



Province: British Columbia
Bankruptcy Division
Vancouver Registry
Court No. B150075
Estate No. 11-1952476

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

IN THE MATTER OF THE PROPOSAL OF
WILLIAMS MOVING & STORAGE (B.C.) LTD.

NOTICE OF APPLICATION

Name of applicant: Deloitte Restructuring Inc. (the “Trustee”) in its capacity as trustee under the proposal of Williams Moving & Storage (B.C.) Ltd. (the “Company”, and together with the Trustee, the “Applicants”)

To: The Company, and its counsel

And To: All creditors with proven claims against the estate of the Company

And To: The Office of the Superintendent of Bankruptcy (the “OSB”)

TAKE NOTICE that an application will be made by the Trustee to Madam Justice Gropper at the courthouse at 800 Smithe Street, Vancouver, British Columbia on Tuesday, May 19, 2015 at 9:30 a.m. for the order set out in Part 1 below.

(D.D.)

Part 1: ORDER SOUGHT

1. An Order:
 - (a) approving the Proposal (as defined below) of the Company, a copy of which is attached hereto as **Schedule “A”**; and
 - (b) abridging the time prescribed by the British Columbia *Supreme Court Civil Rules* for service of this Notice of Application and the materials referred to herein, and the time prescribed by section 58(b) of the *Bankruptcy and Insolvency Act* (the “BIA”) for notice of the hearing of this application, such that the application is properly returnable on May 19, 2015,

substantially in the form of order attached hereto as **Schedule “B”**.

Part 2: FACTUAL BASIS

1. Capitalized terms used by not otherwise defined in this Notice of Application shall having the meanings ascribed to them in the Proposal.
2. On January 21, 2015 (the “**Filing Date**”), the Company filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to section 50.4 of the BIA. Deloitte Restructuring Inc. was appointed as trustee under the NOI.
3. By Order of this Honourable Court dated February 19, 2015, the time for filing the Company’s proposal was extended by 45 days, and on April 7, 2015, the Company filed a proposal to its creditors (the “**Proposal**”) pursuant to Part III, Division I of the BIA.
4. The Company is a corporation amalgamated pursuant to the laws of British Columbia.
5. For approximately 86 years prior to the Filing Date, the Company provided moving, storage and freight forwarding services in Western Canada. As at the Filing Date, the Company employed approximately 171 staff and 49 contractors and had facilities in Coquitlam, Victoria, Prince George, Prince Rupert, Terrace, Kelowna and Calgary.
6. The Company has suffered losses in its business of approximately \$18 million since 2007 which losses have been funded by the related companies, Williams Transfer Ltd. and Williams Holdings Ltd. The Company’s financial difficulties were caused or contributed to by:
 - (a) declining margins due to increased labour and fuel costs;
 - (b) a decline in corporate and government clients; and
 - (c) increased competition from small independent moving companies.
7. On April 15, 2015, the Trustee provided notice of the creditors’ meeting to vote on the Proposal (the “**Creditors’ Meeting**”) to the Office of the Superintendent of Bankruptcy and to all creditors of the Company and also provided, among other things, copies of:
 - (a) the Proposal; and
 - (b) the Trustee’s Report to Creditors, dated April 14, 2015 (the “**Trustee’s Report**”).
8. The Creditors’ Meeting was held on April 28, 2015. At that meeting, creditors entitled to vote on the Proposal voted overwhelmingly in favour of the Proposal. In the Insurance Claimant Class, the Insurance Claimant (the sole member of the class) voted in favour of the Proposal. In the Unsecured Creditor Class, the Proposal was approved by 99.1% in number of the voting creditors holding 99.8% by value of the Proven Claims of the voting creditors. Only one creditor in the Unsecured Creditor Class voted against the Proposal.

9. The terms of the Proposal are described in detail in the Trustee's Report. Generally, the Proposal provides that:
- (a) employees and contractors of the Company are entitled to a Priority Claim and any additional amount which the employee would be entitled to receive under section 7 of the *Wage Earner Protection Program Act*, to a maximum of approximately \$3,808;
 - (b) all Affected Creditors with Proven Claims who are owed \$5,000 or less will be paid, on the Distribution Date, the lesser of their claim or \$1,000;
 - (c) all Affected Creditors with Proven Claims who are owed an amount greater than \$5,000 will be paid, on the Distribution Date, twenty cents for each dollar of their Proven Claim;
 - (d) the Insurance Claimant is not entitled to any distribution under the Proposal (and shall have recourse only to the Insurance Proceeds);
 - (e) subject to the Company and the Guarantors meeting their obligations to Affected Creditors under the Proposal:
 - (i) each Creditor (other than the Insurance Claimant and Pencor) shall release the Company, the Guarantors and their respective directors and officers from all Claims that arose prior to the Filing Date; and
 - (ii) the Insurance Claimant shall release the Guarantors from any Claims the Insurance Claimant may have against the Guarantors that arose prior to the Filing Date;
 - (f) upon the conclusion of the Insurance Proceedings, the Insurance Claimant shall release the Company from any and all liability to the Insurance Claimant, including but not limited to the Insurance Claim; and
 - (g) Transfer, Holdings and any other Related Persons have waived their entitlement to any distribution under the Proposal.
10. Certain secured creditors of the Company, including Business Development Bank of Canada, BCMP Mortgage Corporation by its administrative agent Pen-Cor Mortgage and Investments Advisors Ltd. and Pencor Capital Corp., Dunderave Mortgage Investment Corp., Trailer Wizards Ltd. and various repairers holding repairers' liens (but only to the extent that the value of the assets subject to their liens is sufficient to fully secure the lien), are not affected by the Proposal.
11. The terms of the Proposal are reasonable and the Proposal is calculated to benefit the general body of creditors. The recovery for the Affected Creditors under the Proposal is significantly better than they would otherwise receive in a bankruptcy or liquidation proceeding.

12. The Proposal is made by the Company in good faith and is supported by the Trustee.
13. The Applicants seek an order abridging the 15 day notice period prescribed by section 58(b) of the BIA, so as to avoid the necessity of asking the Inspectors to extend the Effective Date.

Part 3: LEGAL BASIS

1. The Trustee relies on:
 - (a) the provisions of the BIA, including section 60(5) thereof;
 - (b) the *Bankruptcy and Insolvency General Rules* (the “**BIA Rules**”) , including rule 3 thereof;
 - (c) the *Supreme Court Civil Rules*, including rule 22-4(2) thereof;
 - (d) the legal authorities cited herein;
 - (e) the inherent jurisdiction of this Honourable Court; and
 - (f) such further and other legal authority as the Applicants may advise.

Abridgement of Notice Period

2. With respect to the abridgement of the notice period prescribed by section 58(b) of the BIA, neither the BIA nor the BIA Rules make specific provision for the abridgement of time periods. Rule 3 of the BIA Rules provides that:

“In cases not provided for in the Act or these Rules, the courts shall apply, within their respective jurisdictions, their ordinary procedure to the extent that that procedure is not inconsistent with the Act or these Rules.”

Entegrity Wind Systems Inc. (Re), 2009 PESC 25, at 3.
3. Rule 22-4(2) of the *Supreme Court Civil Rules* provides relevantly that:

“The court may extend or shorten any period of time provided for in these Supreme Court Civil Rules or in an order of the court ...”.
4. Further, the Court may exercise its inherent jurisdiction to manage proceedings and abridge time where appropriate. Given that the creditors voting overwhelmingly in favour of the Proposal, and the Applicants are unaware of any party who intends to oppose the approval of the Proposal by the Court, it is submitted that the abridgment of the 15 day notice period is reasonable and appropriate in the circumstances.

Approval of Proposal

5. Before it can approve a proposal the Court must be satisfied that:

- (a) the terms of the proposal are reasonable;
- (b) the terms of the proposal are calculated to benefit the general body of creditors;
- (c) the proposal is made in good faith.

Kitchener Frame Ltd. (Re), 2012 ONSC 234 (“*Kitchener Frame*”), at 19.

Magnus One Energy Corp. (Re), 2009 ABQB 200 (“*Magnus One*”), at 10.

6. In determining whether the terms of a proposal are reasonable and calculated to benefit the general body of creditors, the Court should consider the payment terms of the proposal and whether the distributions provided for in the proposal are “adequate to meet the requirements of commercial morality and maintaining the integrity of the bankruptcy system.”

Kitchener Frame, at 22.

7. The terms of the Proposal are reasonable and are calculated to benefit the general body of creditors as they provide meaningful recovery for the Affected Creditors (and allow the Insurance Claimant to pursue its claim against the Insurance Proceeds), and also provide a significantly greater recovery than the Affected Creditors would achieve if the Company made an assignment into bankruptcy.

8. The Proposal is made in good faith. In determining whether a proposal is made in good faith, the debtor must satisfy the Court that it has provided full disclosure to its creditors of its assets and the encumbrances against such assets.

Kitchener Frame, at 35.

9. The Company has made such disclosure and information packages regarding the Company assets and liabilities have been sent by the Trustee to the Company’s creditors. The Proposal is supported by the Trustee and there is no evidence to suggest that the Company has not acted in good faith or that its conduct is subject to any censure.

10. The Court may approve a proposal containing a release of third parties where the Court is satisfied that the proposal, including the release, is reasonable and calculated to benefit the general body of creditors, applying the same factors as apply in respect of third party releases in the context of proceedings under the *Companies’ Creditors Arrangement Act*.

Kitchener Frame, at 78 and 80.

11. Those factors were set out in by the Ontario Court of Appeal in *ATB Financial v. Metcalfe & Mansfield Alternative Investments II Corp.*, 2008 ONCA 587, at 113, i.e.:

- (a) the parties to be released are necessary and essential to the restructuring of the debtor;
- (b) the claims to be released are rationally related to the purpose of the plan (or proposal) and necessary for it;
- (c) the plan (or proposal) cannot succeed without the releases;
- (d) the parties who are to have claims against them released are contributing in a tangible and realistic way to the plan (or proposal);
- (e) the plan (or proposal) will benefit not only the debtor companies but creditors generally;
- (f) the voting creditors who have approved the plan (or proposal) did so with knowledge of the nature and effect of the releases; and
- (g) the releases are fair and reasonable and not overly broad or offensive to public policy.

The court in *Kitchener Frame* stated that “No single requirement listed above is determinative and the analysis must take into account the facts particular to each claim” (at 82).

- 12. The Company’s employees are the creditors primarily (if not solely) affected by the releases contained in the Proposal, and voted overwhelmingly in favour of the Proposal
- 13. As set forth above, the Proposal was overwhelmingly approved by the Affected Creditors (and the Insurance Claimant). This is a factor which should be given substantial deference by the Court.

Kitchener Frame, at 21.

Magnus One, at 11.

- 14. The Proposal meets the statutory requirements of the BIA and the tests for approval of a proposal as developed by common law. Accordingly the Applicants submit that the Proposal should be approved by the Court.

Part 4: MATERIAL TO BE RELIED ON

- 1. Trustee’s Report to Creditors dated April 14, 2015.
- 2. Trustee’s Report in Form 40, dated May 8, 2015.
- 3. 1st Affidavit of Jim Williams sworn February 16, 2015.
- 4. Such further materials as counsel for the Applicants may advise.

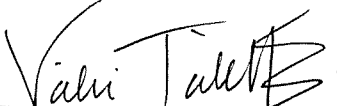
The applicant estimates that the application will take 10 minutes.

This matter is not within the jurisdiction of a master. Madam Justice Gropper is seized of this matter.

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

- (a) file an Application Response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) service on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed Application Response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Dated: 11-May-2015



Signature of Vicki Tickle
Lawyer for Applicants

To be completed by the court only:

Order made

in the terms requested in paragraphs of Part 1 of this Notice of Application

with the following variations and additional terms:
.....
.....
.....

Date:

.....
Signature of Judge Master

The Solicitors for the Applicants are Fasken Martineau DuMoulin LLP, whose office address and address for delivery is 2900 - 550 Burrard Street, Vancouver, BC V6C 0A3 Telephone: +1 604 631 3131 Facsimile: +1 604 631 3232. (Reference: Vicki Tickle/254284.00015)

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF WILLIAMS MOVING & STORAGE (B.C.)
LTD.

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Proposal:

"Affected Creditor" means any Unsecured Creditor having a Proven Claim and the Insurance Claimant.

"Approval Order" means the Court order approving this Proposal and directing the implementation of this Proposal.

"BIA" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

"Business Day" means any day which is not a Saturday or Sunday, or a provincial or federal holiday in the province of British Columbia.

"Claim" means any right or claim of any person against the Company whether or not asserted in connection with any indebtedness, liability, or obligation of any kind whatsoever owed to such person, including any indebtedness, liability or obligation owed to such person as a result of any breach of duty (including, without limitation, any legal, statutory, equitable, or fiduciary duty), any right of ownership of or title to, or to a trust or deemed trust against, any of the property or assets of the Company, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose of action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts which existed prior to the Filing Date and, for certainty, includes Priority Claims.

"Claimant" means a person that has a Claim which is not yet a Proven Claim.

"Classes" means the Unsecured Creditor Class and the Insurance Claimant Class.

“Company” means Williams Moving and Storage (B.C.) Ltd.

“Completion Date” means that date on which all of the Company’s obligations under this Proposal have been met.

“Convenience Creditor” means an Unsecured Creditor with a Proven Claim of \$5,000 or less.

“Court” means the Supreme Court of British Columbia.

“Creditor” means any person that is not an Unaffected Creditor that has a Claim against the Company.

“Crown” means Her Majesty in the right of Canada or a province.

“Crown Claim” means a Claim of the Crown for amounts that are outstanding as at the Filing Date and are subject to a demand under:

- (a) subsection 224(1.2) of the *Income Tax Act*;
- (b) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, an employee’s premium, or employer’s premium, as defined in the *Employment Insurance Act*, or a premium under Part VII.1 of that Act, and of any related interest, penalties or other amounts; or
- (c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*; or
 - (ii) is of the same nature as a contribution under the *Canada Pension Plan* if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a “provincial pension plan” as defined in that subsection.

“Distribution Date” means the date which is 10 days after the Effective Date which date may be extended by the Company for up to one month from the date which is 10 days after the Effective Date.

“Effective Date” means the date on which all conditions precedent to this Proposal have been satisfied which, subject to Section 7.3(b) of this Proposal, shall not be later than the 30th day of May, 2015.

"Filing Date" means January 21, 2015, the date the Notice of Intention to File a Proposal was filed by the Company with the official receiver.

"Guarantors" means Williams Transfer Ltd. and Williams Holdings Ltd.

"Inspectors" has the meaning ascribed to it in Section 7.3 of this Proposal.

"Insurance Claim" means the Claim of the Insurance Claimant that is the subject of the Insurance Proceedings.

"Insurance Claimant" means Diana Bezeredi.

"Insurance Claimant Class" means the class comprising the Insurance Claimant.

"Insurance Proceeds" means any proceeds available pursuant to the policy of insurance number CBC 1924027 04 issued by Northbridge General Insurance Corporation in respect of any award made in favour of or settlement entered into with the insurance Claimant in the Insurance Proceedings in respect of the Insurance Claim.

"Insurance Proceedings" means British Columbia Supreme Court, Vancouver Registry Action No. S150973.

"Loan Agreement" means the agreement between the Guarantors and the Company pursuant to which, and subject to the fulfilment of the conditions precedent to such agreement, the Guarantors shall make funds available to the Company in an amount, which together with the Company's own funds, will be sufficient to fund the payments and other obligations contemplated by this Proposal.

"Meeting" means the meeting of the Classes to be held pursuant to section 51(1) of the BIA for the purpose of considering, and if thought fit, voting to approve this Proposal, as same may be amended at any such Meeting, and agreeing to the compromise and arrangement constituted thereby, and includes any subsequent reconvened meeting should a meeting be adjourned.

"Pencor" means BCMP Mortgage Investment Corporation by its administrative agent Pen-Cor Mortgage and Investments Advisors Ltd. and Pencor Capital Corp.

"Post-Filing Claim" means a claim arising from the supply of goods or services to the Company after the Filing Date or a claim for sales or excise taxes, source deductions or assessments and premiums arising in relation to such claims. Post-Filing Claims do not include claims in respect of an obligation incurred prior to the Filing Date but which is payable after the Filing Date.

"Post-Filing Creditor" means a creditor having a Post-Filing Claim, to the extent of that Post-Filing Claim.

"Priority Claim" means a Crown Claim that has been admitted by the Trustee or allowed by the Court or a Claim of an employee that has been admitted by the Trustee or allowed by the Court for amounts it would be entitled to receive under subsections 60(1.3) and (1.5) and 136(1)(d) of the BIA and any additional amount the employee would be entitled to receive under section 7 of

the *Wage Earner Protection Program Act*, if the Company had become bankrupt on the Filing Date.

“Priority Creditor” means a creditor of the Company having a Priority Claim to the extent of that Priority Claim.

“Proof of Claim” means the prescribed form of document required under the BIA to evidence the Claim of a creditor of the Company.

“Proposal” means this proposal among the Company and the Affected Creditors, as from time to time amended, modified or supplemented pursuant to an order of the Court, or pursuant to an agreement among the Company and the Affected Creditors or Classes as provided for herein or at any Meeting.

“Proven Claim” means a Claim which, after delivery of a Proof of Claim to the Trustee has:

- (a) been admitted by the Trustee in whole or in part; or
- (b) been disallowed by the Trustee, which disallowance has subsequently been set aside in whole or in part by the Court,

provided further that a Proven Claim shall not include the amount due to a Post-Filing Creditor in respect of a Post-Filing Claim, and Proven Claims shall not include any interest for the period subsequent to the Filing Date, and for the purposes of voting on and distribution under this Proposal, shall not include that portion (if any) of the Claim that is a Priority Claim.

“Related Persons” has the meaning ascribed to it in section 4 of the BIA.

“Secured Creditors” means those persons or entities holding a Security Interest against some or all of the assets of the Company and any Creditor that has a right to be subrogated into the position of a Secured Creditor under any applicable law.

“Security Interest” means a valid and enforceable mortgage, charge or encumbrance in the Company’s assets that is in existence pursuant to the *British Columbia Personal Property Security Act*, R.S.B.C., 1996 c. 359, the *British Columbia Securities Transfer Act*, S.B.C., 2007 c. 10, or other applicable British Columbia legislation, or any other federal or provincial legislation that deals with the registration and perfection of a security interest and includes the right of any Creditor to be subrogated into the position of a Creditor holding a Security Interest.

“Trustee” means Deloitte Restructuring Inc. in its appointed capacity as trustee of this Proposal.

“Trustee’s Fees” means all proper fees, expenses and legal costs of the Trustee on and incidental to the proceedings arising out of this Proposal and all proper fees, expenses and legal costs of the Trustee arising in relation to this Proposal.

“Unaffected Creditors” means Post-Filing Creditors and Secured Creditors but only to the extent that the value of the assets secured by their Security Interest, and to which they have priority, is equal to or greater than the value of their Claims, and includes, without limitation,

those creditors enumerated in **Schedule "A"** to this Proposal, but only to the extent that the value of the assets secured by their Security Interest, and to which they have priority, is equal to or greater than the value of their Claims.

"Unsecured Creditor" means a Creditor of the Company who has a Proven Claim, other than the Insurance Claimant, and includes a Creditor holding a Security Interest, but only to the extent that the value of the assets charged by their Security Interest to which they have priority is less than the full amount of their Claim.

"Unsecured Creditor Class" means the class comprising all Unsecured Creditors each having a Proven Claim.

1.2 Interpretation etc.

For the purposes of this Proposal:

- (a) the division of this Proposal into Sections and the insertion of headings are for convenience only and do not form part of this Proposal and will not be used to interpret, define or limit the scope, extent or intent of this Proposal;
- (b) all references to amounts of money mean lawful currency of the Dominion of Canada unless otherwise expressly indicated. All Proofs of Claim submitted by Affected Creditors in any other currency will be converted to Canadian dollars at the rate applicable on the Filing Date;
- (c) unless otherwise specified, the words "hereof", "herein", "hereunder", and "hereto" refer to this Proposal in its entirety rather than to any particular portion of this Proposal;
- (d) where the context requires, a word or words importing the singular shall include the plural and vice versa and a word or words importing one gender shall include all genders;
- (e) the deeming provisions are not rebuttable and are conclusive and irrevocable;
- (f) the words "includes" and "including" are not limiting; and
- (g) the word "or" is not exclusive.

1.3 Statutory Reference

Unless otherwise specified, each reference to a statute is deemed to be a reference to that statute and to the regulations made under that statute, as amended or re-enacted from time to time.

1.4 Date for any Action

In the event that any date on which any action is required to be taken under this Proposal by any of the parties is not a Business Day, that action shall be required to be taken on the next succeeding day that is a Business Day.

**ARTICLE 2
PURPOSE AND EFFECT OF THIS PROPOSAL**

2.1 Purpose of this Proposal

The purpose of this Proposal is to permit the Company to settle payment of its liabilities as at the Filing Date and to compromise the indebtedness owed to Affected Creditors of the Company on a fair and equitable basis.

2.2 Trustee Under this Proposal

Subject to the provisions of the BIA, the Trustee shall act as the administrator for certain purposes connected with this Proposal, including management of the claims process, administration of the Meeting and distributions of dividends to Affected Creditors .

2.3 Treatment of Unaffected Creditors

Unaffected Creditors are not included under or in any way affected by this Proposal and will be paid in accordance with existing agreements between such creditors and the Company or in accordance with alternative arrangements to be negotiated concurrently with the filing and implementation of this Proposal.

2.4 Effect of this Proposal on Creditors

Effect of Proposal on Creditors other than the Insurance Claimant

Subject to the Company and the Guarantors meeting their obligations to Affected Creditors under this Proposal, each Creditor other than the Insurance Claimant and Pencor shall:

- (a) release the Company and the Guarantors from all Claims that arose before the Filing Date and that relate to the obligations of the Company and the Guarantors prior to the Filing Date, regardless of the date of crystallization of such Claims; and
- (b) release the directors and officers of the Company and of each of the Guarantors from all Claims that arose before the Filing Date and that relate to the obligations of the Company prior to the Filing Date, regardless of the date of crystallization of such Claims, where the directors or officers are, by law, liable in their capacity as directors or officers.

Effect of Proposal on the Insurance Claimant

The Insurance Claimant shall,

- (a) subject to and immediately upon the Company and the Guarantors meeting their obligations to Affected Creditors under this Proposal, release the Guarantors from all Claims that arose before the Filing Date and that relate to the obligations of the Company and the Guarantors prior to the Filing Date, regardless of the date of crystallization of such Claims, if and to the extent that the Insurance Claimant has any such Claims; and
- (b) upon the conclusion of the Insurance Proceedings, whether by way of judgment or order of the Court, settlement or discontinuance, release the Company from any and all liability to the Insurance Claimant, including but not limited to in relation to the Insurance Claim.

2.5 Funding of Payments Under this Proposal and Distribution Date

Payments under this Proposal shall be made on the Distribution Date from the funds made available to the Trustee by the Company and/or by the Guarantors from the proceeds of the Loan Agreement.

2.6 Waiver of Guarantors' claims

It is a term of this Proposal that the Guarantors and any Related Person shall not be entitled to any distribution hereunder, and shall not vote on this Proposal.

2.7 Waiver of Pencor's claims

It is a term of this Proposal that Pencor shall not be entitled to any distribution hereunder.

2.8 Waiver of Insurance Claimant's claims

It is a term of this Proposal that, notwithstanding that she shall be required to file a Proof of Claim, the Insurance Claimant:

- (a) shall not be entitled to any distribution hereunder;
- (b) shall have no claim to any property or assets of the Company (including any amalgamated company or successor entity), the Guarantors, or the directors and officers of the Company and of each of the Guarantors, other than the Insurance Proceeds; and
- (c) shall have recourse only to the proceeds of the Insurance Claim.

2.9 BIA Sections 95 to 101

It is a term of this Proposal that sections 95 to 101, inclusive, of the BIA shall not apply with respect to this Proposal and the Company.

**ARTICLE 3
TREATMENT OF AFFECTED CREDITORS**

3.1 Treatment of Affected Creditors

If each of the Classes votes or is deemed to vote in favour of this Proposal then Affected Creditors shall be treated as follows:

(a) Convenience Creditors

On the Distribution Date, Convenience Creditors will be paid the lesser of the amount of their Proven Claim or \$1,000. Convenience Creditors with Proven Claims are deemed to have voted in favour of the Proposal at the Meeting.

(b) Affected Creditors other than the Insurance Claimant that are not Convenience Creditors

On the Distribution Date, Affected Creditors that are not Convenience Creditors will be paid an amount equal to 20 cents on the dollar of their Proven Claim.

(c) Insurance Claimant

The Insurance Claimant shall not be entitled to any distribution hereunder, and shall be deemed to have voted in favour of the Proposal at the Meeting.

**ARTICLE 4
PRIORITY PAYMENTS**

4.1 Trustee's Fees

The Trustee's Fees will be paid by the Company in accordance with the provisions of the BIA from the general revenue of the Company or from funds made available to the Company by the Guarantors and in priority to payment of all Proven Claims.

4.2 Payments to Priority Creditors

The Company shall make payments to Priority Creditors having Proven Claims in accordance with the provisions of the BIA, including Crown Claims, which will be paid on the Distribution Date.

**ARTICLE 5
CONDITIONS PRECEDENT**

5.1 Conditions Precedent to Implementation of this Proposal

The implementation of this Proposal by the Company is subject to the satisfaction of the following conditions precedent:

- (a) This Proposal having been approved by the Classes by the requisite percentages in relation both to numbers of the Affected Creditors voting and to dollar amounts of Proven Claims of the Affected Creditors voting in accordance with the provisions of the BIA.
- (b) The Approval Order has been issued and has not been stayed.
- (c) All conditions precedent to the Loan Agreement shall have been satisfied or waived by the Guarantors and the Loan Agreement shall have closed in accordance with its terms such that the new credit facility thereunder has been made available to the Company to make the payments contemplated hereunder.
- (d) All other actions, documents and agreements necessary to implement this Proposal shall have been effected and executed.

ARTICLE 6
DELIVERY OF NOTICES AND DISTRIBUTIONS UNDER THIS PROPOSAL

6.1 Notices and Payments to Affected Creditors

Any notices, correspondence and distributions to Affected Creditors under or in relation to this Proposal shall be delivered to the address provided by each Affected Creditor unless the Trustee is notified by an Affected Creditor in writing of an alternative address for delivery.

6.2 Undeliverable Distributions

If any distribution to an Affected Creditor under this Proposal is returned to the Trustee as undeliverable, no further distributions to that Affected Creditor shall be made unless and until the Trustee is notified by such Affected Creditor, in writing, of their current address, at which time all missed distributions shall be delivered to such Affected Creditor without interest. Undeliverable distributions shall be retained by the Trustee until they are claimed or until the date of the Trustee's discharge, after which they shall, subject to section 154(1) of the BIA and Directive No. 18 of the Superintendent of Bankruptcy, be paid over by the Trustee to the Office of the Superintendent of Bankruptcy.

6.3 Withholding Taxes and Superintendent's Levy

All distributions made by the Trustee pursuant to this Proposal shall be made net of all applicable levies in accordance with the BIA and regulations thereto, including the levy imposed by the Superintendent of Bankruptcy under the BIA.

Notwithstanding any other provision of this Proposal, each Affected Creditor with a Proven Claim that is to receive a distribution pursuant to this Proposal shall have the sole and exclusive responsibility for the satisfaction and payment of any taxes or tax obligations imposed by any governmental entity (including income, withholding and other tax obligations on account of such distribution).

**ARTICLE 7
MEETING OF AFFECTED CREDITORS**

7.1 Meeting

There will be one Meeting for all Affected Creditors to consider and vote on this Proposal which will be held on Tuesday, April 28, 2015 at 1:00 p.m. (PT) at Hard Rock Casino, 2080 United Boulevard, Coquitlam, British Columbia.

The Meeting shall be conducted in accordance with Division 1 – General Scheme for Proposals of the BIA.

7.2 Participation in Meeting

In order to be eligible to vote at the Meeting an Affected Creditor must have delivered to the Trustee prior to the commencement of the Meeting a Proof of Claim which has not been disallowed by the Trustee.

The procedure dealing with the disallowance of Proofs of Claim will be as set out in section 135 of the BIA.

7.3 Inspectors

At the Meeting, the Affected Creditors may appoint one or more, but not exceeding five, inspectors (the “**Inspectors**”). The Inspectors shall have only the following powers:

- (a) the power to extend the dates of payments provided for under this Proposal;
- (b) the power to waive any default in the performance of any provision of this Proposal and to extend the Distribution Date and/or the Effective Date by up to 60 days;
- (c) the power to approve interim and final statements of receipts and disbursements of the Trustee, including the power to approve proposed dividends and reasonable fees and disbursements of the Trustee;
- (d) the power to advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee; and
- (e) the power to advise the Trustee concerning any dispute that may arise to the validity of a Proof of Claim filed by a Claimant.

In the event Affected Creditors do not elect to appoint Inspectors under this Proposal, the Trustee shall be entitled to proceed as if authorized by the Inspectors and, subject to taxation thereof, to be paid by the Company for services rendered by it pursuant and in relation to this Proposal.

The Trustee and the Inspectors, should any be appointed, shall be exempt from all personal liability for any wrongful act, default or neglect (other than fraud, wilful misconduct or gross

negligence) in fulfilling any duties or exercising any powers conferred upon them by this Proposal, the BIA or generally in carrying out of the terms of this Proposal.

7.4 Voting

This Proposal is to be voted on by the Classes at the Meeting.

For the purposes of voting each Affected Creditor, that is not a Convenience Creditor, shall have one vote for the purposes of determining a majority in number and each Affected Creditor that is not a Convenience Creditor shall be entitled to one vote for each \$1.00 of its Proven Claim for the purposes of determining a majority in value.

All Convenience Creditors will be deemed to have voted in favour of this Proposal at the Meeting. For the sake of clarity, for the purposes of determining a majority in value, the claims of Convenience Creditors shall be voted for the full amount thereof, prior to any reductions thereto to allow the relevant Affected Creditors to become Convenience Creditors. Any proxy filed by or on behalf of any Convenience Creditors shall be of no force and effect, and no Convenience Creditors shall be entitled to vote at the Meeting.

The Insurance Claimant will be deemed to have voted in favour of this Proposal at the Meeting. Any proxy filed by or on behalf of the Insurance Claimant shall be of no force and effect, and the Insurance Claimant shall not be entitled to vote at the Meeting.

7.5 Proxies and Voting Letters

Affected Creditors that are not Convenience Creditors or the Insurance Claimant will be entitled to vote at the Meeting by proxy or voting letter. The particulars with respect to voting by proxy or voting letter will be detailed in the Proof of Claim package and will be binding upon all Affected Creditors.

**ARTICLE 8
AMENDMENTS AND MODIFICATIONS**

8.1 Amendment of Proposal

The Company reserves the right, with the consent of the Trustee, to amend this Proposal at any time prior to the Meeting, and after the Meeting to amend any approved Proposal and re-submit it to Affected Creditors.

8.2 Modification of Proposal

After the Meeting, this Proposal may be modified from time to time:

- (a) if the amendment is considered to be non-substantive in nature:

- (i) if Inspectors are appointed, by the Trustee and a majority of the Inspectors, with the approval of the Trustee and the majority of the Inspectors; and
 - (ii) if Inspectors are not appointed, by the Trustee alone, with the approval of the Trustee;
- (b) upon a vote conducted by the Trustee at a further meeting of the Affected Creditors and upon the Court granting the Approval Order; and
 - (c) by the Court at any time on application of the Company or the Trustee and upon notice to those determined by the Company to be directly affected by the proposed modification, whether an Affected Creditor or not.

8.3 Waivers

Any provision of this Proposal may be waived with the consent of the Trustee, by the Class affected by the provision, or by an Affected Creditor affected by the provision.

ARTICLE 9 APPLICATION FOR APPROVAL ORDER

9.1 Application for Approval Order

Upon the conclusion of the Meeting the Trustee will forthwith apply to the Court for the Approval Order if this Proposal has been approved by the Classes by the requisite percentages in relation both to numbers of Affected Creditors and to dollar amounts of Proven Claims.

9.2 Stay of Proceedings

The stay of proceedings provided for in section 69.1(1) of the BIA shall continue in full force and effect from the date of this Proposal until the Completion Date or, if the Company becomes bankrupt, the date of bankruptcy.

ARTICLE 10 GENERAL

10.1 Certificate of Full Performance of Proposal

Upon the Company and/or the Guarantors (as applicable) complying with their obligation pursuant to section 2.5 of this Proposal, the Trustee shall give to the Company and the official receiver a certificate, in the prescribed form, in accordance with section 65.3 of the BIA.

10.2 Further Actions

The Company will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal to give effect to the transactions contemplated hereby.

10.3 Notices to Company or Trustee

All notices, Proofs of Claim, and other correspondence relating to this Proposal and to be delivered to the Company or the Trustee shall be in writing and shall be delivered either personally, by email, by telecopy, by regular mail, by registered mail or by certified mail, return receipt requested, at the following address:

c/o Deloitte Restructuring Inc.
Trustee under the proposal of
Williams Moving & Storage (B.C.) Ltd.
2800 – 1055 Dunsmuir Street
PO Box 49279, Four Bentall Centre
Vancouver, BC V7X 1P4

Attention: Tim Morahan

Telephone: 604-640-3062

Facsimile: 604-602-1583

Email: timorahan@deloitte.ca

10.4 Successors and Assigns

This Proposal is binding upon the Company, the Affected Creditors and their respective heirs, executors, administrators, successors and assigns.

10.5 Date and Reference

This Proposal may be referred to as being the Proposal of the Company dated for reference the 7th day of April 2015.

DATED at the City of Vancouver, Province of British Columbia this 7th day of April, 2015

THE COMPANY

WILLIAMS MOVING & STORAGE (B.C.) LTD.

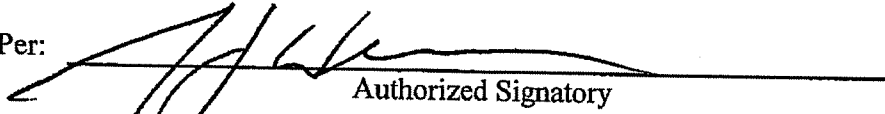
Per: _____

Authorized Signatory

GUARANTORS

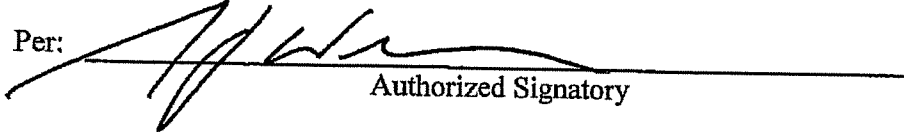
WILLIAMS TRANSFER LTD.

Per:


Authorized Signatory

WILLIAMS HOLDINGS LTD.

Per:


Authorized Signatory

SCHEDULE "A"

UNAFFECTED CREDITORS

Business Development Bank of Canada

Dundarave Mortgage Investment Corporation

BCMP Mortgage Investment Corporation by its administrative agent Pen-Cor Mortgage and Investments Advisors Ltd. and Pencor Capital Corp.

Trailer Wizards Ltd.

Williams Holdings Ltd.

Williams Transfer Ltd.

Any holder of a valid repairer's lien under the *Repairers Lien Act*, but only to the extent that the value of the assets subject to the lien and to which the lien claimant has priority, are sufficient to fully secure the lien.

Schedule "B"

Province: British Columbia
Bankruptcy Division
Vancouver Registry
Court No. B150075
Estate No. 11-1952476

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
WILLIAMS MOVING & STORAGE (B.C.) LTD.

ORDER MADE AFTER APPLICATION

BEFORE)
)
) THE HONOURABLE)
) MADAM JUSTICE GROPPER) May 19, 2015
)
)

ON THE APPLICATION OF Deloitte Restructuring Inc. (the "Trustee") in its capacity as trustee under the proposal of Williams Moving & Storage (B.C.) Ltd. (the "Company") and the Company coming on for hearing at Vancouver, British Columbia on Tuesday, May 19, 2015 and on hearing John Grieve, counsel for the company and, with respect to this application, as agent for the Trustee, and those counsel listed in **Schedule "A"** hereto;

THIS COURT ORDERS that:

1. The time prescribed by:
 - (a) the British Columbia *Supreme Court Civil Rules* for service of the Notice of Application herein and all materials referred to therein; and
 - (b) subsection 58(b) of the *Bankruptcy and Insolvency Act* (the "BIA") for notice of the hearing of the Notice of Application,

be and is hereby abridged such that notice of this application is deemed to have been duly given and the Notice of Application is properly returnable today.

2. The proposal of the Company (the “**Proposal**”), a copy of which is attached hereto as **Schedule “B”**, is hereby sanctioned and approved pursuant to the BIA. Capitalized terms used but not otherwise defined in this Order shall have the meanings ascribed to them in the Proposal.
3. The Proposal is hereby declared to have been approved by the requisite percentages of creditors in conformity with the BIA.
4. The Proposal and the transactions contemplated thereby are hereby declared to be fair and reasonable and are in the best interests of the Company, the Insurance Claimant, the Affected Creditors and the other stakeholders of the Company.
5. The Proposal is hereby deemed to be effective as of the Effective Date and at that date will enure to the benefit of and be binding upon the Company, the Guarantors, the Insurance Claimant, the Affected Creditors and all other persons affected by the Proposal.
6. The Company and the Trustee, as applicable, are hereby authorized to file, issue, execute and deliver the agreements, documents, securities and instruments contemplated by the Proposal, in the name of and on behalf of the Company, in order to effect all corporate actions contemplated by the Proposal and, without limiting the foregoing in any way, the Trustee is hereby authorized and directed to file and deliver the certificate, in the prescribed form, in accordance with section 65.3 of the BIA and Section 9.2 of the Proposal.
7. The releases set forth in Section 2.4 of the Proposal are hereby confirmed and:
 - (a) subject to the Company and the Guarantors meeting their obligations to Affected Creditors under the Proposal, the Company, the Guarantors and their respective directors and officers are hereby released and discharged from all claims of any Creditor other than the Insurance Claimant and Pencor;;
 - (b) subject to and immediately upon the Company and the Guarantors meeting their obligations to Affected Creditors under the Proposal, the Guarantors are hereby released and discharged from all claims (if any) of the Insurance Claimant; and
 - (c) upon the conclusion of the Insurance Proceedings, the Company is hereby released and discharged from all claims of the Insurance Claimant, including but not limited to in relation to the Insurance Claim,

pursuant to the terms of the Proposal.
8. The commencement or prosecution, whether directly, derivatively or otherwise, of any demands, claims, actions, causes of action, counterclaims, suits, or any indebtedness, liability, obligation or cause of action released and discharged pursuant to the Proposal are hereby enjoined.
9. The Company, the Trustee and any other interested party shall have liberty to apply for such other directions or relief as may be necessary or desirable to give effect to this Order.

10. Approval of the form of this Order by counsel other than counsel for the Company and agent for the Trustee is hereby dispensed with.

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

Signature of John Grieve
Lawyer for Williams Moving & Storage (B.C.)
Ltd. and agent for Deloitte Restructuring Inc.

BY THE COURT

REGISTRAR

SCHEDULE "A"

List of Counsel

Name of Counsel	Party

SCHEDULE "B"

Proposal of Williams Moving & Storage (B.C.) Ltd.

No. B150075
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL
OF WILLIAMS MOVING & STORAGE (B.C.) LTD.

ORDER MADE AFTER APPLICATION

FASKEN MARTINEAU DUMOULIN LLP
Barristers and Solicitors
2900 - 550 Burrard Street
Vancouver, BC, V6C 0A3
+1 604 631 3131

Counsel: Vicki Tickle
Matter No: 254284.00015

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts