4
1.1 Definitions.....	4
ARTICLE 2 PURCHASE AND SALE	9
2.1 Purchase and Sale of the Purchased Assets.....	9
2.2 Excluded Assets.....	10
2.3 Assumed and Excluded Liabilities	10
2.4 As Is, Where is.....	11
2.5 Deposit.....	11
2.6 Adjustment for Rent	12
2.7 Payment of the Purchase Price	12
2.8 Application of Purchase Price	12
2.9 Allocation of Purchase Price	12
2.10 GST and PST	13
ARTICLE 3 CLOSING	13
3.1 Closing.....	13
ARTICLE 4 REPRESENTATIONS AND COVENANTS	13
4.1 Representations and Warranties of the Vendor.....	13
4.2 Representations and Warranties of the Purchaser	14
4.3 Survival of Representations and Warranties	14
4.4 Conduct of Business Before the Closing	14
4.5 Access to Information	15
4.6 Notice of Certain Events	15
4.7 Personal Information Privacy.....	15
4.8 Cure Costs	16
4.9 Further Assurances	16
ARTICLE 5	16
5.1 Mutual Conditions	16
5.2 Overbid Procedures	17
5.3 Conditions to Obligations of Vendor	17
ARTICLE 6	18
6.1 Vendor's Documents.....	18
6.2 Purchaser's Documents	18
ARTICLE 7 MISCELLANEOUS	19
7.1 Assignment	19
7.2 Expenses	19
7.3 Limitations of Liability.....	19
7.4 Notices	19
7.5 Interpretation	20
7.6 Headings	21
7.7 Severability.....	21

7.8	Entire Agreement.....	21
7.9	Amendment and Modification; Waiver	21
7.10	Governing Law; Forum Selection.....	21
7.11	Specific Performance	22
7.12	Counterparts.....	22

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (as the same may be amended, modified, supplemented, or restated from time to time, this “**Agreement**”), dated as of February 5, 2024, is entered into between DELOITTE RESTRUCTURING INC., in its capacity as receiver and manager of all of the assets, undertakings and properties of PolyCan Health Centre (Canada) Inc. (the “**Vendor**”), and not in its personal or corporate capacity, having an office at 410 West Georgia Street, Vancouver, British Columbia, V6B 0S7 and 1461890 B.C. LTD. (the “**Purchaser**”), having an office at 5951 No. 3 Road, Unit 580, Richmond, British Columbia, V6X 2E3.

RECITALS:

- A. Polycan Health Centre (Canada) Inc. (the “**Company**”) is engaged in the business of operating a health care centre at unit 205 – 9055 University High Street, Burnaby, BC, V5A 0A7 and was, prior to the Receiver ceasing operations on or about December 19, 2023, engaged in the business of operating a walk-in medical clinic at unit 102 – 9055 University High Street, Burnaby, BC, V5A 0A7 (collectively, the “**Business**”).
- B. The Purchaser employs persons with experience in the operation of healthcare facilities. The shareholders of the Purchaser include Mr. William Zhu (aka Wei Dong Zhu) and Alice Xu (aka Hua Xu).
- C. On October 26, 2023, an Order (the “**Receivership Order**”), with effect as of November 23, 2023, was made by the British Columbia Supreme Court (the “**Court**”) among other things, appointing Deloitte Restructuring Inc. as Receiver and Manager of the property, assets, and undertakings of the Company (the “**Assets**”), including over the Business, pursuant to s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, s. 39 of the *Law and Equity Act*, R.S.B.C. 1996, c. 253, as amended, s. 66 of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359, as amended, and Rules 10-2 and 16-1 of the *Supreme Court Civil Rules*.
- D. Within the Receivership Proceedings (as defined herein), the Receiver (as defined herein) may, with the approval of the Court, sell, convey, transfer and assign all or any part of the Assets out of the Ordinary Course.
- E. The Purchaser has agreed to purchase the Purchased Assets (as defined herein) upon and subject to the terms and conditions of this Agreement, the Receivership Order and the Vesting Order (as defined herein).

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions

The following terms have the meanings specified or referred to in this ARTICLE 1:

- (a) “**Action**” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of assessment, notice of reassessment, proceeding, litigation, summons, subpoena or investigation of any nature, civil, criminal, administrative, investigative, regulatory or otherwise, whether at law or in equity.
- (b) “**Agreement**” has the meaning set forth in the recitals.
- (c) “**Allocation Schedule**” has the meaning set forth in Section 2.9.
- (d) “**Assets**” has the meaning set forth in the recitals.
- (e) “**Assigned Contracts**” has the meaning set forth in Section 2.1(b).
- (f) “**Assignment and Assumption Agreement**” has the meaning set forth in Section 6.1(c).
- (g) “**Assumed Liabilities**” has the meaning set forth in Section 2.3.
- (h) “**Books and Records**” has the meaning set forth in Section 2.1(i).
- (i) “**Business**” has the meaning set forth in the recitals.
- (j) “**Business Day**” means any day except Saturday, Sunday or any other day on which banks located in Vancouver, British Columbia, are authorized or required by Law to be closed for business.
- (k) “**Closing**” has the meaning set forth in Section 3.1.
- (l) “**Closing Cash Payment**” means an amount equal to:
 - (i) the Guarantee Discharge Amount;
 - (ii) *plus* the Lease Deposit Shortfall;
 - (iii) *plus* the Purchase Price;
 - (iv) *less* the Deposit.
- (m) “**Closing Date**” means February 29, 2024 or such other date as mutually agreed upon by the Purchaser and the Vendor.
- (n) “**Closing Time**” means 11:00 a.m. (Vancouver time) on the Closing Date, or such other time on the Closing Date as mutually agreed upon by the Purchaser and the Vendor.
- (o) “**Contracts**” means all contracts, leases, deeds, mortgages, licences, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments and legally binding arrangements, whether written or oral.
- (p) “**Cure Costs**” means the amount, if any, that (i) is required to cure any monetary defaults of the Company under the Assigned Contracts (excluding, for certainty, the Lease Deposit

Shortfall) or (ii) is required by the landlord under the Office Lease as a condition to granting consent to assignment.

- (q) “**Deposit**” has the meaning set forth in Section 2.5.
- (r) “**Dollars**” or “**\$**” means the lawful currency of Canada.
- (s) “**Encumbrance**” means any encumbrance or restriction of any kind or nature whatsoever and howsoever arising (whether registered or unregistered) and includes a security interest, mortgage, easement, adverse ownership interest, defect on title, condition, right of first refusal, right of first offer, right-of-way, encroachment, building or use restriction, conditional sale agreement, lien, hypothec, pledge, deposit by way of security, hypothecation, assignment, charge, security under section 426 or section 427 of the *Bank Act* (Canada), trust or deemed trust, voting trust or pooling agreement with respect to securities, any adverse claim, grant of any exclusive license or sole license, or any other right, option or claim of others of any kind whatsoever, and includes any agreement to give any of the foregoing in the future, and any subsequent sale or other title retention agreement or lease in the nature thereof, affecting the Purchased Assets.
- (t) “**Governmental Authority**” means: (a) any court, tribunal, judicial body or arbitral body or arbitrator; (b) any domestic or foreign government or supranational body or authority whether multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental body, governmental board, governmental bureau, governmental department, governmental ministry, governmental tribunal or governmental commission of any kind whatsoever; (c) any subdivision or authority of any of the foregoing; (d) any quasi-governmental or private body or public body exercising any regulatory, administrative, expropriation or taxing authority under or for the account of the foregoing; and (e) any public utility authority.
- (u) “**Governmental Order**” means any order, writ, judgment, injunction, decree, stipulation, determination, award, decision, sanction or ruling entered by or with any Governmental Authority.
- (v) “**GST**” means all taxes levied under the GST Act.
- (w) “**GST Act**” means Part IX of the *Excise Tax Act* (Canada).
- (x) “**Guarantee Discharge Amount**” means the amount sufficient to require Bank of Montreal to provide a release and discharge of: (i) the guarantee granted by Mr. William Zhu (aka Wei Dong Zhu) and Ms. Alice Xu (aka Hua Xu) to the Bank of Montreal (the “**Guarantee**”) of the obligations of the Company under its credit facilities with the Bank of Montreal; (ii) the judgment granted against Mr. Zhu and Ms. Xu on October 26, 2023 and any registration or charge filed in connection therewith; and (iii) all collateral security for the Guarantee granted by Mr. Zhu and Ms. Xu.
- (y) “**Intellectual Property**” means any and all of the following in any jurisdiction throughout the world: (i) trademarks, including all applications and registrations and the goodwill connected with the use and symbolized by the foregoing; (ii) copyrights and industrial designs, including all applications and registrations relating to the foregoing; (iii) all

business names (including the operating tradename “PolyCan Health Centre”), corporate names, telephone numbers and other communication addresses owned or used by the Company in the Business; (iv) patents and patent applications; (v) websites and internet domain name registrations; (vi) proprietary software, if any and (vii) other intellectual property and related proprietary rights, interests and protections (including all rights to sue and recover and retain damages, costs and legal fees, disbursements and charges for past, present and future infringement and any other rights relating to any of the foregoing).

- (z) **“Interim Period”** means the period of time from and including the date of this Agreement to the Closing Time.
- (aa) **“IP Assets”** means all Intellectual Property that is owned by the Company and used in or necessary for the conduct of the Business.
- (bb) **“Landlord”** means SFU Community Corporation as Trustee of the SFU Community Trust.
- (cc) **“Law”** means any statute, law, ordinance, regulation, rule, instrument, code, order, constitution, treaty, common law, judgment, decree or other requirement or rule of law of any Governmental Authority.
- (dd) **“Lease Deposit Shortfall”** means:
 - (i) if the Closing Date is on or before February 29, 2024, \$90,217.50; and
 - (ii) if the Closing Date is on or after March 1, 2024, \$93,724.50.
- (ee) **“Liabilities”** means liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, or otherwise.
- (ff) **“Mutual Condition”** has the meaning set forth in Section 5.1.
- (gg) **“Office Lease”** means the Office Lease Agreement between the Company, as tenant, and the Landlord, as landlord, dated as of April 15, 2019, as it may be amended from time to time.
- (hh) **“Office Lease Consent”** has the meaning set forth in Section 5.1(d).
- (ii) **“Ordinary Course”**, when used in relation to the conduct of the Business, means any transaction that constitutes an ordinary day-to-day business activity of the Business conducted in a manner consistent with the Company’s past practice.
- (jj) **“Permits”** means all permits, licences, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.
- (kk) **“Permitted Encumbrances”** means those Encumbrances listed in Schedule A.

- (ll) **“Person”** means an individual, corporation, company, limited liability company, body corporate, partnership, joint venture, Governmental Authority, unincorporated organization, trust, association or other entity. For greater certainty, the term “Person” shall include a regional health board.
- (mm) **“Personal Information”** means any factual or subjective information, recorded or not, about an employee, contractor, agent, consultant, officer, director, executive, patient, client, customer or supplier of the Company who is a natural person or a natural person who is a shareholder of the Company, or about any other identifiable individual, including any record that can be manipulated, linked or matched by a reasonably foreseeable method to identify an individual.
- (nn) **“PST”** means all taxes levied under the PST Act.
- (oo) **“PST Act”** means the *Provincial Sales Tax Act* (British Columbia).
- (pp) **“Purchased Assets”** has the meaning set forth in Section 2.1.
- (qq) **“Purchase Price”** means:
- (i) [REDACTED]
 - (ii) *minus* the Guarantee Discharge Amount,
 - (iii) *plus* any applicable Taxes
- as adjusted under Section 2.6, if applicable.
- (rr) **“Purchaser”** has the meaning set forth in the preamble.
- (ss) **“Receiver”** means Deloitte Restructuring Inc. in its capacity as receiver and manager of the Company and not in its personal or corporate capacity.
- (tt) **“Receivership Order”** has the meaning set forth in the recitals.
- (uu) **“Receivership Proceedings”** means the proceeding commenced in the Supreme Court of British Columbia, Vancouver Registry #S-234092 in which the Receivership Order was granted.
- (vv) **“Tax Act”** means the *Income Tax Act* (Canada).
- (ww) **“Tax”** or **“Taxes”** means all taxes, surtaxes, duties, levies, imposts, fees, assessments, reassessments, withholdings, dues and other charges of any nature, imposed or collected by any Governmental Authority, whether disputed or not, including federal, provincial, territorial, state, municipal and local, foreign and other income, franchise, capital, real property, personal property, withholding, payroll, health, transfer, value added, alternative, or add on minimum tax including GST, PST, sales, use, consumption, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, education, business, school, local improvement, development and

occupation taxes, duties, levies, imposts, fees, assessments and withholdings and Canada Pension Plan contributions, employment insurance premiums and all other taxes and similar governmental charges, levies or assessments of any kind whatsoever imposed by any Governmental Authority including any installment payments, interest, penalties or other additions associated therewith, whether or not disputed.

- (xx) “**Vendor**” has the meaning set forth in the preamble.
- (yy) “**Vesting Order**” means an order (or separate orders) of the Court, granted in the Receivership Proceedings, substantially in the form attached as Schedule E.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of the Purchased Assets

Subject to Section 2.2, at the Closing, the Vendor shall sell, assign, transfer, convey and deliver to the Purchaser, and the Purchaser shall purchase from the Vendor, in accordance with the Vesting Order, all of the Company’s right, title and interest in, to and under the Assets (the “**Purchased Assets**”), including without limitation the following:

- (a) all inventory and supplies used in the Business;
- (b) all Contracts set forth in the schedule attached hereto as Schedule C (collectively, the “**Assigned Contracts**”);
- (c) the IP Assets;
- (d) all furniture, fixtures, equipment, machinery, tools, office equipment, supplies, computers, telephones and other tangible personal property, including those set out in Schedule B;
- (e) to the extent freely assignable by the Vendor, all Permits which are held by the Company and required for the conduct of the Business as currently conducted or for the ownership and use of the Purchased Assets;
- (f) all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums and fees;
- (g) all of Company’s rights under warranties, indemnities and all similar rights against third parties to the extent related to any Purchased Assets;
- (h) all insurance benefits, including rights and proceeds, arising from or relating to the Business, the Purchased Assets or the Assumed Liabilities;
- (i) originals, or where not available, copies, of all books and records, including books of account, ledgers and general, financial and accounting records, equipment maintenance files, patient lists, patient histories, patient records, staff and employee information including personnel files, service contracts with health care providers and ancillary

services, operational records including policies and procedures, occupational health and safety records, supplier lists, quality control records and procedures, patient complaints and inquiry files, research and development files, records and data (including all correspondence with any Governmental Authority), strategic plans, internal financial statements, marketing and promotional surveys, material and research and files relating to the IP Assets (collectively, the “**Books and Records**”); and

- (j) all goodwill, strategic and social value and the going concern value of the Business.

2.2 Excluded Assets

Notwithstanding Section 2.1, the Purchased Assets shall not include the following assets:

- (a) cash or cash equivalents;
- (b) the Company’s bank accounts and safe deposit boxes and the contents thereof;
- (c) all accounts or notes receivable held by the Company, and any security, claim, remedy or other right related to any of the foregoing;
- (d) any proceeding, claim, cause of action or insurance claim of the Company that existed prior to Closing;
- (e) Contracts that are not Assigned Contracts;
- (f) municipal business licences;
- (g) any Permit that is not freely assignable by the Vendor;
- (h) the rights of the Vendor under this Agreement;
- (i) corporate income Taxes receivable and GST refunds;
- (j) Diagnostic Accreditation Program Certificate of Accreditation for PolyCan Health Centre Diagnostic Imaging (Facility ID: 30114DI), issued by the College of Physicians and Surgeons of British Columbia, effective as of July 20, 2022;
- (k) the Siemens Acuson S2000 ABVS 3D/4D ultrasound breast volume scanner (model number 10434730, serial number 250718), Surgifresh mini turbo (model number 906500, serial number 64273689012), and Q80 shockwave therapy machine; and
- (l) the corporate seals, organizational documents, minute books, share certificate books, corporate tax returns, books of account or other records having to do with the corporate organization of the Company.

2.3 Assumed and Excluded Liabilities

- (a) Subject to the terms and conditions set forth herein, at the Closing, the Purchaser shall assume and agree to pay, perform and discharge the following Liabilities of the Company (collectively, the “**Assumed Liabilities**”), and no other Liabilities:

- (i) all Liabilities in respect of the Assigned Contracts, including without limitation any Cure Costs.
- (b) The Purchaser acknowledges that the Vendor will have no responsibility whatsoever for curing any defaults, paying any arrears, or performing any obligations under or with respect to the Assumed Liabilities, save and except as otherwise specified herein.
- (c) Notwithstanding the provisions of this Section 2.3 or any other provision in this Agreement to the contrary, Purchaser shall not assume and shall not be responsible to pay, perform or discharge any Liabilities of the Company of any kind or nature whatsoever other than the Assumed Liabilities.

2.4 As Is, Where is

- (a) The Purchased Assets will be sold and delivered to the Purchaser on an "as is, where is" basis as they exist on the Closing Date and without surviving representations or warranties of any kind, nature, or description by the Vendor, the Company, or any of their agents or estates. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser has conducted or will have conducted such inspections of the condition of and title to the Purchased Assets as it deems appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality, assignability or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendor to sell them save and except as expressly represented or warranted in this Agreement. The description of the Purchased Assets contained in this Agreement is for purposes of identification only.
- (b) The Purchaser is relying on its own due diligence in reviewing the documents and other materials in respect of the Purchased Assets made available to it by the Vendor and Company and acknowledges that such documents and other materials are not intended to constitute a representation or warranty as to any of the contents thereof on the part of the Vendor.
- (c) The Vendor shall have no obligations or responsibility to the Purchaser after Closing with respect to any matter relating to the Purchased Assets or the condition thereof, save as otherwise expressly provided in or contemplated by this Agreement.
- (d) This Section 2.4 shall survive Closing and shall be restated or incorporated by reference, where applicable, in the closing documents.

2.5 Deposit

Upon execution of this Agreement, the Purchaser shall pay \$300,000 (the "**Deposit**") to the Receiver by wire transfer of immediately available funds to be held, without interest, as a deposit against the Purchase Price. The Deposit shall be non-refundable, except in the event this Agreement is terminated pursuant to Section 5.1.

2.6 Adjustment for Rent

If the Closing Date is on or after March 1, 2024, then at Closing, the Purchase Price will be adjusted for monthly rent paid under the Office Lease, with the Vendor bearing the expense up to the Closing Date and the Purchaser bearing the expense thereafter.

2.7 Payment of the Purchase Price

At Closing, the Purchase Price and the Guarantee Discharge Amount will be satisfied by:

- (a) as to the amount of the Deposit, the application of the Deposit on account of the Purchase Price; and
- (b) as to the balance of the Purchase Price and the Guarantee Discharge Amount, the release by counsel to the Vendor of the Closing Cash Payment from trust and payment of such amount to the Vendor, without interest.

2.8 Application of Purchase Price

- (a) On or before two Business Days prior to the Closing, the Purchaser shall deposit with counsel for the Vendor the Closing Cash Payment which shall be held in trust by Vendor's counsel, without interest, pending the Closing.
- (b) Upon Closing, the Vendor shall apply the Deposit and the Closing Cash Payment to pay:
 - (i) to the landlord under the Office Lease, the Lease Deposit Shortfall;
 - (ii) to Bank of Montreal, on behalf of Mr. Zhu and Ms. Xu, the Guarantee Discharge Amount;
 - (iii) to the Receiver, the reasonable costs of administration of the receivership; and
 - (iv) as to the balance, in accordance with Orders made or to be made under the Receivership Proceedings

and shall account to the Purchaser for such payments, upon request.

2.9 Allocation of Purchase Price

The Vendor and the Purchaser agree that the Purchase Price shall be allocated among the Purchased Assets for Tax and financial accounting purposes as shown on Schedule D (the "**Allocation Schedule**"). The Purchaser and the Vendor shall file all tax returns (including amended returns and claims for refund) and elections required or desirable under the Tax Act in a manner consistent with the Allocation Schedule. Neither the Vendor nor the Purchaser shall take a contrary position with respect to such allocation in any Tax proceeding, audit, investigation, assessment, reassessment objection or appeal.

2.10 GST and PST

- (a) The Purchaser and the Vendor acknowledge that the Purchase Price does not include any GST or any Tax imposed under any provision of any applicable provincial legislation imposing a similar value-added or multi-staged Tax.
- (b) If requested by the Purchaser, and at the expense of the Purchaser, the Vendor shall execute a joint election as provided for under section 167(1.1) of the GST Act.
- (c) If, however, any GST is payable in respect of the purchase and sale of the Purchased Assets, the Purchaser shall pay to the Vendor, immediately upon demand, such amounts and the Vendor shall remit on a timely basis such payment to the Canada Revenue Agency and provide to the Purchaser evidence in writing of such remittance. The Purchaser shall indemnify and hold harmless the Vendor for any GST and any applicable interest or penalties payable as a result of any late payment of GST.
- (d) If the Vendor is required by law or by administration thereof to collect any other applicable sales Taxes from the Purchaser, including PST under the PST Act, the Purchaser shall pay such sales Taxes to the Vendor concurrently with the payment of the consideration upon which such sales Taxes are calculated; provided that if the Purchaser qualifies for an exemption from any such sales Taxes, the Purchaser shall, in lieu of payment of such applicable sales Taxes to the Vendor, deliver to the Vendor such certificates, elections or other documentation required by law or the administration thereof to substantiate and effect the exemption claimed by the Purchaser.

ARTICLE 3 CLOSING

3.1 Closing

Subject to the terms and conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the “**Closing**”) shall take place at the Closing Time on the Closing Date. The parties agree that, in lieu of a physical closing, the Closing may occur remotely by way of an electronic exchange of documents between Purchaser’s solicitor and Vendor’s solicitor on such professional undertakings or trust conditions as are agreed to by Purchaser’s solicitor and Vendor’s solicitor.

ARTICLE 4 REPRESENTATIONS AND COVENANTS

4.1 Representations and Warranties of the Vendor

The Vendor represents and warrants to the Purchaser as of the date hereof and as of the Closing Time as follows, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Subject to the terms of the Receivership Order, the Vesting Order (once granted) and all other orders made in the Receivership Proceedings, the Vendor has the requisite power and authority to enter into this Agreement and to complete the transactions contemplated hereunder.

- (b) The Vendor is not a non-resident of Canada for the purposes of the Tax Act.

4.2 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Vendor as of the date hereof and as of the Closing Time as follows, and acknowledges that the Vendor is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) The Purchaser is a company duly incorporated, organized and subsisting under the laws of the Province of British Columbia and has the requisite power and authority to become a party to this Agreement and to complete the transactions contemplated herein.
- (b) The Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement and completion of the Transaction contemplated herein will not breach its organizational documents, any agreement binding upon it or any applicable Laws.
- (c) This Agreement and all other documents contemplated hereunder to which the Purchaser is or will be a party have been or will be, as at the Closing Time, duly and validly executed and delivered by the Purchaser and constitute or will, as at the Closing Time, constitute legal, valid and binding obligations of the Purchaser enforceable in accordance with the terms hereof or thereof.
- (d) Except in connection with the Receivership Proceedings, there are no proceedings before or pending before any Governmental Authority or threatened to be brought by or before any Governmental Authority by or against the Purchaser affecting the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby by the Purchaser.
- (e) The Purchaser is not subject to any Governmental Order, nor are there any such orders threatened to be imposed by any Governmental Authority, which could affect the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby by the Purchaser.
- (f) The Purchaser has sufficient funds available to satisfy its obligations to pay the Closing Cash Payment.

4.3 Survival of Representations and Warranties

All of the representations and warranties set out in Sections 4.1 and 4.2 shall not merge on, but shall survive, Closing.

4.4 Conduct of Business Before the Closing

Each of the parties hereby acknowledges that the Vendor temporarily ceased certain operations of the Business on December 19, 2023 and that during the Interim Period, the Vendor is not required to carry on the Business.

4.5 Access to Information

During the Interim Period, the Vendor shall afford Purchaser and its representatives access during business hours and upon reasonable notice to and the right to inspect all of the leased real property, properties, assets, Books and Records, Contracts and other documents and data related to the Business.

4.6 Notice of Certain Events

During the Interim Period, the Vendor shall promptly notify the Purchaser in writing of:

- (a) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and
- (b) any Actions commenced relating to or involving or otherwise affecting the Business, the Purchased Assets or the Assumed Liabilities or that relate to the consummation of the transactions contemplated by this Agreement.

4.7 Personal Information Privacy

The Purchaser shall, at all times, comply with all Laws governing the protection of personal information with respect to Personal Information disclosed or otherwise provided to the Purchaser by the Vendor under this Agreement. Without limiting the foregoing:

- (a) prior to completion of the transactions contemplated in this Agreement:
 - (i) the Purchaser shall only collect, use or disclose such Personal Information for purposes related to the transactions contemplated in this Agreement;
 - (ii) the Purchaser shall safeguard all Personal Information collected from the Vendor in a manner consistent with the degree of sensitivity of the Personal Information and maintain, at all times, the security and integrity of the Personal Information; and
 - (iii) if the transactions contemplated in this Agreement do not complete for any reason the Purchaser shall return all Personal Information to the Vendor or, at the Vendor's request, destroy such Personal Information at the Vendor's sole cost; and
- (b) following the completion of the transactions contemplated in this Agreement:
 - (i) the Purchaser shall not use or disclose the Personal Information for any purposes other than the carrying on of the Business (with use or disclosure of the Personal Information being restricted to those purposes for which the information was initially collected or for which additional consent was or is obtained) or as otherwise permitted or required by applicable laws;
 - (ii) the Purchaser shall give effect to any withdrawal of consent with respect to Personal Information; and

- (iii) if and to the extent required by applicable law, the Purchaser shall notify in writing those individuals whose Personal Information was disclosed in connection with the transactions contemplated by this Agreement that (i) the transactions have been completed, and (ii) Personal Information about them was disclosed to the Purchaser in connection with those transactions.

4.8 Cure Costs

At Closing, the Purchaser shall pay to the relevant third party or third parties all Cure Costs under the Assigned Contracts and shall provide receipts to the Vendor for such payments, promptly upon Closing.

4.9 Further Assurances

Following the Closing, each of the parties hereto shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

ARTICLE 5

CONDITIONS TO CLOSING

5.1 Mutual Conditions

The Purchaser's obligation to complete the purchase of the Purchased Assets, and the Vendor's corresponding obligation to complete the sale of the Purchased Assets, is subject to:

- (a) the approval by the Court of this Agreement substantially on the terms and conditions herein;
- (b) the issuance of the Vesting Order and all applicable appeal periods therefrom having lapsed;
- (c) no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order that is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof; and
- (d) the Landlord executing an assignment, assumption and consent agreement or equivalent document ("**Office Lease Consent**"), in form reasonably satisfactory to the solicitors for the Vendor and the Purchaser, or alternatively the Court granting an Order assigning the Office Lease to the Purchaser upon payment of any Cure Costs;

(collectively, the "**Mutual Conditions**").

The Vendor covenants and agrees to use all reasonable commercial efforts to obtain the Vesting Order and the above noted approval of this Agreement by the Court on or before February 23, 2024. The Mutual Conditions are for the benefit of both the Purchaser and the Vendor and cannot be waived, in whole or in part, by either party. In the event that the Mutual Conditions are not satisfied by the Closing Date, this

Agreement will be terminated and each of the parties hereto will have no further obligations to, nor rights against, the other in respect of this Agreement, except that (x) the Receiver shall refund the Deposit to the Purchaser, without interest, and (y) the Purchaser shall abide by its obligations under Section 4.7.

5.2 Overbid Procedures

Notwithstanding any other provision of this Agreement:

- (a) upon execution of this offer and receipt of the Deposit by the Receiver in accordance with Section 2.5 hereof, the Vendor shall file an application with the Court seeking approval of this Agreement and a Vesting Order; and
- (b) upon filing an application in accordance with Section 5.2(a) hereof, the Vendor shall have the right to seek alternative offers for the Assets and the Business, and the Vendor shall be entitled to advocate for the acceptance by the Court of any such alternative offers in its sole discretion.

The Vendor and the Purchaser acknowledge that the Vendor must take reasonable steps to demonstrate that it has sought to obtain the highest or otherwise best price for the Assets and the Business.

The Vendor and the Purchaser agree that the provisions of this Agreement, including this Section 5.2, are reasonable, were a material inducement to the Vendor and the Purchaser to enter into this Agreement and are designed to achieve the highest and best price for the Assets and Business.

5.3 Conditions to Obligations of Vendor

The obligations of the Vendor to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Vendor's waiver, at or before the Closing, of each of the following conditions:

- (a) The representations and warranties of the Purchaser set out in Section 4.2 shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date.
- (b) The Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date; *provided that*, with respect to agreements, covenants and conditions that are qualified by materiality, the Purchaser shall have performed such agreements, covenants and conditions, as so qualified, in all respects.

In the event that the conditions in this Section 5.3 are not waived by the Vendor or satisfied by the Closing Date, this Agreement will be terminated and each of the parties hereto will have no further obligations to, nor rights against, the other in respect of this Agreement, except for any obligations of the Purchaser under Section 4.7. In the event of such termination, the Deposit will be forfeit to the Vendor to be applied in accordance with Orders under the Receivership Proceedings.

ARTICLE 6

CLOSING PROCEDURES

6.1 Vendor's Documents

On or before the Closing Date, the Vendor will deliver to the Purchaser's solicitors, properly executed and acknowledged, all documents reasonably required and prepared by the Purchaser's solicitors (where applicable) in form and substance reasonably approved by the Vendor's solicitors, in order to complete this Transaction in accordance with its terms, including, without limitation:

- (a) an entered copy of the Vesting Order;
- (b) the Receiver's Certificate (as defined in the Vesting Order), duly executed by the Receiver;
- (c) an assignment and assumption agreement with respect to the assignment of the Assigned Contracts and the assumption of the Assumed Liabilities (the "**Assignment and Assumption Agreement**"), duly executed by the Vendor;
- (d) if applicable, the Office Lease Consent, duly executed by the Vendor as assignor;
- (e) such bills of sale or other instruments of conveyance as are requested by the Purchaser and in form and substance consistent with this Agreement and the Vesting Order, duly executed by the Vendor, transferring the Purchased Assets to the Purchaser; and
- (f) the Tax election required by Section 2.10(b), if applicable, duly executed by the Vendor.

6.2 Purchaser's Documents

At or before the Closing Time, the Purchaser will execute and deliver, or arrange for the delivery, as the case may be, to the Vendor the following, each of which will be in form and substance satisfactory to the Vendor, acting reasonably:

- (a) an irrevocable joint direction to pay from the Purchaser, Mr. Zhu and Ms. Xu:
 - (i) to counsel for the Vendor to release the Closing Cash Payment from trust and pay it to the Vendor; and
 - (ii) to the Vendor to pay it as set out in Section 2.8;
- (b) the Assignment and Assumption Agreement, duly executed by Purchaser;
- (c) if applicable, the Office Lease Consent, duly executed by the Purchaser as assignee;
- (d) a payout statement from Bank of Montreal setting out the Guarantee Discharge Amount;
- (e) the Tax election required by Section 2.10(b), if applicable, duly executed by Purchaser; and

- (f) a certificate dated as of the Closing Date from the Purchaser confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true as of the Closing Time with the same effect as though made on and as of the Closing Time, and that the Purchaser has performed each of its obligations under this Agreement required to be performed by it at or prior to the Closing Time.

ARTICLE 7 MISCELLANEOUS

7.1 Assignment

This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and permitted assigns. The Purchaser may assign its rights and obligations hereunder to any affiliate of the Purchaser without the consent of the Vendor, provided (i) Purchaser delivers written notice of such assignment to the Vendor no less than two (2) business days prior to the hearing of the Vendor's application for a Vesting Order; (ii) the assignee enters into an agreement pursuant to which the assignee agrees to be bound by all of the obligations of the Purchaser under this Agreement as if it was the original Purchaser; and (iii) the Purchaser is not released from its obligations under this Agreement until the completion of the transactions contemplated in this Agreement, at which time the assignor will be automatically released from all of its obligations under this Agreement without the need for any further deliveries or instruments of release. Except as expressly permitted by this Section 7.1, neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.

7.2 Expenses

Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

7.3 Limitations of Liability

The Purchaser hereby expressly acknowledges and agrees that the Vendor is acting only in its representative capacity as court-appointed receiver and manager of the assets, undertakings and properties of the Company and shall have no personal or corporate liability under or as a result of entering into or carrying out the transaction which is the subject of this Agreement except in such capacity and without limitation to the generality of the foregoing the Vendor shall have no liability under or as a result of entering into or carrying out of such transaction in its personal or corporate capacity.

7.4 Notices

All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the

respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.4:

(a) If to the Vendor:

DELOITTE RESTRUCTURING INC., in its capacity as Receiver and Manager of
POLYCAN HEALTH CENTRE (CANADA) INC. and not in its personal or corporate
capacity
410 West Georgia Street, Vancouver, BC V6B 0S7

Email: pachambers@deloitte.ca

Attention: Paul Chambers

with a copy to:

DLA Piper (Canada) LLP
1133 Melville St., Suite 2700, Vancouver, BC V6E 4E5

Email: colin.brousson@dlapiper.com

Attention: Colin Brousson

(b) If to Purchaser:

1461890 B.C. LTD.
5951 No. 3 Road, Unit 580, Richmond, BC V6X 2E3

Email: william7788350807@yahoo.ca

Attention: William Zhu

with a copy to:

Denton Canada LLP
20th Floor, 250 Howe St, Vancouver, BC V6C 3R8

Email: jordan.schultz@dentons.com

Attention: Jordan Schultz

7.5 Interpretation

For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; (c) unless the context otherwise requires, words denoting the singular include the plural and vice versa; and (d) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections and Schedules mean the Articles and Sections of, and Schedules attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any

regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Schedules referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

7.6 Headings

The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

7.7 Severability

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

7.8 Entire Agreement

This Agreement, together with the Receivership Order and the Vesting Order, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

7.9 Amendment and Modification; Waiver

This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

7.10 Governing Law; Forum Selection.

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- (b) Any action or proceeding arising out of or based upon this Agreement, or the transactions contemplated hereby or thereby may be brought in the Receivership Proceedings, and each party irrevocably submits and agrees to attorn to the exclusive jurisdiction of the Receivership Proceedings. The parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

7.11 Specific Performance

The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.


7.12 Counterparts


This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**DELOITTE RESTRUCTURING INC. IN ITS
CAPACITY AS RECEIVER AND MANAGER OF
POLYCAN HEALTH CENTRE (CANADA) INC. AND
NOT IN ITS PERSONAL OR CORPORATE
CAPACITY**

Per: 
Name: PAUL CHAMBERS
Title: SENIOR VICE PRESIDENT

Per: 
Name: Jeff Keeble
Title: Senior Vice President

1461890 B.C. LTD.

Per: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**DELOITTE RESTRUCTURING INC. IN ITS
CAPACITY AS RECEIVER AND MANAGER OF
POLYCAN HEALTH CENTRE (CANADA) INC. AND
NOT IN ITS PERSONAL OR CORPORATE
CAPACITY**

Per: _____
Name:
Title:

Per: _____
Name:
Title:

1461890 B.C. LTD.

Per: _____
Name:
Title: *Director*

SCHEDULE A - Permitted Encumbrances

None

SCHEDULE B - Tangible Personal Property

(see attached)

Location	Item	Qty	Manufacturer	Equipment	Model	Yr.	Serial #
CONFERENCE ROOM	1	14		Chrome frame conference chairs			
CONFERENCE ROOM	2	15		2 ft by 4 ft rolling tables			
CONFERENCE ROOM	3	4		1.1/2 ft by 4 ft fixed black tables			
CONFERENCE ROOM	4	10		black fixed chairs			
CONFERENCE ROOM	5	4		blue fixed chairs			
CONFERENCE ROOM	6	1		3 person bench			
CONFERENCE ROOM	7	1		4 person bench			
CONFERENCE ROOM	8	2	Pro Source	two door cabinets			
CONFERENCE ROOM	9	1		easel			
CONFERENCE ROOM	10	2		artwork			
CONFERENCE ROOM	11	1	LG	TV 65"			
CONFERENCE ROOM	12	1	Global	2 door filing cabinet			
CONFERENCE ROOM	13	2		chrome frame waiting chairs			
CONFERENCE ROOM	14	1		oak table			
CONFERENCE ROOM	15	1	TCL	TV 65"	65S423-CA		
CONFERENCE ROOM	16	1		two drawer lateral filing cabinet			
CONFERENCE ROOM	17	1		Three tier book shelf, easel			
CONFERENCE ROOM	18	2		4 door wall cabinet			
CONFERENCE ROOM	19	2		4 door locker systems			
CONFERENCE ROOM	20	1		2 door locker system			
CONFERENCE ROOM	21	1		wood table			
GYM	22	1		dumbbell and kettle ball rack, kettle balls 10-25 lbs, dumbbells 5-35 lbs			
GYM	23	1	Haier	TV 55"			55E3500
GYM	24	1	Lex	Total Gym Jump Trainer, 400 lb capacity	5900-B1	2016	FJT1801838
GYM	25	1	Deifi	Personalized Tourmquiet System, V18, V24, V34 bands	9-2200-001BFR		2020k-04641
GYM	26	1	CoreFX	30" by 24"			
GYM	27	3		glass panels			
GYM	28	1		workout bench			
GYM	29	1	Atlantis	selectorized Lat Pulldown / Low Row 15-300 lbs	D-138		91437
GYM	30	1	Acer	laptop	Z5WAH	2015	NXMTAA02506012903400
GYM	31	1	linode	stereo			
GYM	32	1	LG	monitor 42"	42LC2D		611MXTC15137
GYM	33	1	Stairmaster	HIT UBE upper body ergometer w/console	718-5722		
GYM	34	1	Schwinn	stationary bike	SC5		GC741018380218
GYM	35	1	Atlantis	selectorized leg extension/leg curl	C-230		91436
GYM	36	1	Spirit Medical	semi-recumbent total body stepper	MS300		
GYM	37	1	Atlantis	Gait Trainer, Bi-Directional 2.5 - 225lbs	MT200		
GYM	38	1	Atlantis	adjustable work out bench			
GYM	39	1		Manual massage table			
GYM	40	1	Chattanooga	hydrocollator mobile heating unit	2402		78112C
GYM	41	2		9 door locker system			
GYM	42	1		6-tier shelf			
GYM	43	1	Hyperwell	sand bell weights 15-31 lbs			
GYM	44	4	CoreFX	yoiga balls			
GYM	45	1	Bosu	ball			
GYM	46	2		back rollers			
GYM	47	1		2 door 2 shelf wall cabinet			
GYM	48	1		4 drawer plastic cabinet			

Location	Item	Qty	Manufacturer	Equipment	Model	Yr.	Serial #
GYM	49	2	CoreFX	bands			
GYM	50	1		table 2ft by 4ft			
GYM	51	1		chrome gas lift chair			
GYM	52	1		9 door locker system			
GYM	53	1		7 door locker system			
GYM	54	1	Pro Source	2 door cabinet with filing bins			
GYM	55	1		5 door locker system			
ROOM NEAR FIRE HALL SLIDING DOOR	56	3		table 2ft by 4ft			
ROOM NEAR FIRE HALL SLIDING DOOR	59	3		3 door wall cabinet			
ROOM NEAR FIRE HALL SLIDING DOOR	60	2		black chrome chairs			
ROOM NEAR FIRE HALL SLIDING DOOR	61	1		rolling chrome chair			
BATHROOM	62	1		chrome chair			
LUNCHROOM	63	4		black chairs			
LUNCHROOM	64	1		round table			
LUNCHROOM	65	1		6 door locker system			
LUNCHROOM	66	1	Maytag	refrigerator	Plus		
LUNCHROOM	67	1		3 door wall cabinet			
LUNCHROOM	68	1	Panasonic	microwave			
LUNCHROOM	69	1	Master Chef	toaster oven			
LUNCHROOM	70	1		coat hanger			
LUNCHROOM	71	1	Samsung	top load washing machine, smart care VRT plus			
LUNCHROOM	72	1	Samsung	dryer, Multistream Moisture	DVE50M7450W/AC		
LUNCHROOM	73	1		5 tier metal shelf with linens			
LUNCHROOM	74	1		cloth hanger			
LUNCHROOM	75	1		3 door wall cabinet			
X-RAY & C-ARM AREA	76	3		table 2ft by 4ft			
X-RAY & C-ARM AREA	77	1		black chair			
X-RAY & C-ARM AREA	78	1	GE	mobile C-Arm x ray system with OEC GSP workstation	GE9800	2003	89-2206
X-RAY & C-ARM AREA	79	2		lorniquet stands			
X-RAY & C-ARM AREA	80	1	Stryker	patient stretcher			
X-RAY & C-ARM AREA	81	1		electric patient table foot operated			
PHYSIOTHERAPY ROOM	82	1		3 door wall cabinet			
PHYSIOTHERAPY ROOM	83	1		black chair			
PHYSIOTHERAPY ROOM	84	1		rolling chrome chair			
PHYSIOTHERAPY ROOM	85	1		electric patient table foot operated			
PHYSIOTHERAPY ROOM	86	1		white desk			
PHYSIOTHERAPY ROOM	87	1		stainless steel bed table			
PHYSIOTHERAPY ROOM	88	1		4 door plastic rolling cabinet			
HALLWAY	89	1		water cooler			
HALLWAY	90	14		4 person steel bench's			
HALLWAY	91	2		rolling bedside tables			
HALLWAY	92	1		3 person steel bench			
HALLWAY	94	1		rolling table			
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	95	1	Ellie	Chiropractic flexion table		2011	K2324
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	96	1	Muscowave	shockwave therapy gun			
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	97	1		electric patient table foot operated			
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	98	1		3 door wall cabinet			
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	99	1		scale			
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	100	1		rolling hamper			

Location	Item	Qty	Manufacturer	Equipment	Model	Yr.	Serial #
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	101	1		white desk			
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	102	1		rolling chrome chair			
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	103	1		yoga ball chair no yoga ball			
ULTRASOUND THERAPY & SHOCKWAVE THERAPY	104	1		set of crutches			
3D/4D ULTRASOUND DIAGNOSIS ROOM	106	1		electric patient table foot operated			
3D/4D ULTRASOUND DIAGNOSIS ROOM	107	2		rolling chrome chairs			
3D/4D ULTRASOUND DIAGNOSIS ROOM	108	1		table 2ft by 4ft			
3D/4D ULTRASOUND DIAGNOSIS ROOM	109	1	Dell	computer			
3D/4D ULTRASOUND DIAGNOSIS ROOM	110	1	Samsung	24" monitor	D075		
3D/4D ULTRASOUND DIAGNOSIS ROOM	111	1		4 door plastic rolling cabinet	S24 D390HL		
3D/4D ULTRASOUND DIAGNOSIS ROOM	112	1		rolling wood cabinet			
3D/4D ULTRASOUND DIAGNOSIS ROOM	113	1		heater			
3D/4D ULTRASOUND DIAGNOSIS ROOM	114	1	Philips	defibrillator			Heart Start
3D/4D ULTRASOUND DIAGNOSIS ROOM	115	1		first aid kit			
3D/4D ULTRASOUND DIAGNOSIS ROOM	116	1		art work			
3D/4D ULTRASOUND DIAGNOSIS ROOM	117	1		lamp			
3D/4D ULTRASOUND DIAGNOSIS ROOM	118	1		eye washing station			
3D/4D ULTRASOUND DIAGNOSIS ROOM	119	1		electric patient table foot operated			
3D/4D ULTRASOUND DIAGNOSIS ROOM	120	1		black chair			
3D/4D ULTRASOUND DIAGNOSIS ROOM	121	1		rolling chrome chair			
3D/4D ULTRASOUND DIAGNOSIS ROOM	122	1		table 2ft by 4ft			
3D/4D ULTRASOUND DIAGNOSIS ROOM	123	1		3 door wall cabinet			
3D/4D ULTRASOUND DIAGNOSIS ROOM	124	1		lowel warmer			
3D/4D ULTRASOUND DIAGNOSIS ROOM	125	1		massage hot stones			RTD-23A
3D/4D ULTRASOUND DIAGNOSIS ROOM	126	1		light			
3D/4D ULTRASOUND DIAGNOSIS ROOM	127	1		4 door plastic rolling cabinet			
3D/4D ULTRASOUND DIAGNOSIS ROOM	128	1	Lasko	heater			
3D/4D ULTRASOUND DIAGNOSIS ROOM	129	1		electric patient table foot operated			
3D/4D ULTRASOUND DIAGNOSIS ROOM	130	1		black chair			
3D/4D ULTRASOUND DIAGNOSIS ROOM	131	1	Humedics	air purifier system			
3D/4D ULTRASOUND DIAGNOSIS ROOM	132	1		rolling chrome chair			
3D/4D ULTRASOUND DIAGNOSIS ROOM	133	1		4 door plastic rolling cabinet			
3D/4D ULTRASOUND DIAGNOSIS ROOM	134	1		table 2ft by 4ft			
3D/4D ULTRASOUND DIAGNOSIS ROOM	135	1		3 door wall cabinet			
3D/4D ULTRASOUND DIAGNOSIS ROOM	136	1	Chattanooga	two channel electrotherapy system			Mobile 2
3D/4D ULTRASOUND DIAGNOSIS ROOM	137	2		4 person steel bench			15-0131
3D/4D ULTRASOUND DIAGNOSIS ROOM	138	2		recliners			
3D/4D ULTRASOUND DIAGNOSIS ROOM	139	1		round coffee table			
3D/4D ULTRASOUND DIAGNOSIS ROOM	140	1		6 door locker system			
3D/4D ULTRASOUND DIAGNOSIS ROOM	141	1		3 person steel bench			
3D/4D ULTRASOUND DIAGNOSIS ROOM	142	1		table 2ft by 4ft			
3D/4D ULTRASOUND DIAGNOSIS ROOM	143	1		artwork			
3D/4D ULTRASOUND DIAGNOSIS ROOM	144	2		black chairs			
3D/4D ULTRASOUND DIAGNOSIS ROOM	145	1		electric patient table foot operated			
3D/4D ULTRASOUND DIAGNOSIS ROOM	146	1		3 shelf rolling cabinet			
3D/4D ULTRASOUND DIAGNOSIS ROOM	147	1		table 2ft by 4ft			
3D/4D ULTRASOUND DIAGNOSIS ROOM	148	1		3 door wall cabinet			
3D/4D ULTRASOUND DIAGNOSIS ROOM	149	1		2 drawer file cabinet, 7 shelf rolling cabinet			
3D/4D ULTRASOUND DIAGNOSIS ROOM	150	1	TOP	acupuncture heat lamp			TDP-DZ-L4-1
3D/4D ULTRASOUND DIAGNOSIS ROOM	151	3		black chairs			

Location	Item	Qty	Manufacturer	Equipment	Model	Yr.	Serial #
UNFINISHED ROOM BY RECEPTION	152	1	Rigid	shopvac			
UNFINISHED ROOM BY RECEPTION	153	1		two step ladder			
RECEPTION	154	2		chrome rolling chairs			
RECEPTION	156	1		rolling desk chair			
RECEPTION	157	1	Canon	laser printer	Color ImageClass MF642Cdw		
RECEPTION	158	1	Canon	laser printer	imageClass MF264DW		
RECEPTION	159	1	Royal	paper shredder			
RECEPTION	160	2		2 door filing cabinets			
RECEPTION	161	1	Brother	printer			
RECEPTION	162	2	HP	monitor	OKI MC361		
RECEPTION	163	1	Polycon	phone system			
RECEPTION	165	2	Dell	computers			
RECEPTION NEAR MAIN DOOR	167	1		3 person steel bench no backs			
RECEPTION NEAR MAIN DOOR	168	2		black chairs			
RECEPTION NEAR MAIN DOOR	169	1		6 ft by 3 ft steel table			
RECEPTION NEAR MAIN DOOR	170	1		rolling TV stand			
RECEPTION NEAR MAIN DOOR	171	1	Canon	printer	ImageClass MF23bn		
RECEPTION NEAR MAIN DOOR	172	2	HP	computers			
RECEPTION NEAR MAIN DOOR	173	3		chrome rolling chairs			
RECEPTION NEAR MAIN DOOR	174	1		3 drawer filing cabinet			
RECEPTION NEAR MAIN DOOR	175	1		glass display case			
RECEPTION NEAR MAIN DOOR	176	2		coffee tables			
RECEPTION NEAR MAIN DOOR	177	4		chairs			
RECEPTION NEAR MAIN DOOR	178	1		sofa			
RECEPTION NEAR MAIN DOOR	179	6		arm chairs			
RECEPTION NEAR MAIN DOOR	180	1		rolling side table			
RECEPTION NEAR MAIN DOOR	181	1		brown recliners			
RECEPTION NEAR MAIN DOOR	182	1		rolling table			
RECEPTION NEAR MAIN DOOR	183	1		fixed desk			
RECEPTION NEAR MAIN DOOR	184	2		black desk chairs			
RECEPTION NEAR MAIN DOOR	185	2		rolling chairs			
RECEPTION NEAR MAIN DOOR	186	1		desk with white legs			
RECEPTION NEAR MAIN DOOR	187	1	HP	laser jet printer	M551		
RECEPTION NEAR MAIN DOOR	188	1		Typing desk			
RECEPTION NEAR MAIN DOOR	189	1		brown 2 draw filing cabinet			
RECEPTION NEAR MAIN DOOR	190	1		single pedestal desk			
RECEPTION NEAR MAIN DOOR	191	1		rolling computer desk			
A2	193	1		electric patient table foot operated			
A2	194	1		3 door wall cabinets			
A2	195	2		black rolling chairs			
A2	196	1	HP	computer			
A2	197	1	Canon	ImageClass	MF236n		
A2	198	1	Dell	computer			
A2	199	1		rolling table	Optiplex 7010		
A2	200	1		rolling two door filing cabinet			
A2	201	1		3 level book shelf			
LEFT SIDE MEDICAL AESTHETICS ROOM	202	1		electric patient table foot operated			
LEFT SIDE MEDICAL AESTHETICS ROOM	203	1		3 door wall cabinets			
LEFT SIDE MEDICAL AESTHETICS ROOM	204	1		4 door plastic rolling cabinet			
LEFT SIDE MEDICAL AESTHETICS ROOM	205	1		table 2ft by 4ft			

Location	Item	Qty	Manufacturer	Equipment	Model	Yr.	Serial #
LEFT SIDE MEDICAL AESTHETICS ROOM	206	1		rolling desk chair			
LEFT SIDE MEDICAL AESTHETICS ROOM	207	2		rolling black chairs			
LEFT SIDE MEDICAL AESTHETICS ROOM	208	1	Bruun Beauty	H2-O2 small bubble, oxygen machine			
LEFT SIDE MEDICAL AESTHETICS ROOM	209	1		towel warmer	RTD-23A		
LEFT SIDE MEDICAL AESTHETICS ROOM	210	1		stainless steel rolling table			
LEFT SIDE MEDICAL AESTHETICS ROOM	211	1		chrome base chair			
LEFT SIDE MEDICAL AESTHETICS ROOM	212	1	Stanley Medical	liposuction system			
LEFT SIDE MEDICAL AESTHETICS ROOM #2	213	1		rolling steamer Ozone system			
LEFT SIDE MEDICAL AESTHETICS ROOM #2	214	1		electric patient table foot operated			
LEFT SIDE MEDICAL AESTHETICS ROOM #2	215	1		3 door wall cabinets			
LEFT SIDE MEDICAL AESTHETICS ROOM #2	216	1		4 door plastic rolling cabinet			
LEFT SIDE MEDICAL AESTHETICS ROOM #2	217	1	Stanley Medical	laser lipolysis system	RF-202	2010	025T0710101CN
LEFT SIDE MEDICAL AESTHETICS ROOM #2	218	1	Life Fuzz	Automatic voltage regulator	LR-1500		
LEFT SIDE MEDICAL AESTHETICS ROOM #2	219	1		rolling desk chair			
LEFT SIDE MEDICAL AESTHETICS ROOM #2	220	1		rolling stool			
LEFT SIDE MEDICAL AESTHETICS ROOM #2	221	1	Thermo Scientific	microcentrifuge	Medline 5 PL 004480F	2009	X13U-426095-XU
LEFT SIDE MEDICAL AESTHETICS ROOM #2	222	1	ELMA	ultrasonic cleaner	P60H		102137115
LEFT SIDE MEDICAL AESTHETICS ROOM #2	223	1	Centrifuge	4,000 rpm			
LEFT SIDE MEDICAL AESTHETICS ROOM #2	224	4		metal side table			
SHOCKWAVE PROCEDURE ROOM	225	2		electric patient table foot operated			
SHOCKWAVE PROCEDURE ROOM	226	1		rolling desk chair			
SHOCKWAVE PROCEDURE ROOM	227	1		3 door wall cabinets			
SHOCKWAVE PROCEDURE ROOM	228	1		4 door plastic rolling cabinet			
SHOCKWAVE PROCEDURE ROOM	230	1		torquet stand			
SHOCKWAVE PROCEDURE ROOM	231	1		rolling steel table			
SHOCKWAVE PROCEDURE ROOM	232	1		LED light			
SHOCKWAVE PROCEDURE ROOM	233	1		artwork			
SHOCKWAVE PROCEDURE ROOM	234	1	LabFish	centrifuge	LC-6S		202103180223
EMPTY OFFICE	235	1		3 door wall cabinets			
EMPTY OFFICE	236	4		plastic chairs			
STORAGE ROOM	237	1	Canon	laser printer- brand new			
STORAGE ROOM	238	1		two door steel cabinet	Image Class MF267dw II		
STORAGE ROOM	239	1		little giant ladder			
STORAGE ROOM	240	1	Rubbermaid	dolly			
LUNCHROOM	241	2		3 door wall cabinets			
LUNCHROOM	242	1	Royal Sovereign	hand washer			
LUNCHROOM	243	1	Breville	toaster oven			
LUNCHROOM	244	1	Panasonic	microwave			
LUNCHROOM	245	1	Workforce	plastic storage cabinet			
LUNCHROOM	246	1		6 door locker system			
LUNCHROOM	247	1	Samsung	dishwasher	DW80M3021US	2020	
LUNCHROOM	248			misc., garbage can, coat handers, metal rack			
MANA CHARKHANDEH REGISTERED COUNSELLER	249	1		armchair			
MANA CHARKHANDEH REGISTERED COUNSELLER	250	1		loveseat			
MANA CHARKHANDEH REGISTERED COUNSELLER	251	1		3 door wall cabinets			
MANA CHARKHANDEH REGISTERED COUNSELLER	252	1		lamp			
MANA CHARKHANDEH REGISTERED COUNSELLER	253	1		round side table			
MANA CHARKHANDEH REGISTERED COUNSELLER	254	1		two drawer filing cabinet			
MANA CHARKHANDEH REGISTERED COUNSELLER	255	1		table 2ft by 4ft			
AREA UNDER CONSTRUCTION - OFFICE 1	256	1	IKA	HBIO Bath			HB 10 598

Location	Item	Qty	Manufacturer	Equipment	Model	Yr.	Serial #
AREA UNDER CONSTRUCTION - OFFICE 1	257	2		speakers			
AREA UNDER CONSTRUCTION - OFFICE 1	258	1		rolling table			
AREA UNDER CONSTRUCTION - OFFICE 1	259	1		misc. rolling shelves, supplies, filing cabinet			
AREA UNDER CONSTRUCTION - OFFICE 2	260	1	Frank	stainless steel sink			
AREA UNDER CONSTRUCTION - OFFICE 2	261	1		metal rolling table			
AREA UNDER CONSTRUCTION - HALLWAY	262	2	Frank	stainless steel sinks			
AREA UNDER CONSTRUCTION - HALLWAY	263	2		examination tables			
AREA UNDER CONSTRUCTION - HALLWAY	264	1	Frank	larger stainless steel sink			
AREA UNDER CONSTRUCTION - HALLWAY	265	1	Stryker	stretcher	5051	2004	0403 062359
AREA UNDER CONSTRUCTION - HALLWAY	266	1		electric patient table foot operated			
AREA UNDER CONSTRUCTION - HALLWAY	267	1	Techlem	stretcher	Premier Series 4500		
AREA UNDER CONSTRUCTION - HALLWAY	268	1		rolling steel shelf			
AREA UNDER CONSTRUCTION - OFFICE 3	269	1	Frank	stainless steel sink			
AREA UNDER CONSTRUCTION - OFFICE 3	270	2	Frank	stainless steel sinks			
AREA UNDER CONSTRUCTION - OFFICE 3	271	1		shop vac			
AREA UNDER CONSTRUCTION - OFFICE 4	272	1	Frank	stainless steel sink			
AREA UNDER CONSTRUCTION - OFFICE 4	273	1	Steris	AMSCO 5052 washer/ disinfecter	FH14-XXXX	2020	3632120070
AREA UNDER CONSTRUCTION - OFFICE 4	274	1	Steris	Prevac steam sterilizer	Century V-120	2007	
AREA UNDER CONSTRUCTION - OPERATING ROOM 1	275	1		lead vests			
AREA UNDER CONSTRUCTION - OPERATING ROOM 1	276	1	Steris	surgical table	AMSCO 3085 SP	1999	
AREA UNDER CONSTRUCTION - OPERATING ROOM 1	277	1	HF MED	LED overhead lights	YD02-5	2019	
AREA UNDER CONSTRUCTION - OPERATING ROOM 1	278	1	Steris	operating lights	Harmony LA500		
AREA UNDER CONSTRUCTION - OFFICE 5	279	1	Techlem	stretcher	Premier Series 4500		
AREA UNDER CONSTRUCTION - OFFICE 5	280	1		electric patient table foot operated			
AREA UNDER CONSTRUCTION - OFFICE 5	281	2	Imperial	surgical stainless steel side tables			
AREA UNDER CONSTRUCTION - OFFICE 5	282	1		rolling rack, (4) massage tables			
AREA UNDER CONSTRUCTION - OFFICE 5	283	2		stainless steel side tables			
AREA UNDER CONSTRUCTION - OFFICE 5	284	1		boot device			
AREA UNDER CONSTRUCTION - OPERATING ROOM 2	285	3		toriiquet stands			
AREA UNDER CONSTRUCTION - OPERATING ROOM 3	286	1	Techlem	stretcher	Premier Series 4500		
AREA UNDER CONSTRUCTION - OPERATING ROOM 4	287	1	HF MED	operating lights	YD02-5		HF120190615KEL
AREA UNDER CONSTRUCTION - OPERATING ROOM 5	288	2	Steris	operating lights	Harmony LA500		
ACROSS FROM MEDICAL AESTHETIC ROOM #1	289	4	NSF	5 stainless steel shell's			
ACROSS FROM MEDICAL AESTHETIC ROOM #1	290	1	Stanley Medical	CO2 fractional laser skin resurfacing system	AL-110	2010	05ST0610001CN
ACROSS FROM MEDICAL AESTHETIC ROOM #1	291	1		hair removal system			
ACROSS FROM MEDICAL AESTHETIC ROOM #1	292	1		steel rolling table			
ACROSS FROM MEDICAL AESTHETIC ROOM #1	293	1		4 drawer rolling cabinet			
ACROSS FROM MEDICAL AESTHETIC ROOM #1	294	1	Dactex	Ohmeda	AS-PM06		
MEDICAL AESTHETICS ROOM RIGHTSIDE	295	1		electric patient table foot operated			
MEDICAL AESTHETICS ROOM RIGHTSIDE	297	1		rolling stool			
MEDICAL AESTHETICS ROOM RIGHTSIDE	298	1		3 door wall cabinet			
MEDICAL AESTHETICS ROOM RIGHTSIDE	299	1		4 door plastic rolling cabinet			
MEDICAL AESTHETICS ROOM RIGHTSIDE	300	1		table 2ft by 4ft			
MEDICAL AESTHETICS ROOM RIGHTSIDE	301	1		3 tier rolling steel stand			
MEDICAL AESTHETICS ROOM RIGHTSIDE	302	1		artwork			
HALLWAY BY SURGICAL CARE CENTRE	303	1		4 person steel bench			
HALLWAY BY SURGICAL CARE CENTRE	304	1		rolling steel cart			
HALLWAY BY SURGICAL CARE CENTRE	305	5		fire extinguishers			
HALLWAY BY SURGICAL CARE CENTRE	306	4		3 door locker system			

Location	Item	Qty	Manufacturer	Equipment	Model	Yr.	Serial #
HALLWAY BY SURGICAL CARE CENTRE	307	1	Toshiba	TV	47HL167	2007	AM363033236
HALLWAY BY SURGICAL CARE CENTRE	308	1		rolling wood stand			
HALLWAY BY SURGICAL CARE CENTRE	309	3		black chairs			
HALLWAY BY SURGICAL CARE CENTRE	310	5		black chairs			
HALLWAY BY SURGICAL CARE CENTRE	311	1		rolling stainless steel cart			
HALLWAY BY SURGICAL CARE CENTRE	312	1		rolling stainless steel cart			
HALLWAY BY SURGICAL CARE CENTRE	313	1		folding chair			
HALLWAY BY SURGICAL CARE CENTRE	314	2		3 door wall cabinets			
HALLWAY BY SURGICAL CARE CENTRE	315	1	Labconco Corporation	water filter system	9000722		140592354 A
HALLWAY BY SURGICAL CARE CENTRE	316	1	Agilent Technologies	led k. system	042948		DECAP00332
HALLWAY BY SURGICAL CARE CENTRE	317	1	Rubbermaid	janitor cart			
HALLWAY BY SURGICAL CARE CENTRE	318	1		wood bookshelf			
HALLWAY BY SURGICAL CARE CENTRE	319	1		4 draw filing cabinet			
HALLWAY BY SURGICAL CARE CENTRE	320	1		2 door metal cabinet			
HALLWAY BY SURGICAL CARE CENTRE	321	1		Stainless steel cabinet			
HALLWAY BY SURGICAL CARE CENTRE	322	1		dolly			
HALLWAY BY SURGICAL CARE CENTRE	323	1		ladder			
HALLWAY BY SURGICAL CARE CENTRE	324	1		folding chair			
HALLWAY BY SURGICAL CARE CENTRE	325	5	Csun	solar panels	CSUN300-72P		
HALLWAY BY SURGICAL CARE CENTRE	326	2	Steris	operating lights	Harmony LA500		
HALLWAY BY SURGICAL CARE CENTRE	327	1		plastic storage bins			
HALLWAY BY SURGICAL CARE CENTRE	328	4		2 door locker system			
HALLWAY BY SURGICAL CARE CENTRE	329	4		6 door locker system			
HALLWAY BY SURGICAL CARE CENTRE	330	1		2 door plastic cabinet			
JANITOR ROOM	331	1		mops and buckets			
JANITOR ROOM	332	1	Euro	sewing machine	Pro-X		
STORAGE ROOM	333	1	Stanley Medical	photo rejuvenation treatment system	RF-100		025T0610101CN
STORAGE ROOM	334	1		white desk			
STORAGE ROOM	335	1		chair			
STORAGE ROOM	336	1		standing light			
STORAGE ROOM	337	2	NSF	steel racks			
STORAGE ROOM	338	1	Welch Allyn	Suretemp	52000 Series		200307072
STORAGE ROOM	339	1		four door wood rolling cabinet			
STORAGE ROOM	340	1		3 door wall cabinet			
STORAGE ROOM	341	1	Welch Allyn	Spot Vital Signs 4400	IPX2		901057
STORAGE ROOM	342	1	Stanley Medical	Oasis series, oxygen care system	HO-300	2010	06ST0610001CN
STORAGE ROOM	343	1	Stanley Medical	JPL hair removal system	PL-104C	2010	015T0710101CN
STORAGE ROOM	344	1		bench			
STORAGE ROOM	345	1		stereo			
STORAGE ROOM #2	346	1	NSF	7 shelf steel rack			
STORAGE ROOM #2	347	1	Marvel Scientific	fridge			
STORAGE ROOM #2	348	1	Danby	bar fridge			
STORAGE ROOM #2	349	1	ConMed	Advantage Drive System	D3000		BBD74275
STORAGE ROOM #2	350	1	ConMed	AER Defense			
STORAGE ROOM #2	351	1	IKA		RV8 S99		
STORAGE ROOM #2	352	1	Venodyne	Advantage 610			6100216CH
STORAGE ROOM #2	353	1	Luxtec		9300XDP		
STORAGE ROOM #2	354	1	Buffalo	filter	AS-SM09		
STORAGE ROOM #2	355	2	System 5000				
STORAGE ROOM #2	356	1	Wells Johnson	Klein	7554-90		
STORAGE ROOM #2	357	1	Olympus	high flow insufflation unit	UIH-3		7608467

Location	Item	Qty	Manufacturer	Equipment	Model	Yr.	Serial #
STORAGE ROOM #2	358	1	ConMed	System 5000	60-8005-001		05LGP058
STORAGE ROOM #2	359	1	Arthrex	steel rolling shelf			
STORAGE ROOM #2	360	1	Medi vac	vacuum stand			
STORAGE ROOM #2	361	1	NSF	5 draw plastic cabinet			
STORAGE ROOM #3	362	2	NSF	4 shelf steel racks			
STORAGE ROOM #3	363	1	Datex-Ohmeda				
STORAGE ROOM #3	364	1	Caralocad/5				
DOCTORS OFFICE	365	1		armchair			
DOCTORS OFFICE	366	2		love seats			
DOCTORS OFFICE	367	1		wood desk			
DOCTORS OFFICE	368	1		rolling side table			
DOCTORS OFFICE	369	1	HP	monitor			
DOCTORS OFFICE	370	4		black desk chairs			
DOCTORS OFFICE	371	1	Canon	laser printer			
DOCTORS OFFICE	372	1	Lenovo	computer monitor	C32 Q-20		
DOCTORS OFFICE	373	1	Dell	computer			
DOCTORS OFFICE	378	2		stainless steel rolling carts			
DOCTORS OFFICE	379	1	Kenmore	bar fridge			
DOCTORS OFFICE	380	1		gaming chair			
DOCTORS OFFICE	381	1		2 door cabinet			
DOCTORS OFFICE	382	1		side book shelf			
DOCTORS OFFICE	383	1		artwork			
DOCTORS OFFICE	384	1		standing lamp			
CLINIC - RECEPTION	385	6		black chairs			
CLINIC - RECEPTION	388	1	Cannon		F173300		
CLINIC - RECEPTION	389	1	Cannon	Image Class MF2b7dwF1			
CLINIC - RECEPTION	390	2	Dell	computers			
CLINIC - RECEPTION	391	1		paper shredder			
CLINIC - RECEPTION	392	1		chrome base chair			
CLINIC - RECEPTION	393	1		black desk chair			
CLINIC - RECEPTION	394	3		3 door wall cabinets			
CLINIC - RECEPTION	395	1		black steel rolling tray			
CLINIC - RECEPTION	396	1		4 door plastic rolling cabinet			
CLINIC - EXAM ROOM #1	397	1		electric patient table foot operated			
CLINIC - EXAM ROOM #1	398	1		3 door wall cabinets			
CLINIC - EXAM ROOM #1	399	1		4 door plastic rolling cabinet			
CLINIC - EXAM ROOM #1	400	1		table 2ft by 4ft			
CLINIC - EXAM ROOM #1	401	1		black desk chair			
CLINIC - EXAM ROOM #1	402	1		chrome base chair			
CLINIC - EXAM ROOM #1	403	1	Dell	computer			
CLINIC - EXAM ROOM #1	404	1	LG	monitor			
CLINIC - EXAM ROOM #1	405	1	Weich Allyn				
CLINIC - EXAM ROOM #1	406	1	Weich Allyn				
CLINIC - EXAM ROOM #1	407	1	Weich Allyn				
CLINIC - EXAM ROOM #1	408	1		wood chair			THE-6503
CLINIC - EXAM ROOM #2	409	1		3 door wall cabinets			
CLINIC - EXAM ROOM #2	410	1		4 door plastic rolling cabinet			
CLINIC - EXAM ROOM #2	411	1		table 2ft by 4ft			
CLINIC - EXAM ROOM #2	412	1		white chair			
CLINIC - EXAM ROOM #2	413	1		rolling stool			
CLINIC - EXAM ROOM #2	414	1	Dell	computer			

Location	Item	Qty	Manufacturer	Equipment	Model	Yr.	Serial #
CLINIC - EXAM ROOM #2	415	1	Dell	monitor			
CLINIC - EXAM ROOM #2	416	1		rolling stainless steel side table			
CLINIC - EXAM ROOM #2	417	1	Ritter 104	examination table			
CLINIC - EXAM ROOM #2	418	1		steel stool			
CLINIC - EXAM ROOM #2	419	1		garbage can			
CLINIC - EXAM ROOM #2	420	1		3 door wall cabinets			
CLINIC - EXAM ROOM #2	421	1		steel rolling cart			
CLINIC - EXAM ROOM #2	422	1		4 draw rolling filing cabinet			
CLINIC - EXAM ROOM #2	423	1		stool			
CLINIC - EXAM ROOM #2	424	1		chair			
CLINIC - EXAM ROOM #2	425	1		4 door plastic rolling cabinet			
CLINIC - EXAM ROOM #2	426	1	Health O Meter	scale			
CLINIC - EXAM ROOM #2	427	1		baby scale			
CLINIC - EXAM ROOM #2	428	1		garbage can			
CLINIC - EXAM ROOM	429	1		3 door wall cabinets			
CLINIC - EXAM ROOM	430	1		white chair			
CLINIC - EXAM ROOM	431	1		table 2ft by 4ft			
CLINIC - EXAM ROOM	432	1		electric patient table foot operated			
CLINIC - DOCTOR'S OFFICE	433	1		2 drawer filing cabinet			
CLINIC - DOCTOR'S OFFICE	434	1		black desk chair			
CLINIC - DOCTOR'S OFFICE	435	1		chrome base chair			
CLINIC - DOCTOR'S OFFICE	436	1	Dell	computer			
CLINIC - DOCTOR'S OFFICE	437	1	HP	monitor	Optiplex 9020		DWPO22
CLINIC - DOCTOR'S OFFICE	438	2		3 door wall cabinets			
CLINIC - DOCTOR'S OFFICE	439	1	Braun	Welch Allyn ear thermometer	Pro 6000		64328785060001
CLINIC - DOCTOR'S OFFICE	440	1		4 draw rolling filing cabinet			
CLINIC - DOCTOR'S OFFICE	441	2		table 2ft by 4ft			
CLINIC - EXAM ROOM #4	442	1		3 door wall cabinets			
CLINIC - EXAM ROOM #4	443	1		4 door plastic rolling cabinet			
CLINIC - EXAM ROOM #4	444	1		table 2ft by 4ft			
CLINIC - EXAM ROOM #4	445	1		garbage can			
CLINIC - EXAM ROOM #4	446	2		black chair			
CLINIC - EXAM ROOM #4	447	1		electric patient table foot operated			
CLINIC - LUNCH ROOM / STORAGE	448	1		6 door locker system			
CLINIC - LUNCH ROOM / STORAGE	449	1	Danby	bar fridge	Designer		
CLINIC - LUNCH ROOM / STORAGE	450	1	Danby	fridge	Designer		
CLINIC - LUNCH ROOM / STORAGE	451	1	MasterChef	microwave			
CLINIC - LUNCH ROOM / STORAGE	452	1	Hamilton Beach	toaster oven			
CLINIC - LUNCH ROOM / STORAGE	453	2		3 door wall cabinets			
CLINIC - LUNCH ROOM / STORAGE	454	1		black chair			
CLINIC - LUNCH ROOM / STORAGE	455	1	Zebra	label printer	ZD420		

SCHEDULE C - Assigned Contracts

Agreements

1. Office Lease Agreement between SFU COMMUNITY CORPORATION AS TRUSTEE OF THE SFU COMMUNITY TRUST and POLYCAN HEALTH CENTRE (CANADA) INC. dated as of April 15, 2019.
2. Assumption and Consent to Sublease Agreement between SFU COMMUNITY CORPORATION AS TRUSTEE OF THE SFU COMMUNITY TRUST, POLYCAN HEALTH CENTRE (CANADA) INC., MS HEALTHCARE MANAGEMENT GROUP INC., and CITY OF BURNABY, dated as of January 6, 2023.
3. Commercial Sublease Agreement between POLYCAN HEALTH CENTRE (CANADA) INC. and CITY OF BURNABY, dated as of December 29, 2022.
4. Sublease Extension Letter with Subject "SUBLEASE EXTENSION FOR 9055 UNIVERSITY HIGH STREET- COMMERCIAL RENTAL UNITS: 206, 207 AND PORTION OF 208" from the City of Burnaby Lands and Facilities Department to PolyCan Health Centre (Canada) Inc., dated as of November 6, 2023.

SCHEDULE D - Allocation Schedule

	\$CDN
Inventory and supplies	█
Assigned Contracts	█
IP Assets	█
Furniture, fixtures, equipment, machinery, tools, office equipment	█
Prepaid expenses	█
All other Purchased Assets including goodwill	█

SCHEDULE E - Form of Vesting Order

NO. S-234092
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BANK OF MONTREAL

PLAINTIFF

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
HUA XU

DEFENDANTS

ORDER MADE AFTER APPLICATION

APPROVAL AND VESTING ORDER

BEFORE THE HONOURABLE)
)
) dd/mm/yyyy
)
)

THE APPLICATION of Deloitte Restructuring Inc., in its capacity as Court-appointed Receiver (the “**Receiver**”) of the assets, undertakings and properties of Polycan Health Centre (Canada) Inc. coming on for hearing at Vancouver, British Columbia, on the _____ day of _____, 201____; AND ON HEARING _____, 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 material filed, including the Report of the Receiver dated _____ (the “Report”);

THIS COURT ORDERS AND DECLARES THAT:

1. 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**”).

2. 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 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; and (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; (all of which are collectively referred to as the “**Encumbrances**”), 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.
3. 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.
4. The Receiver is to file with the Court a copy of the Receiver’s Certificate forthwith after delivery thereof.
5. 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 company’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.

6. 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).
7. 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.
8. 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.

9. 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.
10. 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.

11. Endorsement of this order by counsel appearing on this application other than counsel to the Receiver is 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
 Party Lawyer for the Receiver

BY THE COURT

REGISTRAR