



Province of British Columbia
Bankruptcy Division
Vancouver Registry
Court No. B-23057-230537
Estate No. 11-254573

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY
IN THE MATTER OF THE BANKRUPTCY OF
WASHINGTON PROPERTIES (QEP) INC.

AFFIDAVIT

I, **E. Neil Kornfeld, K.C.**, Barrister and Solicitor, of 1100 One Bentall Centre, 505 Burrard, Vancouver, British Columbia, MAKE OATH AND SAY THAT:

1. I am a partner in the law firm of Kornfeld LLP, solicitors for Washington Properties (QEP) Inc. ("**Washington QEP**"), and as such have personal knowledge of the facts hereinafter deposed to save and except where such facts are stated to be on information and belief, and in such cases I verily believe them to be true.
2. I have primary contact with our clients in this matter (collectively, the "**Washington Group**"), one of whom is the Washington QEP.
3. I have been dealing with Mr. Kibben Jackson of Fasken LLP, counsel for the Applicant PLW Investment Ltd. ("**PLW**"), for several years in matters involving the Washington Group. There are a number of proceedings involving PLW and the Washington Group.
4. In October 2022, Mr. Jackson on behalf of PLW obtained a Receivership Order from Justice Giaschi in Vancouver Registry No. H220369 (the "**Receivership Proceedings**") with respect to, inter alia, properties owned by a number of Washington Group members. The Washington Group elected not to oppose the Receivership Order at that time. The Receivership Order has since been amended on various occasions.
5. The Receiver under the Receivership Order is Alvarez & Marsal Canada Inc. ("**Alvarez & Marsal**"), represented by Dentons LLP. Alvarez & Marsal is also the proposed bankruptcy trustee in these proceedings.

Province of British Columbia
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WASHINGTON PROPERTIES (QEP) INC.**

AFFIDAVIT

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1. I am a partner in the law firm of Kornfeld LLP, solicitors for Washington Properties (QEP) Inc. ("**Washington QEP**"), and as such have personal knowledge of the facts hereinafter deposed to save and except where such facts are stated to be on information and belief, and in such cases I verily believe them to be true.
2. I have primary contact with our clients in this matter (collectively, the "**Washington Group**"), one of whom is the Washington QEP.
3. I have been dealing with Mr. Kibben Jackson of Fasken LLP, counsel for the Applicant PLW Investment Ltd. ("**PLW**"), for several years in matters involving the Washington Group. There are a number of proceedings involving PLW and the Washington Group.
4. In October 2022, Mr. Jackson on behalf of PLW obtained a Receivership Order from Justice Giaschi in Vancouver Registry No. H220369 (the "**Receivership Proceedings**") with respect to, inter alia, properties owned by a number of Washington Group members. The Washington Group elected not to oppose the Receivership Order at that time. The Receivership Order has since been amended on various occasions.
5. The Receiver under the Receivership Order is Alvarez & Marsal Canada Inc. ("**Alvarez & Marsal**"), represented by Dentons LLP. Alvarez & Marsal is also the proposed bankruptcy trustee in these proceedings.

6. On or about November 11, 2023, Mr. Jackson told me on the telephone that PLW, motivated by a priority issue involving GST, was contemplating applying for a bankruptcy order against QEP and asked whether my client would consent to that. I advised Mr. Jackson that I would think about the ramifications of a bankruptcy and try and get instructions from my client. At no time did I tell Mr. Jackson that my client would not oppose a bankruptcy application. Mr. Jackson did not indicate any urgency in obtaining the bankruptcy order.
7. The within proceedings were brought on December 5, 2023 and the Notice of Hearing was filed December 8, 2023. I received notice of them on December 11, 2023. Attached as **Exhibit “A”** is a copy of Mr. Jackson’s email dated December 11, 2023 (without attachments).
8. The principal of QEP, Amy Washington, has been in China for several months. I am informed by Ms Washington’s daughter, Lucy Washington, that Ms. Washington’s return to Canada had been unexpectedly delayed.
9. For some weeks, I have not had any contact with either Ms Washington or her husband, Edison Washington, who is also in China.
10. When I discuss anything complex with the Washingtons, I must do so using an Mandarin-English interpreter.
11. I have not had any opportunity to discuss with Ms Washington the proposed bankruptcy or its implications. I do not know if she has yet seen the pleadings or evidence in this case.
12. I am unaware of any urgency to PLW in bringing this matter to court.
13. An order to bankrupt QEP may have serious consequences in current ongoing proceedings (the “**Amy Strata Lots Sub-Action**”) which, by Court Order, have been carved out of the Receivership Proceedings. In the Amy Strata Lot Sub-Action, the

Washington Group challenges PLW's claimed security interest in two strata lots (defined in the Petition as the "**Amy Strata Lots**") of which Ms Washington is registered owner.

14. On April 25, 2023 my partner, Dan Parlow, confirmed to counsel for the Receiver and for PLW the following agreement:
 - (a) The Receivership Order will be varied such that the Receivership is stayed as against SLs 60 and 163 pending further order of the court.
 - (b) We will initiate proceedings (whether within the current Petition proceeding or by separate proceeding) for the substantive determination by the court of our respective clients' rights and remedies regarding SLs 60 and 163.
 - (c) Until such final substantive determination and any applicable appeal period, or agreement in writing, our respective clients will not apply to lift the stay as it pertains to SLs 60 and 163.
15. Counsel for PLW and the Receiver both confirmed this agreement. A copy of the email string is attached as **Exhibit "B"**.
16. On April 20, 2023, the Washington Group filed an Amended Response to Petition in the Receivership Proceedings to particularize their position with respect to the Amy Strata Lots, namely, that these lots had, by agreement of the parties, been carved out of the security granted to PLW in 2020 due to their beneficial interest having been sold to two buyers from China. A copy of the Amended Response to Petition is attached hereto and marked as **Exhibit "C"**.
17. In their Amended Response to Petition, the Washington Group alleged in paras. 8-11 that PLW, knowing it had agreed to forgo security over the Amy Strata Lots, had promised to release its charges over those two lots as part of Washington Group's agreement not to oppose the Receivership Order; but that PLW had later again reneged on that agreement.
18. Various affidavits have been filed addressing the validity of PLW's alleged security over the Amy Strata Lots. Attached hereto as **Exhibit "D"** is Ms Washington's affidavit filed April 12, 2023 in the Receivership Proceedings addressing, inter alia, this issue.

19. Ultimately, the parties agreed that this issue be referred to the trial list, and consented to the following Orders:

1. The following issue arising in this proceeding be converted into an action (the “Action”) and referred to the trial list:

- a. Whether any or all of the 2018 Laurentian Strata Mortgage, the 2018 KingSett Strata Mortgage, the 2019 KingSett Strata Mortgage, the 2020 Amy Mortgage and the other Security Documents (as all such terms are defined in the Petition) constitute a charge on the interests of any of the Debtors in both or either of the strata lots located at 605-4963 Cambie Street and 301-5077 Cambie Street, Vancouver, British Columbia and legally described as:

PID: 030-880-548

Strata Lot 163 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950

PID: 030-879-515

Strata Lot 60 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950

(the “Amy Strata Lots”);


- b. Whether any of the Security Documents constitute a charge on the interests of any of the Debtors in any present or after acquired goods derived from or relating to the Amy Strata Lots;
 - c. Whether the Petitioner is entitled to assert any claims in and to the Amy Strata Lots or in and to any present or after acquired goods derived from or relating to the Amy Strata Lots;
 - d. Whether the Debtors, including any persons claiming by through or under them, are entitled to a discharge and release of all liens, charges and encumbrances held by the Petitioner including the Security Documents, from the Amy Strata Lots inclusive of all personal property related thereto.
2. The Petitioner shall be the Plaintiff in the Action;
3. The Debtors shall be the Defendants in the Action;
4. The conduct of the proceeding shall be governed by the procedures applicable to the trial of an action under the Supreme Court Civil Rules, including, if appropriate, summary disposition proceedings;

5. The Petition shall stand as the Notice of Civil Claim in the Action;
6. The Defendants in the Action shall have 21 days from the date of this order within which to file a Response to Civil Claim;
7. The Plaintiff in the Action shall have 21 days from the date of service of the Response to Civil Claim within which to file a Reply thereto.

Attached as **Exhibit "E"** is a copy of the entered Consent Order.

20. In accordance with the Consent Order, the Defendants filed and served their Response to Civil Claim, an entered copy of which is attached hereto as **Exhibit "F"**.
21. In addition to other issues which may be identified by Ms Washington once I speak with her, the within application may have serious consequences for Amy Strata Lots issue.
22. In particular, and without limiting the generality of the foregoing, if QEP is adjudged bankrupt, the Trustee/Receiver and PLW, and potentially other creditors, may attempt to utilize the bankruptcy to remove QEP's and Ms Washington's opportunity to challenge the validity of the PLW security over the Amy Strata Lots.
23. This may have a dramatic impact not only on QEP, but also on Ms Washington, who made the agreement on behalf of QEP with the Chinese buyers of the Amy Strata Lots to convey those strata lots to them. Ms Washington deposed in her affidavit (Exhibit "D") that she had been threatened by the two buyers, who had taken up residence in these strata lots, in the event she were unable to clear title and transfer the legal interests to them.
24. I swear this affidavit in support of QEP's application to adjourn generally PLW's application for a bankruptcy order.

AFFIRMED BEFORE ME at Vancouver,)
 British Columbia, on December 14, 2023.)
)
)
)
)
)
)
)



 A commissioner for taking affidavits for
 British Columbia.

Devin P. Lucas
 Barrister & Solicitor
 Kornfeld LLP
 1100 - 505 Burrard Street
 Vancouver, B.C. V7X 1M5
 Telephone: (604) 331-8306



E. Neil Kornfeld

Redacted

From: Kibben Jackson <kjackson@fasken.com>
Sent: December 11, 2023 4:05 PM
To: Neil Kornfeld <nkornfeld@kornfeldllp.com>; Dan Parlow <dparlow@kornfeldllp.com>
Cc: Mishaal Gill <mgill@fasken.com>
Subject: Washington Group - PLW

EXTERNAL EMAIL

Hi gents. I hope you're both doing well.

I wanted to connect with you regarding the upcoming applications, including the one served in the receivership proceedings on Friday (to add two Respondents) and the application for the bankruptcy order against Washington Properties (QEP) Inc., which I previously discussed with Neil.

As you know, the hearing of the applications, along with applications by the Receiver, are scheduled to be heard on December 18, 2023 at 9:00 a.m.

I have been operating on the assumption that none of the relief sought would be opposed, but I did want to make sure that was the case. Can you please confirm that my assumption is correct?

Thanks,

Kibben Jackson*
 Partner

T +1 604 631 4786 | kjackson@fasken.com

Fasken Martineau DuMoulin LLP

*This is Exhibit "A" referred to in the
 affidavit of N. KORNFELD
 sworn before me at VANCOUVER
 in the Province of British Columbia
 this 14th day of DEC. A.D. 2023
[Signature]
 A Commissioner for taking Affidavits
 within British Columbia*

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Dan Parlow

From: Schultz, Jordan <jordan.schultz@dentons.com>
Sent: April 25, 2023 3:56 PM
To: Dan Parlow; Kibben Jackson; Mishaal Gill
Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

EXTERNAL EMAIL

All,

Further to Dan's email below, I confirm the below and we are good with the form of order.


Thanks,
 Jordan

Jordan Schultz
 Partner

My pronouns are: He/Him/His

☒ +1 604 691 6452 | ☒ +1 778 238 8339

Vancouver

*This is Exhibit "B" referred to in the
 affidavit of N. Kornfeld
 sworn before me at Vancouver
 in the Province of British Columbia
 this 14th day of Dec. A.D. 2023*

 A Commissioner for taking Affidavits
 within British Columbia

To update your commercial electronic message preferences email dentonsinsightsca@dentons.com or visit our website. Please see dentons.com for Legal Notices.

From: Dan Parlow <dparlow@kornfeldllp.com>
Sent: Tuesday, April 25, 2023 3:36 PM
To: Kibben Jackson <kjackson@fasken.com>; Mishaal Gill <mgill@fasken.com>
Cc: Schultz, Jordan <jordan.schultz@dentons.com>
Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

[WARNING: EXTERNAL SENDER]

I'd prefer to use this endorsed version please. If there is an issue with that, we could bump it to Friday when I can attend.

If there is any issue, Mishaal please don't hesitate to call me on my mobile below.

Dan Parlow*
 Kornfeld LLP
 *Law Corporation
 d:604.331.8322 | c:778.389.0050 | f:604.683.0570

From: Kibben Jackson <kjackson@fasken.com>
Sent: Tuesday, April 25, 2023 3:34 PM
To: Dan Parlow <dparlow@kornfeldllp.com>; Mishaal Gill <mgill@fasken.com>
Cc: jordan.schultz@dentons.com

Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

EXTERNAL EMAIL

My thinking is that since you won't be there and since Mishaal will be and will be speaking to it, you don't need to endorse(?).

Kibben Jackson*

PARTNER

T. +1 604 631 4786 | F. +1 604 632 4786

*Law Corporation

From: Dan Parlow <dparlow@kornfeldllp.com>

Sent: April-25-23 3:30 PM

To: Kibben Jackson <kjackson@fasken.com>; Mishaal Gill <mgill@fasken.com>

Cc: jordan.schultz@dentons.com

Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

Agreed.

I believe my consent should be on this, so have added a sig line and my signature. Please feel free to make changes to the date and judge etc on p. 1

Dan Parlow*

Kornfeld LLP

*Law Corporation

d:604.331.8322 | c:778.389.0050 | f:604.683.0570

From: Kibben Jackson <kjackson@fasken.com>

Sent: Tuesday, April 25, 2023 2:53 PM

To: Dan Parlow <dparlow@kornfeldllp.com>; Mishaal Gill <mgill@fasken.com>

Cc: jordan.schultz@dentons.com

Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

EXTERNAL EMAIL

Draft form of order attached.

Kibben Jackson*

PARTNER

T. +1 604 631 4786 | F. +1 604 632 4786

*Law Corporation

From: Kibben Jackson

Sent: April-25-23 2:34 PM

To: Dan Parlow <dparlow@kornfeldllp.com>; Mishaal Gill <mgill@fasken.com>

Cc: jordan.schultz@dentons.com

Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

Dan – I confirm that reflects our agreement.

We will send you a draft order that we intend to speak to tomorrow (part 1 below).

We should discuss as soon as possible the manner in which we think is appropriate for the resolution of the dispute (part 2).

Kibben Jackson*

PARTNER

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*Law Corporation

From: Dan Parlow <dparlow@kornfeldllp.com>

Sent: April-25-23 12:50 PM

To: Kibben Jackson <kjackson@fasken.com>; Mishaal Gill <mgill@fasken.com>

Cc: jordan.schultz@dentons.com

Subject: FW: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

Kibben and Mishaal,

Further to our discussion in court please confirm whether this accords with your understanding:

1. The Receivership Order will be varied such that the Receivership is stayed as against SLs 60 and 163 pending further order of the court.
2. We will initiate proceedings (whether within the current Petition proceeding or by separate proceeding) for the substantive determination by the court of our respective clients' rights and remedies regarding SLs 60 and 163.
3. Until such final substantive determination and any applicable appeal period, or agreement in writing, our respective clients will not apply to lift the stay as it pertains to SLs 60 and 163.

Jordan, will you also kindly confirm your telephone advice that this arrangement is acceptable to the Receiver.

Regards,

Dan Parlow*

Kornfeld LLP

*Law Corporation

d:604.331.8322 | c:778.389.0050 | f:604.683.0570

From: Mishaal Gill <mgill@fasken.com>

Sent: Tuesday, April 25, 2023 12:22 PM

To: Dan Parlow <dparlow@kornfeldllp.com>; Kibben Jackson <kjackson@fasken.com>; Ricci Cheung <richeung@fasken.com>; Rebecca Barclay Nguinambaye <rnguineambaye@fasken.com>; David Martin <dmartin@stirlingllp.com>; Neil Kornfeld <nkornfeld@kornfeldllp.com>

Cc: Edmond C. Luke <eluke@fasken.com>; Jordan Schultz <jordan.schultz@dentons.com>; Teresa Leung <tleung@kornfeldllp.com>

Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

EXTERNAL EMAIL

Hi Dan,

I have sent a requisition adjourning our hearing to tomorrow at 9:45 and will provide a filed copy once I receive it from the registry. I will prepare and deliver a draft order for your review on the terms previously discussed.

Thanks.

Mishaal Gill

Associate

T +1 604 631 4881 | mgill@fasken.com

Fasken Martineau DuMoulin LLP

From: Dan Parlow <dparlow@kornfeldllp.com>

Sent: April-25-23 9:36 AM

To: Mishaal Gill <mgill@fasken.com>; Kibben Jackson <kjackson@fasken.com>; Ricci Cheung <richeung@fasken.com>; Rebecca Barclay Nguinambaye <rnguineambaye@fasken.com>; David Martin <dmartin@stirlingllp.com>; Neil Kornfeld <nkornfeld@kornfeldllp.com>

Cc: Edmond C. Luke <eluke@fasken.com>; Jordan Schultz <jordan.schultz@dentons.com>; Teresa Leung <tleung@kornfeldllp.com>

Subject: Re: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

Chamberlain v surrey board of trustees docket A972046 and lance v once 2009 BCSC 1002 I will give you copies in court

Dan Parlow*

Kornfeld LLP

*Law Corporation

d:604.331.8322 | c:778.389.0050 | f:604.683.0570

From: Mishaal Gill <mgill@fasken.com>

Sent: Tuesday, April 25, 2023 9:16:35 AM

To: Kibben Jackson <kjackson@fasken.com>; Dan Parlow <dparlow@kornfeldllp.com>; Ricci Cheung <richeung@fasken.com>; Rebecca Barclay Nguinambaye <rnguineambaye@fasken.com>; David Martin <dmartin@stirlingllp.com>; Neil Kornfeld <nkornfeld@kornfeldllp.com>

Cc: Edmond C. Luke <eluke@fasken.com>; Jordan Schultz <jordan.schultz@dentons.com>; Teresa Leung <tleung@kornfeldllp.com>

Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

EXTERNAL EMAIL

Hi Dan,

We will be relying on the attached authority in respect of the admissibility of Ms. Hung's affidavit.

Thanks.

Mishaal Gill

Associate

T +1 604 631 4881 | mgill@fasken.com

Fasken Martineau DuMoulin LLP

From: Kibben Jackson <kjackson@fasken.com>

Sent: April-25-23 6:47 AM

To: Dan Parlow <dparlow@kornfeldllp.com>; Ricci Cheung <richeung@fasken.com>; Rebecca Barclay Nguinambaye <rnguinambaye@fasken.com>; David Martin <dmartin@stirlingllp.com>; Neil Kornfeld <nkornfeld@kornfeldllp.com>

Cc: Mishaal Gill <mgill@fasken.com>; Edmond C. Luke <eluke@fasken.com>; Jordan Schultz <jordan.schultz@dentons.com>; Teresa Leung <tleung@kornfeldllp.com>

Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

I should ask that you also provide us with copies of any authorities you intend to rely on in relation to your objections.

I will get Mishaal to send you ours.

Kibben Jackson*

Partner

T +1 604 631 4786 | kjackson@fasken.com

Fasken Martineau DuMoulin LLP

From: Kibben Jackson

Sent: April-25-23 6:40 AM

To: Dan Parlow <dparlow@kornfeldllp.com>; Ricci Cheung <richeung@fasken.com>; Rebecca Barclay Nguinambaye <rnguinambaye@fasken.com>; David Martin <dmartin@stirlingllp.com>; Neil Kornfeld <nkornfeld@kornfeldllp.com>

Cc: Mishaal Gill <mgill@fasken.com>; Edmond C. Luke <eluke@fasken.com>; Jordan Schultz <jordan.schultz@dentons.com>; Teresa Leung <tleung@kornfeldllp.com>

Subject: RE: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

Thanks for the heads-up, Dan. You will obviously have to make your pitch to the court and we can respond as necessary.

We should similarly advise that we will be objecting to the admissibility of Ms. Hung's affidavit, specifically the transcript and any parts of the body of the affidavit which refer to it.

We should discuss the time estimate. I think we need to be realistic when checking in today, particularly in light of the anticipated objections as to admissibility. What is your estimate?

Kibben Jackson*

Partner

T +1 604 631 4786 | kjackson@fasken.com

Fasken Martineau DuMoulin LLP

From: Dan Parlow <dparlow@kornfeldllp.com>

Sent: April-25-23 5:33 AM

To: Ricci Cheung <richeung@fasken.com>; Rebecca Barclay Nguinambaye <rnguinambaye@fasken.com>; David Martin <dmartin@stirlingllp.com>; Neil Kornfeld <nkornfeld@kornfeldllp.com>

Cc: Mishaal Gill <mgill@fasken.com>; Kibben Jackson <kjackson@fasken.com>; Edmond C. Luke <eluke@fasken.com>; Jordan Schultz <jordan.schultz@dentons.com>; Teresa Leung <tleung@kornfeldllp.com>

Subject: [EXT] RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

Please be advised that our clients object to the following evidence:

Aff of Peter Pu #4 – paras 4, 8, 9, 14, 17, 23, 28, 31, 34, 48, 51, 54, 59, 65 are inadmissible.

Regards,

Dan Parlow*

Kornfeld LLP

*Law Corporation

d:604.331.8322 | c:778.389.0050 | f:604.683.0570

From: Ricci Cheung <richeung@fasken.com>

Sent: April 20, 2023 1:43 PM

To: Rebecca Barclay Nguinambaye <rnguineambaye@fasken.com>; David Martin <dmartin@stirlingllp.com>; Neil Kornfeld <nkornfeld@kornfeldllp.com>

Cc: Mishaal Gill <mgill@fasken.com>; Kibben Jackson <kjackson@fasken.com>; Dan Parlow <dparlow@kornfeldllp.com>; Edmond C. Luke <eluke@fasken.com>; Jordan Schultz <jordan.schultz@dentons.com>; Teresa Leung <tleung@kornfeldllp.com>

Subject: RE: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

EXTERNAL EMAIL

Dear All,

Further to Ms. Nguinambaye's email yesterday, please see attached the filed Affidavit #1 of Anthony Tillman made April 20, 2023.

Thank you,

Ricci Cheung

Legal Assistant

T +1 604 631 4719

richeung@fasken.com | fasken.com

FASKEN

Fasken Martineau DuMoulin LLP

550 Burrard Street, Suite 2900, Vancouver, British Columbia V6C 0A3

From: Rebecca Barclay Nguinambaye <rnguineambaye@fasken.com>

Sent: April-19-23 4:21 PM

To: David Martin <dmartin@stirlingllp.com>; Neil Kornfeld <nkornfeld@kornfeldllp.com>

Cc: Ricci Cheung <richeung@fasken.com>; Mishaal Gill <mgill@fasken.com>; Kibben Jackson <kjackson@fasken.com>; Dan Parlow <dparlow@kornfeldllp.com>; Edmond C. Luke <eluke@fasken.com>; Jordan Schultz <jordan.schultz@dentons.com>; Teresa Leung <tleung@kornfeldllp.com>

Subject: PLW v 1025332 BC Ltd. et al, Vanc Registry No. H220369; application to discharge receiver or to stay receivership

Good afternoon,

Please find attached for service upon you the following material filed in the above proceedings today:

- Application Response of PLW
- Affidavit of Peter Pu
- Affidavit of Shun Li Tian
- Affidavit of David Martin
- Affidavit of Kibben Jackson
- Affidavit of Ashley Kumar
- Affidavit of Anthony Tillman (unsworn draft; filed copy to be provided tomorrow)

Thank you,

Rebecca Barclay Nguinambaye (she/her)

Associate

T +1 604 631 3245 F 1 604 631 3232

rnguinambaye@fasken.com | www.fasken.com/en/Rebecca-Nguinambaye

FASKEN

Fasken Martineau DuMoulin LLP

550 Burrard Street, Suite 2900, Vancouver, British Columbia V6C 0A3

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Jordan Schultz

Partner

My pronouns are: He/Him/His

 +1 604 691 6452 |  +1 778 238 8339

Vancouver

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NK#1.010

Amended pursuant to Supreme Court Civil Rule 6-1(1)(a)
Originally filed April 12, 2023

No. H220369
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PLW INVESTMENT LTD.

PETITIONER

AND:

1025332 B.C. LTD., 1025334 B.C. LTD., 1025336 B.C. LTD.,
CHONGYE DEVELOPMENTS LTD., WASHINGTON
PROPERTIES (POINT GREY) INC., WASHINGTON
PROPERTIES (QEP) INC., LUCKY FIVE INVESTMENTS
LTD., 1094321 B.C. LTD., PRARDA DEVELOPMENTS
CORPORATION, 1256306 B.C. LTD., 1256319 B.C. LTD.,
AMY BARSHA WASHINGTON (a.k.a. FENGYUN SHAO),
EDISON WASHINGTON (a.k.a. QIANG WANG), LINDA
WASHINGTON, 35 PARK PARKING INC. and EARLSTON
MORTGAGE CORP.

RESPONDENTS

AMENDED RESPONSE TO PETITION

Filed by: 1025332 B.C. LTD., 1025334 B.C. LTD., 1025336 B.C. LTD., CHONGYE
DEVELOPMENTS LTD., WASHINGTON PROPERTIES (POINT GREY)
INC., WASHINGTON PROPERTIES (QEP) INC., LUCKY FIVE
INVESTMENTS LTD., 1094321 B.C. LTD., PRARDA DEVELOPMENTS
CORPORATION, ~~1256306 B.C. LTD., 1256319 B.C. LTD.,~~ AMY BARSHA
WASHINGTON (a.k.a. FENGYUN SHAO), EDISON WASHINGTON (a.k.a.
QIANG WANG), LINDA WASHINGTON and 35 PARK PARKING INC.
("these Petition Respondents")

THIS IS AN AMENDED RESPONSE TO the petition filed ~~April 7, 2023~~ September 15, 2022.

PART 1: ORDERS CONSENTED TO

These Petition Respondents consent to the granting of the orders set out in the following paragraphs of Part 1 of the petition:

1. NONE

This is Exhibit "C" referred to in the
affidavit of N. Kornfeld
sworn before me at Vancouver
in the Province of British Columbia
this 14th day of Dec A.D. 20 23
[Signature]
A Commissioner for taking Affidavits
within British Columbia

PART 2: ORDERS OPPOSED

These Petition Respondents oppose the granting of the orders set out in paragraphs 1 – 34 of Part 1 of the petition.

PART 3: ORDERS ON WHICH NO POSITION IS TAKEN

These Petition Respondents take no position on the granting of the orders set out in paragraphs N/A of Part 1 of the petition.

PART 4: FACTUAL BASIS

1. These Petition Respondents do not accept the breadth of the declaratory relief sought in the Petition.
2. In particular, and without limiting the generality of the foregoing, the scope of security claimed by the Petitioner under the General Security Agreements referenced in Part 1, paragraphs 17 to 20, of the Petition exceeds the scope of the security agreed to by the parties in the 2018 Loan Agreement and the 2020 Loan Agreement as defined therein.
3. The Petitioner cannot now claim that it holds security over property not agreed by the parties to be charged pursuant to the said Loan Agreements.
4. In particular, and without limiting the generality of the foregoing, the Petitioner has specifically agreed that it holds and acquired no interest in Strata Lots 60 and 163 defined in Schedule “A” to the Petition as the “Amy Strata Lots” (“**SLs 60 and 163**”).
5. At all material times, the Petitioner was well aware, having been advised by these Respondents, that SLs 60 and 163 had been previously sold to arm’s-length buyers to pay off loans previously raised to inject equity into Cambie Street project (the “**QEP Project**”) of which they are part.
6. In and after May 2020, the Petitioner gave assurances to and covenanted with these Petition Respondents that, upon the arrangements being documented for the Petitioner to advance further funds and assume certain loan agreements with prior lenders (collectively, the “**Take-Out Loan**”), the Petitioner would formally disclaim any interest in SLs 60 and 163 and would allow these Petition Respondents to transfer SLs 60 and 163 free and clear to the arm’s-length buyers thereof.
7. Based on the Petitioner’s assurances and covenant as aforesaid, these Petition Respondents executed all requested Take-Out Loan documentation. However, the Petitioner then declined to release its purported security (the “**Purported 60/163 Security**”) so as to permit the transfer of SLs 60 and 163 to their arm’s-length buyers, stating instead that the Petitioner would defer the disclaimer until the sale of certain further lands over which the Petitioner had a security interest.

Receivership Order was obtained on false pretences

8. On October 24, 2022 these Petition Respondents provided a version of this Petition Response to the Petitioner's counsel for inclusion in the Petitioner's materials supporting its claim for appointment of a Receiver. These Petition Respondents thereupon advised that they would be objecting on stated grounds to the appointment of a Receiver.
9. The Petitioner then gave assurances to and covenanted with these Petition Respondents that, if these Petition Respondents would agree *not* to oppose the appointment of a Receiver, the Petitioner would formally disclaim their Purported 60/163 Security so as to allow these Petition Respondents to transfer SLs 60 and 163 to the arm's-length buyers thereof free and clear of all encumbrances.
10. Based on the Petitioner's assurances and covenant as aforesaid, these Petition Respondents agreed *not* to oppose the appointment of a Receiver. The Order of Justice Giaschi was made and entered on October 27, 2022 without opposition.
11. Subsequently and despite repeated requests, the Petitioner has again failed to release the Purported 60/163 Security so as to permit the transfer of SLs 60 and 163 to their arm's-length buyers, pending the sale of yet further lands over which the Petition holds security.

Petitioner's frustration of fair market value sales

12. On or about March 8, 2023, the Petitioner refused to complete the sale of Unit B505 in the QEP Project, under a contract that it had entered into as registered owner.
13. The Petitioner has, without any valid reason, refused to approve transactions with arm's-length buyers of five other strata lots within the QEP Project.
14. In addition, the Petitioner has, without any valid reason, refused to approve the sale of 835 Eyremount, West Vancouver, BC, for its fair market value.
15. The Petitioner is abusing its power to release security in an effort to frustrate valid deals and place itself in a position to cause the re-appointment of a Receiver.
16. The Petitioner's refusal to approve market value sales to arm's length buyers is a breach of contract including, without limitation, a breach of its duty of good faith and honest performance in contract.

Receiver not warranted at this time

17. Although the appointment of a Receiver may be available to secured creditors where provided for in their security documents, it is a discretionary tool having regard to all the circumstances of this case.

18. The Petitioner has put in place a number of effective mechanisms to ensure its security interests are respected and that these Respondents' properties are sold in an effective and professional manner, with full information and approval being provided to the Petitioner throughout, and its consent secured before any of the properties are sold.
19. In the case at bar, the imposition of a Receiver at this time is without a valid rationale, and is being urged by the Petitioner as a means of exerting leverage upon and/or punishing the Petitioner, without having established that there would be a genuine benefit to recovery.
20. The lifting of the current stay of Receivership will cause an enormous unnecessary expense and these Petition Respondents' equity will thereby be unnecessarily eroded.

Inequitable to allow re-appointment of Receiver

21. Under all the circumstances as set out herein, it would be inequitable for this Honourable Court to permit the Petitioner to cause the reinstatement of the Receiver following its initial stay period.
22. On these grounds set out above and given these Respondents' ongoing good faith efforts to market and the properties at fair market value, the Court should not exercise its discretion to allow a Receivership, or if the stay has been lifted, the Receiver ought to be discharged or further stayed.
23. Further, and in the alternative, the amounts claimed by the Petitioner are overstated.

PART 5: LEGAL BASIS

1. The appointment by the Court of a Receiver may be made where it is just or convenient to do so. There is competing authority whether the Court should exercise its discretion not to make such an appointment only where a mortgagor or subsequent charge holder can show compelling commercial or other reason why such an order ought not to be made; or whether the appointment must be established by the Petitioner on the facts.

United Savings Credit Union v. F & R Brokers Inc. et al, 2003 BCSC 640, at paras. 17, 19; *Korion Investments Corp. v. Vancouver Trade Mart Inc.*, [1993] B.C.J. No. 2352 (S.C.) per Huddart J.; *Textron Financial Canada Limited v. Chetwynd Motels Ltd.*, 2010 BCSC 477

2. If the established procedures for foreclosure and judicial sale are accepted as serving the ends of justice, it follows that it would be unjust to allow mortgagees to revive the contractual remedy without it being tempered by the power of the court to allow time to the mortgagor and puisne encumbrancers. The original power of sale was a harsh and summary one. It was a remedy violently at odds with the expectation, now generally held by those having an interest in property, that they cannot lose that interest without notice.

South West Marine Estates Ltd. v. Bank of B. C. (1985), 65 B.C.L.R. 328 (C.A.) per Esson J.A., cited with approval in IMOR Capital Corp. v. Bullet Enterprises Ltd., 2012 BCSC 899 at para. 17 per Burnyeat J.

3. It is the policy of the law, wherever possible, to treat similar problems in the same way and to avoid technical procedural differences in such matters. This conclusion is supported by the addition to the Law and Equity Act which requires realization on Agreements for Sale to be treated the same way as the foreclosure of a mortgage. If the exercise of a power of sale in a conventional mortgage is subject to the control of the Court's conscience by the imposition of principles analogous to foreclosure proceedings, then the same principle applies to the exercise of a power of sale in a debenture.

Royal Bank of Canada v. Camex Canada Corp. (1985), 63 B.C.L.R. 125 (S.C.), per McEachern C.J.S.C., as he then was, cited with approval in IMOR, supra, at para. 18.

4. In order that there can be commercial certainty and in order that the procedures relating to the enforcement of agreements for sale, mortgages and debentures can be dealt with in a consistent manner, the Court will be called upon in all of these enforcement proceedings to set a redemption period in accordance with the equities existing relating to the value of the property and to the debt owing under the security that is being enforced. If the position of the party enforcing the security is secured by the value of the property charged, then the usual redemption period of six months will apply. If not, a shorter redemption period will be ordered rather than the "usual" six months... The question is whether the lender has shown that its position is in jeopardy so that something less than a six-month redemption period is appropriate.

Imor, supra, at paras. 23-24.

5. No special circumstances exist that the petitioner should have an order for sale without regard to an appropriate redemption period.

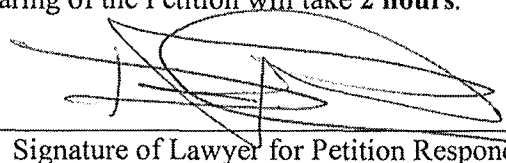
Textron Financial Canada Limited v. Chetwynd Motels Ltd., 2010 BCSC 477

PART 6: MATERIAL TO BE RELIED ON

1. Affidavit of Amy Barsha Washington sworn April 10, 2023.

These Petition Respondents estimate that the hearing of the Petition will take **2 hours**.

Originally Dated April 10, 2023
Amended April 18, 2023


Signature of Lawyer for Petition Respondent(s)
Kornfeld LLP

Daniel S. Parlow

Lawyer's address for service:

Daniel S. Parlow
Kornfeld LLP
1100 One Bentall Centre
505 Burrard Street, Box 11
Vancouver, British Columbia
Canada V7X 1M5

Fax number address for service (if any):

604-683-0570

E-mail address for service (if any):

dparlow@kornfeldllp.com

This is Exhibit "D" referred to in the
affidavit of N. Kornfeld
sworn before me at Vancouver
in the Province of British Columbia
this 14th day of Dec. A.D. 20 23

NK#1.016

Dulan
A Commissioner for taking Affidavits
within British Columbia



This is the 1st Affidavit
of AMY BARSHA WASHINGTON in this case
and was made on April 10, 2023.

No. H-220369
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PLW INVESTMENT LTD.

PETITIONER

1025332 B.C. LTD., 1026334 B.C. LTD., 1025336 B.C. LTD.,
CHONGYE DEVELOPMENTS LTD., WASHINGTON
PROPERTIES (POINT GREY) INC., WASHINGTON
PROPERTIES (QEP) INC., LUCKY FIVE INVESTMENTS LTD.,
1094321 B.C. LTD., PRARDA DEVELOPMENTS
CORPORATION, 1256306 B.C. LTD., 1256319 B.C. LTD., AMY
BARSHA WASHINGTON (a.k.a. FENGYUN SHAO), EDISON
WASHINGTON (a.k.a. QIANG WANG), LINDA
WASHINGTON, 35 PARK PARKING INC. and EARLSTON
MORTGAGE CORP.

RESPONDENTS

AFFIDAVIT

I, **Amy Barsha Washington**, also known as Fengyun Shao, of 835 Eyremount Drive, West Vancouver, B.C., make oath and say as follows:

1. I am one of the Respondents named in the Petition and am the sole director of the Respondent Washington Properties (QEP) Inc. ("QEP") and a principal of all of the other Respondent corporations and as such I have personal knowledge of the facts and matters hereinafter deposed to except where stated to be on information and belief and in such case I verily believe them to be true.

Background

2. Over the course of approximately the last 14 years, I purchased a number of properties in Vancouver and West Vancouver, British Columbia primarily for the purposes of redevelopment.

3. In particular, in or about August 2011, I acquired approximately 10 single-family contiguous lots on Cambie Street in Vancouver between 35th and 37th Avenues. The beneficial interest in those lots was ultimately transferred by me to QEP for the purposes of the development and construction of a residential project comprising three separate buildings, together having 183 number of individual dwelling units. Those buildings were subsequently stratified, creating 183 residential strata lots (the “**QEP Project**” or the “**Project**”).
4. QEP obtained construction financing of \$80,000,000 for the QEP Project from Laurentian Bank of Canada (“**Laurentian Bank**”) as the primary lender, with KingSett Capital Corporation (“**KingSett**”) providing mezzanine financing. In addition, a portion of the construction financing for the Project was supplied by utilization of deposits on pre-sale strata lot purchases which deposits were insured by Trisura Guarantee Insurance Company.
5. KingSett further provided approximately \$23,500,000 in financing for the purchase by the Respondent Prarda of 2 lots at 4361 and 4387 Cambie Street (in the vicinity of the QEP Project lands) and the refinancing of the acquisition loan for the previous purchase of 2 neighbouring lots at 4339 Cambie and 506 West 27th Avenue (these 4 lots are referred to herein as the “**Prarda Lands**”). That loan from Kingsett was cross collateralized with Kingsett’s mezzanine financing on the QEP Project and the guarantee to Laurentian of any shortfall.
6. Laurentian Bank also provided financing of \$15,000,000 in respect of the Prarda Lands which financing was secured against the Prarda Lands in priority to the KingSett security registered against those lands. The Laurentian Prarda loan was also cross-collateralized against the QEP Lands behind its mortgage to secure the QEP construction financing.
7. The KingSett security was also cross collateralized and was registered as a charge against both the Prarda Lands and the QEP Lands.
8. The original Pro Forma for the cost of the development and construction of the 35 Park West was developed in late 2015 and estimated a total project cost of \$121,870,000 with the source of funding as follows:

Cash Equity	\$ 19,870,000
Laurentian Loan	\$ 80,000,000
Mezzanine Financing	\$ 10,000,000
Insured Purchaser Deposits	\$ 12,000,000
 Total	 \$121,870,000
9. Construction on the QEP Project commenced in October 2015, at which time a related company was completing another project on 41st Avenue between Cambie and Oak, known as “**41 West**”. The 41 West construction financing was also provided by a syndicate of banks led by Laurentian Bank.
10. As construction progressed on the QEP Project, costs continued to mount and delays in construction were encountered.

11. Both QEP Project and 41 West (together, the “**Projects**”) were successful in that virtually all of the units were sold in presales, that is, to purchasers prior to the commencement of construction of either Project.
12. Despite the financing and construction difficulties, my family and I were committed to seeing the Projects through to completion with conveyances to the purchasers of their homes. This required me and my family to contribute additional equity into the Projects that was not covered by the construction financing that had been arranged. The increasing costs of these projects also caused us to have to utilize approximately \$6,000,000 in KingSett advanced funds to cover interest due to Laurentian as the QEP Project came to completion and, further, required me and my husband, the Respondent Edison Washington (also known as Qiang Wang), to seek additional funds from third party lenders and, as security for those additional loans, to grant mortgages over other development properties we owned in the Lower Mainland.

PLW financing: Mr. Tian and Mr. Pu

13. One of the third party lenders that my husband and I approached was Mr. Tian, from whom we had previously borrowed funds.
14. Mr. Tian and Peter Pu, a principal of the Petitioner PLW Investment Ltd. (“**PLW**”), are, I understand, related through marriage and it is Mr. Tian who is senior to Pu. Although a corporate search of PLW shows that only Mr. Pu is a director and shareholder of PLW, it has consistently been Mr. Tian who has provided the direction with respect to the loans from PLW to me and my related parties, both in the making of those loans and in the process for repayment.
15. In 2018, PLW provided refinancing for the Belmont Lands (as defined in the Petition issued by PLW in these proceedings) and there is currently \$24,800,000 outstanding in respect of that refinancing. That property consists of 3 large residential lots in the UBC area of Vancouver and has a current assessed value of \$58,725,000.
16. In or about 2019, I again approached Mr. Tian with regard to a loan to assist in covering equity requirements for the QEP Project which was under construction and nearing completion and for which QEP needed additional funds to complete the project. Mr. Tian agreed to, and PLW did, advance approximately \$8,000,000 to QEP, which was injected into the project.
17. As QEP continued to experience increased costs and delays in completion, KingSett became concerned as to the status of their loans and commenced foreclosure proceedings as against QEP and other cross-collateralized properties.

May 2020 Loan Meeting; SL’s 60 and 163

18. In May of 2020, I approached Mr. Tian again regarding a loan to take out the balance of the KingSett loans and the remaining Laurentian debt from the Prarda Lands. By this time, QEP had repaid the entire \$80,000,000 loaned by Laurentian for the QEP Project, plus all interest thereon, from the proceeds of sale of strata units, and there remained only

approximately \$5.8 million on Laurentian's Prarda loan, to be reduced to \$3.8 million upon closings scheduled for June 30th.

19. In May 2020, Mr. Tian, Mr. Pu, my husband Edison Washington and I met in my home at 835 Eyremount Dr. in West Vancouver, British Columbia (the "**May 2020 Loan Meeting**") to discuss our loan requirements. We discussed the value of the various priorities and the state of these Respondents' debts including a large debt due to Canada Revenue Agency for GST arrears (then around \$5,000,000) on the QEP Project which we had been unable to pay off.
20. Mr. Tian agreed in principle to provide take-out financing (the "**Take-Out Loan**") by advance of whatever was outstanding under the KingSett loans and Laurentian's outstanding Prarda loan amount, and agreed to refer the matter to PLW's lawyer to prepare a term sheet for the transaction.
21. During the May 2020 Loan Meeting, I advised Mr. Tian and Mr. Pu that to inject equity into the QEP Project, I had borrowed money in China, and that QEP had later sold two of the strata units in the QEP project, namely Strata Lots 60 and 163 ("**SLs 60 and 163**"), being unit numbers 605-4963 Cambie Street and 301 – 5077 Cambie Street, to raise the funds required to repay those borrowings. I told them that, for this reason, SLs 60 and 163 were not available as security for the Take-Out Loan.
22. In particular, during the May 2020 Loan Meeting I advised Mr. Tian and Mr. Pu that SLs 60 and 163 had been sold respectively, to arm's-length buyers, Pei Xia Zhang for \$2,100,000 and Jin Qian for \$821,649.35. I advised Messrs. Tian and Pu that although SLs 60 and 163 had been sold in China, the purchase price had been paid and the lots had not yet been transferred to the buyers, as I was waiting for either new financing to take out the remaining Laurentian and Kingsett loans or closings of sufficient other lots in the project to repay Laurentian and Kingsett to be able to transfer the two sold lots.
23. Now produced and shown to me and marked as exhibits to my affidavit are the following documents relating to the sale of SL 60 to Pei Xia Zhang:
 - (a) **Exhibit "A"** is a copy of the original handwritten purchase and sale agreement dated October 24, 2019 together with English translation. The agreement was signed by Mr. and Mrs. Sun Shoupu who are the parents-in-law of Ms Zhang;
 - (b) **Exhibit "B"** is proof of payment of the purchase price in Chinese yuan as set out in the purchase and sale agreement, being RMB12,000,000 made in a series of seven bank transfers from December 12, 2019 to January 13, 2020, together with a handwritten cover reconciliation prepared by my sister under my instruction and which I have personally reviewed and believe to be true and accurate, showing the then current RMB to CAD conversion rate for each payment. The payments were made by Ms Zhang's mother-in-law, Du Hou Rong and from her lenders, Xiao Jing and Sun Cheng Tao; and the funds were wired directly to Qing Dao Chu Peng Enterprises Ltd, being the company of Li Xin, and to Xu Xiao Hai, who were the earlier lenders to the QEP Project; at my instruction in repayment of that loan.

24. Now produced and shown to me and marked as **Exhibit "C"** is the agreement dated March 10, 2020 confirming the sale of SL163 to Jian Qian and the application of the purchase funds to a loan previously made by the purchaser's father, Ye Yin Qian, to our company Chongye Developments Ltd. for injection into the QEP Project, with English translation.
25. In the May 2020 Meeting, Mr. Tian and Mr. Pu confirmed to me and my husband that the Take-Out Loan from PLW would not encumber the two sold strata lots, SL 60 and 163, so that once Laurentian and Kingsett were repaid, they could be conveyed by QEP directly to the purchasers of those lots who had already paid for them.

Take-Out Loan Documentation

26. After arrangements agreed to in principle with Mr. Pu and Mr. Tian, term sheets for the Take-Out Loan were prepared by PLW's solicitors. At the time of the May 2020 Take-Out Loan, there were 16 units remaining registered in my name as trustee for QEP.
27. PLW was not content to rely simply upon the previously registered Laurentian and KingSett mortgages charging the unsold QEP Project strata lots, but requested an actual transfer of those units to a single-purpose company of which Mr. Pu was the sole director. Mr. Pu referred to the large GST arrears as a reason why he wanted a transfer of the properties rather than just taking security; he said he felt this would give him better priority.
28. At the time, 13 of the strata lots were unsold; one strata lot (strata lot 59) had been sold to my sister, Lujian Shao, but had not yet been paid for and conveyed to her; and the remaining two units, being SLs 60 and 163, had been sold as described above, with the funds paid but the titles remaining unconveyed pending receipt of discharges of the Laurentian and KingSett security.
29. With the agreement of both Mr. Pu and Mr. Tian, once the Take-Out Loan had been advanced, SLs 60 and 163 were to be transferred to Peixia Zhang and Jian Qian, respectively; and strata lot 59 was to be conveyed to my sister upon payment of the purchase price for the lot.
30. The Take-Out Loan was ultimately advanced in or about August of 2020. Laurentian and KingSett were paid out and PLW took an assignment of their debt. They required that 13 of 16 remaining QEP strata lots be conveyed to the new single purpose company owned by PLW/Tian/Pu, called 1256306 B.C. Ltd.
31. To give effect to this arrangement, upon advance of the Take-Out Loan, the lender did not require a transfer of Strata lots 59, 60 and 163 to 1256306 B.C. Ltd. Instead, the three strata lots were allowed to remain in my name so that they could be dealt with as I had previously agreed with Mr. Tian.
32. Furthermore, Mr. Tian and Mr. Pu specifically excluded SL's 59, 60 and 163 from the Net Sale Proceeds Agreement dated August 17, 2020 which was part of the Take-Out Loan closing documentation, a copy of which is attached hereto as **Exhibit "D"** to this my affidavit. This document was drafted by PLW's counsel and sent to my counsel for signature.

33. Throughout the period from the granting of the Take-Out Loan to the present I, either personally or through my husband Edison Washington or my sister, Lijian Shao, repeatedly requested that Mr. Tian honour the deal that had been made regarding allowing the transfer of strata lots 60 and 163.

Mr. Tian imposes additional condition

34. Following the conclusion of that transaction, I asked Mr. Tian to allow me to transfer strata lots 60 and 163 to the buyers thereof who had paid for them and to provide discharges of the security registered against those lots.
35. Mr. Tian did not disagree, but at the last moment he sought to impose a new condition, namely, that he would allow the transfers to occur only once the Prarda Lands were sold.
36. I was disappointed that Mr. Tian was unilaterally changing our agreement, but I was confident in our ability to sell the Prarda Lands, and so I did not press the point.
37. The Prarda Lands were sold in or about August 2022 for approximately \$34,000,000 of which the net proceeds were applied on account of PLW's loan facility.

Respondents' agreement to Receivership

38. In September 2022, PLW commenced these proceedings seeking appointment of a Receiver. Since then, my husband and I have spoken many times with Mr. Tian.
39. Initially, we were preparing to oppose the Receivership on the basis, among other things, that there was over \$26,200,000 equity in the properties over which PLW held security (the "**PLW Secured Properties**") based on assessed value. These included 11 strata lots within the QEP project, along with properties on Eyremount Drive in West Vancouver, Nicola St, West 3rd Ave and two houses on Cambie Street in Vancouver; and the Belmont Properties.
40. At the time of commencement of these proceedings, the Respondents' total outstanding indebtedness to PLW, as set out in paras. 32, 36 and 37 of its Petition, was approximately \$71,800,000; whereas PLW had access to approximately \$98,000,000 in equity based on assessed value and after considering the indebtedness to other prior lenders and GST due to Canada Revenue Agency. This calculation of equity excludes the values of SL's 60 and 163 as set out below.
41. Attached hereto as **Exhibit "E"** is an email dated October 25, 2022 from Respondents' counsel, Dan Parlow, to PLW's counsel, Kibben Jackson, enclosing the signed by unfiled Response to Petition which sets out our position at that time, for inclusion in the motion materials.
42. Mr. Tian told me and my husband that the proceedings were being commenced to allow for an orderly sale of the many properties that were owned by me and my husband and our related companies and my daughter Linda, all of which were charged by PLW security.

43. During these discussions, Mr. Tian again assured me and my husband that if we would agree to the Receivership he would finally allow SLs 60 and 163 to be immediately discharged from all security so they could be transferred with clear title to their buyers, Pei Xia Zhang and Jian Qian. He also gave me certain other personal assurances.
44. On this basis, I instructed counsel not to oppose the Receivership Order and it was granted on October 27, 2022. An entered copy is attached hereto as **Exhibit "F"**.

New condition attached by Mr. Tian

45. After the Receivership Order was granted, I have had many further discussions with Mr. Tian. I again approached Mr. Tian advising that the unilateral condition he had put on the transfer of the two strata lots had now been fulfilled and I asked for a discharge of the registered security to allow me to transfer SL's 60 and 163 to their purchasers Pei Xia Zhang and Jin Qian.
46. Mr. Tian then said he would do so, but he added a new condition that he would not provide discharges to allow those transfers to occur until the Belmont Lands had been sold. Again, I protested to Mr. Tian that that was not the agreement that I had made with him. The agreement that was made with him was that he acknowledged that those two strata lots were sold, the monies had already been paid and applied to the prior loans, and he would provide discharges of all PLW security to allow those units to be transferred.
47. This was very frustrating to me as the Belmont Lands, although very valuable, are not yet sold and it is impossible to say when they will be sold. Furthermore, even if we were to await the sale of the Belmont Lands I am concerned that Mr. Tian will impose new and further conditions. It is a moving target in which he constantly agrees to allow the transfer free and clear of SLs 60 and 163, I cooperate with his requests, and he then changes his position over and over.
48. Furthermore, SLs 60 and 163 are currently occupied by the purchasers thereof, Pei Xia Zhang and Jin Qian, although they cannot obtain title to them because of the position taken by PLW. I am continually being pressured by them to provide clear title of those units to them and they have threatened to commence legal proceedings against me.
49. In the absence of the promises of Mr. Tian regarding discharge of security against strata lots 60 and 163, I would have not allowed the appointment of the Receiver without opposing that application.

PLW's frustration of fair market value sales

50. I have been working with realtors to sell the PLW Secured Properties. It has been very difficult to sell the properties in a falling market, and we have had to reduce prices to compete with other sellers in the marketplace.
51. I have kept PLW apprised at all times and they have had access to information on proposed selling prices, sales techniques and have had full access to speak directly with our realtors as desired.

52. Recently, PLW has embarked upon extreme practices to frustrate the Respondents' efforts to sell the PLW Secured Properties at fair market value.
53. On or about March 8, 2023, the Petitioner did not complete the sale of Unit B505 in the QEP Project for \$1,428,888, under a contract that the Petitioner had entered into as registered owner. I had discussed this contract with Mr. Pu after its execution and he had told me that he had approved and signed the contract. Attached hereto as **Exhibit "G"** is a copy of the signed contract as provided by our realtor, Mr. Danny Deng. The signatures were affixed by Docusign, and Mr. Pu's signature appears in para. 26 of the contract on behalf of the Seller 1256306 BC Ltd., and by a "P" wherever initials are required.
54. The reason for their refusal to complete the sale of Unit B505 was expressed to me directly by Mr. Tian of PLW. On March 6, 2023, Mr. Tian came to my house and asked me to declare bankruptcy so that the GST arrears due to Canada Revenue Agency would fall behind the Petitioner's priority claim. As noted above, I had discussed the large debt to CRA with Mr. Tian and Mr. Pu prior to the Take-Out Loan being advanced in 2020. In response to his request that I declare bankruptcy, I told Mr. Tian that I could not make such a decision on the spot and would have to review it with my professional advisors.
55. On March 7, 2023, Mr. Tian called me on the phone and we had a similar discussion. I again told him I was not prepared to agree to declare personal bankruptcy and Mr. Tian's response was that he would not close the sale of B505 the next day. He was very angry at my response and expressed this to me with very strong words on the telephone.
56. Shortly after, I was informed by our realtor Mr. Deng that the sale had not been completed and, to the best of my information and belief, this sale still has not been completed.
57. PLW has also recently refused to approve transactions with arm's-length buyers of five other strata lots within the QEP Project. I am unaware of any valid reason for the refusal of these transactions. Based on information supplied by our realtors, I verily believe the proposed purchase prices have been at fair market value.
58. For the five additional strata lots, I received offers through our realtors which were submitted to Mr. Pu of PLW. Mr. Pu's response to these offers was as set out below.

Unit	Buyer	Price and comments
A504	Wang, Ya Nan	Buyer's initial offer was at \$1,378,000. I advised Mr. Pu that I wished to counter at \$1,450,000. He refused.
A505	Yifei Li	Buyer made a second offer at \$1,388,000. I advised Mr. Pu that I wished to counter at \$1,428,000. He refused.

B504	Ma Pei Ling	Buyer's initial offer was at \$1,400,000. I advised Mr. Pu that I wished to counter at \$1,450,000. He refused.
B604	Ma Pei Ling	Buyer's initial offer was at \$1,400,000. I advised Mr. Pu that I wished to counter at \$1,600,000. He refused.
C501	ZhangQi Yang	Buyer's initial offer \$1,300,000. I advised Mr. Pu that I wished to counter at \$1,450,000. Mr. Pu approved and on March 23, 2023 he signed off on the counteroffer. On March 25, 2023 the Buyer countered at \$1,330,000. I advised Mr. Pu that I wished to counter at \$1,428,000. Mr. Pu refused.


59. When I have asked Mr. Tian and Mr. Pu why they were refusing to approve fair market value transactions, they have told me that this is because of Canada Revenue Agency's priority claim arising from outstanding GST remittances which have now risen to approximately \$7,000,000. Mr. Pu has also called me twice more in the weeks after March 7, 2023 to discuss the Petitioner's request that I declare personal bankruptcy. I have not made any commitment to them.
60. I am advised by my bookkeeper and assistant, Ms Jessie Hung, and do verily believe, that on March 29, 2023, she had a text message exchange with Mr. Pu via WeChat wherein Ms Hung asked why Mr. Pu had refused to approve all these contracts; and Mr. Pu's reply was that the GST arrears have not yet been paid off and he asked for another discussion with me on the subject. Attached hereto and marked as **Exhibit "H"** is a copy of this WeChat message exchange with English translation.
61. In his previous discussions with both me and Ms Hung, Mr. Pu has raised my possible bankruptcy as a way to overcome the priority afforded to CRA in respect of the GST arrears. I therefore believe that he and Mr. Tian are continuing to refuse to approve contracts as a way to pressure me into declaring personal bankruptcy.
62. At no point has either Mr. Tian or Mr. Pu suggested that the proposed sale prices are too low. Based on our continuing discussions, they are well aware that the transactions were recommended by our realtors. As noted above, they have full access to the realtors.
63. In addition, PLW has refused to agree to a sale at fair market value of \$8,100,000 for a property at 835 Eyremount in West Vancouver, B.C. owned by me and over which they have security. PLW initially agreed to a sale of this property for \$8,250,000 inclusive of costly staged furniture which we do not own, but they now refuse to approve the sale at \$8,100,000 without furniture.

64. Effectively, PLW is blocking a sale at \$8.1m in favour of potential sale for \$8.25m which is no longer available, and which would include expensive furniture that was supplied by a staging company and which, to complete the sale, we would have to arrange to purchase ourselves.
65. The Eyremount property has been listed for sale for some three months and this is by far the best offer received.
66. Attached hereto and marked as **Exhibit "I"** is an email exchange between my counsel and PLW's counsel regarding PLW's refusal to consent to this proposed sale. At the conclusion of the April 3rd email they say "PLW is not prepared to discharge its CPL and registered mortgages from the Property to facilitate the sale of the Property for a sale price of \$8.1M". After my counsel wrote back on April 5th imploring PLW not to allow this deal to be lost, PLW's counsel offers the excuse that the stay of the Receivership is soon ending.
67. PLW's refusal to release its security on this basis is frustrating all efforts by the Respondents to deal with their obligations.
68. My lawyers have recently sought to search PLW's corporate records available to the public pursuant to the BC Business Corporations Act. Mr. Tian responded with anger to this straightforward request. He called me to demand to know why my lawyers wanted to look at the company records and stating that he would not allow it. I replied that it was a simple request under BC law. His response was that things vis a vis the receivership in these proceedings "would not go forward cooperatively", or words to that effect, if we persisted in making this request.
69. PLW's lawyer sent emails to my lawyer, Neil Kornfeld, QC on March 21 and 23, 2023, ultimately enclosing the requested registers but making certain additional demands. A copy of the email string is now shown to me and **Exhibit "J"** to this my affidavit. In his email of March 23, PLW's counsel advised that as "the deferral of the receiver's appointment expires in early April, creating suspicion and lessening trust between the parties makes it more difficult for the Washington Group and PLW to work through the sale of the Washington Group real properties..."
70. Based on the information set out above, I believe that PLW is frustrating fair market value sales in an effort to compel me to declare personal bankruptcy, to take retribution against me, and to support the reinstatement of a Receiver which the Respondents have, through their counsel, advised they oppose.
71. I make this affidavit in support of applications for an Order to set aside or further stay the appointment of the Receiver, and ultimately, for an Order discharging all PLW security from SLs 60 and 163; such that the sale and distribution of the remaining PLW Secured Property may proceed in an orderly fashion.

Urgency

72. There is urgency for the hearing of this application in that the appointment of the Receiver, Alvarez & Marsal Canada Inc. appointed pursuant to the Order of the Honourable Mr. Justice Giaschi, has been stayed by consent of the parties with the last Order being that of Justice Riley entered February 8, 2023, having been fixed to expire April 7, 2023 "or such other date as may be specified by further order of this court".
73. There will be substantial uncertainty and delay with respect to required sales should there be a lengthy hiatus period between April 7, 2023 and the date of the Receivership is discharged or again stayed.

SWORN before me at the City of Vancouver,)
 in the Province of British Columbia, this 11)
 day of April, 2023.)



 A Commissioner for taking affidavits in the)
 Province of British Columbia)



 Amy Barsha Washington

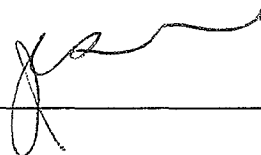
DANIEL S. PARLOW
 Barrister & Solicitor
 1100 - 505 Burrard Street
 Vancouver, B.C. V7X 1M5
 Telephone: (604) 331-8322

ENDORSEMENT OF INTERPRETER

I, Hsuehching Hung, of Vancouver, British Columbia, administrative assistant, certify that:

1. I have a knowledge of the English and Mandarin languages and I am competent to interpret from one to the other.
2. I am advised by the person affirming the affidavit and believe that the person affirming the affidavit understands the Mandarin language.
3. Before the affidavit on which this endorsement appears was made by the person affirming the affidavit, I correctly interpreted it for the person affirming the affidavit from the English language into the Mandarin language and the person affirming the affidavit appeared to fully understand the contents.
4. The English language translations contained in Exhibits "A", "C" and "H" in the within affidavit are true and accurate translations of the original Chinese language documents to which they are attached.

Dated April 10, 2023



Signature of interpreter

购房协议

2019年10月23日孙宇环夫妇与王强夫妇在青島銘家飯店就购买王强总代理在温哥华开发的房产一事达成如下协议。

孙宇环购买王强总代理在温哥华房产A座605户、价格226万加币。购买B座313户 价格82万加币。两户相加308万加币。付款时按当时的汇率计算。

This is Exhibit "A" referred to in the
affidavit of
sworn before me at
In the Province of British Columbia
this ... day of ... A.D. 2023
A Commissioner for taking Affidavits
within British Columbia

王强
邵峰立 邵峰立
孙宇环 孙宇环
杜厚荣

2019年10月24日

Property Purchase Agreement

On Oct 23, 2019 Mr and Mrs Sun Shoupu, and Mr and Mrs Wang Qiang (as known as Edison Washington and Amy Barsha Washington) met at Ming Jia Restaurant made the agreement of purchasing the properties at a development by Mr and Mrs Wang Qiang in Vancouver as the following.

Mr. Sun Shoupu is to purchase the properties Mr and Mrs Wang own in Vancouver: Building A unit 605 pricing at \$2,260,000 CAD; Building B unit 313 (unit number has been updated to 312) pricing at \$820,000 CAD. The total purchasing prices are \$3,080,000 CAD. Payment to be calculated as current exchange rate.

Printed names: Wang Qiang, Shao Fengyun, Sun Shoupu, Du Hourong
Signed and Dated on Oct 24, 2019

2019.12.12 $1,500,000 \div 5.34 = 280,899$ 元 係 ✓
 2019.12.16 $3,000,000 \div 5.36 = 559,701$ 元 係 ✓
 2019.12.18 $4,000,000 \div 5.37 = 744,879$ 元 < 200 係 200 餘 Δ
 2019.12.19 $1,000,000 \div 5.37 = 186,220$ 元 餘 Δ
 2019.12.25 $500,000 \div 5.35 = 93,458$ 元 係 ✓
 2019.12.30 $1,000,000 \div 5.38 = 185,873$ 元 餘 Δ
 2020.01.13 $1,000,000 \div 5.33 = 187,617$ (2019.12.13) 係 Δ
 合計 12,000,000 \$2,238,647 元

(金) $2,260,000 - 2,238,647 = 21,353 \times 5.33 = 113,812$

This is Exhibit " B " referred to in the
 affidavit of Amy B. W. S. H. H. H.
 sworn before me at Van. C. O. H. H.
 in the Province of British Columbia
 this 10 day of April A.D. 2023

 A Commissioner for taking Affidavits
 within British Columbia

BOD 青岛银行

回单凭证

交易日期: 2009/12/12

交易: 2007-个人转账

流水: 000015

业务类型: 个人转账

转出卡号: 620117010003629566

转出户名: 包厚荣

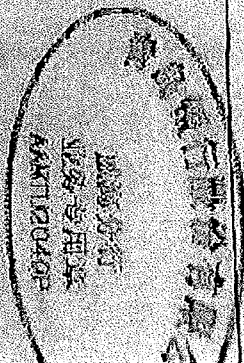
币种: 人民币

金额: 1,500.00元, 00

转入卡号: 62012520113935474

转入户名: 徐孝海

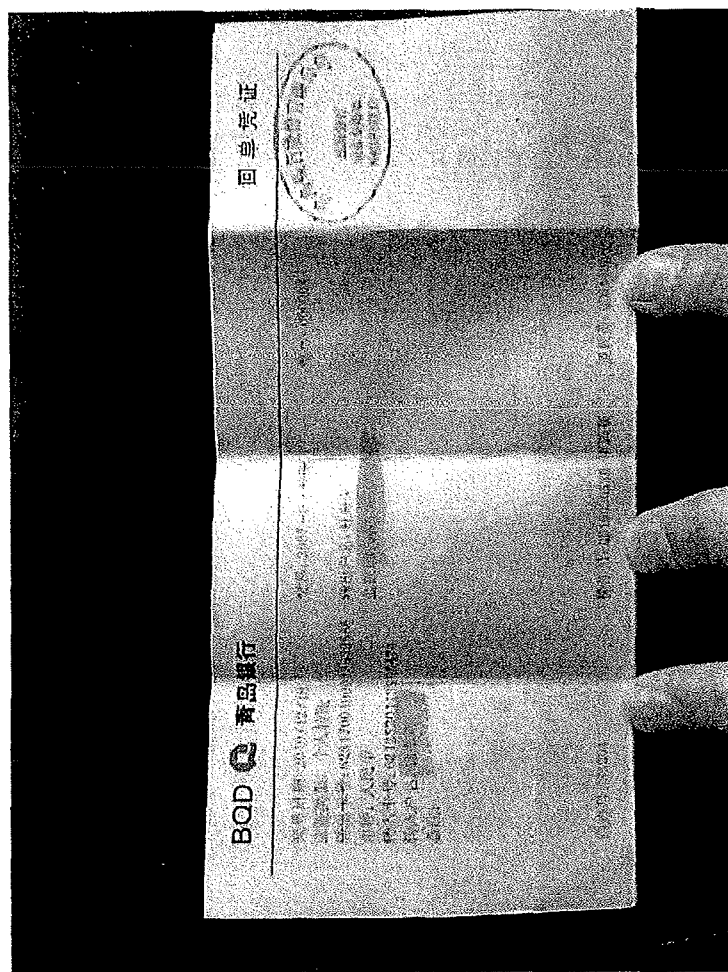
备注:



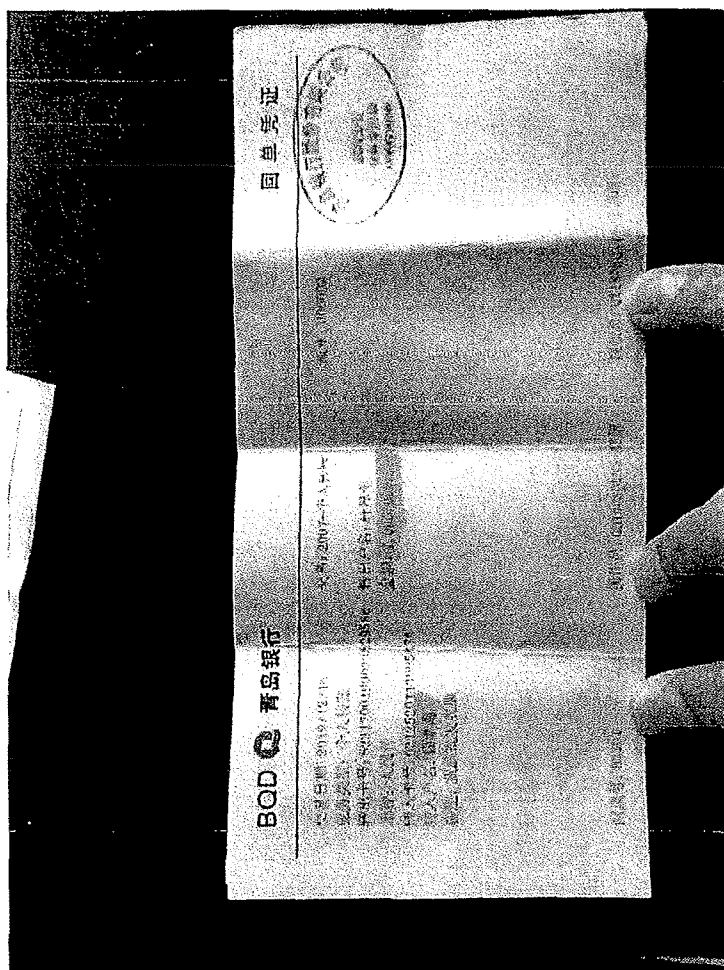
原单号: 000001

源单号: 001918971-张景文

源单号: 00089000583-曾良奎




6



BQD 青岛银行		凭证	
交易日期: 2019/12/18	交易: 2007-个人转账	凭证号: 000000	
业务类型: 个人转账	转出户名: 杜某某	金额: 1,000.00	
转出卡号: 623170019001020000	币种: 人民币	转入卡号: 623170019001020000	
转入户名: 杜某某	备注:		

青岛银行股份有限公司
业务专用章
31000000000000000000

BQD  青岛银行

回单凭证

交易日期: 2020/01/09

交易: 2005-存款

流水: 000009

业务类型: 活期-现金存入

卡号: 62123520113996474

户名: 徐李润

币种: 人民币


金额: 200,000.00

备注:

凭证号: 80209

操作员: 0018000283-韩微瑶

授权员: 0012001015-高磊

BOD 青岛银行		回单凭证	
交易日期: 2020/07/09	交易: 2020-存款	凭证号: 000025	
交易地点: 青岛-现金存入	户名: 徐孝理		
账号: 410520103905474	金额: 300,000.00		
币种: 人民币			
网点号: 452259	操作员: Q019000211-黄敏洁	柜员号: Q012001019-黄玉	

BQD  青岛银行

交易日期: 2019-12-19

回单验证码: 7458001996502925 电子回单号: 200930628993

付款人	账号:	6222081606001591494	收款人	账号:	802090200518543
	户名:	张小静		户名:	青岛楚梵实业有限公司
	开户行:	中国工商银行总行清算中心		开户行:	青岛银行宁夏路支行
交易金额	小写:	RMB1,000,000.00	交易类型:	汇兑转入	
	大写:	人民币壹佰万元整	商户编号:		
用途及备注:					
重要提示: 1. 此凭证为在网上银行补打, 请勿重复记账 2. 本电子交易凭证不作为收款方发货依据 3. 辨别凭证真伪, 请做凭证校验。(www.qdccb.com)					

操作员: 谢冬雪 打印次数: 第 1 次 交易流水号: 714008641 打印日期: 2019-12-31 09:13

11

BQD  青岛银行

交易日期: 2019-12-30

回单验证码: 9402784799447900 电子回单号: 200941719514

付款人	账号:	6222081606001591494	收款人	账号:	802090200518543
	户名:	张小静		户名:	青岛楚梵实业有限公司
	开户行:	中国工商银行总行清算中心		开户行:	青岛银行宁夏路支行
交易金额	小写:	RMB1,000,000.00	交易类型:	汇兑转入	
	大写:	人民币壹佰万元整	商户编号:		
用途及备注:					
<p>重要提示: 1. 此凭证为在网上银行补打, 请勿重复记账 2. 本电子交易凭证不作为收款方发货依据</p> <p>3. 辨别凭证真伪, 请做凭证校验。 (www.qdccb.com)</p>					

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12

中国移动 4G+ 100% 信号 下午3:10

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隐藏收付款卡号、手机号、e-mail

ICBC 中国工商银行

境内汇款电子回单

收款户名 青岛楚梵实业有限公司
收款卡号 8020****8543
收款银行 青岛银行
收款金额 1,000,000.00 元(人民币)
手续费 免费
合计 壹佰万元整

付款户名 张小静
付款卡号 6222****1494
付款银行 中国工商银行

回单序号 0021-6755-6021-0148
指令序号 030316069864101619434838906
交易时间 2019/12/30 15:10

附言



BQD  青岛银行

交易日期: 2020-01-19

回单验证码: 4305372151172131 电子回单号: 200957298547

付款人	账号:	6222081606000912709	收款人	账号:	802090200518543
	户名:	孙承涛		户名:	青岛楚梵实业有限公司
	开户行:	中国工商银行总行清算中心		开户行:	青岛银行宁夏路支行
交易金额	小写:	RMB1,000,000.00	交易类型:	汇兑转入	
	大写:	人民币壹佰万元整	商户编号:		
用途及备注:					
重要提示: 1. 此凭证为在网上银行补打, 请勿重复记账 2. 本电子交易凭证不作为收款方发货依据 3. 辨别凭证真伪, 请做凭证校验。(www.qdccb.com)					

操作员: 崔冬雪 打印次数: 第 1 次 交易流水号: 41001501 打印日期: 2020-01-21 10:20

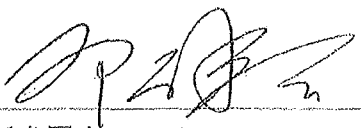
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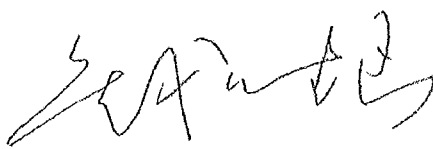
购房款支付凭据

贷方之子钱锦购置借方位于 301-5077 Cambie St, Vancouver, BC Canada 由 Washington Properties (QEP) Inc 开发之房产，价格加币\$821,649.35 + GST 加币\$41,082.47, 合计加币\$862,731.82，该房款支付从贷方钱业银借给 Chongye Developments Ltd 的款项中抵扣，即此房款已付清，特此证明。

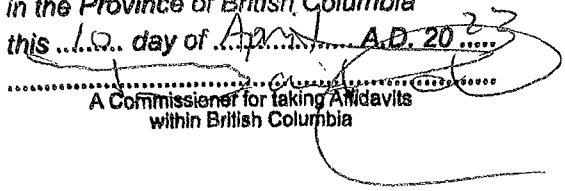
借方：Chongye Developments Ltd
法定代表人：Amy Barsha Washington

贷方：钱业银 Qian Ye Yin


项目发展商：Washington Properties (QEP) Inc
法定代表人：Amy Barsha Washington


购房者：钱锦 Jin Qian

日期：2020 年 3 月 10 日
地点：4491 Cambie St, Vancouver, BC V5Z 2Y8

This is Exhibit "C" referred to in the
affidavit of Amy B. Washington
sworn before me at Vancouver
in the Province of British Columbia
this 10 day of April A.D. 2020

A Commissioner for taking Affidavits
within British Columbia

Proof of payment of property purchase price

The Lender's son Jin QIAN purchases Borrower's development property, developed by Washington Properties (QEP) Inc, located at 301 – 5077 Cambie St., Vancouver, BC Canada, purchase price being CAD \$821,649.35 + GST CAD \$41,082.47, totalling CAD \$862,731.82, and the payment of this purchase price has been deducted from the loan amount from the Lender Ye Yin QIAN to Chongye Developments Ltd, meaning that the property purchase price has been completely paid, and this document acts as proof.

Borrower: Chongye Developments Ltd Legal Representative: Amy Barsha Washington	Lender: Ye Yin QIAN
Project Developer: Washington Properties (QEP) Inc. Legal Representative: Amy Barsha Washington	Purchaser: Jin QIAN

Date: March 10, 2020

Location: 4491 Cambie St., Vancouver, BC V5Z 2Y8

Proof of payment of property purchase price

The Lender's son Jin QIAN purchases Borrower's development property, developed by Washington Properties (QEP) Inc, located at 301 – 5077 Cambie St., Vancouver, BC Canada, purchase price being CAD \$821,649.35 + GST CAD \$41,082.47, totalling CAD \$862,731.82, and the payment of this purchase price has been deducted from the loan amount from the Lender Ye Yin QIAN to Chongye Developments Ltd, meaning that the property purchase price has been completely paid, and this document acts as proof.

Borrower: Chongye Developments Ltd Legal Representative: Amy Barsha Washington	Lender: Ye Yin QIAN
Project Developer: Washington Properties (QEP) Inc. Legal Representative: Amy Barsha Washington	Purchaser: Jin QIAN

Date: March 10, 2020

Location: 4491 Cambie St., Vancouver, BC V5Z 2Y8

NET SALES PROCEEDS AGREEMENT

THIS NET SALES PROCEEDS AGREEMENT is dated for reference August 17, 2020.

BETWEEN:

AMY BARSHA WASHINGTON
EDISON WASHINGTON
WASHINGTON PROPERTIES (QEP) INC.
PRARDA DEVELOPMENTS CORPORATION
1094321 B.C. LTD.

(collectively, the "Washington Group")

AND:

1256306 B.C. LTD.
1256319 B.C. LTD.
PLW INVESTMENT LTD.

(collectively the "PLW Group")

*This is Exhibit "D" referred to in the
affidavit of Amy B. Washington
sworn before me at Vancouver
in the Province of British Columbia
this 10 day of April A.D. 2023*
A Commissioner for taking Affidavits
within British Columbia

INTRODUCTION:

- A. Pursuant to the Loan Agreement dated for reference August ①, 2020, among PLW Investment Ltd. and the Washington Group, PLW agreed to lend the borrowers certain funds to payout and discharge financial encumbrances from the Strata Lots and the West 27th Lands in favour of Laurentian Bank of Canada ("Laurentian") and Kingsett Mortgage Corporation ("Kingsett");
- B. As security for the loan, the Washington Group, who are borrowers under the Loan Agreement, agreed to transfer the Strata Lots and the West 27th Lands to 1256306 B.C. Ltd. and 1256319 B.C. Ltd., entities designated by PLW Investment Ltd., on the condition that the net sale proceeds from the sale of the Strata Lots or the West 27th Lands would be distributed in certain percentages between the parties or, on full repayment of the loan, such of the said lands remaining unsold would be reconveyed as directed by the Washington Group; and
- C. The parties wish to enter into this Net Sales Proceeds Agreement (the "Agreement") with respect to the holding of the Strata Lots and the West 27th Lands, the sale of same and the distribution of the net sale proceeds from the sale of the Strata Lots and the West 27th Lands.

TERMS AND CONDITIONS:

**ARTICLE 1
CONSIDERATION AND DEFINED TERMS**

1.1 Valuable Consideration. Each party acknowledges and confirms they have received good and valuable consideration from the other party to enter into this Agreement. The Washington Group expressly acknowledges it received a material benefit from PLW Investment Ltd. paying out in full the indebtedness owing to Laurentian and Kingsett.

1.2 Definitions. The terms defined for the parties to this Agreement and in the Introduction are incorporated into and form part of this Agreement. In this Agreement:

"Loan Agreement" means the Loan Agreement between the Washington Group and others, as borrower, and PLW Investment Ltd., as lender, dated August, 2020;

"PLW" means PLW Investment Ltd.;

"PLW Entity Purchase Price" means, with respect to a Strata Lot, the PLW Entity Purchase Price listed in Schedule B and, with respect to the parcels that comprise with West 27th Lands, the PLW Entity Purchase Price listed in Schedule D;

"Property" means the West 27th Lands and the Strata Lots;

"Strata Lots" means the thirteen (13) strata lots with the legal descriptions and the civic addresses as defined in Schedule A of this Agreement, and **"Strata Lot"** refers to any one of the Strata Lots;

"Strata Lot RFR" means the right of first refusal to purchase the Strata Lots granted by 1256306 B.C. Ltd. and 1256319 B.C. Ltd. in favour of an entity designated by the Washington Group;

"Third Party Approved Sale Price" means, with respect to a Strata Lot, the Third Party Approved Sales Price listed in Schedule B and, with respect to the parcels that comprise with West 27th Lands, the Third Party Approved Sales Price listed in Schedule D;

"Washington QEP" means Washington Properties (QEP) Inc.;

"West 27th Lands" means the lands, and the buildings and improvements located on such lands, with the legal and civic descriptions as defined in Schedule C of this Agreement; and

“West 27th Lands RFR” means the right of first refusal to purchase the West 27th Lands granted by 1094321 B.C. Ltd., Prarda Developments Corporation and 1256319 B.C. Ltd. in favour of an entity designated by the Washington Group.

ARTICLE 2 HOLDING AND SALE OF THE PROPERTY

- 2.1 Carriage of Sale and Holding of the Property.** From August 1, 2020 to and including January 31, 2022, the Washington Group shall have conduct of the sale of the Property and shall throughout the term, except as may otherwise be agreed by the Washington Group and PLW, be entitled to list and shall list the Property for sale with one or more real estate brokerages approved by PLW in writing, acting reasonably, at sale prices being not less than the Third Party Approved Sale Price as set out in Schedules B and D, and the following shall apply:
- (a) the applicable members of the PLW Group will promptly on request of the Washington Group execute:
 - (i) all necessary listing agreements in respect of the Property including all documents ancillary thereto and any modifications or extensions thereof;
 - (ii) all offers to purchase and contracts of purchase and sale in respect of the Property which are at least in the amount of the PLW Entity Purchase Price for the particular parcel and otherwise are on reasonable terms and have a closing date not to exceed 100 days from the date the contract is signed by the PLW Group;
 - (iii) all necessary closing documents including transfers, statements of adjustments, discharges of mortgages and assignments of rents registered in favour of PLW and other documents and agreements as is normal for sales of the applicable parcels;
 - (b) the PLW Group:
 - (i) approves the Washington Group retaining Rennie & Associates Realty Ltd. to market the sale of the Strata Lots and retaining Avison Young to market the sale of the West 27th Lands;
 - (ii) 1256306 B.C. Ltd. and 1256319 B.C. Ltd. will own no assets other than their interest in the Property and the shares in Prarda Developments Corporation and 1094321 B.C. Ltd.;
 - (iii) 1256306 B.C. Ltd. and 1256319 B.C. Ltd. will not grant any mortgage or financial charge over the Property without the prior written consent of the Washington Group, such consent not to be unreasonably withheld, conditioned or delayed;

- (iv) shall generally do all things normally required of a vendor of real estate similar to the Property to complete the sales of the Property pursuant to contracts of purchase and sale generated by the Washington Group and which are in accordance with the terms of this Agreement;
 - (v) shall fully cooperate with the listing agent and the Washington Group to allow access to each of the Property for the purpose of sale of such Property;
 - (vi) shall in writing direct all listing agents in respect of the Property and all other real estate sales people, agents and brokers to take instruction from and deal with and report to the designated representatives of the Washington Group in respect of the conduct of the sale of the Property;
- (c) the Washington Group:
- (i) will be responsible for all fees, commissions, expenses and disbursements payable to the real estate brokerages marketing the Property, including all pre-closing marketing and advertisement expenses;
 - (ii) will not enter into any listing agreement for the Property with a real estate brokerage that has a term which extends beyond January 31, 2022;
 - (iii) will instruct the retained real estate brokers to report to PLW on a monthly basis or whenever requested by PLW about the interest expressed in the Property by potential purchasers, the real estate brokerages current marketing activities and strategies for the Property, and the brokerages research as to the fair market value of the Strata Lots and the West 27th Lands;
 - (iv) acknowledges it has no authority to sign any offer to purchase or contract to purchase on behalf of the PLW Group and only the PLW Group may sign offers to purchase or contracts of purchase with respect to the Strata Lots and the West 27th Lands;
 - (v) will forward to the PLW Group copies of any signed offer to purchase one of the Strata Lots or the West 27th Lands if the purchase price in the offer to purchase is more than the PLW Entity Purchase Price for such Strata Lot or the West 27th Lands;
 - (vi) for the period August 1, 2020 to July 31, 2021, irrevocably agrees to approve and consent to the sale of any Strata Lot or the West 27th Lands if the offered purchase price is more than the applicable Third

Party Approved Sale Price and the offer to purchase is otherwise on standard terms of purchase and sale;

- (vii) for the period August 1, 2021 to January 31, 2022, irrevocably agrees to approve and consent to the sale of any Strata Lot or the West 27th Lands if the offered purchase price is more than seventy-five percent (75%) of the Third Party Approved Sale Price and the offer to purchase is otherwise on standard terms of purchase and sale.

- 2.2 Cooperation.** The Washington Group and the PLW Group shall keep each other reasonably informed as to the state of the Property, all offers made on the Strata Lots and the West 27th Lands, all signed offers of purchase and sale for the Strata Lots and the West 27th Lands and will fully cooperate with one another to sell the Strata Lots and the West 27th Lands over the next eighteen (18) months and for a purchase price that is equal or greater than the applicable PLW Entity Purchase Price. Any sale of a Strata Lot or the West 27th Lands before January 31, 2022 for a purchase price less than the PLW Entity Purchase Price requires the joint approval of the Washington Group and the PLW Group, which approval is at their sole discretion.

ARTICLE 3 SALE OF THE PROPERTY

- 3.1. Obligations to Sell Property – After January 31, 2022.** If any of the Property has not been sold by January 31, 2022 or reconveyed to the Washington Group, the Washington Group irrevocably consents and approves to the PLW Group selling each remaining strata lot or parcel of the Property to an arm's length purchaser by private or public auction on the best terms offered. The Washington Group will receive written notice of the date of the auction and be permitted to participate in the auction to bid on the purchase of the Property.
- 3.2 Copy of Contract of Purchase and Sale.** The PLW Group will promptly deliver to the Washington Group a copy of any contract of purchase and sale that the PLW Group signs pursuant to Section 3.1 with respect to the sale of any of the Property. Unless waived by the Washington Group in writing, the completion date under the contract of purchase and sale will be ten (10) business days or more from the date the Washington Group receives a copy of the signed contract of purchase and sale.

ARTICLE 4 DISTRIBUTION OF STRATA LOT SALE PROCEEDS

- 4.1 Distribution of Strata Lot Sale Proceeds.** The sale proceeds from the sale of a Strata Lot will be distributed as follows:
- (a) first, to the payment of realtors fees in connection with the sale;

- (b) second, to the repayment of all carrying costs incurred by the PLW Group for the Strata Lot from August 1, 2020 to the adjustment date under the contract of purchase and sale, such costs to include, but not be limited to, property taxes, empty homes taxes, speculation and vacancy taxes, strata fees and special assessments, insurance, utilities, and reasonable cleaning and security fees;
- (c) third, to payment of normal course closing costs, including reasonable legal fees;
- (d) fourth, to PLW until the amount received by PLW equals the Third Party Approved Sales price for the Strata Lot and PLW will apply the amount received to the amount owing under the Loan Agreement; and
- (e) fifth, the balance, if any, of the sale proceeds will be paid to Washington QEP.

4.2 After PLW Loan Amount is Reduced to \$35,000,000. After the total amount owing to PLW under the Loan Agreement is \$35,000,000 or less, the distributions set out in section 4.1(d) and 4.1(e) will no longer apply and are replaced as follows:

- (a) [new 4.1(d)] fourth, to PLW until it receives an amount equal to the PLW Entity Purchase Price for the Strata Lot and PLW will apply the amount received to the amount owing under the Loan Agreement; and
- (b) [new 4.2(e)] fifth, fifty percent (50%) of the remaining balance will be paid to PLW and applied towards the amount owing under the Loan Agreement and fifty percent (50%) of the remaining balance will be paid to Washington QEP or as directed by it.

ARTICLE 5 DISTRIBUTION OF WEST 27TH LANDS SALE PROCEEDS

5.1 Distribution of West 27th Lands Sale Proceeds. The sale proceeds from the sale of a parcel that comprises the West 27th Lands will be distributed as follows:

- (a) first, to the payment of realtors fees in connection with the sale;
- (b) second, to the repayment of all carrying costs incurred by the PLW Group for the parcel that comprises the West 27th Lands from August 1, 2020 to the adjustment date under the contract of purchase and sale, such costs to include, but not be limited to, property taxes, empty homes taxes, speculation and vacancy taxes, insurance, utilities, and reasonable cleaning and security fees;
- (c) third, to payment of normal course closing costs, including reasonable legal fees; and

- (d) fourth, the balance to PLW and PLW will apply the amount received to the amount owing under the Loan Agreement.

ARTICLE 6
LOAN CREDIT AFTER JULY 31, 2022

- 6.1 Application of Sale Proceeds to 2018 Loan Agreement.** If any of the Strata Lots or West 27th Lands has not been sold in accordance with the terms of this Agreement by July 31, 2022, the parties agree that all right, title and interest of the Washington Group in such unsold lands will be fully vested legally and beneficially in the PLW Group and the Washington Group will receive a credit under the Loan Agreement equal to seventy percent (70%) of the PLW Entity Purchase Price of the unsold lands.

ARTICLE 7
PAY DOWN OF DECEMBER 2018 LOAN AGREEMENT

- 7.1 Application of Sale Proceeds to 2018 Loan Agreement.** The Washington Group covenants to designate three million and five hundred thousand dollars (\$3,500,000) paid to PLW under this Agreement to be applied to reduce the amount owing under the Loan Agreement made December 18, 2018 and secured by a mortgage registered against 4883, 4889 and 4899 Belmont Avenue, Vancouver. This payment will not be applied towards the amount owing by the Washington Group under the Loan Agreement. The Washington Group may elect when this payment is made to PLW provided the payment is made on or before January 31, 2022.

ARTICLE 8
RIGHT OF FIRST REFUSAL

- 8.1 Right of First Refusal.** As security for the Washington Group that the Strata Lots and the West 27th Lands are sold by the PLW Group in accordance with the terms of this Agreement, the PLW Group will grant the Strata Lot RFR and the West 27th Lands RFR. The Washington Group will not submit the Strata Lot RFR or the West 27th Lands RFR to the Land Title Office for registration unless the PLW Group breaches the terms of this Agreement.
- 8.2 Form of Right of First Refusal.** The parties will settle the form of the Strata Lot RFR and the West 27th Lands RFR within ninety (90) days of the reference date of this Agreement.
- 8.3 Discharge of Right of First Refusal.** In the even the Strata Lot RFR or the West 27th Lands RFR are registered at the Land Title Office, the Washington Group will deliver a signed discharge of the Strata Lot RFR or the West 27th Lands RFR, as appropriate, to PLW a minimum of ten (10) business days before the closing date of a sale of a Strata Lot or the West 27th Lands that is made in compliance with the terms of this Agreement. The Washington Group will authorize PLW to make use

of the signed right of first refusal discharge to facilitate the sale of the Strata Lot or the West 27th Lands, as applicable, and to distribute the net sale proceeds from the sale in accordance with the terms of this Agreement.

- 8.4 Expiry of the Rights of First Refusal.** The Strata Lot RFR and the West 27th Lands RFR will expire on January 31, 2022 and the Washington Group has no right to receive an extension or renewal of the Strata Lot RFR or the West 27th Lands RFR. The Washington Group will promptly deliver to PLW a signed discharge of the Strata Lot RFR and the West 27th Lands RFR for registration at the Land Title Office after the rights of first refusal expire on January 31, 2022.

ARTICLE 9 MISCELLANEOUS

- 9.1 Irrevocable Agreement.** This Agreement is irrevocable and cannot be terminated unilaterally by either party. Any termination of this Agreement requires each party's consent, which consent is at the sole discretion of the party and may be subject to terms and conditions.
- 9.2 Waiver.** No delay on the part of a party in exercising any of its options, powers, rights or remedies, or any partial or single exercise, will constitute a waiver thereof. No waiver of any of its rights and remedies under this Agreement will be deemed to be made by a party unless the waiver is in writing and signed by that party and each such waiver will apply only with respect to the specific instance involved and will not impair the rights and remedies of the party or the liabilities of the other party under this Agreement in any other respect at any other time.
- 9.3 Joint and Several.** The covenants, representations, warranties, indemnities, obligations and liabilities of each person that comprises the Washington Group and each person that comprise the PLW Group are joint and several.
- 9.4 Included Words.** Wherever the singular or the masculine are used in this Agreement, the same will be deemed to include the plural or the feminine or the body politic or corporate where the context or the parties so require.
- 9.5 Amendment.** No Amendment of this Agreement will be valid and effective unless in writing and signed by all of the parties.
- 9.6 Severance.** In case any provision in this Agreement is invalid, illegal or unenforceable, such provision will be severed from the rest of this Agreement and the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired from such severance.
- 9.7 Time of the Essence.** Time is of the essence under this Agreement and the performance of all obligations and payment of amounts due.
- 9.8 Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada

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applicable in such Province. The parties hereby irrevocably attorn and submit to the jurisdiction of the courts of the Province of British Columbia.

- 9.9 Notices.** Any notice, demand or other communication required or permitted to be given under this Agreement will be in writing and delivered by hand or by prepaid courier to the parties at the address set out below:

If to the Washington Group, then to:

**AMY BARSHA WASHINGTON
EDISON WASHINGTON**
835 Eyremount Drive
West Vancouver, BC V7S 2A8

**WASHINGTON PROPERTIES (QEP) INC.
1094321 B.C. Ltd and
PRARDA DEVELOPMENTS CORPORATION**
501 - 1195 West Broadway
Vancouver, BC V6H 3X5

If to the PLW Group, then to:

**PLW INVESTMENT LTD.
1256306 B.C. LTD.
1256319 B.C. LTD.**
c/o: Suite 1460 – 701 West Georgia Street
Vancouver, BC V7Y 1E4

Any notice will be deemed to have been effectively given and received on the day the notice is delivered if delivered before 4:00 pm on a business day at the place of receipt, otherwise it will be deemed to be given and received as of the following business day.

- 9.10 Successors and Assigns.** This Agreement will extend and enure to the benefit of the parties and their successors and assigns and will be binding on the parties and its successors. A party's successor includes any corporation resulting from an amalgamation of which the party is one of the amalgamating entities.
- 9.11 Electronic Signatures and Delivery.** This Agreement may be signed and delivered by facsimile or electronic mail and signing and delivery of this Agreement by facsimile or electronic mail will be as effective and binding on the parties as if an original of this Agreement was signed and delivered.

[Balance of Page Left Intentionally Blank]

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9.12 Counterparts. This Agreement may be signed in one or more counterparts and after all parties have signed and unconditionally delivered their signed counterpart page, will constitute one fully signed Agreement.

AS EVIDENCE OF THEIR AGREEMENT to the above terms and conditions, the parties have signed this Agreement as of the reference date.



AMY WASHINGTON, By her attorney
in fact Lujian Shao



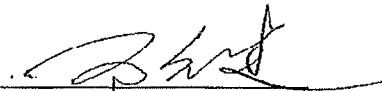
EDISON WASHINGTON, By his
attorney in fact Lujian Shao

WASHINGTON PROPERTIES (QEP)
INC.



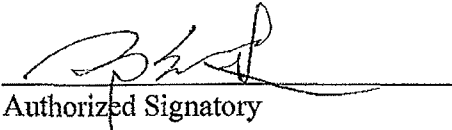
Authorized Signatory

PRARDA DEVELOPMENTS
CORPORATION



Authorized Signatory

1094321 B.C. LTD.



Authorized Signatory

PLW INVESTMENT LTD.

Authorized Signatory

1256306 B.C. LTD.

Authorized Signatory

1256319 B.C. LTD.

Authorized Signatory

SCHEDULE A
[Strata Lots]

No.	PID	Civic and Legal Description
1.	030-879-451	Strata Lot 54 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 504-54963 Cambie Street, Vancouver, BC
2.	030-879-469	Strata Lot 55 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 505-4963 Cambie Street, Vancouver, BC
3.	030-879-892	Strata Lot 98 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 306-5033 Cambie Street, Vancouver, BC
4.	030-880-033	Strata Lot 112 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 501-5033 Cambie Street, Vancouver, BC
5.	030-080-068	Strata Lot 115 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 504-5033 Cambie Street, Vancouver, BC
6.	030-880-076	Strata Lot 116 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 505-5033 Cambie Street, Vancouver, BC
7.	030-880-084	Strata Lot 117 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 601-5033 Cambie Street, Vancouver, BC

No.	PID	Civic and Legal Description
8.	030-880-114	Strata Lot 120 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 604-5033 Cambie Street, Vancouver, BC
9.	030-880-122	Strata Lot 121 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 605-5033 Cambie Street, Vancouver, BC
10.	030-880-220	Strata Lot 131 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 112-5077 Cambie Street, Vancouver, BC
11.	030-880-645	Strata Lot 173 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 502-5077 Cambie Street, Vancouver, BC
12.	030-880-696	Strata Lot 178 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950 501-5077 Cambie Street, Vancouver, BC
13.	030-880-700	Strata Lot 179 Block 839 District Lot 526 Group 1 New Strata Plan EPS4950 602-5077 Cambie Street, Vancouver, BC

SCHEDULE B
[Strata Lot PLW Entity Purchase Price and Third Party Approved Sale Price]

No.	Strata Lot	Civic	PLW Entity Purchase Price	Third Party Approved Sale Price
1.	54	504 - 4963 Cambie Street	\$1,590,000	\$2,200,000
2.	55	505 - 4963 Cambie Street	\$1,400,000	\$2,000,000
3.	98	306 – 5033 Cambie Street	\$616,000	\$670,000
4.	112	501 - 5033 Cambie Street	\$1,412,000	\$2,000,000
5.	115	504 - 5033 Cambie Street	\$1,490,000	\$2,100,000
6.	116	505 - 5033 Cambie Street	\$1,410,000	\$2,000,000
7.	117	601 - 5033 Cambie Street	\$1,440,000	\$2,150,000
8.	120	604 - 5033 Cambie Street	\$1,500,000	\$2,250,000
9.	121	605 – 5033 Cambie Street	\$1,430,000	\$2,140,000
10.	131	112 – 5077 Cambie Street	\$602,000	\$660,000
11.	178	501 – 5077 Cambie Street	\$1,415,000	\$2,000,000
12.	173	502 – 5077 Cambie Street	\$1,145,000	\$1,600,000
13.	179	602 – 5077 Cambie Street	\$1,550,000	\$2,330,000
		Total	\$17,000,000	\$24,100,000

SCHEDULE C
[West 27th Lands]

No.	PID	Civic and Legal Description
1.	007-090-536	Lot 8 Block 720 District Lot 526 Plan 6539 506 West 27 th Avenue, Vancouver, BC
2.	003-650-278	Lot 9 Block 720 District Lot 526 Plan 6539 4339 Cambie Street, Vancouver, BC
3.	010-871-438	Lot 10 Block 720 District Lot 526 Plan 6539 4361 Cambie Street, Vancouver, BC
4.	010-871-471	Lot 11 Block 720 District Lot 526 Plan 6539 4387 Cambie Street, Vancouver, BC

SCHEDULE D[West 27th Lands PLW Entity Purchase Price and Third Party Approved Sale Price]

No.	Lot	Civic	PLW Entity Purchase Price	Third Party Approved Sale Price
1.	8	506 West 27 th Avenue	\$8,250,000	\$8,750,000
2.	9	4339 Cambie Street	\$8,250,000	\$8,750,000
3.	10	4361 Cambie Street	\$8,250,000	\$8,750,000
4.	11	4386 Cambie Street	\$8,250,000	\$8,750,000
		Total	\$33,000,000	\$35,000,000

SCHEDULE E
Form of Right of First Refusal

Dan Parlow

From: Dan Parlow
Sent: October 25, 2022 1:17 PM
To: Kibben Jackson
Cc: Neil Kornfeld; Suzanne Volkow; Tracy Dundass (tdundass@kornfeldllp.com)
Subject: Response to Petition.pdf
Attachments: Response to Petition.pdf

Hi Kibben,

Here is our Response to Petition for inclusion in the application record. The affidavit of Edison Washington has not yet been finalized and we will get that to you as soon as we can.

Due to the time, Neil has not had an opportunity to review the Response to Petition; if there are any changes I will provide you with an amended version.

Regards,
Dan

Dan Parlow
Law Corporation
dparlow@kornfeldllp.com | vCard
d:604.331.8322 c:778.389.0050 f:604.683.0570
www.kornfeldllp.com
[Business Law Blog](#)

KORNFELD LLP
An International Member of Ally Law
1100 One Bentall Centre
505 Burrard Street, Box 11
Vancouver, B.C. Canada V7X 1M5
604.331.8300

This message is intended only for the addressee and may contain information which is privileged, confidential and exempt from disclosure under applicable law. Unauthorized dissemination, distribution or duplication of this transmission is strictly prohibited.

This is Exhibit " E " referred to in the
affidavit of Amy B. Washington
sworn before me at Vancouver
in the Province of British Columbia
this ... 10 ... day of ... April ... A.D. 20 23 ...
.....
A Commissioner for taking Affidavits
within British Columbia



No. H220369
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PLW INVESTMENT LTD.

This is Exhibit " F " referred to in the
affidavit of Angela B. Washington
sworn before me at Vancouver
in the Province of British Columbia
this 10 day of August A.D. 2023 PETITIONER

A Commissioner for taking Affidavits
within British Columbia

AND:

1025332 B.C. LTD., 1025334 B.C. LTD., 1025336 B.C. LTD.,
CHONGYE DEVELOPMENTS LTD., WASHINGTON
~~PROPERTIES (POINT GREY) INC., WASHINGTON~~
PROPERTIES (QEP) INC., LUCKY FIVE INVESTMENTS
LTD., 1094321 B.C. LTD., PRARDA DEVELOPMENTS
CORPORATION, 1256306 B.C. LTD., 1256319 B.C. LTD.,
AMY BARSHA WASHINGTON (a.k.a. FENGYUN SHAO),
EDISON WASHINGTON (a.k.a. QIANG WANG), LINDA
WASHINGTON, 35 PARK PARKING INC. and EARLSTON
MORTGAGE CORP.

RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE
MR. JUSTICE GIASCHI

OCTOBER 27, 2022

ON THE APPLICATION of the Petitioner 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 without security, of certain lands and other assets, undertakings and property of the Respondents, 1025332 B.C. Ltd. (“**5332**”), 1025334 B.C. Ltd. (“**5334**”), 1025336 B.C. Ltd. (“**5336**”), Chongye Developments Ltd. (“**Chongye**”), Washington Properties (Point Grey) Inc. (“**Properties (PG)**”), Washington Properties (QEP) Inc. (“**Properties (QEP)**”), Lucky Five Investments Ltd. (“**Lucky Five**”), 1094321 B.C. Ltd. (“**109**”), Prarda Developments Corporation (“**Prarda**”), 1256306 B.C. Ltd. (“**125**”), 1256319 B.C. Ltd. (“**319**”), Amy Barsha Washington (a.k.a. Fengyun Shao) (“**Amy**”), Edison Washington (a.k.a. Qiang Wang) (“**Edison**”), Linda Washington (“**Linda**”, and together with 5332, 5334,

5336, Chongye, Point Grey, QEP, Lucky Five, 109, Prarda, 306, 319, Amy, Edison and Linda the "Debtors") coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Peter Pu sworn September 14, 2022 and the consent of Alvarez & Marsal Canada Inc. to act as the Receiver; AND ON HEARING Kibben Jackson 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. (hereafter, the "Receiver") is appointed receiver and manager, without security, of those lands enumerated in Schedule "B" hereto (collectively, the "Lands") and all personal property of the Debtors located at, related to or derived from the Lands (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 to:
 - (a) take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - (b) 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;
 - (c) enter into any agreements and incur any obligations in the name and on the behalf of the Debtors, cease to carry on all or any part of the business of the Debtors, or cease to perform any contracts of the Debtors;
 - (d) 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;
 - (e) purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
 - (f) receive and collect all monies and accounts now owed or hereafter owing to any of the Debtors and to exercise all remedies of the Debtors in collecting these

amounts, including, without limitation, enforcement of any security held by the Debtors;

- (g) settle, extend or compromise any indebtedness owing to any of the Debtors;
- (h) 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 any of the Debtors, for any purpose pursuant to this Order;
- (i) undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of any of the Debtors, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;

-
- (k) 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;
 - (l) sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of a single transaction for consideration up to \$50,000 provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,

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;

- (m) 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;
- (n) 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;
- (o) register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

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- (p) 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 any of the Debtors;
- (q) enter into agreements with any trustee in bankruptcy appointed in respect of any of the Debtors, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by any of the Debtors;
- (r) exercise any shareholder, partnership, joint venture or other rights which any of the Debtors may have; and
- (s) 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 Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtors; (ii) all of the Debtors' 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 Debtors involving the Property, 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 PROPERTY

8. No Proceeding against or in respect of 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 any of 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 applicable Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the any of Debtors (in relation to the Property), 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 Debtors to carry on any business which the Debtors are 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 any of Debtors, in relation to the Property, 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 any of the Debtors or statutory or regulatory mandates for the supply of goods and/or services in relation to the Property, 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 any of Debtors 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 Debtors' 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 applicable 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 Debtors shall remain the employees of the Debtors until such time as the Receiver, on the applicable Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtors, 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 Debtors, 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:
- (a) before the Receiver's appointment; or,
 - (b) 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:
- (a) any gross negligence or wilful misconduct on its part; or
 - (b) 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 subordinate to any valid and perfected security interests in the Property which rank ahead of the Petitioner's interests therein (the "**Prior-Ranking Charges**"); and (ii) the charges, if any, created pursuant 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: (i) the Prior-Ranking Charges; (ii) the Receiver’s Charge; and (iii) the charges, if any, created pursuant to 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 “C” 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: www.alvarezandmarsal.com/washingtonproperties (the “**Website**”) and shall post there as soon as practicable:
 - (a) 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,
 - (b) 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 send a written request, which may be by way of email, to counsel for the Receiver asking that the Receiver add them to a service list to be maintained by the Receiver (the “**Service List**”). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.

30. The Receiver and the Petitioner need only provide further notice in respect of these proceedings to Persons that have properly requested that they be added to the Service List. The failure of any Person to make written request to be added to the Service List in accordance with this Order releases the Receiver and the Petitioner from any requirement to provide further notice in respect of these proceedings to such Person, unless and until such Person makes a proper written request to be added to the Service List.
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 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

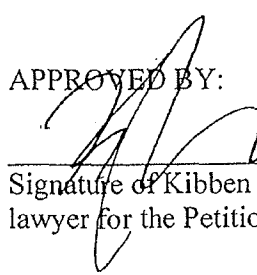
34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver 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 any of the Debtors.
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 is hereby granted judgment against Amy Barsha Washington, aka Fengun Shao, 1025332 B.C. Ltd., 1025334 B.C. Ltd., 1025336 B.C. Ltd., Chongye Developments Ltd. and Washington Properties (Point Grey) Inc., jointly and severally, in the amount of \$35,023,312.14.
40. The Petitioner is hereby granted judgment against Amy Barsha Washington, aka Fengyun Shao, 1025332 B.C. Ltd., 1025334 B.C. Ltd., 1025336 B.C. Ltd., Chongye Developments Ltd., Washington Properties (Point Grey) Inc., Washington Properties (QEP) Inc., Lucky Five Investments Ltd., 1094321 B.C. Ltd. and Prada Developments Corporation, jointly and severally, in the amount of \$38,714,573.58.
41. The Petitioner is hereby granted judgment against Edison Washington, aka Qiang Wang, in the amount of \$73,751,804.02.
42. The Petitioner is hereby granted judgment against Linda Washington in the amount of \$8,216,986.55.
43. 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 Debtors' estate with such priority and at such time as this Court may determine.
44. 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 Kibben Jackson
lawyer for the Petitioner


BY THE COURT
DISTRICT REGISTRAR



SCHEDULE "A"
LIST OF COUNSEL

Counsel/Person Appearing	Party Represented
Jackson, K.	Petitioner
No one appearing for respondents	

CS

Schedule "B"**LANDS**

- PID: 010-577-441
Lot 9 Block 19 Capilano Estates Plan 7525
- PID: 030-880-548
Strata Lot 163 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950
- PID: 030-879-515
Strata Lot 60 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950

- ~~PID: 008-116-059~~
Lot 11 Block 740 District Lot 526 Plan 6539
- PID: 010-858-296
Lot 2 Block 1 District Lot 140 Plan 6583
- PID: 010-858-300
Lot 3 Block 1 District Lot 140 Plan 6583
- PID: 010-858-288
Lot 1, except part in explanatory plan 3376 Block 1 District Lot 140 Plan 6583
- PID: 010-871-438
Lot 10 Block 720 District Lot 526 Plan 6539
- PID: 010-871-471
Lot 11 Block 720 District Lot 526 Plan 6539
- PID: 030-880-033
Strata Lot 112 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950
- PID: 030-880-084
Strata Lot 117 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950
- PID: 030-879-451
Strata Lot 54 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950
- PID: 030-880-076
Strata Lot 116 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950

- PID: 030-880-122
Strata Lot 121 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950
- PID: 030-880-645
Strata Lot 173 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950
- PID: 030-879-469
Strata Lot 55 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950
- PID: 030-880-114
Strata Lot 120 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950
- PID: 030-880-696
Strata Lot 178 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950
- PID: 030-880-068
~~Strata Lot 115 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950~~
- PID: 030-880-700
Strata Lot 179 Block 839 District Lot 526 Group 1 NWD STRATA PLAN EPS4950
- PID: 009-467-904
Lot 8 Block 700 District Lot 526 Plan 6539
- PID: 024-010-499
Strata Lot 69 of the Public Harbour of Burrard Inlet NWD Strata Plan LMS3057
- PID: 013-255-495
Lot 9 of Lot 3 Block 138 District Lot 540 Plan 2992

Schedule "C"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

\$ _____

1. THIS IS TO CERTIFY that Alvarez & Marsal Canada Inc. (the "Receiver"), the receiver and manager of certain lands and related assets of 1025332 B.C. Ltd., 1025334 B.C. Ltd., 1025336 B.C. Ltd., Chongye Developments Ltd., Washington Properties (Point Grey) Inc., Washington Properties (QEP) Inc., Lucky Five Investments Ltd., 1094321 B.C. Ltd., Prarda Developments Corporation, 1256306 B.C. Ltd., 1256319 B.C. Ltd., Amy Barsha Washington (a.k.a. Fengyun Shao), Edison Washington (a.k.a. Qiang Wang), Linda Washington (collectively, the "Debtors") as set out in the Order of the Supreme Court of British Columbia (the "Court") dated October 27, 2022 made in SCBC Action No. H-220369 (the "Order"), including all proceeds thereof (collectively, the "Property"), has received as 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.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly not in advance on the last 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.
3. 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.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [].
5. 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.
6. 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.

7. 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 _____, 2022.

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

Per:
Name:
Title:

52

06

This is Exhibit " 6 " referred to in the
 affidavit of Mr. B. Washburn
 sworn before me at Vancouver
 in the Province of British Columbia
 this 10 day of May A.D. 2023

 A Commissioner for taking Affidavits
 within British Columbia

INFORMATION ABOUT THE CONTRACT OF PURCHASE AND SALE RESIDENTIAL

THIS INFORMATION IS INCLUDED FOR THE ASSISTANCE OF THE PARTIES ONLY. IT DOES NOT FORM PART OF THE CONTRACT AND SHOULD NOT AFFECT THE PROPER INTERPRETATION OF ANY OF ITS TERMS.

1. **CONTRACT:** This document, when signed by both parties, is a legally binding contract. READ IT CAREFULLY. The parties should ensure that everything that is agreed to is in writing.

Notwithstanding the foregoing, under Section 42 of the *Property Law Act* a purchaser of "residential real property" (as defined in the *Home Buyer Rescission Period Regulation*) that is not exempt may rescind (cancel) the Contract of Purchase and Sale by serving written notice to the seller within the prescribed period after the date that the acceptance of the offer is signed. If the buyer exercises their right of rescission within the prescribed time and in the prescribed manner, this Contract of Purchase and Sale will be of no further force and effect, except for provisions relating to payment of the deposits, if any.

2. **DEPOSIT(S):** In the *Real Estate Services Act*, under Section 28 it requires that money held by a brokerage in respect of a real estate transaction for which there is an agreement between the parties for the acquisition and disposition of the real estate be held by the brokerage as a stakeholder. The money is held for the real estate transaction and not on behalf of one of the parties. If a party does not remove one or more conditions, the brokerage requires the written agreement of both parties in order to release the deposit. If both parties do not sign the authorization to release the deposit, then the parties will have to apply to court for a determination of the deposit issue.

Notwithstanding the foregoing, if the buyer exercises their rescission rights under Section 42 of the *Property Law Act* and a deposit has been paid to the seller or the seller's brokerage or anyone else, the prescribed amount that the buyer is required to pay in connection with the exercise of their rescission right will be paid to the seller from the deposit and the balance, if any, will be paid to the buyer without any further direction or agreement of the parties.

3. **COMPLETION:** (Section 4) Unless the parties are prepared to meet at the Land Title Office and exchange title documents for the purchase price, it is, in every case, advisable for the completion of the sale to take place in the following sequence:

- (a) The buyer pays the purchase price or down payment in trust to the buyer's lawyer or notary (who should advise the buyer of the exact amount required) several days before the completion date and the buyer signs the documents.
- (b) The buyer's lawyer or notary prepares the documents and forwards them for signature to the seller's lawyer or notary who returns the documents to the buyer's lawyer or notary.
- (c) The buyer's lawyer or notary then attends to the deposit of the signed title documents (and any mortgages) in the appropriate Land Title Office.
- (d) The buyer's lawyer or notary releases the sale proceeds at the buyer's lawyer's or notary's office.

Since the seller is entitled to the seller's proceeds on the completion date, and since the sequence described above takes a day or more, it is strongly recommended that the buyer deposits the money and the signed documents at least two days before the completion date, or at the request of the conveyancer, and that the seller delivers the signed transfer documents no later than the morning of the day before the completion date.

While it is possible to have a Saturday completion date using the Land Title Office's electronic filing system, parties are strongly encouraged not to schedule a Saturday completion date as it will restrict their access to fewer lawyers or notaries who operate on Saturdays; lenders will generally not fund new mortgages on Saturdays; lenders with existing mortgages may not accept payouts on Saturdays; and other offices necessary as part of the closing process may not be open.

4. **POSSESSION:** (Section 5) The buyer should make arrangements through the REALTORS® for obtaining possession. The seller will not generally let the buyer move in before the seller has received the sale proceeds. Where residential tenants are involved, buyers and sellers should consult the *Residential Tenancy Act*.
5. **TITLE:** (Section 9) It is up to the buyer to satisfy the buyer on matters of zoning or building or use restrictions, toxic or environmental hazards, encroachments on or by the property and any encumbrances which are staying on title before becoming legally bound. It is up to the seller to specify in the contract if there are any encumbrances, other than those listed in section 9, which are staying on title before becoming legally bound. If you as the buyer are taking

INFORMATION ABOUT THE CONTRACT OF PURCHASE AND SALE **RESIDENTIAL** (continued)

out a mortgage, make sure that title, zoning and building restrictions are all acceptable to your mortgage company. In certain circumstances, the mortgage company could refuse to advance funds. If you as the seller are allowing the buyer to assume your mortgage, you may still be responsible for payment of the mortgage, unless arrangements are made with your mortgage company.

6. **CUSTOMARY COSTS:** (Section 15) In particular circumstances there may be additional costs, but the following costs are applicable in most circumstances:

Costs to be Borne by the Seller

Lawyer or notary Fees and Expenses:
 - attending to execution documents
 Costs of clearing title, including:
 - investigating title,
 - discharge fees charged by encumbrance holders,
 - prepayment penalties.
 Real Estate Commission (plus GST).
 Goods and Services Tax (if applicable).

Costs to be Borne by the Buyer

Lawyer or notary Fees and Expenses:
 - searching title,
 - drafting documents.
 Land Title Registration fees.
 Survey Certificate (if required).
 Costs of Mortgage, including:
 - mortgage company's lawyer/notary,
 - appraisal (if applicable),
 - Land Title Registration fees.
 Fire Insurance Premium.
 Sales Tax (if applicable).
 Property Transfer Tax.
 Goods and Services Tax (if applicable).

In addition to the above costs there maybe financial adjustments between the seller and the buyer pursuant to section 6 and additional taxes payable by one or more of the parties in respect of the property or the transaction contemplated hereby (eg. Empty Home Tax and Speculation Tax).

7. **CLOSING MATTERS:** The closing documents referred to in Sections 11, 11A and 11B of this contract will, in most cases, be prepared by the buyer's lawyer or notary and provided to the seller's lawyer or notary for review and approval. Once settled, the lawyers/notaries will arrange for execution by the parties and delivery on or prior to the completion date. The matters addressed in the closing documents referred to in sections 11A and 11B will assist the lawyers/notaries as they finalize and attend to various closing matters arising in connection with the purchase and sale contemplated by this contract.
8. **RISK:** (Section 16) The buyer should arrange for insurance to be effective as of 12:01 am on the completion date.
9. **FORM OF CONTRACT:** This Contract of Purchase and Sale is designed primarily for the purchase and sale of freehold residences. If your transaction involves: a house or other building under construction, a lease, a business, an assignment, other special circumstances (including the acquisition of land situated on a First Nations reserve), additional provisions, not contained in this form, may be needed, and professional advice should be obtained. In some instances, a Contract of Purchase and Sale specifically related to these circumstances may be available. Please check with your REALTOR® or legal professional for more information. A Property Disclosure Statement completed by the seller may be available.
10. **REALTOR® Code, Article 11:** A REALTOR® shall not buy or sell, or attempt to buy or sell an interest in property either directly or indirectly for himself or herself, any member of his or her immediate family, or any entity in which the REALTOR® has a financial interest, without making the REALTOR®'s position known to the buyer or seller in writing. Among the obligations included in Section 53 of the Real Estate Services Rules: If a licensee acquires, directly or indirectly, or disposes of real estate, or if the licensee assists an associate in acquiring, directly or indirectly, or disposing of real estate, the licensee must make a disclosure in writing to the opposite party before entering into any agreement for the acquisition or disposition of the real estate.
11. **RESIDENCY:** When completing their residency and citizenship status, the buyer and the seller should confirm their residency and citizenship status and the tax implications thereof with their lawyer/accountant.
12. **AGENCY DISCLOSURE:** (Section 21) All designated agents with whom the seller or the buyer has an agency relationship should be listed. If additional space is required, list the additional designated agents on an addendum to the Contract of Purchase and Sale.



BCrea
British Columbia
Real Estate Association



THE CANADIAN
BAR ASSOCIATION
British Columbia Branch

CONTRACT OF PURCHASE AND SALE

BROKERAGE: LDG Realty DATE: February 21 2023
ADDRESS: #1100 - 1200 West 73rd Avenue Vancouver BC V6P6G5 PHONE: (604) 267-7066
PREPARED BY: Danny Deng PREC* MLS® NO: R2753347

BUYER: TAVAKKOLI JOU, ARASH	SELLER: 1256306 B.C. LTD
BUYER: HAFEZI, BAHAR	SELLER:
BUYER:	SELLER:
ADDRESS: 505-5033 CAMBIE ST, VANCOUVER, BC V5Z 0H6	ADDRESS: 505 5033 CAMBIE
	Vancouver BC
PC:	PC: V5Z 0H6

This may not be the Seller's address for the purpose of giving notice to exercise the Rescission Right. See address in Section 26.

PROPERTY:

505	5033	CAMBIE STREET
UNIT NO.	ADDRESS OF PROPERTY	
Vancouver	V5Z 0H6	
CITY/TOWN/MUNICIPALITY	POSTAL CODE	
030-880-076		
PID	OTHER PID(S)	

STRATA LOT 116, BLOCK 839, PLAN EPS4950, DISTRICT LOT 526, GROUP 1, NEW WESTMINSTER LAND DISTRICT, TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM 1 OR V, AS APPROPRIATE

LEGAL DESCRIPTION

~~\$1,428,888~~ [1] B.A. [OS] 2

The Buyer agrees to purchase the Property from the Seller on the following terms and subject to the following conditions:

1. **PURCHASE PRICE:** The Purchase Price of the Property will be ~~\$1,400,000.00~~ ~~\$1,500,000-~~
~~One Million Four Hundred Thousand~~ One Million Four Hundred and Twenty Eight
~~Five~~ Thousand Eight Hundred and Eighty Eight
 DOLLARS (Purchase Price)

and, if the Property is "residential real property" (as defined in the *Home Buyer Rescission Period Regulation*) that is not exempt from the Rescission Right (as defined below) and the Buyer exercises the Rescission Right the amount payable by the Buyer to the Seller will be \$ ~~3,500.00~~ ^{DS} \$3,750

\$3572.22

(Rescission Amount). The parties acknowledge and agree that if the Buyer

2. **DEPOSIT:** A deposit of \$ 70,000.00 which will form part of the Purchase Price, will be paid **within 24 hours of acceptance** unless agreed as follows:
Within one business day of final subject removal date, by way of bank draft.

All monies paid pursuant to this Section (Deposit) will be paid in accordance with Section 10 or by uncertified cheque

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BUYER'S INITIALS

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SELLER'S INITIALS

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except as otherwise set out in this Section 2 and will be delivered in trust to LDG Realty and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that:

- A. the Conveyancer is a Lawyer or Notary;
- B. such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and

The parties acknowledge and agree that if the Buyer exercises the Rescission Right within the prescribed period and in the prescribed manner and the Deposit has been paid by the Buyer, the prescribed amount that the Buyer is required to pay in connection with the exercise of the Rescission Right will be paid to the Seller from the Deposit and the balance of the Deposit, if any, will be paid to the Buyer, all without any further direction or agreement of the parties. If the Deposit is less than the prescribed amount required to be paid by the Buyer, the Buyer must promptly pay the shortfall to the Seller in accordance with the *Home Buyer Rescission Period Regulation* and this Contract of Purchase and Sale.

3. TERMS AND CONDITIONS: The purchase and sale of the Property includes the following terms and is subject to the following conditions:

Subject to the Buyers obtaining satisfactory financing on or before Feb 23, 2023. Bk AT P
This condition is for the sole benefit of the Buyers.

Mortgage may require Strata Documentation for the approval process.

Subject to the Buyers obtaining and approving:

*Title search with related documentation if required by the Buyers

*Property Disclosure Statement (Seller to Provide)

~~*An inspection report against any defects whose cumulative cost of repair exceeds \$2000, and which reasonably may adversely affect the property's use or value. Subject to be removed by Feb 23, 2023.~~ AT Bk P

This condition is for the sole benefit of the Buyers.

The Sellers will allow access to the property for the appraisal and inspection purposes on reasonable notice.

Subject to the buyer receiving and approving:

* A Form "B" Information Certificate from the strata corporation dated Feb 23, 2023, attaching the strata corporation's rules, current budget, the developer's Rental Disclosure Statement, if any, and the most recent depreciation report obtained by the strata corporation (if any).

*If relevant, a Form "B" Information Certificate from the section dated Feb 23, 2023 attaching the section's rules, current budget, the developer's Rental Disclosure Statement (if any), and the most recent depreciation report obtained by the strata corporation (if any).

* A copy of the registered strata plan, any amendments to the strata plan, and any resolutions dealing with changes to common property.

* The current bylaws and financial statements of the strata corporation, and any section to which the strata lot belongs.

* The minutes of any meetings held between the period from Feb, 2021 to Feb, 2023 by the strata council, and by the members in annual or special general meetings, and by the members or the executive of any section to which the strata lot belongs.

*The current insurance cover note explaining the strata corporation's insurance coverage and deductibles.

* Any reports, studies, reviews and completion certificates, including but not limited to depreciation reports and building envelope reports provided to the strata corporation during the period beginning Feb 2021 and ending Feb 2023.

Subject to be removed Feb 23, 2023.

This condition is for the sole benefit of the Buyers.

Feb 24

Bk AT P

Each condition, if so indicated is for the sole benefit of the party indicated. Unless each condition is waived or declared fulfilled by written notice given by the benefiting party to the other party on or before the date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

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PROPERTY ADDRESS

3. TERMS AND CONDITIONS: The purchase and sale of the Property includes the following terms and is subject to the following conditions:

Immediately upon acceptance of this offer or counter offer, the Sellers' agent will request, at the Sellers' agent expense, complete copies of the documents listed above from the strata corporation and will immediately upon receipt, and in any event no later than 72 hours prior to subject removal, deliver the documents to the Buyers or the Buyers' agent.

If a special levy is approved by the members of the strata corporation prior to completion date, the Sellers shall credit the Buyers on the statement of adjustments with the entire portion of the special levy that the Buyers are obligated to pay under the Strata Property Act. If the Sellers learn before the Completion Date about any proposal to amend the bylaws of the strata corporation, or the bylaws of a section to which the strata lot belongs, or any amendment to such bylaws, that the Sellers have not previously disclosed to the Buyer, the Sellers will promptly deliver a copy of the relevant resolution to the Buyers.

The Property Disclosure Statement dated Feb 6, 2023 is incorporated into and forms part of this contract.

The Buyers are aware that the monthly strata fees for the strata lot are \$548.34 and that the strata corporation charges an additional (monthly, yearly, etc.) fee(s) for (parking, storage, etc.) in the amount of TWO Parking stall and ONE storage locker. Buyer is responsible to review the information contained in the Form B provided by, or on behalf of, the strata corporation.

MEASUREMENTS: Notwithstanding any and all representations made. Buyer is satisfied with size and square footage of property and improvements, as viewed. Buyer has been informed, acknowledges and accepts that LDG Realty and Designated listing agent Danny Deng PREC and Jessie Song have not performed any measurements of the Subject Property. Buyer acknowledges that the information and the measurements they have received are not guaranteed to be accurate, and therefore should not be relied upon without verification by the Buyer. If buyer deems measurement of subject property to be of important, seller will allow Buyer and Buyer Representatives access to the subject property upon 48-hour written notice for this specific purpose. Buyer understands that any and all measurement representations are subject to reasonable +/- factor.

Purchase price includes any devices, key cards or keys for : strata lot, storage area and common area. (Seller will provide receipts for any deposit credits to be paid by Buyers). Master alarm code (if any) also to be provided.

The Buyers understand neither the listing nor the selling agent and their representatives warrant or guarantee information on the property received from the Strata manager or the Strata Corporation. The Buyers are urged to carefully read these documents and to confer with professional advisors of his/her choice.

The Buyer is aware the Property Transfer Tax is 1% on the first \$200,000 and 2% on the balance of the purchase price up to and including \$2,000,000 and 3% on the portion greater than \$2,000,000. If the property is residential, a further 2% on the portion of the fair market value greater than \$3,000,000 (effective February 21, 2018), and that the Buyer may be required to pay it.

The Buyer acknowledges and accepts that on Completion, the Buyer will receive title containing the non-financial charges set out in the copy of the title search results which have been received and reviewed by Buyer.

Each condition, if so indicated, is for the sole benefit of the party indicated. Unless each condition is waived or declared fulfilled by written notice given by the benefiting party to the other party on or before the date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

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BUYER'S INITIALS

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SELLER'S INITIALS

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3. **TERMS AND CONDITIONS:** The purchase and sale of the Property includes the following terms and is subject to the following conditions:

THE CITY OF VANCOUVER VACANCY TAX BY-LAW (the "Bylaw") and BC speculation tax. The Seller represents and warrants that, during the time the Seller has owned the property and the years in which the Bylaw is in full force and effect, the Property has been occupied by the registered owners or an occupier (as defined in the Bylaw) as a principal residence for at least 180 days of each calendar year; and/or by tenants or subtenants for at least 180 days of each calendar year and for terms of at least 30 consecutive days; or falls under a prescribed exemption noted in Section 3 of the Bylaw and has satisfied all the requirements under the exemption and the Seller shall provide, by the Completion Date, (i) a Statutory Declaration and (ii) Property Status Declaration Confirmation Receipt confirming the same (the "Confirmation Documents"). If the Confirmation Documents are not provided by the Completion Date, the Seller shall credit the Buyer with an amount equal to the Vacancy Tax and BC Speculation tax plus penalties and interest and the lawyer or notary public acting for the Buyer will pay that amount to the City of Vancouver.

Additional information can be requested from the Sellers or from an independent source, including the Strata Corporation or the Land Title Office.

The Buyers have been advised that a complete copy of the Strata Property Act and Strata Property Regulations can be read on-line at www.fic.gov.bc.ca. The Sellers or Sellers' agent will make available to the buyers any minutes of Strata Council meetings which are subsequently produced (to those noted above) prior to completion date.

The Buyers and Sellers have both been advised to seek independent advice from experts in any fields that are outside the scope of a Realtor's standard duty of care, including but not limited to independent legal advice.

The

Buyers and Sellers realize that the Realtors and Brokerages acting on their behalf are not home inspectors, mortgage brokers, tax accountants, lawyers, appraisers, or experts in other such fields.

The Buyers confirms the receipt of independent GST advice concerning the obligation to pay GST and will be responsible to pay any GST and apply for any GST rebate in connection with this transaction.

The Sellers warrant that upon possession that the Seller will keep all appliances in working condition, and have the home professionally cleaned and leave the home and garage spots clean and free of debris.

Tenants are the buyers, the property is "Sell as it is and where it is"

The seller is responsible for paying any amount owed to strata Corp that are part of form B.

^{DS} B.A. ^{DS} A.T.

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^{DS} T.J. ^{DS} B.A. ^{DS} P

Each condition, if so indicated, is for the sole benefit of the party indicated. Unless each condition is waived or declared fulfilled by written notice given by the benefiting party to the other party on or before the date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

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4. **COMPLETION:** The sale will be completed on March 8, yr. 2023
(Completion Date) at the appropriate Land Title Office.
5. **POSSESSION:** The Buyer will have vacant possession of the Property at _____ o'clock _____ m. on March 9, yr. 2023 (Possession Date) or, subject to the following existing tenancies, if any:
Buyer is current tenant and will be possession as it is and where it is.
Buyers take over tenants and tenancy agreement on possession date
6. **ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel utilities and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of March 9, yr. 2023 (Adjustment Date).
7. **INCLUDED ITEMS:** The Purchase Price includes any buildings, improvements, fixtures, appurtenances and attachments thereto, and all blinds, awnings, screen doors and windows, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, INCLUDING:

ClthWsh/Dryr/Frdg/Stve/DW, Compactor - Garbage, Disposal - Waste, Garage Door Opener, Heat Recov.
Vent., Microwave, Oven - Built In, Smoke Alarm, Sprinkler - Fire

BUT EXCLUDING: _____

8. **VIEWED:** The Property and all included items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on February 19, yr. 2023
9. **TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, existing tenancies set out in Section 5, if any, and except as otherwise set out herein.
10. **TENDER:** Tender or payment of monies by the Buyer to the Seller will be by certified cheque, bank draft, wire transfer or Lawyer's/Notary's or real estate brokerage's trust cheque.
11. **DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registrable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.
- 11A. **SELLER'S PARTICULARS AND RESIDENCY:** The Seller shall deliver to the Buyer on or before the Completion Date a statutory declaration of the Seller containing: (1) particulars regarding the Seller that are required to be included in the Buyer's Property Transfer Tax Return to be filed in connection with the completion of the transaction contemplated by this Contract (and the Seller hereby consents to the Buyer inserting such particulars on such return); (2) a declaration regarding the Vancouver Vacancy By-Law for residential properties located in the City of Vancouver; and (3) if the Seller is not a non-resident of Canada as described in the non-residency provisions of the *Income Tax Act*, confirmation that the Seller is not then, and on the Completion Date will not be, a non-resident of Canada. If on the Completion Date the Seller is a non-resident of Canada as described in the residency provisions of the *Income Tax Act*, the Buyer shall be entitled to hold back from the Purchase Price the amount provided for under Section 116 of the *Income Tax Act*.
- 11B. **GST CERTIFICATE:** If the transaction contemplated by this Contract is exempt from the payment of Goods and Services Tax ("GST"), the Seller shall execute and deliver to the Buyer on or before the Completion Date, an appropriate GST exemption certificate to relieve the parties of their obligations to pay, collect and remit GST in respect of the

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transaction. If the transaction contemplated by this Contract is not exempt from the payment of GST, the Seller and the Buyer shall execute and deliver to the other party on or before the Completion Date an appropriate GST certificate in respect of the transaction.

12. **TIME:** Time will be of the essence hereof, and unless the balance of the payment is paid and such formal agreements to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be non-refundable and absolutely forfeited to the Seller, subject to the provisions under the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
13. **BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").
14. **CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
15. **COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.
16. **RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer.
17. **PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
18. **REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and the representations contained in the Property Disclosure Statement if incorporated into and forming part of this Contract, all of which will survive the completion of the sale.
19. **PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the Managing Broker(s), Associate Broker(s) and representative(s) of those Brokerages (collectively the "Designated Agent(s)") described in Section 21, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates the Multiple Listing Service®, of personal information about the Buyer and the Seller:
 - A. for all purposes consistent with the transaction contemplated herein;
 - B. if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;

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- C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
 D. for the purposes (and to the recipients) described in the British Columbia Real Estate Association's Privacy Notice and Consent form.

The personal information provided by the Buyer and Seller may be stored on databases outside Canada, in which case it would be subject to the laws of the jurisdiction in which it is located.

20. **ASSIGNMENT OF REMUNERATION:** The Buyer and the Seller agree that the Seller's authorization and instruction set out in Section 26(c) below is a confirmation of the equitable assignment by the Seller, in the listing contract and is notice of the equitable assignment to anyone acting on behalf of the Buyer or Seller. B.A AT P

~~20A. **RESTRICTION ON ASSIGNMENT OF CONTRACT:** The Buyer and the Seller agree that this Contract: (a) must not be assigned without the written consent of the Seller; and (b) the Seller is entitled to any profit resulting from an assignment of the Contract by the Buyer or any subsequent assignee.~~

21. **AGENCY DISCLOSURE:** The Seller and the Buyer acknowledge and confirm as follows (initial appropriate box(es) and complete details as applicable):

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A. The Seller acknowledges having received, read and understood the BC Financial Services Authority (BCFSA) form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Seller has an agency relationship with Danny Deng PREC*/Jessie Song
 DESIGNATED AGENT(S)

who is/are licensed in relation to LDG Realty

BROKERAGE

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INITIALS

B. The Buyer acknowledges having received, read and understood the BCFS form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Buyer has an agency relationship with _____
 DESIGNATED AGENT(S)

who is/are licensed in relation to _____

BROKERAGE

INITIALS

C. The Seller and the Buyer each acknowledge having received, read and understood the BCFS form entitled "*Disclosure of Risks Associated with Dual Agency*" and hereby confirm that they each consent to a dual agency relationship with _____
 DESIGNATED AGENT(S)

who is/are licensed in relation to _____

BROKERAGE

having signed a dual agency agreement with such Designated Agent(s) dated _____

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INITIALS

D. If only (A) has been completed, the Buyer acknowledges having received, read and understood the BCFS form "*Disclosure of Risks to Unrepresented Parties*" from the Seller's agent listed in (A) and hereby confirms that the Buyer has no agency relationship.

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E. If only (B) has been completed, the Seller acknowledges having received, read and understood the BCFS form "*Disclosure of Risks to Unrepresented Parties*" from the Buyer's agent listed in (B) and hereby confirms that the Seller has no agency relationship.

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22. ACCEPTANCE IRREVOCABLE (Buyer and Seller):

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BUYER'S INITIALS



The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale, whether executed and sealed by hand or by digital or electronic signature and seal, or otherwise, is hereby executed under seal, which is evidenced by each of the Buyer and the Seller making the deliberate, intentional and conscious act of inserting their initials (whether by hand or electronically) in the appropriate space provided beside this Section 22. The parties intend that the act of inserting their initials as set out above is to have the same effect as if this Contract of Purchase and Sale had been physically sealed by wax, stamp, embossing, sticker or any other manner. It is agreed and understood that, without limiting the foregoing, the Seller's acceptance is irrevocable including without limitation during the period prior to the date specified for the Buyer to either:

- A. fulfill or waive the terms and conditions herein contained; and/or
- B. exercise any option(s) herein contained.

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SELLER'S INITIALS



23. DISCLOSURE OF BUYER'S RESCISSION RIGHT The Seller and the Buyer hereby acknowledge that, unless the Property is exempt from the Rescission Right, the Buyer is entitled pursuant to Section 42(1) of the *Property Law Act* (British Columbia) to rescind (cancel) this Contract of Purchase and Sale by serving written notice of the rescission on the Seller within the prescribed period and in the prescribed manner (the "Rescission Right") and the parties hereby acknowledge the following:

- A. the Buyer cannot waive the Rescission Right;
- B. the Rescission Right may only be exercised by the Buyer giving notice on any day within three (3) business days (being any day other than a Saturday, a Sunday or a holiday in British Columbia) after the Final Acceptance Date (defined below);
- C. if the Buyer exercises the Rescission Right, the Buyer must promptly pay to the Seller the Rescission Amount, being 0.25% of the Purchase Price, as calculated and set out in Section 1 of this Contract of Purchase and Sale.
- D. If the Buyer has paid a Deposit, the Rescission Amount will be promptly paid from the Deposit and the balance of the Deposit, if any, will be paid to the Buyer, all without any further direction or agreement of the parties. If the Deposit is less than the Rescission Amount, the Buyer will be required to pay the shortfall; and
- E. the following are exempt from the Rescission Right:
 - (i) residential real property that is located on leased lands;
 - (ii) a leasehold interest in residential real property;
 - (iii) residential real property that is sold at auction;
 - (iv) residential real property that is sold under a court order or the supervision of the court; and
 - (v) a Contract of Purchase and Sale to which Section 21 of the *Real Estate Development Marketing Act* applies.

The Buyer and the Seller each acknowledge that the foregoing constitutes disclosure made pursuant to Section 57.1 of the Real Estate Services Rules.

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SELLER'S INITIALS

24. THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.

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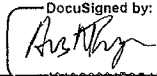
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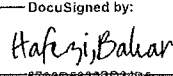
25. **OFFER:** This offer, or counter-offer, will be open for acceptance until 10 6 PM 10 o'clock 10 p.m. on February 22, yr. 2023 (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

If the Buyer is an individual, the Buyer declares that they are a Canadian citizen or a permanent resident as defined in the *Immigration and Refugee Protection Act*:

YES ☒ ☐ ☐ INITIALS

NO ☐ ☐ ☐ INITIALS

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 BUYER 1540C8004B5C4C7...

DocuSigned by:

 BUYER 6736D3622BD3485...

BUYER

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PRINT NAME

WITNESS

WITNESS

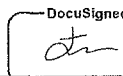
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26. **ACCEPTANCE:** The Seller (a) hereby accepts the above offer and agrees to complete the sale upon the terms and conditions set out above, (b) agrees to pay a commission as per the Listing Contract, and (c) authorizes and instructs the Buyer and anyone acting on behalf of the Buyer or Seller to pay the commission out of the proceeds of sale and forward copies of the Seller's Statement of Adjustments to the Cooperating/Listing Brokerage, as requested forthwith after Completion. Seller's acceptance is dated Feb 23, 2023, yr. _____


The Seller declares their residency:

RESIDENT OF CANADA ☒ ☐ ☐ INITIALS

NON-RESIDENT OF CANADA ☐ ☐ ☐ INITIALS as defined under the *Income Tax Act*.

DocuSigned by:

 SELLER 81E0A765DC8A435...

DocuSigned by:

 SELLER

DocuSigned by:

 SELLER

1256306 B.C. LTD

PRINT NAME

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PRINT NAME

WITNESS

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WITNESS

NOTICE FOR BUYER'S RESCISSION RIGHT: If the Buyer is entitled to exercise the Rescission Right, the Seller's mailing address, email address and/or fax number for notice of rescission is as follows:

Attention: C/O: Listing agent

Address: _____

Email: _____

Fax: _____

Any notice of rescission given by the Buyer will be deemed to have been delivered on the day it was sent if delivered in accordance with the Home Buyer Rescission Period Regulation.

The date of acceptance of this contract is _____ (the "Final Acceptance Date") and, if applicable, the date by which the Buyer must exercise the Rescission Right, is _____.

*PREC represents Personal Real Estate Corporation

Trademarks are owned or controlled by The Canadian Real Estate Association (CREA) and identify real estate professionals who are members of CREA (REALTOR®) and/or the quality of services they provide (MLS®).

BC2057 REV. JAN 2023

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This is Exhibit "H" referred to in the NK#1.091
affidavit of Amy B. Wash...
sworn before me at ... Vancouver...
in the Province of British Columbia
this ... 16 ... day of ... April ... A.D. 20... 23
A Commissioner for taking Affidavits
within British Columbia

Peter, PLW 對公寓 offer 的態度為何？上個 weekend 5 個 offer 及未來收到的 offer 你要不要簽？如果將來 receiver 賣的價格低於 Danny 收到的 offer, 差價還有延遲成交產生的利息及費用等，必須由 PLW 負責。

12"

3/28/23 2:09 PM

31" (1)

20" (1)

3/29/23 9:46 AM

Jessie, 你们之后关于 GST 的计划一直没有和我们说，是不是咱们要先讨论下，关于这个问题麻烦你让 Amy 和我们律师联

March 28, 2023

Message to Peter Pu:

What is PLW's position for the offers on the strata lots? Are you going to sign the five offers sent to you last weekend and new offers in the future?

If in the future the properties are sold by the Receiver at prices that are lower than the prices that Danny Deng has received, PLW will be responsible for the accrued interest caused by the delay of completion and related expenses.

Response to Jessie Hung:

You haven't told us your plan about how to pay the GST debt. We should discuss that first. Please let Amy call our lawyer to discuss this issue.

This is Exhibit "I" referred to in the
 affidavit of Ms. B. Washington
 sworn before me at Vancouver
 in the Province of British Columbia
 this 12 day of April, A.D. 2023
 A Commissioner for taking Affidavits
 within British Columbia

From: David Martin <dmartin@stirlingllp.com>
Sent: April 6, 2023 12:25 PM
To: Neil Kornfeld <nkornfeld@kornfeldllp.com>
Subject: RE: Sale Eyremount, West Vancouver

EXTERNAL EMAIL

Neil:

Given the receivership order is effective as of tomorrow, any sale for the Eyremount property (or any other property subject to the receivership order) will be completed by the Receiver. The Receiver will have to decide whether or not to affirm the agreement at \$8.1 million. If it does so, then the sale can complete with or without my client's cooperation – the Receiver will need an approval and vesting order in any event. As of tomorrow, your client Ms. Washington will have no authority to do anything with the Eyremount property, including removing any subjects. That would have to be done by the Receiver.

In other words, you are talking to the wrong person: you should be communicating with the Receiver regarding this offer and seeking the Receiver's confirmation that it will affirm and complete it. I understand from Kibben Jackson that the Receiver has reached out to you to request certain information, but you have not responded. It would, I think, be a good idea for you to do so.

In relation to the foregoing, I can confirm on behalf of PLW that if the agreement is for a purchase price of \$8.1 million, my client will cooperate with the Receiver to complete the sale (if that is the Receiver's decision), including by discharging its mortgage, should that be necessary.

As for the furniture in the house, if it truly does belong to a staging company, I have no doubt the Receiver will arrange for its return. If it belongs to Ms. Washington, then I understand it is subject to the receivership order and the Receiver can decide what to do with it, including sell it to the purchaser of the lands.

Lastly, please note no inference should be drawn from my intentional decision not to reply to your comments about any potential sale of unsold 35 Park West strata lots. Those can be dealt with by the Receiver as well.

Regards,

David A. Martin
 Partner & Law Corporation



direct [+1 604 674 3820](tel:+16046743820)
 mobile [+1 604 418 1302](tel:+16044181302)
 email dmartin@stirlingllp.com

Suite 1460 - 701 West Georgia Street, Vancouver, BC V7Y 1E4

This email is confidential and may contain privileged information. If you are not an intended recipient, please delete this email and notify us immediately.

From: Neil Kornfeld <nkornfeld@kornfeldllp.com>

Sent: Wednesday, April 5, 2023 4:56 PM

To: David Martin <dmartin@stirlingllp.com>

Subject: RE: Sale Eyremount, West Vancouver

Thank you for your email, but the conditions you propose below on behalf of your client are a virtual guarantee that this sale will be lost and my clients will be looking to yours for any losses suffered as a result. In particular and without limiting the foregoing, my client will strenuously oppose any continued interest accrual on your client's debt resulting from your client's refusal to allow an arm's length sale at fair market value to be completed and look to your client for the continued expense accruing under prior charges. Sadly your client's refusal to allow completions of fair market sales is consistent with its past position, having recently rejected, we're advised, 5 offers on strata lots in the Cambie Street QEP project as well as refusing to close the offer that it had previously accepted as Vendor for unit 505 in the project. The current Eyremount offer, does not include furniture and hence the price adjustment from \$8.25 Million to the current accepted offer of \$8.1 Million. I'm advised that there is no other deal on the furniture; it's simply not included and in fact will be returned to the staging company. Further, PLW's refusal to confirm acceptance of this current offer is also contrary to the representation that was made to my client that PLW would agree to discharge its security against the property if the purchase price exceeded \$8 Million. We would ask that you please discuss the matter with your client and certainly hope it will reconsider its refusal. Ms. Washington has until April 11, 2023 to remove its subject relating to delivery of title clear of financial encumbrances, but we would like to know as soon as possible that this transaction can be completed.

E. Neil Kornfeld K.C.*

Kornfeld LLP

*Law Corporation

d:604.331.8301 | f:604.683.0570

From: David Martin <dmartin@stirlingllp.com>

Sent: April 3, 2023 7:16 PM

To: Neil Kornfeld <nkornfeld@kornfeldllp.com>

Subject: Sale Eyremount, West Vancouver

EXTERNAL EMAIL

Neil:

Further to our discussion today, in regards to the sale of Eyremount, West Vancouver (the "**Property**"), PLW Investment Ltd. ("**PLW**") has advised that it would consent to the sale of the Property on the following conditions:

- the sale price is \$8.25M, which was the sale price Amy Washington and the buyer approved in a contract of purchase and sale dated March 25, 2023 (the "**Contract**") (a copy of which is attached for your reference);

Suite 1460 - 701 West Georgia Street, Vancouver, BC V7Y 1E4

This email is confidential and may contain privileged information. If you are not an intended recipient, please delete this email and notify us immediately.

From: Neil Kornfeld <nkornfeld@kornfeldllp.com>

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- the sale price is \$8.25M, which was the sale price Amy Washington and the buyer approved in a contract of purchase and sale dated March 25, 2023 (the "**Contract**") (a copy of which is attached for your reference);

- the completion date is May 25, 2023, which was the completion date under the attached Contract;
- Pacifica Mortgage Investment Corporation ("**Pacifica**") confirms in writing to PLW the amount to payout Pacifica's registered first and second mortgages and any charge on the personal property on the Property on May 25, 2023 is approximately \$4.9M;
- the commissions payable to the realtors will be paid out from the net sale proceeds, which the listing agent has asked PLW to confirm in writing;
- the transaction would be subject to normal course closing adjustments with respect to property taxes and metered utilities, if any; and
- the balance of the net sale proceeds would be paid to PLW and applied against the outstanding amount owing under the Washington Group loan.

If the above conditions are satisfied and approved by Amy Washington, PLW will confirm in writing to Malcolm Hasman, the listing agent, that:

- PLW will discharge its CPL and mortgages registered on title to the Property, subject to receiving satisfactory undertakings from the seller's lawyer that the net sale proceeds from the transaction will be paid to PLW to be applied to the outstanding amount owing under the Washington Group Loan; and
- PLW will consent to the commissions due to the realtors being paid out from the net sale proceeds from the closing of the transaction.

A new contract was recently provided to PLW for the sale of the Property at a sale price of \$8.1M (\$150K less than the attached Contract). PLW is not prepared to discharge its CPL and registered mortgages from the Property to facilitate the sale of the Property for a sale price of \$8.1M.

Please contact me if you have any questions or wish to discuss the proposed closing conditions.

Regards,

David A. Martin
Partner & Law Corporation



direct [+1 604 674 3820](tel:+16046743820)
mobile [+1 604 418 1302](tel:+16044181302)
email dmartin@stirlingllp.com

Suite 1460 - 701 West Georgia Street, Vancouver, BC V7Y 1E4

This email is confidential and may contain privileged information. If you are not an intended recipient, please delete this email and notify us immediately.

Dan Parlow

From: David Martin <dmartin@stirlingllp.com>
Sent: March 23, 2023 6:07 PM
To: Neil Kornfeld
Cc: Fay Wang
Subject: RE: PLW Investment Ltd. - Company Minute Book
Attachments: Register of Directors and Officers - PLW Investment Ltd.pdf; Central Securities Register - PLW Investment Ltd.pdf

EXTERNAL EMAIL

Neil/Fay:

I attach the Register of Directors and Central Securities Register for PLW Investment Ltd., as requested.

If you can, please advise if you are obtaining these documents on behalf of the Washington Group.

If you are requesting the documents on behalf of the Washington Group, can you please advise: (a) for what purpose the documents are required; and (b) why the Washington Group did not contact the PLW principals directly to ask for this information.

PLW has become curious as to why the Washington Group requires such information. As I understand the deferral of the receiver's appointment expires in early April, creating suspicion and lessening trust between the parties makes it more difficult for the Washington Group and PLW to work through the sale of the Washington Group real properties and address the GST lien issue.

Any information you can provide to lessen PLW's concerns as to why the Washington Group (somewhat urgently) needed this information would be appreciated.

Regards,

David A. Martin
 Partner & Law Corporation

**STIRLING LLP**

direct +1 604 674 3820
 mobile +1 604 418 1302
 email dmartin@stirlingllp.com

Suite 1460 - 701 West Georgia Street, Vancouver, BC V7Y 1E4

This is Exhibit "J" referred to in the
 affidavit of Amy B. Washington
 sworn before me at Vancouver
 in the Province of British Columbia
 this ... 12. day of ... April ... A.D. 2023

 A Commissioner for taking Affidavits
 within British Columbia

This email is confidential and may contain privileged information. If you are not an intended recipient, please delete this email and notify us immediately.

From: Neil Kornfeld <nkornfeld@kornfeldllp.com>
Sent: Thursday, March 23, 2023 10:17 AM
To: David Martin <dmartin@stirlingllp.com>
Cc: Fay Wang <fwang@kornfeldllp.com>
Subject: Re: PLW Investment Ltd. - Company Minute Book

What's urgent? But yet everything becomes so. I'm sure that it won't take you but a minute to send the registers.
Thanks.

Sent from my iPhone

On Mar 23, 2023, at 12:24 PM, David Martin <dmartin@stirlingllp.com> wrote:

EXTERNAL EMAIL

No, not yet. Is this urgent?

I believe Faskens sent them to me yesterday.

David Martin
Sent from my mobile phone
604-418-1302

----- Original message -----

From: Neil Kornfeld <nkornfeld@kornfeldllp.com>
Date: 2023-03-23 9:12 a.m. (GMT-08:00)
To: David Martin <dmartin@stirlingllp.com>
Subject: Re: PLW Investment Ltd. - Company Minute Book

Hi David. Did you send over the registers?

Sent from my iPhone

On Mar 21, 2023, at 11:32 PM, David Martin <dmartin@stirlingllp.com> wrote:

EXTERNAL EMAIL

Neil:

Faskens advises your office is requesting an appointment at Faskens' office to review the company minute book of PLW Investment Ltd.

Can you please let me know what specifically you require from the PLW Investment Ltd. company minute book and I will coordinate getting a copy of the same from Faskens.

Best,

David A. Martin
Partner & Law Corporation

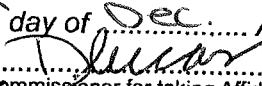
<image003.png>

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mobile +1 604 418 1302
email dmartin@stirlingllp.com

Suite 1460 - 701 West Georgia Street, Vancouver, BC V7Y 1E4

This email is confidential and may contain privileged information. If you are not an intended recipient, please delete this email and notify us immediately.



This is Exhibit "E" referred to in the
affidavit of N. Kornfeld
sworn before me at Vancouver
in the Province of British Columbia
this 14th day of Dec A.D. 20 23

A Commissioner for taking Affidavits
within British Columbia

NK#1.100

No. H220369
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PLW INVESTMENT LTD.

PETITIONER

AND:

1025332 B.C. LTD., 1025334 B.C. LTD., 1025336 B.C. LTD.,
CHONGYE DEVELOPMENTS LTD., WASHINGTON
PROPERTIES (POINT GREY) INC., WASHINGTON
PROPERTIES (QEP) INC., LUCKY FIVE INVESTMENTS
LTD., 1094321 B.C. LTD., PRARDA DEVELOPMENTS
CORPORATION, 1256306 B.C. LTD., 1256319 B.C. LTD.,
AMY BARSHA WASHINGTON (a.k.a. FENGYUN SHAO),
EDISON WASHINGTON (a.k.a. QIANG WANG), LINDA
WASHINGTON, 35 PARK PARKING INC. and EARLSTON
MORTGAGE CORP.

RESPONDENTS

CONSENT ORDER

BEFORE) ☐ ~~A JUDGE OF THE COURT~~)
) ~~OR~~)
) ☒ A MASTER OF THE COURT) SEP 26 2023
) ~~OR~~)
) ☐ ~~A REGISTRAR~~)

ON THE APPLICATION OF THE RESPONDENTS, 1025332 B.C. Ltd., 1025334 B.C. Ltd., 1025336 B.C. Ltd., Chongye Developments Ltd., Washington Properties (Point Grey) Inc., Washington Properties (QEP) Inc., Lucky Five Investments Ltd., 1094321 B.C. Ltd., Prarda Developments Corporation, Amy Barsha Washington (a.k.a. Fengyun Shao), Edison Washington (a.k.a. Qiang Wang), Linda Washington, and 35 Park Parking Inc. (collectively, the "Debtors"), without a hearing and by consent:

THIS COURT ORDERS that:

1. The following issue arising in this proceeding be converted into an action (the "Action") and referred to the trial list:
 - a. Whether any or all of the 2018 Laurentian Strata Mortgage, the 2018 KingSett Strata Mortgage, the 2019 KingSett Strata Mortgage, the 2020 Amy Mortgage and the other Security Documents (as all such terms are defined in the Petition) constitute a charge

on the interests of any of the Debtors in both or either of the strata lots located at 605-4963 Cambie Street and 301-5077 Cambie Street, Vancouver, British Columbia and legally described as:

PID: 030-880-548

Strata Lot 163 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950

PID: 030-879-515

Strata Lot 60 Block 839 District Lot 526 Group 1 New Westminster District Strata Plan EPS4950

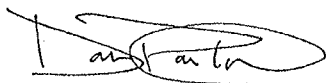
(the “Amy Strata Lots”);

- b. Whether any of the Security Documents constitute a charge on the interests of any of the Debtors in any present or after acquired goods derived from or relating to the Amy Strata Lots;
 - c. Whether the Petitioner is entitled to assert any claims in and to the Amy Strata Lots or in and to any present or after acquired goods derived from or relating to the Amy Strata Lots;
 - d. Whether the Debtors, including any persons claiming by through or under them, are entitled to a discharge and release of all liens, charges and encumbrances held by the Petitioner including the Security Documents, from the Amy Strata Lots inclusive of all personal property related thereto.
2. The Petitioner shall be the Plaintiff in the Action;
 3. The Debtors shall be the Defendants in the Action;
 4. The conduct of the proceeding shall be governed by the procedures applicable to the trial of an action under the *Supreme Court Civil Rules*, including, if appropriate, summary disposition proceedings;
 5. The Petition shall stand as the Notice of Civil Claim in the Action;
 6. The Defendants in the Action shall have 21 days from the date of this order within which to file a Response to Civil Claim;
 7. The Plaintiff in the Action shall have 21 days from the date of service of the Response to Civil Claim within which to file a Reply thereto; and

8. This Order may be executed in counterpart.

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 Lawyer for PLW Investment Ltd.,
1256306 B.C. Ltd. and 1256319 B.C. Ltd.
Fasken Martineau DuMoulin LLP
Kibben Jackson

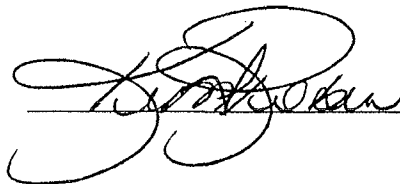


Signature of Lawyer for Respondents other than
1256306 B.C. Ltd., 1256319 B.C. Ltd. and Earlston
Mortgage Corp.
Kornfeld LLP
Dan Parlow

Signature of Lawyer for Earlston Mortgage Corp.
Dentons Canada LLP
Eamonn Watson

ENDORSEMENTS ATTACHED

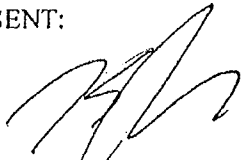
By the Court.



Registrar

8. This Order may be executed in counterpart.

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 Lawyer for PLW Investment Ltd.,
1256306 B.C. Ltd. and 1256319 B.C. Ltd.
Fasken Martineau DuMoulin LLP
Kibben Jackson

Signature of Lawyer for Respondents other than
1256306 B.C. Ltd., 1256319 B.C. Ltd. and Earlston
Mortgage Corp.
Kornfeld LLP
Dan Parlow

Signature of Lawyer for Earlston Mortgage Corp.
Dentons Canada LLP
Eamonn Watson

By the Court.

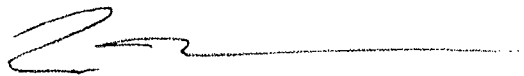
Registrar

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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 Lawyer for PLW Investment Ltd.,
1256306 B.C. Ltd. and 1256319 B.C. Ltd.
Fasken Martineau DuMoulin LLP
Kibben Jackson

Signature of Lawyer for Respondents other than
1256306 B.C. Ltd., 1256319 B.C. Ltd. and Earlston
Mortgage Corp.
Kornfeld LLP
Dan Parlow



Signature of Lawyer for Earlston Mortgage Corp.
Dentons Canada LLP
Eamonn Watson

By the Court.

Registrar



This is Exhibit " F " referred to in the
affidavit of N. Kornfeld
sworn before me at Vancouver
in the Province of British Columbia
this 14th day of Dec. A.D. 20 23

I. Delecar
A Commissioner for taking Affidavits
within British Columbia

No. H220369
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PLW INVESTMENT LTD.

PLAINTIFFS

AND:

1025332 B.C. LTD., 1025334 B.C. LTD., 1025336 B.C. LTD.,
CHONGYE DEVELOPMENTS LTD., WASHINGTON
PROPERTIES (POINT GREY) INC., WASHINGTON
PROPERTIES (QEP) INC., LUCKY FIVE INVESTMENTS
LTD., 1094321 B.C. LTD., PRARDA DEVELOPMENTS
CORPORATION, AMY BARSHA WASHINGTON (a.k.a.
FENGYUN SHAO), EDISON WASHINGTON (a.k.a. QIANG
WANG), LINDA WASHINGTON, 35 PARK PARKING INC.

DEFENDANTS

1256306 B.C. LTD., 1256319 B.C. LTD. and EARLSTON
MORTGAGE CORP.

RESPONDENTS

RESPONSE TO CIVIL CLAIM OF THE DEFENDANTS

Filed by: 1025332 B.C. Ltd., 1025334 B.C. Ltd., 1025336 B.C. Ltd., Chongye Developments Ltd., Washington Properties (Point Grey) Inc., Washington Properties (QEP) Inc., Lucky Five Investments Ltd., 1094321 B.C. Ltd., Prarda Developments Corporation, Amy Barsha Washington (a.k.a. Fengyun Shao), Edison Washington (a.k.a. Qiang Wang), Linda Washington, and 35 Park Parking Inc. (the "Defendants")

Part 1: RESPONSE TO NOTICE OF CIVIL CLAIM FACTS

Division 1 – Defendant's/s' Response to Facts

1. This Response to Civil Claim is filed pursuant to the Consent Order herein entered September 27, 2023 (the "Consent Order"), in response to the allegations relating to the "Amy Strata Lots" as defined in Schedule "A" to the Petition to the Court filed September 15, 2022 herein (the "Petition").
2. The facts alleged in paragraphs 7 and 13 of Part 2 of the Petition (standing as the Notice of Civil Claim herein) are admitted. The Defendants adopt the defined terms "Amy" and "Properties (QEP)" as set out therein.

3. The following facts alleged in Part 2 of the Petition are admitted subject to the referenced portions which are denied:
 - (a) In response to paragraphs 25-29 of Part 2 of the Petition, the Defendants admit that the borrowers and PLW entered into the loan agreements as alleged therein, and that PLW advanced funds pursuant thereto;
 - (b) In response to paragraph 30 of Part 2 of the Petition, the Defendants admit that certain indebtedness owing and security granted to Laurentian Bank (“**Laurentian**”) was assigned and transferred to PLW pursuant to an Assignment of Loan and Security Agreement, dated August 18, 2020, but the Defendants deny that the parties thereto agreed or intended that the Amy Strata Lots be included in the said assignment;
 - (c) In response to paragraph 30 of Part 2 of the Petition, the Defendants further admit that certain indebtedness owing and security granted to KingSett Mortgage Corporation (“**KingSett**”) was assigned and transferred to PLW pursuant to an Assignment of Loan and Security Agreement dated August 17, 2020, but the Defendants deny that the parties thereto agreed or intended that the Amy Strata Lots be included in the said assignment;
 - (d) In response to paragraph 31 of Part 2 of the Petition, the Defendants admit that the debtors under the referenced loan agreements executed certain security and other agreements in favour of PLW, but the Defendants deny that the parties thereto agreed or intended that these provide security over the Amy Strata Lots;
 - (e) In response to paragraph 32 of Part 2 of the Petition, the Defendants admit that certain debtors are indebted in certain amounts to PLW but they deny that the repayment of the said sum is secured by the Security Documents to the extent that they purport to provide security over the Amy Strata Lots.
4. In response to paragraph 30 of Part 2 of the Petition, the Defendants deny that Peter Pu (“**Peter**”) is the principal of PLW.
5. The facts alleged in the balance of the Petition do not fall within the scope of the Consent Order and are accordingly not addressed in this Response to Civil Claim.

Division 2 – Defendants' Version of Facts

6. The Amy Strata Lots, forming part of a real estate development project (the “**QEP Project**”) developed by Properties (QEP) and located on Cambie Street in Vancouver between 35th and 37th Avenues, are sometimes referred to individually as:
 - (a) “**Strata Lot 60**” having a municipal address of #605 - 4963 Cambie Street, Vancouver, BC; and
 - (b) “**Strata Lot 163**” having a municipal address of #301 - 5077 Cambie Street, Vancouver, BC.

Shun Li Tian as the true principal of PLW

7. In or about 2015, Amy and her husband, the Defendant Edison Washington (“**Edison**”), were introduced to Shun Li Tian (“**Tian**”), a businessman from China who was interested in making two loans of \$10,000,000 and \$15,000,000, respectively (the “**West 41st Loans**”) to support a real estate project located at West 41st Ave. and Cambie St., Vancouver, BC and owned by entities related to Amy and Edison.
8. Tian himself advanced the West 41st Loan funds. In doing so, he instructed that the West 41 Loans be recorded, and that security therefor be registered, in the name of his mother-in-law, Chen Gui Hua. The documents were concluded on that basis.
9. In or about 2015, Tian introduced Amy and Edison to Peter, stating that Peter was his niece’s husband, and that Peter was looking to obtain permanent residence in Canada.
10. Tian asked Amy and Edison to find work for Peter to help him obtain his permanent residence status, and they did find him that work on the West 41st project earning a wage of \$5,000 per month.
11. The West 41st Loans were repaid in full.
12. In or about late 2018, Amy and Edison again approached Tian with a view to borrowing some \$24,800,000 (the “**Belmont Loan**”) to pay off old loans secured by a real estate property on Belmont Street, Vancouver, BC owned by a company related to Amy and Edison, namely, the Defendant, Washington Properties (Point Grey) Inc.
13. Tian himself advanced the Belmont Loan funds. In doing so, he directed that the Belmont Loan be recorded, and that security therefor be registered, in the name of PLW.
14. Tian told Amy and Edison that Peter would be signing the documents on behalf of PLW, and he did so. The documents were concluded on that basis.
15. In or about 2019, Amy and Edison asked Tian to borrow a further \$8,000,000 (the “**2019 QEP Loan**”) to complete the QEP Project owned by the Defendant, Properties (QEP), another company related to Amy.
16. Tian himself advanced the QEP Loan funds and/or facilitated the funding the 2019 QEP Loan. In doing so, he directed that the 2019 QEP Loan be recorded in the name of PLW. Again, he had Peter sign the loan documents for PLW.
17. Tian is, and has been at all material times, the principal and *de facto* director of PLW, with actual, ostensible and/or apparent authority to bind PLW, and he made all important decisions on behalf of PLW.
18. At all material times, Peter has acted as a mere puppet to carry out Tian’s instructions with respect to the 2019 QEP Loan.

Agreement to Exclude the Amy Strata Lots from financing

19. In May 2020, Amy asked Tian for another loan (the “**2020 Take-Out Financing**”) to pay out outstanding loans in favour of KingSett and Laurentian and secured by certain lands and premises including a number of strata units at the QEP Project, and to obtain further funding to complete the QEP Project.

20. Amy advised Tian and Peter she had previously borrowed money in China to help complete the QEP Project, and that Properties (QEP) had subsequently sold the two Amy Strata Lots to private buyers to raise the funds required to repay those borrowings.
21. Amy advised Tian and Peter that, for this reason, the Amy Strata Lots were not available as security for the 2020 Take-Out Financing.
22. Tian and Peter confirmed their agreement (the “**Agreement to Exclude**”) that the Amy Strata Lots would be excluded from the security to be held by PLW; and that, once the 2020 Take-Out Financing had been advanced and the related security documentation finalized, PLW would permit the transfer of the Amy Strata Lots, free and clear of PLW’s claims, to buyers Peixia Zhang and Jin Qian, respectively.
23. The 2020 Take-Out Financing of approximately \$48,000,000 was advanced pursuant to the 2020 Loan Agreement dated August 17, 2020, referenced at paragraph 20 of Part 2 of the Petition.
24. As part of the 2020 Take-Out Financing, various security documents were executed including the assignment to PLW of Laurentian’s and KingSett’s debt and security instruments.
25. On this occasion, Tian and Peter told Amy and Edison that a portion of the 2020 Take-Out Financing funds was being advanced by Tian and a portion was being advanced by Peter.
26. Pursuant to the Agreement to Exclude, the Amy Strata Lots were exempted from PLW’s requirement that the secured strata lots at the QEP Project be conveyed to a new single-purpose company called 1256306 B.C. Ltd. (the “**Nominee**”). Instead, and pursuant to the Agreement to Exclude, the Amy Strata Lots were allowed to remain, and did remain, in Amy’s name pending their being transferred to the respective buyers Peixia Zhang and Jin Qian once all prior security was discharged.
27. Also pursuant to the Agreement to Exclude, the Amy Strata Lots were exempted from the Net Sale Proceeds Agreement dated August 17, 2020 which fixed minimum prices for sales of secured units at the QEP Project, and which agreement was a component of the 2020 Take-Out Financing closing documentation prepared by PLW’s counsel and sent to Amy for execution.

The 163 Error

28. Contrary to the Agreement to Exclude, the 2020 Loan Agreement was prepared erroneously listing Strata Lot 163 as security for the 2020 Take-Out Financing (the “**SL 163 Error**”). The error did not extend to Strata Lot 60 which was excluded from the 2020 Loan Agreement as agreed.
29. The SL 163 Error was repeated in the 2020 Amy Mortgage referenced in paragraph 12 of Part 1 of the Petition. Again, the error did not extend to Strata Lot 60 which was excluded from the 2020 Amy Mortgage as agreed.
30. The 2020 Loan Agreement and the 2020 Amy Mortgage were prepared by counsel for PLW, at a time when Amy and Edison were overseas.

31. Amy's sister, Lujian Shao, a.k.a. Anna Shao, who had been designated as borrowers' signatory to finalize the 2020 Take-Out Financing, signed the 2020 Loan Agreement and the 2020 Amy Mortgage on behalf of Amy and Edison, and a number of their companies, in reliance upon the Agreement to Exclude and without appreciating that the documents included the 163 Error.

Source of Take-Out Financing Funds

32. The true source of the money advanced pursuant to the 2020 Take-Out Financing is within the sole and exclusive knowledge of the Petitioner, Tian and Peter.
33. If, as stated by Tian in Peter's presence, it is true that a portion of the 2020 loan funds had come from Peter, they were obtained illegally as Peter had no legal source of funds of this magnitude. If illegality obtained, the nature of such illegality is within the exclusive knowledge of Peter and/or Tian.
34. If no portion of the 2020 Take-Out Financing funds originated from Peter, then at all material times, Peter has acted as a mere puppet to carry out Tian's instructions with respect to the said financing.

PLW imposes additional conditions upon the discharge of the Prior Security as against the Amy Strata Lots

35. Following advance of the 2020 Take-Out Financing, Amy asked Tian to execute the documents necessary to allow the transfer of the Amy Strata Lots, free and clear of PLW's claims, to the buyers thereof who had paid for them.
36. This was to include registrable discharge of mortgages previously registered against those lots, including without limitation, the Laurentian Strata Mortgage and the KingSett Strata Mortgage referenced respectively in paragraphs 8 and 9 of Part 1 of the Petition and of General Security Agreements relating to the Amy Strata Lots (collectively, the "**Prior Security**").
37. At the time she made this request, Amy did not appreciate that the 163 Error had been included in the 2020 Loan Agreement and the 2020 Amy Mortgage.
38. Amy made numerous requests of PLW for discharge of the Prior Security, but this was not done. Finally, in or about 2022, Tian agreed to discharge the Prior Security but only on condition that certain lands owned by the Defendant, Prarda Developments Corporation (the "**Prarda Lands**") were first sold and the proceeds applied to repay PLW's outstanding loans. As set out in the Petition, the Prarda Lands were a part of the security held by PLW.
39. The imposition of this new condition was a breach by PLW of the Agreement to Exclude.
40. The Prarda Lands were sold in or about August 2022 for approximately \$34,000,000 of which the net proceeds were applied on account of PLW's loan facility.

41. Soon after completion of that sale, PLW commenced the within proceedings, *inter alia* seeking the appointment of a Receiver and seeking to enforce security as against, *inter alia*, the Amy Strata Lots.
42. Amy again asked Tian to implement the parties' prior agreement by executing the documents required to allow the transfer of the Amy Strata Lots, free and clear of PLW's security, to the buyers thereof who had paid for them.
43. Tian assured Amy and Edison that if they would agree to the appointment of a Receiver over the secured assets generally, PLW would finally allow SLs 60 and 163 to be immediately conveyed, free of PLW's claims, to their buyers, Pei Xia Zhang and Jin Qian.
44. The imposition of this additional condition was a further breach by PLW of the Agreement to Exclude.
45. To free up the Amy Strata Lots for conveyance to their buyers, the Defendants agreed not to, and did not, oppose the Receivership Order herein and it was granted on October 27, 2022.
46. Amy has made further requests of PLW to allow for the transfer of the Amy Strata Lots, free and clear of PLW's claims, to their buyers.
47. In continued breach of the Agreement to Exclude, PLW has failed to accede to those requests.

Part 2: RESPONSE TO RELIEF SOUGHT

1. The Defendants consent to the granting of the relief sought in the following relevant paragraphs of Part 1 of the petition standing as notice of civil claim: NIL.
2. The Defendants oppose the granting of the relief sought in paragraphs 8, 9, 10, 12, 17, 18, 29, 30, 31 and 32 of Part 1 of the petition standing as notice of civil claim, to the extent that the said paragraphs relate to the Amy Strata Lots as defined therein.

Part 3: LEGAL BASIS

1. To give effect to the Agreement to Exclude, the Defendants seek a Declaration that the Prior Security was discharged from the Amy Strata Lots upon advance of the Take-Out Financing.
2. To correct the 163 Error, the Defendants seek an Order rectifying the 2020 Loan Agreement and the 2020 Amy Mortgage by removing all references therein to Strata Lot 163.
3. Pursuant to ss. 4 and 44 of the *Law and Equity Act*, R.S.B.C. 1996, c. 253, Rule 20- 3(2) of the Supreme Court Civil Rules, and the inherent jurisdiction of the Court, the Defendants seek rectification to permit the "retroactive correction" of the 2020 Loan Agreement and the 2020 Amy Mortgage such that they would be in accordance with the parties' true agreement, thereby giving effect to the parties' true intentions, rather than to an erroneous

transcription of those true intentions: *5551928 Manitoba Ltd. v. Canada (Attorney General)* ("**555 Manitoba**"), 2019 BCCA 376, at para. 10.

4. The assistance of Equity has traditionally been available where a mistake has occurred in a written instrument. To ground an order of rectification, it is sufficient to find a common continuing intention in regard to a particular provision or aspect of the agreement sought to be rectified. There must, however, be some outward expression of the parties' continuing common intention in relation to the provision in dispute, and that common intention must be formulated with certainty: *555 Manitoba*, at para. 11.
5. The court has a discretion to rectify where it is satisfied that the document does not carry out the intention of the parties. This is the basic principle: *Juliar v. Canada (Attorney General)*, (2000) 50 O.R. (3d) 728, leave to appeal refused [2001] S.C.C.A. No. 621, applying *Snell's Principles of Equity* (30th ed., 1999); and cited with approval in *555 Manitoba*, at para. 12.
6. In the case at Bar, the Agreement to Exclude was partially executed, in that:
 - (a) The Amy Strata Lots were exempted from PLW's required conveyance of secured strata lots at the QEP Project to the Nominee, remaining in Amy's name;
 - (b) the Amy Strata Lots were exempted from the Net Sale Proceeds Agreement; and
 - (c) Strata Lot 60 was excluded from the 2020 Loan Agreement and the 2020 Amy Mortgage.
7. The parties intended, through the Agreement to Exclude, to exclude both Strata Lots 60 and 163 from the 2020 Loan Agreement and the 2020 Amy Mortgage.
8. However, Strata Lot 163 was erroneously included in both documents.
9. In accordance with the Agreement to Exclude, PLW agreed that, upon advance of the 2020 Take-Out Financing and completion of the related security documentation, the Prior Security would be discharged.
10. PLW has breached the Agreement to Exclude by purporting to impose conditions on its discharge of the Prior Security, and by refusing or neglecting to execute registrable discharges of the Prior Security.
11. To the extent the 2020 Take-Out Financing originated from Peter, it was illegally obtained and repayment of the said loan funds is not enforceable by PLW, Tian or Peter. The Defendants plead and rely on the doctrine of *ex turpi causa non oritur actio*.

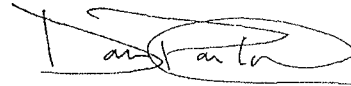
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Dated October 16, 2023



Signature of Lawyer for filing Defendants
Kornfeld LLP

Dan Parlow (for Dan Parlow)

Rule 7-1 (1) of the Supreme Court Civil Rules states:

- (1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,
 - (a) prepare a list of documents in Form 22 that lists
 - (i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and
 - (ii) all other documents to which the party intends to refer at trial, and
 - (b) serve the list on all parties of record.