



Affidavit of Jeff Keeble #1
Sworn: March 28, 2019

No. B-190200
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF
NETWORK INTELLIGENCE INC.**

AFFIDAVIT

I, **JEFF KEEBLE**, Licensed Insolvency Trustee, of 1055 Dunsmuir Street – Suite 2800, Vancouver, British Columbia, do solemnly SWEAR (or AFFIRM) THAT:

1. I am a Licensed Insolvency Trustee and a Senior Vice President of Deloitte Restructuring Inc. in its capacity as trustee (the “Trustee”) in the bankruptcy of Network Intelligence Inc. (“NI”) and as such I have personal knowledge of the facts and matters hereinafter deposed to save and except where the same are stated to be on information and belief and where so stated I verily believe them to be true.
2. On October 31, 2017, Deloitte Restructuring Inc. was appointed receiver-manager (the “Receiver”) of NI with, among other things, the power to assign NI into bankruptcy.
3. On November 3, 2017, the Receiver assigned NI into bankruptcy and the Trustee was appointed.
4. The Trustee called a first meeting of creditors that took place on November 22, 2017. I acted as chair. At that meeting the following individuals volunteered and were appointed by the general body of creditors to act as inspectors:
 - (a) Belinda Yang;
 - (b) Nancy Wang;
 - (c) Fang Liu;

(d) Vivian Wang; and

(e) Sarah Nelligan.

5. Immediately after the first meeting of creditors, the Trustee held the first meeting of inspectors. I again acted as chair. All inspectors attended.

6. At the first meeting of inspectors, I provided the inspectors with an overview of the inspectors' role and provided each inspector with a copy of the inspector handbook issued by the Office of the Superintendent of Bankruptcy.

7. Shortly after the end of the first meeting of inspectors, Vivian Wang resigned as inspector, her resignation is recorded in the minutes. Attached hereto and marked as **Exhibit "A"** is a copy of the minutes of the first meeting of inspectors and the attendance list dated November 22, 2017.

8. Beginning on August 2, 2018 the Trustee made numerous attempts to contact the inspectors by email and phone in order to schedule a second meeting of creditors. Ms. Nelligan, who is a Vancouver-based lawyer who initially acted for a secured creditor of NI, has been responsive. The other inspectors, Ms. Yang, Ms. Wang, and Ms. Liu have not been responsive. The only time that the Trustee has heard from any of them in regard to their rolls as inspectors is in an August 9, 2018 e-mail from Ms. Yang in which she advised being unavailable for three proposed dates during the week of August 27, 2018.

9. Attached hereto as **Exhibit "B"** is a package of various correspondence sent by Dominic Davis, a senior associate with the Trustee, to the Inspectors dating from August 1, 2018 to September 25, 2018 with redundant pages removed. Also included in the package is the brief response from Ms. Yang dated August 9, 2018.

10. On October 9, 2018, Mr. Davis e-mailed Ms. Yang, Ms. Wang, and Ms. Liu requesting confirmation of their intent to remain as inspectors and indicating that no response would be taken as an intent to resign. A copy of this e-mail is attached hereto as **Exhibit "C"** together with a delivery report. No response was received to this e-mail.

11. None of Ms. Yang, Ms. Wang or Ms. Liu have filed a proof of claim in the bankruptcy of NI, but they have all had some connection with NI and its insolvency proceedings.

12. I am advised by Trustee's counsel, Jonathan Ross, that Ms. Wang appeared in court in related proceedings on February 14, 2019 and identified herself as the trustee of the Yiwang Family Trust. Attached hereto as **Exhibit "D"** is a copy of the court order made on February 14, 2019 which shows Ms. Wang appearing in that capacity.
13. Yiwang Family Trust filed a proof of claim in the bankruptcy that the Trustee disallowed for lack of support.
14. The phone number provided by Ms. Liu upon her appointment as inspector is identical to the phone number provided on a proof of claim filed by Liu Chang Hai in the bankruptcy. The Trustee disallowed the proof of claim of Liu Chang Hai for lack of support.
15. Both the Yiwang Family Trust and Ms. Liu participated in the receivership of NI as part of a consortium that presented itself as a potential purchaser of the assets of NI from the Receiver. In December 2017, the consortium successfully sought an extension of the bid deadline in the sale procedure but in the end did not submit a bid. Attached hereto as **Exhibit "E"** is a copy of the court order made on December 14, 2017 identifying the Yiwang Family Trust and Ms. Liu as members of the consortium.
16. The Yiwang Family Trust and Ms. Liu are also part of a group that commenced three separate lawsuits against various parties since the sale of the assets of NI. The lawsuits make numerous unsupported allegations including an allegation of fraud against Deloitte Restructuring Inc. Each of the three lawsuits has been dismissed or discontinued, although cost determinations remain outstanding for at least one of them. Attached hereto as **Exhibit "F"** is a copy of the Notice of Civil Claim filed in Supreme Court of British Columbia ("**SCBC**") Action No. S1810832. Attached hereto as **Exhibit "G"** is a copy of the Petition filed in SCBC Action No. S1812538. Attached hereto as **Exhibit "H"** is a copy of the Petition filed in SCBC Action No. S1812539.
17. To the Trustee's knowledge, Ms. Yang is not connected to any entity that has either filed a proof of claim in the bankruptcy, participated in the receivership, or participated in the lawsuits described above. Ms. Yang's name does appear on certain documents related to subscription agreements that were reviewed by the Trustee. Ms. Yang appears to have signed some of these documents as a signatory for Istuary Investment Management Inc. as general partner of various limited partnerships which carried the Istuary name.

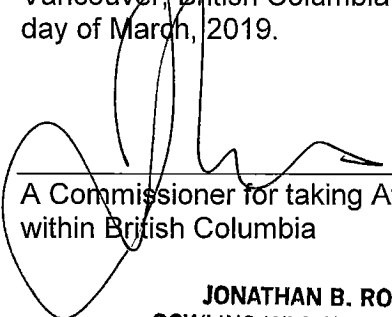
18. Ms. Wang, Ms. Yang and Ms. Liu have been effectively unreachable since the first meeting of creditors in late 2017. Without their attendance at an inspectors meeting there cannot be quorum. Without a quorum of inspectors, the Trustee cannot complete the administration of the estate of NI.

19. Calling a meeting of creditors of NI to revoke the appointments of Ms. Wang, Ms. Yang and Ms. Liu would be impractical as there are only five creditors with proven claims, of which three are located outside of Canada and the remaining two are government entities. I do not believe any of these creditors would be interested in attending a meeting for this purpose and especially when there are no funds available for distribution in the bankruptcy.


20. The Trustee seeks an order removing Ms. Wang, Ms. Yang and Ms. Liu as inspectors so that the administration can continue and be completed with Ms. Nelligan as sole inspector.

SWORN (or AFFIRMED) BEFORE ME at)
Vancouver, British Columbia, this 28th)
day of March, 2019.)

_____)
A Commissioner for taking Affidavits
within British Columbia)



JONATHAN B. ROSS
GOWLING WLG (CANADA) LLP
BARRISTER & SOLICITOR
550 BURRARD STREET - SUITE 2300
BENTALL 5 - VANCOUVER, B.C. V6C 2B5
TELEPHONE: (604) 891-2778



JEFF KEEBLE

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF **JEFF KEEBLE**, SWORN/AFFIRMED
BEFORE ME AT VANCOUVER, BC, THIS 28 DAY OF
MARCH, 2019.


A Commissioner for taking Affidavits within British Columbia

Estate No. 11-2311366
Court No. 11-2311366
Vancouver Registry

**IN THE MATTER OF THE BANKRUPTCY OF
NETWORK INTELLIGENCE INC.
OF THE CITY OF VANCOUVER
IN THE PROVINCE OF BRITISH COLUMBIA**

**MINUTES OF THE FIRST MEETING OF INSPECTORS
HELD ON NOVEMBER 22, 2017 AT 11:15AM
AT THE OFFICES OF DELOITTE RESTRUCTURING INC.
2800 – 1055 DUNSMUIR STREET VANCOUVER, BC**

INTRODUCTION

1. Jeff Keeble (the "Trustee" from Deloitte Restructuring Inc. ("Deloitte")) called the first meeting of inspectors ("FMOI") in the bankruptcy of Network Intelligence Inc. (the "Company" or "Network") to order at 11:15 am (PST). Ms. Iris Zhou, also of Deloitte, acted as Secretary for the FMOI.
2. The following inspectors (the "Inspectors") were in attendance:
 - a. Belinda Yang;
 - b. Nancy Wong;
 - c. Fang Liu;
 - d. Vivian Wang; and
 - e. Sarah Nelligan from Lawson Lundell LLP (legal counsel to 1130489 B.C. Ltd. ("113"))
3. The Trustee provided an overview of the inspector role and provided each of the Inspectors with an inspector handbook issued by the Office of the Superintendent of Bankruptcy.

ADMINISTRATIVE MATTERS

4. The Trustee discussed the following matters with the Inspectors:
 - a. The retention of legal counsel by the Trustee if required. The Trustee indicated that it had already retained Gowling WLG ("Gowling") in the receivership of the Company and Gowling had performed the review of the security held by 113 as against Network.
 - b. The waiver of fees to Inspectors for attending inspector meetings; and
 - c. The holding of inspector meetings by conference call.
5. Based on the above discussion, the following motion was approved.

Motion: To approve the retention of Gowling as legal counsel for the Trustee, to waive the payment of any inspector fees and to allow meetings to be held by conference call.

Motion> Sarah Nelligan
Second> Nancy Wong
All in favour, none opposed.

GENERAL DISCUSSION

6. A general discussion was held with the Inspectors around many of the same issues raised and outlined in the minutes from the first meeting of creditors in the bankruptcy and the Trustee made the following comments:
 - a. The claim of 113 and the various agreements with the Company and the interest rates charged would be reviewed in detail by the Trustee;
 - b. The Receiver would be moving to send out teasers to all identified interested parties, including the party who submitted the letter of intent just prior to the receivership, pursuant to the Court approved sales process;
 - c. The Inspectors would not be provided with copies of any other offers received for the assets of Network during the sales process or informed of who was bidding in order to ensure the process was kept confidential;
 - d. The Trustee would review and share all claims filed against Network with management of the Company and the inspectors; and
 - e. The Istuary Investors were encouraged to file any claims that they or the Istuary Group may have against Network in regards to the convertible or other debt and were directed to consult legal counsel in regards to the issues raised. Sarah Nelligan also encouraged the Istuary Investors to seek legal counsel, especially counsel familiar with insolvency law.

ADJOURNMENT OF THE MEETING

7. The Trustee thanked those in attendance and indicated that the next meeting would likely be held after the bid deadline of December 15, 2017. The following motion was approved to adjourn the FMOI at 11:40 am (PST).

Motion: To adjourn the FMOI.

Motion> Sarah Nelligan
Second> Nancy Wong
All in favour, none opposed.

8. Shortly after the end of the meeting, Vivian Wang resigned as an inspector.

Dated at Vancouver, this 22nd day of November 2017.

Jeff Keeble, CPA, CA, CBV, CIRP, LIT
Chairperson



Industry Canada

Industrie Canada

ATTENDANCE LIST

LISTE DES PRÉSENCES

Estate Number - N° de l'actif

4

Office of the Superintendent of Bankruptcy

Bureau du Surintendant des faillites

Debtor and Representatives - Débiteur et Représentants

Trustees and Representatives - Syndic et Représentants

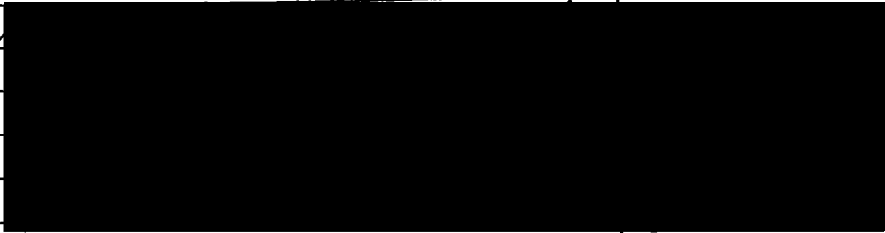
Creditors present or represented - Créanciers présents ou représentés

AMOUNT Proven Claim MONTANT Réclamation prouvée

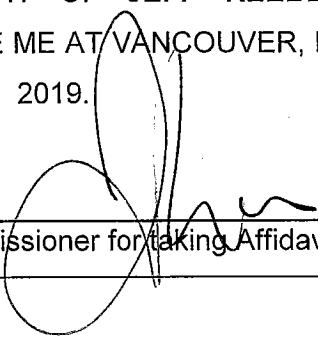
NAME - NOM

REPRESENTING - REPRÉSENTE

~~Hsuan Wang~~
Nancy Wang
Fang Liu
Belinda Yang
Sarah Nelligan



THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF **JEFF KEEBLE**, SWORN/AFFIRMED
BEFORE ME AT VANCOUVER, BC, THIS 28th DAY OF
MARCH, 2019.



A Commissioner for taking Affidavits within British Columbia

Davis, Dominic (CA - British Columbia)

From: Davis, Dominic (CA - British Columbia)
Sent: Wednesday, August 8, 2018 2:23 PM
Subject: Network Intelligence Inc. - Inspectors' Meeting

Bcc:



Hello,

In the matter of the bankruptcy of Network Intelligence Inc. please note that an Inspectors' Meeting will be held to:

- Review and approve the Trustee's fees to Discharge;
- Review and approve the Trustee's final statement of receipts and disbursements; and
- Seek the Inspectors' approval for the Trustee's discharge.

The tentative dates for this meeting are:

- August 27, 2018 at 2 PM;
- August 30 2018 at 2 PM; and
- August 31, 2018 at 2 PM.

Please respond to this email to indicate your preferred date.

Please also note that documents for review will be circulated closer to the date of the meeting.

DELOITTE RESTRUCTURING INC.

In its capacity as Trustee of the Estate of Network Intelligence Inc., a bankrupt, and not in its personal capacity.

Dominic Davis

Deloitte Restructuring Inc.

2800 - 1055 Dunsmuir Street, Vancouver BC V7X 1P4
D: +1 (604) 640 4905 | M: +1 (778) 828 1908
domindavis@deloitte.ca | deloitte.ca

Davis, Dominic (CA - British Columbia)

From: [REDACTED]
Sent: Thursday, August 9, 2018 5:18 PM
To: Davis, Dominic (CA - British Columbia)
Subject: Re: Network Intelligence Inc. - Inspectors' Meeting

Sorry that I won't be available in those days.

Belinda

Sent from my iPhone

On Aug 8, 2018, at 11:23 AM, Davis, Dominic (CA - British Columbia) <domindavis@deloitte.ca> wrote:

Hello,

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Davis, Dominic (CA - British Columbia)

From: Davis, Dominic (CA - British Columbia)
Sent: Friday, August 10, 2018 5:17 PM
To: 'Belinda Yang'
Subject: RE: Network Intelligence Inc. - Inspectors' Meeting

Hi Belinda,

Thank you for the confirmation.

We will let you know if there are any changes in the proposed dates.

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Davis, Dominic (CA - British Columbia)

Subject: Network Intelligence Inc. - Inspectors' Meeting
Location: Teleconference

Start: Thu 9/13/2018 5:00 PM
End: Thu 9/13/2018 5:30 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: Davis, Dominic (CA - British Columbia)
Required Attendees: [REDACTED]

Hello,

Further to the below, please note that the Inspectors Meeting in the matter of the bankruptcy of Network Intelligence Inc. has been scheduled for Thursday, September 13, 2018 at 2:00pm.

Please also note that this meeting will be by teleconference to make it easier for you to participate. The dial-in details are provided below.

Please accept or decline this meeting invite to confirm if you can or will be unable to attend.

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In its capacity as Trustee of the Estate of Network Intelligence Inc., a bankrupt, and not in its personal capacity.

Dominic Davis

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Location: Teleconference

Start: Thu 9/13/2018 2:00 PM
End: Thu 9/13/2018 2:30 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: Davis, Dominic (CA - British Columbia)
Required Attendees: [Redacted]
Optional Attendees: [Redacted]

Hello,

Further to the below, please note that the Inspectors Meeting in the matter of the bankruptcy of Network Intelligence Inc. has been rescheduled for Thursday, September 13, 2018 at 11:00am.

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From: Davis, Dominic (CA - British Columbia)
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Davis, Dominic (CA - British Columbia)

From: Davis, Dominic (CA - British Columbia)
Sent: Monday, September 10, 2018 5:55 PM
To: [REDACTED]
Subject: RE: Network Intelligence Inc. - Inspectors' Meeting

Importance: High

Hi Belinda,

I'm just following up to see if you received our meeting request below.

Please let me know as soon as possible if you'll be able to attend by phone on **Thursday, September 13, 2018 at 11:00am.**

DELOITTE RESTRUCTURING INC.

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-----Original Appointment-----

From: Davis, Dominic (CA - British Columbia)
Sent: Friday, September 7, 2018 4:25 PM
To: [REDACTED]
Cc: Nelligan, Sarah
Subject: Network Intelligence Inc. - Inspectors' Meeting
When: Thursday, September 13, 2018 11:00 AM-11:30 AM (UTC-08:00) Pacific Time (US & Canada).
Where: Teleconference

Hello,

Further to the below, please note that the Inspectors Meeting in the matter of the bankruptcy of Network Intelligence Inc. has been rescheduled for Thursday, September 13, 2018 at 11:00am.

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domindavis@deloitte.ca | deloitte.ca

K

Davis, Dominic (CA - British Columbia)

Subject: Canceled: Network Intelligence Inc. - Inspectors' Meeting
Location: Teleconference

Start: Thu 9/13/2018 2:00 PM
End: Thu 9/13/2018 2:30 PM
Show Time As: Free

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: Davis, Dominic (CA - British Columbia)
Required Attendees: [REDACTED]
Optional Attendees: [REDACTED]

Importance: High

Hello,

Please note that this meeting is being cancelled due to inspector availability. A subsequent email will be sent with the rescheduled date and time.

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16

Davis, Dominic (CA - British Columbia)

From: Davis, Dominic (CA - British Columbia)
Sent: Wednesday, September 12, 2018 7:58 PM
To: [REDACTED]
Cc: Keeble, Jeff (CA - British Columbia)
Subject: RE: Network Intelligence Inc. - Inspectors' Meeting

Hello,

Further to the below, we would like to reschedule the Inspectors' Meeting to **Monday September 17, 2018** at either of the following times:

- 10:00 AM; or
- 2:00 PM

Please respond to this email to indicate your preferred time.

Please also note that this meeting will be by teleconference and dial-in details will be provided.

The proposed agenda for the meeting will be as follows:

1. Review of minutes from the previous meeting.
2. General update.
3. Review of statements of receipts and disbursements.
4. Review of Trustee's fees for approval.
5. Any other matters.

Documents for review will be provided in advance of the meeting.

DELOITTE RESTRUCTURING INC.
In its capacity as Trustee of the Estate of
Network Intelligence Inc., a bankrupt,
and not in its personal capacity.

Dominic Davis
Deloitte Restructuring Inc.
2800 - 1055 Dunsmuir Street, Vancouver BC V7X 1P4
D: +1 (604) 640 4905 | M: +1 (778) 828 1908
domindavis@deloitte.ca | deloitte.ca

-----Original Appointment-----

From: Davis, Dominic (CA - British Columbia)
Sent: Wednesday, September 12, 2018 11:56 AM
To: [REDACTED]
Cc: Nelligan, Sarah
Subject: Canceled: Network Intelligence Inc. - Inspectors' Meeting
When: Thursday, September 13, 2018 11:00 AM-11:30 AM (UTC-08:00) Pacific Time (US & Canada).
Where: Teleconference
Importance: High

Hello,

Please note that this meeting is being cancelled due to inspector availability. A subsequent email will be sent with the rescheduled date and time.

Davis, Dominic (CA - British Columbia)

From: Davis, Dominic (CA - British Columbia)
Sent: Tuesday, September 25, 2018 7:35 PM
To: [REDACTED]
Cc: Keeble, Jeff (CA - British Columbia)
Subject: FW: Network Intelligence Inc. - Inspectors' Meeting
Importance: High

Hello,

Please note that we are rescheduling the Inspectors' Meeting to **Friday September 28, 2018** at either of the following times:

- 10:00 AM; or
- 2:00 PM

Please respond to this email to indicate your preferred time as soon as possible.

Regards,

DELOITTE RESTRUCTURING INC.
In its capacity as Trustee of the Estate of
Network Intelligence Inc., a bankrupt,
and not in its personal capacity.

Dominic Davis
Deloitte Restructuring Inc.
2800 - 1055 Dunsmuir Street, Vancouver BC V7X 1P4
D: +1 (604) 640 4905 | M: +1 (778) 828 1908
domindavis@deloitte.ca | deloitte.ca

From: Davis, Dominic (CA - British Columbia)
Sent: Wednesday, September 12, 2018 4:58 PM
To: [REDACTED]

Cc: Keeble, Jeff (CA - British Columbia) <jkeeble@deloitte.ca>
Subject: RE: Network Intelligence Inc. - Inspectors' Meeting

Hello,

Further to the below, we would like to reschedule the Inspectors' Meeting to **Monday September 17, 2018** at either of the following times:

- 10:00 AM; or
- 2:00 PM

Please respond to this email to indicate your preferred time.

Please also note that this meeting will be by teleconference and dial-in details will be provided.

The proposed agenda for the meeting will be as follows:

1. Review of minutes from the previous meeting.
2. General update.
3. Review of statements of receipts and disbursements.

Davis, Dominic (CA - British Columbia)

Subject: Network Intelligence Inc. - Inspectors' Meeting
Location: Teleconference

Start: Fri 9/28/2018 1:00 PM
End: Fri 9/28/2018 2:00 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: Davis, Dominic (CA - British Columbia)

Required Attendees: [Redacted]
Optional Attendees: [Redacted]

Hello,

This is to confirm the inspectors' meeting on September 28, 2018 at 10 AM.

The agenda for the meeting is as follows:

1. Review and approval of the minutes from the previous meeting.
2. General update.
3. Review of statements of receipts and disbursements.
4. Review of Trustee's fees for approval.
5. Any other matters.

Please also find the following attached for your review prior to the meeting:

- Minutes of the inspectors meeting held on November 22, 2017;
- Interim Statement of Receipts and Disbursements to September 5, 2018; and
- Trustee's invoice for the period from November 1, 2017 to September 6, 2018.

The dial-in details for the meeting are as follows:

.....
Join Skype Meeting

Trouble Joining? [Try Skype Web App](#)

Join by phone

+1-416-643-3390,,44188474# (CANADA, Toronto)	English (United States)
+1-877-804-0660,,44188474# (CANADA, Toronto)	English (United States)
+1-877-393-7360,,44188474# (CANADA, Toronto)	French (Canada)

[Find a local number](#)

Conference ID: 44188474

[Forgot your dial-in PIN?](#) | [Help](#)

Feel free to let me know if you have any questions or concerns.

DELOITTE RESTRUCTURING INC.

In its capacity as Trustee of the Estate of
Network Intelligence Inc., a bankrupt,
and not in its personal capacity.

Dominic Davis

Deloitte Restructuring Inc.

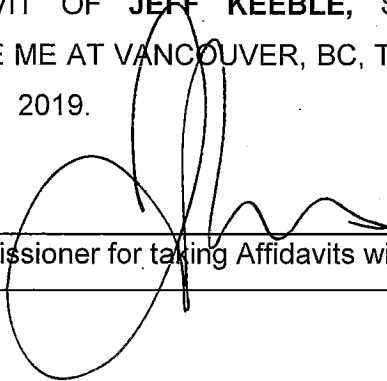
2800 - 1055 Dunsmuir Street, Vancouver BC V7X 1P4

D: +1 (604) 640 4905 | M: +1 (778) 828 1908

domindavis@deloitte.ca | deloitte.ca

20

THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF **JEFF KEEBLE**, SWORN/AFFIRMED
BEFORE ME AT VANCOUVER, BC, THIS 28th DAY OF
MARCH, 2019.



A Commissioner for taking Affidavits within British Columbia

Davis, Dominic (CA - British Columbia)

From: Davis, Dominic (CA - British Columbia)
Sent: Tuesday, October 9, 2018 1:18 PM
To: [REDACTED]
Cc: Keeble, Jeff (CA - British Columbia); McKie, Melinda (CA - British Columbia)
Subject: FW: Network Intelligence Inc. - Inspectors' Meeting
Attachments: NI - 2nd mtg signed inspector resolution.pdf; NI - 1st Meeting of Inspectors - DRAFT.pdf; NI - Minutes of 2nd Meeting of Inspectors - DRAFT.pdf

Importance: High

Tracking:	Recipient	Delivery	Read
	'belindamba@gmail.com'		
	'liufangword@aliyun.com'		
	'nancywhi@gmail.com'		
	Keeble, Jeff (CA - British Columbia)	Delivered: 10/9/2018 1:22 PM	Read: 10/9/2018 1:29 PM
	McKie, Melinda (CA - British Columbia)	Delivered: 10/9/2018 1:22 PM	

Belinda, Nancy and Fang,

Further to my previous emails and calls, we have still not heard back from you in regards to your role as an inspector in the bankruptcy of Network Intelligence Inc. (the "Bankruptcy"). As we could not get in touch with you, the second meeting of inspectors in the Bankruptcy was rescheduled multiple times and was finally held on September 28, 2018. Unfortunately only 1 of the 4 inspectors was present at the meeting so there was no quorum present and all inspector resolutions require the approval of 3 of the 4 inspectors in order to be valid. A copy of the draft minutes from the 2nd meeting along with the inspector resolution are attached for your reference.

As the Trustee needs the majority of inspectors present at meetings to get things approved, such as fees, certain actions of the Trustee, and the statement of receipts and disbursements, we require your attendance.

If you are still interested in being an inspector, please let us know. Alternatively, if you are no longer interested in being an inspector or are not available, please reply with an email simply stating that you have resigned as an inspector. If we do not hear back from you either way by October 26, 2018, we will assume that you have resigned as an inspector effective that date.

If you have any questions or require further information, please advise.

Regards,

DELOITTE RESTRUCTURING INC.
In its capacity as Trustee of the Estate of Network Intelligence Inc., a bankrupt, and not in its personal capacity.

Dominic Davis
Deloitte Restructuring Inc.
2800 - 1055 Dunsmuir Street, Vancouver BC V7X 1P4
D: +1 (604) 640 4905 | M: +1 (778) 828 1908
domindavis@deloitte.ca | deloitte.ca

Davis, Dominic (CA - British Columbia)

From: Microsoft Outlook
To: [REDACTED]
Sent: Tuesday, October 9, 2018 1:20 PM
Subject: Relayed: FW: Network Intelligence Inc. - Inspectors' Meeting

Delivery to these recipients or groups is complete, but no delivery notification was sent by the destination server:

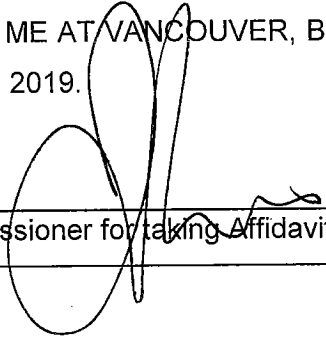


Subject: FW: Network Intelligence Inc. - Inspectors' Meeting



FW: Network
Intelligence Inc. ...

THIS IS EXHIBIT "D" REFERRED TO IN THE
AFFIDAVIT OF JEFF KEEBLE, SWORN/AFFIRMED
BEFORE ME AT VANCOUVER, BC, THIS 28th DAY OF
MARCH, 2019.


A Commissioner for taking Affidavits within British Columbia



24

NO. S1810832
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

0924509 B.C. LTD., HARRISON HUAN, YIWANG FAMILY TRUST, 0882682 B.C. LTD., MICHAEL DAY, LIHUA ZHANG, FANG LIU, XIN YANG, XINYU CHEN, FANG WANG, SHENGLI MU, MINLIAN CHEN, CANADA W.Y. HOLDINGS LTD., LING ZHAO, HAO TANG, MINGHUI ZHENG, ZHIPING YAN, DYLAN HOLDINGS LTD, QUAN GU, TING GUO, YUEFANG HUANG, LIWEN YIN, CHUNYU LIU, ZHONGPING ZHANG, DAN ZHANG, FANG LIU, XUEXIN GUAN

PLAINTIFFS

AND:

YI AN SUN a.k.a YIAN SUN a.k.a ETHAN SUN, YULAN HU, JICHUN GE, NETWORK INTELLIGENCE INC., SHUANGJIE YANG, MARTIN SZLAVY, ZHI XIONG CHEN a.k.a CHI HUNG CHAN a.k.a TSZ HUNG CHAN, XIAO JING ZHOU, NETINT TECHNOLOGIES INC. a.k.a 1130489 B.C. LTD., LIXIN WANG and SHI GANG WANG

DEFENDANTS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE) Thursday, the 14th day
MADAM JUSTICE JACKSON) of February, 2019

ON THE HEARING OF THE APPLICATION OF THE DEFENDANTS, NetInt Technologies Inc. a.k.a. 1130489 B.C. Ltd., Lixin Wang and Shi Gang Wang (the "**Applicants**"), filed January 16, 2019 (the "**Application**"), being heard at 800 Smithe Street, Vancouver, British Columbia on February 14, 2019, and on hearing Kimberley Robertson, counsel for the Applicants, Nancy Wang as trustee on behalf of the Yiwang Family Trust, Michael Day on his own behalf and Harrison Huan on his own behalf, and no one else appearing although duly served,

THIS COURT ORDERS that:

1. The Application be adjourned to Friday, February 22, 2019;



2. Costs of this application shall be in the cause.
3. Approval as to form of this Order other than by counsel for the Applicants is hereby dispensed with.

Kimberley A. Robertson
Counsel for NetInt Technologies Inc. a.k.a.
1130489 B.C. Ltd., Lixin Wang and Shi Gang
Wang

By the Court

Digitally signed by
Maja Novcic

Registrar

NO. S1810832
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

0924509 B.C. LTD., ET AL

PLAINTIFFS

AND:

YI AN SUN a.k.a YIAN SUN a.k.a ETHAN SUN, ET AL.

DEFENDANTS

ORDER

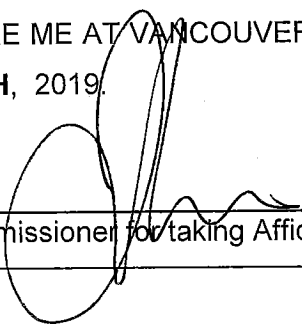


Barristers & Solicitors
1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2

Phone: (604) 685-3456
Attention: Kimberly A. Robertson

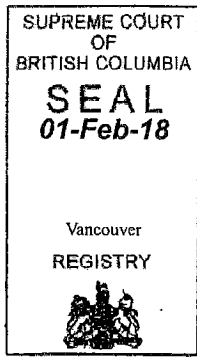
26

THIS IS EXHIBIT "E" REFERRED TO IN THE
AFFIDAVIT OF **JEFF KEEBLE**, SWORN/AFFIRMED
BEFORE ME AT VANCOUVER, BC, THIS 28th DAY OF
MARCH, 2019.



A Commissioner for taking Affidavits within British Columbia

28



No. S-179749
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE RECEIVERSHIP OF NETWORK INTELLIGENCE INC.

BETWEEN:

1130489 B.C. LTD.

PETITIONER

AND:

NETWORK INTELLIGENCE INC.

RESPONDENT

ORDER MADE AFTER APPLICATION

BEFORE)	THE HONOURABLE JUSTICE G.C.)	December 14, 2017
)	WEATHERILL)	
))	

ON THE APPLICATION of Shengli Mu representing himself and those persons listed on Schedule "A" (collectively the "Limited Partners"), coming on for hearing at Vancouver, British Columbia, on the 14th day of December, 2017; AND ON HEARING Karen Fellowes, counsel for the Limited Partners, Colin D. Brousson, counsel for Deloitte Restructuring Inc in its capacity as court-appointed Receiver Manager of Network Intelligence Inc. (in such capacity the "Receiver Manager"), Danielle Toigo, counsel for certain employees of the Respondent, and Kimberly A. Robertson, counsel for 1130489 B.C. LTD.; AND UPON READING the material filed herein, including the Affidavit of Xia Zhang sworn December 8, 2017;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE


1. The time for service of the Notice of Application for this order and the supporting materials therefore, including the Affidavit #1 of Xia Zhang is hereby abridged and deemed good and sufficient and this application is properly returnable today and hereby dispenses with further service thereof.

SALE PROCEDURE BID DEADLINE EXTENSION

- 2. Counsel for 1143569 BC Ltd. shall provide written confirmation to the Receiver Manager by 10:00 am PST on December 15, 2017 that they are holding the sum of \$1.3 million CAD and that such sum will be paid to the Receiver Manager and used to fund the Receivership Estate in accordance with the provisions in paragraphs 20-23 of the Receivership Order dated October 31, 2017, with any Receiver's Certificates issued by the Receiver Manager ranking *pari-passu* with prior Receiver's Certificates ("the Funding Pre-Condition");
- 3. Upon fulfillment of the Funding Pre-Condition, the Bid Deadline, as set out and defined in Schedule "B" of the Sale Procedure Approval Order of November 22, 2017 before Mr. Justice McEwan ("the Sales Procedure Order"), is hereby varied to be 10:00 a.m. Pacific Time on January 5, 2018,
- 4. Upon fulfillment of the Funding Pre-Condition, all relevant deadlines in the Sales Procedure Order shall be modified as follows:
 - (a) All Qualified Bids must be open and irrevocable until January 11, 2018;
 - (b) The Receiver Manager will determine the Successful Bidder by no later than 5:00 pm on January 8, 2018;
 - (c) The Receiver Manager's application for a Sale Approval and Vesting Order shall be heard no later than January 11, 2018.

GENERAL

- 5. Endorsement of this Order by counsel appearing; other than counsel for the Applicants, is hereby dispensed with.

G.C. Weatherill J.
 per 
 By the Court

 Registrar

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:



Lawyer for the Limited Partners

DLA Piper (Canada) LLP
(Karen Fellowes)

SCHEDULE "A"

Applicants

1. 0882682 B.C. Ltd.
2. 0924509 B.C. Ltd.
3. Ande Chen
4. Anthony Bosch
5. Changhai Liu
6. Fang Liu
7. Fang Wang
8. Hao Tang
9. Harrison Huan
10. Lihua Zhang
11. Mei Huang
12. Minlian Chen
13. Ping Zhang
14. Quan Gu
15. Rui Kun
16. Shanlian Tang
17. Shanzhang Wang
18. Shengli Mu

- 19. Sinan Lin.
- 20. THC Real Estate Investment Ltd.
- 21. Ting Guo
- 22. Xiuqin Ning
- 23. Xuemei Huang
- 24. Xuemei Huang
- 25. YiWang Family Trust
- 26. 1057019 B.C. Ltd.
- 27. Yongbo Qin
- 28. Yuefang Huang
- 29. Yuquan Zhang
- 30. Zhiping Yan

No. S-179749
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE RECEIVERSHIP OF NETWORK
INTELLIGENCE INC.

BETWEEN:

1130489 B.C. LTD.

PETITIONER

AND:

NETWORK INTELLIGENCE INC.

RESPONDENT

ORDER MADE AFTER APPLICATION

DLA Piper (Canada) LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

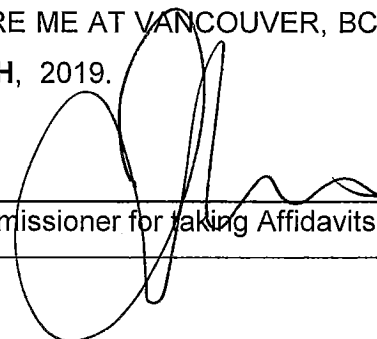
Tel. No. 604.687.9444
Fax No. 604.687.1612

File No. 38201-00001

JYW/sk

34

THIS IS EXHIBIT "F" REFERRED TO IN THE
AFFIDAVIT OF **JEFF KEEBLE**, SWORN/AFFIRMED
BEFORE ME AT VANCOUVER, BC, THIS 28th DAY OF
MARCH, 2019.



A Commissioner for taking Affidavits within British Columbia

35



S1810832

No.
Vancouver Registry

In the Supreme Court of British Columbia
Between

0924509 B.C. LTD., HARRISON HUAN, YIWANG FAMILY TRUST, 0882682 B.C.
LTD., MICHAEL DAY, LIHUA ZHANG, FANG LIU, XIN YANG, XINYU CHEN, FANG
WANG, SHENGLI MU, MINLIAN CHEN, CANADA W.Y. HOLDINGS LTD., LING
ZHAO, HAO TANG, MINGHUI ZHENG, ZHIPING YAN, DYLAN HOLDINGS LTD,
QUAN GU, TING GUO, YUEFANG HUANG, LIWEN YIN, CHUNYU LIU, ZHONGPING
ZHANG, DAN ZHANG, FANG LIU, XUEXIN GUAN

Plaintiffs

and

YI AN SUN a.k.a YIAN SUN a.k.a ETHAN SUN, YULAN HU, JICHUN GE, NETWORK
INTELLIGENCE INC., SHUANGJIE YANG, MARTIN SZLAVY, ZHI XIONG CHEN a.k.a CHI
HUNG CHAN a.k.a TSZ HUNG CHAN, XIAO JING ZHOU, NETINT TECHNOLOGIES INC.,
a.k.a 1130489 B.C. LTD., LIXIN WANG and SHI GANG WANG

Defendants

050018 181454
21422 8181032
R199
200.00

NOTICE OF CIVIL CLAIM

This action has been started by the plaintiff(s) for the relief set out in Part 2 below.

If you intend to respond to this action, you or your lawyer must

- (a) file a response to civil claim in Form 2 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim on the plaintiff.

If you intend to make a counterclaim, you or your lawyer must

- (a) file a response to civil claim in Form 2 and a counterclaim in Form 3 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim and counterclaim on the plaintiff and on any new parties named in the counterclaim.

JUDGMENT MAY BE PRONOUNCED AGAINST YOU IF YOU FAIL to file the response to civil claim within the time for response to civil claim described below.

Time for response to civil claim

A response to civil claim must be filed and served on the plaintiff(s),

- (a) if you were served with the notice of civil claim anywhere in Canada, within 21 days after that service,
- (b) if you were served with the notice of civil claim anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the notice of civil claim anywhere else, within 49 days after that service, or
- (d) if the time for response to civil claim has been set by order of the court, within that time.

CLAIMS OF THE PLAINTIFFS

Part 1: STATEMENT OF FACTS

The Parties:

Plaintiffs

1. The 1st Plaintiff, 0924509 B.C. Ltd., is a duly incorporated Corporation in the Province of British Columbia with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 1st Plaintiff through its Director Mr. Yingqi Dai ("Dai") invested \$400,000.00 USD, in one of the investment funds sold by one or more of the Defendants.
2. The 2nd Plaintiff, Harrison Huan, is an investor with an address for service in this action only at Joy Yan 4060-4000 No.3 Road, Richmond, BC, Canada. The 2nd Plaintiff invested \$1,449,000.00 CAD and \$300,000.00 USD in several different investment funds sold by one or more of the Defendants.
3. The 3rd Plaintiff, Yi Wang Family Trust, with a trustee Hang Wang ("Nancy"), is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 3rd Plaintiff Yi Wang Family Trust invested \$250,000.00 USD and Nancy, in her personal capacity, invested \$262,500.00 CAD in several different investment funds sold by one or more of the Defendants.
4. The 4th Plaintiff, 0882682. B.C. Ltd., is an investor with an address for service in this action only at Joy Yan 4060-4000 No.3 Road, Richmond, BC, Canada. Through its director Mao Sun, the 4th Plaintiff invested \$100,000.00 USD and Mao Sun, in his personal capacity, invested \$50,000.00 CAD, in several different investment funds sold by one or more of the Defendants.

5. The 5th Plaintiff, Michael Day with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada paid \$250,000.00 USD on behalf of Shanlian Tang, as an investment in one or more of the investment funds sold by one or more of the Defendants.
6. The 6th Plaintiff, Lihua Zhang is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 6th Plaintiff invested \$500,000.00 CAD in one or more of the investment funds sold by one or more of the Defendants.
7. The 7th Plaintiff, Fang Liu, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 7th Plaintiff invested \$197,000.00 CAD in one of the investment funds sold by one or more of the Defendants.
8. The 8th Plaintiff, Xin Yang, with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada, purchased, on behalf of Xiuqin Ning, one or more of the investment funds sold by one or more of the Defendants, for \$290,000.00 USD.
9. The 9th Plaintiff, Xinyu Chen, an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada, purchased, on behalf of Ande Chen, one or more of the investment funds sold by one or more of the Defendants, for \$200,000.00 USD.
10. The 10th Plaintiff, Fang Wang, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 10th Plaintiff invested \$100,000.00 USD in one of the investment funds sold by one or more of the Defendants.
11. The 11th Plaintiff, Shengli Mu is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 11th Plaintiff invested \$500,000.00 USD in one or more of the investment funds sold by one or more of the Defendants.
12. The 12th Plaintiff, Minlian Chen, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 12th Plaintiff invested \$360,000.00 USD in one or more of the investment funds sold by one or more of the Defendant.

13. The 13th Plaintiff, Canada W.Y. Holdings Ltd., is a company incorporated under the laws of the Province of British Columbia with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 13th Plaintiff through its Director Ling Yang invested \$160,000.00 USD in one or more of the investment funds sold by one or more of the Defendants.
14. The 14th Plaintiff, Ling Zhao, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 14th Plaintiff invested \$200,000.00 USD in one or more of the investment funds sold by one or more of the Defendants.
15. The 15th Plaintiff, Hao Tang is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 15th Plaintiff purchased in his own name and on behalf of Weijia Hu one of the investment funds sold by one or more of the Defendants, for \$100,000.00 USD.
16. The 16th Plaintiff, Minghui Zheng, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 16th Plaintiff invested \$100,000.00 USD in one or more of the investment funds sold by one or more of the Defendants.
17. The 17th Plaintiff, Zhiping Yan, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 17th Plaintiff invested \$260,000.00 CAD in one or more of the investment funds sold by one or more of the Defendants.
18. The 18th Plaintiff, Dylan Holdings Ltd., is a company incorporated under the laws of the Province of British Columbia with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 18th Plaintiff invested \$150,000.00 USD in one of the investment funds sold by one or more of the Defendants.
19. The 19th Plaintiff, Quan Gu, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 19th Plaintiff invested \$136,670.00 CAD in one of the investment funds sold by one or more of the Defendants.

20. The 20th Plaintiff, Ting Guo, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 20th Plaintiff invested \$153,000.00 USD in one or more of the investment funds sold by one or more of the Defendants.

21. The 21st Plaintiff, Yuefang Huang, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 21st Plaintiff invested on behalf of Mei Huang and herself, \$1,000,198.00 CAD, in one or more of the investment funds sold by one or more of the Defendants.

22. The 22nd Plaintiff, Liwen Yin, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 22nd Plaintiff invested \$457,230.00 USD, on behalf of Yifei Guo and Peizhen Zhang, in one or more of the investment funds sold by one or more of the Defendants.

23. The 23rd Plaintiff, Chunyu Liu is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road; Richmond, BC, Canada. The 23rd Plaintiff invested \$1,786,160.00 USD, for himself and on behalf of Shuhong Liu, in one or more of the investment funds sold by one or more of the Defendants.

24. The 24th Plaintiff, Zhongping Zhang, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 24th Plaintiff invested \$1,000,000.00 USD in one or more of the investment funds sold by one or more of the Defendants.

25. The 25th Plaintiff, Dan Zhang, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 25th Plaintiff invested \$2,000,000.00 USD in one or more of the investment funds sold by one or more of the Defendants.

26. The 26th Plaintiff, Fang Liu, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 26th Plaintiff invested \$900,000.00 USD in one or more of the investment funds sold by one or more of the Defendants.

26A. The 27th Plaintiff, Xuexin Guan, is an investor with an address for service in this action only at Joy Yan, 4060-4000 No.3 Road, Richmond, BC, Canada. The 27th Plaintiff invested \$1,000,000.00 USD in one or more of the investment funds sold by one or more of the Defendants.

The Defendants:

27 The 1st Defendant, Yi An Sun a.k.a Yian Sun a.k.a Ethan Sun, hereinafter referred to as ("Ethan") is the general partner and/or proprietor of:

- a. Istuary Innovation Fund I Limited Partnership ("Istuary Innovation Fund I"),
- b. Istuary Platinum Fund I Limited Partnership ("Istuary Platinum Fund I"),
- c. Istuary Acorn Innovation Fund I Limited Partnership ("Istuary Acorn Fund I")
- d. Istuary Data Storage Fund I Limited Partnership ("Istuary Data Storage Fund I")
- e. Istuary Innovation Fund II Limited Partnership ("Istuary Innovation Fund II"),
- f. Istuary Platinum Fund II Limited Partnership ("Istuary Platinum Fund II"),
- g. Istuary Innovation Fund III Limited Partnership ("Istuary Innovation Fund III"), and
- h. Istuary Platinum Fund III Limited Partnership ("Istuary Platinum Fund III"),

(together, for reference purposes only, referred to as "the Eight Istuary Limited Partnership Funds"), and some other limited partnership funds, for example, Istuary Equity Partners Limited Partnership; Istuary Platinum Fund IV Limited Partnership, all of which are limited partnerships within the jurisdiction of B.C; and the director of the following 31 (thirty-one) companies:

1. Network Intelligence Inc. ("Istuary NI Chipset Company"),
2. Istuary Group Holdings Ltd. ("Istuary Group"),
3. Istuary Labs Inc.,
4. Istuary Group Holdings Ltd.,
5. Istuary Investment Management Inc.,
6. Ethertone Technologies Inc.,
7. Istuary Innovational Group,
8. Istuary Innovation Labs Inc.,
9. Istuary Innovation Institute Ltd.,
10. Istuary Idea Labs Inc.,
11. Acorn Networks Inc.,
12. Istuary Animation Studio Inc.,

- 13. Istuary IOT Labs Inc.,
- 14. DGUT- Istuary Overseas Centre Ltd.,
- 15. Istuary Matrix Computing Inc.,
- 16. Istuary Education Group Ltd.,
- 17. Istuary Big Computing Inc.,
- 18. Istuary Immersive Virtual Reality Studio Inc.,
- 19. Istuary Eye Inc.,
- 20. Istuary Online Education Inc.,
- 21. Istuary Pacific Education Ltd.,
- 22. Istuary Data Analytics Inc.,
- 23. Istuary Consulting Ltd.,
- 24. Istuary Cultural & Creative Industries Group Ltd.,
- 25. Istuary E-Living Ltd.,
- 26. Istuary Capital Inc.,
- 27. Istuary Media Engine Inc.,
- 28. Istuary Media Limited.,
- 29. Istuary Tech Venture Investment Ltd.,
- 30. Istuary Venture Capital Inc.,
- 31. Istuary Toronto Capital Inc.;

(altogether referred to as "Istuary Group of Companies" or "IGC"), with an address for service at Unit 800-1125 Howe Street, Vancouver, BC, Canada.

28 The 2nd Defendant, Yulan Hu is the wife, or former wife, of Ethan Sun with an address for service at Unit 800-1125 Howe Street, Vancouver, BC, Canada. From 2015 onwards, Yulan Hu managed the Istuary Group of Companies' daily book-keeping and was in charge of authorizing the Istuary Group of Companies' daily expenditures. Yulan Hu had direct involvement in the management and control of the Istuary Group of Companies, and at all material times, was an officer of the company within the meaning of the *Securities Act* R.S.B.C. 1996, c. 418.

29 The 3rd Defendant, Jichun Ge, is a businessperson residing at 1403-83 Saghali Road, Victoria, BC. He holds a property together with Yulan Hu, as joint tenants, at Parcel Identifier: 009-541-624, Legal Description: LOT 6 BLOCK 2 DISTRICT LOT 815 PLAN 9983

30 The 4th Defendant, Network Intelligence Inc. (hereinafter referred to as "NI"), is a company incorporated under the laws of the Province of British Columbia

with an address for service at 1500 Royal Centre, 1055 West Georgia Street, Vancouver, BC, Canada. At all material times, it operated in the BC province and presented its business activities to the public as, researching and producing chipsets for solid-state drive controllers.

- 31 The 5th Defendant, Shuangjie Yang, (hereinafter referred to as "Belinda Yang") was at all material times, a Chartered Professional Accountant, Chartered Accountant, and was the Chief Financial Officer ("CFO") for the Eight Istuary Limited Partnership Funds in B.C., with an address for service at 1003-1252 Hornby Street, Vancouver, BC, V6Z 0A3.
- 32 The 6th Defendant, Martin Szlavy, resides at 1003-1252 Hornby Street, Vancouver, BC, V6Z 0A3. He owns properties together with Belinda Yang, as joint tenants.
- 33 The 7th Defendant, Chi Hung Chan with an address for service at 3937 West 36th Avenue Vancouver, British Columbia, V6N 2S7, presented himself as a former investor in Istuary Innovation Labs Inc., and at all material times solicited the investors on behalf of Istuary Group of Companies.
- 34 The 8th Defendant, Xiao Jing Zhou, is Chi Hung Chan's wife or former wife with an address for service at 3937 West 36th Avenue Vancouver, British Columbia, V6N 2S7, and at all material times solicited the investors on behalf of Istuary Group of Companies.
- 35 The 9th Defendant, Netint Technologies Inc., formerly 1130489 B.C. LTD., (hereinafter referred to as "1130"), with an address for service at 1600-925 West Georgia Street, Vancouver, BC, Canada, is the purchaser of Istuary's Network Intelligence Inc. ("NI") during its bankruptcy process, through auction.
- 36 The 10th Defendant, Lixin Wang, (hereinafter referred to as "Alex Wang"), with an address for service at 147 Strathearn Avenue, Richmond Hill, ON, Canada, L4B 2L7, is the director for both the selling company, NI, and the purchasing company, "1130".
- 37 The 11th Defendant, Shi Gang Wang, is the director for the purchasing company "1130", with an address for service at 748 Crystal Court North, Vancouver, BC V7R 2B5, Canada

Overview of the Scheme

- 38 Starting from around 2013, Ethan Sun ("Ethan") promoted an investment opportunity in British Columbia, Vancouver region referred to as the Istuary Investments ("Istuary"). In the same period, Ethan created approximately 31 companies and 8 limited partnerships, most of which used the brand-name Istuary and operated as the Istuary Group of Companies ("IGC").
- 39 Ethan marketed Istuary as a one-stop technology shop that was working on developing cutting-edge technology from semiconductors, robotics, big data analytics and chipsets, to facial recognition. Which he claimed, already had ready markets, including the potential to be purchased globally by Governments and in private sectors, for crime prevention, national defence, security control and road safety, among other things.
- 40 Ethan presented and marketed Istuary to the Plaintiffs' as a must-invest-in opportunity because Istuary was about to solve China's long standing quest for a chipset of its own. Ethan explained to the Plaintiffs that China would purchase the Chipset because with a chipset of its own, China would no longer have to rely on the USA for chipsets, would enjoy a better balance of trade, would better secure governmental and other privileged information, and would lower its costs of production of high-tech products, among other things.
- 41 Ethan explained to the Plaintiffs that without chipsets there would be no phones, no computers and possibly the end to electronic data storage. He explained to the Plaintiff that the chips will be sold to the Chinese Government for a huge return which the investors would all share.
- 42 Ethan obtained provincial Government approval, took pictures with government officials who lauded him for creating jobs in BC. His power-point presentations contained slides with pictures of himself taken alongside Prime Minister Justin Trudeau and BC Premier Christy Clark. Following these presentations, Ethan quickly moved to solicit funds from the public, first targeting the Vancouver-based fellow ethnic Chinese community, the

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Plaintiffs, and other Chinese in China seeking to migrate to Canada for greener pastures.

- 43 In reliance on Ethan's representation, the Plaintiffs purchased the investments and signed Subscription Agreements with Ethan and his companies.
- 44 Ethan subsequently moved to upscale downtown Vancouver, where he rented two entire office floors and hired approximately one hundred and eighty employees – in an effort merely to bolster his public image.
- 45 In reality, the numerous Istuary companies and partnerships created by Ethan were only a vehicle for him to solicit money from potential investors for his own self-enrichment, fraud, illicit financial activities and money laundering.
- 46 Also in reality, Ethan had designed and operated two known Schemes from which he collected tens of millions of dollars from the public and the Plaintiffs, namely: Limited Partnerships units and an Immigration Scheme.
- 47 There were no chipsets or hi-tech products being developed in the two floor rental offices in downtown Vancouver. The office was staffed with individuals, most of whom were ill-qualified for the respective positions and had, contrary to all applicable Canadian laws, simply paid for positions masqueraded as legitimate employment.. Most of the "employees" came to Canada directly from China having paid Ethan as much as \$100,000 USD. These employees purportedly were also investors in some form.
- 48 All persons, other than the Defendants, who provided funds to invest in the "Istuary Investment" scheme promoted by Ethan received payments from the scheme, lesser in total amount, than the total principal amount they invested.
- 49 In 2017, after only approximately 2 years in operation, Istuary went through bankruptcy caused by Ethan's business partners. These individuals led the company to bankruptcy, and then quickly created a new company which bought up the remains of the bankrupt Istuary, at a give-away price

in a scheme designed to appear as a public auction whereas it was not in reality. Essentially, the seller and buyer were one and the same.

- 50 Essentially, Ethan had forced his companies into bankruptcy, conducted a fraudulent auction and sold the company to former Directors and friends, then fled to China.

Ethan's Central Role

- 51 Ethan designed presentations and co-opted individuals who provided false testimonies with intent to induce would-be "investors" such as the Plaintiffs into investing in Istuary Group of companies (IGC) investment funds.
- 52 Ethan and his agents represented to the Plaintiffs that if they purchased into the limited partnership funds, each investor would earn 120% return on investment in one year under Platinum type funds, and that those who bought into Innovation type funds would earn 5-8 times their investment in 3 years on a 3 years locked-in basis.
- 53 Ethan sold limited partnership units to the Plaintiffs. In selling some of the units, he in particular misrepresented to the Plaintiffs who bought the Partnership units, that within a year each purchaser who bought into the Partnership could cash out triple their investments' worth, stating that some previous investors had earned up to seven times' their investment. To illustrate that his scheme worked as promised, he used the 7th Defendant Chi Hung Chan, who he invited at his investor solicitation meetings/presentations to offer testimony as to the truth of Ethan's claim that investors would earn a return triple their investment within a year. As previously stated, his presentations also contained slides with pictures of himself taken alongside Prime Minister Justin Trudeau and BC Premier Christy Clark.
- 54 In reality nothing was being produced in the downtown Vancouver office and the workers were not being paid on a regular basis, instead many had paid their way into the office, through the immigration scheme Ethan had created.

- 55 Most hurt by the defendants schemes are the plaintiffs and several others who together invested an approximate total amount of \$10,756,390.00 USD and \$3,855,368.00 CAD into Ethan's Istuary Investment scheme.

- 56 The plaintiffs and some other investors were left with a total loss of \$10,756,390.00 USD and \$3,855,368.00 CAD. Ethan has since fled to China. Left behind are huge financial losses and civil and criminal law claims ranging from unpaid wages to the within claim, that seeks the \$10,756,390.00 USD and \$3,855,368.00 CAD the Plaintiffs paid Ethan and his agents.

- 57 There have been several cases started in China against Ethan and the companies he owned or controlled either in legal ownership or through trust instruments. Many of these cases involve the sale of intellectual property rights improperly obtained from within Canada. One example is a "chipset 3.0" that was sold to Tsinghua-Unigroup for \$300 million Chinese Yuan (RMB), an equivalent of approximately \$60 million CAD. Some investor-claimants received judgements in their favor and monetary compensation as a result of these lawsuits in the Chinese jurisdiction. The judgments conform to the fact that the "chipset 3.0" technology came entirely from the Canadian Network Intelligence Inc. (formerly Istuary Network Intelligence Inc.)'s research and development; Ethan, Alex Wang and other directors sold these intellectual properties to Tsinghua Unigroup by fraudulent means.

b. The Istuary Scheme

Background

- 58 Starting in or around early 2013, the 1st Defendant, Ethan incorporated about (31) thirty one companies and established (8) Eight Istuary Limited Partnership Funds, interchangeably referred to herein as the Istuary Group of Companies or IGC, pursuant to the laws of the Province of British Columbia. The stated purposes of these companies were to produce high technology products including, chipsets, semiconductors, robotics, big data analytics and facial recognition technology.

- 59 These Eight Istuary Limited Partnership Funds were by design, used by Ethan as a vehicle for defrauding the unsuspecting individuals looking for investment opportunities. The public were invited and then lured or induced to invest into the scheme by purchasing limited partnership interests (units) in one or more of the Eight Istuary Limited Partnership Funds.

- 60 IGC's letter of introduction, brochures and informational booklets were distributed at community events, seminars and workshops. In addition, the 1st Defendant Ethan, and his agents conducted one on one visitations. .

- 61 The Defendant and his agents provided subscription agreements to the Plaintiffs to sign, and the Plaintiffs handed over their investment money to the Defendants or their agents, based on the misrepresentations described herein.

Misrepresentation, False Marketing and Fraud – Defendants' Roles:

Ethan's Role

- 62 At all material times, the Defendant Ethan, was or acted, in the capacity of the general partner of the Eight Istuary Limited Partnership Funds and the director of Istuary Group of Companies, and/or was duly authorized to represent and act on their behalf. At all material times, Ethan Sun promoted, directed, operated, associated and/or participated in the marketing, promotion, distribution and/or sale of investments on behalf of the Istuary Group of Companies, using the Eight Istuary Limited Partnership Funds as a vehicle to raise funds.

- 63 In or about early 2015, Ethan marketed, promoted and advertised investment funds as a business opportunity for potential investors. At all material times, Ethan, acting alone or in collaboration and/or cooperation with one or more of the other Defendants, expressly endorsed the investment funds and in particular, used and/or permitted to be used, the company brand and trademarks on promotional materials, to make representations.

- 64 During the period from 2015 to 2017, Ethan gave public speeches regarding his high-technology Istuary Group of Companies, and made presentations using PowerPoint slides, prediction statistic trends, charts and graphs in which he projected a profitable bright future for the Istuary Group of Companies. During these presentations, Ethan promised investors a high return on their investments.
- 65 At presentations, Ethan and/or one or more, of the Defendants, made the promises; and made the representations described here-in to attendees such as one or more of the Plaintiffs. The presentation(s) by the Defendants were designed to induce attendees such as one or more of the plaintiffs into purchasing investments in the funds, and agreeing to subscribe to a system for investing and earning profits, based on a business plan created by Ethan and the Defendants to dupe would-be investors such as the Plaintiffs, into handing over investment money to the Defendants.
- 66 During the period through 2015 to 2017, Ethan Sun presented the 7th Defendant, Chi Hung Chan, to potential investors as an example of someone who had gained multiple times his investment from investing in the fund. He utilized presentation slides, posters and/or other promotional materials to paint the "rosy" picture, saying Chi Hung Chan got a return seven times his investment.
- 67 As the general partner and director of the Eight Istuary Limited Partnership Funds and the Istuary Group of Companies, Ethan:
- a) Certified the promotional, marketing and other documents including those that were required disclosures of the Eight Istuary Limited Partnership Funds and the Istuary Group of Companies.
 - b) Signed and certified the subscription agreements. In so doing, he adopted as his own, the false statements such documents contained, as particularized below.
 - c) Remains as General Partner and Director of The Eight Istuary Limited Partnership Funds and the Istuary Group of Companies up until now, even after he fled Canada to China.

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d) Was, at all material times, a director and officer of the Eight Istuary Limited Partnership Funds and the Istuary Group of Companies within the meaning of the Securities Legislations.

68 Ethan misappropriated and embezzled investment money through the IGC's many bank accounts.

Transfer of Funds from IGC to NI

Ethan's Role:

- 69 On August 18, 2015 Ethan incorporated the 4th Defendant, Istuary Network Intelligence Inc. ("Istuary NI") to research, develop and produce chipsets. He transferred approximately 70% of the money collected from the Plaintiffs and other investors to this newly created scheme, NI. Ethan represented to investors that NI chipset was the product having the brightest future, worthy of investment.
- 70 On October 16, 2015, Ethan changed Istuary NI's name and removed the word "Istuary". The company then became Network Intelligence Inc. ("NI"), essentially erasing any traces of Istuary from this new incorporated company in anticipation of what would soon follow.
- 71 In October 2017, within just two years, NI entered into bankruptcy proceedings and purposefully changed directors, in order to improperly orchestrate and seek a receivership order, the sole intention of which was to foreclose on its creditors' debt. NI intentionally failed to counter a standing purchase offer, in order to enable NI's acquisition by one of its "former" directors.
- 72 All acts and omissions of the Eight Istuary Limited Partnership Funds and the Istuary Group of Companies' representatives, directors, agents and/or employees were within the scope of their employment and agency, and as such, Ethan and all the Defendants are vicariously liable for the acts and omissions of these representatives, directors, agents and/or employees.

The Limited Partnerships Scams

Ethan's Role:

- 73 At all material times, Ethan was in breach of the *Partnership Act* RSBC 1996 as he never sent any financial statements to the investors for review.
- 74 Ethan purportedly granted limited partner status for a fee to each investor, including the Plaintiffs, in the Eight Istuary Limited Partnership Funds as follows:

Limited Partnership Fund I

- 75 Under Limited Partnership Fund I, Ethan issued:
 - a. Istuary Platinum Fund I, accepted investments from late 2015 and promised pay outs in early 2016. He kept his promise and paid out fully in 2016.
 - b. Istuary Innovation Fund I, accepted investments from late 2015, promised pay outs in 2017 however, never paid out.
 - c. Istuary Acorn Innovation Fund I, accepted investments from late 2015, promised pay outs in 2017 however, never paid out.
 - d. Istuary Data Storage Fund I, accepted investments from late 2015, promised pay out in 2017 however, never paid out.

Limited Partnership Fund II

- 76 Under Limited Partnership Fund II, Ethan issued:
 - a. Istuary Platinum Fund II, accepted investments from late 2016, promised full pay outs in early 2017, but partially paid out;

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- b. Istuary Innovation Fund II, accepted investments from late 2016, promised pay out in early 2018, however, never paid out;

Limited Partnership Fund III

77 Under Limited Partnership Fund III, Ethan issued:

- a. Istuary Platinum Fund III, accepted investments from early 2017, promised pay out in late 2017, however, never paid out;
- b. Istuary Innovation Fund III, Ethan accepted investments from early 2017, promised to pay out in late 2017, however, never paid out;

Yulan Hu's Role:

78 Yulan Hu, the wife or former wife of Ethan, acted in a manager's capacity in the Istuary Group of Companies, and was an active participant in the activities to scam investors. For example:

79 Yulan Hu requested and received the following funds into her own personal bank account:

- a. On February 09, 2016, she received \$210,084.00 CAD from the 3rd Plaintiff, Hang Wang ("Nancy").
- b. On February 11, 2016, she received \$50,000.00 CAD from the 4th Plaintiff, Mao Sun.

Belinda Yang's Role:

80 In early 2015, Ethan appointed the Defendant, Belinda Yang as the chief financial officer for the Eight Istuary Limited Partnership Funds. Belinda Yang, had at the time achieved the Chartered Professional Accountant (CPA) designation. At all material times, Belinda Yang publicly represented the Istuary Group of Companies, and sought and negotiated investments, on behalf of both the Eight Istuary Limited Partnership Funds and the Istuary Group of Companies.

- 81 Belinda Yang either knowingly or unknowingly participated in activities to scam investors, including actively seeking investments by exploiting her personal networks, including from within the Chinese communities, for example:
- a. On March 23, 2017, Belinda Yang misled the 5th Plaintiff, Michael Day, who she had known personally for more than ten years, to invest in Istuary Platinum Fund III trust. Michael Day, on the advice and direction of Belinda Yang, subsequently purchased Istuary Platinum Fund III trust units for \$250,000.00 USD in his mother's name, Shanlian Tang.

Chi Hung Chan's Role - Provider of False Testimonials:

- 82 Chi Hung Chan, the 7th Defendant was at all material times advertising for the funds. He confirmed to the investors that his family was the one earning several times' return on their investments in Ethan's Istuary Group of Companies. In fact, Chi Hung Chan purchased shares in the Istuary Innovation Labs Inc., but never explicitly said so. As such, those who invested in the limited partnership funds were intentionally misled into thinking they were buying the same type of investment product and therefore enjoying the same assurance as Chi Hung Chan did, when in fact they were not.
- 83 The 3rd Plaintiff, Mr. Yingqi Dai ("Dai"), the Director of 0924509 B.C. LTD, was informed by Ethan that the 7th Defendant Chi Hung Chan paid into the investment and collected a huge return on being bought out. Dai was informed that Chi Hung Chan bought into the investment in 2015 at USD \$4.00 per unit for 3 million USD, and sold at USD \$12.50 per unit after about a year and made more than three times the initial investment, in the amount of USD \$9,375,000.00. Chi Hung Chan confirmed this to Dai and to other investors, asking them to consider the "investment opportunity" and pay in.

- 84 Dai, who is the director of the Plaintiff Company 0924509 B.C. LTD., was one of the personal friends of Chi Hung Chan's. Dai made his decision to purchase based on the information that was provided by Chi Hung Chan.


Xiao Jing Zhou's Role – Provider of False Testimonials:

- 85 From 2015 onwards, The Defendant Xiao Jing Zhou, also the wife or former wife of Chi Huang Chan (the 7th Defendant), at all material times, and while present on the premises of Istuary Group of Companies, advertised for the funds. She, Xiao Jing Zhou, talked to investors about the funds, confirmed to the investors that her family was the one mentioned in Ethan's speech as the family who had received returns several times their investment in Ethan's Istuary Group of Companies.

Use of Improper Subscription Agreements

Ethan, Belinda Yang and Yulan Hu's Roles:

- 86 Most of the subscription agreements issued by Ethan, his employees and agents do not contain original signatures. They contain only Ethan's electronic signatures.
- 87 Ethan's CFO, Belinda Yang, simply told the investors to trust in her competence as a certified and regulated professional accountant and not to worry about the contracts they were about to sign, because, as she said, "a good lawyer prepared these documents for us. Rest assured. Just put down your signatures."
- 88 It is the imputed knowledge of the Defendants Ethan, Yulan Hu, and Belinda Yang's, that without going through an initial public offering process, a private company is not allowed to sell shares or investment units to the general public. They however fraudulently misrepresented to potential investors that they could all invest under registration exemption as "accredited investor".

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- 89 Accordingly, Ethan and Belinda Yang would instruct an interested investor, including the Plaintiff(s), to sign his or her initials as an "accredited investor", on the Form 45-106F9 "Form for Individual Accredited Investors" attached in the Subscription Agreement, instructing them to put down their initials while never questioning whether they did qualify. Ethan and Belinda Yang oversaw and instructed the signing of documents by investors without ever performing any due diligence on the great majority of the Plaintiff investors. Ethan and Belinda Yang knowingly or were willfully blinded to the qualifications of the investors and bluntly disregarded the "know-your-client" and "know-your-product" rules published by the Security Commission.
- 90 When the Plaintiff Michael Day purchased investments on behalf of his mother Shanlian Tang, and signed the form, he was concerned that neither he nor his mother may qualify under the accredited investor status; and that they may not fall under any of the sub-sections under the accredited investor status section on the form. However, Belinda Yang instructed Michael Day to sign, saying, "just put down the initials anyway", adding further that this was because the contracts had been drafted and reviewed by their lawyer, Jack Yong, a barrister and solicitor, then working at Gowling WLG (Canada) LLP, now working at Lawson Lundell LLP, in the jurisdiction of BC.
- 91 Almost all investments which were sold to the general public including the Plaintiffs were sold the same way described above.

Immigration Scheme

Ethan's role

- 92 On many occasions Ethan would ask a potential investor to invest in one or more of his Eight Istuary Limited Partnership Funds or other funds in the Chinese jurisdiction, and in return, would offer a job or promise to sponsor him or her for a Canadian work visa, business class travel visa, and/or Canadian permanent residency status and the like.
- 93 As previously stated Istuary offices were staffed with individuals, most of who were ill-qualified for their respective positions and had, contrary to all applicable Canadian laws, simply paid for positions masqueraded as legitimate employment. Some of these "employees" came to Canada

directly from China, or graduated locally in a Canadian institution. Often, each had paid Ethan as much as \$100,000 USD or more. These "employees" purportedly were also investors of some sort by virtue of their payments to Ethan.

- 94 These "investor-employees" educational and professional backgrounds were rarely checked, meaning that unqualified people were employed at IGC, further risking the investments.

NI's Bankruptcy

Ethan's Role:

- 95 In mid-2017 Ethan suddenly declared its Istuary Group of Companies insolvent, stating that all companies except NI had run out of money. He stated that NI was still continuing to produce chipsets and had reasonable prospects for success, but that all other Istuary Group of Companies and their high-technology projects had failed.
- 96 All funds raised in the Eight Istuary Limited Partnership Funds were gone. "All money burnt", he said, adding that, "high-technology projects are associated with high risks. Investors should have known better."
- 97 Ethan also declared that since he alone was the general partner of the Eight Istuary Limited Partnership Funds, and all other investors were limited partners, he alone had the final decision-making power on how to use the limited partnership funds.

Alex Wang, Belinda Yang and Ethan's Roles:

- 98 On June 29th, 2015, Alex Wang entered into a shareholder agreement together with Ethan's owned and controlled company Istuary Investment Management Inc., and formed Istuary Toronto Capital Inc. Although misleading in name, Istuary Toronto Capital Inc. is not a Toronto company but a BC company, incorporated under the laws of the Province of British Columbia.

- 99 On October 12th, 2016, NI changed its directors, making Alex Wang one of its directors.
- 100 In April 2017 or earlier, Ethan and Alex Wang, together with their internal management team, initiated announcements that the Istuary Group of Companies were in financial difficulties and would need to either declare bankruptcy, or find a purchaser to acquire the Istuary Group of Companies.
- 101 On May 13th, 2017, Belinda Yang approached Haijian Liu, a businessman with connections to Netac Technology Co., Ltd. ("Netac"), a publicly listed company in China that invented and holds the patent to USB flash drives. Mr. Liu immediately expressed an interest in acquiring NI, hoping to resell to Netac for a good profit.
- 102 On June 23rd, 2017, NI removed Alex Wang as director and left Ethan as the sole director.
- 103 On August 16th, 2017, Alex Wang incorporated a new B.C company "1130". Alex Wang became one of the three directors of this "1130", together with the 11th Defendant Shi Gang Wang, and Mr. Renke Nie.
- 104 On August 22nd, 2017, "1130" company loaned to NI, \$0.35 million Canadian dollars , against a pledge of 62.68% of NI shares, should NI fail to pay back upon the loan repayment due date. As such each share was pledged at a value significantly lower than the then market value – at about only 2.5% to 6.5% of the then market value.
- 105 On September 30th, 2017, "1130" declared this \$0.35 million Canadian dollars loan due. Ownership of 62.68% of NI's shares therefore vested in "1130".
- 106 In October, 2017, Haijian Liu made this offer to purchase, through his owned or controlled company Jiu Fa Investments Ltd., a company duly incorporated in BC, (hereinafter referred to as "Jiu Fa") in the amount of \$18,300,000.00 USD to \$19,500,000.00 USD, equivalent to \$22,875,000.00 CAD to \$24,375,000.00 CAD (the "24 Million Jiu Fa Offer").
- 107 This 24 Million Jiu Fa Offer was never countered by NI, at which time, Ethan was the sole director.

- 108 In October 2017, A misappropriated duplicate "Chipset 3.0" was sold to Tsinghua Unigroup in China, while at the same time, Ethan and Alex Wang were planning on selling another misappropriated duplicate to themselves in Canada, through auction;
- 109 As a huge amount of investment funds were embezzled by the directors themselves, Ethan and Alex Wang did not disclose financial and bank statements and were not audited by a third-party purchaser. As well they did not avail themselves for a due diligence search, neither by disclosing the technical side nor the financial side of NI.
- 110 On October 16th, 2017, NI entered bankruptcy procedure, and filed a petition to the Court seeking a receivership order with respect to the assets and undertakings of NI. Alex Wang filed this petition (the "Petition").
- 111 The official reason provided for this Petition was that NI was having this short term loan due to "1130", advanced at August 22, 2017, due September 30, 2017, in the amount of \$0.35 million Canadian dollars.
- 112 On October 17th, 2017, the very next day after Alex Wang had filed NI's Petition for bankruptcy, he acting as if oblivious to the already filed petition, proceeded to accompany the investors' representatives to a lawyer, Tim Murphy, to discuss the possibilities of Jiu Fa acquiring NI.
- 113 Tim Murphy conducted searches and discovered that NI had already filed the Petition seeking a receivership order. Alex Wang, on the day of October 17th, 2017, would not have standing to negotiate terms of the 24 Million Jiu Fa Offer, either by reason of conflicts of interest, or by non-entitlement of interests as a petition for bankruptcy had already been filed, or both.
- 114 The Plaintiffs believe that it was not a genuine bankruptcy, and that the sole purpose of NI declaring it self bankrupt was so that it would foreclose on its creditors' debt.
- 115 The Plaintiffs also believe that the only reason Alex Wang removed himself as a director from NI was so that he would avoid being in a personal conflict of interest at the time. Alex Wang later on not only filed the Petition

on behalf of NI, but also became a director of the purchaser company "1130".

Use of Blind Signatures to Conduct Transaction

Ethan, Alex Wang, Shi Gang Wang, and Jack Yong's Roles:

116 During the following bankruptcy and auction process, on all material documents,

- a. Ethan willingly signed all the relevant documents using electronic signatures; or in the alternative,
- b. Ethan signed all the relevant documents using electronic signatures under duress from Alex Wang and Jack Yong; or in the alternative,
- c. Alex Wang and Jack Yong applied Ethan's signatures with his knowledge and/or permission; or in the alternative,
- d. Alex Wang and Jack Yong applied Ethan's electronic signatures without his knowledge and/or permission.

117 All signatures on the documents were the exact same "blind stamp" graphics. The 11th Defendant Shi Gang Wang also participated in the auction sale by signing certain agreement documents.

118 These blind stamp signatures were used and applied on corporate resolution minutes, share pledge and short loan agreements, and many other contracts and documents later relied on by Alex Wang and Jack Yong to apply for NI's bankruptcy and auction proceedings. The blind stamp signatures were used and applied on:

- (a) "Network Intelligence Inc. Conversion Form No.1"-converting the full outstanding Facility of USD\$354,000.00 to 78,263 Series A Preferred shares, on behalf of Istuary Innovation Fund III Limited Partnership;
- (b) "Network Intelligence Inc. Conversion Form No.2"-converting the full outstanding Facility of USD\$3,615,998.00 to 799,484 Series A Preferred shares, on behalf of Istuary Platinum Fund III Limited Partnership;

- (c) "Instrument of Transfer"- for value received, Istuary Group Holdings Ltd. transferring to "1130" this 7,000,000 Common shares (62.68% of NI's total shares)
- (d) "General Security Agreement" with the debtor Istuary NI Chipset Company, and the secured party "1130", with the secured interest "all of the debtor's present and after-acquired personal property, and all property in which the debtor has rights, of whatever nature or kind.
- (e) "Copy of Agreement and Financing Statement for the General Security Agreement"- that the Debtor: (1) acknowledges receiving a copy of this Agreement, and (2) waives all rights to receive from the secured party a copy of any financing statement, financing change statement or verification statement filed, issued or obtained at any time in respect of this Agreement.
- (f) "Letter of Indemnification" - that Alex Wang: was not involved in the daily operations of NI and never made any decision or policy for NI.

NI's Bankruptcy - Efforts to Assert Investors' Rights

- 119 During NI's bankruptcy procedure, the investors' representatives engaged legal counsel William He. The investors wanted their rights be protected and hoped that NI could consider and accept the 24 Million Jiu Fa Offer.
- 120 After William He found out that Jack Yong had now become counsel on file for "1130", William He sent to Jack Yong an email asking him to remove himself on grounds of conflicts of interest. Jack Yong refused to be removed. He claimed that no information obtained during his engagement with the seller NI was disclosed for the purpose of himself representing the purchaser "1130".
- 121 Istuary Group Holdings Ltd. was the shareholder of the 7,000,000 shares in NI, entitling Istuary Group Holdings Ltd. to 62.68% of the total shares in NI.
- 122 Istuary Group Holdings Ltd. was also the "Guarantor" in Platinum Fund III. As Ethan pledged all its shares in NI for \$ 0.35 million CAD only, each share was rendered worthless and the Guarantee Agreements were rendered useless. Defrauded investors could no longer rely on their obtained

Guarantee Agreements to enforce securities; it no longer secured repayment of any debts.

123 Before the bankruptcy procedure started, without Platinum Fund III investors' consents, their loans were all unitarily converted by Ethan into "preferred shares" signed using Ethan's electronic signature. This way these creditors, as security holders, all became shareholders and their shares were rendered worthless.

124 As shown on the BC Registry Services records, Alex Wang acted as one of the three directors in "1130" during the entire period that NI declared bankruptcy and entered into auction sale.

Ethan and Alex Wang Did not Counter the Offer to Purchase

125 During the hearing of the petition for auction sale, the investors of the Eight Istuary Limited Partnership Funds questioned why this 24 Million Jiu Fa Offer was not considered by NI. Alex Wang provided the answer, saying that, "We cannot count on this offer. It is conditional upon due diligence being done. If the offeror is not satisfied with the due diligence report, or not happy about anything, they will just walk away."

126 Neither Ethan nor Alex Wang ever countered the 24 Million Jiu Fa Offer. They never even requested a removal of part of the due diligence as a condition.

127 On January 5, 2018, the company was auctioned. NI was successfully sold to "1130", a company owned and controlled by one former NI Director, for \$9 million Canadian dollars.

Business Acquisition Rules Were Never Followed

128 The usual course of negotiating an acquisition of business would be, (1) seriously considering the offer and its conditions, (2) making modifications of its conditions and/or sale price, (3) counter-offer through a lawyer and waiting for the offeror's response.

129 NI could have counter-offered to lower the price and restricting the due diligence items to, for example, (1) employment name list and contracts

disclosure, (2) payment of previous year governmental taxes and utility bills, (3) certificate of company in good standing, (4) audited financial report, (5) filed and pending patents, and the like. The counter offer could have limited the due diligence items to a definite scope, with definite satisfactory or unsatisfactory answers obtainable.

130 NI however decided to bypass a 24-million-dollar CAD offer which had due diligence as a condition, and instead auction-sold itself to its own former director Alex Wang, for \$9 million dollars CAD. At the same time, it would be impossible for Jiu Fa to conduct any due diligence search if NI was not to be cooperative in providing documents as requested. Jiu Fa had to give up on the acquisition.

131 After the auction sale, the investors who invested in the Eight Estuary Limited Partnership Funds received no compensation. Their investment contributions were cleared (zero).

Timelines

132 The conduct of Alex Wang, Shi Gang Wang, Jack Yong and Ethan's are best illustrated by the timelines below:

- (1) October 12th, 2016, Alex Wang was made a director of NI, together with Ethan Sun;
- (2) May 13th, 2017, Haijian Liu expressed his interests to purchase NI for about \$24 million Canadian dollars, Haijian Liu's offer was never countered by NI;
- (3) June 23rd, 2017, Alex Wang was removed as a director of NI;
- (4) August 16th, 2017, B.C Company "1130", was incorporated. Alex Wang became director of the new "1130" company together with Shi Gang Wang and Renke Nie.
- (5) August 22nd, 2017, "1130" company lent \$0.35 million Canadian dollars to NI, obtaining NI's 62.68% shares as a pledge;

- (6) September 30th, 2017, NI declared that the \$0.35 million Canadian dollars loan was due;
- (7) October 12th, 2017, NI received the official offer of \$24 Million CAD (Jiu Fa Offer), but did not counter it;
- (8) October 16th, 2017, NI was forced into bankruptcy by "1130" and the receivership procedure commenced by reason of non-payment of the \$0.35 million Canadian dollars debt when it came due;
- (9) November 20th, 2017, an asset purchase agreement was entered into between the court-appointed receivers Deloitte Restructuring Inc., the appointed receiver on behalf of NI.
- (10) "1130"'s other director Shi Gang Wang signed on behalf of "1130".
- (11) January 5th, 2018, "1130" successfully acquired NI through auction, for \$9 million Canadian dollars.

The Property Interests

133 Ethan Sun used the monies wrongfully obtained by them to pay mortgages, improve, maintain, and preserve lands and premises legally described as:

PID: 030-323-932
 Legal Description: STRATA LOT 146 SECTION 6 BLOCK 4 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS4722 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

PID: 029-653-959
 Legal Description: LOT 101 SECTION 18 TOWNSHIP 40 NEW WESTMINSTER DISTRICT PLAN EPP50860, (the "Ethan Sun Properties") thereby becoming unjustly enriched to the detriment of the Plaintiffs.

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134 Jichun Ge and Yulan Hu used the monies wrongfully obtained by them to pay mortgage, improve, maintain, and preserve lands and premises legally described as:

PID: 009-541-624
Legal Description: LOT 6 BLOCK 2 DISTRICT LOT 815 PLAN 9983, thereby becoming unjustly enriched to the detriment of the Plaintiffs.

135 Yulan Hu used the monies wrongfully obtained to pay mortgage, improve, maintain, and preserve lands and premises legally described as:

PID: 029-042-071
Legal Description: LOT 10 SECTION 18 TOWNSHIP 40 NEW WESTMINSTER DISTRICT PLAN EPP27903 (the "Yulan Hu Properties"), thereby becoming unjustly enriched to the detriment of the Plaintiffs.

136 Shuangjie Yang and Martin Szlavay used the monies wrongfully obtained by them to pay mortgages, improve, maintain, and preserve lands and premises legally described as:

PID: 027-747-417
Legal Description:
STRATA LOT 55 DISTRICT LOT 541 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN BCS3215 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

PID: 008-888-221
Legal Description:
LOT 1 SOUTH EAST 1/4 OF DISTRICT LOT 802 PLAN 12469
(the "Shuangjie Yang Properties")
thereby becoming unjustly enriched to the detriment of the Plaintiffs.

137 Xiao Jing Zhou used the monies illicitly and unlawfully obtained by them to pay mortgage, improve, maintain, and preserve lands and premises legally described as:

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PID: 013-779-290

Legal Description: LOT 22 EXCEPT THE NORTH 10 FEET, NOW LANE BLOCK 37 DISTRICT LOT 2027 PLAN 2439

(the "Xiao Jing Zhou Properties"), thereby becoming unjustly enriched to the detriment of the Plaintiffs.

147 Shi Gang Wang used the monies illicitly and unlawfully obtained by them to pay mortgage, improve, maintain, and preserve lands and premises legally described as:

Parcel Identifier: 010-185-356

Legal Description:

LOT 10 BLOCK 19 DISTRICT LOT 577 PLAN 8257 (the "Shi Gang Wang Properties"), thereby becoming unjustly enriched to the detriment of the Plaintiffs.

(all the above properties are together referred to as the "Defendants' Properties")

Part 2: RELIEF SOUGHT

The Plaintiffs seek the following relief:

1. As against the Defendants Holding Titles to Properties

- a. A Certificate of Pending Litigation against each of the Defendants' Properties.
- b. An injunction restraining the Defendants from transferring, selling, or encumbering the Defendants' Properties.
- c. A constructive trust over the Defendants' Properties interests in favour of the Plaintiffs.
- d. In the event that the Defendants do not pay the Plaintiffs sums sufficient to discharge the constructive trust over the Defendants' Properties interests within 30 days of granting this judgment, an Order that the Defendants' Properties interests be sold for the purposes of realizing the

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amounts of the Plaintiffs' claims to the Defendants' Properties interests and costs.

2. As against Chi Hung Chan and Xiao Jing Zhou

- a). A declaration of unjust enrichment.
- b). Equitable remedies and tracing.
- c). An accounting of profits and a constructive trust.
- d). Interest Pursuant to the *Court Order Interest Act*.
- e). Costs of this action at the highest allowable scale.
- f). All other relief the Plaintiff may seek and this Honourable Court may grant.

As against other Defendants

3. A declaration that the Defendant Ethan received the funds invested by the Plaintiffs in the Istuary Investment Scheme as a trustee, and had the obligation to deposit those funds into a trust account and not to pay those funds out without specific direction from the Plaintiffs, and that the terms of the Subscription Agreement are issued as part of Istuary Investment Scheme and under the *Partnership Act, the Securities Act, Business Corporate Act* prevailing in British Columbia.
4. A declaration that the Defendant Ethan breached his duties as trustee by failing to deposit the funds invested in the Istuary Investments Funds by the Plaintiffs into the trust account, and failing to invest the money as per the Subscription Agreement and promises to repay.
5. A declaration that the Defendants Alex Wang and Ethan unlawfully used and disclosed confidential information and intellectual property rights, and are in breach of contract, and in breach of confidence.
6. A declaration that the Defendants Alex Wang and Ethan committed the tort of passing-off.

7. A declaration that the Defendant Ethan wrongfully and fraudulently misappropriated Plaintiffs' investment money.
8. Damages against the Defendants Alex Wang and Ethan for breach of fiduciary duty and breach of trust and confidence, and breach of care.
9. Damages from the Defendants Alex Wang and Ethan for passing-off.
10. Further or in the alternative, an accounting of profits from Alex Wang and Ethan for passing-off.
11. Interlocutory and permanent mandatory and prohibitory injunctions against Alex Wang and Ethan, enjoining them from using or disclosing the confidential information and certain intellectual property rights, ordering them to return all of the confidential information and intellectual property rights in their possession, power and control, and ordering them to destroy any copies thereof.
12. In the alternative, restitution for unjust enrichment against Alex Wang and Ethan.
13. Further and in the alternative, tracing and constructive trust over any funds obtained by Alex Wang and Ethan through their improper and illegal conducts.
14. Damages for breach of contracts, and fraud from the Defendants Alex Wang and Ethan.
15. Judgment for general damages against all Defendants for \$10,756,390.00 USD and \$3,855,368.00 CAD.
16. Costs in legal fees during the bankruptcy and auction sale action of "NI", for \$205,955.14 CAD
17. Disgorgement of salaries paid to all Defendants.
18. An award of punitive and/or exemplary damages against all Defendants.
19. Interest pursuant to the *Court Order Interest Act*, RSBC 1996, c.79.
20. Costs of this action.

20. Such further and other relief as to this Honourable Court may seem just and equitable in the circumstances.

Part 3: LEGAL BASIS

Ethan's Negligent and/or Fraudulent Misrepresentation

- 1. From 2015 onwards till late April 2017, Ethan's PowerPoint slides and speeches contained information that were untruthful, inaccurate, incomplete, false and/or misleading and deceptive. Ethan was making negligent and/or fraudulent misrepresentation in order to lure potential investors/attendees including the Plaintiffs to giving him money.

Ethan's Fraudulent Misrepresentation in or after May 2017

- 2. The investment funds obtained by Ethan in May 2017 were obtained through fraudulent means. As of April 2017, Istuary Group of Companies were already having difficulties paying back the Platinum Fund II investors' investments. In late April, the Plaintiff Harrison Huan came back to Vancouver two days later than his appointment with Istuary, only to find that his funds were already siphoned by Ethan. Meanwhile, Ethan was still making public speeches to others regarding how the Istuary Group of Companies were running smoothly and how successful they could become in the future. Consequently, a number of new investors were lured into purchasing the Istuary funds phase III in May 2017.

Breach of the Partnership Act RSBC 1996

- 3. At all material times, Ethan was in breach of the *Partnership Act* RSBC 1996 and never sent any financial statements to the investors for review.

Violations on the Know-Your-Client, Know-Your-Product and Suitability Obligations pursuant to the National Instrument 45-106 Prospectus Exemptions

- 4. "Know-Your-Client", "Know-Your-Product" and "suitability" obligations are fundamental obligations owed by the Defendants Ethan, Yulan Hu, Alex Wang and Belinda Yang to their investors. The Defendants never conducted themselves in a manner that is consistent with the principles of securities regulation; they

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have failed their general duty to deal fairly, honestly and in good faith with its clients. The Plaintiffs rely on the British Columbia Securities Commission *National Instrument 45-106 Prospectus Exemptions*.

Ethan, Yulan Hu, Alex Wang and Belinda Yang's Materially False Financial Statements of NI

5. Ethan, Yulan Hu, Alex Wang and Belinda Yang made materially false statements in the financial statements of NI. The Plaintiffs rely on the *Business Corporations Act* [SBC 2002] CHAPTER 57; *Business Corporations Regulations* Part 8.

Piercing the Corporate Veil of IGC

6. The IGC shareholders and directors should be held personally liable for the corporations' or partnerships' actions or debts. The Plaintiffs rely on the *Business Corporations Act* [SBC 2002] CHAPTER 57; *Business Corporations Regulations* Part 8

Ethan's Liability as a controlling mind of the General Partner Corporation in the Limited Partnerships

7. Ethan's conducts were in breach of all of the rules listed below:

A general partner in a limited partnership has all the rights and powers and is subject to all the restrictions and liabilities of a partner in a partnership without limited partners except that, without the written consent to or ratification of the specific act by all the limited partners, a general partner has no authority to do any of the following:

- (a) To do an act which makes it impossible to carry on the business of the limited partnership;
- (b) To consent to a judgment against the limited partnership;
- (c) To possess limited partnership property, or to dispose of any rights in limited partnership property, for other than a partnership purpose; The Plaintiffs rely on the *Partnership Act* [RSBC 1996] Chapter 348.

Ethan's Infringement of Immigration and Refugee Protection Act

8. Pursuant to the *Immigration and Refugee Protection Act* [S.C. 2001] Chapter 27:

126. Every person who knowingly counsels, induces, aids or abets or attempts to counsel, induce, aid or abet any person to directly or indirectly misrepresent or withhold material facts relating to a relevant matter that induces or could induce an error in the administration of this Act is guilty of an offence.

128. A person who contravenes a provision of section 126 or 127 is guilty of an offence and liable

(a) on conviction on indictment, to a fine of not more than \$100,000 or to imprisonment for a term of not more than five years, or to both; or

(b) on summary conviction, to a fine of not more than \$50,000 or to imprisonment for a term of not more than two years, or to both.

The Plaintiffs rely on the *Immigration and Refugee Protection Act* [S.C. 2001] Chapter 27 Section 126, 127, 128

Chi Hung Chan and Xiao Jing Zhou accepting Fraudulent Transfers and/or Unfair Preferences in a Bankruptcy Procedure

9. Fraudulent transfers to and unfair preferences for Chi Hung Chan and Xiao Jing Zhou; transferred assets must be traced back. Pursuant to the *Bankruptcy and Insolvency Act* [R.S.C., 1985, c. B-3] Section 95 (1):

Preferences

95 (1) A transfer of property made, a provision of services made, a charge on property made, a payment made, an obligation incurred or a judicial proceeding taken or suffered by an insolvent person

(a) in favour of a creditor who is dealing at arm's length with the insolvent person, or a person in trust for that creditor, with a view to giving that creditor a preference over another creditor is void as against — or, in Quebec, may not be set up against — the trustee if it is made, incurred, taken or suffered, as the case may be, during the period beginning on the day that is three months before the date of the initial bankruptcy event and ending on the date of the bankruptcy;

The Plaintiffs rely on the *Bankruptcy and Insolvency Act* [R.S.C., 1985, c. B-3] Section 95 (1), (2)

Chi Hung Chan and Xiao Jing Zhou's Possession of Property Obtained by Crime

10. Pursuant to the *Criminal Code* [R.S.C., 1985, c. C-46]:

354 (1) Every one commits an offence who has in his possession any property or thing or any proceeds of any property or thing knowing that all or part of the property or thing or of the proceeds was obtained by or derived directly or indirectly from

(a) the commission in Canada of an offence punishable by indictment; or

(b) an act or omission anywhere that, if it had occurred in Canada, would have constituted an offence punishable by indictment.

Alex Wang's Conflicts of Interest acting as a Director in both "NI" and "1130"

11. Alex Wang was acting in conflicts of interest throughout the bankruptcy and auction procedure of NI.

The Plaintiffs rely on the *Business Corporations Act* [SBC 2002] Chapter 57, Part 5, Division 3

Alex Wang's Improper Use of Confidential Information Obtained in NI for the Benefit of "1130"

12. Alex Wang as an insider made use of specific confidential information, (i) in connection with a transaction relating to the security of the private company NI, and, (ii) for the benefit or advantage of the insider or of any associate or affiliate of the insider, that is, "1130".

The Plaintiffs rely on the *Business Corporations Act* [SBC 2002] Chapter 57, Part 5, Division 8.

Alex Wang in Breach of Fiduciary Duty acting as Director of NI

- 13. Alex Wang abused his seat as a director of NI, giving unfair liquidation preferences in various contracts to his own selected individuals and entities.

Alex Wang's Fettering Discretion, Failure to Personally Act as Director of NI

- 14. Alex Wang, in an attempt to avoid liabilities, removed himself as director of NI two months before incorporating "1130", obtained declaration of non-participation of managing corporate affairs from Ethan, with Ethan's electronic signatures.

Ethan's Improper Use of Electronic Signatures, Alex Wang and Jack Yong's Improper Reliance on Electronic Signatures

- 15. The Plaintiffs rely on the *Electronic Transactions Act* [SBC 2001] Chapter 10:

Requirement to provide and retain originals,

8 (1)A requirement under law that a person provide an original record is satisfied by the provision of the record in electronic form if

(a)there exists a reliable assurance as to the integrity of the record in electronic form, and

(b)the record in electronic form is accessible by the person to whom it is provided and is capable of being retained by that person in a manner usable for subsequent reference.

(2)A requirement under law that a person retain an original record is satisfied by the retention of the record in electronic form if there exists a reliable assurance as to the integrity of the record.

(3)For the purposes of subsections (1) and (2),

(a)the criterion for assessing integrity is whether the record has remained complete and unaltered, apart from the introduction of changes that arise in the normal course of communication, storage and display, and

(b) the standard of reliability required must be assessed in view of the purpose for which the record was created and other relevant circumstances.

Ethan's Intentional Waste Away Disposal of Secured Assets, Below-Market-Value Pledge of Secured Assets

16. Several Plaintiffs as secured creditors enjoy a superior status in the funds disbursement hierarchy, to the extent that there is recovery from assets that were charged by the security, namely, the assets of the guaranteeing company Istuary Group Holdings Ltd. As Ethan intentionally pledged Istuary Group Holdings Ltd.'s 7,000,000 shares of NI (taking up 62.81% of the total shares of NI) for only \$0.35 million CAD, the guaranteeing company's value is rendered insufficient to pay the claims.

The Plaintiffs rely on the *Bankruptcy and Insolvency Act* [R.S.C., 1985, c. B-3] Section 70, 136

Fraudulent Conveyance

17. Fraudulent conveyance to avoid debt or duty of others, if made to delay, hinder or defraud creditors and others of their just and lawful remedies

(a) a disposition of property, by writing or otherwise,

(b) a bond,

(c) a proceeding, or

(d) an order

is void and of no effect against a person or the person's assignee or personal representative whose rights and obligations are or might be disturbed, hindered, delayed or defrauded, despite a pretence or other matter to the contrary.

18. Conveyances are void as to subsequent purchasers for inadequacy of consideration; where transactions were for the purpose to hinder and delay creditors, creditors shall reserve power to revoke them.

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19. There are elements of fraud as to subsequent purchaser transactions, such transactions are either fraudulent in whole or in part, as well as frauds in one or more separate conveyances or transactions.

The Plaintiffs rely on the *Fraudulent Conveyance Act* [RSBC 1996] Chapter 163

Involuntary Bankruptcy Procedure that is Not Genuinely Involuntary, Preferences Given to Alex Wang and His Owned or Controlled Entities

20. The bankruptcy procedure the defendants entered into was in fact a voluntary one, not an involuntary one. As in voluntary bankruptcy procedures there are strict rules regarding prior fraudulent transfers; rules regarding the validity of retrospective operations; whether debts and liabilities dischargeable; and rules governing possible frauds, torts and crimes; the defendants came up with this scheme to force itself into "involuntary bankruptcy", then auction sold NI to themselves for the sole purpose of avoiding these rules governing voluntary bankruptcy procedures, therefore foreclosing on their prior creditors' debts.
21. In particular, one NI's director Ethan borrowing 0.35 million CAD from one former NI's director Alex Wang, after repayment being demanded in one month's time and Ethan being unable to pay, Alex Wang takes the initiatives to force NI into bankruptcy.
22. As such, NI no longer needs to consider its other creditors' debts and the priority rankings of their debts.
23. The defendants acted in bad faith and abused the Accredited Investor Private Issuer Exemption rules, abusing the *Immigration and Refugee Protection Act* [S.C. 2001]; abusing *Partnership Act* [RSBC 1996], (Ethan signing into contracts against the interests of its limited partnerships in which he acts as the controlling mind of the sole general partner); abusing the bankruptcy process, violating rules regarding whether electronic signature can be taken as an acceptable form, and bypassed notarial execution on forms that require notarial execution. Every document that was relied upon by Alex Wang and Jack Yong to force NI into bankruptcy receivership was signed with Ethan's electronic signature only.

Pursuant to the *Bankruptcy and Insolvency Act* [R.S.C., 1985, c. B-3] Section 95 (1):

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Preferences

95 (1) A transfer of property made, a provision of services made, a charge on property made, a payment made, an obligation incurred or a judicial proceeding taken or suffered by an insolvent person

(a) in favour of a creditor who is dealing at arm's length with the insolvent person, or a person in trust for that creditor, with a view to giving that creditor a preference over another creditor is void as against — or, in Quebec, may not be set up against — the trustee if it is made, incurred, taken or suffered, as the case may be, during the period beginning on the day that is three months before the date of the initial bankruptcy event and ending on the date of the bankruptcy;

The Plaintiffs rely on the *Bankruptcy and Insolvency Act* [R.S.C., 1985, c. B-3] Section 95 (1), (2)

Alex Wang, Shi Gang Wang's Manipulation of the True Market Value in an Auction, Price-Fixing in an Auction

24. Price-fixing conducts in the auction sale of NI

Vicarious liability

25. Ethan and Alex Wang being vicariously liable for the IGC employees and agents.

Unjust Enrichment

26. The laws and equity rules on unjust enrichment.

Plaintiff's(s') address for service:
4060-4000 No.3 Road, Richmond, BC, V6Y 2B2

E-mail address for service (if any):
joylawoffice@gmail.com

Place of trial:

The address of the registry is: 800 Smithe Street, Vancouver, BC V6Z 2E1

Date: Oct - 05 - 2018

Signature of

[] plaintiff lawyer for plaintiff(s)

Joy Yan

Rule 7-1 (1) of the Supreme Court Civil Rules states:

- (1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,
 - (a) prepare a list of documents in Form 22 that lists
 - (i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and
 - (ii) all other documents to which the party intends to refer at trial, and
 - (b) serve the list on all parties of record.

Appendix

Part 1: CONCISE SUMMARY OF NATURE OF CLAIM:

The Plaintiffs seek recovery for the losses caused by the Defendants breach of trust, negligence, fraud, and breach of fiduciary duties, misrepresentation in connection with a misleading investment scheme.

Part 2: THIS CLAIM ARISES FROM THE FOLLOWING:

A personal injury arising out of:

- a motor vehicle accident
- medical malpractice
- another cause

A dispute concerning:

- contaminated sites
- construction defects
- real property (real estate)
- personal property
- the provision of goods or services or other general commercial matters
- investment losses
- the lending of money
- an employment relationship
- a will or other issues concerning the probate of an estate
- a matter not listed here

Part 3: THIS CLAIM INVOLVES:

- a class action
- maritime law
- aboriginal law
- constitutional law
- conflict of laws
- none of the above
- do not know

THIS IS EXHIBIT "G" REFERRED TO IN THE
AFFIDAVIT OF **JEFF KEEBLE**, SWORN/AFFIRMED
BEFORE ME AT VANCOUVER, BC, THIS 28th DAY OF
MARCH, 2019

A Commissioner for taking Affidavits within British Columbia

SUPREME COURT
OF BRITISH COLUMBIA
VANCOUVER REGISTRY

NOV 22 2018



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S1812538

No. _____

Vancouver Registry

In the Supreme Court of British Columbia

BETWEEN:

0924509 B.C. LTD., HARRISON HUAN, YIWANG FAMILY TRUST, 0882682
B.C. LTD., MICHAEL DAY, LIHUA ZHANG, FANG LIU, XIN YANG, ANDE
CHEN, XUEMEI HUANG, SHENGLI MU, MINLIAN CHEN, CANADA W.Y.
HOLDINGS LTD., LING ZHAO, HAO TANG, MINGHUI ZHENG, ZHIPING
YAN, DYLAN HOLDINGS LTD, QUAN GU, TING GUO, YUEFANG
HUANG, LIWEN YIN, CHUNYU LIU, ZHONGPING ZHANG, DAN ZHANG,
XUEXIN GUAN and MING LU

Petitioner(s)

AND:

KIMBERLEY ROBERTSON, JACK YONG, LAWSON LUNDELL LLP.,
MCMILLAN LLP, GOWLINGS LLP, DELOITTE RESTRUCTURING INC., YI
AN SUN a.k.a YIAN SUN a.k.a ETHAN SUN, NETWORK INTELLIGENCE
INC., NETINT TECHNOLOGIES INC., a.k.a 1130489 B.C. LTD., LIXIN
WANG, SHI GANG WANG, RENKE NIE, and CHENGGAO ZHU

Respondent(s)

PETITION TO THE COURT

ON NOTICE TO:

1st Respondent:
KIMBERLEY ROBERTSON
1600 - 925 West Georgia Street,
Vancouver,
BC V6C 3L2

2nd Respondent:
JACK YONG
1600 - 925 West Georgia Street,
Vancouver,
BC V6C 3L2

3rd Respondent:
LAWSON LUNDELL LLP.
1600 - 925 West Georgia Street,
Vancouver,
BC V6C 3L2

4th Respondent:
MCMILLAN LLP
Royal Centre, 1055 W Georgia St #1500,
Vancouver,
BC V6E 4N7

5th Respondent:
GOWLINGS LLP
550 Burrard St #2300, Vancouver,
BC V6C 2B5

6th Respondent:
DELOITTE RESTRUCTURING INC.,
8 Adelaide St West
Toronto, Ontario, M5H0A9

7th Respondent:
YI AN SUN
Unit 800-1125 Howe Street, Vancouver,
BC, Canada

8th Respondent:
NETWORK INTELLIGENCE INC.,
Unit 800-1125 Howe Street, Vancouver,
BC, Canada

9th Respondent:
NETINT TECHNOLOGIES INC.,
a.k.a 1130489 B.C. LTD.,
306 - 3500 Gilmore Way, Burnaby,
British Columbia, V5G 0B8, Canada

10th Respondent:
LIXIN WANG
1A - 75 Tiverton Court, Markham,
Ontario, L3R 4M8, Canada

11th Respondent:
SHI GANG WANG
1A - 75 Tiverton Court, Markham,
Ontario, L3R 4M8, Canada

12th Respondent:
RENKE NIE
1A - 75 Tiverton Court, Markham,
Ontario, L3R 4M8, Canada

13th Respondent:
CHENGGAO ZHU
Unit 800-1125 Howe Street, Vancouver,
BC, Canada

This proceeding has been started by the petitioner(s) for the relief set out in Part 1 below.

If you intend to respond to this petition, you or your lawyer must

- (a) file a response to petition in Form 67 in the above-named registry of this court within the time for response to petition described below, and
 - (b) serve on the petitioner(s)
 - (i) 2 copies of the filed response to petition, and
 - (ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.

TIME FOR RESPONSE TO PETITION

A response to petition must be filed and served on the petitioner(s),

- (a) if you were served with the petition anywhere in Canada, within 21 days after that service,
- (b) if you were served with the petition anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the petition anywhere else, within 49 days after that service, or
- (d) if the time for response has been set by order of the court, within that time.

(1)	The address of the registry is: Law Courts 800 Smithe Street Vancouver, British Columbia V6Z 2E1
(2)	The ADDRESS FOR SERVICE of the petitioner(s) is: JOY YAN 4060-4000 No. Road, Richmond, BC, V6X 0J8 Fax number address for service (if any) of the petitioner(s): N/A E-mail address for service (if any) of the petitioner(s): <u><i>joylawoffice@gmail.com</i></u>
(3)	The name and office address of the petitioner's(s') lawyer is: JOY YAN 4060-4000 No. Road, Richmond, BC, V6X 0J8

CLAIM OF THE PETITIONER(S)

Part 1: ORDER(S) SOUGHT

1. a declaration that the Respondent Yi An Sun was in China, the whole time from May 2017 till November 2018.
2. an order of full disclosure of how each Respondent obtained each of the document in "Exhibit 'B'" of "1st Affidavit of Xiuting Liu made on 21st November, 2018" (hereinafter referred to as "Exhibit B") in which all documents were affixed with Yi An Sun's electronic signatures.
3. a declaration that all Yi An Sun's electronic signatures on each of the document in Exhibit B is ineffective.
4. a declaration that all documents in the Exhibit B are void or voidable for lack of formation.
5. an order that the Petitioners be granted their costs in connection with this proceeding; and
6. an order for any further relief that to this Honourable Court may deem just;

all or any of which may be sought at the hearing of the Petition, or by separate application(s).

Part 2: FACTUAL BASIS

1. In or around April or May 2017, the 7th Respondent Yi An Sun's owned or controlled British Columbia corporation, the 8th Respondent, Network Intelligence Inc. (hereinafter referred to as "NI") declared itself insolvent.
2. Throughout May 2017 to November 2018, the 7th Respondent Yi An Sun was in China.
3. On August 16th, 2017, NI's former director, the 10th Respondent Lixin Wang incorporated the 9th Respondent, Netint Technologies Inc., a.k.a. 1130489 BC. Ltd. (hereinafter referred to as "Netint"), together with two other individuals—the

11th Respondent Shi Gang Wang and the 12th Respondent Renke Nie. The three of them were the founding directors of the 9th Respondent. Netint.

4. On August 22nd, 2017, Netint lent \$1.2 Million US dollars to NI, obtaining NI's 62.68% shares as a pledge;
5. In one month's time Netint immediately declared that the \$1.2 Million US dollars loan was due;
6. On October 16th, 2017, NI was forced into bankruptcy by Netint and the receivership proceedings, commenced by reason of non-payment of this \$1.2 Million US dollars' debt when it came due ("Bankruptcy Proceedings");
7. All relevant documents, statutory declarations and contracts prepared and relied upon for the above Bankruptcy Proceedings purposes, were affixed with Yi An Sun's blind electronic signatures only. The 2nd Defendant Jack Yong, from the same law firm the 3rd Defendant Lawson Lundell LLP., was acting as counsel for the 9th Defendant Netint.
8. Yi An Sun never signed any of these documents in front of a Chinese Notary.
9. Throughout May 2017 to January 2018, Yi An Sun had a personal representative while in China, the 13th Respondent Chenggao (Vincent) Zhu (hereinafter referred to as "Vincent Zhu")
10. The 1st and 3rd Respondents, Kimberley Robertson and Lawson Lundell LLP, together allege that the 7th Respondent Yi An Sun at the time had his own legal representative, the 4th Respondent, McMillan LLP.
11. All Petitioners in this action were former investors, investing into Yi An Sun's British Columbia companies including NI. After the Bankruptcy Proceedings, all Petitioners' investments were cleared as zero.
12. The 6th Respondent Deloitte Restructuring Inc. was NI's Receiver, for the purpose of the Bankruptcy Proceedings.
13. The 5th Respondent Gowlings LLP was the 6th Respondent Deloitte Restructuring Inc.'s legal representative for the purpose of the Bankruptcy Proceedings.

Part 3: LEGAL BASIS

1. The Petitioners will rely on, inter alia, *Law Society Rules* [2015], Part 3 – Protection of the Public, Verification, 3-102; Identifying directors, shareholders and owners 3-103; and,

Client identification and verification in non-face-to-face transactions:

3-104

(1) This rule applies when a lawyer provides legal services in respect of a financial transaction for a client who is an individual not physically present before the lawyer.

(2) If the client is present elsewhere in Canada, the lawyer must verify the client's identity by obtaining an attestation from a commissioner of oaths for a jurisdiction in Canada, or a guarantor in Canada, that the commissioner or guarantor has seen one of the documents referred to in Rule 3-102 (2) (a) [Verification].

(3) For the purpose of subrule (2), an attestation must be produced on a legible photocopy of the document and must include

(a) the name, profession and address of the person providing the attestation,

(b) the signature of the person providing the attestation, and

(c) the type and number of the identifying document provided by the client.

(4) For the purpose of subrule (2), a guarantor must be a person engaged in one of the following occupations in Canada:

(a) dentist; (b) medical doctor; (c) chiropractor; (d) judge; (e) magistrate; (f) lawyer; (g) notary (in Quebec); (h) notary public; (i) optometrist; (j) pharmacist; (k) professional accountant (Chartered Professional Accountant, Accredited Public Accountant, Public Accountant or Registered Public Accountant); (l) professional engineer; (m) veterinarian. (n) architect; (o) peace officer; (p) paralegal licensee in Ontario; (q) registered nurse; (r) school principal.

(5) If the client is not present in Canada, the lawyer must rely on an agent to obtain the information required to verify the identity of the client under Rule 3-102 [Verification], which may be attested to in a form similar to

that described in this Rule, provided the lawyer and the agent have an agreement or arrangement in writing for this purpose.

(6) A lawyer who enters into an agreement or arrangement referred to in subrule (5) must obtain from the agent the information obtained by the agent under that agreement or arrangement.

Timing of verification for individuals

3-105

(1) At the time that a lawyer provides legal services in respect of a financial transaction, the lawyer must verify the identity of a client who is an individual.

(2) When a lawyer has verified the identity of an individual, the lawyer is not required subsequently to verify that same identity if the lawyer recognizes that person.

Timing of verification for organizations

3-106

(1) A lawyer must verify the identity of a client that is an organization within 60 days of engaging in a financial transaction.

(2) When a lawyer has verified the identity of a client that is an organization and obtained and recorded information under Rule 3-103 [Identifying directors, shareholders and owners], the lawyer is not required subsequently to verify that identity or obtain and record that information.

Record keeping and retention

3-107

(1) A lawyer must obtain and retain a copy of every document used to verify the identity of any individual or organization for the purposes of Rule 3-102 (1) [Verification].

(2) The documents referred to in subrule (1) may be kept in a machine-readable or electronic form, if a paper copy can be readily produced from it.

(3) A lawyer must retain a record of the information and any documents obtained for the purposes of Rules 3-100 [Client identification] and 3-103

[Identifying directors, shareholders and owners] and copies of all documents received for the purposes of Rule 3-102 (2) [Verification] for the longer of

(a) the duration of the lawyer and client relationship and for as long as is necessary for the purpose of providing services to the client, and

(b) a period of at least 6 years following completion of the work for which the lawyer was retained.

Existing matters

3-108

Rules 3-99 to 3-107 do not apply to matters for which a lawyer was retained before December 31, 2008, but they do apply to all matters for which he or she is retained after that time, regardless of whether the client is a new or existing client.

Criminal activity

3-109

(1) If, in the course of obtaining the information and taking the steps required in Rule 3-100 [Client identification], 3-102 (2) [Verification] or 3-103 [Identifying directors, shareholders and owners], or while retained by a client, a lawyer knows or ought to know that he or she is or would be assisting a client in fraud or other illegal conduct, the lawyer must withdraw from representation of the client.

(2) This rule applies to all matters for which a lawyer is retained before or after this division comes into force.

2. The Law Society of British Columbia, Support and Resources for Lawyers, *Practice Checklists Manuals*:

(1) Client identification and verification procedure
(a) *Client Identification and Verification Procedure*

(2) Corporate and commercial
(a) *Share Purchase Procedure*
(b) *Share Purchase Agreement Drafting*
(c) *Incorporation — Business Corporations Act Procedure*

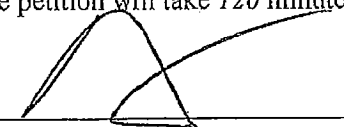
- (d) *Shareholders' Agreement Procedure*
- (e) *Shareholders' Agreement Drafting*
- (f) *Security Agreement Procedure*
- (g) *Security Agreement Drafting*

Part 4: MATERIAL TO BE RELIED ON

1. 1st Affidavit of Xiuting Liu, made on 21st November, 2018;

The petitioner(s) estimate(s) that the hearing of the petition will take 120 minutes.

Dated Nov, 21, 2018



Signature of

Joy Yan

Lawyer for petitioners

To be completed by the court only:

Order made

in the terms requested in paragraphs *[specify]* of Part 1 of this notice of application

with the following variations and additional terms:
[specify]

Dated: *[month, day, year]*. _____

Signature of
 Judge Master

THIS IS EXHIBIT "H" REFERRED TO IN THE
AFFIDAVIT OF **JEFF KEEBLE**, SWORN/AFFIRMED
BEFORE ME AT VANCOUVER, BC, THIS 28th DAY OF
MARCH, 2019.

A Commissioner for taking Affidavits within British Columbia

SUPREME COURT
OF BRITISH COLUMBIA
VANCOUVER REGISTRY

91
S1812539

NOV 27 2018



No. _____

Vancouver Registry

In the Supreme Court of British Columbia

BETWEEN:

0924509 B.C. LTD., HARRISON HUAN, YIWANG FAMILY TRUST, 0882682
B.C. LTD., MICHAEL DAY, LIHUA ZHANG, FANG LIU, XIN YANG, ANDE
CHEN, XUEMEI HUANG, SHENGLI MU, MINLIAN CHEN, CANADA W.Y.
HOLDINGS LTD., LING ZHAO, HAO TANG, MINGHUI ZHENG, ZHIPING
YAN, DYLAN HOLDINGS LTD, QUAN GU, TING GUO, YUEFANG
HUANG, LIWEN YIN, CHUNYU LIU, ZHONGPING ZHANG, DAN ZHANG,
XUEXIN GUAN and MING LU

Petitioner(s)

AND:

NETINT TECHNOLOGIES INC., a.k.a 1130489 B.C. LTD., LIXIN WANG, SHI GANG
WANG, RENKE NIE, TAO ZHONG, WEI LIU, JOHN PLASTERER, ATHENA
SOLUTIONS LTD., NETWORK INTELLIGENCE INC. and DELOITTE
RESTRUCTURING INC.

Respondent(s)

PETITION TO THE COURT

ON NOTICE TO:

1st Respondent:
NETINT TECHNOLOGIES INC.,
a.k.a 1130489 B.C. LTD.,
306 - 3500 Gilmore Way, Burnaby,
British Columbia, V5G 0B8, Canada

2nd Respondent:
LIXIN WANG
1A - 75 Tiverton Court, Markham,
Ontario, L3R 4M8, Canada

3rd Respondent:
SHI GANG WANG
1A - 75 Tiverton Court, Markham,
Ontario, L3R 4M8, Canada

4th Respondent:
RENKE NIE
1A - 75 Tiverton Court, Markham,
Ontario, L3R 4M8, Canada

5th Respondent:
TAO ZHONG
1A - 75 Tiverton Court, Markham,
Ontario, L3R 4M8, Canada

6th Respondent:
WEI LIU
1A - 75 Tiverton Court, Markham,
Ontario, L3R 4M8, Canada

7th Respondent:
JOHN PLASTERER
1A - 75 Tiverton Court, Markham,
Ontario, L3R 4M8, Canada

8th Respondent:
ATHENA SOLUTIONS LTD.
5-2281 Argue St Port Coquitlam
BC, V3C 6R4, Canada

9th Respondent:
NETWORK INTELLIGENCE INC.
Unit 800-1125 Howe Street, Vancouver,
BC, Canada

10th Respondent:
DELOITTE RESTRUCTURING INC.
8 Adelaide St West
Toronto, Ontario, M5H0A9

This proceeding has been started by the petitioner(s) for the relief set out in Part 1 below.

If you intend to respond to this petition, you or your lawyer must

- (a) file a response to petition in Form 67 in the above-named registry of this court within the time for response to petition described below, and
 - (b) serve on the petitioner(s)
 - (i) 2 copies of the filed response to petition, and
 - (ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.

TIME FOR RESPONSE TO PETITION

A response to petition must be filed and served on the petitioner(s),

- (a) if you were served with the petition anywhere in Canada, within 21 days after that service,
- (b) if you were served with the petition anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the petition anywhere else, within 49 days after that service, or
- (d) if the time for response has been set by order of the court, within that time.

(1)	The address of the registry is: Law Courts 800 Smithe Street Vancouver, British Columbia V6Z 2E1
(2)	The ADDRESS FOR SERVICE of the petitioner(s) is:

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	<p>JOY YAN 4060-4000 No. Road, Richmond, BC, V6X 0J8</p> <p>Fax number address for service (if any) of the petitioner(s): N/A</p> <p>E-mail address for service (if any) of the petitioner(s): <u><i>joylawoffice@gmail.com</i></u></p>
(3)	<p>The name and office address of the petitioner's(s') lawyer is:</p> <p>JOY YAN 4060-4000 No. Road, Richmond, BC, V6X 0J8</p>

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CLAIM OF THE PETITIONER(S)

Part 1: ORDER(S) SOUGHT

1. a declaration that 1st, 2nd, 3rd, and 4th Respondents namely, Netint Technologies Inc. ("Netint"), Lixin Wang, Shi Gang Wang and Renke Nie provided material false information and/or failed to disclose material information in the Asset Purchase Agreement tendered to this Honorable Court, in an attempt to bid in an auction sale (hereinafter referred to as "Auction Sale") of a British Columbia corporation, Network Intelligence Inc., at which time Network Intelligence Inc. declared itself insolvent.
2. a declaration that 1st, 2nd, 3rd, and 4th Respondents namely, Netint Technologies Inc. ("Netint"), Lixin Wang, Shi Gang Wang and Renke Nie tendered material false information and/or failed to disclose material information to Deloitte Restructuring Inc., for the purpose of Deloitte Restructuring Inc. publishing advertisements to potential bidders for the assets of Network Intelligence Inc.
3. further in the alternative, a declaration that Deloitte Restructuring Inc. provided material false information and/or failed to disclose material information, on its published advertisements to potential bidders for the assets of Network Intelligence Inc.
4. a declaration that key technician personnels are crucial to the value of the assets of a high-tech corporation producing PCIe Chipset 4.0 ("PCIe Chipset 4.0"), when assessing the value of the assets of a business.
5. a declaration that the 1st Respondent Netint obtained unfair preferences prior to the Auction Sale.
6. further in the alternative, a declaration that some or all of the Respondents participated in signing of an agreement, the "Agreement between Athena Solutions, Wei (Alex) Liu, Tao Zhong, John Plasterer and 1130489 BC Ltd., intending it be used as an instrument for the purpose of fraudulent conveyance.
7. further in the alternative, a declaration that the Auction Sale is a fraud and that the subsequent Netint's acquisition of NI is declared null and void by reason of possible auction frauds committed by some or all of the Respondents.

- 8. further in the alternative, a declaration of conspiracy by some or all of the Respondents.
- 9. a declaration that all the Auction Sale was void.
- 10. an order that the Petitioners be granted their costs in connection with this proceeding; and
- 11. an order for any further relief that this Honourable Court may deem just:

all or any of which may be sought at the hearing of the Petition, or by separate application(s).

Part 2: FACTUAL BASIS

- 1. In or around April or May 2017, the 9th Respondent, Network Intelligence Inc (hereinafter referred to as "NI") declared itself insolvent. NI is in the business of research & development and producing PCIe Chipset 4.0.
- 2. On August 16th, 2017, NI's former director, the 2nd Respondent Lixin Wang, together with two other individuals—the 3rd Respondent Shi Gang Wang and the 4th Respondent Renke Nie incorporated the 1st Respondent, Netint Technologies Inc., a.k.a. 1130489 BC. Ltd. (hereinafter referred to as "Netint"). The three of them were the founding directors of the 1st Respondent, Netint.
- 3. On August 22nd, 2017, Netint lent \$1.2 Million US dollars to NI, obtaining NI's 62.68% shares as a pledge;
- 4. In one month's time Netint immediately declared that the \$1.2 Million US dollars loan was due;
- 5. On October 16th, 2017, NI was forced into bankruptcy by Netint and the receivership procedure, commenced by reason of non-payment of this \$1.2 Million US dollars' debt when it came due ("Bankruptcy Proceedings");
- 6. On October 30th, 2017, an "Agreement between Athena Solutions, Wei (Alex) Liu, Tao Zhong, John Plasterer and 1130489 BC Ltd." (hereinafter referred to as "Non-Compete Agreement") was entered into amongst Netint, Athena Solutions Ltd., Wei (Alex) Liu, Tao Zhong, John Plasterer.
- 7. Tao Zhong was the founding and leading technician of the research and development team for the purpose of producing the PCIe Chipset 4.0 product.

8. Tao Zhong used to hold himself out as leading technician for "Istuary" group of companies, accepting media interviews on behalf of Istuary.
9. All Petitioners in this action were former investors, investing into Istuary group of companies including NI. After the Bankruptcy Proceedings and an Auction Sale, all Petitioners' investments were declared as zero.
10. When "Istuary" name started to soil because of non-repayment of investment monies, Tao Zhong started to hold himself out as NI's technician lead (NI's former name was Istuary NI, all from the same Istuary corporate empires; Istuary NI subsequently erased the "Istuary" wording from its name)
11. When NI went bankrupt in late 2017, Tao Zhong signed a Non-Compete Agreement with Netint, essentially undertook to only work for Netint, thereby eliminating the possibility of anyone except Netint acquiring NI.
12. In this "Non-Compete Agreement" it reads: "Without in any way limiting the above, the Contractor and Core Team (referring to "Tao Zhong, Alex Liu and John Plasterer" et al) agree that they will be in a relationship of exclusivity with the Company as it relates to the Sale, and that they will not, except with the prior written consent of the Company, directly or indirectly, alone or as owner, partner, consultant, officer, director, employee, independent contractor to or shareholder of any company or business organization, negotiate or enter into any employment or similar agreements with any party other than the Company (referring to "Netint"), seeking to present a bid for the Sale (referring to the yet-to-happen Auction Sale). For clarity, this will not prevent the Contractor and Core Team from entering into any agreements not related to the Sale.
13. Netint successfully won the auction bid and acquired NI. Tao Zhong is now the team lead of Netint.
14. Within 1 year Netint is now worth hundreds of millions of Canadian dollars.
15. The employment relationship between Tao Zhong, Alex Liu and other key employees ("Tao Zhong et al") with NI was crucial to the potential successful production of PCIe Chipset 4.0.
16. Without Tao Zhong et al, all NI's goodwill, patents, and intellectual properties would be rendered worthless.
17. Without Tao Zhong et al, NI's net worth would become \$110,445.00 CAD worth of Computers and \$18,000.00 CAD worth of Computer Servers—the pure hardware's net worth.

18. In Deloitte’s published advertisement seeking potential bidders for the Assets of Network Intelligence Inc., it reads:

“Status and Timeline:

- ~ November 30, 2017: Tape out
- ~ March 1, 2018: Chip to be received by the Company
- ~ August 30, 2018: General customer available.”

Without Tao Zhong et al, none of these is possible.

19. No transparent advertisements for auction were ever made. No genuine auction ever took place.

Part 3: LEGAL BASIS

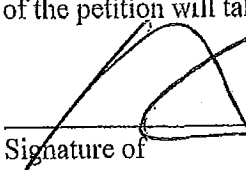
1. The Petitioners will rely on the *Competition Act* [R.S.C., 1985, c. C-34] that Alex Wang, Shi Gang Wang, Tao Zhong, Alex Liu and John Plasterer’s engaged in Deceptive Marketing Practices and unfair competition.
2. The Petitioners will rely on the *Fraudulent Conveyance Act* [RSBC 1996] Chapter 163.
3. The Petitioners rely on the *Business Practices and Consumer Protection Act* [SBC 2004] Chapter 2 Part 2 - Unfair Practices, Division 1 – Deceptive Acts or Practices, Division 2 – Advertising, 59 Disclosure in advertisements

Part 4: MATERIAL TO BE RELIED ON

1. 1st Affidavit of Xiuting Liu, made on 21st November, 2018;

The petitioner(s) estimate(s) that the hearing of the petition will take 120 minutes.

Dated: Nov, 21, 2018



Signature of

Joy Yan

Lawyer for petitioners

To be completed by the court only:

Order made

in the terms requested in paragraphs *[specify]* of Part 1 of this notice of application

with the following variations and additional terms:
[specify]

Dated: *[month, day, year]*. _____

Signature of
 Judge Master

No. _____
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF
NETWORK INTELLIGENCE INC.**

AFFIDAVIT

GOWLING WLG (Canada) LLP
Barristers & Solicitors
Suite 2300, 550 Burrard Street
Vancouver, BC V6C 2B5
Attention: Jonathan B. Ross

Tel. No. 604.891.2778
Fax No. 604.683.3558

File No. V48930

JBR/st