

No. S174308 Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

INDUSTRIAL ALLIANCE INSURANCE AND FINANCIAL SERVICES INC.

PLAINTIFF

AND:

WEDGEMOUNT POWER LIMITED PARTNERSHIP
WEDGEMOUNT POWER (GP) INC.,
WEDGEMOUNT POWER INC.
THE EHRHARDT 2011 FAMILY TRUST
POINTS WEST HYDRO POWER LIMITED PARTNERSHIP
by its general partner POINTS WEST HYDRO (GP) INC.
CALAVIA HOLDINGS LTD.
SWAHEALY HOLDINGS LIMITED
BRENT ALLAN HARDY
DAVID JOHN EHRHARDT
28165 YUKON INC.
PARADISE INVESTMENT TRUST



DEFENDANTS

NOTICE OF APPLICATION

SUNNY PARADISE INC.

Name(s) of applicant(s): Industrial Alliance Insurance and Financial Services Inc. ("IA")

To: The service list attached hereto as Schedule "A"

TAKE NOTICE that an application will be made by the applicant(s) to the presiding judge or master at the courthouse at 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1 on Friday April 6, 2018 at 9:45 a.m. for the order(s) set out in Part 1 below.

Part 1: ORDER(S) SOUGHT

- 1. A Declaration that BCH may not terminate the Electricity Purchase Agreement dated March 6, 2015 (the "**EPA**") between Wedgemount LP, by its general partner Wedgemount GP, and BCH pursuant to section 8.1(a) or 8.1(f) of the EPA.
- 2. Costs.
- 3. Such further and other relief as this Honourable Court deems just.

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Part 2: FACTUAL BASIS

- 1. IA adopts and relies on the facts set out in Part 4 of its Application Response dated March 22, 2018.
- 2. The Receiver has consented to IA bringing this application.

Part 3: LEGAL BASIS

- 1. IA adopts and relies on the legal basis set out in Part 5 of its Application Response dated March 22, 2018.
- 2. Rules 1-3 and 14-1 of the Supreme Court Civil Rules.
- 3. The court has discretion when staying a legal proceedings to give effect to an arbitration clause in an agreement. The court must be satisfied that the parties are party to the agreement and the dispute falls within the terms of the agreement. If one of the named parties is not a party to the arbitration agreement the court should not exercise its discretion to decline jurisdiction over the dispute.

Gulf Canada Resources Ltd./Ressources Gulf Canada Ltée v. Arochem International Ltd. (1992), 66 B.C.L.R. (2d) 113 (B.C. C.A.)

- 4. IA is not a party to the EPA and therefore not be bound by, or avail itself of, the arbitration clause contained therein. Further, IA is the major secured creditor, a party to the Lender Consent Agreement between IA and BCH dated June 30, 2015 ("LCA"), recipient of a comfort letter from BCH, a party that relied on representations from BCH about the EPA, and is funding the Project and the receivership.
- 5. IA commenced this action to appoint a Receiver over the Wedgemount Entities pursuant to the LCA, whereby the parties attorned irrevocably and unconditionally to jurisdiction of this Honourable Court.

Part 4: MATERIAL TO BE RELIED ON

- 1. Order of the Honourable Mr. Justice Steeves made May 12, 2017.
- 2. Affidavit #1 of Bruce Chow, made on January 19, 2018.
- 3. Affidavit #2 of Luc Fournier, made on March 13, 2018.
- 4. Affidavit #1 of Melinda Mckie, made on March 12, 2018.
- 5. Affidavit #1 of Paul Chambers, made on March 13, 2018.
- 6. Affidavit #1 of Michael Potyok, made on March 13, 2018.
- Affidavit #1 of Stefanie Leduc, made on March 13, 2018.
- 8. Affidavit #1 of Maxime Duvirage, made on made on March 13, 2018.

9.	Affidavit #1 of Michele Hay, made on March 12, 2018.		
10.	Report of the Receiver, yet to be filed.		
11.	Such further and other material as counsel may advise and this Honourable Court may permit.		
The ap	plicant(s) estin	nate(s) that the application will take 1 day.
	This matter is within the jurisdiction of a master.		
\boxtimes	This matter is not within the jurisdiction of a master.		
this no	otice of	application if this	RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to ation, you must, within 5 business days after service of this notice of application is brought under Rule 9-7, within 8 business days after service cation,
	(a)	file an	application response in Form 33,
	(b)	file the	original of every affidavit, and of every other document, that
		(i)	you intend to refer to at the hearing of this application, and
		(ii)	has not already been filed in the proceeding, and
	(c) serve on the applicant 2 copies of the following, a copy of the following:		on the applicant 2 copies of the following, and on every other party one f the following:
	-	(i)	a copy of the filed application response;
		(ii)	a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
		(iii)	if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Colin Brousson THIS NOTICE OF APPLICATION was prepared by Colin Brousson, of the firm of Gowling WLG

Signature of lawyer for Industrial Alliance Insurance and Financial Services Inc.,

2018

THIS NOTICE OF APPLICATION was prepared by Colin Brousson, of the firm of Gowling WLG (Canada) LLP, Barristers & Solicitors, whose place of business and address for delivery is 2300 - 550 Burrard Street, Vancouver, B.C. V6C 2B5, Telephone: 604-683-6498; Fax: 604-683-3558.

Date: March

To be completed by the court only:						
Order made						
[] in the terms requested in paragraphsthis notice of application	in the terms requested in paragraphs of Part 1 of this notice of application					
[] with the following variations and additional terms:	with the following variations and additional terms:					
Date:						
	Signature of Judge Master					
APPENDIX						
PLICATION INVOLVES THE FOLLOWING:						

THIS APP

discovery: comply with demand for documents
discovery: production of additional documents
other matters concerning document discovery
extend oral discovery
other matter concerning oral discovery
amend pleadings
add/change parties
summary judgment
summary trial
service
mediation
adjournments
proceedings at trial
case plan orders: amend
case plan orders: other
experts

SERVICE LIST

Industrial Alliance Insurance and Financial Services Inc. v. Wedgemount Power Limited Partnership et al SCBC Vancouver Registry Action No. S-174308

WEDGEMOUNT POWER LIMITED PARTNERSHIP	Attention: Peter J. Roberts (proberts@lawsonlundell.com) Lawson Lundell LLP Suite 1600 Cathedral Place 925 West Georgia Street Vancouver, British Columbia V6C 3L2 Phone: 604.685.3456 Fax: 604.669.1620
WEDGEMOUNT POWER INC.	
WEDGEMOUNT POWER (GP) INC.	
THE EHRHARDT 2011 FAMILY TRUST	David Ehrhardt, as trustee of the Ehrhardt 2011 Family Trust 5403 Buckingham Avenue Burnaby, BC V5E 1Z9
POINTS WEST HYDRO POWER LIMITED PARTNERSHIP by its general partner POINTS WEST HYDRO (GP) INC.	2400, 525 – 8 th Avenue SW Calgary, AB T2P 1G1
CALAVIA HOLDINGS LTD.	2511 Lawson Avenue West Vancouver, BC V7Y 2G1
SWAHEALY HOLDING LIMITED	1266 Burns Road Gibsons, BC VON 1V1
BRENT ALLAN HARDY	Attn: Thomas Keast, QC (tkeast@watsongoepel.com) Watson Goepel LLP 1700-1075 West Georgia Street Vancouver, BC V6E 3C9
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28165 YUKON INC.	Attn: Gordon G. Plottel and Amanda Baron (gplottel@millerthomson.com; abaron@millerthomson.com) Miller Thomson LLP 725 Granville Street Suite 400 Vancouver, BC V7Y 1G5
PARADISE INVESTMENT TRUST	Attn: Gordon G. Plottel and Amanda Baron (gplottel@millerthomson.com; abaron@millerthomson.com) Miller Thomson LLP 725 Granville Street Suite 400 Vancouver, BC V7Y 1G5
SUNNY PARADISE INC.	Attn: Gordon G. Plottel and Amanda Baron (gplottel@millerthomson.com; abaron@millerthomson.com) Miller Thomson LLP 725 Granville Street Suite 400 Vancouver, BC V7Y 1G5
Bank of Montreal	First Canadian Place, Mezzanine Level 100 King Street W Toronto, ON M5X 1A3 Attn: Marina Wilhelm Fax: (416) 867-2744 Attn: Paul Kyte Fax: (416) 867-2744

British Columbia Hydro and Power Authority	Attention: Magnus C. Verbrugge (mverbrugge@blg.com)
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Eco Flow Energy Corporation	Email: pzell@ecoflowenergy.com
	330 – 500 Victoria Street
	Prince George, BC V2L 2J9
Lil'wat Nation	82 Lr 10 Road
	Mount Currie, BC V0N 2K0
	Attn: Kerry Mehaffey, Chief Executive Officer,
	Lil'wat Management Services LP
	Fax: 604-894-1518
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	David W. Dorrans Law Corporation
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Cheakamus Community Forest Society	Email: info@cheakamuscommunityforest.com
	c/o Resort Municipality of Whistler
	4325 Blackcomb Way Whistler, BC V0N 1B4

Her Majesty the Queen in Right of British Columbia	Ministry of Justice and Attorney General Legal Services Branch Revenue and Taxation Group P.O. Box 9289 Stn Prov Govt 4th Floor — 1675 Douglas Street Victoria, BC V8W 9J7 Attention: Aaron Welch Fax: 250-387-0700 Tel: 250-356-8589 Email: Aaron.Welch@gov.bc.ca AGLSBRevTax@gov.bc.ca
Travelers Capital Corporation	Suite 501 – 4180 Lougheed Hwy. Burnaby, BC V5C 6A7 Attn: Mark Bohn Email: mbohn@travelerscapital.com