

FORCE FILED

No. S230764
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ROYAL BANK OF CANADA

PLAINTIFF

AND:

1206546 B.C. LTD. and THOMAS GEORGE JACKSON

DEFENDANTS

NOTICE OF APPLICATION

Name of applicant: Deloitte Restructuring Inc. (“**Deloitte**”), in its capacity as receiver and receiver-manager (in such capacity the “**Receiver**”) of Canwest Aerospace Inc. (“**Aerospace**”) and Can West Global Airparts Inc. (“**Airparts**”, and together with Aerospace, “**CanWest**” or the “**Companies**”)

To: The Service List attached as Schedule “A”

TAKE NOTICE that an application will be made by the applicant to the Honourable Justice Gomery at the courthouse at 800 Smithe Street, Vancouver, British Columbia on June 21, 2024 at 9:00 a.m. for the orders set out in Part 1 below.

The applicant estimates that the application will take **30 minutes**.

This matter is not within the jurisdiction of an associate judge. Justice Gomery is seized of these proceedings. The time for this application has been set with Scheduling.

Part 1: ORDER SOUGHT

1. The Receiver seeks an order (the “**Fee Approval & Discharge Order**”) substantially in the form attached hereto as Schedule “B”, among other things:
 - (a) approving the activities of the Receiver, as set forth in the Receiver’s Second Report to Court dated March 19, 2024 (the “**Second Report**”) and the Receiver’s Third and Final Report to Court dated June 12, 2024 (the “**Third Report**”, and together with the Second Report, the “**Reports**”);

- (b) approving the fees and disbursements of the Receiver and its counsel, Fasken Martineau DuMoulin LLP (“**Fasken**”), including their respective estimates to conclude these proceedings;
- (c) authorizing the Receiver to make the Final Distribution (defined herein) of the receivership estate to Royal Bank of Canada (“**RBC**”) after payment of: (i) the amounts due and owing under the Administration Charge (as defined herein), to the maximum aggregate amount of \$125,000; (ii) the fees and disbursements to the Receiver and its counsel, Fasken, including the estimated fees to conclude these proceedings and the Bankruptcy Costs (as defined herein); (iii) the Priority Claims (as defined herein); (iv) the amounts due and owing to RBC under the Receivership Facility (as defined herein); and (v) \$27,383 to Business Development Bank of Canada (“**BDC**”) in respect of its specific priority claim;
- (d) effective upon the Receiver’s filing of a certificate with this Court (the “**Discharge Certificate**”), discharging the Receiver of its duties and obligations arising under the Receivership Order (as defined herein); and
- (e) releasing Deloitte from any and all liability that Deloitte now has, or may hereafter have, by reason of, or in any way related to, the acts or omissions of Deloitte while acting in its capacity as Receiver, save and except for gross negligence or wilful misconduct on the part of Deloitte.

Part 2: FACTUAL BASIS

1. Capitalized terms used but not otherwise defined in this Notice of Application have the meanings ascribed to them in the Third Report.

I. OVERVIEW

2. The Companies are British Columbia-based businesses that provide specialized aircraft and helicopter maintenance, repair and overhaul services locally and internationally.

3. This action began over a year ago as enforcement proceedings. It was then transitioned first into failed proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**”), and subsequently into a receivership, pursuant to the order pronounced by the Honorable Justice Gomery of the Supreme Court of British Columbia (the “**Court**”) on August 29, 2023 (the “**Receivership Order**”).
4. Pursuant to the terms of the RVO (as defined herein) 1206546 B.C. Ltd. (“**ResidualCo**”) replaced the Companies as Respondent in these proceedings and the style of cause was revised accordingly.

II. BACKGROUND

5. Pursuant to an order of the Court made November 17, 2023 (the “**November 17 Order**”), the Receiver was authorized to borrow up to \$500,000 (the “**Receivership Facility**”), to be advanced by RBC, for the purpose of carrying out its duties and powers under the Receivership Order.
6. The Receiver conducted an extensive sale process in respect of the Companies and their assets, as detailed in the Second Report, culminating in a subscription agreement entered into on March 8, 2024 (the “**Agreement**”) as between the Receiver, as vendor, and 0854271 B.C. Ltd. and 2155531 Ontario Inc. (together, the “**Purchaser**”), together as purchaser.
7. Pursuant to an order made April 10, 2024 (the “**RVO**”), this Court, among other things, approved the Agreement and the transactions contemplated therein, including the issuance of shares, cancellation of existing equity interests, incorporation of ResidualCo and vesting of liabilities and claims in ResidualCo (collectively, the “**Transaction**”).
8. The Transaction closed on May 3, 2024 and proceeds of \$849,250 were paid to the Receiver representing the Canadian dollar equivalent of the aggregate purchase price of USD \$670,000 (the “**Purchase Price**”), less the USD \$50,000 deposit previously paid by the Purchaser.

III. RECEIVER'S ACTIVITIES

9. The Reports collectively detail the activities of the Receiver since the Receiver's First Report to Court dated November 10, 2023 (the "**First Report**"), which include, but are not limited to, the following:
- (a) commencing the sale process and negotiating the terms of the Agreement;
 - (b) attending to closing of the Transaction;
 - (c) corresponding with Transport Canada Civil Aviation and Public Services and Procurement Canada regarding regulatory matters;
 - (d) arranging for the extension of insurance coverage up to the closing date of the Transaction;
 - (e) liaising with Canada Revenue Agency ("**CRA**") and Employment and Social Development Canada in relation to their respective statutory priority claims;
 - (f) attending to various statutory matters, including filing of all of the post-receivership Goods and Services ("**GST**") returns; and
 - (g) preparing the Reports and the confidential supplement to the Second Report dated March 19, 2024 for use by this Court.

IV. RECEIVER'S AND COUNSEL'S FEES

(i) *Final Statement of Receipts and Disbursements*

10. The Receiver's SRD for the period from August 29, 2023 to June 11, 2024, is attached as Appendix "A" to the Third Report. As set forth therein, as at June 11, 2024, the Receiver held a total balance of \$839,435 in its estate accounts.

(ii) *Receiver's and Fasken's Fees*

11. Pursuant to the Receivership Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements, in each case at their standard rates and charges. The Receivership Order further provides that the Receiver and its counsel will pass their accounts from time to time, with such accounts referred to a judge of this Court for determination (which may be by hearing before the judge on a summary basis).
12. The particulars of the fees for the Receiver and its counsel, Fasken (collectively, the “Fees”), are summarized in the Third Report, Affidavit #1 of Jeff Keeble made June 12, 2024 (the “Keeble Affidavit”) and Affidavit #1 of Lisa Hiebert made June 12, 2024 (the “Hiebert Affidavit”).
13. To the end of the periods for which the Fees have been billed, the Receiver’s fees total \$206,940 and Fasken’s fees total \$217,650, excluding applicable taxes.
14. The Receiver’s fees are summarized in the table below and further detailed in the Keeble Affidavit :

Invoice #	Invoice Date	Billing period	Hours billed	Fees	Disbursements	GST	Total
8004084927	2023-10-27	August 29, 2023 to September 30, 2023	170.7	\$ 76,730.00	\$ -	\$ 3,836.50	\$ 80,566.50
8004118727	2023-11-06	October 1, 2023 to October 31, 2023	81.5	39,460.00	-	1,973.00	41,433.00
8004277593	2023-12-18	November 1, 2023 to November 30, 2023	63.0	29,947.50	-	1,497.38	31,444.88
8004364776	2024-01-17	December 1, 2023 to December 31, 2023	27.1	12,990.00	44.21	651.71	13,685.92
8004592924	2024-03-25	January 1, 2024 to February 29, 2024	74.3	33,882.50	415.17	1,714.88	36,012.55
8004765465	2024-05-10	March 1, 2024 to April 30, 2024	29.7	13,472.50	-	673.63	14,146.13
Total			446.30	\$ 206,482.50	\$ 459.38	\$ 10,347.10	\$ 217,288.98

15. Fasken’s Fees are summarized in the table below and further detailed in the Hiebert Affidavit:

Invoice #	Invoice Date	Fees (\$)	Disbursements (\$)	GST/PST (\$)	Total (\$)
1903641	October 12 2023	20,398.00	0.00	2,447.76	22,845.76
1913238	November 6, 2023	50,058.00	693.04	6,041.61	56,792.65
1903641	November 7, 2023	(2,039.80)	0.00	(244.78)	(2,284.58)

1927436	December 14, 2023	29,762.10	570.80	3,595.64	33,928.54
1939510	December 31, 2023	2,604.00	77.25	316.34	2,997.59
1952174	February 14, 2024	26,557.50	4.00	3,187.10	29,748.60
1961218	March 8, 2024	19,838.25	8.50	2,380.59	22,227.34
1975003	April 9, 2024	45,484.20	2,088.30	5,556.04	53,128.54
1990801	May 17, 2024	21,210.75	335.32	2,562.06	24,108.13
TOTAL		213,873.00	3,777.21	25,842.36	243,492.57

16. The Receiver has reviewed Fasken's invoices in respect of the above and concluded that they are reasonable and appropriate in the circumstances.
17. Assuming this application is not opposed:
 - (a) the Receiver estimates that its fees and disbursements from the invoiced periods summarized above to the conclusion of this receivership will amount to approximately \$15,000, plus applicable taxes; and
 - (b) Fasken estimates that its fees and disbursements from May 4, 2024 to the conclusion of this matter will amount to approximately \$20,000, plus applicable taxes.
18. In the event that the Fee Approval & Discharge Order is granted as sought, prior to its filing the Discharge Certificate, the Receiver and Fasken will render final invoices for services rendered in relation to this matter (the "**Completion Invoices**").
19. RBC will also advance \$15,000 (the "**Bankruptcy Costs**"), as Receiver's borrowings in these proceedings, for the fees and costs to be incurred by the Receiver to assign Residual Co. into bankruptcy as authorized by the RVO.
20. The Receiver submits that its fees and the fees of its counsel are fair and reasonable in the circumstances, and that the time spent was necessary and the work was delegated to the

appropriate professionals within each firm. Accordingly, the Receiver seeks an order approving its fees and activities and approving the fees of its counsel.

V. CREDITORS AND PROPOSED DISTRIBUTIONS

21. RBC is the Companies' primary secured creditor and is owed more than \$3 million by the Companies pursuant to various credit facilities. RBC holds various registered security over the Companies' assets, undertakings and properties, along with other corporate and personal guarantees.
22. Pursuant to the Amended and Restated Initial Order made in the CCAA Proceedings on March 17, 2023 (the "**ARIO**"), as further amended, this Court granted an administration charge (the "**Administration Charge**") in the amount of \$350,000 in favour of FTI Consulting Canada Inc., DLA Piper (Canada) LLP and Clark Wilson LLP to secure amounts respectively owed to them for professional fees incurred in relation to the CCAA Proceedings. Pursuant to the ARIO, the Administration Charge has priority over all other claims.
23. After the Receivership Order was made, Clark Wilson LLP advised that \$225,000 would be applied to the fees secured by the Administration Charge, and that approximately \$134,000 would remain owing. The Receiver understands that an additional \$20,000 will be incurred to conclude the CCAA proceedings. The Monitor will bring an application, scheduled to be heard at the same time as this Application, to have the Monitor's fees and its counsel's fees approved and the Monitor discharged. The fees of that application are included in the \$20,000 estimate.
24. CRA has submitted property claims against the Company in the aggregate amount of \$70,107 (collectively, the "**CRA Claim**") in respect of outstanding deemed trust payroll deductions and outstanding GST.
25. Service Canada has filed a priority claim in the amount of \$9,725 (the "**WEPPA Claim**") in respect of amounts due and owing by the Companies under the Wage Earner Protection Program and *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("**WEPPA**").

26. The Receiver understands that WorkSafeBC is owed \$11,396 (the “**WorkSafe Claim**”, and together with the CRA Claim and the WEPPA Claim, the “**Priority Claims**”) in respect of outstanding premiums and WorkSafeBC has claimed a statutory lien on all property or proceeds of property used or produced by Aerospace pursuant to the *Workers’ Compensation Act*, R.S.B.C. 2019, c.1. (the “**WCA**”).
27. As at the date of the Third Report, the Receiver has borrowed \$325,000 under the Receivership Facility, which, in addition to interest thereon, remains due and payable to RBC.
28. Pursuant to the terms of a priority agreement dated July 7, 2017, made as between RBC and BDC, BDC holds a specific first-ranking security interest over a Laselec MRO 200-B Laser Wire Marker. RBC has consented to a distribution of USD \$20,000 (CAD \$27,383) to BDC from the Transaction proceeds, in respect of its specific security, without allocation of any costs incurred in the these receivership proceedings (the “**BDC Distribution**”).
29. Upon payment of all expenses required to complete this receivership including: (i) the amounts owed under the Administration Charge, to the maximum aggregate amount of \$125,000; (ii) the Fees, the fees owing under the Completion Invoices and the Bankruptcy Costs; (iii) the amounts owed in respect of the Priority Claims; (iv) the amounts owed under the Receivership Facility; and (v) the BDC Distribution, the Receiver intends to distribute all remaining funds to RBC (the “**Final Distribution**”). RBC is, however, expected to suffer a significant shortfall in the amount owed to it.
30. The Receiver’s counsel has reviewed the loan and security documents in favour of RBC and the Receiver is satisfied that, subject to the costs and charges detailed above, RBC has priority for the funds for the Final Distribution.

VI. RELEASE AND DISCHARGE

31. If the Fee Approval & Discharge Order is granted, subject to the Receiver making the Final Distribution contemplated above and pursuant thereto, the Receiver will have completed

its duties as set out in the Receivership Order, except for the following (the “**Concluding Matters**”):

- (a) destroying or returning the Company’s Records;
 - (b) preparing the final bank reconciliations and closing the Receiver’s bank account;
 - (c) preparing the final bank reconciliations and GST return on behalf of the Company and closing the Receiver’s GST account; and
 - (d) any other matters incidental to the wind up of the administration of the Receivership, including bankruptcy of ResidualCo.
32. The Concluding Matters are administrative and the Receiver is of the view that it is appropriate to seek the Fee Approval & Discharge Order approving its discharge, which discharge shall be effective upon the filing of the Discharge Certificate, and that doing so will benefit stakeholders by avoiding additional costs in these proceedings.
33. As a term of the Fee Approval & Discharge Order, the Receiver is also seeking a release from the Court in respect of any and all claims and obligations arising as a result of the Receiver acting in its respective capacities on behalf of the Company, excepting those claims and obligations arising as a result of gross negligence or willful misconduct.

Part 3: LEGAL BASIS

1. The Receiver relies on:
- (a) *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”);
 - (b) Rules 8-1 and 10-2 of the *Supreme Court Civil Rules*;
 - (c) the Receivership Order;
 - (d) the inherent and equitable jurisdiction of this Court; and
 - (e) such further and other legal basis as counsel may advise and this Honourable Court may allow.

2. The work performed by the Receiver and Fasken was done pursuant to, and in accordance with, the terms of the Receivership Order, the other orders of the Court made in these proceedings and the provisions of the BIA.

I. APPROVAL OF THE RECEIVER'S ACTIVITIES

3. The Court has inherent jurisdiction to review the activities of a court-appointed receiver and, if satisfied that the receiver has acted reasonably, prudently and not arbitrarily, to approve the activities set out in the receiver's report. The assessment of whether the receiver has acted "reasonably, prudent and not arbitrarily" is made on an objective basis.¹
4. There are good policy and practice reasons for the Court to provide a level of protection or the receiver by approving its activities, provided the benefit of the approval is limited to the receiver itself.²
5. The activities of the Receiver are summarized in Part 2 and are detailed in the Reports. The Receiver has reported to the Court, all interested parties and stakeholders throughout these proceedings. The Receiver carried out a transparent, orderly and timely sale process for the Company's assets and acted reasonably to preserve and capture as much value as possible for the Company's stakeholders. The activities of the Receiver have all been necessary and were conducted in accordance with its powers under the relevant orders made herein.
6. The Receiver respectfully submits that its activities, as described in the Reports, have been carried out in a reasonable, prudent and not arbitrary manner and, accordingly, seeks approval of its activities.

¹ *Leslie & Irene Dube Foundation Inc. v. P218 Enterprises Ltd.*, 2014 BCSC 1855, para. 54.

² *Hanfeng Evergreen Inc. (Re)*, 2017 ONSC 7161 at para. 17.

II. APPROVAL OF THE FEES

7. The Receivership Order expressly provides that the Receiver's accounts be referred to a judge of this Honourable Court and that the passage of those accounts be heard on a summary basis.³
8. There is no fixed rate or settled scale for determining a receiver's compensation. A receiver may either be allowed a percentage payment based on receipts, or a lump sum based on "the time, trouble and degree of responsibility involved". The governing principle is that a receiver's compensation should be measured by the "fair and reasonable" value of its services.⁴
9. This principle was adopted by the British Columbia Court of Appeal in *Bank of Montreal v. Nican Trading Co.*, [1990] B.C.J. No. 340 (B.C. C.A.) ["*Nican*"]. The Court of Appeal went on to list "relevant considerations" in determining whether a receiver's compensation was fair and reasonable, including:
 - (a) the value of the assets;
 - (b) complications and difficulties encountered by the receiver;
 - (c) the degree of assistance provided by the debtor;
 - (d) time spent by the receiver;
 - (e) receiver's knowledge, experience and skill;
 - (f) diligence and thoroughness;
 - (g) responsibilities assumed;
 - (h) results; and

³ Receivership Order, para. 21.

⁴ *Belyea v. Federal Business Development Bank*, [1983] N.B.J. No. 41 (N.B. C.A.) ["*Belyea*"], para. 3; see also: *Confectionately Yours Inc., Re*, [2002] O.J. No. 3569, para. 44.

- (i) cost of comparable services.⁵
10. Similar factors as considered on the assessment of a receiver's fees are also considered on the assessment of the accounts of legal counsel to a receiver, including, the:
- (a) time expended;
 - (b) complexity of the proceedings;
 - (c) degree of responsibility assumed by the lawyers;
 - (d) amount of money involved, including reference to the debt, amount of proceeds after realization and payments to the creditors;
 - (e) degree and skill of the lawyers involved;
 - (f) results achieved; and
 - (g) client's expectations as to the fee.⁶
11. In respect of the Receiver's fees, the Receiver submits that:
- (a) the fees were properly incurred, and commensurate with fees charged by other insolvency firms of a similar size for work of a similar nature and complexity in British Columbia;
 - (b) the work completed by the Receiver was delegated to the appropriate professionals with the appropriate seniority and hourly rates; and
 - (c) the Receiver's services were performed in a prudent and economical manner.
12. Similarly, the Receiver submits that Fasken's fees are fair and reasonable in the circumstances as:

⁵ *Bank of Montreal v. Nican Trading Co.*, [1990] B.C.J. No. 340 (B.C. C.A.) ["*Nican*"], paras. 23 – 32.

⁶ *Redcorp Ventures Ltd., Re*, 2016 BCSC 188, para. 33.

- (a) Fasken's professional fees and disbursements were properly incurred, and commensurate with fees charged by similar firms with the expertise and capacity to serve a matter of comparable size and complexity;
 - (b) the work completed by Fasken was delegated to the appropriate professionals with the appropriate seniority and hourly rates;
 - (c) Fasken's services were performed in a prudent and economical manner; and
 - (d) Fasken's invoices were provided to the Receiver when rendered, and all have been approved by the Receiver.
13. In respect the Receiver's fees and Fasken's fees, the Receiver notes that these proceedings included additional time and costs because: (a) multiple transactions were advanced to documentation, but were not ultimately able to be concluded; (b) the Receiver encountered resistance from the Companies' director that, among other things, required a hearing for directions in November 2023; (c) the application to approve the transaction that ultimately concluded was opposed and required a full day of Court time to be argued; and (d) the application that was concluded had delays in closing, which required additional time and discussions to advance closing.
14. In light of the foregoing, the Receiver submits that the Fees are reasonable in the circumstances and should now be approved, as the Receiver has substantially completed its mandate.

III. PROPOSED DISTRIBUTION

15. The Receiver seeks authorization from this Court to distribute all remaining funds held by it, upon payment of the amounts owing under the Administration Charge, the Fees, the amounts owing under the Completion Invoices and the Bankruptcy Costs, the the Priority Claims, the amounts owing under the Receivership Facility and the BDC Distribution, to RBC pursuant to its security interest.

16. Pursuant to the Receivership Order, the Administration Charge created under the ARIO is a first-ranking charge on all of the Company's assets.
17. In respect of the Priority Claims:
 - (a) the CRA Claim in respect of unremitted source deductions comprise a deemed claim trust against all assets of the Company;
 - (b) the WEPPA Claim is a priority statutory lien claim against all assets of the Company pursuant to the provisions of WEPPA and section 81.4 of the BIA; and
 - (c) the WorkSafe Claim is a priority statutory lien claim against all assets of the Company pursuant to the terms of the WCA.
18. Pursuant to the Receivership Order and the November 17 Order, the amounts owed under the Receivership Facility rank in priority to all claims against the Company and its assets, except for the amounts secured by the Administration Charge, the Fees and the amounts owing under the Completion Invoices and the Priority Claims.
19. As noted above, BDC holds a specific first-ranking security interest over a Laselec MRO 200-B Laser Wire Marker and RBC has consented to the BDC Distribution.
20. The Receiver's counsel has reviewed RBC's loan and security documents. Based on that review, the Receiver is satisfied that RBC holds a valid and perfected security interest in all of the Companies' present and after acquired personal property, subject to the claims and charges listed above and detailed in the Third Report.
21. Accordingly, the Receiver intends to make the Final Distribution to RBC in respect of the amounts owed to it on its credit facilities. RBC is expected to suffer a significant shortfall.

IV. DISCHARGE OF THE RECEIVER

22. The release sought by the Receiver on this application includes the language set forth in the British Columbia model discharge order, modified to include the appropriate carve outs for any claims arising from gross negligence or wilful misconduct on the part of the Receiver.
23. Upon the filing of the Discharge Certificate, the Receiver should be discharged.

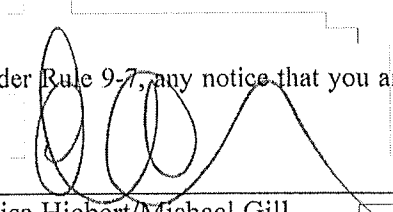
Part 4: MATERIAL TO BE RELIED ON

1. Order, granted August 29, 2023 (Receivership Order);
2. Receiver's First Report to Court, dated November 10 2023;
3. Receiver's Second Report to Court, dated March 19, 2024;
4. Receiver's Third Report to Court, dated June 12, 2024;
5. Affidavit #1 of Jeff Keeble, made June 12, 2024; and
6. Affidavit #1 of Lisa Hiebert, made June 12, 2024; and
7. Such further other materials as counsel may advise and this Honourable Court may allow.

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).

Dated: June 12, 2024



Lisa Hiebert/Mishaal Gill
Lawyer for MNP Ltd., in its capacity as
Receiver

<i>To be completed by the court only:</i>	
Order made	
<input type="checkbox"/>	in the terms requested in paragraphs of Part 1 of this Notice of Application
<input type="checkbox"/>	with the following variations and additional terms:
Date:
	Signature of <input type="checkbox"/> Judge <input type="checkbox"/> Associate Judge

The Solicitors for MNP Ltd. are Fasken Martineau DuMoulin LLP, whose office address and address for delivery is 2900 - 550 Burrard Street, Vancouver, BC V6C 0A3 Telephone: +1 604 631 3131 (Reference: Mishaal Gill /278733.00019)

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- ☐ 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
- ☒ OTHER

SCHEDULE "B"

Fee Approval & Discharge Order

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ROYAL BANK OF CANADA

PLAINTIFF

AND:

1206546 B.C. LTD. and THOMAS GEORGE JACKSON

DEFENDANTS

ORDER MADE AFTER APPLICATION
(FEE APPROVAL & DISCHARGE)

BEFORE) THE HONOURABLE JUSTICE GOMERY)
)) June 21, 2024
))

ON THE APPLICATION OF Deloitte Restructuring Inc., in its capacity as receiver and receiver-manager (in such capacity the “**Receiver**”) of Canwest Aerospace Inc. and Can West Global Airparts Inc. (together, “**CanWest**” or the “**Companies**”) coming on for hearing at Vancouver, British Columbia, on this day, AND ON HEARING Mishaal Gill, counsel for the Receiver, those counsel listed in Schedule “A” hereto, and no one else despite being served; AND UPON READING the materials filed, including the Second Report of the Receiver to the Court dated March 19, 2024 (the “**Second Report**”) and the Third and Final Report of the Receiver to the Court dated June 11, 2024 (the “**Third Report**”, and together with the First Report, the “**Receiver’s Reports**”);

THIS COURT ORDERS that:

1. The time for service of the Notice of Application filed June 19, 2024 and supporting materials is hereby abridged such that the Notice of Application is properly returnable today and service thereof upon any interested party other than those parties on the service list maintained by the Receiver in this proceeding be and is hereby dispensed with.

2. The activities of the Receiver as described in the Receiver's Reports be and are hereby approved, provided however that only Deloitte Restructuring Inc. in its personal capacity and only with respect to its own personal liability shall be entitled to rely upon or utilize in any way such approval.
3. The Receiver's statement of receipts and disbursements, in the form attached as Appendix "A" to the Third Report, be and is hereby approved.
4. The Receiver's accounts for professional fees and disbursements for the period August 9, 2023 to April 30, 2024, in the amount of \$217,288.98, inclusive of applicable taxes, be and are hereby approved.
5. The Receiver's estimated further fees and disbursements of approximately \$15,000, plus applicable taxes, for the period of May 1, 2024 to the completion of this matter be and are hereby approved.
6. The Receiver's estimated further fees and disbursements of approximately \$15,000, plus applicable taxes, to be incurred in relation to the assignment into bankruptcy of the Respondent, 1206546 B.C. Ltd., be and are hereby approved.
7. The accounts for professional fees and disbursements of the Receiver's legal counsel, Fasken Martineau DuMoulin LLP ("**Fasken**"), for the period September 7, 2023 to May 3, 2024, in the amount of \$243,492.57, inclusive or applicable taxes, be and are hereby approved.
8. Fasken's estimated further fees and disbursements of approximately \$20,000, plus applicable taxes, for the period of May 4, 2024, to the completion of this matter be and are hereby approved.
9. After payment of: (i) the amounts due and owing to FTI Consulting Canada Inc., DLA Piper (Canada) LLP and Clark Wilson LLP in respect of the amounts respectively owed to them, to the maximum aggregate amount of \$125,000, for professional fees and secured by the administration charge granted in the Amended and Restated Initial Order made March 17, 2023, as amended, in Supreme Court of British Columbia Action number 231354 (Vancouver Registry); (ii) the fees of the Receiver as herein approved; and (iii) the fees

and disbursements of Fasken as herein approved; (iv) the amounts due and owing to Service Canada, WorkSafeBC and Canada Revenue Agency in respect of their statutory priority claims; (v) repayment of the amounts due and owing to Royal Bank of Canada (“RBC”) under the Receiver’s Borrowings Charge (as defined in the Receivership Order); and (vi) the amount of \$27,383 to Business Development Bank of Canada, the Receiver shall pay to the Petitioner, RBC, all funds remaining in its hands, subject to the Receiver maintaining sufficient funds to complete the administration of the receivership.

10. Upon payment of the amounts set out in paragraph 9 hereof and upon the Receiver filing a certificate certifying that it has completed the remaining outstanding activities described in the Third Report, the Receiver shall be discharged as Receiver of the assets, undertakings and property of the Company, provided that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Receiver shall continue to have the benefit of the provisions of all orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Deloitte Restructuring Inc. in its capacity as Receiver.
11. Deloitte Restructuring Inc., in its capacity as Receiver, shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of any order made in these proceedings, 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 Deloitte Restructuring Inc., in its capacity as Receiver, by section 14.06 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “BIA”), or by any other applicable legislation.

12. Notwithstanding any provision herein, this Order shall not affect any person to whom notice of these proceedings was not delivered as required by the BIA and regulations thereto, any other applicable enactment or any other Order of this Court.

13. The Receiver may apply to this Court for advice and directions in relation to this order and any related matters.
14. 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.
15. Endorsement of this Order by counsel appearing, other than counsel for the Receiver, is hereby 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 Mishaal Gill
Lawyer for the Receiver

BY THE COURT

REGISTRAR

SCHEDULE "A"

List of Counsel
