

SEAL
14-May-25

Vancouver
REGISTRY



NO. Court File No. VLC-S-S-253697
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

INSTITUTIONAL MORTGAGE CAPITAL CANADA INC., in
its capacity as general partner of IMC LIMITED PARTNERSHIP

PETITIONER

AND:

MORTISE (SCOTT ROAD RESIDENTIAL) HOLDINGS LTD.,
MORTISE (SCOTT ROAD OFFICE) HOLDINGS LTD.,
MORTISE (SCOTT ROAD COMMERCIAL) HOLDINGS LTD.,
1048799 B.C. LTD., BALJIT SINGH JOHAL, BANCORP
BALANCED MORTGAGE FUND II LTD., BANCORP
GROWTH MORTGAGE FUND II LTD., BANCORP
FINANCIAL SERVICES INC., MANDATE MANAGEMENT
CORPORATION, G4 CONSTRUCTION LTD., BULAND
CONSTRUCTION LTD., LIFETIME CONSTRUCTION LTD.,
BEST CANADIAN HOMES LTD., GILL 22 CONSTRUCTION
LTD., 1370395 B.C. LTD., HARJUS CONSTRUCTION LTD.,
and 1507718 B.C. LTD.

RESPONDENTS

PETITION TO THE COURT

ON NOTICE TO:

See attached **Schedule "A"**.

The address of the Registry is 800 Smithe Street, Vancouver, British Columbia.

The Petitioner estimate that the hearing of the Petition will take one hour.

- ☐ This matter is an application for judicial review.
☒ This matter is not an application for judicial review.

This proceeding is brought for the relief set out in Part 1 below, by

- ☒ the person named as Petitioner in the style of proceedings above

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

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

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

Time for Response to Petition

A Response to Petition must be filed and served on the Petitioner,

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

The ADDRESS FOR SERVICE of the Petitioner is c/o Lawson Lundell LLP, 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.

Fax number for delivery is: 604.631.9152.

E-mail address for service of the Petitioner: bgibbons@lawsonlundell.com
cformosa@lawsonlundell.com

The name and office address of the Petitioner's lawyer is: Lawson Lundell LLP, 1600 - 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2 (Attention: Bryan Gibbons/Candace Formosa).

CLAIM OF PETITIONERS

Part 1: ORDERS SOUGHT

1. An order declaring that:

- (a) a mortgage and assignment of rents dated October 21, 2022 (the “**Mortgage**”), granted by Mortise (Scott Road Residential) Holdings Ltd., Mortise (Scott Road Office) Holdings Ltd., and Mortise (Scott Road Commercial) Holdings Ltd., as mortgagors (the “**Borrowers**”) to Institutional Mortgage Capital Canada Inc., its capacity as general partner of IMC Limited Partnership (“**IMC**”), as mortgagee, registered in the New Westminster Land Title Office on November 1, 2022, under registration numbers CB313466 and CB313467, is a valid and enforceable charge on the following lands and premises:

8140 120th Street, Surrey, BC

PID: 015-570-070

Lot A Section 30 Township 2 New Westminster District

Plan 84061

(the “**Lands**”)

- (b) an equitable mortgage (the “**Equitable Mortgage**”, and collectively with the Mortgage, the “**Mortgages**”) dated October 21, 2022, in and to the Lands, executed by the Mortgagors, as trustee, and 1048799 B.C. Ltd., as beneficial owner (the “**104 Ltd.**”, together with the Mortgagors, the “**Mortgagors**”), in favour of IMC is a valid and enforceable charge against the interest of 104 Ltd. as beneficial owner in and to the Lands, in favour of IMC;
- (c) a general security agreement dated October 21, 2022 (the “**GSA**”), granted to IMC by the Mortgagors, notice of which was registered at the British Columbia Personal Property Registry on October 14, 2022, under base registration number 141767P, is a valid charge on the personal property of the Mortgagors related to the Lands (the “**Personal Property**”, together with the Lands, the “**Property**”); and

- (d) a full recourse guarantee (the “**Guarantee**”) dated October 21, 2022, granted by 104 Ltd. and Baljit Singh Johal (together, the “**Guarantors**”, together with the Mortgagors, the “**Debtors**”), in favour of IMC;

(the Mortgages, together with the GSA and the Guarantee, the “**Security**”)

all ranking in priority to the interests in the Lands and Personal Property of the Respondents, and their heirs, executors, administrators, successors and assigns of the Respondents, and all persons claiming by, through or under them;

2. An order declaring that the Security is in default.
3. An order substantially in the form attached hereto as **Schedule “B”**, appointing Alvarez & Marsal Canada Inc. as receiver and manager, without security of all of the assets, undertakings and property of the Respondents pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the “**BIA**”) and section 39 of the *Law and Equity Act*, RSBC 1996, c. 253 (the “**LEA**”).
4. An order that a summary of accounting of the amount of money due and owing to IMC pursuant to the Security and a declaration of the amount of money required to redeem the Property (the “**Amount Required to Redeem**”);
5. An order requiring redemption of the Property forthwith or, in the alternative, an order fixing the final date for redemption;
6. An order that, on the Respondents or any of them paying into court or to the solicitors for IMC prior to the pronouncement of an order absolute or an order approving a sale of the Property the Amount Required to Redeem, then IMC shall reconvey the Property free and clear of encumbrances in favour of it or by any person claiming by, through or under it, and shall deliver up all documents in IMC’s custody relating to the Property to the Respondent or Respondents who made payment;
7. An order that, if the Property is not redeemed, IMC shall be at liberty to apply for an order absolute, and on pronouncement of an order absolute, then the Respondents and the heirs, executors, administrators, successors, and assigns of the Respondents and all persons claiming by, through, or under them shall be foreclosed of all right, title, interest, estate, and equity of redemption in and to the Property;

8. An order that IMC be at liberty to apply for a further summary accounting of any amounts of money that may become due to IMC pursuant to the Security;
9. Judgment against the Debtors on their covenant to pay;
10. An order for a Certificate of Pending Litigation; and
11. An order that IMC be granted its costs of and in connection with this proceeding, on a solicitor and own client basis.
12. Such further and other relief this Honourable Court may deem just.

Part 2: FACTUAL BASIS

The Parties

1. The Petitioner, IMC, is a corporation with an address for service in these proceedings at 1600 – 925 West Georgia Street, Vancouver, British Columbia.
2. The Respondents, Mortise (Scott Road Residential) Holdings Ltd., Mortise (Scott Road Office) Holdings Ltd., Mortise (Scott Road Commercial) Holdings Ltd., and 104 Ltd. are companies incorporated pursuant to the laws of British Columbia, with registered and records offices at Suite 1500, 12450 102nd Avenue, Surrey, British Columbia.
3. The Mortgagors are part of a group of companies that develop real estate across the Lower Mainland of Vancouver, British Columbia.
4. The Respondent, Baljit Singh Johal, is a director of the Mortgagors.

The Lands

5. The Lands consist of a two-story commercial building located in Surrey, British Columbia. Although the Lands are zoned for certain residential units, the current tenants of the building are all commercial.

The Loan Agreements and Security

6. Pursuant to a commitment letter dated July 7, 2022, as amended and restated on September 27, 2022, and further amended and restated on October 31, 2022 (as amended and

restated, the “**Commitment Letter**”), IMC agreed to loan to the Borrowers the principal amount of \$19,500,000 (the “**Loan**”) on the following terms and conditions, among others:

- (a) the Loan term is 27 months, that may be extended in accordance with the terms of the Commitment Letter (the “**Term**”);
- (b) the last day of the Term is February 1, 2025 (the “**Maturity Date**”);
- (c) step-up interest will accrue at the higher of TD Canada Trust’s prime rate of interest plus 7% or 10.50% (as further set out in the Commitment Letter), compounded and payable monthly, not in advance;
- (d) the Borrowers will repay the Loan by the Maturity Date;
- (e) the Guarantors will guarantee all obligations related to the Loan;
- (f) the Debtors will grant the applicable Security to IMC as security for the Loan; and
- (g) any failure of the Borrowers to perform any obligation or condition under any Loan document or make a payment when due to IMC of any indebtedness, among other things, is considered an Event of Default (as defined in the Commitment Letter).

7. As security for the Loan, the Borrowers granted the following to IMC:

- (a) the Mortgages, on the following terms and conditions, among others:
 - (i) the principal sum secured is \$19,500,000;
 - (ii) step up interest will accrue at the higher of TD Canada Trust’s prime rate of interest plus 7% or 10.50% (as set out further in the Mortgages), compounded and payable monthly, not in advance;
 - (iii) the Mortgages are and shall be continuing security to IMC for the payment of all present and future amounts owing in respect of all present and future indebtedness and liability of the Mortgagors to IMC; and

- (iv) costs as between solicitor and client, incurred by IMC in taking, recovering and keeping possession of the Lands and in all other proceedings taken in connection with or to realize the monies secured, shall be paid by the Mortgagors and if the Mortgagors fail to pay, IMC may make such payment and the amount thereof shall be added to the amount secured and shall bear interest at the rate aforesaid in this paragraph; and
- (b) the GSA, notice of which was registered at the British Columbia Personal Property Registry on October 14, 2022, under base registration number 141767P.

8. As further security for the Loan, the Guarantors granted to IMC the Guarantee on the following terms and conditions, among others:

- (a) the Guarantors unconditionally and irrevocably guarantee payment and performance of the Borrowers to IMC of all Loan Indebtedness (as defined in the Guarantee) and any and all other debts, liabilities and obligations;
- (b) the Guarantors will indemnify and save harmless IMC from and against all losses resulting from the failure of the Borrowers to perform the Obligations (as defined in the Guarantee);
- (c) the Guarantee is a continuing guarantee of the Obligations; and
- (d) IMC is entitled to make demand about the Guarantors at any time upon the occurrence of any Event of Default (as defined in the Mortgage) and upon such Event of Default, IMC may treat all Obligations as due and payable and may collect forthwith from the Guarantors, including interest as set out in the Mortgage.

9. It is an event of default under the Security if, among other things:

- (a) the Borrowers made default in payment when due of any indebtedness or liability of the Borrowers to IMC; and
- (b) the Borrowers fail to comply with any obligation to IMC.

10. Further, upon an Event of Default, IMC has the right to appoint a receiver and manager over the Borrowers' property as follows:

- (a) pursuant to section 7.07 of the Mortgage, IMC has the right to appoint, by written instrument, a receiver, manager or receiver and manager of the Property (as defined in the Mortgage) or any part thereof with or without security; and
- (b) pursuant to section 5.01 of the GSA, IMC has the right to appoint, by written instrument, a receiver, manager or receiver and manager of the Collateral (as defined in the GSA) and may institute proceedings in any court of competent jurisdiction for the appointment of a receiver of the Collateral.

Attempts to Sell the Lands and Further Charges

11. On or about February 9, 2024, Mortise (Scott Road Residential) Holdings Ltd. entered into a contract of purchase and sale to sell the Lands with a completion date of November 30, 2024 (the "**First Contract**"). A deposit in the amount of \$3,400,000 (the "**Deposit**") was paid to Mortise (Scott Road Residential) Holdings Ltd. in respect of this contract.

12. Before the completion date of the First Contract, on or about November 4, 2024, the Borrowers granted a second mortgage to the Respondents, Bancorp Balanced Mortgage Fund II Ltd., Bancorp Growth Mortgage Fund II Ltd., Bancorp Financial Services Inc., and Mandate Management Corporation (collectively, the "**Bancorp Parties**") that secured a loan in the principal amount of \$9,250,000 (the "**Bancorp Mortgage**"), pursuant to a commitment dated September 12, 2024 (the "**Bancorp Commitment Letter**"). The funds from the Bancorp Mortgage were used to (a) repay an existing private second mortgage in the amount of \$2,050,000 (the "**Private Mortgage**") registered on title to the Lands and (b) for a development project unrelated to the Lands.

13. The First Contract did not complete on November 30, 2024, and the sale collapsed. Mortise (Scott Road Residential) Holdings Ltd. retained the Deposit and used it for a project unrelated to the Lands.

14. On or about February 19, 2025, the Borrowers entered into a new contract of purchase and sale to sell the Lands (the "**Second Contract**") to the Respondents, G4 Construction Ltd., Buland Construction Ltd., Lifetime Construction Ltd., Best Canadian Homes Ltd., Gill 22 Construction Ltd., 1370395 B.C. Ltd., Harjus Construction Ltd. and 1507718 B.C. Ltd.

(collectively, the “**G4 Respondents**”). The completion date for the Second Contract is May 12, 2025, and is conditional on the completion of a separate transaction.

15. On or about March 14, 2025, the Borrowers allowed the G4 Respondents to register an option to purchase as a charge on title to the Lands, in breach of the Commitment Letter and applicable Security.

Default, Demand, and the Forbearance Agreement

16. On or around October 29, 2024, the Borrowers provided a signed copy of the Bancorp Commitment Letter to IMC. This was the first time IMC was notified of the Bancorp Parties’ loan to the Borrowers. Given the November 30, 2024, completion date in the First Contract, IMC expected the Loan to be repaid upon closing or shortly thereafter in December. Accordingly, IMC did not seek internal approval of the Bancorp Parties’ loan nor provide its consent to the registration of the Bancorp Mortgage on title to the Lands. To date, IMC has not consented to the Bancorp Mortgage as required pursuant to the Commitment Letter and the Security.

17. On December 2, 2025, the Borrowers advised IMC that the First Contract did not complete and requested a renewal and extension of the Loan. IMC was further advised by the Borrowers that the Borrowers used the Deposit for a project unrelated to the Lands.

18. IMC obtained a title search for the Lands on January 14, 2025, which revealed the Bancorp Mortgage was registered on title to the Lands without the consent of IMC. This additional mortgage charge is a default under the Commitment Letter and applicable Security. By granting the Bancorp Mortgage, the Borrowers removed equity in the Lands with the proceeds of the Bancorp Mortgage being used for another unrelated project rather than paying down the Loan.

19. IMC denied the Borrowers loan and renewal request. The Borrowers subsequently failed to repay the Loan in full by the Maturity Date of February 1, 2025. By letters dated February 5, 2025 (the “**Demand Letters**”), IMC, through its solicitor, made formal demand upon the Borrowers and the Guarantors to repay the Loan in full, plus interest, and enclosed Notices of Intention to Enforce Security pursuant to section 244(1) of the BIA (the “**244 Notices**”).

20. Subsequent to the demands, IMC and the Debtors entered into a forbearance agreement dated for reference March 7, 2025 (the “**Forbearance Agreement**”), pursuant to which IMC agreed to forbear from taking steps to enforce the Security to provide the Debtors until May 30, 2025 (the “**Forbearance Period**”), to repay the outstanding balance of the Loan in the amount of

\$19,706,302.47 as at February 1, 2025, plus interest thereafter (the “**Indebtedness**”), on certain terms and conditions, including that:

- (a) the Debtors acknowledge and agree that the Indebtedness, secured by the Security, is due and owing to IMC;
- (b) the Debtors acknowledge and agree that the Mortgages, GSA and Guarantee are valid and enforceable;
- (c) the Debtors acknowledge and agree that the Demand Letters and the 244 Notices remain in full force and effect through the Forbearance Period;
- (d) the Debtors agree that all fees and disbursements paid by IMC to its lawyers (on the basis of complete indemnification on a solicitor and its own client basis) in connection with the Commitment Letter, the Indebtedness, the Security, the Forbearance Agreement, and all matters incidental or relating thereto, shall be payable by the Borrowers forthwith upon request, failing which IMC may add such costs to the Indebtedness, and when so added, such costs will be secured by the Security;
- (e) upon the happening of an Event of Default (as defined in the Forbearance Agreement) IMC shall have the immediate right to terminate the remainder of the Forbearance Period, if any, and proceed with seeking repayment of the Indebtedness followed by enforcement of the Security without the necessity for further demand for payment or the issuance of further 244 Notices to the Debtors;
- (f) if IMC commences proceedings to enforce some or all of the Security, either at the expiry of the Forbearance Period or after the Forbearance Period has been terminated at IMC’s election, the Debtors, among other things, irrevocably consent to the appointment of a receiver or receiver/manager over any or all of the Debtors’ assets and undertakings charged by the Security; and
- (g) monetary payments must be made by the Debtors to IMC to reduce the Indebtedness as follows:

- (i) on or before March 31, 2025, accrued and unpaid interest for the months of January through March 2025 in the total amount of \$653,743.15;
- (ii) on or before April 15, 2025, a payment of \$500,000;
- (iii) on or before April 30, 2025, a payment of \$500,000; and
- (iv) on or before May 1, 2024, accrued and unpaid interest for the month of April 2025.

21. In breach of the Forbearance Agreement, the Debtors failed to make the March 31, 2025 payment on time and have not made the April 15th and 30th 2025 payments.

22. As at May 1, 2025, the Debtors are indebted to IMC in the amount of \$19,555,812.02, with interest and fees continuing to accrue.

The Borrowers' Inability to Cure the Defaults

23. IMC has lost confidence that the Borrowers will be able to repay the Loan in full as a result of various circumstances.

24. On several occasions, the Borrowers' payments to IMC on account of the Loan did not clear and were returned "not sufficient funds".

25. Further, when the First Contract did not complete, the Borrowers used the Deposit for another project rather than towards repayment of the Loan.

26. The Borrowers also registered the Bancorp Mortgage without notifying or seeking IMC's approval in advance of signing the Bancorp Commitment Letter. The proceeds of the Bancorp Mortgage were used to fund a project unrelated to the Lands as well as repay the Private Mortgage without IMC's consent resulting in equity being removed from the Lands without paying down the Loan.

27. The Borrowers then entered into the Second Contract, which remains conditional on the completion of a separate transaction. IMC is not confident that this new sale will provide sufficient cashflow to payout the Loan in full, nor are they confident that it will complete at all.

28. In the meantime, the rent the Borrowers receive from commercial tenants on the Lands is insufficient to pay the interest accruing on the Loan each month. The Borrowers' currently rent

commercial units at the building located on the Lands. The estimated total monthly rent for the year 2025 in respect of the units is \$114,386.56. Monthly interest is approximately \$190,000 on the Loan and accordingly there is no ability for the Borrowers to cover interest payments from rental income.

29. Further, it appears that various of the commercial tenant contracts cease in 2025, which will reduce the cashflow available to repay the Loan.

30. The Debtors have also allowed charges to be registered against their personal property, as outlined further below, in breach of the Commitment Letter and applicable Security.

Other Encumbrances

31. The Bancorp Parties are holders of mortgage and assignment of rent charges registered against the Lands under registration numbers CB1691312 and CB1691313 respectively, which rank in priority behind the interest of IMC.

32. The Bancorp Parties are also holders of a registered personal property security interest against some or all of the Debtors which rank in priority behind the interests of IMC.

33. The G4 Respondents are holders of an option to purchase charge registered against the Lands under registration number CB1926433, which ranks in priority behind the interest of IMC.

Consent to Act

34. Alvarez & Marsal Canada Inc., a trustee within the meaning of section 2 of the BIA is qualified to act as a receiver of the Borrowers and has consented to act as such.

Part 3:LEGAL BASIS

Statutory Basis

35. IMC bring this application for appointment of a receiver pursuant to section 243 of the BIA, section 39 of the LEA, section 66 of the *Personal Property Security Act*, R.S.B.C., c. 359, and Supreme Court Civil Rule 10-2.

36. Section 243 of the BIA provides:

243(1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

(a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;

(b) exercise any control that the court considers advisable over that property and over the insolvent person's or bankrupt's business; or

(c) take any other action that the court considers advisable.

37. Section 39 of the LEA provides:

39(1) An injunction or an order in the nature of mandamus may be granted or a receiver or receiver manager appointed by an interlocutory order of the court in all cases in which it appears to the court to be just or convenient that the order should be made.

(2) An order made under subsection (1) may be made either unconditionally or on terms and conditions the court thinks just.

[...]

The Test for Appointing a Receiver

38. There are a number of factors the court may consider in exercising its discretion to appoint a receiver, including:

- (a) whether irreparable harm might be caused if no order were made;
- (b) the nature of the property;
- (c) the preservation and protection of the property;
- (d) the balance of convenience to the parties;
- (e) the fact that the creditor has the right to appoint a receiver under the documentation provided for the loan;

- (f) the effect of the order upon the parties;
- (g) the conduct of the parties;
- (h) the cost to the parties;
- (i) the likelihood of maximizing return to the parties; and
- (j) the goal of facilitating the duties of the receiver.

Maple Trade Finance Inc. v CY Oriental Holdings Ltd., 2009 BCSC 1527
at para 25 [**Maple Trade**];

Bank of Montreal v Gian's Business Centre Inc., 2016 BCSC 2348 at paras 23-24 [**Gian's**];

Bank of Montreal v Haro-Thurlow Street Project Limited Partnership,
2024 BCSC 47 [**Haro**] at para 73.

39. The above-noted factors are not a checklist, but a collection of considerations to be viewed holistically in an assessment as to whether, in all of the circumstances, the appointment of a receiver is just or convenient.

Gian's at para 23.

40. A secured creditor is entitled to elect the means in which to enforce its security as provided for under the applicable agreement, subject to the court granting the relief sought.

Haro at para. 95.

41. In applying these factors, this Court has held that the right of a secured creditor to apply for a receiver under a security agreement holds considerable weight, and is a “strong factor in support” of the appointment.

Maple Trade at para 26.

42. Furthermore, the appointment of a receiver over mortgaged lands is not an “extraordinary remedy” where there has been a default under a mortgage; and in cases where the security documentation provides for the appointment of a receiver, the “extraordinary nature” of the remedy sought is less essential to the inquiry. Irreparable harm need not be demonstrated.

BCIMC Construction Fund Corporation et al v The Clover on Yonge Inc., 2020 ONSC 1953 at paras 43-44;

Bank of Montreal v Carnival National Leasing Limited, 2011 ONSC 1007 at paras. 27-29.

It is Just and Convenient to Appoint a Receiver in these Circumstances

43. An examination of the above-noted factors demonstrates that it is just and convenient to appoint a receiver in all the circumstances as the Debtors have:

- (a) failed to pay the Loan in full, plus interest, at the Maturity Date;
- (b) failed to pay the Indebtedness despite the forbearance by IMC;
- (c) made multiple defaults under the Commitment Letter, Security and the Forbearance Agreement;
- (d) acknowledged the validity and enforceability of the Security;
- (e) allowed the Bancorp Mortgage to be registered on title to the Lands, in breach of the Commitment Letter and the Mortgages;
- (f) used the proceeds from the Deposit and the Bancorp Mortgage for an unrelated development project and/or repaying the subordinate Private Mortgage; the Borrowers have taken equity out of the Lands without using the proceeds therefrom to pay down the Loan;
- (g) failed to ensure sufficient cashflow to make payments in accordance with the Commitment Letter and the Forbearance Agreement; and
- (h) the Debtors consented to the appointment of a receiver over the Property pursuant to the Mortgage, GSA and the Forbearance Agreement. By virtue of this consent, the extraordinary nature of this remedy is less essential to the just and convenient inquiry and is a strong factor in support of appointing a receiver.

44. As a result of the above, IMC has lost confidence that the Borrowers will be able to repay the Loan in full.

45. Finally, while a receivership carries with it some added costs, in the circumstances, the added cost is necessary to effectively protect the Security and adequacy of deal with other creditors.

46. In light of the foregoing factors, the balance of convenience weighs heavily in favour of IMC and favours this Court appointing a receiver over all the assets, undertakings and property of the Borrowers.

Part 4: MATERIAL TO BE RELIED ON

1. Affidavit #1 of Ryan Fernandes to be filed;
2. The pleading and materials filed in this proceeding; and
3. Such other materials as counsel may advise and this Honourable Court may accept.

Dated at the City of Vancouver, in the Province of British Columbia, this 14th day of May, 2025.



Lawson Lundell LLP
Solicitors for the Petitioner, Institutional
Mortgage Capital Canada Inc., in its
capacity as general partner of IMC Limited
Partnership

This Petition to the Court is filed by Bryan Gibbons and Candace Formosa, of the law firm of Lawson Lundell LLP, whose place of business and address for delivery is 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.

To be completed by the court only:

Order made

☐ in the terms requested in paragraphs _____
of Part 1 of this Petition

☐ with the following variations and additional terms:

Date:

Signature of ☐ Judge ☐ Associate Judge

SCHEDULE A

1048799 B.C. Ltd. Suite 1500, 13450 – 102 Avenue Surrey, BC V3T 5X3
1370395 B.C. Ltd. 2447 56th Street Delta, BC V4L 2P2
1507718 B.C. Ltd. 305 – 4603 Kingsway Burnaby, BC V5H 4M4
Baljit Singh Johal 104 – 9450 120th Street Surrey, BC V3W 4B9 15872 109 Ave Surrey, BC V4N 4W4
Bancorp Balanced Mortgage Fund II Ltd. 700 – 401 West Georgia Street Vancouver, BC V6B 5A1
Bancorp Financial Services Inc. 1600 – 925 West Georgia Street Vancouver, BC V6C 3L2
Bancorp Growth Mortgage Fund II Ltd. 700 – 401 West Georgia Street Vancouver, BC V6B 5A1
Best Canadian Homes Ltd. 12772 Drummond Place Surrey, BC V3V 6G3
Buland Construction Ltd. 12772 Drummond Place Surrey, BC V3V 6G3
G4 Construction Ltd. 12772 Drummond Place Surrey, BC V3V 6G3

Gill 22 Construction Ltd. 2447 56th Street Delta, BC V4L 2P2
Harjus Construction Ltd. 2447 56th Street Delta, BC V4L 2P2
Lifetime Construction Ltd. 12772 Drummond Place Surrey, BC V3V 6G3
Mandate Management Corporation #505 – 1195 West Broadway Vancouver, BC V6H 3X5
Mortise (Scott Road Commercial) Holdings Ltd. Suite 1500, 13450 – 102 Avenue Surrey, BC V3T 5X3
Mortise (Scott Road Office) Holdings Ltd. Suite 1500, 13450 – 102 Avenue Surrey, BC V3T 5X3
Mortise (Scott Road Residential) Holdings Ltd. Suite 1500, 13450 – 102 Avenue Surrey, BC V3T 5X3

SCHEDULE B

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

INSTITUTIONAL MORTGAGE CAPITAL CANADA INC., in
its capacity as general partner of IMC LIMITED PARTNERSHIP

PETITIONER

AND:

MORTISE (SCOTT ROAD RESIDENTIAL) HOLDINGS LTD.,
MORTISE (SCOTT ROAD OFFICE) HOLDINGS LTD.,
MORTISE (SCOTT ROAD COMMERCIAL) HOLDINGS LTD.,
1048799 B.C. LTD., BALJIT SINGH JOHAL, BANCORP
BALANCED MORTGAGE FUND II LTD., BANCORP
GROWTH MORTGAGE FUND II LTD., BANCORP
FINANCIAL SERVICES INC., MANDATE MANAGEMENT
CORPORATION, G4 CONSTRUCTION LTD., BULAND
CONSTRUCTION LTD., LIFETIME CONSTRUCTION LTD.,
BEST CANADIAN HOMES LTD., GILL 22 CONSTRUCTION
LTD., 1370395 B.C. LTD., HARJUS CONSTRUCTION LTD.,
and 1507718 B.C. LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE
JUSTICE

)
) _____ THE ____TH DAY OF
) MAY, 2025
)

ON THE APPLICATION of Institutional Mortgage Capital Canada Inc., in its capacity as general partner of IMC Limited Partnership (the “**Petitioner**”) coming on for hearing on May ___, 2025, at Vancouver, B.C., for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the “**LEA**”) appointing Alvarez & Marsal Canada Inc. as Receiver and Manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and property of Mortise (Scott Road Residential) Holdings Ltd., Mortise (Scott Road Office) Holdings Ltd., and Mortise (Scott Road Commercial) Holdings Ltd., and

1048799 B.C. Ltd. (collectively, the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Ryan Fernandes made May 6, 2025, and the consent of Alvarez & Marsal Canada Inc. to act as the Receiver; AND ON HEARING Bryan C. Gibbons and Candace L. Formosa, counsel for the Petitioner and other counsel as listed on **Schedule “A”** hereto, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA, Alvarez & Marsal Canada Inc. is appointed Receiver, without security, of all the assets, undertakings and property of the Debtor, including all proceeds (the “**Property**”).

RECEIVER’S POWERS

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (i) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - (j) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (k) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
 - (l) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver’s powers and duties, including, without limitation, those conferred by this Order;
 - (m) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
 - (n) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;

- (o) to settle, extend or compromise any indebtedness owing to the Debtor;
- (p) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (q) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (r) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (s) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
- (t) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court in respect of any transaction, and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;
- (u) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (v) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (w) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (x) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtor;
- (y) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (z) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (aa) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtor; (ii) all of the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any “eligible financial contract” as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtor’s current

telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post-Receivership Accounts**”) and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to the employees’ right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor’s behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such

information by the Debtor and shall return all other personal information to the Receiver or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (bb) before the Receiver’s appointment; or,
 - (cc) after the Receiver’s appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver’s gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER’S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - (dd) any gross negligence or wilful misconduct on its part; or
 - (ee) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: _____ (the "**Website**") and shall post there as soon as practicable:
- (ff) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (gg) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Petitioner a demand for notice in the form attached as Schedule "C" (the "**Demand for Notice**"). The Receiver and the Petitioner need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Petitioner from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.
32. Notwithstanding paragraph 31 of this Order, service of the Petition or Notice of Application and any affidavits filed in support shall be made on the Federal and British

Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.

33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
39. The Petitioner shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the Petitioner's security or, if not so provided by the Petitioner's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

40. Endorsement of this Order by counsel appearing on this application other than the Petitioner is dispensed with.

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

APPROVED BY:

Signature of Bryan C. Gibbons,
counsel for Institutional Mortgage Capital Canada Inc.,
in its capacity as general partner of IMC Limited
Partnership

BY THE COURT

DISTRICT REGISTRAR

SCHEDULE “A”

List of Counsel Appearing

COUNSEL	APPEARING FOR
Bryan Gibbons Candace L. Formosa	

SCHEDULE "B"

RECEIVER AND MANAGER'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

\$ _____

THIS IS TO CERTIFY that Alvarez & Marsal Canada Inc. (the "**Receiver**") of all of the assets, undertakings and property of Mortise (Scott Road Residential) Holdings Ltd., Mortise (Scott Road Office) Holdings Ltd., and Mortise (Scott Road Commercial) Holdings Ltd., and 1048799 B.C. Ltd. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia (the "**Court**") dated the ___th day of May 2025 (the "**Order**") made in SCBC Action No. _____ has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

41. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly] not in advance on the _____ day of each month after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of _____ from time to time.
42. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.
43. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
44. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
45. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

46. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2024.

Alvarez & Marsal Canada Inc. solely in its capacity as Receiver of the Property, and not in its personal capacity

Per:
Name:
Title:

Schedule "C"
Demand for Notice

TO: Institutional Mortgage Capital Canada Inc., in its capacity as general partner of IMC Limited Partnership
c/o Lawson Lundell LLP
1600 – 925 West Georgia Street,
Vancouver, B.C. V6C 3L2
Attention: Bryan C. Gibbons and Candace L. Formosa
Email: bgibbons@lawsonlundell.com / cformosa@lawsonlundell.com

AND TO: Alvarez & Marsal Canada Inc.
Suite 902 – 925 West Georgia Street,
PO Box 10203 LCD Pacific Centre
Vancouver, B.C. V6C 2G3
Attention: _____
Email: _____

Re: In the matter of the Receivership of Mortise (Scott Road Residential) Holdings Ltd., et al.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

OR

2. By facsimile, at the following facsimile number (or numbers):

OR

3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

INSTITUTIONAL MORTGAGE CAPITAL
CANADA INC., in its capacity as general partner of
IMC LIMITED PARTNERSHIP

PETITIONER

AND:

MORTISE (SCOTT ROAD RESIDENTIAL)
HOLDINGS LTD., et al.

RESPONDENTS

PETITION TO THE COURT



Baristers & Solicitors
1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2
Phone: (604) 685-3456
Attention: Bryan Gibbons

CF1/jlkm