



FORCE FILED

No. H-230653
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE
COMPANY

PETITIONER

AND:

COROMANDEL CAMBIE 59 BT LTD., COROMANDEL CAMBIE
59 DEVELOPMENTS LTD., COROMANDEL CAMBIE 59
LIMITED PARTNERSHIP, JUN CHAO MO, ZHEN YU ZHONG,
CM BAY HOLDINGS LTD., COROMANDEL HOLDINGS LTD.,
JIN-OCEAN MORTGAGE INVESTMENT CORPORATION and
HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA

RESPONDENTS

NOTICE OF APPLICATION

Name of applicant: Desjardins Financial Security Life Assurance Company (the
"Applicant" or "Desjardins")

To: the Service List

TAKE NOTICE that an application will be made by the applicant to the presiding judge at the
courthouse at 800 Smithe Street, Vancouver, BC, V6Z 2E1 on November 7, 2024 at 9:00 am for
the orders set out in Part 1 below. 10:00 am

The applicant estimates that the application will take one hour

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

Part 1: ORDER(S) SOUGHT

1. An order, substantially in the form attached hereto as **Schedule "A"**,
 - (a) abridging the time for service of this Notice of Application to the time actually given;
 - (b) appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver and manager (the "**Receiver**") over certain Lands (as defined below) and the personal property located at, related to or derived from the Lands (collectively, the "**Property**") of Coromandel Cambie 59 BT Ltd., Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership (collectively, the "**Debtors**") pursuant to, *inter alia*, section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "**BIA**") and section 39 of the *Law and Equity Act*, RSBC 1996, c. 253 (the "**LEA**"); and
 - (c) such further and other relief as counsel may advise and this Court deems just and appropriate in the circumstances.

Part 2: FACTUAL BASIS

Background

1. Desjardins provided the Debtors with a first ranking mortgage loan facility in the principal amount of \$80,000,000 pursuant to a commitment letter dated October 18, 2018 (the "**Loan**").
2. As security for the Loan, the Debtors granted the Applicant, among other things, a mortgage and assignment of rents dated October 30, 2018 (the "**Mortgage**") over the lands and premises described as:

PID: 029-788-897

Parcel 1 District Lot 323 Group 1 New Westminster District Plan
EPP59445

(the "**Lands**").

3. Coromandel Cambie 59 BT Ltd. (the "**Nominee**") is the legal owner of the Lands. Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership are the beneficial owners of the Lands and the shareholders of the Nominee.
4. On August 31, 2023, Desjardins commenced foreclosure proceedings in respect of the Lands. Pursuant to an Order dated October 26, 2023 (the "**Order Nisi**"), the Court declared that the Mortgage was in default and granted the Debtors until April 26, 2024 to redeem the amount owing under the Mortgage, namely, \$23,385,817.37 plus interest continuing to accrue at a daily rate of \$5,410.27.

The Jin-Ocean Proceedings

5. On March 13, 2023, Jin-Ocean Mortgage Investment Corporation ("**Jin-Ocean**"), who holds a second-ranking mortgage over the Lands commenced separate foreclosure proceedings and was granted order nisi, which provided for a six month redemption period and judgment against the Debtors and certain over parties in the amount of \$6,550,771.46.
6. On November 30, 2023, Jin-Ocean obtained an Order for Conduct of Sale in respect of the Lands in the within proceedings.

The Sale Process

7. On December 11, 2023, Jin-Ocean engaged Colliers Macaulay Nicolls Inc. ("**Colliers**") to market the Lands for sale with a list price of \$32,000,000 (the "**Sales Process**").
8. In furtherance of the Sales Process, Colliers took the following steps:
 - (a) Prepared a customized property brochure and ordered professional drone aerial photographs to highlight the Lands;
 - (b) Organized a data room with due diligence documents for potential purchasers;
 - (c) On December 27, 2023, professional signage was installed on the Lands advertising the property for sale;
 - (d) On December 31, 2023, sent an e-blast to a targeted developer and investor marketing list which included over 5,400 recipients (the "**Marketing List**");

- (e) On January 14, 2024, sent another e-blast to the Marketing List which was aimed at re-engaging the market following the winter holiday break;
 - (f) On February 5, 2024, sent a MLS Commercial e-blast to 865 commercial realtors; and
 - (g) The Lands were also publicly listed on collierscanada.com and featured in (i) the February print addition and online version of *Western Investor*, (ii) the February (Lunar New Year) addition of *Sing Tao*; (iii) the Colliers agent's LinkedIn page in December 2023; (iv) a Lunar New Post on LinkedIn, WeChat and Instagram.
9. As a result of the marketing efforts, Colliers received two written offers between January 29, 2024 and March 7, 2024. On March 8, 2024, an offer to purchase the Lands for the purchase price of \$25,800,000 was accepted.
10. Thereafter, on April 25, 2024, a new offer was received from 1475040 BC Ltd. (the "**Purchaser**") for the purchase price of \$32,000,000 (the "**Offer**").
11. The Purchaser is a related party to Jin-Ocean.
12. On April 29, 2024, this Honourable Court granted an Order (the "**Approval Order**") which, *inter alia*, approved the Original Offer.

Anticipated Sales Process and RVO Transaction

13. If the Offer closes pursuant to the Approval Order, the transfer of legal title to the Lands will attract significant property transfer tax (the "**PTT**"), payable by the Purchaser. Additionally, Desjardins anticipates there will be a shortfall on the recovery of Jin-Ocean's indebtedness if the Offer closes in its current form rather than being revised to an RVO (as defined below).
14. As a result, the Purchaser and Jin -Ocean advised Desjardins that the Purchaser wishes to pursue the restructuring of the Offer by way of a sale or issuance of shares of the registered owner of the Lands (the "**Revised Offer**") subject to, and to be implemented by, a reverse vesting order ("**RVO**"). The main benefit of the RVO structure is that it would allow the Purchaser to avoid paying the PTT.

15. The Purchaser, Jin-Ocean and Desjardins all agree that the Offer and the Approval Order will remain in force and binding upon the parties unless and until an RVO transaction is completed.
16. In order to ensure the highest offer is obtained for the Property, the Purchaser has agreed with Jin Ocean and the Petitioner to be the stalking horse bidder in a further sales process to be conducted by the receiver.

Part 3: LEGAL BASIS

Appointment of Receiver

1. Section 39 of LEA allows for the appointment of a receiver where it is just and convenient to do so.
2. The BIA also confers jurisdiction of this Court to appoint a receiver. Specifically, section 243 of the BIA provides that, on the application of a secured creditor, the Court may appoint a receiver if it considers that it would be just and convenient to do so.
3. In considering whether it is just and convenient to appoint a receiver, courts may assess a variety of factors, including the following:
 - (a) whether irreparable harm might be caused if no order were made, although it is not essential for a creditor to establish irreparable harm if a receiver is not appointed particularly where the appointment of a receiver is authorized by the security documentation;
 - (b) the nature of the property;
 - (c) the balance of convenience of the parties;
 - (d) the fact that the creditor has the right to appoint a receiver under the documentation provided for the loan;
 - (e) whether a court appointment is necessary to enable the receiver to carry out its duties more efficiently;
 - (f) the effect of the order upon the parties;

- (g) the conduct of the parties;
- (h) the length of time that a receiver may be in place;
- (i) the cost to the parties;
- (j) the likelihood of maximizing return to the parties; and
- (k) the goal of facilitating the duties of the receiver.

Maple Trade Finance Inc. v CY Oriental Holdings Ltd, 2009 BCSC 1527
("Maple Trade") at para 25; *Textron Financial Canada Limited v*
Chetwynd Motels Ltd, 2010

4. The right of a secured creditor to apply for a receiver under an applicable security agreement provides a "strong factor" in support of the appointment of a receiver.

Maple Trade at para 26.

5. It is just and convenient in the present circumstances to appoint a receiver over the Debtors on the terms sought by Desjardins for, *inter alia*, the following reasons:

- (a) the Debtors are currently indebted to Desjardins for in excess of \$24 million with interest and legal costs continuing to accrue and they have defaulted on their obligations to Desjardins under the Mortgage, and other related agreements;
- (b) the Debtors are currently indebted to Jin-Ocean for in excess of \$6 million with interest and costs continuing to accrue and they have defaulted on their obligations to Jin-Ocean under the second-ranking mortgage with Jin-Ocean and related agreements;
- (c) Jin-Ocean, who is the only other secured creditor in respect of the Lands and is a related party to the Purchaser is supportive of the appointment of a receiver;
- (d) the Mortgage expressly contemplates the appointment of a receiver;
- (e) the appointment of a receiver is necessary if the recovery for the creditors of the Debtors is to be enhanced as the RVO transaction, which can only be completed

in a receivership, will result in the saving of the PTT (which benefits both the Purchaser and Jin-Ocean);

- (f) all stakeholders with a remaining financial interest support the receivership such the balance of convenience favours the appointment of a receiver; and
 - (g) the appointment of a receiver will protect the interests of all stakeholders.
6. In the circumstances, Desjardins respectfully requests that this Court appoint Deloitte as receiver and manage of the Property of the Debtors.

Part 4: MATERIAL TO BE RELIED ON

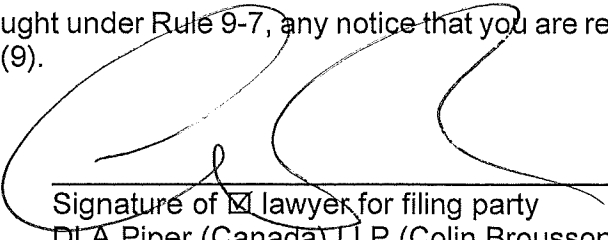
- 1. Affidavit #1 of Benjamin Chua, made August 30, 2023;
- 2. Affidavit #1 of Larissa Punzalan, made November 7, 2023;
- 3. Affidavit #1 of Milana Draga Ivanovic, made March 18, 2024;
- 4. Affidavit #2 of Larissa Punzalan, made April 25, 2024; and
- 5. Affidavit #1 of Kathy Wang, ^{made on Nov. 5, 2024} ~~to be sworn~~.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33;
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding; and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed application response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;

- (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

November 4, 2024
Date


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

To be completed by the court only:

Order made

☐ in the terms requested in paragraphs _____ of Part 1
of this notice of application

☐ with the following variations and additional terms:

Date: _____

Signature of ☐ Judge ☐ Associate

Judge

APPENDIX

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

THIS APPLICATION INVOLVES THE FOLLOWING:

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ oral matters concerning document discovery
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts
- ☐ none of the above

Schedule 'A'

No. H-230653
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DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE
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HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA

RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE

JUSTICE MASUHARA

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NOVEMBER 7 2024

ON THE APPLICATION of the Applicant for an Order pursuant to Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "**LEA**") appointing Deloitte Restructuring Inc. as receiver and manager (in such capacity, the "**Receiver**") without security, of all of the assets, share, undertakings and property of Coromandel Cambie 59 BT Ltd., Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Kathy Wang sworn November 7, 2024 and the consent of Deloitte Restructuring Inc. to act as the Receiver; AND ON HEARING Colin Brousson, Counsel for the Applicant and other counsel as listed on **Schedule "A"** hereto, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 243 of the BIA and Section 39 of the LEA, Deloitte Restructuring Inc. is appointed Receiver, without security, of all of those lands having a legal description of

PID: 029-788-897

Parcel 1 District Lot 323 Group 1 New Westminster District Plan EPP59445

(the "**Lands**")

and all personal property of the Debtors located at, related to or derived from the Lands and the share of the nominee (together with the Lands, the "**Property**").

RECEIVER'S POWERS

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
 - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;
 - (e) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtors in collecting these amounts, including, without limitation, enforcement of any security held by the Debtors;
 - (f) to settle, extend or compromise any indebtedness owing to any of the Debtors;
 - (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
 - (h) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of any of

the Debtors or the Property, including defending, settling or compromising the proceedings;

- (i) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
- (j) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of a single transaction for consideration up to \$♦ provided that the aggregate consideration for all such transaction does not exceed \$♦; and
 - (ii) without the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,

and in each case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;

- (k) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (l) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (m) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (n) to apply for any permits, licences approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf or and, if considered necessary or appropriate by the Receiver, in the name of the Debtors;
- (o) to enter into agreements with any trustee in bankruptcy appointed in respect of the any of the Debtors, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by any of the Debtors; and
- (p) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtors; (ii) all of the Debtors' current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtors and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post-Receivership Accounts**") and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to the employees' right to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection,

conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,
 - (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - (a) any gross negligence or wilful misconduct on its part; or
 - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate to the security interest in favour of the Petitioner and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$150,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the security interest in favour of the Petitioner, the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as **Schedule "B"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: ♦ (the "**Website**") and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must send a written request, which may be by way of email, to counsel for the Receiver asking that the Receiver add them to the service list to be maintained by the Receiver (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
30. The Receiver and the Petitioner need only provide further notice in respect of these proceedings to Person that have properly requested to be added to the Service List. The failure of any Person to make written request to be added to the Service List in accordance with this Order releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings to such Person, unless and until such Person makes a proper written request to be added to the Service List.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.
32. Notwithstanding paragraph 31 of this Order, service of the Notice of Application and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

36. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, 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 such courts, tribunals and regulatory and administrative bodies are 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.
38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
39. The Applicant shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
40. Endorsement of this Order by counsel appearing on this application other than the Applicant is dispensed with.

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

APPROVED BY:

Signature of Colin D. Brousson, lawyer for the
Applicant

BY THE COURT

DISTRICT REGISTRAR

Schedule A – List of Counsel

<u>Counsel</u>	<u>Party Represented</u>

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

\$ _____

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver and manager (the "**Receiver**") of certain lands and related assets of ♦ (collectively, the "**Debtors**") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "**Court**") dated the ♦ day of October, 2024 (the "**Order**") made in SCBC Action No. H-230653 has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly not in advance on the last day of each month after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 202__.

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

Per: _____
Name: _____
Title: _____

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

DESJARDINS FINANCIAL
SECURITY LIFE ASSURANCE
COMPANY

PETITIONER

AND:

COROMANDEL CAMBIE 59 BT
LTD., COROMANDEL CAMBIE
59 DEVELOPMENTS LTD.,
COROMANDEL CAMBIE 59
LIMITED PARTNERSHIP, JUN
CHAO MO, ZHEN YU ZHONG,
CM BAY HOLDINGS LTD.,
COROMANDEL HOLDINGS
LTD., JIN-OCEAN MORTGAGE
INVESTMENT CORPORATION
and HIS MAJESTY THE KING
IN RIGHT OF THE PROVINCE
OF BRITISH COLUMBIA

RESPONDENTS

NOTICE OF APPLICATION

DLA Piper (Canada) LLP
Barristers & Solicitors
Suite 2700
1133 Melville Street
Vancouver, BC V6E 4E5

Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 105227-00003

CDB/day