



No. H110166
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1397225 ONTARIO LIMITED

PETITIONER

AND:

682202 B.C. LTD., KINGSWAY ARMS MANAGEMENT SERVICES INC., KINGSWAY ARMS HOLDINGS INC., KINGSWAY ARMS HOLDINGS B.C. LTD., PATRICK BYRNE also known as PATRICK CHARLES BYRNE, GRAHAM PARKER also known as GRAHAM M. PARKER also known as GRAHAM MELTON PARKER, CHAPLIN VENTURES LTD., MICHAEL CHAPLIN also known as MICHAEL R. CHAPLIN, COLTER INVESTMENTS (GP) LTD., COLTER INVESTMENTS LP also known as COLTER INVESTMENTS LIMITED PARTNERSHIP, 0780293 B.C. LTD. and HER MAJESTY THE QUEEN IN RIGHT OF CANADA

RESPONDENTS

NOTICE OF APPLICATION

Name of applicant: Alvarez & Marsal Canada Inc., Court-appointed Receiver-Manager of 682202 B.C. Ltd.

To: All Parties of Record

TAKE NOTICE that an application will be made by the Applicant to the presiding Judge at the Courthouse at 800 Smithe Street, Vancouver, BC, V6Z 2E1 on Wednesday, the 24th day of April, 2013 at 9:45 a.m. for the Order as set out in Part 1 below.

Part 1: ORDERS SOUGHT

1. For an Order in the form of Order attached:
 - (a) authorizing the Receiver-Manager to market the assets of 682202 B.C. Ltd. for sale utilizing the marketing process that is set out in paragraph 13 of the Affidavit of Pam K. Boparai #1, sworn herein; and

- (b) approving the activities and accounts of the Receiver to date;
 - (c) authorizing the Receiver to pay up to \$5 million to 2242229 Ontario Inc.
2. Such further and other relief as this Honourable Court may deem just.

Part 2: FACTUAL BASIS

1. Alvarez & Marsal Canada Inc. is the Court-appointed Receiver and Manager of 682202 B.C. Ltd.
2. The main asset of 682202 B.C. Ltd. consists of a seniors' facility in Mission, B.C.
3. The Receiver proposes to market the asset for sale in accordance with the sales process detailed in paragraph 13 of the Affidavit of Pam Boparai #1.
4. The Receiver has filed two Reports to the Court detailing its activities to date.
5. The Receiver's accounts are detailed in the Affidavit of Pam Boparai #1.
6. The Receiver seeks approval of the proposed marketing process and its accounts and activities to date as detailed in its Reports and in the Affidavit of Pam Boparai #1.
7. The Petitioner has assigned its security to 2242229 Ontario Inc.
8. The Receiver currently has excess cash of approximately \$1 million that it can pay to 2242229 Ontario Inc. and will likely have further excess funds from operations.

Part 3: LEGAL BASIS

1. Order of Mr. Justice Sigurdson dated March 9, 2011.
2. Supreme Court Rules.

Part 4: MATERIAL TO BE RELIED ON

1. Affidavit of Pam K. Boparai #1, sworn April 2, 2013.
2. The First and Second Reports of the Receiver.
3. Such further and other materials as counsel may advise and this Honourable Court may consider.

The applicant estimates that the application will take 15 minutes.

- ☐ This matter is within the jurisdiction of a master.
- ☒ 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,

- (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 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: April 11, 2013

Signature of lawyer for Applicant
John L. McLean, Q.C.

To be completed by the court only:	
Order made	
<input type="checkbox"/>	in the terms requested in paragraphs _____ of Part 1 of this notice of application
<input type="checkbox"/>	with the following variations and additional terms:

Date: _____	Signature of <input type="checkbox"/> Judge <input type="checkbox"/> 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

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RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE

WEDNESDAY, THE 24TH DAY
OF APRIL, 2013

ON THE APPLICATION of Alvarez & Marsal Canada Inc., Court-appointed Receiver and Manager of 682202 B.C. Ltd. (the "Receiver"), coming on for hearing before me this day at 800 Smithe Street, Vancouver, BC; AND ON HEARING John I. McLean, Q.C., counsel for the Receiver, and those counsel listed on Schedule "A" hereto; AND ON READING the material filed herein;

THIS COURT ORDERS, DIRECTS AND AUTHORIZES:

1. the Receiver to market the assets of 682202 B.C. Ltd. for sale in accordance with the Sales Process set out in paragraph 13 of the Affidavit of Pam K. Boparai #1, sworn April 2, 2013 provided that any sale is subject to further approval of the Court;
2. the Receiver's activities as set out in the Receiver's First and Second Reports filed herein are hereby approved;
3. the Receiver's Statement of Receipts and Disbursements and Fees and Expenses as set out in the Receiver's First and Second Reports filed herein are hereby approved;
4. the Receiver is authorized to pay such funds held by the Receiver that the Receiver considers to be surplus to its needs to 2242229 Ontario Inc. to a maximum of \$5,000,000 or such further amount as may be approved by subsequent Court Order; and
5. approval as to the form of the Order herein by counsel appearing, other than counsel for the Receiver, be and is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS NOTED ABOVE:

Signature of lawyer for the Receiver
John I. McLean, Q.C.
Gowling Lafleur Henderson LLP

BY THE COURT

Registrar

SCHEDULE "A"

LIST OF COUNSEL

COUNSEL	ACT FOR:

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CHARLES BYRNE, GRAHAM PARKER also known as
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MELTON PARKER, CHAPLIN VENTURES LTD.,
MICHAEL CHAPLIN also known as MICHAEL R.
CHAPLIN, COLTER INVESTMENTS (GP) LTD.,
COLTER INVESTMENTS LP also known as COLTER
INVESTMENTS LIMITED PARTNERSHIP, 0780293
B.C. LTD. and HER MAJESTY THE QUEEN IN RIGHT
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RESPONDENTS

ORDER
(sales process)

GOWLING LAFLEUR HENDERSON LLP

Barristers & Solicitors
2300 - 550 Burrard Street
Vancouver, BC V6C 2B5

Tel. No. 604-683-6498
Fax No. 604-683-3558

File No. V37590

JIM/msh

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