



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

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

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

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Field LLP
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File No. 58083-2

NOTICE TO RESPONDENT

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

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

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

DATE	<u>Monday, November 24, 2014</u>
TIME	<u>2:00 p.m. – Commercial List</u>
WHERE	<u>Court House, Calgary, Alberta</u>
BEFORE WHOM	<u>Madam Justice K. M. Horner</u>

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

Remedy claimed or sought:

1. Abridging the time for service of this Application and the supporting materials, as necessary, and deeming service thereof to be good and sufficient as outlined in the Affidavit of Service of Elvina Hussein.
2. Declaring that the interests of claimants against funds paid into Court or trust accounts pursuant to Court Orders, are to be determined in accordance with the priorities set forth in the *Bankruptcy and Insolvency Act* (the "**BIA**") and the *Income Tax Act*.
3. Approving the settlement between Deloitte Restructuring Inc., in its capacity as Trustee in Bankruptcy of the Plumb-Line Group, (the "**Trustee**") and Ashton Square Inc. and Ashton Luxury Living Inc., operating as Ashton Luxury Living (collectively referred to as "**Ashton**"), in the amount of \$150,000 (the "**Funds**") in full satisfaction of the amounts owing under the Builder's Lien filed by the Trustee and the Builder's Liens filed by Four Star Rock Products Ltd. and 1662995 Alberta Inc.
4. Directing Superior Concrete Systems Ltd. ("**Superior**") to discharge the Builder's Lien registered as Instrument No. 131 263 083 against the lands legally described as Plan 0813647, Block 14, Lot 21, forthwith.
5. Directing that the Provincial Court Action commenced by Superior Concrete System Ltd. against Plumb-Line Group Holdings Inc., Plumb-Line Group of Companies Inc., Con-Forte Contracting Company Inc. and Ashton Square Inc., as Action No. P1390104132 (the "**Provincial Court Claim**"), be discontinued forthwith.
6. Such further and other relief as Counsel may seek.

Grounds of the Application:

7. The Plumb-Line Group, which includes Con-Forte Contracting Company Inc. ("**Con-Forte**") was assigned into bankruptcy on October 16, 2013 and October 18, 2013.
8. Due to the presence of a number of outstanding accounts receivable on the books and records of Con-Forte, the Trustee took the step of filing a builder's lien registration against the lands described as:

Plan 0813647
Block 14
Lot 20
Excepting thereout all mines and minerals

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

9. Certain Sub-Lien Claimants also filed lien claims in respect of contract work done for Con-Forte on the same Project.
10. The lien registration by Superior as referenced above, is improper as it was against the wrong lands.
11. The Trustee, with the approval of the Estate's Inspectors, has entered into a settlement agreement with Ashton, subject to approval of the Court and conditional upon payment of the settlement funds to the Trustee for distribution to Canada Revenue Agency ("**CRA**").
12. The Sub-Lien Claimants may claim priority to funds paid into Court or trust pursuant to the *Builders' Lien Act*, however, other creditors of Con-Forte (including CRA) claim priority under, *inter alia*, the BIA and the *Income Tax Act*.
13. The Provincial Court Claim is stayed by virtue of the bankruptcy and should not have been filed. Further, Superior has no claims against Ashton.
14. Such further and other grounds as counsel may advise.

Material or evidence to be relied on:

15. First Report of the Trustee dated December 10, 2013.
16. Second Report of the Trustee dated April 29, 2014.
17. Third Report of the Trustee, to be filed.
18. The Order granted in the within Actions by the Honourable Madam Justice K. M. Horner on September 11, 2014.
19. Such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

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

Applicable Acts and Regulations:

22. *The Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3.
23. *Builders' Lien Act*, R.S.A. 2000, c.B-7.
24. *Income Tax Act*.
25. *Excise Tax Act*.
26. The inherent jurisdiction of this Honourable Court.
27. Such further and other Acts and regulations as counsel may advise.

Any irregularity complained of or objection relied on:

28. N/A

How the Application is proposed to be heard or considered:

29. This Application is proposed to be heard in Justice Chambers.

WARNING

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