



No. S-240493
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

FOX ISLAND DEVELOPMENT LTD. and ADVANCED VENTURE HOLDING CO.,
LTD.

Petitioners

AND:

KENSINGTON UNION BAY PROPERTIES NOMINEE LTD. (formerly known as 34083 YUKON INC.), KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP, KENSINGTON UNION BAY PROPERTIES GP LTD, INTERNATIONAL TRADE CENTER PROPERTIES LTD., SUNWINS ENTERPRISE LTD., MO YEUNG CHING also known as MICHAEL CHING, MO YEUNG PROPERTIES LTD., SFT DIGITAL HOLDINGS 30 LTD., HOTEL VERSANTE LTD., BEEM CREDIT UNION, MORTEQ LENDING CORP., CHUN YU LIU, 1307510 B.C. LTD., JEFFREY RAUCH, and HEUNG KEI SUNG

Respondents

REQUISITION – GENERAL

Filed by: Deloitte Restructuring Inc. ("**Deloitte**"), in its capacity as receiver and manager in relation to International Trade Center Properties Ltd. ("**ITCP**") and Hotel Versante Ltd. ("**Hotel Versante**"), (in such capacity, the "**Receiver**").

Required:

1. To file the Receiver's Third Report to the Court, dated October 10, 2025 (the "**Third Report**").

This Requisition is supported by the following:

1. Notice of Application, dated October 10, 2025

Date: 10/OCT/2025


Signature of lawyer for filing party
Cassandra Federico

THIS REQUISITION – GENERAL is prepared and filed by the law firm, Dentons Canada LLP, 20th Floor, 250 Howe Street, Vancouver, B.C. V6C 3R8, Attention: John Sandrelli / Cassandra Federico (Telephone number: 604-630-3411) | Email: john.sandrelli@dentons.com / cassandra.federico@dentons.com



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LIU, 1307510 B.C. LTD., JEFFREY RAUCH, HEUNG KEI SUNG, and
RCC HOLDINGS LTD.*

RESPONDENTS

**THIRD REPORT OF DELOITTE RESTRUCTURING INC.,
THE COURT APPOINTED RECEIVER OF INTERNATIONAL TRADE CENTER
PROPERTIES LTD., HOTEL VERSANTE LTD., AND RCC HOLDINGS LTD.**

OCTOBER 10, 2025

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- Appendix "A" – Receiver's Interim Statement of Receipts and Disbursements for the period from March 4, 2025 to September 30, 2025
- Appendix "B" – Colliers Marketing Report dated October 9, 2025 (Redacted)
- Appendix "C" – Citation Agreement (Redacted)

INTRODUCTION

- (1) Pursuant to an Order (the "**Receivership Order**") of the Supreme Court of British Columbia (the "**Court**") dated March 4, 2025 (the "**Date of Receivership**"), Deloitte Restructuring Inc. ("**Deloitte**") was appointed as receiver and manager (in such capacity, the "**Receiver**") of all the assets, undertakings, and hotel property of International Trade Center Properties Ltd. ("**ITCP**") and Hotel Versante Ltd. ("**Hotel Versante**") acquired for, or used in relation to the business and operation of the hotel known as the "Versante Hotel" (the "**Hotel**"), with a civic address of 8499 Bridgeport Road, Richmond, British Columbia ("**BC**") and with the following legal descriptions:
 - a) PID: 030-795-851
Air Space Parcel 2 Section 21 Block 5 North Range 6 West New Westminster District Air Space Plan EPP73985; and
 - b) PID: 029-611-598
Lot 1 Section 21 Block 5 North Range 6 West New Westminster District Plan EPP37734 Except Air Space Plan EPP73985.including without limiting the foregoing all proceeds thereof (collectively the "**Hotel Property**").
- (2) The Court proceedings in which the Receiver was appointed are referred to herein as the "**Receivership Proceedings**".
- (3) The application for the Receivership Order was brought by the petitioners, Fox Island Development Ltd. and Advanced Holding Venture Co., Ltd. (together, the "**Lenders**" or "**Fox Island**"), in foreclosure proceedings previously commenced by the Lenders by way of a petition filed on January 24, 2024 and pursuant to which an Order Nisi was granted on February 29, 2024.
- (4) The Lenders advanced financing to ITCP, and certain other of the respondents in the Receivership Proceedings, pursuant to a loan agreement in 2021 (the "**Loan Agreement**"). As security for the obligations under the Loan Agreement, the Lenders were granted various security, including mortgages over several land parcels and properties, including among them, the Hotel Property (the "**Lenders' Security**"). As of February 29, 2024, the Receiver understands that the Lenders were owed approximately \$80.0 million under the Loan Agreement, with interest and costs continuing to accrue. The Receiver understands that the Lenders' indebtedness totaled approximately \$113.9 million as at August 21, 2025 (the "**Lenders' Indebtedness**").
- (5) The Receiver's independent legal counsel, Dentons Canada LLP ("**Dentons**"), has reviewed the Lenders' Security and concluded that, subject to customary qualifications and assumptions, the Lenders' Security is valid and enforceable and that the Lenders have taken the necessary steps to perfect their security interests as against third parties (the "**Lenders' Security Opinion**").
- (6) On March 31, 2025, the Receiver issued its first report to Court (the "**First Report**"). The First Report was filed to, among other things, provide the Court with an overview of the Hotel's operations and financial position, and to support the granting of an amended and restated receivership order.
- (7) On April 2, 2025, the Court granted an order (the "**Amended and Restated Receivership Order**") to, among other things, amend the Receivership Order to:
 - a) Include RCC Holdings Ltd. ("**RCC**," together with ITCP and Hotel Versante, the "**Debtors**") in the definition of the "Debtors" over whose assets, undertakings, and hotel property the Receiver is appointed, to the extent such property is acquired for and used in connection with the business and operations of the Hotel;
 - b) Increase the principal amount that the Receiver is authorized to borrow from \$200,000 to \$750,000 (the "**First Borrowing Facility Increase**");

- c) Amend the Receiver's Charge to be subordinate in priority to the security interest of Gould Leasing Ltd. ("**Gould**") in respect of the Hotel Property over which Gould held a first charge on certain kitchen equipment assets, but otherwise have priority to all claims and be subordinate only to claims pursuant to sections 14.06(7), 81.4(4), and 81.6(2) of the *Bankruptcy and Insolvency Act* ("**BIA**"). Gould has subsequently confirmed with the Receiver that its loan has been repaid in full and they no longer have any security interest as against any Hotel Property; and
 - d) Empower and authorize the Receiver to make payments for amounts owing for goods and services provided to the Debtors prior to the date of the commencement of the Receivership Proceedings by arms' length third parties, if, in the opinion of the Receiver, such third party is critical to the operations of the Versante Hotel and necessary to ensure ongoing supply.
- (8) The Receiver agreed to adjourn, to a fixed date, the relief sought for its appointment as investigator over Club Versante Management Ltd. ("**Club Versante**"), as certain information had been provided in advance of the application. The matter was later adjourned generally.
- (9) On July 11, 2025, the Receiver issued its second report to Court (the "**Second Report**"). The Second Report was filed to, among other things, report on the sale process undertaken by the Receiver to realize on the Hotel Property (the "**Sale Process**"), and to support the Receiver's application for the Parking Settlement Approval Order, as defined and described below.
- (10) On July 15, 2025, the Court granted an Order (the "**Parking Settlement Approval Order**") which provides, among other things, that:
- a) 1212429 B.C. Ltd. ("**121**") and ITCP are to execute and deliver to the Receiver an assignment agreement (the "**Parking Assignment Agreement**") pursuant to which 121 assigns to any successful purchaser of the Hotel Property (the "**Successful Purchaser**") its rights to parking stall numbers 254-337 located on P5 of the parkade at the Hotel Property (the "**P5 Parking Stalls**") under the parking head lease dated May 30, 2019 between ITCP, as landlord, and 121 as tenant (the "**Parking Head Lease**");
 - b) 121 retains all its rights and obligations under the Parking Head Lease other than those assigned to the Successful Purchaser pursuant to the Parking Assignment Agreement;
 - c) the Receiver is to hold the Parking Assignment Agreement in escrow and be directed to release and deliver it to the Successful Purchaser upon closing of a Court-approved sale of the Hotel Property;
 - d) Bygenteel Capital Inc. ("**Bygenteel**") is to execute and deliver to the Receiver a termination agreement (the "**Bygenteel Termination**") terminating the assignment agreement dated November 5, 2019 in relation to the P5 Parking Stalls;
 - e) Bygenteel and Club Versante are to execute and deliver to the Receiver a termination agreement terminating the parking stall lease agreement dated July 1, 2021 in relation to the P5 Parking Stalls (together with the Bygenteel Termination, the "**Termination Agreements**");
 - f) the Receiver is to hold the Termination Agreements in escrow and be directed to release and deliver them to the Successful Purchaser upon closing of a Court-approved sale of the Hotel Property;
 - g) Bygenteel, 121, and Club Versante reserve their respective rights in respect of any claims each may have to the allocation of net proceeds arising from a Court-approved sale of the

Hotel Property attributable to the value of the P5 Parking Stalls (the "**Parking Stall Net Proceeds**");

- h) Fox Island, Bygunteel, 121, and Club Versante each reserve their rights in respect of such allocation and any claims as against the Parking Stall Net Proceeds;
 - i) upon a Court-approved sale of the Hotel Property, the Receiver is to hold the Parking Stall Net Proceeds in trust pending further agreement of the parties as to allocation, or further order of the Court directing their distribution; and
 - j) the Receiver is authorized to distribute any other proceeds from a Court-approved sale of the Hotel Property, notwithstanding the holdback of the Parking Stall Net Proceeds pursuant to paragraph 10 of the Parking Settlement Approval Order, upon a distribution order being made.
- (11) This is the Receiver's third report to the Court (the "**Third Report**" or "**this Report**"). Unless otherwise provided, all other capitalized terms not defined in this Report are as defined in the Amended and Restated Receivership Order, the First Report or the Second Report.
- (12) In addition to this Report, the Receiver will also prepare a confidential supplement to the Third Report (the "**Confidential Supplement**"), which the Receiver is seeking to filed under seal, as described further herein.
- (13) The Amended and Restated Receivership Order, the First Report, the Second Report, and other documents pertaining to the Receivership Proceedings have been posted on the Receiver's website at www.insolvencies.deloitte.ca/hotelversante (the "**Receiver's Website**").

Purpose of the Third Report

- (14) The purpose of the Third Report is to:
- a) Report on the Receiver's activities since the Second Report;
 - b) Report on the receipts and disbursements in the Receivership Proceedings as outlined in the Receiver's interim statement of receipts and disbursements from the Date of Receivership to September 30, 2025 (the "**September 2025 R&D**"), a copy of which is attached hereto as **Appendix "A"**;
 - c) Provide the Court with a summary of a key employee retention plan (the "**KERP**");
 - d) Report on the priority and secured claims of Hotel Versante and the Receiver's intention to assign Hotel Versante into bankruptcy to reverse the priority of certain claims for the general benefit of creditors;
 - e) Provide an update on the Sale Process since the Second Report;
 - f) Provide an overview of the salient terms of the asset purchase agreement between the Receiver and Citation Property Holdings Limited ("**Citation**") dated August 29, 2025 (the "**Citation Agreement**") that is being presented to the Court for approval (the "**Citation Transaction**");
 - g) Provide the Court with the Receiver's comments and recommendation regarding an interim distribution to Fox Island (the "**Fox Island Interim Distribution**"); and
 - h) Support the Receiver's application seeking orders:
 - i) Approving the Receiver's activities since the Date of the Receivership as detailed in the First Report, the Second Report, and in this Report;

- ii) Approving the September 2025 R&D;
- iii) Approving the KERP and granting a charge in favor of the KERP recipients against the Hotel Property (the "**KERP Charge**");
- iv) Authorizing the Receiver to assign Hotel Versante into bankruptcy for the general benefit of creditors;
- v) Approving the Citation Agreement and authorizing the Receiver to complete the Citation Transaction and carry out all steps necessary to do so (the "**Approval and Vesting Order**");
- vi) Authorizing and empowering the Receiver, but not obligating it, to disclaim and confirm the effectiveness thereof on closing of the Citation Transaction (1) the F&B Agreement; (2) the Sublease; and (3) the South Tower Level 5 Office Lease, each as defined in the Citation Agreement;
- vii) Authorizing an increase in the Receiver's Borrowing Facility from \$750,000 to \$1,450,000 (the "**Second Borrowing Facility Increase**");
- viii) Approving and authorizing the Receiver to make the Fox Island Interim Distribution; and
- ix) Sealing the Confidential Supplement until the earlier of: (1) the closing of the Citation Transaction; (2) the discharge of the Receiver in the Receivership Proceedings; or (3) further order of the Court (the "**Sealing Order**").

Terms of reference

- (15) In preparing this Report, the Receiver has relied upon unaudited financial and other information prepared by the Hotel's accountants, the Hotel's books and records, and discussions with the management of the Hotel ("**Management**").
- (16) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of this information.
- (17) All dollar amounts in this Report are in Canadian dollars, unless otherwise indicated.

Sealing of the Confidential Supplement

- (18) The purpose of the Confidential Supplement is to provide the Court with further information regarding the offers received during the Sale Process, the negotiations undertaken by the Receiver, and the specific names of the Hotel employees included in the Citation Agreement and KERP.
- (19) The Confidential Supplement contains sensitive information relating to the offers received during the Sale Process for the Hotel Property and personal information of the Hotel employees. Public disclosure of this information could prejudice the Sale Process and the privacy rights of the individual employees, the disclosure of which does not impact the rights of other stakeholders in the estate. The Receiver is not aware of any party that will be prejudiced if the information is sealed at this time and the Receiver respectfully submits that the proposed Sealing Order is appropriate in the circumstances.

BACKGROUND

- (20) The Hotel is located at 8499 Bridgeport Road in Richmond, BC and is part of a three-tower mixed-use strata office, retail and hotel complex known as the International Trade Centre (the "**Centre**"). The Centre comprises two office towers and the Hotel tower, each as a separately titled parcel, along with a shared parkade.
- (21) The Hotel was opened as a luxury boutique hotel in 2021 and is comprised of 14-storeys with 100 guest rooms, event space, a restaurant, a roof-top pool, and a penthouse lounge. Parking for the Hotel includes valet spaces on street level and the P5 Parking Stalls.
- (22) The Hotel's principal lines of business include providing luxury accommodation, fine dining, and event hosting and catering to both business and leisure travelers.
- (23) The Receiver understands that ITCP is owned by Mr. Mo Yeung Ching, also known as Michael Ching ("**Mr. Ching**"), who was also listed as the sole director of ITCP as of March 2025.
- (24) The Receiver understands that Hotel Versante is the hotel operator and is beneficially owned by Mr. Ching. The directors of Hotel Versante are listed as Chun Man (Jason) Chiu, Hamdullahpur Feridun, Chi Hang (Mark) Lo, Stanley Wong, and Rita Zhang as of March 2025.
- (25) The Receiver understands that RCC is owned by Stanley Wong, Raymond Qu and Xiaohui Sun based on the British Columbia Land Owner Transparency Registry. The directors of RCC are listed as Chun Man (Jason) Chiu, Hamdullahpur Feridun, Chi Hang (Mark) Lo, Stanley Wong, and Rita Zhang as of July 9, 2025.
- (26) Additional information regarding the Hotel ownership structure, the various agreements in place, and Hotel Versante's books and records, assets and liabilities, employees and contractors, financial position, and relationships with related parties is as set out in the First and Second Reports and is not repeated herein.

ACTIONS OF THE RECEIVER FOLLOWING THE SECOND REPORT

- (27) Following the Second Report, the Receiver has, among other things:
 - a) Continued to monitor the Hotel's operating performance through participation in regular operations and revenue meetings and through review of daily occupancy and revenue reports;
 - b) Held regular discussions with Management to address operational, financial, and strategic matters as required;
 - c) Maintained ongoing communication with department managers to resolve day-to-day operational issues;
 - d) Liaised with creditors and other stakeholders relating to the Hotel's outstanding liabilities and the Receivership Proceedings;
 - e) Oversaw employee recruitment, including the review of employment agreements and participation in interviews, and facilitated additional hiring to address turnover and increased operational demands during the summer peak season;
 - f) Negotiated and reviewed the renewal of service agreements with vendors in response to the expiry of existing contracts;
 - g) Reviewed, approved, and processed payroll, supplier invoices, and other disbursements through the Receiver's trust account;

- h) Performed monthly bank reconciliations for the Receiver's trust account and prepared statements of receipts and disbursements;
- i) Maintained a rolling cash flow forecast for the Hotel and prepared weekly payment schedules;
- j) Arranged for the closure of the Hotel's Scotiabank bank accounts and transferred the remaining balances to the Receiver's trust account;
- k) Engaged with FortisBC Alternative Energy Services Inc. ("**FAES**") regarding outstanding invoices and other related matters, including the assignment of the existing service agreement and the remediation of certain identified deficiencies, as detailed later in this Report.
- l) Conducted monthly financial reconciliations related to the Club Versante billings;
- m) Held discussions with and provided updates to the Lenders and their legal counsel;
- n) Addressed various employment-related matters, including reviewing vacation pay entitlements and arranging vacation payouts;
- o) Updated the KERP in consultation with Management, the Lenders, and Dentons;
- p) Reviewed and oversaw the filing and remittance of post-receivership Goods and Services Tax ("**GST**"), Provincial Sales Tax ("**PST**"), and Municipal and Regional District Tax returns ("**MRDT**");
- q) Coordinated with the Canada Revenue Agency ("**CRA**") and the Ministry of Finance regarding the Hotel's tax matters, including the closure of the pre-receivership tax accounts;
- r) Arranged for the renewal of insurance coverage for the Hotel property, including corresponding with the insurance broker, reviewing policy quotes, and arranging payment of premiums;
- s) Engaged extensively with Dentons on reviewing and discussing legal materials and applications, including matters relating to the settlement agreements for the P5 Parking Stalls, the Hotel's trademark issues, the KERP, the Sale Process, and other related issues;
- t) Reviewed proof of purchase relating to assets over which Club Versante asserts ownership;
- u) Continued to conduct the Sale Process by coordinating with Colliers Macaulay Nicolls Inc. ("**Colliers**"), Fox Island, and Dentons on the marketing of the Hotel property, as further detailed in this Report;
- v) Maintained the Receiver's Website; and
- w) Prepared this Report.

Hotel Property energy system

- (28) FAES provides boiler and chiller utility services to the two office towers and the Hotel tower. ITCP entered into a service agreement with FAES in November 2018 (the "**FAES Agreement**") which provides for a monthly payment based on energy consumption. Each of the three buildings is separately invoiced by FAES for its respective share of utility consumption. As of the Date of Receivership, Hotel Versante owed approximately \$195,000 to FAES in respect of pre-receivership utility charges (the "**FAES Arrears**") that remain unpaid.
- (29) In addition to the FAES Arrears, the Receiver understands that one of the chillers within the energy system has never been functional due to a deficiency arising from installation by the original developer and FAES had been in ongoing discussions with ITCP regarding the repair of the

defective chiller and several other minor deficiencies related to the energy system (the "**FAES Deficiencies**"). The Receiver has requested that FAES provide an estimate of the costs to repair and address the FAES Deficiencies, and this is expected shortly. At this time, the FAES Deficiencies remain unresolved and the energy system continues to operate with one chiller out of service. FAES has indicated that this has increased the operational load on the remaining chillers and may shorten their expected useful life. The Hotel tower is the largest consumer of energy and pays the highest proportion of the monthly utility fee and would likely be responsible for the majority of the FAES Deficiencies. FAES's legal counsel has advised that they are holding funds related to the deficiencies (the "**FAES Holdback**") pursuant to the terms of the FAES Agreement. The Receiver is currently awaiting confirmation from FAES regarding the total amount of the FAES Holdback which would be an offset against the FAES Deficiencies.

- (30) As FAES's services are essential to the Hotel's operations and only qualified service providers are permitted to operate and maintain the energy system, the Receiver considers it necessary to assign the FAES Agreement to the Successful Purchaser. The Receiver and Dentons have engaged in various discussions with FAES and its counsel regarding the proposed assignment, the FAES Arrears, and the FAES Deficiencies.
- (31) Following these discussions, FAES has confirmed its willingness to consent to the assignment of the FAES Agreement to the Successful Purchaser, subject to the following conditions:
 - a) The FAES Arrears be paid in full;
 - b) A lump-sum amount be paid to address the FAES Deficiencies, to be held in trust by FAES; and
 - c) That FAES release the FAES Holdback and apply it toward the FAES Deficiencies.
- (32) The Receiver continues to work with FAES and its legal counsel to finalize the payment of the FAES Arrears and resolution of the FAES Deficiencies to ensure the FAES Agreement can be assigned to the Successful Purchaser.

SALE PROCESS

Updates of Receiver's sale activities and offers received

- (33) As outlined in the First and Second Report, the Receiver, with the agreement of the Lenders, entered into a formal listing agreement with Colliers to market and sell the Hotel Property on April 9, 2025. The following activities were undertaken:
 - a) On May 5, 2025, Colliers formally launched the sale of the Hotel Property and has extensively marketed the opportunity through its local and global network and through several advertisements resulting in 11 formal tours of the Hotel and 68 executed confidentiality agreements.
 - b) As a result of a potential stalking horse bid not advancing with Pacific Aegis Capital Management ("**PACM**" or the "**Potential SHB Purchaser**"), a formal bid deadline was established as part of the Sale Process and, with the agreement of the Lenders, a call for offers was circulated to all active investors on June 25, 2025 with a bid deadline of July 29, 2025 (the "**Bid Deadline**"). A communication was also sent to all potential purchasers on June 26, 2025 with a reminder to all of the Bid Deadline on July 22, 2025.
- (34) Further details on the marketing activities undertaken by Colliers are outlined in Colliers latest marketing update report dated October 9, 2025 (the "**Colliers Marketing Report**"). A copy of the redacted Colliers Marketing Report is attached hereto as **Appendix "B"**, with an unredacted version included as an appendix to the Confidential Supplement.

- (35) On the Bid Deadline, Colliers received two offers with deposits and one expression of interest. In consultation with Dentons and Colliers, the Receiver reviewed the submissions in detail, considering purchase price, financing sources, closing conditions, and proposed transaction structures, and subsequently presented a comparative analysis of the offers to the Lenders.
- (36) Based on its review of offers and discussions with Fox Island, the Receiver recommended, and the Lenders agreed, that one offer should be advanced (the "**Preferred Offer**"). Accordingly, the Receiver and Dentons engaged in negotiations with the purchaser regarding the terms of the Preferred Offer.
- (37) Once the Preferred Offer was identified, the Receiver, together with Dentons, engaged extensively with the purchaser to finalize mutually acceptable terms. Throughout this period, the Receiver also advised the other bidders that their offers would not be advanced further unless the Preferred Offer failed to proceed to completion. Despite these efforts and ongoing negotiations, on August 18, 2025, the Receiver was informed that the purchaser would not be proceeding with the Preferred Offer. The details of the negotiations and the circumstances leading to this outcome are set out in the Confidential Supplement.
- (38) Following the conclusion of negotiations on the Preferred Offer, the Receiver received two additional offers for the Hotel Property, including the offer from Citation. After reviewing these offers in consultation with Fox Island, Dentons, and Colliers, the Receiver determined that proceeding with the Citation Transaction was the most advantageous to all stakeholders. Details of the Citation Agreement are set out later in this Report.
- (39) A summary of the parties that submitted offers at or following the Bid Deadline is included in the Confidential Supplement. This summary provides the Court with further details regarding the offers received, including proposed purchase prices and the Receiver's negotiations with interested parties.

Citation Agreement

- (40) The Receiver understands that Citation is an affiliate of PACM, which is a real estate private credit and special situations investment management firm based in Hong Kong, China. PACM was the Potential SHB Purchaser who the Receiver understands has been interested in the Hotel Property for some time.
- (41) On August 29, 2025, with the Lenders' agreement, the Receiver and Citation entered into the Citation Agreement. On September 12, 2025, the deposit for the Citation Transaction was delivered to the Receiver through several bank drafts. Unless otherwise indicated, all capitalized terms not defined in this Report have the meanings ascribed to them in the Citation Agreement. A redacted copy of the Citation Agreement is attached hereto as **Appendix "C"** with only the list of employees in Schedule "D" not being disclosed. An unredacted version of the Citation Agreement will be included as an appendix to the Confidential Supplement.
- (42) The key terms of the Citation Agreement are summarized as follows:
- a) **Purchaser**: Citation.
 - b) **Purchase Price**: \$48,000,000 (the "**Purchase Price**"), exclusive of GST and transfer taxes where applicable.
 - c) **Deposit**: \$2,400,000, representing 5% of the Purchase Price, which has been paid and is being held in the Receiver's trust account (the "**Citation Deposit**").

- d) **Closing Date**: Ten days after the Approval and Vesting Order is granted, or such other date as the parties may agree, provided that such other date must be on or before the Outside Date of December 31, 2025.
- e) **Purchased Assets**: All of the Debtors' right, title and interest in and to the Hotel Property, the Real Property, the Hotel Lease, the Intellectual Property (subject to Section 2.3 of the Citation Agreement), and all personal property located at the Real Property, but for greater certainty excludes:
- i) all Excluded Assets;
 - ii) all Excluded Liabilities; and
 - iii) Tax liabilities for or relating to any Taxes relating to the Purchased Assets whether in respect of any period before the Closing Date, and any Tax liabilities for or relating to Taxes of the Debtors or Receiver.
- f) **Contracts**: The assets to be purchased/assigned include certain contracts, including the Hotel Lease, the Trademark Agreement, and the Parking Assignment Agreement. The Receiver is not aware of any cure costs related to these Contracts other than the FAES Agreement which requires the FAES Arrears and FAES Deficiencies to be addressed with negotiations with FAES ongoing.
- g) **Excluded Assets**: All of the Debtors' right, title and interest in and to the following as they relate to the Hotel Property:
- i) all shares of capital stock or other equity interests in securities in any entity;
 - ii) cash and cash equivalents;
 - iii) Accounts Receivable;
 - iv) the Sublease;
 - v) the F&B Agreement;
 - vi) the South Tower Level 5 Office Lease;
 - vii) Tax Returns and/or Tax installments paid by or on behalf of any of the Debtors; and
 - viii) Any Tax or GST refunds.
- h) **Excluded Liabilities**: Any Liabilities of the Debtors that are not expressly assumed by the Purchaser under this Agreement including without limitation any Liabilities for any employees, employee agreements, executive compensation agreements, officer or director agreements, union contracts, collective agreements, employee wages, vacation or lieu days payable, employee benefit plans, pension plans, health plans or dental plans, employee tax withholding obligations, all grievances, arbitrations, employee complaints or claims, labour relations board action or other employee proceedings and similar obligations, that arise out of facts or events occurring prior to Closing.
- i) **Representations and warranties**: Consistent with the standard terms of an insolvency transaction, the Purchased Assets are being acquired on an 'as-is, where-is' basis with no representations or warranties provided by the Receiver.
- j) **Subjects**: Subject to Court approval and the Approval and Vesting Order.

- k) **Mutual Conditions**: the Approval and Vesting Order has been granted on or before the Closing Date and no Applicable Law or order prohibits the consummation or closing.
 - l) **Receiver's Conditions**: as at the Closing Date, the representations and warranties of Purchaser in Article 6 have been met; on or before the Closing Date, the covenants, obligations and agreements in the Agreement have been complied with by the Purchaser with no material breaches; at least five business days before the Closing Date, the Purchase shall make the offers of employment described in Section 2.6(a) to all Employees; and, at the Closing Date, the Purchaser will have delivered to the Receiver all items required in section 7.2.
 - m) **Purchaser's Conditions**: as at the Closing Date, each representation and warranty of the Receiver in Article 5 will be true and correct; on or before the Closing Date, the covenants, obligations and agreements in the Agreement have been complied with by the Receiver with no material breaches; and at the Closing Date, the Receiver will have delivered to the Purchaser all items required in section 7.1.
 - n) **Employees**:
 - i) The Purchaser shall make offers of employment to each Employee on terms and conditions which are substantially similar to the terms and conditions that they currently have with the Receiver, conditional and effective on Closing. The Purchaser's offers of employment shall recognize the prior service of the Employees with the Debtors and Receiver, for all statutory purposes and common law entitlements, including for the purpose of termination notice, common law notice, or pay in lieu of notice on termination of employment, and where service is otherwise relevant for eligibility and entitlement criteria. The Receiver will pay all Employee wages and vacation pay owing up to the Closing Date (the "**Employee Payout**"); and
 - ii) The Purchaser shall be responsible for, and agrees to indemnify and hold the Receiver and its directors, officers, employees, advisors and agents harmless from, any Liabilities in respect of any Employees who accept or continue employment with the Purchaser for the period from and after Closing, to the extent that such Liabilities are based on facts, circumstances or events that arise on or after the Closing.
 - o) **Break Fee**: If the Purchaser is not in material default under the Agreement and the Receiver fails to complete the sale of the Purchased Assets after all Conditions Precedent have been satisfied or waived or if the Receiver repudiates this agreement, then (i) the Citation Deposit, together with accrued interest shall be refunded to the Purchaser and (ii) a break fee of \$1,000,000 shall be payable to the Purchaser upon demand by the Purchaser (with the Parties acknowledging that such fee is a pre-requisite for the Purchaser to make the offer to purchase the Purchased Assets contained herein, hence such fee is considered necessary to preserve or maximize value for the Purchased Assets, and that such fee if incurred would constitute part of the Receiver's administrative expenses), as the sole remedy of the Purchaser against the Receiver, but without prejudice to any other rights or remedies of the Purchaser against the Debtors whether at law or in equity.
- (43) The Receiver has made several requests to Citation and its legal counsel to provide proof of the ability of Citation to pay the remaining Purchase Price and close the Citation Transaction. To date Citation has only provided the Receiver with a partial redacted and unsigned version of a debt term sheet with a foreign lender that provides for the financing of the majority of the Purchase Price. Citation has not given any details around how the remaining equity amounts would be funded but the Receiver is having further discussions around these matters. As the Citation Transaction is principally only subject to Court approval, Citation is risking the Citation Deposit if it cannot secure financing to close the Citation Transaction.

Receiver's comments on the Sale Process and Citation Agreement

(44) The Receiver's comments on the Sale Process and Citation Agreement are as follows:

- a) The Receiver is of the view that Colliers, as a realtor with extensive experience in hotel transactions, undertook a thorough and commercially reasonable marketing process for the Hotel Property and that the market was extensively canvassed over the course of several months. In addition, and as outlined in the First Report, Fox Island previously entered into an exclusive listing agreement with Avison Young Commercial Real Estate Services, LP for the period from March 2024 to November 2024 and the hotel was also widely marketed during that time. The Receiver is satisfied that the Sale Process was comprehensive, commercially reasonable, and conducted in a manner that ensured fairness and transparency;
- b) The Receiver and Colliers are of the view that the Purchase Price is reasonable in the circumstances, having regard to the level of interest in the Hotel Property, the competing offers received, the current market fundamentals, and the feedback from interested parties obtained through the Sale Process (as further detailed in the Colliers Marketing Report);
- c) The Receiver is of the view that the terms of the Citation Agreement are reasonable and appropriate and notes that various stakeholders of the Hotel Property stand to benefit from the Hotel being sold as a going concern, including the Employees, vendors, customers, and other trading partners.
- d) The Receiver notes that the Citation Agreement includes a break fee of \$1,000,000 payable to the Purchaser in the limited circumstances where the Receiver fails to complete the sale after satisfaction or waiver of all conditions precedent, or if the Receiver repudiates the Citation Agreement. The Receiver considers the inclusion of this provision to be reasonable in the circumstances, as it was a precondition to the Purchaser submitting its offer and serves to preserve and maximize value for the estate by incentivizing the Purchaser's commitment and covering the Purchaser's due diligence and transaction costs. The Receiver is satisfied that the break fee is commercially justified and appropriately limited to protect the estate from undue exposure.
- e) The Receiver is of the view that the Citation Transaction represents the best available outcome for stakeholders and will maximize the value of the Purchased Assets for the benefit of the Debtor's creditors;
- f) The Citation Transaction represents a materially greater recovery than would be available under a bankruptcy; and
- g) The Lenders are supportive of the Citation Transaction, notwithstanding they will suffer a significant shortfall on the Lenders' Indebtedness.

(45) Based on the foregoing, the Receiver supports the approval of the Citation Transaction, and the relief sought in the Approval and Vesting Order.

KEY EMPLOYEE RETENTION PLAN

Background

(46) Upon its appointment, the Receiver assumed control of the Hotel Property and operations and notified all employees. The Receivership Proceedings have resulted in some uncertainty among employees, who have expressed concerns regarding job security, continuity of operations, and the potential impact on their positions.

- (47) The Receiver recognizes that the continued operation of Hotel Versante, the maintenance of service standards, and the preservation of value of the Hotel Property during the Receivership Proceedings are dependent on retaining existing staff, particularly departmental managers and those with specialized knowledge of the Hotel's systems, vendor relationships, and operating procedures. The departure of such personnel would likely result in operational disruption, diminished service quality, and increased recruitment and training costs, each of which could adversely affect both ongoing operations and the value of the Hotel Property during the Sale Process.
- (48) To maintain stable operations during the Receivership Proceedings and address heightened employee uncertainty, the Receiver, in consultation with Management, the Lenders, and Dentons, developed the KERP to incentivize employees to remain with Hotel Versante through the Receivership Proceedings. The KERP seeks to balance the cost of retention incentives against the benefits of operational stability and the avoidance of costly turnover, thereby preserving the value of the Hotel Property as a going concern for the benefit of all stakeholders.
- (49) On May 12, 2025, the Lenders consented to the implementation of the KERP. On May 15, 2025, the Receiver held a townhall meeting with all employees to outline the KERP's eligibility criteria and retention terms.

KERP overview

- (50) The Receiver is seeking the Court's approval of the KERP, which proposes an estimated aggregate amount of \$60,000 (the "**KERP Payment**") to be paid to the employees whose continued employment is critical to the ongoing operations of Hotel Versante (the "**KERP Employees**"). The final amount of the KERP Payment may be adjusted to reflect changes in employee eligibility as of the closing of a sale transaction for the Hotel Property.
- (51) To qualify as a KERP Employee, an individual must:
- a) Be actively employed by Hotel Versante as of the date of closing of a sale transaction of the Hotel Property; and
 - b) Have worked, including the approved vacation leave and periods of low occupancy in the calculation of hours worked, not less than:
 - i) 80 hours per month as a full-time employee; or
 - ii) 20 hours per month as a part-time employee.
- (52) For KERP Employees who meet the eligibility criteria set out above, the individual retention amount will be determined based on whether the employee is employed on a full-time or part-time basis. For non-management level employees, the individual retention amount will also be determined by the employee's length of service.
- (53) A summary of the KERP Payment based on the eligible KERP Employees as of October 8, 2025, setting out the proposed payments by category, is as follows:

Hotel Versante Ltd.
Summary of KERP (CAD)

Category	Basis for Retention Amount	Number of Employees	KERP Payment
Management	Fixed retention amount per employee	6	
Full-time employees (≥2 years)	Based on length of service	10	
Full-time employees (<2 years)	Based on length of service	22	
Part-time employees	Fixed retention amount per employee	11	
Total		49	\$ 60,000

- (54) The above information has been presented in summary form considering the confidential nature of the personal information contained related to the KERP Employees. A detailed analysis of the KERP Payment that includes the amounts to be earned by each of the KERP Employees will be attached as an appendix to the Confidential Supplement.

The KERP Charge

- (55) The KERP Charge is proposed to rank in priority to all security interests, trusts, liens, charges, and encumbrances, statutory or otherwise, in favor of any Person, but subordinate in priority to:
- a) The Receiver's Charge, as defined in the Amended and Restated Receivership Order;
 - b) Receiver's Borrowings Charge, as defined in the Amended and Restated Receivership Order; and
 - c) The charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
- (56) The Receiver is of the view that the KERP Charge is fair and reasonable based on the following:
- a) Continuation of Hotel Versante's business is critical for preserving value of the Hotel Property through the Receivership, and the KERP Employees are integral to maintaining operational stability;
 - b) The KERP is designed to incentivize the KERP Employees to remain in their roles until completion of a sale of the Hotel Property, thereby avoiding costly turnover, mitigating operational disruption, and assisting the Receiver in completing the Sale Process efficiently;
 - c) The Receiver considers the quantum and extent of the KERP to be reasonable in the circumstances and consistent with previously approved KERPs by the Court; and
 - d) The Receiver has consulted with the Lenders regarding the scope and cost of the KERP, and the Lenders are supportive.

CREDITORS AND SECURED CHARGES

Property tax arrears

- (57) As of the date of this Report, property taxes remain outstanding in respect of the Hotel Property. The outstanding balance totals approximately \$580,000 as of July 2025, including all applicable penalties and interest, and consists of \$340,000 relating to the pre-receivership period and \$240,000 relating to the post-receivership period (the "**Outstanding Property Taxes**"). Payment of the Outstanding Property Taxes is required before title to the Hotel Property can be transferred and will be made upon the closing of the Citation Transaction.

CRA priority claims

- (58) Based on the CRA online portal, Hotel Versante has the following outstanding pre-receivership arrears owing to CRA:
- a) Approximately \$453,000 in respect of GST for the period from August 2023 to March 2025 (the "**GST Claim**");
 - b) \$256 in respect of payroll source deduction arrears from 2024 (the "**Payroll Deemed Trust Claim**"); and
 - c) Approximately \$416,000 for corporate income taxes up to 2024 (the "**Income Tax Claim**").

- (59) CRA has not completed any trust audits to date and the amount of arrears may be subject to change.
- (60) Subject to the Court's approval, the Receiver intends to assign Hotel Versante into bankruptcy pursuant to section 49 of the BIA. Pursuant to section 67(2) of the BIA, upon the bankruptcy of Hotel Versante, the GST Claim will no longer retain its deemed trust status under the *Excise Tax Act* and will instead constitute an unsecured liability.
- (61) The Payroll Deemed Trust Claim has a statutory priority pursuant to section 67(3) of the BIA and will be paid by the Receiver from the proceeds of sale of the Citation Transaction.
- (62) The Income Tax Claim will remain as an unsecured claim regardless of whether Hotel Versant is assigned into bankruptcy.

Ministry of Finance priority claim

- (63) Based on information provided by Hotel Versante's accounting team, the Receiver understands that there is a pre-receivership amount owing to the Ministry of Finance in respect of PST but the breakdown of the amount is currently unknown (the "**PST Claim**").
- (64) Pursuant to section 67(2) of the BIA, upon the bankruptcy of Hotel Versante, the PST Claim will no longer retain its deemed priority status under the *Provincial Sales Tax Act* and will instead constitute an unsecured liability.

WorksafeBC priority claim

- (65) The Receiver understands that WorkSafeBC is owed approximately \$5,000 in outstanding pre-receivership premiums and WorkSafeBC can claim a statutory lien on all property or proceeds of property used or produced by Hotel Versante pursuant to section 265 of the *Workers' Compensation Act* (the "**WorkSafeBC Claim**").
- (66) Pursuant to Section 86(1) of the BIA, upon the bankruptcy of Hotel Versante, the WorkSafeBC Claim will no longer retain its priority status under the *Workers' Compensation Act* and will instead constitute an unsecured liability.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

- (67) The Receiver's September 2025 R&D reflects the administration of the Receivership Proceedings from the Date of Receivership to September 30, 2025 (the "**R&D Period**") and is attached hereto as **Appendix "A"**. Total receipts and disbursements reported herein include amounts processed through both the Receiver's trust account and Hotel Versante's Scotiabank bank accounts before they were closed and the funds transferred to the Receiver's trust account.

Receipts

- (68) During the R&D Period, the Receiver's gross receipts have totaled approximately \$9.5 million, of which \$6.4 million relates to the Hotel's operating receipts, \$2.4 million relates to the Citation Deposit, and \$750,000 was funded and drawn under the Borrowing Facility.

Disbursements

- (69) During the R&D Period, the Receiver has made disbursements totaling approximately \$5.5 million, primarily including, among other items, the following approximate amounts:
 - a) \$1.9 million for Hotel payroll and payroll source deductions;
 - b) \$868,000 for Receiver's fees and costs and legal fees and costs to July 31, 2025;

- c) \$497,000 for post-receivership GST, PST and MRTD payments;
 - d) \$413,000 for vendor payments relating to elevator maintenance, pool supplies, office equipment, staff uniforms, and other miscellaneous operational needs;
 - e) \$378,000 for room sales commissions;
 - f) \$292,000 for food and beverage costs;
 - g) \$218,000 for utilities;
 - h) \$189,000 for insurance;
 - i) \$186,000 for lease, rent and strata fees;
 - j) \$161,000 for software and platform fees;
 - k) \$139,000 for cleaning supplies; and
 - l) \$115,000 for consultant services related to finance and operations support.
- (70) As outlined in the First and Second Report, Hotel Versante was in arrears with several key suppliers as of the Date of Receivership. These suppliers included several parties providing software or online services or platforms that are essential to the Hotel's operations, including guest bookings, sales, payment processing, and communications. To avoid disruption to the Hotel's ongoing operations, the Receiver made payments totaling approximately \$266,000 to these key suppliers as of June 30, 2025 and nothing further since. These amounts are included in the R&D Period.

Excess of receipts over disbursements

- (71) As of September 30, 2025, the Receiver was holding an excess of receipts over disbursements totaling approximately \$4.0 million in its trust account (the "**Current Excess Receipts**"). The Current Excess Receipts do not account for the following approximate amounts totaling \$3.3 million that are either outstanding, set aside for a specific purpose, or are held in trust and not available for use as of September 30, 2025 (collectively, the "**Net Receipt Reductions**"):
- a) \$2.4 million Citation Deposit held in trust pursuant to the Citation Agreement;
 - b) \$265,000 in outstanding Receiver's fees and legal fees for August and September 2025;
 - c) \$210,000 in accrued GST, PST and MRTD taxes to September 30, 2025 that are not due until October 2025;
 - d) \$195,000 in FAES Arrears that will likely require payment to assign the FAES Agreement to a new purchaser;
 - e) \$130,000 in prepaid room revenues for October 2025 onwards;
 - f) \$85,000 in accrued payroll costs to September 30, 2025 that are not due until October 2025; and
 - g) \$40,000 for a contingency for any other unknown amounts.
- (72) If the Net Receipt Reductions of \$3.3 million are deducted from the Current Excess Receipts of \$4.0 million, then the Receiver has approximately \$700,000 in available funds as of September 30, 2025 (the "**Available Funds**").
- (73) The Available Funds cover the Receiver's Charge to September 30, 2025 but do not cover the KERP Charge, the current Receiver's Borrowing Charge of \$750,000 (as outlined further herein), and Property Tax Arrears. It is intended that any amounts due under the KERP Charge and

Receiver's Borrowing Charge, in addition to Colliers' commission and the Outstanding Property Taxes, will be paid from the proceeds of sale of the Hotel Property on closing.

Receiver's Charge and Borrowings

- (74) The Amended and Restated Receivership Order authorized the First Borrowing Facility Increase from \$200,000 to \$750,000.
- (75) To date, the Receiver has drawn the full \$750,000 available under the Borrowing Facility, which borrowings are secured by the Receiver's Borrowings Charge.
- (76) The Receiver has completed a preliminary cash flow projection for the period from October 1, 2025 to December 31, 2025 using the Available Funds of \$700,000 as the opening cash available (the "**Cash Flow Projection**"). Operating receipts and disbursements, including the Employee Payout, and professional fees have been conservatively projected based on prior months and/or prior year actual averages after taking into consideration the seasonal fluctuations in the hospitality market and the nature and extent of work in the Receivership Proceedings to date. The Receiver cautions that these are projections and actual amounts could vary significantly. A summary of the Cash Flow Projection is included in the table below.

Hotel Versante Ltd. Cash Flow Projections from October to December 2025 (CAD)

Description	October	November	December	Total
Receipts				
Operating receipts	\$ 550,000	\$ 500,000	\$ 600,000	\$ 1,650,000
Total receipts	550,000	500,000	600,000	1,650,000
Disbursements				
Payroll	167,000	246,000	276,000	689,000
Professional fees	250,000	145,000	145,000	540,000
Hotel supplies, services and maintenance	168,000	155,000	155,000	478,000
Other operating expenses	155,000	155,000	155,000	465,000
Tax payments -GST/PST/MRTD	100,000	100,000	100,000	300,000
Technology and software	99,000	49,000	49,000	197,000
Employee payout	120,000	-	-	120,000
Contingency	150,000	50,000	50,000	250,000
Total disbursements	1,209,000	900,000	930,000	3,039,000
Net disbursements	(659,000)	(400,000)	(330,000)	(1,389,000)
Opening cash balance	700,000	41,000	1,000	700,000
Net disbursements	(659,000)	(400,000)	(330,000)	(1,389,000)
Receiver borrowings	-	360,000	340,000	700,000
Closing cash balance	\$ 41,000	\$ 1,000	\$ 11,000	\$ 11,000

- (77) Based on the Cash Flow Projection, the Receiver estimates the incremental funding required under the following closing scenarios for the Citation Transaction:
- No additional funding if the Citation Transaction closes as scheduled on the Closing Date of November 3, 2025 assuming Court approval on October 24, 2025;
 - \$360,000 if closing is delayed to November 30, 2025; and
 - \$700,000 if closing is delayed to December 31, 2025.
- (78) Based on the Cash Flow Projection, the Receiver is seeking an order for the Second Borrowing Facility Increase from \$750,000 to \$1,450,000 to cover the potential operating costs and

professional fees associated with the Receivership Proceedings in case the closing of the Citation Transaction is delayed to the Outside Date of December 31, 2025.

- (79) The Receiver has shared the Cash Flow Projection with Fox Island who is reviewing and will provide their position prior to the upcoming Court application on October 24, 2025. The Receiver has communicated to Fox Island that the Second Borrowing Facility Increase will not be required if the Citation Transaction closes as scheduled and is being put in place to ensure the Receiver has the required liquidity to continue hotel operations and fund professional costs while a sale transaction closes.
- (80) The Receiver is of the view that the Second Borrowing Facility increase is both prudent to save the costs of another Court application and to help ensure that all post-filing obligations, including Hotel operating costs and professional fees, can be met if the closing of the Citation Transaction is delayed.

INTERIM DISTRIBUTION

- (81) As outlined previously, the Receiver obtained the Lenders' Security Opinion confirming that the Lenders' Security is valid and enforceable and perfected as against third parties. On this basis, the Receiver is seeking the Court's approval to make one or more distributions from the Citation Transaction proceeds to Fox Island immediately following the closing of the Citation Transaction (the "**Fox Island Interim Distribution**"). There will be no Fox Island Interim Distribution if the Citation Transaction fails to close.
- (82) The Fox Island Interim Distribution would equal the net proceeds from the Citation Transaction after ordinary closing adjustments (including the Outstanding Property Taxes and Colliers' commission) less the following holdbacks to be retained by the Receiver (the "**Holdbacks**"):
- a) Funds sufficient to cover the Receiver's Charge for any estimated fees of the Receiver and its counsel to transfer and transition the Hotel operations to Citation and obtain its discharge;
 - b) Funds required to administer a bankruptcy proceeding in respect of Hotel Versante;
 - c) Funds sufficient to cover any pre-closing Hotel operating costs of the Hotel that will be invoiced to Hotel Versante and paid by the Receiver post-closing;
 - d) \$60,000 for the KERP Charge;
 - e) The Parking Stall Net Proceeds, if any, that may be required under the Parking Settlement Approval Order;
 - f) The FAES Deficiencies amount, if any, that is otherwise not dealt with as part of the Citation Transaction;
 - g) The GST Priority Claim; and
 - h) The PST Claim and the WorkSafeBC Claim. These amounts will be released upon the Receiver assigning Hotel Versante Ltd. into bankruptcy if approved by the Court.
- (83) The Receiver is seeking the Court's approval to make the Fox Island Interim Distribution net of the Holdbacks and for the Receiver Borrowing Charge to be paid first from any distribution.

CONCLUSION AND RECOMMENDATION

- (84) Based on the foregoing, the Receiver respectfully requests that the Court grant the Orders cited at paragraph 14h) of this Report.

All of which is respectfully submitted at Vancouver, BC this 10th day of October, 2025.

DELOITTE RESTRUCTURING INC.

In its capacity as Court-appointed Receiver of
International Trade Center Properties Ltd.,
Hotel Versante Ltd. and RCC Holdings Ltd.,
and not in its personal capacity

A handwritten signature in blue ink, appearing to read "J. Keeble", with a stylized flourish at the end.

Per: Jeff Keeble, CPA, CA, CIRP, LIT, CBV
Senior Vice-President

Appendix "A"

**Receiver's Interim Statement of Receipts and Disbursements
for the period from March 4, 2025 to September 30, 2025**

In the Matter of the Receivership of
International Trade Center Properties Ltd.,
Hotel Versante Ltd. and RCC Holdings Ltd.

**Receiver's Interim Statement of Receipts and Disbursements
For the Period of March 4, 2025 to September 30, 2025**

Description	Actuals (CAD)
Receipts	
Operating receipts	\$ 6,389,051
Deposit	2,400,000
Receiver borrowings	750,000
Cash in bank	329
Total receipts	9,539,380
Disbursements	
Payroll and payroll source deductions	1,865,093
Receiver and legal fees	868,604
Taxes paid	497,067
Other vendor payments	413,062
Sales commissions	378,116
Food and beverage services	291,738
Utilities	217,661
Insurance	189,115
Lease, rent, and strata fees	186,197
Software and platform fees	160,500
Cleaning supplies	139,139
Consultant services	115,078
Employee benefits	78,615
Employee reimbursements	52,011
Guest supplies	24,359
Bank charges	2,396
Total disbursements	5,478,748
Excess of receipts over disbursements	\$ 4,027,566

Appendix "B" – Colliers Marketing Report (Redacted)



October 9, 2025

Deloitte Restructuring Inc.
Attention: Jeff Keeble, Sally Bao & Aveshin Govender

Dear Deloitte Team:

We are pleased to present our latest marketing update, which includes a recap of key dates, market exposure, marketing process results and our recommendations.

Key Dates of Marketing Process:

The Colliers Team was officially awarded the listing mandate on **April 9, 2025** at which point Colliers began its comprehensive due diligence program, with our team working with the court appointed Receiver, Deloitte Restructuring Inc., to collect the required due diligence and draft our marketing materials.

The "Colliers Team" comprised the Toronto & Vancouver based seven person National Hotel Group and the Vancouver based two person Insolvency Group. The Colliers Team formally toured the Hotel with management and Deloitte on **April 23, 2025** to become fully knowledgeable of the Property and assess value-enhancing opportunities, allowing our Team to effectively highlight strengths and opportunities in our marketing materials.

Due diligence documents and information, and questions/answers, were exchanged over the weeks leading up to finalizing our Investment Profile ("Profile") and Confidential Information Memorandum ("CIM"), with these marketing materials finalized and approved by the Receiver on **May 2, 2025**.

Wide marketing commencement to our database of investors: **May 5, 2025** to coincide with the Canadian Hotel Investment Conference held May 5th/6th, with a second electronic distribution on **May 12, 2025**. In addition, our Insolvency Group distributed the opportunity to their database of 1,800 investors and developers on **May 8, 2025**. The listing is also posted to the Colliers Canada website. As Confidentiality Agreements ("CAs") were executed, the Colliers team distributed a copy of the CIM and Virtual Data Room ("VDR") access.

Following approval from the Receiver on our bid process recommendations, we circulated a Call for Offers notice to all active investors on **June 25, 2025**, notifying them of bid instructions for the July 29, 2025 Call for Offers date. The revised draft Asset Purchase Agreement and wire instructions were included in the communication to investors, and were also posted to the VDR.

A third electronic distribution to our database of investors was sent on **June 26, 2025**, which also included notification of the Call for Offers date.

A reminder of the Call for Offers date was sent to investors on **July 22, 2025**.

The Call for Offers date took place on **July 29, 2025**.



Market Exposure:

The Profile and Confidentiality Agreement was electronically launched by email to a qualified list of approximately 4,040 individuals on May 5, 2025. In addition, our Insolvency Group distributed the opportunity to their database of 1,800 investors and developers on May 8, 2025. The targeted distribution lists included private Canadian and U.S. hotel and real estate investors, investment companies, developers, high-net-worth families and opportunity funds active in the hospitality market or specifically seeking a position in Canadian hotel assets. We also reached out to owners of similar properties in British Columbia, and the distribution list included active cross-border and international investors.

We distributed an overview of the Property and opportunity to the Colliers Global Hotel Team in order to generate additional interest from global investors. Our Colliers team collaborates in regular global calls with regional leadership in the Americas, EMEA and Asia Pacific regions. Versante Hotel was discussed with our global leadership team to encourage interest from qualified international prospects. We collaborated with our Global Hotel Team to address their questions, enabling them to strategically distribute opportunities to both known and emerging sources of global capital interested in Metro Vancouver hospitality real estate.

We also sent the Profile to leading hospitality brands suited to flag the Hotel, as well as select strategic contacts such as lawyers, accountants and consultants, who are well connected to various investment groups and high-net-worth individuals.

The listing was uploaded to ColliersCanada.com, a comprehensive commercial real estate website and listing service that received 1.4 million visitors in 2024.

STAY Magazine covered the sale to their email distribution newsletter on May 21, 2025, a copy of which is provided in the attached Appendix and can be accessed online: <https://www.staymagazine.ca/articles/colliers-named-exclusive-advisor-for-sale-of-versante-hotel-in-richmond-b-c>.

Colliers ran advertisements and notices of the listing in Business in Vancouver in the June 2025 edition, and in the Insolvency Insider in June 2025.

Marketing Process & Results:

On receipt of a CA, we actively engaged with prospective bidders to discuss the offering, clarify bid requirements, encourage Property tours, and facilitate information requests. Leading up to the Call for Offers we answered questions and provided insights to help potential bidders gain confidence ahead of the submission date.

Colliers generated **68 executed CAs** prior to the Call for Offers deadline.

11 formal tours were conducted with potential bidders which included private Canadian and cross-border hotel investors, investment companies, and other types of investment groups active in the hospitality market or specifically seeking a position in the Vancouver and Canadian real estate market.

On July 29, 2025, we received three offers, followed by two additional offers received in the following weeks.

Positive factors:

We were encouraged by the strong level of interest from the investment community, particularly given that many groups indicated they had already evaluated the opportunity prior to our outreach.

The Versante Hotel is widely regarded as one of Richmond's top-tier hotels, with strong top-line performance in both occupancy and Average Daily Rate (ADR). The Hotel is highly differentiated within its competitive set, being newly built and offering a unique mix of amenities. Richmond itself ranks as the third-highest hotel market in Canada for Revenue Per Available Room (RevPAR), trailing only downtown Vancouver and downtown Toronto. Notably, Richmond leads the country in hotel occupancy, which significantly drives its RevPAR strength.

The Hotel's resort-inspired amenities, including a heated outdoor pool and hot tub, fitness centre, and a full complement of food and beverage offerings, deliver a guest experience typically found only in urban luxury hotels.

Risks & Detractors:

Throughout our discussions, several investor groups raised concerns regarding the mixed-use nature of the project. Key issues included:

- The ongoing involvement of the original developer within the broader complex
- Handover dynamics for a new owner
- Anticipated post-closing working relationship with the original developer and strata corporation
- The parkade ownership was a concern up until there was resolution and court endorsement

Operational uncertainties were also flagged, particularly around:

- F&B chattels and liquor license transfer, since these require cooperation from the original developer or an affiliate thereof
- Ground-level valet parking stalls that are essential to guest arrival experience/hotel operations without clear easement rights to allow for unfettered use

External market factors are contributing to perceived competitive pressure. Richmond currently has three hotels under construction:

- Le Meridien (142 keys, opening 2026/2027)
- Element by Westin (315 keys, opening 2027/2028 at No. 3 Road & Sea Island Way)
- Residence Inn by Marriott (112 keys, opening 2026 at Bridgeport Road & Oak Street Bridge)

Additionally, there are advanced proposals for new hotels, including:

- A 110-key Hyatt Centric near Bridgeport Road & Sexsmith Road
- A 219-key Tapestry Collection by Hilton at 2840 No. 3 Road
- A 180-key Courtyard by Marriott adjacent to the under-construction Residence Inn

These upcoming supply additions, particularly those positioned as upscale/lifestyle brands, are expected to exert competitive pressure on the Hotel, with potential implications for market share and ADR performance.

Lastly, building construction issues were raised during marketing, most notably concerning the View window tinting system, which has numerous failures and technical challenges at an unknown cost to correct.



Some investors also expressed reservations about the Hotel's room count (100 keys), noting that it may be too small to efficiently manage fixed costs. A preference was voiced for a larger key count in the range of 150 to 200 keys.

Although there was extensive marketing and broad high level interest, the combination of the challenges highlighted combined with overall market economy uncertainty led to fewer bids than anticipated.

Initial Offer:

An established hotel operator with several assets in Ontario submitted a bid as part of the July 29, 2025 Call for Offers and was ultimately selected based on price and terms. However on August 18, 2025, just prior to execution of the APA, the party elected not to proceed and requested the return of their deposit. Their stated concern was the recent Cowichan Tribes court ruling, which introduced uncertainty around land title ownership and potential precedent risk.

Subsequent Offer:

Colliers initially met with the purchaser of the subsequent offer, on April 15, 2025 at Colliers' offices.

Following the initial meeting, this purchaser, a Hong King based investment company, did not engage further with Colliers, as our understanding was that they were undertaking legal and financial due diligence through their counsel. Prior to the Call for Offers date, Colliers was informed that this purchaser would not be submitting a bid at that time, opting instead to reserve its position pending the outcome of the process.

Subsequently and after the Call for Offers date, the purchaser re-engaged and submitted an offer, with value in excess of the Initial Offer, that has since been accepted (the "Accepted Offer"). A firm and binding contract is now in place with a deposit and the only remaining condition is court approval.

A summary of all five offers received is attached hereto as **Appendix "A"**.

Colliers Recommendation:

It is our recommendation that the Accepted Offer be presented to the Court for approval. The Accepted Offer offers pricing that is reasonable, and the best achieved through the comprehensive and expansive marketing and offering process undertaken. Given the significant level of interest received, current market fundamentals and the risks highlighted above, Colliers is of the opinion that the purchase price represents fair market value. This Accepted Offer, in addition to the price, has a strong structure, including a non-refundable deposit now held by the Receiver, and a quick closing timeline following court approval, and will therefore provide the stakeholders with as much certainty as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Hart Buck".

Hart Buck
Senior Vice President

A handwritten signature in black ink, appearing to read "Jennifer Darling".

Jennifer Darling
Associate Vice President

Summary of Offers Received - Versante Hotel

CONFIDENTIAL

Prospective Buyer	Offer Price	Offer Price Per Room	Notable Blacklines to Receiver APA Template	Other Comments
Accepted & Recommended Offer:				
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Bids Received on the July 29, 2025 Call for Offers Date:				
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Bid Received Post Call for Offers Date:				
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



Appendix "C" – Citation Agreement (Redacted)

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement made as of _____, 2025,

BETWEEN:

DELOITTE RESTRUCTURING INC.

in its capacity as Court Appointed Receiver and Manager of the hotel property of INTERNATIONAL TRADE CENTER PROPERTIES LTD., HOTEL VERSANTE LTD. and RCC HOLDINGS LTD.

and not in its personal capacity

(the "**Receiver**")

AND:

CITATION PROPERTY HOLDINGS LIMITED

a company incorporated under the British Columbia Business Corporations Act with incorporation number BC1512709

(the "**Purchaser**")

WHEREAS:

- A. Pursuant to the order of the Supreme Court of British Columbia (the "**Court**"), dated March 4, 2025 (the "**Receivership Order**"), Deloitte Restructuring Inc. was appointed receiver and manager over all assets, undertakings and hotel property of International Trade Center Properties Ltd. (the "**ITCP**") and Hotel Versante Ltd. ("**Hotel Versante**" and together with ITCP, the "**Original Debtors**"), acquired for, or used in relation to the business and operations, of the hotel known as the Versante Hotel (the "**Hotel Property**"), with authority to, inter alia, sell the Hotel Property;
- B. Pursuant to an amended and restated order of the Court, dated April 2, 2025 (the "**Amended and Restated Receivership Order**"), the Receivership Order was expanded to appoint the Receiver as receiver and manager over all assets, undertakings and property acquired for, or used in relation to the business and operations of, the Hotel Property, of RCC Holdings Ltd. ("**RCC**" and together with the Original Debtors, the "**Debtors**"); and
- C. Subject to approval of the Court ("**Court Approval**"), the Purchaser has agreed to purchase from the Receiver, and the Receiver has agreed to sell to the Purchaser, the Purchased Assets (as defined herein), upon and subject to the terms and conditions of this Agreement (the "**Transaction**").

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties intending to be legally bound agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Certain Defined Terms

As used in this Agreement, the following terms shall have the following meanings and grammatical variations of such terms shall have corresponding meanings:

"**1212429 B.C. Ltd.**" has the meaning specified in section 2.4.

"**Accounts Receivable**" means all accounts, shareholder loans, notes, bills, trade accounts, holdbacks, book debts, deposits, insurance claims, volume rebates and trade receivables of the Debtors as they relate to the Hotel Property, or such portion as remains owing to the Debtors on the Closing Date, in each case, together with any unpaid interest or fees accrued thereon, including, without limitation, those related party account receivables, advances or shareholder loans owed to any one of the entities comprising the Debtors by another one of the entities comprising the Debtors.

"**Affiliate**" means an affiliate within the meaning of the *Business Corporations Act* (British Columbia).

"**Agreement**" means this asset purchase agreement including all exhibits and schedules and all amendments or restatements, as permitted.

"**Applicable Law**" means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, by-law (zoning or otherwise), order, or any consent, exemption, approval or licence of any Governmental Authority, that applies in whole or in part to the Transaction, the Receiver, the Purchaser, the business of the Debtors, or any of the Purchased Assets.

"**Approval and Vesting Order**" means a Court order substantially in the form of the BC Model Order, with any amendments thereto to be acceptable to the Receiver and the Purchaser, each acting reasonably, which shall, among other things:

- (a) authorize and approve this Agreement and the execution and delivery thereof by the Receiver on behalf of the Debtors;
- (b) authorize and direct the Receiver to complete the Transaction;
- (c) upon the delivery of a Receiver's Certificate to the Purchaser:
 - (i) vest title to the Purchased Assets in the Purchaser;
 - (ii) vest off of title to the Purchased Assets all Encumbrances other than Permitted Encumbrances; and
- (d) provide for the assignment of the Debtors into bankruptcy and/or distribution of all or substantially all of the net sale proceeds to secured creditors.

"**Buildings**" means, all of the buildings, structures and fixed improvements located on, in or under the Real Property, and improvements and fixtures contained in or on such buildings and structures used in the operation of same, but excluding: (i) improvements and fixtures not owned by the Debtors or not

forming part of the Hotel Property; and (ii) those improvements and fixtures that are removable by a tenant pursuant to a lease.

"Business Day" means any day other than a Saturday or Sunday, and which is not a statutory holiday in Canada and/or the Province of British Columbia.

"Claims" means any claims, obligations, demands, costs, expenses, losses, damages (including special, punitive, exemplary, consequential and indirect damages), charges, suits, orders, actions, proceedings (governmental, administrative or otherwise), judgments, reviews, inquiries, investigations, audits, obligations and debts, including interest, penalties, fines, court costs and reasonable lawyer's fees and disbursements.

"Closing" means the closing of the Transaction contemplated by this Agreement.

"Closing Date" means 10 days after the Approval and Vesting Order is granted, or such other date as the parties may agree, provided that such other date must be on or before the Outside Date;

"Closing Documents" means the documents referred to in Sections 7.1 and 7.2 hereof.

"Conditions Precedent" means the Mutual Conditions, the Purchaser's Conditions and the Receiver's Conditions.

"Contracts" means those contracts, agreements, leases and licenses in connection with the Purchased Assets as disclosed in the electronic data room populated by the Receiver now in force and entered into by or on behalf of the Debtors or the Receiver.

"Court" has the meaning given to it in the Recitals hereto.

"Court Approval" has the meaning given to it in the Recitals hereto.

"Debtors" has the meaning given to it in the Recitals hereto.

"Deposit" has the meaning specified in Section 3.1.

"Documents" has the meaning specified in Section 10.5.

"Election Notice" has the meaning specified in Section 8.2(b).

"Employees" means the employees listed in Schedule D.

"Encumbrances" means with respect to the Purchased Assets any financial charge or encumbrance of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, charge, pledge, hypothecation, security interest, lien, Taxes, restrictive or statutory covenant, lease, licence, assignment, option or claim, or right of any Person of any kind or nature whatsoever or howsoever arising which may constitute or become by operation of law or otherwise an encumbrance on any of the Purchased Assets.

"Environmental Laws" means any law, bylaw, order, ordinance, ruling, regulation or directive of any applicable federal, provincial, territorial, municipal, local or other government or governmental department agency or regulatory authority or any court of competent jurisdiction relating to environmental matters

and/or regulating the import, manufacture, storage, distribution, labelling, sale, use, handling, transport or disposal of Hazardous Substances, as are in force as of the Closing Date.

"ETA" has the meaning specified in Section 3.4(a).

"Excluded Assets" means all of the Debtors' right, title and interest in and to the following as they relate to the Hotel Property:

- (a) all shares of capital stock or other equity interests in securities in any entity;
- (b) all cash and cash equivalents;
- (c) Accounts Receivable;
- (d) the F&B Agreement;
- (e) the Sublease;
- (f) the South Tower Level 5 Office Lease;
- (g) Tax Returns and/or Tax installments paid by or on behalf of any of the Debtors; and
- (h) Any Tax or GST refunds.

"Excluded Liabilities" means any Liabilities of the Debtors that are not expressly assumed by the Purchaser under this Agreement including without limitation any Liabilities for any employees, employee agreements, executive compensation agreements, officer or director agreements, union contracts, collective agreements, employee wages, vacation or lieu days payable, employee benefit plans, pension plans, health plans or dental plans, employee tax withholding obligations, all grievances, arbitrations, employee complaints or claims, labour relations board action or other employee proceedings and similar obligations, that arise out of facts or events occurring prior to Closing.

"F&B Agreement" means the Food & Beverage Service Agreement dated August 1, 2022 between Club Versante Management Ltd. and Hotel Versante Ltd., as amended from time to time.

"Governmental Authority" means any Canadian federal, provincial, municipal or local or governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body or any other public agency.

"GST" has the meaning specified in Section 3.4(a).

"GST Certificate" has the meaning specified in Section 3.4(a).

"Hazardous Substances" means any underground storage tanks, any explosive or radioactive materials, pollutants, contaminants, hazardous, corrosive or toxic substances, special waste or waste of any kind, including, without limitation, compounds known as chlorobiphenyl, petroleum and any other substance or material, the storage, manufacture, disposal, treatment, generation, use, transportation, remediation or release into the environment of which is prohibited, controlled, regulated or licensed under Environmental Laws.

"Hotel Lease" has the meaning specified in Section 2.2.

"Hotel Lands" has the meaning specified as such in **SCHEDULE A** hereto.

"Hotel Property" means all of the assets undertakings and hotel property of the Debtors, acquired for, or used in relation to the business and operation carried on by the Debtors known as the "Versante Hotel", with a civic address of 8499 Bridgeport Road, Richmond, B.C. and described in Schedule "A" attached hereto, including without limiting the foregoing, all proceeds thereof.

"Intellectual Property" means all trademarks, trade names, business names, service names, copyrights, patents, technology rights, inventions, computer software, internet protocol addresses and domain names associated with the business of the Debtors including, trade secrets, know-how, industrial designs and other industrial or intellectual property and all applications therefor including, all licences or similar rights used by or granted to the Debtors in connection therewith.

"Interim Period" has the meaning specified in Section 8.1.

"Inventory" means all the inventories of consumables used or purchased in the ordinary course of business in connection with the operation of the business and operations of the Hotel Property."

"Liabilities" means all costs, expenses, charges, debts, liabilities, amounts owing, claims, demands and obligations, whether primary or secondary, direct or indirect, fixed, secured or unsecured, accrued, contingent, known or unknown, absolute or otherwise.

"Mutual Conditions" has the meaning specified in Section 4.1.

"Outside Date" means December 31, 2025.

"P5 Parking Stalls" means the parking stalls numbered 254-337 in the parking garage located on the Remainder Parcel.

"Parties" means the parties to this Agreement and "Party" means any one of the parties to this Agreement, as the context requires.

"Permitted Encumbrances" means those Encumbrances that are registered against title to the Purchased Assets, specified as such in **SCHEDULE B**, and such further and other Encumbrances as the Purchaser agrees in writing to accept on Closing.

"Person" means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity.

"Property Conditions" has the meaning specified in Section 2.4(b).

"Purchase Price" means \$48,000,000, which shall be exclusive of GST and transfer taxes where applicable.

"Purchaser's Conditions" has the meaning specified in Section 4.3.

"Purchaser's Lawyers" means Blake, Cassels & Graydon LLP.

"Purchased Assets" means all of the Debtors' right, title and interest in and to the Hotel Property, the Real Property, the Hotel Lease, the Intellectual Property (subject to Section 2.3 hereof), and all personal property located at the Real Property, but for greater certainty excludes (i) all Excluded Assets; (ii) all Excluded Liabilities; and (iii) Tax liabilities for or relating to any Taxes relating to the Purchased Assets whether in respect of any period before the Closing Date, and any Tax liabilities for or relating to Taxes of the Debtors or Receiver.

"Real Property" means the real property described in **SCHEDULE A** hereto including all Buildings and improvements located thereon, and the benefit of all easements, permits, and other appurtenances to the Real Property.

"Receiver's Broker" means Colliers Macaulay Nicolls Inc.

"Receiver's Certificate" means the certificate contemplated in the Approval and Vesting Order to be filed with the Court by the Receiver certifying that the Receiver confirms, and has received written confirmation in form and substance satisfactory to the Receiver from the Purchaser that it confirms, that all conditions to Closing have been satisfied or waived by the applicable Parties and that the Purchase Price and all applicable taxes payable by the Purchaser to the Receiver have been received by the Receiver's Lawyers.

"Receiver's Conditions" has the meaning specified in Section 4.2.

"Receiver's Lawyers" means Dentons Canada LLP.

"Remainder Parcel" has the meaning specified as such in **SCHEDULE A** hereto.

"Sales Team" has the meaning specified in Section 2.5.

"South Tower Level 5 Office Lease" means the Commercial Lease Agreement in respect of 535, 540, 545, 550 and 555 – 8477 Bridgeport Road, Richmond, BC and dated February 1, 2020, as amended by an Amendment to Commercial Lease Agreement executed April 30, 2021 and effective as of April 30, 2023, and as further amended from time to time.

"Sublease" has the meaning specified in Section 2.2.

"Taxes" means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, *ad valorem* taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, government pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority and any instalments in respect thereof of another taxpayer or entity, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not, and **"Tax"** means any one of such Taxes.

"Tax Returns" means all returns, reports, declarations, elections, notices, filings, information returns, statements and forms in respect of taxes that are filed or required to be filed with any applicable

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Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

"**Trademark Agreement**" has the meaning specified in Section 2.3.

"**Transaction**" has the meaning given to it in the Recitals hereto.

1.2 List of Schedules

The following Schedules are incorporated in and form an integral part of this Agreement:

SCHEDULE A Real Property

SCHEDULE B Permitted Encumbrances

SCHEDULE C Purchase Price Allocation

SCHEDULE C List of Employees

1.3 Terms of Reference

References to a specific article or section, unless something in the subject matter or context is inconsistent therewith, shall be construed as references to that specific article or section of this Agreement. The terms "this Agreement", "hereof", "herein", "hereto", "hereunder" and similar expressions shall be deemed to refer: (i) generally to this Agreement and not to any particular article, section or other portion of this Agreement; and (ii) to any documents supplemental hereto.

1.4 Interpretation Not Affected by Headings

The division of this Agreement into articles, sections, subsections, clauses and paragraphs and other portions, and the insertion of headings and a table of contents, are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.5 Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in, and all payments provided for herein shall be made in, Canadian dollars.

1.6 Gender and Number

All words importing the singular include the plural and vice versa. All words importing gender include all genders.

1.7 Date for Any Action

Unless otherwise specified, references to "days" shall refer to calendar days, provided, however, that if the date on which any action is required to be taken hereunder by a Person is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day.

1.8 Time

Unless otherwise specified, all references to time expressed in this Agreement and in any document issued in connection with this Agreement mean local time in Vancouver, British Columbia, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day. Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends.

ARTICLE 2 PURCHASE AND SALE OF ASSETS

2.1 The Purchased Assets

Upon and subject to the terms and conditions of this Agreement, the Receiver agrees to sell, and the Purchaser agrees to purchase, the Purchased Assets for the Purchase Price, subject only to the Permitted Encumbrances, and all other Encumbrances shall be discharged and released as required by the Approval and Vesting Order. The Transaction shall include the assignment of the Debtors' interest in the Contracts to the Purchaser and the Transaction shall be completed on the Closing Date at the offices of the Receiver's Lawyers subject to the terms and conditions of this Agreement.

2.2 Hotel Lease Acknowledgement, Assignment and Assumption

- (a) The Purchaser acknowledges that the Hotel Lands, which are the subject of this Agreement, are currently leased by ITCP, as landlord, to Hotel Versante Ltd., as tenant, pursuant to a certain lease dated August 1, 2021 (the "**Hotel Lease**"). The Purchaser further acknowledges that the Hotel Lease is a valid, binding and enforceable lease in accordance with its terms.
- (b) Upon the Closing of this Transaction, the Purchaser shall assume all rights, obligations and liabilities of ITCP, as landlord, and Hotel Versante, as tenant, under the Hotel Lease from and after the Closing Date as follows:
 - (i) ITCP will assign to the Purchaser, or such other entity as the Purchaser may direct, all of ITCP's rights, obligations and liabilities as landlord under the Hotel Lease and the Purchaser, or such other entity as the Purchaser may direct, will assume same; and
 - (ii) Hotel Versante will assign to the Purchaser, or such other entity as the Purchaser may direct, all of Hotel Versante's rights, obligations and liabilities as tenant under the Hotel Lease, and the Purchaser, or such other entity as the Purchaser may direct, will assume same.
- (c) In furtherance of subsection (b) hereof, the Receiver and the Purchaser, or such entities as the Purchaser may direct, will execute such documentation as is required, including, without limitation, an assignment and assumption of the Hotel Lease, in a form reasonably satisfactory to the Parties, both acting reasonably.

- (d) For the avoidance of doubt, no cure costs shall be payable by the Purchaser in respect of the assignment of the Hotel Lease.
- (e) The Purchaser acknowledges that there is a certain sublease (the "**Sublease**") in respect of a portion of the premises which is the subject of the Hotel Lease, such portion of the premises being the ground floor, the 12th and 13th floors and those rooms known as "Receiving Clerk C.P." and "E.M.R.C.P." as shown on Level 1 of Strata Plan EPS7234 of the building on the Hotel Lands. The Sublease is between Hotel Versante, as sublandlord, and Club Versante Management Ltd., as subtenant and is dated August 1, 2021, as amended by amendment to the Sublease dated December 1, 2021 and further amended by amendment dated effective June 1, 2023 providing for a partial surrender of the portion of the 12th floor known as the Alaia space. The Purchaser will not assume the Sublease as of the Closing Date, and accordingly the Sublease will be terminated and will be of no further force or effect.
- (f) The Purchaser agrees to indemnify and hold the Receiver and its directors, officers, employees, advisors and agents harmless from any liability under the Hotel Lease in respect of those obligations arising thereunder after the Closing Date.

2.3 Purchaser's Election Regarding Trademark Agreement

- (a) The Purchaser acknowledges that there is a certain trademarks license agreement (the "**Trademark Agreement**") between 1036524 B.C. Ltd. as licensor and Hotel Versante as licensee dated August 1, 2021. The Purchaser will assume the Trademark Agreement as of the Closing Date and the Purchaser, or such entities as the Purchaser may direct, will be bound by the Trademark Agreement and assume all rights, obligations and liabilities of Hotel Versante, as licensee, under the Trademark Agreement from and after the Closing Date.
- (b) The Purchaser agrees to indemnify and hold the Receiver and its directors, officers, employees, advisors and agents harmless from any liability under the Trademark Agreement, in respect of those obligations arising thereunder after the Closing Date.

2.4 Parking Stall Acknowledgement, Assignment and Assumption

- (a) The Purchaser acknowledges that a shared parking garage is located on the Remainder Parcel and that such is subject to a Parking Head Lease dated May 30, 2019 as between ITCP as landlord and 1212429 B.C. Ltd. ("**121**") as tenant, which Parking Head Lease includes all of the parking on the Remainder Parcel including the P5 Parking Stalls.
- (b) Upon the Closing of this Transaction, the Receiver shall cause 121 to assign its rights to the P5 Parking Stalls under the Parking Head Lease to the Purchaser and the Purchaser shall assume all rights, obligations and liabilities of 121 as tenant in regard to the P5 Parking Stalls to ITCP, as landlord.
- (c) In furtherance of subsection 2.4(b) hereof, the Purchaser, or such entities as the Purchaser may direct, will execute such documentation as is required, including, without limitation, an assignment and assumption of the Parking Head Lease, in a form reasonably satisfactory to the Receiver and the Purchaser.

- (d) The Purchaser acknowledges that there is a certain assignment of the P5 Parking Stalls dated November 5, 2019 as between 121 and Byganteel Capital Inc. together with a further parking stall lease agreement in regard to the P5 Parking Stalls dated July 1, 2021 between Byganteel Capital Inc. and Club Versante Management Ltd.
- (e) Upon the Closing of this Transaction, the Receiver shall cause 121, Byganteel Capital Inc. and Club Versante Management Ltd. to terminate the assignment and lease agreement described in subsection (d) hereof and deliver copies of such termination agreements to the Purchaser.
- (f) The Purchaser agrees to indemnify and hold the Receiver and its directors, officers, employees, advisors and agents harmless from any liability under the respective P5 Parking Stall assignments arising thereunder after the Closing Date.

2.5 Acknowledgement of Purchaser as to Condition of the Purchased Assets

Notwithstanding the foregoing or anything else contained herein or elsewhere, the Purchaser acknowledges and agrees that:

- (a) the Purchased Assets are being sold and purchased and the Transaction is being effected on an "as-is, where-is" basis, without any representation, warranty or covenant by the Receiver, the Receiver's Broker, the Debtors, their respective agents, representatives, contractors, consultants, or employees (collectively, the "**Sales Team**"), or any other Person, other than as expressly set out in this Agreement;
- (b) the Sales Team makes no representations or warranties, other than and only to the extent of the representations and warranties of the Receiver set out in ARTICLE 5, of any nature whatsoever with respect to any confidential information or documentation disclosed to the Purchaser, nor with respect to the Purchased Assets, including, without limitation, title thereto and/or the state of any Encumbrances or the Transaction, including, without limitation: (i) the structural integrity or any other aspect of the physical condition of any Building; (ii) the conformity of any Building to any plans or specifications (including, without limitation, any plans and specifications that may have been or which may be provided to the Purchaser); (iii) the conformity of the Real Property to past, current or future applicable zoning or building code requirements or other Applicable Laws; (iv) the existence of soil instability, past soil repairs, soil additions or conditions of soil fill or any other matter affecting the stability or integrity of the Real Property, or any Building situated on or as part of any Real Property; (v) the sufficiency of any drainage; (vi) whether the Real Property is located wholly or partially in a flood plain or a flood hazard boundary or similar area; (vii) the existence or non-existence of underground and/or above ground storage tanks; (viii) the availability of public utilities, access, parking and/or services for the Real Property; (ix) the fitness or suitability of the Real Property for occupancy or any intended use (including matters relating to health and safety) and the fitness and suitability for use of any of any other Purchased Assets; (x) the potential for further development of the Real Property; (xi) the existence of land use, zoning or building entitlements affecting the Real Property; (xii) the presence, release or use of any Hazardous Substance in, under, on or about the Real Property or any neighbouring lands; and (xiii) the conformity or compliance of the Purchased Assets to any municipal

by-laws, including those relating to the preservation of heritage, cultural or historical property (collectively, the "**Property Conditions**");

- (c) as part of the Purchaser's agreement to purchase the Purchased Assets and to accept the Purchased Assets in the condition set out in this Section 2.5, and not as a limitation on such agreement, the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights or Claims the Purchaser might have against the Sales Team pursuant to any warranty, express or implied, of any kind or type relating to the Purchased Assets or any other assets, the Property Conditions or any other aspect of the Transaction. Such waiver is absolute, unlimited and includes, without limitation, waiver of express warranties, implied warranties, any warranties at law and/or in equity, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and Claims of every kind and type, including, without limitation, Claims regarding defects, whether or not discoverable, product liability Claims or similar Claims, and to all other extent or later created or conceived of strict liability or strict liability type Claims and rights;
- (d) the Sales Team shall not be responsible or liable for any misrepresentation (other than fraudulent misrepresentation), lack of disclosure or incorrect or incomplete disclosure of any nature whatsoever or failure to investigate the Purchased Assets on the part of any broker or sales agent, or any other purported or acknowledged agent, representative, contractor, consultant, or employee of the Receiver, the Debtors, or any third party;
- (e) the Sales Team shall not be required to produce any abstract of title, deed or documents or copies thereof or any evidence as to title; and
- (f) the transfer of title to the Purchased Assets may be subject to certain work orders, municipal requirements, including building or zoning by-laws and regulations, easements for hydro, gas, and/or telephone affecting the Purchased Assets, and like services to the Real Property, and restrictions and covenants which run with the Real Property, including but not limited to the Permitted Encumbrances. Without limiting the foregoing, the Sales Team shall not be responsible for rectification of any matters disclosed by any Governmental Authority.

The provisions of this Section 2.5 shall not merge on, but shall survive, Closing.

2.6 Employees

- (a) The Purchaser shall make offers of employment to each Employee on terms and conditions which are substantially similar to the terms and conditions that they currently have with the Receiver, conditional and effective on Closing. The Purchaser's offers of employment shall recognize the prior service of the Employees with the Debtors and Receiver, for all statutory purposes and common law entitlements, including for the purpose of termination notice, common law notice, or pay in lieu of notice on termination of employment, and where service is otherwise relevant for eligibility and entitlement criteria.

- (b) The Purchaser shall be responsible for, and agrees to indemnify and hold the Receiver and its directors, officers, employees, advisors and agents harmless from, any Liabilities in respect of any Employees who accept or continue employment with the Purchaser for the period from and after Closing, to the extent that such Liabilities are based on facts, circumstances or events that arise on or after the Closing.

ARTICLE 3

PURCHASE PRICE AND ADJUSTMENTS

3.1 Deposit and Payment of Purchase Price

The Purchaser shall pay the Purchase Price as follows:

- (a) \$2,400,000 by way of deposit (the "**Deposit**") to be paid by certified cheque, bank draft or wire transfer of immediately available funds to the Receiver in trust, within 5 days after the acceptance of the offer to purchase the Purchased Assets contained in this Agreement by the Receiver; and
- (b) the balance of the Purchase Price, to be paid on Closing by certified cheque, bank draft or wire transfer of immediately available funds to or to the order of the Receiver.

3.2 Terms of Deposit

The Deposit shall be held in trust by the Receiver, in a non interest-bearing trust account. The Deposit shall be dealt with as follows:

- (a) on the Closing Date, the Deposit shall be credited on account of the Purchase Price;
- (b) if:
 - (i) the Purchaser fails to complete the purchase of the Purchased Assets in accordance with this Agreement after all Conditions Precedent have been satisfied or waived;
 - (ii) the Conditions Precedent are not satisfied or waived within the applicable time period as a result of the Purchaser's non-performance of or non-compliance with this Agreement, contrary to Section 4.4; or
 - (iii) the Purchaser repudiates this Agreement,

then at the Receiver's option the Deposit together with accrued interest thereon shall be forfeited to the Receiver as liquidated damages, as the Receiver's sole remedy;
- (c) if the Conditions Precedent are not satisfied or waived within the applicable time period, or if the Purchaser elects to terminate the Agreement in accordance with Section 8.2(b)(ii), the Deposit will be returned to the Purchaser forthwith without any deduction, as the sole remedy of the Purchaser against the Receiver; or

- (d) if the Purchaser is not in material default of any of its obligations under this Agreement and the Receiver fails to complete the sale of the Purchased Assets in accordance with this Agreement after all Conditions Precedent have been satisfied or waived or if the Receiver repudiates this Agreement, then (i) the Deposit together with accrued interest thereon shall be refunded to the Purchaser upon demand by the Purchaser and (ii) a break fee of \$1,000,000 shall be payable to the Purchaser upon demand by the Purchaser (with the Parties acknowledging that such fee is a pre-requisite for the Purchaser to make the offer to purchase the Purchased Assets contained herein, hence such fee is considered necessary to preserve or maximize value for the Purchased Assets, and that such fee if incurred would constitute part of the Receiver's administrative expenses), as the sole remedy of the Purchaser against the Receiver, but without prejudice to any other rights or remedies of the Purchaser against the Debtors whether at law or in equity.

3.3 Closing Adjustments

- (a) Subject to those items referred to in this Section 3.3, the Purchase Price shall be adjusted (hereinafter referred to as the "**Adjustments**") between the Receiver and the Purchaser by the appropriate cash payments or allowances effective as of the Closing Date. Such adjustments shall be calculated by the Receiver and verified by the Purchaser and shall be apportioned or adjusted on an accrual basis in accordance with GAAP and subject to any specific provisions of this Agreement or this Section 3.3 to the contrary. The Adjustments shall include, without limitation, the following, as may be applicable:
- (i) deposits and prepaid expenses;
 - (ii) advance deposits and prepaid expenses relating to periods after the Closing Date (functions, rooms, etc.) to the Purchaser;
 - (iii) any unmetered public or private utility charges and the unmetered cost of fuel, if applicable;
 - (iv) common element expenses;
 - (v) room rents of transient guests accrued and owing up to 11:59 p.m. on the Adjustment Date to the Debtors and to the Purchaser thereafter;
 - (vi) all salaries, wages and all other related payroll expenses relating to employees owing to the Adjustment Date to the Purchaser if not paid by the Receiver as of the Adjustment Date and all vacation pay and days in lieu accrued and owing to the Adjustment Date if not paid or otherwise satisfied by the Receiver as of the Adjustment Date;
 - (vii) sales commissions and travel agency fees accrued and owing up to the Closing Date to the Receiver and to the Purchaser thereafter;
 - (viii) real estate taxes, local improvement charges, business taxes, rates, levies, assessments, or any other charges levied by a municipal or other Governmental Authority owing to the Closing Date to the Receiver and to the Purchaser

thereafter, provided that the Receiver shall be responsible for all such taxes and charges that are added to the tax rolls in respect of the Hotel Lands referable to any periods that are before the Closing Date and the Receiver shall also be entitled to the benefit of all assessment appeals in respect of the Hotel Lands referable to any periods that are before the Closing Date; and

- (ix) rents and deposits paid under the Contracts.

Notwithstanding anything set out in this Agreement, the Parties agree that the room revenues that the Receiver is entitled to receive pursuant to this Section 3.3(a) shall be net of travel agents' commissions, credit card commissions and the like.

- (b) For clarity, Adjustments shall be made in respect of all operating costs and recoveries, realty taxes, local improvement rates and charges, common element expenses, current expense and operating recoveries, utilities deposits, any rents and prepaid amounts in respect of the Contracts and other adjustments established by usual practice in the Vancouver area for the purchase and sale of a similar property and business. In addition, the Adjustments shall include the other matters referred to in this Agreement, which are stated to be subject to adjustment and shall exclude the other matters in this Agreement which are stated not to be subject to adjustment.
- (c) All Adjustments shall be made as of 11:59 p.m. on the day immediately preceding the Closing Date (the "**Adjustment Date**"). The Purchaser shall be responsible for all expenses and (except as otherwise provided herein) shall be entitled to all income in respect of the business and operations of the Hotel Property after the Adjustment Date. The Receiver shall be responsible for all expenses and entitled to all income from the business and operations of the Hotel Property for that period ending prior to the Adjustment Date, save and except as provided herein.
- (d) If a final cost among any items which is to be adjusted cannot be determined at Closing, then an initial adjustment for such item shall be made as of the Adjustment Date, such amount to be estimated by the Receiver, acting reasonably, as of the Closing Date on a basis of the best evidence available at Closing. In each case when such cost amount is determined, the Receiver or Purchaser, as the case may be, shall, within 30 days of the determination, provide a complete statement thereof to the other and within 30 days thereafter, the Parties shall make a final adjustment for the item in question. The Receiver and Purchaser shall be entitled to verify the expenses incurred by the other. In the absence of an agreement by the Parties hereto in respect of any foregoing amount, the final cost or amount of an item shall be determined by auditors appointed jointly by the Receiver and the Purchaser with the cost of such auditors' determination being shared between the Parties hereto. All claims for re-adjustments must be made within a 3-month period following the Closing Date. After the expiry of such period, the adjustments made by the Parties shall be final and binding.
- (e) The Receiver shall provide a Statement of Adjustments in accordance with the provisions of this Section 3.3 and deliver same to the Purchaser not less than 5 Business Days prior to the Closing Date (the "**Statement of Adjustments**").

- (f) No adjustment will be made for operating supplies, food & beverage, linens used in the normal course of operating the business and operations of the Hotel Property. The Receiver shall permit the Purchaser to inspect the inventory of the business and operations of the Hotel Property prior to the Closing Date.
- (g) In respect of the preparation of the Statement of Adjustments, any amounts due and owing but unpaid to the Receiver under any Contracts for the period prior to the Adjustment Date shall remain the property of the Receiver on Closing and there will be no adjustment in favour of the Receiver on the Statement of Adjustments; however, the Receiver shall continue to have the right after Closing to recover by way of action or other collection activity any amounts due and payable. Provided further in the event the Purchaser receives after the Closing Date on account of any amounts due and payable for the foregoing relating to the period prior to the Closing Date which are the property of the Receiver, the Purchaser shall remit over to the Receiver any amounts received. Provided further in the event the Receiver wishes to proceed with commencing any actions or other collection activities for the recovery of any amounts due and owing to it or the Debtors prior the Closing Date, the Receiver shall provide the Purchaser with prior written notice before instituting legal proceedings to recover such amounts due and payable.
- (h) The provisions of this Section 3.3 shall not merge on, but shall survive, Closing.

3.4 Taxes

- (a) The Purchaser represents and warrants to the Receiver that it is and will be, as of the Closing on the Closing Date, registered for the purposes of Part IX of the *Excise Tax Act* (Canada) (the "ETA") in accordance with the requirements of Subdivision D of Division V of the ETA and will pay any goods and services tax and harmonized sales tax (collectively, the "GST") payable under the ETA in connection with the Transaction to the Receiver or to the applicable Governmental Authority in accordance with Applicable Law. The Purchase Price does not include GST and the Purchaser will pay any GST payable with respect to the acquisition of the Purchased Assets in accordance with the ETA. Subject to Section 3.4(b), on the Closing Date, the Purchaser will deliver to the Receiver a certificate (the "GST Certificate") of a senior officer of the Purchaser certifying, on behalf of the Purchaser and without personal liability (a) that the Purchaser is registered under Part IX of the ETA as of the Closing Date; (b) its registration number; and (c) that the Purchaser will account for, report and remit any GST payable in respect of the purchase of the Purchased Assets that constitute a supply of real property under the ETA in accordance with the ETA. The Purchaser will indemnify and hold the Receiver and its directors, officers, employees, advisors and agents harmless from any liability under the ETA arising as a result of any breach of the ETA with respect to GST payable in respect of the Purchased Assets, this Section 3.4(a), the GST Certificate or any declaration made therein and such indemnity will survive Closing.
- (b) Notwithstanding the above, the Receiver will cooperate with the Purchaser to execute any election available under Applicable Law that may reduce or defer the amount or due date of any GST or other Tax payable by the Purchaser provided such election will not result in any increased cost or Tax liability for the Receiver. At the Closing, if available in

respect of the Transaction, each of the Receiver and the Purchaser shall execute jointly an election under subsection 167(1) of Part IX of the ETA, in the prescribed form and within the prescribed time therefor, in respect of the sale and transfer of the Purchased Assets and the Purchaser shall file such election with Canada Revenue Agency.

- (c) In addition, the Purchaser will be responsible for all property Taxes (as adjusted), transfer Taxes, fees and expenses in connection with the Transaction, including without limitation the registration of the Approval and Vesting Order or the transfer of the Purchased Assets, and the Purchaser shall indemnify and save harmless the Receiver from any and all loss, cost or damage suffered as a direct result of the Purchaser's failure to pay or remit any such property Taxes (as adjusted), transfer Taxes and such fees and expenses to the applicable Governmental Authority. Notwithstanding the foregoing, the Receiver will be responsible for income Taxes or fees in respect of the disposition of the Purchased Assets.

3.5 Allocation of Purchase Price

The Purchase Price shall be allocated between the Purchased Assets in accordance with **SCHEDULE C**.

ARTICLE 4 **CONDITIONS PRECEDENT**

4.1 Mutual Conditions

The obligation of each of the Parties to complete the Transaction is conditional upon the following conditions (the "**Mutual Conditions**") being satisfied:

- (a) on or before the Closing Date, the Approval and Vesting Order shall have been granted by the Court and such Approval and Vesting Order shall not have been enjoined, restricted, stayed, reversed, and/or dismissed; and
- (b) as at the Closing Date, there will be no Applicable Law or order in effect that prohibits the consummation of the Transaction or the Closing.

4.2 Receiver's Conditions

The Receiver's obligation to complete the Transaction is conditional upon the following conditions (the "**Receiver's Conditions**") being satisfied:

- (a) as at the Closing Date, each representation and warranty of the Purchaser contained in ARTICLE 6 will be true and correct: (i) as if restated on and as of the Closing Date; or (ii) if made as of a date specified therein, as of such date;
- (b) on or before the Closing Date, the covenants, obligations, and agreements contained in this Agreement will have been complied with by the Purchaser and not have been breached in any material respect;
- (c) at least five Business Days before the Closing Date, the Purchaser shall make the offers of employment described in Section 2.6(a) to all Employees; and

- (d) as at the Closing Date, the Purchaser will have delivered to the Receiver all items the Purchaser is required to deliver pursuant to Section 7.2.

4.3 Purchaser's Conditions

The Purchaser's obligation to complete the Transaction is conditional upon the following conditions (the "**Purchaser's Conditions**") being satisfied:

- (a) as at the Closing Date, each representation and warranty of the Receiver contained in ARTICLE 5 will be true and correct: (i) as if restated on and as of the Closing Date; or (ii) as if made as of a date specified therein, as of such date;
- (b) on or before the Closing Date, the covenants, obligations, and agreements contained in this Agreement will have been complied with by the Receiver and not have been breached in any material respect; and
- (c) as at the Closing Date, the Receiver will have delivered to the Purchaser all items the Receiver is required to deliver pursuant to Section 7.1.

4.4 Satisfaction of Conditions

The Parties agree to proceed in good faith and to cooperate with each other, with promptness and reasonable diligence to attempt to satisfy the Conditions Precedent that are within their respective control, acting reasonably. Neither Party shall be entitled to rely on its own non-performance of or non-compliance with any of the Conditions Precedent as a reason not to complete the Transaction.

4.5 Waiver of Conditions

- (a) The Mutual Conditions are for the mutual benefit of the Parties and may only be waived or declared satisfied with the written agreement of both of the Parties. If any of the Mutual Conditions have not been waived or declared satisfied on or before the Closing Date, either Party may terminate this Agreement by written notice to the other Party in accordance with Section 10.1.
- (b) The Receiver's Conditions are for the exclusive benefit of the Receiver and may be satisfied or waived by the Receiver in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Receiver may have. If any of the Receiver's Conditions have not been complied with or waived by the Receiver on or before the Closing Date, the Receiver may terminate this Agreement by written notice to the Purchaser in accordance with Section 10.1.
- (c) The Purchaser's Conditions are for the exclusive benefit of the Purchaser and may be satisfied or waived by the Purchaser in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the Purchaser's Conditions have not been complied with or waived by the Purchaser on or before the Closing Date, the Purchaser may terminate this Agreement by written notice to the Receiver in accordance with Section 10.1.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF THE RECEIVER

The Receiver hereby represents and warrants to the Purchaser that the Receiver is not a non-resident of Canada under the *Income Tax Act (Canada)*. The Receiver further hereby represents and warrants to the Purchaser that the Receiver will have after obtaining Court Approval, all necessary authority to complete the Transaction and to execute and deliver this Agreement and all other documents and instruments contemplated herein or therein to which it is or will be a party and to perform its obligations hereunder and thereunder. The Receiver makes no representations or warranties of any kind whatsoever, expressed or implied, with respect to the Purchased Assets and/or the Debtors.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF PURCHASER

The Purchaser hereby represents and warrants to the Receiver as follows:

- (a) the Purchaser is a duly incorporated corporation and validly existing under the laws of the Province of British Columbia.
- (b) the Purchaser has the power and authority to execute and deliver this Agreement and the other documents and instruments contemplated herein or therein to which it is or will be a party and to perform its obligations hereunder and thereunder. The execution, delivery and performance of this Agreement and the documents contemplated hereby and the consummation of the Transaction contemplated hereby and thereby have been duly authorized and approved by the Purchaser;
- (c) this Agreement, and if, as, and when executed, each of the other agreements, documents and instruments to be executed and delivered by the Purchaser on or before the Closing, have been or will upon such execution and delivery be duly executed and delivered by, and constitute the valid and binding obligations of the Purchaser, in accordance with their terms;
- (d) the execution and delivery by the Purchaser of this Agreement and the performance by the Purchaser of its obligations under this Agreement will not result in the breach or violation of any terms or conditions of: (i) the constating documents or by-laws of the Purchaser; or (ii) any applicable law, regulation or order;
- (e) the Purchaser will be a registrant for purposes of Part IX of the ETA on the Closing Date and its registration number shall be provided as part of the Closing; or alternatively the Purchaser will remit to the Receiver all applicable GST; and
- (f) the Purchaser is not a non-Canadian within the meaning of the *Investment Canada Act (Canada)* or the *Prohibition on the Purchase of Residential Property by Non-Canadians Act (Canada)* and the regulations made thereunder, and will not be as of the Closing Date.

ARTICLE 7
CLOSING MATTERS

7.1 Receiver's Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Receiver will deliver or cause to be delivered to the Purchaser's Lawyer the following:

- (a) a certified copy of the Approval and Vesting Order;
- (b) a certificate of the Receiver confirming that: (i) the representations and warranties set out in ARTICLE 5 are true and accurate in all material respects; and (ii) the Receiver has complied with all the covenants, obligations, and agreements contained in this Agreement and has not breached the same in any material respect;
- (c) to the extent in the Receiver's possession, control or knowledge (as applicable), all keys and security cards relating to the Purchased Assets and all combinations to vaults and combination locks located at the Purchased Assets;
- (d) an Assignment and Assumption of the Hotel Lease, as contemplated by Section 2.2 hereof; and
- (e) such other documents as may be required by the Approval and Vesting Order, or reasonably required by the Purchaser to complete the Transaction, in accordance with the terms of this Agreement.

All documentation shall be in form and substance acceptable to the Parties and their respective solicitors each acting reasonably and in good faith, provided that none of such documents shall contain covenants, representations or warranties which are in addition to or more onerous upon either the Party than those expressly set forth in this Agreement or in the Approval and Vesting Order.

7.2 Purchaser's Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Purchaser shall deliver or cause to be delivered to the Receiver's Lawyers, the following:

- (a) the balance of the Purchase Price, in accordance with Section 3.1(b);
- (b) a certificate of an officer of the Purchaser (in such capacity and without personal liability) confirming that: (i) the representations and warranties set out in ARTICLE 6 are true and accurate in all material respects; and (ii) the Purchaser has complied with all the covenants, obligations, and agreements contained in this Agreement and has not breached the same in any material respect;
- (c) the GST Certificate;
- (d) an Assignment and Assumption of the Hotel Lease, as contemplated by Section 2.2 hereof; and

- (e) such other documents as may be reasonably required by the Receiver to complete the Transaction in accordance with the terms of this Agreement.

All documentation shall be in form and substance acceptable to the Parties and their respective solicitors each acting reasonably and in good faith, provided that none of such documents shall contain covenants, representations or warranties which are in addition to or more onerous upon either Party than those expressly set forth in this Agreement or in the Approval and Vesting Order.

7.3 Registration

On the Closing Date, after receipt by the Purchaser's Lawyers of the Closing Documents set out in Section 7.2 and the transmission of funds as set out in Section 7.6, and after receipt by the Receiver's Lawyers of the Closing Documents set out in Section 7.2, if required, the Purchaser will cause the Purchaser's Lawyers to file the Approval and Vesting Order in the Land Title Office and any security documents applicable to any mortgage financing arranged by the Purchaser, as further described in Section 7.5.

7.4 Concurrent Requirements.

It is a condition of the Closing that all matters of payment, execution and delivery of documents by each party to the other and the filing of documents in the Land Title Office as set out in Section 7.3, all pursuant to the terms of this Agreement, will be deemed to be concurrent requirements and it is specifically agreed that nothing will be complete at the Closing until everything required as a condition precedent at the Closing has been paid, executed and delivered and all filings set out in Section 7.3 have been completed.

7.5 Purchaser's Financing

If the Purchaser is relying upon a new mortgage to finance the purchase of the Purchased Assets, the Purchaser, while still required to pay the Purchase Price on the Closing Date, may wait to pay the Purchase Price until after the Approval and Vesting Order (if required) and new mortgage documents have been filed in the Land Title Office and after receipt of the proceeds of such mortgage financing, but only if, before such filing, the Purchaser has:

- (a) made available for tender to the Receiver that portion of the Purchase Price not secured by the new mortgage;
- (b) fulfilled all the new mortgagee's conditions for funding except filing the mortgage for registration; and
- (c) made available to the Receiver, a lawyer's undertaking from the Purchaser's Lawyers to pay the Purchase Price upon the filing of the Approval and Vesting Order (if required) and new mortgage documents and the advance by the mortgagee of the mortgage proceeds.

For greater certainty, the Purchaser's obligation to pay the Purchase Price on the Closing Date and complete the Transaction is not conditional on any such financing completing.

7.6 Payment by Wire Transfer

Notwithstanding anything else contained herein, provided the Purchaser's Lawyers have initiated the wire transfer for the balance of the Purchase Price, as adjusted, to the Receiver's Lawyers on the Closing Date, and provided the Receiver's Lawyers with written confirmation thereof, the Purchaser will be deemed to have paid the balance of the Purchase Price, as adjusted, due to the Receiver if such amount is credited to the Receiver's Lawyers account by 11 a.m. (Vancouver time) on the first Business Day following the Closing Date without interest or penalty. If such amount is not received by 11 a.m. (Vancouver time) on the first Business Day following the Closing Date, the Purchaser will pay to the Receiver interest at the rate of the prime rate of interest designated from time to time by Royal Bank of Canada plus 3% per annum on such amount until such time as it is received by the Receiver.

ARTICLE 8 OPERATION OF THE PROPERTY

8.1 Operation Before Closing

During the period between the date hereof and Closing (the "**Interim Period**"), subject to the Amended and Restated Receivership Order and any other order made by the Court in the receivership proceedings, the Receiver shall:

- (a) throughout the Interim Period, upkeep and maintain the Real Property in its present condition, reasonable wear and tear excepted, and manage the Real Property in a professional and diligent manner and as a careful and prudent owner would do in accordance with current practices in the receivership proceedings and in compliance with all applicable laws, regulations and orders;
- (b) throughout the Interim Period, maintain in full force and effect insurance coverage for fire, earthquake and all risks in respect of the Real Property as well as commercial liability coverage until Closing on the Closing Date, in such amounts and on such terms as would a prudent owner;
- (c) promptly notify the Purchaser if the Receiver becomes aware that, after the date of this Agreement, any of its representations or warranties in this Agreement become untrue or incorrect or if any covenants, terms or conditions in this Agreement are breached or cannot be performed; and
- (d) grant to the Purchaser and its authorized representatives the right to enter upon the Purchased Assets during business hours upon reasonable notice for the purposes of carrying out such inspections, examinations, tests and surveys, including soil tests, as the Purchaser may deem necessary; provided that the Purchaser shall indemnify and save harmless the Receiver from any and all loss, cost or damage suffered as a direct result of the Purchaser exercising its rights pursuant to this clause.

8.2 Damage Before Closing

- (a) The Purchased Assets shall be at the risk of the Debtors until Closing.

- (b) If any loss, damage or expropriation occurs before Closing to any part of the Purchased Assets in respect of which the cost of repair is more than 10% of the Purchase Price, or if such repair will take more than 6 months, all as determined by an arm's length, independent architect, engineer or other qualified expert engaged by the Receiver, within 15 Business Days after disclosure to the Purchaser by the Receiver of the loss or damage and the extent thereof, the Purchaser, at its option, shall by notice in writing to the Receiver (the "**Election Notice**") elect either:
 - (i) to complete the purchase of such Purchased Asset(s), in which event the insurance proceeds payable in respect of such damaged Purchased Asset(s) shall be assigned or paid to the Purchaser and the Purchase Price shall be reduced by an amount equal to any deficiency in insurance proceeds arising from any co-insurance relating to such insurance policy or for any other reason; or
 - (ii) not to complete the purchase of such Purchased Asset(s), in which case this Agreement will terminate with immediate effect and the Deposit and all interest accrued thereon will be returned to the Purchaser.
- (c) If the Purchaser fails to deliver the Election Notice, it will be deemed to elect to complete the purchase of the Purchased Assets in accordance with Section 8.2(b)(i).
- (d) If loss or damage to any Buildings that does not trigger the rights set out in Section 8.2(b) occurs, the Purchaser shall have no right to terminate this Agreement, but shall be entitled to all proceeds of insurance in respect of such loss or damage and the Purchase Price shall be reduced by the value of any deductibles in respect of such loss or damage and an amount equal to any deficiency in insurance proceeds arising from any co-insurance relating to such insurance policy or for any other reason, and the Parties shall complete the Transaction.

ARTICLE 9

TERMINATION

9.1 Termination

This Agreement may be terminated at any time prior to the Closing Date, as the case may be:

- (a) by mutual written consent of the Purchaser and the Receiver;
- (b) subject to Section 4.4, in accordance with Section 4.5; or
- (c) in accordance with Section 8.2(b)(ii).

In any case, Section 3.2 shall govern with respect to the Deposit.

ARTICLE 10
MISCELLANEOUS

10.1 Notices

Any demand, notice or other communication to be made or given hereunder shall be in writing and may be made or given by personal delivery, sent by courier, or transmitted by electronic mail, as follows:

(a) to the Purchaser:

Suite 4005-4006, 40/F, One Exchange Square,
8 Connaught Place, Central,
Hong Kong
Attention: Francis Ng

Emails: francis.ng@pacm.com

with a copy to:

1133 Melville Street
Suite 3500, The Stack
Vancouver, BC, V6E 4E5
Attention: Michael Birch

Email: michael.brich@blakes.com

(b) to the Receiver:

410 West Georgia Street
Vancouver, BC, V6B 0S7
Attention: Jeff Keeble, Sally Bao and Aveshin Govender

Emails: jkeeble@deloitte.ca
sbao@deloitte.ca
agovender@deloitte.ca

With a copy to:

Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, British Columbia V6C 3R8
Attention: John Sandrelli, Cassandra Federico and Emily LeDue

Email: john.sandrelli@dentons.com
cassandra.federico@dentons.com
emily.ledue@dentons.com

or to such other address or facsimile number as any party may from time to time notify to the other party in accordance with this Section 10.1. Any demand, notice or communication made or given by personal delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof and if made or given by facsimile copy or other means of electronic transmission, shall be conclusively deemed to have been given on the day of transmittal.

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10.2 Bidding Procedures

The Purchaser acknowledges and agrees that:

- (a) the Receiver's obligations in connection with this Agreement, until it is approved by the Court, are limited to putting this Agreement before the Court and that this Agreement is subject to the conditions of the Amended and Restated Receivership Order and the legal and equitable rights of the Debtors and other parties in connection with the underlying Court proceedings;
- (b) the Receiver is subject to the jurisdiction and discretion of the Court to consider other offers and in respect of any further orders that the Court may make regarding the Purchased Assets; and
- (c) if the Court vacates, sets aside or varies the Approval and Vesting Order for any reason whatsoever, the Receiver will not be liable to the Purchaser or any other Person in any way whatsoever.

10.3 Further Assurances

At any time and from time to time after the date hereof each of the parties hereto, at the reasonable request and expense of the other party hereto, will execute and deliver such other instruments of sale, transfer, conveyance, assignment, confirmation and other instruments as may be reasonably requested in order to more effectively transfer, convey and assign to the Purchaser and to confirm the Purchaser's title to the Purchased Assets and to effectuate the Transaction contemplated herein.

10.4 Legal Fees and Broker's Fees

Each Party shall be responsible for and bear all of its own legal costs and expenses.

The Receiver acknowledges and agrees to be responsible for any and all real estate brokerage commissions payable to the Receiver's Broker with respect to this transaction.

10.5 Entire Agreement

This Agreement together with the Schedules hereto and the other documents executed in connection herewith or referred to herein (collectively, the "**Documents**") embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in the Documents shall affect, or be used to interpret, change or restrict, the express terms and provisions of the Documents.

10.6 Time of the Essence

Time shall be of the essence of this Agreement.

10.7 Modifications and Amendments

The terms and provisions of this Agreement may be modified or amended only by written agreement executed by all parties hereto and, where same may be required, by order of the Court.

10.8 Assignment

No party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other Party; provided, however, that the Purchaser shall have the right to assign its interest in and under this Agreement to an Affiliate of the Purchaser or to a limited partnership in which the general partner is an Affiliate of the Purchaser, provided that the assignee agrees by an assignment and assumption agreement, in form and substance satisfactory to the Parties, acting reasonably, to be bound by the terms of this Agreement. Any such assignment shall not, however, release the Purchaser of its obligations under this Agreement.

10.9 Parties in Interest

This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.

10.10 Governing Law

This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the laws of British Columbia and the federal laws of Canada applicable therein.

[Remainder of this page is left intentionally blank]

10.11 Counterparts

This Agreement may be executed in counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement may be made and evidenced by facsimile or other electronic means of transmission.

10.12 Offer

The Purchaser offers to purchase the Purchased Assets and agrees to complete the purchase of the Purchased Assets upon the terms and conditions set forth in this Agreement.

The Purchaser has executed this Agreement this 29th day of August, 2025.

Per: 
 Name: Francis Ng
 Title: Director

10.13 Acceptance

This offer to purchase the Purchased Assets contained in this Agreement will be open for acceptance by the Receiver until 4:00 p.m. Pacific Standard Time on the 2nd day of September, 2025, and upon acceptance of this Agreement by the Receiver, there will be a binding contract of purchase and sale for the Purchased Assets upon the terms and conditions set forth in this Agreement. If this offer is not accepted by the Receiver executing this Agreement and returning the same to the Purchaser by such time and date set forth in this Section 10.13, this Agreement will be null and void.

The Receiver hereby accepts this Agreement and covenants and agrees with the Purchaser to complete the sale of the Purchased Assets on the terms and conditions set forth in this Agreement.

The Receiver has executed this Agreement this 29th day of August, 2025.

DELOITTE RESTRUCTURING INC.
 in its capacity as Court Appointed Receiver and
 Manager of the hotel property of
**INTERNATIONAL TRADE CENTER
 PROPERTIES LTD., HOTEL VERSANTE LTD.
 AND RCC HOLDINGS LTD.** and not in its
 personal capacity

Per: 
 Name: Jeff Keeble, CPA, CA, CBV, CIRP, LIT
 Title: Senior Vice President

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SCHEDULE A
REAL PROPERTY

"Versante Hotel", municipally described as 8499 & 8477 Bridgeport Road, Richmond, British Columbia and legally described as:

PID: 030-795-851

Air Space Parcel 2 Section 21 Block 5 North Range 6 West New Westminster
District Air Space Plan EPP73985

(the "**Hotel Lands**")

PID: 029-611-598

Lot 1 Section 21 Block 5 North Range 6 West New Westminster District Plan
EPP37734 Except Air Space Plan EPP73985

(the "**Remainder Parcel**")

SCHEDULE B

PERMITTED ENCUMBRANCES

As to PID: 030-795-851

- THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 26 OF THE LOCAL GOVERNMENT ACT, SEE CA4675411
- HERETO IS ANNEXED EASEMENT CA7519726 OVER AIR SPACE PARCEL 1 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519732 OVER AIR SPACE PARCEL 3 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519735 OVER AIR SPACE PARCEL 4 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519738 OVER AIR SPACE PARCEL 5 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519741 OVER LOT 1 PLAN EPP37734 EXCEPT AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519750 OVER LOT 1 PLAN EPP37734 EXCEPT AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519753 OVER AIR SPACE PARCEL 1 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519759 OVER AIR SPACE PARCEL 3 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519762 OVER AIR SPACE PARCEL 4 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519765 OVER AIR SPACE PARCEL 5 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519768 OVER LOT 1 PLAN EPP37734 EXCEPT AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519771 OVER AIR SPACE PARCEL 1 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519777 OVER AIR SPACE PARCEL 3 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519780 OVER AIR SPACE PARCEL 4 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519783 OVER AIR SPACE PARCEL 5 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519786 OVER LOT 1 PLAN EPP37734 EXCEPT AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519795 OVER LOT 1 PLAN EPP37734 EXCEPT AIR SPACE PLAN EPP73985

- HERETO IS ANNEXED EASEMENT CA7519801 OVER AIR SPACE PARCEL 1 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519807 OVER LOT 1 PLAN EPP37734 EXCEPT AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519813 OVER LOT 1 PLAN EPP37734 EXCEPT AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519819 OVER LOT 1 PLAN EPP37734 EXCEPT AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519822 OVER LOT 1 PLAN EPP37734 EXCEPT AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519825 OVER AIR SPACE PARCEL 5 AIR SPACE PLAN EPP73985
- ZONING REGULATION AND PLAN UNDER THE AERONAUTICS ACT (CANADA) FILED 10.2.1981 UNDER NO. T17084 PLAN NO. 61216
- STATUTORY RIGHT OF WAY BT115254
- COVENANT CA4521086
- STATUTORY RIGHT OF WAY CA4521087
- COVENANT CA4521090
- STATUTORY RIGHT OF WAY CA4521091
- COVENANT CA4521094
- COVENANT CA4521096
- COVENANT CA4521098
- UNDERSURFACE AND OTHER EXC & RES BB4082797
- COVENANT CA4534005
- STATUTORY RIGHT OF WAY CA4534006
- STATUTORY RIGHT OF WAY CA4956045
- STATUTORY RIGHT OF WAY CA4958591
- STATUTORY RIGHT OF WAY CA4958592
- COVENANT CA5952698
- COVENANT CA6153362
- MODIFICATION CA6375693
- STATUTORY RIGHT OF WAY CA7464923
- COVENANT CA7464924
- COVENANT CA7493463
- EASEMENT CA7519729
- EASEMENT CA7519756
- EASEMENT CA7519774
- EASEMENT CA7519804
- COVENANT CA7519828
- STATUTORY RIGHT OF WAY CA7519834
- COVENANT CA7556564
- STATUTORY RIGHT OF WAY CA7556567
- MODIFICATION CA7585857
- MODIFICATION CA7585858

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- COVENANT CA9040279
- STATUTORY RIGHT OF WAY CA9040280
- COVENANT CA9040287
- COVENANT CA9040291
- MODIFICATION CB334946
- MODIFICATION CB379003

As to PID: 029-611-598

- THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 26 OF THE LOCAL GOVERNMENT ACT, SEE CA4675411
- HERETO IS ANNEXED EASEMENT CA7519726 OVER AIR SPACE PARCEL 1 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519729 OVER AIR SPACE PARCEL 2 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519732 OVER AIR SPACE PARCEL 3 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519735 OVER AIR SPACE PARCEL 4 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519738 OVER AIR SPACE PARCEL 5 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519744 OVER AIR SPACE PARCEL 3 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519753 OVER AIR SPACE PARCEL 1 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519756 OVER AIR SPACE PARCEL 2 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519759 OVER AIR SPACE PARCEL 3 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519762 OVER AIR SPACE PARCEL 4 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519765 OVER AIR SPACE PARCEL 5 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519771 OVER AIR SPACE PARCEL 1 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519774 OVER AIR SPACE PARCEL 2 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519777 OVER AIR SPACE PARCEL 3 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519780 OVER AIR SPACE PARCEL 4 AIR SPACE PLAN EPP73985
- HERETO IS ANNEXED EASEMENT CA7519783 OVER AIR SPACE PARCEL 5 AIR SPACE PLAN EPP73985
- ZONING REGULATION AND PLAN UNDER THE AERONAUTICS ACT (CANADA) FILED 10.2.1981 UNDER NO. T17084 PLAN NO. 61216
- STATUTORY RIGHT OF WAY BT115254
- COVENANT CA4521086
- STATUTORY RIGHT OF WAY CA4521087
- COVENANT CA4521090
- STATUTORY RIGHT OF WAY CA4521091
- COVENANT CA4521094

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- COVENANT CA4521096
- COVENANT CA4521098
- UNDERSURFACE AND OTHER EXC & RES BB4082797
- COVENANT CA4534005
- STATUTORY RIGHT OF WAY CA4534006
- STATUTORY RIGHT OF WAY CA4956045
- STATUTORY RIGHT OF WAY CA4958591
- STATUTORY RIGHT OF WAY CA4958592
- COVENANT CA5952698
- COVENANT CA6153362
- MODIFICATION CA6375693
- STATUTORY RIGHT OF WAY CA7251895
- STATUTORY RIGHT OF WAY CA7464923
- COVENANT CA7464924
- COVENANT CA7493463
- STATUTORY RIGHT OF WAY CA7493464
- EASEMENT CA7519741
- EASEMENT CA7519750
- EASEMENT CA7519768
- EASEMENT CA7519786
- EASEMENT CA7519789
- EASEMENT CA7519792
- EASEMENT CA7519795
- EASEMENT CA7519798
- EASEMENT CA7519807
- EASEMENT CA7519813
- EASEMENT CA7519816
- EASEMENT CA7519819
- EASEMENT CA7519822
- COVENANT CA7519828
- COVENANT CA7519831
- STATUTORY RIGHT OF WAY CA7519834
- COVENANT CA7556564
- STATUTORY RIGHT OF WAY CA7556567
- MODIFICATION CA7585857
- MODIFICATION CA7585858
- COVENANT CA9040279
- STATUTORY RIGHT OF WAY CA9040280

SCHEDULE C

ALLOCATION OF THE PURCHASE PRICE

Asset	Allocation of Purchase Price ¹
AirSpace Parcel/Land	\$5,262,961
Building	\$33,137,039
Chattels	\$9,600,000
<u>Total:</u>	\$48,000,000

¹ The breakdown of the allocation of the Purchase Price, as set forth in Schedule C, represent indicative estimates by the Purchaser based on the limited information available as of the date of this Asset Purchase Agreement. The Purchaser reserves the right to revise the allocation of the Purchase Price upon receipt of additional information or completion of further due diligence and shall arrive at the final allocation in good faith with the Receiver prior to Closing, failing which the breakdown set out in this Schedule C shall be final. For the avoidance of doubt, any revision(s) to the allocation of the Purchase Price (if any) will not affect the final Purchase Price, which shall remain unchanged under this Asset Purchase Agreement.

SCHEDULE D

EMPLOYEE LISTING AS AT August 13, 2025

Number	Surname, Name	Job Title	Hire Date	Employee contract	Pay Classification	Pay Rate*
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