



No. S174308
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

INDUSTRIAL ALLIANCE INSURANCE AND FINANCIAL SERVICES INC.

PLAINTIFF

AND:

WEDGEMOUNT POWER LIMITED PARTNERSHIP
WEDGEMOUNT POWER (GP) INC.
WEDGEMOUNT POWER INC.
THE EHRHARDT 2011 FAMILY TRUST
POINTS WEST HYDRO POWER LIMITED PARTNERSHIP
by its general partner POINTS WEST HYDRO (GP) INC.
CALAVIA HOLDINGS LTD.
SWAHEALY HOLDING LIMITED
BRENT ALLAN HARDY
DAVID JOHN EHRHARDT
28165 YUKON INC.
PARADISE INVESTMENT TRUST
SUNNY PARADISE INC.

DEFENDANTS

NOTICE OF APPLICATION

Name of applicant: Deloitte Restructuring Inc., in its capacity as Court-appointed receiver and manager (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of Wedgemount Power Limited Partnership, Wedgemount Power (GP) Inc. and Wedgemount Power Inc.

To: The Service List attached hereto as **Schedule "A"**

TAKE NOTICE that an application will be made by the Receiver **by Microsoft Teams** to the presiding judge at the courthouse at 800 Smithe Street, **Vancouver**, British Columbia on March 24, 2021 at 9.45 a.m. for the order set out in Part 1 below.

The Receiver's mailing address, email address and telephone number where the Registry may contact them to confirm telephone conferencing information are as follows:

Mailing Address: McMillan LLP, 1500 – 1055 West Georgia Street, Vancouver, BC, V6E 4N7 (Attn: Vicki Tickle).

Email Address: Vicki.Tickle@mcmillan.ca

Telephone Number: 236-826-3022

Part 1: ORDER SOUGHT

1. An order substantially in the form attached hereto as **Schedule "B"**.

Part 2: FACTUAL BASIS**Background**

1. By Order (the "**Receivership Order**") dated May 12, 2017 (the "**Date of Receivership**") the Receiver was appointed as receiver, without security, of all of the assets, undertakings and properties of Wedgemount Power Limited Partnership ("**Wedgemount LP**"), Wedgemount Power (GP) Inc. ("**Wedgemount GP**") and Wedgemount Power Inc. ("**Wedgemount Power**", and collectively with Wedgemount LP and Wedgemount GP, the "**Wedgemount Entities**"). The Court proceedings in which the Receiver was appointed are referred to herein as the "**Receivership Proceedings**".
2. The Receivership Order was granted pursuant to an application by Industrial Alliance Insurance and Financial Services Inc. ("**IA**"). IA was the financier for the Project and was granted a security interest in all of the Wedgemount Entities' present and after-acquired real and personal property (the "**IA Security**"). Financing statements in respect of the IA Security were registered in the British Columbia Personal Property Registry (the "**PPR**") on June 24, 2015.
3. The Wedgemount Entities were the owner and developer of a partly-constructed independent, run-of-river power project located on Wedgemount Creek, near Whistler, British Columbia (the "**Project**").
4. The Project was developed with the intention that it would generate electricity to be sold to British Columbia Hydro and Power Authority ("**BCH**"). Wedgemount LP, by its general partner Wedgemount GP, and BCH entered into an Electricity Purchase Agreement dated March 6, 2015 (the "**EPA**"). The Project was to be (and now is) connected to the BCH grid by way of a process and infrastructure known as "interconnection".
5. Certain parts of the Project infrastructure are located on Crown land and other parts on unresolved Crown lands that are designated as a cultural heritage area of the Squamish Nation. The Project's powerhouse and certain portions of the interconnection are located on the WedgeWoods residential subdivision, which was developed and originally owned by 28165 Yukon Inc. ("**Yukon**").
6. Upon its appointment, the Receiver took steps to manage the environmental risks at the Project site and worked diligently to advance the Project and preserve its value, including achieving certain key milestones.

7. Pursuant to its powers under the Receivership Order, the Receiver undertook a process to market and sell the Project.
8. On December 12, 2019, the Court granted an Order approving the sale of all of the Wedgemount Entities' right, title and interest in and to the Project to Concord Wedgemount Creek General Partnership acting through its general partners 11739484 Canada Inc. and 11739522 Canada Inc. (the "**Concord Transaction**"). The Concord Transaction closed on February 28, 2020.
9. On August 18, 2020, the Court granted an order authorizing and directing the Receiver to make a distribution to IA in the amount of \$12,000,000 (the "**First IA Distribution**").

Receiver's Activities

10. The activities of the Receiver in the Receivership Proceedings are described in its First Report to Court dated April 2, 2018 (the "**First Report**"), its Second Report to Court dated December 5, 2019 (the "**Second Report**"), its Third Report to Court dated July 30, 2020 (the "**Third Report**") and its Fourth Report to Court dated March 1, 2021 (the "**Fourth Report**", and collectively with the First Report, the Second Report and the Third Report, the "**Reports**"). Those activities include:
 - (a) Attended at the Project site to identify and secure the Wedgemount Entities' assets located there;
 - (b) Engaged with the Wedgemount Entities' former management to discuss the status of the Project as at the Date of Receivership and take control of the Wedgemount Entities' books and records;
 - (c) Retained appropriate engineering, environmental and other experts to assist the Receiver with advancing the Project;
 - (d) Liaised and met with various creditors, subcontractors, and other stakeholders;
 - (e) Engaged extensively with BCH, experts and applicable governmental entities regarding various matters relating to interconnection design, construction and permitting;
 - (f) Advanced permitting and construction of the Project;
 - (g) Responded to BCH's purported termination of the EPA, including participation in proceedings in the Court and the British Columbia Court of Appeal, in order to preserve the EPA and the value of the Wedgemount Entities' assets for the benefit of stakeholders in the Receivership Proceedings;

- (h) Consulted and negotiated with the Squamish Nation and Lil'wat Nation (together, the "**Nations**"), including regarding the Impacts and Benefits Agreement between the Nations and Wedgemount Power dated August 1, 2014 and a subsequent amendment to that agreement, to facilitate a revised interconnection route;
 - (i) Negotiated a settlement agreement with the Yukon Parties (defined below) in connection with a new statutory right of way with respect to portions of ducting that had been installed within lands owned by Yukon;
 - (j) Undertook an extensive process to sell the Project, including establishing a data room, responding to inquiries from potential bidders, engaging in negotiations with and assessing offers from multiple bidders, culminating in the Concord Transaction which closed on February 28, 2020;
 - (k) Arranged for payment of the First IA Distribution;
 - (l) Liaised with Mr. David Ehrhardt (director of Wedgemount GP) and the Ministry of Forests, Lands and Natural Resource Operations to recover security deposits owing to Wedgemount LP in the amount of \$20,000;
 - (m) Prepared and filed Goods and Services Tax ("**GST**") returns;
 - (n) Corresponded with counsel for Glacier Creek Contracting Ltd. ("**Glacier Creek**") regarding its claim in respect of a performance holdback pursuant to Glacier Creek's construction contract with the Wedgemount Entities (discussed below);
 - (o) Liaised with WorkSafeBC in relation to its claim in the Receivership Proceedings (discussed below);
 - (p) Completed ongoing estate accounting, prepared statements of receipts and disbursements and completed monthly trust account reconciliations;
 - (q) Corresponded with the Receiver's legal counsel on various legal matters relating to the Receivership Proceedings; and
 - (r) Addressed additional matters as they arose from time to time.
11. The Receiver has now realized upon all the assets of the Wedgemount Entities and does not expect any further realizations in the Receivership Proceedings, aside from small amounts of bank interest received on the Receiver's trust account balances.

Creditors and Secured Charges

12. Pursuant to the Receivership Order, the Receiver and its legal counsel were granted a charge (the **"Receiver's Charge"**) on the Property (as defined in the Receivership Order) as security for their reasonable fees and disbursements, which forms a first charge on the Property in relation to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person or entity, subject to certain exceptions which do not apply in this matter.
13. Subject only to the Receiver's Charge, IA is the senior secured creditor of the Wedgemount Entities. As at the Date of Receivership, IA was owed \$16,000,000 in principal. In August 2019, IA advanced a further \$500,000 to the Receiver to fund the ongoing Receivership Proceedings and development of the Project. Accordingly, prior to payment of the First IA Distribution, IA was owed \$16,500,000 (**"IA Principal Amount"**) plus interest, which continues to accrue. IA has also directly funded certain protective disbursements to preserve the value of the Project.
14. The Receiver's independent legal counsel, McMillan LLP (**"McMillan"**), has performed an independent review of the validity and enforceability of the IA Security and has advised the Receiver that the IA Security is valid and enforceable and ranks in priority to the subsequent ranking creditors of the Wedgemount Entities.
15. The following parties have, or have asserted secured claims against the Wedgemount Entities:
 - (a) Yukon, Paradise Investment Trust and Sunny Paradise Holdings Inc. (collectively, the **"Yukon Parties"**) are holders of a security interest in certain personal property of Wedgemount Power, in respect of which a financing statement was registered in the PPR on March 20, 2013. By subordination agreement dated June 30, 2015, the Yukon Parties subordinated their security to the IA Security;
 - (b) Her Majesty the Queen in right of the Province of British Columbia (the **"Province"**) is a holder of security interests in the personal property of Wedgemount LP, notices of which were registered in the PPR on May 11, 2017; and
16. WorkSafeBC originally indicated that it was owed \$1,120 by Wedgemount GP, but has since reviewed its accounts with the Wedgemount Entities and has confirmed to the Receiver that there are no account balances owing and that it has no claim in the Receivership Proceedings.
17. IA is expected to suffer a shortfall in excess of \$4.0 million as against the IA Principal Amount. Therefore, there will be no funds available in these Receivership Proceedings for distribution to any subsequent ranking creditors of the Wedgemount Entities.

Holdback Accounts

18. Shortly after the Date of Receivership, the Receiver arranged for the transfer to it of the balances in four holdback accounts related to certain construction contracts entered into by the Wedgemount Entities prior to the Date of Receivership. The accounts held balances totalling \$578,155.
19. The Receiver was contacted by four contractors requesting the release of monies held in the respective holdback accounts. Following a review of the contractors' claims pursuant to the *Builders Lien Act*, the Receiver has made payment in full of the balances held in three of the four holdback accounts (including accrued interest) and a partial payment to Glacier Creek in respect of the fourth account.
20. The balance remaining the Glacier Creek holdback account amounts to approximately \$51,237 (the "**GC Holdback Funds**") and relates to a performance holdback pursuant to Glacier Creek's construction contract with the Wedgemount Entities. McMillan reviewed the contract and advised that, in its view, the relevant clause did not amount to an express agreement that the GC Holdback Funds would be held in trust by the Wedgemount Entities. The Receiver wrote to Glacier Creek on April 16, 2018 advising that it was not in a position to release the GC Holdback Funds unless Glacier Creek could establish a valid trust in relation to the funds.
21. Counsel for Glacier Creek has advised that it will bring an application in the Receivership Proceedings for an order directing the Receiver to pay the GC Holdback Funds to Glacier Creek, to be heard concurrently with this application.

Professional Costs

22. The Receiver's invoiced costs for the period of the Date of Receivership to February 12, 2021 include fees in the amount of \$867,445.50, disbursements in the amount of \$1,106.98, plus taxes in the amount of \$43,427.68, for a total of \$911,980.16.
23. At the outset of the Receivership Proceedings and prior to the Receiver obtaining independent legal counsel, various legal advice was provided to the Receiver by Gowling WLG (Canada) LLP, who at that time (and until August 17, 2020) also acted for IA in the Receivership Proceedings. Gowling's invoice costs for the period from the Date of Receivership to October 31, 2020 include fees in the amount of \$68,572.50, disbursements in the amount of \$288.02, plus taxes in the amount of \$8,239.14, for a total of \$77,099.66.
24. In July 2017 engaged McMillan to perform a review of the IA Security and subsequently, to act as its independent legal counsel in the Receivership Proceedings. McMillan's invoiced costs for the period of July 21, 2017 to January 31, 2021 includes fees in the amount of \$505,801.50,

disbursements in the amount of \$6,499.87, plus taxes in the amount of \$61,296.85, for a total of \$573,598.22.

25. The Receiver and McMillan estimate that they will incur further costs of up to \$15,000 (the "**Completion Costs**") to the completion of the Receivership Proceedings assuming this application is not opposed, and depending on any further matters to be dealt with in respect of the GC Holdback Funds.

Receipts and Proposed Disbursements

26. As at February 12, 2021, the Receiver's gross receipts amounted to \$16,919,702 and its total disbursements amounted to \$16,484,608 (including the First IA Distribution). The Receiver is currently holding a total balance of \$435,234 in its estate accounts.
27. Subject to the Court granting the relief sought, the Receiver proposes to pay out the funds it currently holds as follows:
- (a) payment of unpaid costs of the Receiver and McMillan, the Completion Costs and any other costs incidental to the Receiver concluding its administration of these Receivership Proceedings; and
 - (b) subject to the outcome of the anticipated application in respect of the GC Holdback Funds, payment to IA of the residual funds held by the Receiver to IA.

Part 3: LEGAL BASIS

28. The Receiver relies upon the following:
- (a) The Receivership Order;
 - (b) Rule 8-1 of the *Supreme Court Civil Rules*;
 - (c) The inherent jurisdiction of this Honourable Court; and
 - (d) Such further or other grounds as counsel may advised and this Honourable Court may deem just.

Approval of Activities

29. The Court has inherent jurisdiction to approve the activities of a court-appointed receiver. If the receiver has met the objective test of demonstrating that it has acted reasonably, prudently and not

arbitrarily the court may approve the activities set out in its reports to the court: *Leslie & Irene Dube Foundation Inc. v. P218 Enterprises*, 2014 BCSC 1855 at para 54.

30. The activities of the Receiver and its counsel were carried out pursuant to, and in accordance with, the Receivership Order. The Receiver submits that at all times it has acted reasonably, prudently and not arbitrarily.

Approval of Accounts

31. Paragraph 17 of the Receivership Order states that the Receiver and its legal counsel shall pass their accounts from time to time and that such passing of accounts may be heard on a summary basis by a judge of this Court.

32. In considering whether to approve the Receiver's fees and those of its counsel, this Court must consider whether they are reasonable in light of various factors, including the:

- (a) nature, extent, and value of the assets;
- (b) complications and difficulties encountered;
- (c) time spent;
- (d) knowledge, experience, and skill of the professionals involved;
- (e) diligence and thoroughness displayed by the Receiver;
- (f) degree of responsibility assumed;
- (g) results of the Receiver's efforts; and
- (h) the cost of comparable services.

HSBC Bank Canada v. Maple Leaf Loading Ltd., 2014 BCSC 2245 ("*HSBC Bank Canada*") at para. 11

33. Similar factors are considered on the assessment of the legal accounts of a receiver, namely:
- (a) the time expended;
 - (b) the complexity of the receivership;
 - (c) the degree of responsibility assumed by the lawyers;

- (d) the amount of money involved, including the amount of proceeds after realization and the payments to the creditors;
- (e) the degree and skill of the lawyers involved;
- (f) the results achieved; and
- (g) the client's expectations as to the fee.

HSBC Bank Canada at para. 12

34. These proceedings involved a complex construction and permitting process, extensive negotiations with various parties, and lengthy court proceedings with BCH with respect to the EPA. The Receiver also conducted a successful sales process in respect of the Project. The Receiver submits that its accounts, and those of Gowling and McMillan, are reasonable in the circumstances and compared with the market for similar services in British Columbia.

Distribution Priority

35. The Yukon Parties subordinated their security to the IA Security by agreement.
36. Pursuant to section 30.1(3) of the *Taxation (Rural Area) Act*, IA's security ranks ahead of the Province's charge as IA registered a financing statement in respect of its security interest before the date of the Province's registration in respect of its claim.

Release of Receiver

37. Unlike a trustee in bankruptcy, a receiver does not have statutory protection from liability in respect of any act or default done by it in the administration of the bankrupt's estate, save and except the protections afforded by section 14.06 of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3.
38. Receiver's act only in a representative capacity and as the court's officer, so it is appropriate to insulate receiver's from liability by way of a general release.
39. "A receiver often is concerned that if it is discharged without a full release, it may be required to spend time and money defending an unmeritorious action. Once discharged, there is no ability for the receiver to recover its costs from the estate."

Ed Mirvish Enterprises Limited v. Stinson Hospitality Inc., 2009 CanLII 55113 (ON SC) at para. 8.

40. The Receiver submits that it is appropriate in the present circumstances to grant a general release. Such a release will permit the Receiver to bring the Receivership Proceedings to a close and

distribute funds to creditors without holding back any funds to address potential claims or conducting a claims bar process. The stakeholders have been given notice that the Receiver intends to seek a general release.

Discharge of Receiver

41. The Receiver seeks an order discharging it as Receiver of the assets, undertakings and property of the Wedgemount Entities upon the filing of a certificate certifying that it has completed the remaining outstanding activities set out in the Receiver's Fourth Report to Court. The Receiver submits that such an order is appropriate in light of the foregoing and given that it has otherwise completed its duties under the Receivership Order.

Part 4: MATERIAL TO BE RELIED ON

1. Receiver's First Report to Court, dated April 2, 2018, 2018.
2. Receiver's Second Report to Court, dated December 5, 2019.
3. Receiver's Third Report to Court, dated July 30, 2020.
4. Receiver's Fourth Report to Court, dated March 1, 2021.
5. Affidavit #3 of Melinda McKie, sworn March 2, 2021.
6. Affidavit #1 of Colin Brousson, to be sworn.
7. Affidavit #2 of Vicki Tickle, sworn March 1, 2021.
8. Such further and other material as counsel may advise and this Honourable Court may permit.

The applicant estimates that the application will take 30 minutes.

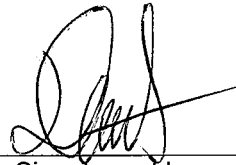
This matter is not within the jurisdiction of a master.

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

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and

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

Date: March 17, 2021



Signature of lawyer for applicants

per: Vicki Tickle

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

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

SCHEDULE "A"

List of Counsel

<p>DLA Piper (Canada) LLP 2800 – 666 Burrard Street Vancouver, BC V6C 2Z7</p> <p>Colin D. Brousson 604 643 6400 colin.brousson@dlapiper.com</p> <p>Jeffrey Bradshaw 604 643 2941 jeffrey.bradshaw@dlapiper.com</p> <p><i>Counsel for the Plaintiff</i></p>	<p>Gowling WLG (Canada) LLP 2300 – 550 Burrard Street Vancouver, BC V6C 2B5</p> <p>Jonathan Ross jonathan.ross@gowlingwlg.com</p> <p><i>Former Counsel for the Plaintiff</i></p>
<p>Borden Ladner Gervais LLP 1200 Waterfront Centre 200 Burrard Street Vancouver, BC V7X 1T2</p> <p>Lisa Hiebert lhiebert@blg.com</p> <p><i>Counsel for British Columbia Hydro and Power Authority</i></p>	<p>Lawson Lundell LLP Suite 1600 Cathedral Place 925 West Georgia Street Vancouver, BC V6C 3L2</p> <p>Peter J. Roberts Tel: 604.685.3456 Fax: 604.669.1620 proberts@lawsonlundell.com</p> <p><i>Counsel for Wedgemount Power Limited Partnership, Wedgemount Power Inc. and Wedgemount Power (GP) Inc.</i></p>
<p>Miller Thomson LLP #400 - 725 Granville Street Vancouver, BC V7Y 1G5</p> <p>Gordon G. Plottel gplottel@millerthomson.com</p> <p>Amanda Baron abaron@millerthomson.com</p> <p><i>Counsel for Paradise Investment Trust, 28165 Yukon Inc. and Sunny Paradise Inc.</i></p>	<p>Watson Goepel LLP 1700-1075 West Georgia Street Vancouver, BC V6E 3C9</p> <p>Thomas Keast, QC tkeast@watsongoepel.com</p> <p><i>Counsel for Brent Allan Hardy and David John Ehrhardt</i></p>
<p>Ratcliff & Company LLP 500 - 221 West Esplanade North Vancouver BC V7M 3J3</p> <p>F. Matthew Kirchner mkirchner@ratcliff.com</p> <p>Aaron Bruce abruce@ratcliff.com</p> <p><i>Counsel for Squamish Nation</i></p>	<p>The Ehrhardt 2011 Family Trust 2011 Family Trust 5403 Buckingham Avenue Burnaby, BC V5E 1Z9</p> <p>David Ehrhardt, as trustee of the Ehrhardt</p>

<p>Lil'wat Nation 82 Lr 10 Road, Mount Currie, BC V0N 2K0 Fax: 604-894-1518</p> <p>Kerry Mehaffey, CEO, Lil'wat Management Services LP email: info@lilwat.ca</p> <p>David W. Dorrans Law Corporation David W. Dorrans email: dorransd@dwdlawcorp.ca</p>	<p>Ministry of Justice and Attorney General Legal Services Branch Revenue and Taxation Group P.O. Box 9289 Stn Prov Govt 4th Floor – 1675 Douglas Street Victoria, BC V8W 9J7</p> <p>Aaron Welch Tel: 250-356-8589 Fax: 250-387-0700 Email: Aaron.Welch@gov.bc.ca AGLSBRevTax@gov.bc.ca</p> <p><i>Counsel for Her Majesty the Queen in Right of British Columbia</i></p>
<p>Swahealy Holding Limited 1266 Burns Road Gibsons, BC V0N 1V1</p>	<p>Calavia Holdings Ltd. 2511 Lawson Avenue West Vancouver, BC V7Y 2G1</p>
<p>Colmac Capital Corp. #514 – 822 5th Ave Calgary, AB T2P 5R4</p> <p>email: dwdelain@shaw.ca; kmaclean@colmaccapital.com</p>	<p>Cheakamus Community Forest Society c/o Resort Municipality of Whistler 4325 Blackcomb Way Whistler, BC V0N 1B4</p> <p>Email: info@cheakamuscommunityforest.com</p> <p>If email address above still bounces back send to the following</p> <p>Heather Beresford at Resort Municipality of Whistler – hberesford@whistler.ca</p>
<p>Travelers Capital Corporation Suite 501 – 4180 Lougheed Hwy. Burnaby, BC V5C 6A7</p> <p>Mark Bohn Email: mbohn@travelerscapital.com</p>	<p>Eco Flow Energy Corporation 330 – 500 Victoria Street Prince George, BC V2L 2J9</p> <p>email: pzell@ecoflowenergy.com</p>
<p>Points West Hydro Power Limited Partnership by its general partner Points West Hydro (GP) Inc. 2400, 525 – 8th Avenue SW Calgary, AB T2P 1G1</p>	<p>Bank of Montreal First Canadian Place, Mezzanine Level 100 King Street W Toronto, ON M5X 1A3</p> <p>Marina Wilhelm Fax: (416) 867-2744 Paul Kyte Fax: (416) 867-2744</p>
	<p>WorkSafeBC 6951 Westminster Hwy Richmond, BC V7C 1C6</p> <p>debby.tam@worksafebc.com</p>

SCHEDULE "B"
DRAFT FORM OF ORDER

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

INDUSTRIAL ALLIANCE INSURANCE AND FINANCIAL SERVICES INC.

PLAINTIFF

AND:

WEDGEMOUNT POWER LIMITED PARTNERSHIP
WEDGEMOUNT POWER (GP) INC.
WEDGEMOUNT POWER INC.
THE EHRHARDT 2011 FAMILY TRUST
POINTS WEST HYDRO POWER LIMITED PARTNERSHIP
by its general partner POINTS WEST HYDRO (GP) INC.
CALAVIA HOLDINGS LTD.
SWAHEALY HOLDING LIMITED
BRENT ALLAN HARDY
DAVID JOHN EHRHARDT
28165 YUKON INC.
PARADISE INVESTMENT TRUST
SUNNY PARADISE INC.

DEFENDANTS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE

MARCH 24, 2021

THE APPLICATION of Deloitte Restructuring Inc. in its capacity as Court-appointed Receiver (the “Receiver”) of the assets, undertakings and properties of Wedgemount Power Limited Partnership, Wedgemount Power (GP) Inc. and Wedgemount Power Inc. (collectively, the “Debtors”) coming on for hearing **by Microsoft Teams** at Vancouver, British Columbia, on the 5th day of March, 2021; AND ON HEARING Vicki Tickle, counsel for the Receiver, and those other counsel listed on Schedule “A” hereto; AND UPON READING the material filed, including the

Receiver's First Report to Court dated April 2, 2018, the Receiver's Second Report to Court dated December 5, 2019, the Receiver's Third Report to Court dated July 30, 2020 and the Receiver's Fourth Report to Court dated March 1, 2021 (collectively, the "Reports"), and Affidavit #3 of Melinda McKie, Affidavit #1 of Colin Brousson and Affidavit #2 of Vicki Tickle (collectively, the "Fee Affidavits");

THIS COURT ORDERS AND DECLARES THAT:

1. The time for service of the Notice of Application is hereby abridged such that it is returnable today.
2. The activities of the Receiver, as set out in the Reports, are hereby approved; provided however that only Deloitte Restructuring Inc. in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
3. The fees and disbursements of the Receiver and its counsel, as set out in the Reports and the Fee Affidavits, are hereby approved.
4. After payment of the fees and disbursements of the Receiver as herein approved, and any other amount(s) which the Receiver may be ordered and directed to pay to Glacier Creek Contracting Ltd., the Receiver shall pay all funds remaining in its hands to Industrial Alliance Insurance and Financial Services Inc.
5. Upon payment of the amounts set out in paragraphs 3 and 4 hereof and upon the Receiver filing a certificate certifying that it has completed the remaining outstanding activities described in the Receiver's Fourth Report to Court dated March 1, 2021, the Receiver shall be discharged as Receiver of the assets, undertaking and property of the Debtors, provided that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Deloitte in its capacity as Receiver.
6. Deloitte Restructuring Inc. is hereby released and discharged from any and all liability that Deloitte Restructuring Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Deloitte Restructuring Inc. while acting in its capacity as Receiver herein, save and except any claim or liability arising out of fraud, gross negligence or wilful misconduct on the part of Deloitte Restructuring Inc. Without limiting the generality of the foregoing, Deloitte Restructuring Inc. is hereby forever

released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings.

7. Notwithstanding any provision herein, this Order shall not affect any person to whom notice of these proceedings was not delivered as required by the *Bankruptcy and Insolvency Act* and regulations thereto, any other applicable enactment or any other Order of this Court.
8. Endorsement of this Order by counsel appearing on this application, other than counsel for the Receiver, is hereby dispensed with.

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

Signature of Vicki Tickle
Lawyer for the Receiver.

BY THE COURT

REGISTRAR

No. S174308
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

INDUSTRIAL ALLIANCE INSURANCE AND FINANCIAL SERVICES INC.

PLAINTIFF

AND:

WEDGEMOUNT POWER LIMITED PARTNERSHIP
WEDGEMOUNT POWER (GP) INC.
WEDGEMOUNT POWER INC.
THE EHRHARDT 2011 FAMILY TRUST
POINTS WEST HYDRO POWER LIMITED PARTNERSHIP
by its general partner POINTS WEST HYDRO (GP) INC.
CALAVIA HOLDINGS LTD.
SWAHEALY HOLDING LIMITED
BRENT ALLAN HARDY
DAVID JOHN EHRHARDT
28165 YUKON INC.
PARADISE INVESTMENT TRUST
SUNNY PARADISE INC.

DEFENDANTS

NOTICE OF APPLICATION

mcmillan

McMillan LLP
1500 – 1055 West Georgia Street
Vancouver, BC V6E 4N7
Telephone: 604.689.9111
Fax: 604.685.7084

Attention: Vicki Tickle

File No. 252590
