

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

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VANCOUVER LAW COURTS APPLICATION RECORD  
[April 22, 2022]

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Barristers and Solicitors  
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Counsel for Alvarez & Marsal Canada Inc., in its  
capacity as Court Appointed Receiver of the  
Respondents

DATE, TIME, PLACE OF APPLICATION:

22/APRIL/2022, at 9:45 a.m., Vancouver  
Time Estimate: 15 minutes

COPY

Application Record provided by:  
Lawyer for the Applicant

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<b><u>AFFIDAVITS</u></b>		
3.	Affidavit #1 of John Sandrelli, sworn April 11, 2022	April 13, 2022
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9.	Consent Receivership Order	November 1, 2021

FORCE FILED



NO. S-217202  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA  
INTERNATIONAL MARINA LTD., ETERNALAND YUHENG  
INVESTMENT HOLDING LTD. AND 0736657 B.C. LTD.

RESPONDENTS

#### NOTICE OF APPLICATION

**Name of applicant:** Alvarez & Marsal Canada Inc., in its capacity as court appointed Receiver of the Respondents (the "**Receiver**").

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

TAKE NOTICE that an application will be made by the applicant to the presiding judge at the courthouse at 800 Smithe Street, Vancouver, BC on April 22, 2022 at 9:45 a.m. by MS Teams, for the orders set out in Part 1 below.

#### Part I: ORDERS SOUGHT

1. An order substantially in the form attached hereto as **Schedule "B"**:
  - (a) approving the Receiver's activities;
  - (b) approving the Receiver's and the Receiver's counsel's fees; and
  - (c) authorizing and directing the Receiver to make certain distributions.



## Part 2: FACTUAL BASIS

### A. Background

1. The Receiver was appointed by consent receivership order dated November 1, 2021 (the "**Receivership Order**"), appointing the Receiver effective December 13, 2021.
2. On April 7, 2022, Huai Yin Zhang, a director and shareholder of the Respondents, filed an application seeking, among other things, (a) approval of a refinancing of the obligations of the Respondents to the Petitioner (the "**Refinancing**") and (b) discharge of the Receiver.
3. The application for approval of the Refinancing is due to be heard on April 14, 2022. The form of order sought anticipates closing of the Refinancing before April 29, 2022.
4. To facilitate closing of the Refinancing, discharge of the Receiver, and a smooth transition of the Respondents' business back to the control of previous management and shareholders, the Receiver is seeking approval of (a) its activities, its fees and disbursements and its counsel's fees and disbursements until discharge, including expected fees, and (b) certain distributions in respect of certain of the Respondents' obligations that the Receiver believes are appropriate to satisfy prior to the completion of these proceedings and a holdback in respect of unanticipated expenses.

### B. Receiver's Fees and Activities

5. The Receiver seeks approval of its fees since the start of this receivership (the "**Receivership**") and its activities (the "**Activities**") as detailed in the Receiver's First Report to Court, dated April 11, 2022 (the "**Report**").
6. In the Report, the Receiver details its Activities to date. By way of summary, the Receiver has:
  - (a) attended the Respondents' head office;
  - (b) reviewed the Respondents' books and records;
  - (c) taken steps to take possession of, preserve and market assets, including opening trust accounts, new utility accounts, and notifying key parties of the Receivership;
  - (d) obtained an appraisal of the Respondents' assets;

- (e) retained CBRE Limited ("**CBRE**") to market the property;
- (f) met with former management, remaining employees, former employees and former contractors;
- (g) engaged former employees and contractors on a contract basis to assist with the ongoing operations and administration of the Receivership;
- (h) attended meetings with stakeholders and counsel;
- (i) communicated with Canada Revenue Agency, Minister of Finance, Minister of National Defense, the Commander Canadian Forces Base Esquimalt and other regulatory bodies;
- (j) retained legal counsel;
- (k) monitored and managed cash receipts and disbursements of the Receivership;
- (l) attended to statutory duties, including mailing notices to creditors identified in the books and records, published a newspaper notice, preparing notices to former employees, submitting forms and attending to correspondence with Service Canada; and
- (m) dealt with government reporting matters, including determining the status of the Respondents' payroll remittances, Goods and Services Tax and other filings.

First Affidavit of Todd Martin, sworn April 13, 2022  
(the "**A&M Affidavit**") at para. 7.

Report, at para. 4.1.

7. The Receiver now seeks approval of its fees and Activities as detailed in the Report and the A&M Affidavit.

8. From the start of the Receivership to March 31, 2022, the Receiver has incurred fees in the amount of \$297,232.00 and disbursements in the amount of \$2,472.35 (not including legal fees), plus taxes in the amount of \$14,985.22, in connection with the Activities, and projected fees and disbursements of \$50,000 (not including legal fees), plus taxes of \$2,500 to wrap up the Receivership, for a total of \$367,189.57.

A&M Affidavit, at para. 8.

9. The Receiver has affirmed its belief that the time expended and the fees charged by A&M are reasonable in light of the services provided and prevailing market rates for services of this nature.

**C. Dentons' Fees and Activities**

10. As further detailed in the First Affidavit of John Sandrelli, sworn April 11, 2022 (the "**Dentons Affidavit**"), and the invoices attached thereto (which have been redacted to protect solicitor-client privilege as between Dentons and the Receiver), Dentons has been counsel for the Receiver since December 2021. Dentons has assisted the Receiver with the Activities. The legal fees of Dentons are disbursements of the Receiver in the Receivership.

11. With respect to the Activities, and noting that the Receiver retains and has not waived solicitor-client privilege with respect to same, Dentons has:

- (a) attended calls and meetings and corresponded with the Receiver regarding advice sought on various matters, including potential sales processes, outstanding litigation against the Respondents, license and lease issues, and operational issues;
- (b) attended calls and meetings and corresponded with counsel to the Petitioner regarding various issues, including to obtain documents to support a review of the Petitioner's security;
- (c) drafted and revised documents, memoranda and pleadings;
- (d) reviewed and analyzed searches of public registries in relation to security on the property of the Respondents, completed security review and provided opinion to the Receiver; and
- (e) attended calls with stakeholders, including the Petitioner, counsel for shareholders of the Respondents, and others.

Dentons Affidavit at para. 8.

12. Dentons has had a significant role in the Receiver's Activities, specifically Dentons has:

- (a) assisted in reviewing agreements associated with sales process, shareholders, providing legal advice with respect to certain litigation, preparing court materials, and attending court hearings;

- (b) assumed significant responsibility throughout these Proceedings and has worked closely with the Receiver throughout;
- (c) staffed its legal team with experienced insolvency lawyers and properly delegated legal tasks to members of the legal team that had the skills to complete each activity in a cost-effective manner;
- (d) helped the Receiver and stakeholders to resolve disputes, and progress towards a transaction that would see creditors paid and the business of the Respondents continue; and
- (e) been transparent regarding its fees and the Receiver believes that Dentons' fees are reasonable in the circumstances.

Dentons Affidavit, at para. 15.

13. The Receiver has affirmed that the services performed by Dentons were at the Receiver's request and that the Receiver believes that the time expended and the fees charged by Dentons are reasonable in light of the services provided and prevailing market rates for fees of this nature.

A&M Affidavit, at paras. 17-19.

#### **D. Cox Taylor's Fees and Activities**

14. As further detailed in the First Affidavit of Aurora Faulkner Killam, sworn April 12, 2022 (the "**Cox Taylor Affidavit**"), and the invoices attached thereto (which have been redacted to protect solicitor-client privilege), Cox Taylor was retained as counsel for the Receiver in December 2021 in relation to certain matters arising from Vic Reg Vic-S-S-190234 and related Arbitration under CCDC-14 Design-Build Stipulated Price Contract made April 21, 2016. The legal fees of Cox Taylor are disbursements of the Receiver in the Receivership.

15. With respect to the Activities, Cox Taylor has:

- (a) attended calls and online meetings and corresponded with the Receiver and others regarding the history of the Action, advice sought on outstanding litigation by and against the Respondents, and operational issues arising from the Action;
- (b) drafted and revised documents;
- (c) reviewed various matters and issues and reported to the Receiver;

- (d) attended calls with stakeholders, including counsel for shareholders of the Respondents, and others; and
- (e) facilitated negotiation of priority or security agreements for claims of builder's lien to allow for the redemption of the Receivership by the shareholder.

Cox Taylor Affidavit, at para. 8.

16. As part of retaining Cox Taylor, the Receiver paid outstanding accounts receivable in respect of services provided to the Respondents prior to the commencement of the Receivership.

A&M Affidavit, at para. 22.

17. The Receiver has affirmed that the services performed by Cox Taylor were at the Receiver's request and that the Receiver believes that the time expended and the fees charged by Cox Taylor are reasonable in light of the services provided and prevailing market rates for fees of this nature.

A&M Affidavit, at paras. 20-24.

#### **E. Distributions for Priority Obligations and Holdback**

18. The Receiver has, in reviewing the books and records of the Respondents, identified certain amounts owing by the Respondents that are or may be senior in priority to the Respondents' indebtedness to the Petitioner (the "**Priority Obligations**").

19. The Priority Obligations total \$1.191 million, and are set out at paragraph 8.7 of the Report. The Priority Obligations comprise source deductions due to Canada Revenue Agency, Provincial Sales Tax, property taxes, professional fees, fees due to CBRE in respect of the sale process, and other operating expenses.

Report, at para. 8.7.

20. The Receiver is seeking approval of the Court to make distributions in respect of the Priority Obligations (the "**Distributions**") to the extent the authority to make such Distributions is not included in the Receivership Order.

21. The Receiver also seeks approval of the Court to retain funds remaining in the Receiver's "Post-Receivership Accounts", as defined in s. 13 of the Receivership Order, for a period of six months after discharge in the event there are other unanticipated expenses or obligations in respect of the Respondents (the "**Holdback**"). The Receiver

proposes to return any unused Holdback to the Respondents after six months.

### **Part 3: LEGAL BASIS**

#### **I. Approval of Receiver's, Dentons' and Cox Taylor's Fees and Activities**

1. Paragraph 22 of the Receivership Order provides that "the Receiver and its 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."

Receivership Order, s. 22

2. Courts have provided direction as to the exercise a supervising court should undertake to approve receivers' fees and activities. This direction includes that it is not necessary to go through the supporting documentation for the fees, line by line, to determine what the appropriate fees are for a receivership. In addition, the supervising court's analysis should not involve second guessing the amount of time spent by a receiver unless it is clearly excessive or overreaching. Generally, courts have directed that supervising courts should consider all the relevant factors, and should award costs (or fees) in a holistic manner.

*Bank of Nova Scotia v. Diemer*, 2014 ONSC 365  
("Diemer") at para. 19

*Re: Redcorp Ventures Ltd.*, 2016 BCSC 188  
("Redcorp") at para. 28.

3. A receiver must pass its accounts from time to time to allow interested parties to question the receiver's activities and conduct. In addition, the passing of accounts ensures that the supervising court is in a position to ascertain if the receiver's fees and disbursements are properly made and are fair and reasonable in the circumstances.

*Redcorp*, at para. 22.

4. Further, the Court has the inherent jurisdiction to approve the activities of a court-appointed receiver. If the receiver has met the objective test of demonstrating that it has acted reasonably, prudently, and not arbitrarily, a court may approve the activities as set out in its reports.

5. On application to approve a receiver's accounts and the accounts of its legal counsel:

- (a) the accounts should be verified by affidavit;
- (b) the accounts should contain sufficient evidence to permit a court to conclude that what was incurred for services rendered was at the standard rate of charges of the receiver and of the receiver's counsel; and
- (c) the accounts should provide a sufficient description of the services rendered to permit a court to determine whether the liability for fees was properly made or incurred.

*Redcorp*, at paras. 26 & 32.

6. The Receiver's accounts and those of its counsel have been verified by affidavit. The affidavits filed in support of this application, and the invoices appended thereto contain sufficiently detailed descriptions to, without waiving privilege, provide the Court with sufficient evidence to conclude that the fees incurred were at standard rates for the Receiver. Further, the affidavits and the invoices provide sufficient evidence for the Court to assess the Receiver's fees and its counsel's fees in relation to the factors for consideration identified in applicable case law, as set out in more detail below.

See A&M Affidavit; Dentons Affidavit;  
and Cox Taylor Affidavit

7. Courts will consider the following non-exhaustive factors in assessing the reasonableness of a receiver's fees:

- (a) the nature, extent and value of the assets;
- (b) the complications and difficulties encountered by the receiver;

- (c) the time spent by the receiver;
- (d) the receiver's knowledge, experience and skill;
- (e) the diligence and thoroughness displayed by the receiver;
- (f) the responsibilities assumed;
- (g) the results of the receiver's efforts; and
- (h) the cost of comparable services.

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

8. As noted by the New Brunswick Court of Appeal:

There is no fixed rate or settled scale for determining the amount of compensation to be paid a receiver. He [the receiver] is usually allowed either a percentage upon his receipts or a lump sum based upon the time, trouble and degree of responsibility involved. The governing principle appears to be that the compensation allowed a receiver should be measured by the fair and reasonable value of his services and while sufficient fees should be paid to induce competent persons to serve as receivers, receiverships should be administered as economically as reasonably possible. Thus, allowances for services performed must be just, but nevertheless moderate rather than generous.

[Emphasis added.]

*Belyea v. Federal Business Development Bank*, 1983  
CarswellNB 27 at para. 3 (C.A.)

9. The Receiver submits its fees are fair and reasonable because:

- (a) the assets and business of the Respondents are complex;
- (b) the Receiver has spent significant time and effort in taking possession of, preserving and marketing the assets, as well as in consulting with stakeholders, including the Petitioner, former management, and current shareholders;



- (c) the Receiver has facilitated progressing the Refinancing, while simultaneously progressing preservation and marketing efforts;
- (d) the Receiver has significant knowledge, experience and skill;
- (e) the Receiver has displayed diligence and thoroughness in discharging its duties, and has taken on significant responsibilities in the Receivership;
- (f) a full repayment of the Respondents' obligations to the Petitioners and the other Priority Obligations and continued operation of the Respondents business is a positive result to the Receivership; and
- (g) the fees of the Receiver is in line with comparable services when performed in a prudent and economical manner.

Report, paras. 3.1-8.9.

A&M Affidavit, at paras. 7-16.

10. Similar factors are considered on the assessment of legal accounts of counsel to the Receiver, including:

- (a) the time expended;
- (b) the complexity of the receivership;
- (c) the degree of responsibility assumed by the lawyers;
- (d) the amount of money involved, including the amount of proceeds after realization and the payments to the creditors;
- (e) the degree and skill of the lawyers involved;
- (f) the results achieved; and
- (g) the client's expectations as to the fee.

*Maple Leaf Loading*, at para. 12.

11. The Receiver submits Dentons' fees are fair and reasonable, because:

- (a) Dentons has assisted, and will assist, the Receiver with all Activities, assisting in reviewing agreements associated with sales process, shareholders, providing legal advice with respect to certain litigation, preparing court materials, and attending court hearings;
- (b) Dentons has assumed significant responsibility throughout these Proceedings and has worked closely with the Receiver throughout;
- (c) Dentons has staffed its legal team with experienced insolvency lawyers and properly delegated legal tasks to members of the legal team that had the skills to complete each activity in a cost-effective manner;
- (d) in working with the Receiver, Dentons has helped the Receiver and stakeholders to resolve disputes, and progress towards a transaction that would see creditors paid and the business of the Respondents continue; and
- (e) Dentons has been transparent regarding its fees and the Receiver believes that Dentons' fees are reasonable in the circumstances.

Dentons Affidavit, at para. 15.

12. The Receiver submits Cox Taylor's fees are fair and reasonable, because:

- (a) Cox Taylor has extensive knowledge, and has provided significant assistance to the Receiver, in respect of the matter for which they were retained;
- (b) Cox Taylor has assumed significant responsibility during the Period and has worked closely with the Receiver;
- (c) Cox Taylor has staffed its legal team with experienced lawyers and properly delegated legal tasks to members of the legal team that had the skills to complete each activity in a cost-effective manner;

- (d) in working with the Receiver, Cox Taylor has helped progress certain issues in respect of the action for which they were retained to enable the Refinancing to progress.

Cox Taylor Affidavit, at para. 18.

13. In addition, the evidence shows that:

- (a) the Receiver's professional fees and disbursements were properly incurred;
- (b) the work completed by the Receiver was delegated to the appropriate professionals with the appropriate seniority and appropriate hourly rates;
- (c) the Receiver's fees in this matter are consistent with fees charged by other insolvency firms of a similar size for work of a similar nature and complexity; and
- (d) the services were performed by the Receiver in a prudent and economical manner.

A&M Affidavit, at para. 14.

14. Similarly, the evidence shows that:

- (a) Dentons' and Cox Taylor's professional fees and disbursements were properly incurred;
- (b) the work completed by counsel was delegated to the appropriate professionals in each firm with the appropriate seniority and hourly rates;
- (c) counsel's fees in this matter are consistent with the market for similar firms with the capacity to handle a file of comparable size and complexity;
- (d) each of the invoices were reviewed for reasonableness at the time of billing;

- (e) invoices were provided to the Receiver when rendered and all have been approved by the Receiver; and
- (f) the services were performed by Dentons and Cox Taylor in a prudent and economical manner.

Dentons Affidavit, at para. 18.

Cox Taylor Affidavit, at para. 21.

## **Conclusion**

15. The Receiver submits that the Activities of the Receiver and its counsel as detailed in the Report, the A&M Affidavit, the Cox Taylor Affidavit, and the Dentons Affidavit were carried out pursuant to, and in accordance with, the Receivership Order and subsequent Orders of this Court. The Receiver submits that at all times it has acted reasonably, prudently, and not arbitrarily.

16. Further, the approval sought by the Receiver is not a general approval of its activities, but is the approval of the specific Activities taken by the Receiver as specifically detailed in the Report, and is linked to the fees and disbursements of the Receiver for which approval is also being sought.

17. The Receiver submits that Activities were necessary to progress this Receivership. The Receiver carried out all Activities in good faith.

18. Therefore, the Receiver submits that it is appropriate in these circumstances to approve the Receiver's fees, disbursements, and Activities as outlined in the Report, the A&M Affidavit, the Cox Taylor Affidavit, and the Dentons Affidavit.

## **II. Distribution for Priority Obligations and Holdback**

19. Pursuant to paragraph 3 of the Receivership Order, the Receiver was empowered to take possession of and exercise control over the assets, undertakings and property of the Respondents, including cash held by the Respondents as of the date of appointment.

Receivership Order, s. 3

20. Pursuant to paragraph 13 of the Receivership Order, the Receiver is to hold monies collected from and after the making of the Receivership Order in the "Post-Receivership Accounts", as defined in the Receivership Order. The Receiver is then to hold such funds to be paid in accordance with the terms of the Receivership Order or any further order of the Court.

Receivership Order, s. 13

21. Pursuant to paragraph 36 of the Receivership Order, the Receiver may apply to this Court for advice and directions in the discharge of its powers and duties.

Receivership Order, s. 36

22. Given the application filed by Ms. Zhang seeking to repay all amounts owing to the Petitioner and discharge the Receiver, the Receiver believes that making the Distributions is appropriate prior to discharging the Receiver and winding up these proceedings. The Distributions are in respect of obligations that would typically be considered as senior in priority to the obligations of the Respondents to the Petitioner, and the Receiver is in possession of funds in the Post-Receivership Accounts that are sufficient to pay these amounts.

23. The Receiver also believes that retaining the Holdback in the event there are unanticipated expenses or obligations in respect of the Respondents is appropriate. Given that the Receivership is coming to a close with the Refinancing, rather than the more typical path of asset sales and security realization, it is prudent to ensure that unanticipated expenses or obligations can be satisfied by the Receiver if such expenses are advanced against the Receiver. In assisting to transition operations back to existing management, the Receiver should not be exposed to potential liability or extra cost, when such would not be the case if the Receivership progressed in a more typical fashion.

24. To enable the discharge of the Receiver, the closing of the Refinancing and an orderly transition of operations back to former management and shareholders, the Receiver seeks this Court's authorization and direction to make the Distributions and satisfy the Priority Obligations prior to discharge.

**Part 4: MATERIALS TO BE RELIED ON**

1. Consent Receivership Order dated November 1, 2021;
2. Notice of Application of Huai Yin Zhang, filed April 7, 2022;
3. Receiver's Report to the Court dated April 11, 2022
4. Affidavit #1 of John Sandrelli, sworn April 11, 2022;
5. Affidavit #1 of Aurora Faulkner Killam, sworn April 12, 2022;
6. Affidavit #1 of Todd Martin, sworn April 13, 2022; and
7. Such other pleadings and materials previously filed herein as counsel may advise.

The applicant(s) estimate(s) that the application will take 15 minutes if unopposed.

- ☐ This matter is within the jurisdiction of a master.
- ☒ This matter is not within the jurisdiction of a master.

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

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

Date: 13/APR/2022

  
\_\_\_\_\_  
Signature of lawyer for filing party  
Tevia Jeffries

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

**APPENDIX**

**Part 3:    THIS APPLICATION INVOLVES THE FOLLOWING:**

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

- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts



**SCHEDULE "A"**

NO. S-217202  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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RESPONDENTS

**SERVICE LIST**

(as at April 12, 2022)

<b>NAME OF COUNSEL:</b>	<b>NAME OF PARTY(IES):</b>
Blakes, Cassels & Graydon LLP Suite 2600 – 595 Burrard St. Vancouver, BC V7X 1L3  Attention: Peter Bychawski / Claire Hildebrand  Tel: (604) 631-3300  Email: peter.bychawski@blakes.com claire.hildebrand@blakes.com	<i>Counsel for the Petitioner, The Bank of Nova Scotia</i>
Forrester & Company 300 – 171 Water Street Vancouver, BC V6B 1A7  Attention : Crystal Law / Glen Forrester  Tel : (604) 682-1066  Email: gforrester@forresterbarristers.ca jchiang@forresterbarristers.ca	<i>Counsel for the Respondents, Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holding Ltd. and 0736657 B.C. Ltd.</i>

<p>Dentons Canada LLP 20<sup>th</sup> Floor – 250 Howe Street Vancouver, BC V6C 3R8</p> <p>Attention: John Sandrelli / Emma Newbery</p> <p>Tel: (604) 443-7132</p> <p>Email: <a href="mailto:john.sandrelli@dentons.com">john.sandrelli@dentons.com</a>  <a href="mailto:tevia.jeffries@dentons.com">tevia.jeffries@dentons.com</a>  <a href="mailto:emma.newbery@dentons.com">emma.newbery@dentons.com</a>  <a href="mailto:avic.arenas@dentons.com">avic.arenas@dentons.com</a>  <a href="mailto:lee.ngo@dentons.com">lee.ngo@dentons.com</a></p>	<p><i>Counsel for Court-Appointed Receiver (Alvarez &amp; Marsal Canada Inc.)</i></p>
<p>Alvarez &amp; Marsal Canada Inc. Cathedral Place Building 925 West Georgia Street, Suite 902 Vancouver, BC V6C 3 L2</p> <p>Attention: Todd Martin / Pinky Law</p> <p>Tel : (604) 638-7440</p> <p>Email: <a href="mailto:tmartin@alvarezandmarsal.com">tmartin@alvarezandmarsal.com</a>  <a href="mailto:pinky.law@alvarezandmarsal.com">pinky.law@alvarezandmarsal.com</a></p>	<p><i>Court-Appointed Receiver</i></p>
<p>Fasken Martineau DuMoulin LLP 2900 – 550 Burrard Street Vancouver, BC V6C 1A3</p> <p>Attention: Kibben Jackson</p> <p>Tel: (604) 631-3131</p> <p>Email: <a href="mailto:kjackson@fasken.com">kjackson@fasken.com</a>;  <a href="mailto:svolkow@fasken.com">svolkow@fasken.com</a></p>	<p><i>Counsel for Ed Scripps</i></p>
<p>JFK Law Corporation 816 – 1175 Douglas Street Victoria BC V8W 2E1</p> <p>Attention: Robert Janes, QC</p> <p>Tel: 1-250-405-3460</p> <p>Email: <a href="mailto:rjanes@jfklaw.ca">rjanes@jfklaw.ca</a>;  <a href="mailto:krose@jfklaw.ca">krose@jfklaw.ca</a></p>	<p><i>Counsel for Songhees First Nation</i></p>

<p>Allen / McMillan Litigation Counsel 1625 – 1185 West Georgia St. Vancouver, BC V6E 4E6</p> <p>Attention: Wes McMillan</p> <p>Tel: 604-282-3980</p> <p>Email: <a href="mailto:wes@amlc.ca">wes@amlc.ca</a>; <a href="mailto:thea@amlc.ca">thea@amlc.ca</a></p>	<p><i>Counsel for Blue Water Systems Ltd.</i></p>
<p>Justice Health and Revenue Legal Services Branch Ministry of Attorney General PO Box 9280 Stn Prov Govnt Victoria, BC V8W 9J7</p> <p>Attention: Aaron Welch / Cindy Cheuk</p> <p>Tel: 1-250-387-6121</p> <p>Email: <a href="mailto:AGLSBRevTaxInsolvency@gov.bc.ca">AGLSBRevTaxInsolvency@gov.bc.ca</a>; <a href="mailto:Aaron.Welch@gov.bc.ca">Aaron.Welch@gov.bc.ca</a>; <a href="mailto:Cindy.Cheuk@gov.bc.ca">Cindy.Cheuk@gov.bc.ca</a></p>	<p><i>Ministry of Attorney General</i></p>
<p>Pearlman Lindholm 201 – 19 Dallas Road Victoria, BC V8V 5A6</p> <p>Attention: Mikaila Mauro</p> <p>Tel: 1-250-388-4433</p> <p>Email: <a href="mailto:mm Mauro@pearlmanlindholm.com">mmauro@pearlmanlindholm.com</a>; <a href="mailto:adahl@pearlmanlindholm.com">adahl@pearlmanlindholm.com</a></p>	<p><i>Counsel for Andrea Guyon</i></p>
<p>Richards Buell Sutton LLP 700 - 401 West Georgia Street Vancouver, BC V6B 5A1</p> <p>Attention: Daniel Nugent / Winsome Glover</p> <p>Tel: 604-595-9917</p> <p>Email: <a href="mailto:dnugent@rbs.ca">dnugent@rbs.ca</a>; <a href="mailto:wglover@rbs.ca">wglover@rbs.ca</a>; <a href="mailto:dramsey@rbs.ca">dramsey@rbs.ca</a></p>	<p><i>Counsel for Amber Mortgage Investment Corp.</i></p>

Lawson Lundell LLP 1600 - 925 West Georgia Street Vancouver, BC V6C 3L2  Attention: Brenda Lightbody  Tel: 604-631-9165  Email: <a href="mailto:blightbody@lawsonlundell.com">blightbody@lawsonlundell.com</a> ; <a href="mailto:ldavis@lawsonlundell.com">ldavis@lawsonlundell.com</a>	1129057 BC Ltd.
--	-----------------

**EMAIL SERVICE LIST:**

[peter.bychawski@blakes.com](mailto:peter.bychawski@blakes.com); [claire.hildebrand@blakes.com](mailto:claire.hildebrand@blakes.com); [john.sandrelli@dentons.com](mailto:john.sandrelli@dentons.com);  
[tevia.jeffries@dentons.com](mailto:tevia.jeffries@dentons.com); [emma.newbery@dentons.com](mailto:emma.newbery@dentons.com); [avic.arenas@dentons.com](mailto:avic.arenas@dentons.com);  
[lee.ngo@dentons.com](mailto:lee.ngo@dentons.com); [tmartin@alvarezandmarsal.com](mailto:tmartin@alvarezandmarsal.com); [pinky.law@alvarezandmarsal.com](mailto:pinky.law@alvarezandmarsal.com);  
[kjackson@fasken.com](mailto:kjackson@fasken.com); [svolkow@fasken.com](mailto:svolkow@fasken.com); [rjaney@jfkllaw.ca](mailto:rjaney@jfkllaw.ca); [krose@jfkllaw.ca](mailto:krose@jfkllaw.ca);  
[gforrester@forresterbarristers.ca](mailto:gforrester@forresterbarristers.ca); [jchiang@forresterbarristers.ca](mailto:jchiang@forresterbarristers.ca); [wes@amlc.ca](mailto:wes@amlc.ca); [thea@amlc.ca](mailto:thea@amlc.ca);  
[AGLSBRevTaxInsolvency@gov.bc.ca](mailto:AGLSBRevTaxInsolvency@gov.bc.ca); [Aaron.Welch@gov.bc.ca](mailto:Aaron.Welch@gov.bc.ca); [Cindy.Cheuk@gov.bc.ca](mailto:Cindy.Cheuk@gov.bc.ca);  
[mmauro@pearlmanlindholm.com](mailto:mmauro@pearlmanlindholm.com); [adahl@pearlmanlindholm.com](mailto:adahl@pearlmanlindholm.com); [dnugent@rbs.ca](mailto:dnugent@rbs.ca);  
[wglover@rbs.ca](mailto:wglover@rbs.ca); [dramsey@rbs.ca](mailto:dramsey@rbs.ca); [blightbody@lawsonlundell.com](mailto:blightbody@lawsonlundell.com); [ldavis@lawsonlundell.com](mailto:ldavis@lawsonlundell.com);

SCHEDULE "B"

NO. S-217202  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

**ORDER MADE AFTER APPLICATION**

	)	)	
BEFORE	)	)	22/APR/2022
	)	)	

ON THE APPLICATION of Alvarez & Marsal Canada Inc., in its capacity as court appointed Receiver of the Respondents (the "**Receiver**"); AND ON HEARING Tevia Jeffries, counsel for the Receiver and those other counsel listed on **Schedule "A"**, appearing by MS TEAMS; AND UPON READING the Receiver's First Report to the Court dated April 11, 2022 (the "**Report**"), the Affidavit of John Sandrelli sworn April 11, 2022 (the "**Dentons Affidavit**"), the Affidavit of Aurora Faulkner Killam sworn April 12, 2022 (the "**Cox Taylor Affidavit**"), and the Affidavit of Todd Martin sworn April 13, 2022 (the "**A&M Affidavit**", together with the Dentons Affidavit and the Cox Taylor Affidavit, the "**Fee Affidavits**");

THIS COURT ORDERS AND DECLARES THAT:

1. The activities of the Receiver, as set out in the Report, are hereby approved; provided however, that the Receiver in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
2. The fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, are hereby approved.

3. The distributions of funds held by the Receiver as described in the Report (the "**Distributions**") in respect of the Priority Obligations (as defined in the Report) are approved and the Receiver is authorized and directed to make such Distributions.
4. The Receiver is hereby authorized to retain the funds remaining in the Receiver's trust account after payment of the Distributions (the "**Holdback**") for the following purposes:
  - (a) to pay any fees and disbursements of the Receiver and its counsel that have been approved by order of this Court but not yet paid; and
  - (b) to pay claims or liabilities attributable to the assets, undertakings and property of the Debtors where payment is sought from the Receiver.
5. If any Holdback remains six months after the Receiver is discharged, the Receiver shall pay any remaining Holdback to the Respondents, unless otherwise ordered by this Court.
6. Endorsement of this Order, other than by counsel for the Receiver, is hereby dispensed with.

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

---

Signature of Tevia Jeffries  
Lawyer for Alvarez & Marsal Canada Inc.

BY THE COURT

---

REGISTRAR

**Schedule A**

**LIST OF COUNSEL APPEARING**

Name of Counsel:	Representing:

NO. S-217202  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD.,  
VICTORIA INTERNATIONAL MARINA LTD.,  
ETERNALAND YUHENG INVESTMENT HOLDING  
LTD. AND 0736657 B.C. LTD.

RESPONDENTS

---

**ORDER MADE AFTER APPLICATION**  
[APPROVAL OF FEES AND ACTIVITIES]

---

DENTONS CANADA LLP  
BARRISTERS & SOLICITORS  
250 Howe Street, 20<sup>th</sup> Floor  
Vancouver, BC V6C 3R8  
Phone No.: (604) 687-4460  
Attention: Tevia Jeffries

File No. 529227-22



**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

**ORDER MADE AFTER APPLICATION**

	)		)
BEFORE	)		) 22/APR/2022
	)		)

ON THE APPLICATION of Alvarez & Marsal Canada Inc., in its capacity as court appointed Receiver of the Respondents (the “**Receiver**”); AND ON HEARING Tevia Jeffries, counsel for the Receiver and those other counsel listed on **Schedule “A”**, appearing by MS TEAMS; AND UPON READING the Receiver’s First Report to the Court dated April 11, 2022 (the “**Report**”), the Affidavit of John Sandrelli sworn April 11, 2022 (the “**Dentons Affidavit**”), the Affidavit of Aurora Faulkner Killam sworn April 12, 2022 (the “**Cox Taylor Affidavit**”), and the Affidavit of Todd Martin sworn April 13, 2022 (collectively with the Dentons Affidavit and the Cox Taylor Affidavit, the “**Fee Affidavits**”);

THIS COURT ORDERS AND DECLARES THAT:

1. The activities of the Receiver, as set out in the Report, are hereby approved; provided however, that the Receiver in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
2. The fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, are hereby approved.

3. The distributions of funds held by the Receiver as described in the Report (the “**Distributions**”) in respect of the Priority Obligations (as defined in the Report), including but not limited to the repayment to the Petitioner of funds borrowed by the Receiver from the Petitioner from time to time pursuant to the Receivership Order (as defined in the Report), are approved and the Receiver is authorized and directed to make such Distributions.
4. The Receiver is hereby authorized to retain the funds remaining in the Receiver’s trust account after payment of the Distributions (the “**Holdback**”) for the following purposes:
  - (a) to pay any fees and disbursements of the Receiver and its counsel that have been approved by order of this Court but not yet paid; and
  - (b) to pay claims or liabilities attributable to the assets, undertakings and property of the Debtors where payment is sought from the Receiver or the Petitioner.
5. If any Holdback remains six months after the Receiver is discharged, the Receiver shall pay any remaining Holdback to the Respondents, unless otherwise ordered by this Court.
6. Endorsement of this Order, other than by counsel for the Receiver, is hereby dispensed with.

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

---

Signature of Tevia Jeffries  
Lawyer for Alvarez & Marsal Canada Inc.

BY THE COURT

---

REGISTRAR

**Schedule A**

**LIST OF COUNSEL APPEARING**

Name of Counsel:	Representing:

NO. S-217202  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD.,  
VICTORIA INTERNATIONAL MARINA LTD.,  
ETERNALAND YUHENG INVESTMENT HOLDING  
LTD. AND 0736657 B.C. LTD.

RESPONDENTS

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**ORDER MADE AFTER APPLICATION**  
**[APPROVAL OF FEES AND ACTIVITIES]**

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DENTONS CANADA LLP  
BARRISTERS & SOLICITORS  
250 Howe Street, 20<sup>th</sup> Floor  
Vancouver, BC V6C 3R8  
Phone No.: (604) 687-4460  
Attention: Tevia Jeffries

File No. 529227-22



This is the 1<sup>st</sup> affidavit  
of J. SANDRELLI in this case  
and was made on 11/April/2022

NO. S-217202  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

**AFFIDAVIT**

I, JOHN SANDRELLI, barrister and solicitor, of 20<sup>th</sup> Floor, 250 Howe Street, Vancouver, British Columbia, SWEAR THAT:

1. I am a partner at Dentons Canada LLP ("**Dentons**"), counsel for Alvarez & Marsal Canada Inc., in its capacity as Receiver for the Respondents (the "**Receiver**") in the within proceedings. As such, I have personal knowledge of the facts herein after deposed to except where stated to be on information and belief, in which case I verily believe them to be true.
2. This affidavit is sworn in support of the application to be made in these proceedings, seeking, among other things, approval of the fees and disbursements of Dentons in its capacity as legal counsel to the Receiver for the period from December 2021 to March 2022 (the "**Period**"), and anticipated fees to discharge the Receiver if the expected refinancing of the Respondents' obligations to the Petitioner (the "**Refinancing**") is approved by this Court and closes within the timeline anticipated by the parties.
3. An application to approve the Refinancing was filed on April 7, 2022. The application to approve fees and disbursements is made to facilitate the wrap up of the receivership and discharge of the Receiver in the event that the Refinancing is approved by this Court and closes as anticipated.

4. I was admitted to the Bar in the Province of Ontario in 1991, and called to the Bar and admitted as a barrister and solicitor in the Province of British Columbia in 1997.
5. Since 1991, I have primarily acted in insolvency, bankruptcy and restructuring matters, including advice to receivers.

**A. Dentons' Activities**

6. The petition commencing these proceedings was filed in August 2021, and the Receiver was appointed on December 13, 2021, by operation of a consent receivership order entered November 1, 2021.
7. Dentons was retained as counsel for the Receiver in December 2021.
8. Dentons has assisted the Receiver with the Receiver's work with respect to the Receiver's general activities (the "**Activities**"). With respect to the Activities, and noting that the Receiver retains and has not waived solicitor-client privilege with respect to same, Dentons has:
  - (a) attended calls and meetings and corresponded with the Receiver regarding advice sought on various matters, including potential sales processes, outstanding litigation against the Respondents, license and lease issues, and operational issues;
  - (b) attended calls and meetings and corresponded with counsel to the Petitioner regarding various issues, including to obtain documents to support a review of the Petitioner's security;
  - (c) drafted and revised documents, memoranda and pleadings;
  - (d) reviewed and analyzed searches of public registries in relation to security on the property of the Respondents, completed security review and provided opinion to the Receiver; and
  - (e) attended calls with stakeholders, including the Petitioner, counsel for shareholders of the Respondents, and others.
9. In addition to continuing with the above activities, Dentons will:
  - (a) attend hearings to approve the Refinancing, and to approve certain disbursements and the fees and activities of the Receiver; and
  - (b) assist in wrapping up the receivership and the duties of the Receiver.

**B. Dentons' Fees**

10. In connection with the Activities, during the Period, Dentons incurred fees in the amount of \$76,383.50 and disbursements in the amount of \$2,257.50, plus taxes in the amount of \$9,270.47, and projected fees and disbursements of \$20,000.00 plus taxes of \$2,400, to wrap up the receivership, for a total of \$110,311.47.
11. In connection with the Activities, in the course of performing its duties, Dentons' personnel have expended 146.4 hours during the Period. The average hourly rate of all Dentons' personnel billed in connection with the services performed during the Period is approximately \$521.75.
12. It is expected that between 35-40 hours will be required to assist in the activities required to be able to wrap up the receivership as anticipated by the Refinancing, which led to the estimate of projected fees and disbursements described in this affidavit. These activities include attending Court for approval of certain disbursements and the Receiver's fees and activities, including the fees of legal counsel described in this affidavit. If the Refinancing does not close as anticipated, I expect that the Receiver and its counsel will have to file a further application for approval of fees and activities.
13. Dentons will issue itemized invoices in respect of additional work done after the Period to be billed against the estimate of projected fees and disbursements. To the extent any amount is not actually billed, funds will be returned to the Receiver and will not be retained by Dentons. If fees exceed the estimate, then in consultation with the Receiver, further Court approval will be sought, or such fees will be written off and not collected. Dentons will not seek payment of any amounts not approved by this Court in accordance with the order appointing the Receiver.
14. In connection with the Activities, Dentons has issued the following invoices in respect of the work performed in connection with this matter during the Period (collectively, the "Invoices"):

Invoice Date	Invoice Number	Invoice Amount
January 31, 2022	3647539	\$36,202.13
March 31, 2022	3659438	\$51,709.34
Projected fees and disbursements	3659438	\$22,400.00
Total:		\$110,311.47

Copies of the Invoices, which have been redacted to protect solicitor-client privilege, are attached collectively as **Exhibit "A"** hereto.

15. I verily believe that the time expended and the legal fees charged are reasonable in light of the services provided and prevailing market rates for legal services of this nature, specifically:

- (a) Dentons has assisted the Receiver with all Activities, assisting in reviewing agreements associated with sales process, shareholders, providing legal advice with respect to certain litigation, preparing court materials, and attending court hearings;
  - (b) Dentons has assumed significant responsibility throughout these proceedings and has worked closely with the Receiver throughout;
  - (c) Dentons has staffed its legal team with experienced insolvency lawyers and properly delegated legal tasks to members of the legal team that had the skills to complete each activity in a cost-effective manner;
  - (d) in working with the Receiver, Dentons has helped the Receiver and stakeholders to resolve disputes, and progress towards a transaction that would see creditors paid and the business of the Respondents continue; and
  - (e) Dentons has been transparent regarding its fees and the Receiver believes that Dentons' fees are reasonable in the circumstances.
16. To the best of my knowledge, information, and belief, the information contained in the Invoices as to:
- (a) the amount of hours worked;
  - (b) the nature of work performed;
  - (c) the identity of the individuals who performed the work; and
  - (d) the rates charged for the work performed,
- is true and correct in all respects.
17. The incurred fees set out in the Invoices were charged at Dentons' standard billing rates in effect from time to time. Disbursements were charged in amounts which were less than or equal to standard charges in accordance with the firm's disbursement policy for clients.
18. Further, to the best of my knowledge, information, and belief, the fees and disbursements of Dentons are fair and reasonable as:
- (a) Dentons' professional fees and disbursements were properly incurred;
  - (b) the work completed by Dentons was delegated to the appropriate professionals in Dentons with the appropriate seniority and hourly rates;
  - (c) Dentons' fees in this matter are consistent with the market for similar firms with the capacity to handle a file of comparable size and complexity;
  - (d) each of the invoices was reviewed for reasonableness at the time of billing;



- (e) the Invoices were provided to the Receiver when rendered and all have been approved by the Receiver; and
- (f) the services were performed by Dentons in a prudent and economical manner.


SWORN (OR AFFIRMED) BEFORE ME at  
Vancouver, BC, on 11/APR/2022.

  
A Commissioner for taking Affidavits within  
British Columbia

  
JOHN SANDRELLI

EMMA T.T.Y. NEWBERY  
*Barrister & Solicitor*  
DENTONS CANADA LLP  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460

This is **Exhibit "A"** referred to in the Affidavit #1  
of **JOHN SANDRELLI** sworn this 11<sup>th</sup> day  
of April, 2022.

  
A Commissioner for taking Affidavits  
for British Columbia

EMMA T.T.Y. NEWBERY  
*Barrister & Solicitor*  
DENTONS CANADA LLP  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460

**大成 DENTONS**

Dentons Canada LLP  
20<sup>th</sup> Floor, 250 Howe Street  
Vancouver, BC, Canada V6C 3R8

T 604 687 4460  
F 604 683 5214

dentons.com

Alvarez & Marsal Canada Inc., In its Capacity as Receiver of  
925 West Georgia Street  
Suite 902, Cathedral Place  
Vancouver BC V6C 3L2  
Canada  
Attention: Pinky Law  
Director

**INVOICE # 3647539**

GST/HST # R121996078  
QST # 1086862448 TQ 0001

<u>Date</u>	<u>Matter Number</u>	<u>Lawyer</u>
January 31, 2022	529227-000022	John Sandrelli

Alvarez & Marsal Canada Inc., In its Capacity as Receiver of  
Re: In the Matter of the Receivership of Community Marine  
Concepts Ltd. et al.

Professional Fees	\$ 30,424.00
Other Fees/Charges & Disbursements	2,030.62
GST (5.0%) on \$31,677.23	1,583.86
PST (7.0%) on \$30,909.23	2,163.65
<b>Total Amount Due</b>	<b><u>\$ 36,202.13</u> CAD</b>

DENTONS CANADA LLP

DocuSigned by:  
Per: John Sandrelli  
E00F00A0D52E41C...

DENTONS CANADA LLP

Alvarez & Marsal Canada Inc., In its Capacity as Receiver of  
Re: In the Matter of the Receivership of Community Marine  
Concepts Ltd. et al.

INVOICE 3647539

Page 2 of 6

Matter # 529227-000022

3

**Payment Options:****Cheques:**

Cheques payable to Dentons Canada LLP  
and mailed to the following address:  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, ON Canada M5K 0A1

**Wire Transfer:**

Bank of Montreal  
1st Canadian Place, Toronto, ON  
Swift Code: BOFMCAM2  
Bank ID: 001 Transit: 00022  
CAD Funds Bank Account: 0004-324

**Credit Card:**

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. \_\_\_\_\_ Expiry Date: \_\_\_\_\_ Card Verification Code (CVC): \_\_\_\_\_

Amount: \_\_\_\_\_ Cardholder Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**Internet Banking:**

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 529227. Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

**Interac e-Transfer:**

e-Transfer funds to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) in separate email.

Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

DENTONS CANADA LLP

Alvarez & Marsal Canada Inc., In its Capacity as Receiver of  
 Re: In the Matter of the Receivership of Community Marine  
 Concepts Ltd. et al.

INVOICE 3647539

Page 3 of 6

Matter # 529227-000022

4

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**Invoice Detail**


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TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter for the period ending January 31, 2022:

Date	ID	Description of Work	Hours
21-Dec-21	JS	Telephone call with Pinky Law regarding background and review materials and Order.	0.5
22-Dec-21	JS	Review various emails from Pinky Law regarding background litigation and potential engagement of Cox Taylor. Review history of settlement agreement and email advice to Pinky Law. Review totem pole License Agreement and related documents, provide advice to Pinky Law.	1.1
23-Dec-21	JS	Further email advice to Pinky Law regarding various matters.	0.3
04-Jan-22	JS	Review update emails from Pinky Law.	0.2
05-Jan-22	JS	Telephone conference with Todd Martin regarding potential sales process and updates on other operational issues. Consider Bank position and distribution of \$6MM received. Emails with counsel for shareholders.	0.8
06-Jan-22	JS	Telephone call with Todd Martin and Pinky Law regarding potential sales process and updates on other operational issues. Telephone call with Pinky Law and counsel for shareholders.	0.7
07-Jan-22	JS	Various emails regarding sales process.	0.2
10-Jan-22	JS	Review background from Cox Taylor regarding construction litigation and outstanding claims. Telephone conference with Aurora of Cox Taylor and Pinky Law regarding background and updates on litigation. Consider same.	0.8
11-Jan-22	JS	Emails with Blakes regarding security of Bank of Nova Scotia. Co-ordinate security review. Telephone call with Pink Law regarding outstanding litigation.	0.7
11-Jan-22	TJ	Email with John Sandrelli and Emma Newbery regarding receivership and next steps. Review security and pleadings.	0.7
12-Jan-22	JS	ZOOM call with Blakes, BNS and Alvarez & Marsal (A&M) regarding possible listing agents and process. Review summary of listing agent proposals. Telephone call with Pinky Law regarding outstanding litigation. Telephone call with and summarize call with Aurora Falkner Killam. Emails regarding listing contract. Discuss security review with Tevia Jeffries.	1.4
12-Jan-22	TJ	Review file status and next steps. Call with John Sandrelli and Emma Newbery regarding same. Email with John Sandrelli and Emma Newbery regarding same.	1.2
12-Jan-22	ETN	Review documents for security review. Call with John Sandrelli and Tevia Jeffries to discuss security review. Order searches for security review.	1.9
13-Jan-22	JS	Telephone call with counsel for Blue Water Systems and emails with	0.4

DENTONS CANADA LLP

Alvarez & Marsal Canada Inc., In its Capacity as Receiver of  
 Re: In the Matter of the Receivership of Community Marine  
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Date	ID	Description of Work	Hours
		counsel regarding litigation and position of Receiver.	
13-Jan-22	TJ	Revise executive listing agreement. Call with Pinky Law regarding same.	3.1
14-Jan-22	JS	Review emails regarding listing with CBRE and sales process issues.	0.3
14-Jan-22	TJ	Call with Pinky Law regarding listing agreement. Revise listing agreement.	2.5
14-Jan-22	AA	Instructions from Emma Newbery regarding multiple searches. Initiate searches for Corporate search, PPR, Bank Act, BIA/CCAA, execution searches and LTO searches. Obtain and compile multiple searches. Start drafting summary search memo.	1.9
14-Jan-22	AA	Continue with drafting search summary memo for Emma Newbery.	2.4
17-Jan-22	JS	Meeting with Tevia Jeffries regarding various action items on Receivership. Emails with inky Law regarding water lots and issues. Review federal and provincial water licenses and Non-Disturbance Agreements. Emails regarding sales process.	0.7
17-Jan-22	TJ	Revise listing agreement. Call with John Sandrelli regarding file status and next steps. Email with receiver regarding same.	2.1
17-Jan-22	AA	Continue with drafting summary of searches. Provide Emma Newbery with compiled searches regarding same.	2.0
18-Jan-22	JS	Email updates from Tevia Jeffries.	0.2
18-Jan-22	TJ	Email with counsel for the shareholders regarding listing of property. Call with Pinky Law regarding Farmer Construction.	0.7
18-Jan-22	ETN	Review security documents and prepare security review.	1.9
19-Jan-22	JS	Email updates from Tevia Jeffries.	0.2
19-Jan-22	AA	Further instructions from Emma Newbery regarding further searches. Conduct same and email to Emma Newbery.	0.4
19-Jan-22	ETN	Continue to prepare security review.	8.5
20-Jan-22	EF	Email from Emma Newbery. Review Crown grant searches. Email to Emma Newbery	0.4
20-Jan-22	TJ	Review and comment on security opinion. Call with Emma Newbery regarding same.	2.2
20-Jan-22	AA	Telephone call from Victoria Land Title Office Crown Lands Division regarding parcel info on certain plan searches. Conduct parcel info search and email to Emma Newbery.	0.3
20-Jan-22	ETN	Continue to review and revise security agreement, including review of certain lease agreements.	4.4
21-Jan-22	JS	Emails with A&M regarding timing of listing and sales process.	0.2
21-Jan-22	TJ	Revise security opinion. Call with Emma Newbery regarding same.	2.1
21-Jan-22	AA	Further instructions from Emma Newbery regarding search summary. Email to Emma Newbery regarding same.	0.2
21-Jan-22	ETN	Continue to review and revise security review, including searches of GATOR. Call with Tevia Jeffries to discuss the security review.	3.4
24-Jan-22	JS	Attend MS Teams call with A&M regarding sales process and email	0.4

DENTONS CANADA LLP  
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Date	ID	Description of Work	Hours
		from counsel for shareholders.	
24-Jan-22	TJ	Call with Todd Martin, Pinky Law, John Sandrelli and Emma Newbery regarding shareholder refinancing. Call with Pinky Law and Emma Newbery regarding security opinion.	1.1
24-Jan-22	AA	Email instructions from Emma Newbery regarding further searches on certain entity. Conduct searches accordingly. Further search request from Emma Newbery and email results.	0.6
24-Jan-22	ETN	Prepare search summary schedule. Review and revise security review. Call with A&M to discuss sales process and security review.	4.0
25-Jan-22	JS	Discuss security review with Emma Newbery.	0.2
25-Jan-22	TJ	Revise security opinion. Email with Pinky Law regarding redemption amounts.	0.6
25-Jan-22	ETN	Finalize security review.	2.0
27-Jan-22	JS	Review security opinion and discuss with Emma Newbery. Finalize same.	0.4
27-Jan-22	ETN	Finalize security review and email to A&M.	1.3
28-Jan-22	JS	Review emails with counsel for shareholders and review emails with A&M. Consider next steps.	0.3
28-Jan-22	TJ	Call and email with Pinky Law regarding shareholder offer. Call and email with Glen Forrester regarding same.	0.4
31-Jan-22	JS	Review various emails regarding follow up with counsel for shareholders and listing property.	0.3
31-Jan-22	TJ	Email and call to shareholder's counsel regarding payout amounts. Email with Todd Martin and Pinky Law regarding same.	0.5
<b>Total</b>			<b>63.1</b>

Timekeeper	ID	Title	Hours	Rate	Fees
Avic Arenas	AA	Paralegal	7.8	245.00	1,911.00
Emma Newbery	ETN	Associate	27.4	380.00	10,412.00
Emmanuel Fung	EF	Associate	0.4	475.00	190.00
John Sandrelli	JS	Partner	8.4	775.00	6,510.00
John Sandrelli	JS	Partner	1.9	750.00	1,425.00
Tevia Jeffries	TJ	Partner	17.2	580.00	9,976.00
<b>Total</b>			<b>63.1</b>		<b>\$30,424.00</b>

**TOTAL PROFESSIONAL FEES****\$ 30,424.00****TAXABLE OTHER FEES/CHARGES**

BCO/LTSA service charge	\$ 460.23
File Opening Fee	25.00

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<b>TOTAL TAXABLE OTHER FEES/CHARGES</b>	<b>\$ 485.23</b>
<b>TAXABLE DISBURSEMENTS</b>	
Agent Fees/Account	\$ 768.00
<b>TOTAL TAXABLE DISBURSEMENTS</b>	<b>\$ 768.00</b>
<b>NON-TAXABLE DISBURSEMENTS</b>	
B.C. LTSA search*	\$ 592.39
BC Online Registration*	185.00
<b>TOTAL NON-TAXABLE DISBURSEMENTS</b>	<b>\$ 777.39</b>
<b>TOTAL OTHER FEES/CHARGES AND DISBURSEMENTS</b>	<b><u>2,030.62</u></b>
<b>TOTAL FEES, OTHER FEES/CHARGES AND DISBURSEMENTS</b>	<b>\$ 32,454.62</b>
<b>TAXES</b>	
GST (5.0%) on Taxable Disbursements of \$1,253.23	\$ 62.66
GST (5.0%) on Professional Fees of \$30,424.00	1,521.20
PST (7.0%) on Professional Fees of \$30,424.00	2,129.68
PST (7.0%) on Taxable Disbursements of \$485.23	33.97
<b>TOTAL TAXES</b>	<b><u>3,747.51</u></b>
<b>TOTAL AMOUNT DUE</b>	<b><u>\$ 36,202.13 CAD</u></b>



# ENCLOSURE

<b>Account #:</b> DEN100	<b>Contact:</b> Avic Arenas	MI1-D4
<b>Firm:</b> Dentons Canada LLP	<b>Phone:</b> 604 622 5150	10DT-DA
<b>Address:</b> 250 Howe St - 20th Floor Vancouver, BC V6C 3R8	<b>Fax:</b> 604 683 5214	12BE-DA
	<b>Email:</b> avic.arenas@dentons.com	2DT-DA
		3WA-DA

<b>FILE REF:</b> 529227-22	<b>Date:</b> 01/14/2022 AR Website
<b>New Westminster : Bailiff Searches</b>	<b>INVOICE #: W271907</b>

**Client Instructions:** Lower Mainland and Vancouver Island - Bailiff Search for:

**Bailiff/Outstanding Execution:** Lower Mainland, Vancouver Island

**Case Notes:**

01/14/2022 - 02:24:57 PM - AR

Community Marine Concepts Ltd.  
Eternaland Yuheng Investment Holding Ltd.  
0736657 B.C. Ltd.  
Victoria International Marine Ltd.  
Dong Xia Zhang  
Hao Ran Zhang

Description	Non-Taxable Disb.	Taxable Disb.	Taxable Fees
Bailiff	0.00	309.00	200.00
<b>SUBTOTALS</b>	0.00	309.00	200.00
<b>TAXABLE TOTAL</b>			509.00
<b>GST 105630594RT</b>			25.45
<b>NON-TAXABLE TOTAL</b>			0.00
<b>Total</b>			534.45
<b>Thank You</b>			

SEE TERMS AND CONDITIONS ON REVERSE  
PLEASE REMIT PAYMENT TO OUR NEW WESTMINSTER OFFICE

Date 17 | 01 | 22 AR  
DD MM YY

99 Sixth Street, New Westminster, BC Canada V3L 5H8 Tel: 604-659-8600 1-800-553-1936 Fax: 604-525-2593  
840 Howe St - Suite 100, Vancouver, BC Canada V6Z 2L2 Tel: 604-659-8700 1-800-806-2788 Fax: 604-682-5793  
1207 Douglas St - Suite 512, Victoria, BC Canada V8W 2E7 Tel: 250-405-6000 1-800-667-7767 Fax: 250-383-1614

**大成 DENTONS**

Dentons Canada LLP  
20<sup>th</sup> Floor, 250 Howe Street  
Vancouver, BC, Canada V6C 3R8

T 604 687 4460  
F 604 683 5214

dentons.com

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Alvarez & Marsal Canada Inc., In its Capacity as Receiver of  
925 West Georgia Street  
Suite 902, Cathedral Place  
Vancouver BC V6C 3L2  
Canada  
Attention: Pinky Law  
Director

**INVOICE # 3659438**

GST/HST # R121996078  
QST # 1086862448 TQ 0001

<u>Date</u>	<u>Matter Number</u>	<u>Lawyer</u>
March 31, 2022	529227-000022	John Sandrelli

Alvarez & Marsal Canada Inc., In its Capacity as Receiver of  
Re: In the Matter of the Receivership of Community Marine  
Concepts Ltd. et al.

Professional Fees	\$ 45,959.50
Estimated Fees	<u>20,000.00</u>
Net Professional Fees	\$ 65,959.50
Disbursements	<u>226.88</u>
GST (5.0%) on \$66,115.60	3,305.79
PST (7.0%) on \$65,959.50	<u>4,617.17</u>
<b>Total Amount Due</b>	<b><u>\$ 74,109.34</u> CAD</b>

DENTONS CANADA LLP

DocuSigned by:  
Per: John Sandrelli  
E09F08AB052E410  
John Sandrelli

DENTONS CANADA LLP

Alvarez & Marsal Canada Inc., In its Capacity as Receiver of  
Re: In the Matter of the Receivership of Community Marine  
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**Payment Options:****Cheques:**

Cheques payable to Dentons Canada LLP  
and mailed to the following address:  
77 King Street West, Suite 400  
Toronto Dominion Centre  
Toronto, ON Canada M5K 0A1

**Wire Transfer:**

Bank of Montreal  
1st Canadian Place, Toronto, ON  
Swift Code: BOFMCAM2  
Bank ID: 001 Transit: 00022  
CAD Funds Bank Account: 0004 324

**Credit Card:**

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).  
Card No: \_\_\_\_\_ Exp. Date: \_\_\_\_\_ Card Verification Code (CVC): \_\_\_\_\_  
Amount: \_\_\_\_\_ Cardholder Name: \_\_\_\_\_  
Signature: \_\_\_\_\_

**Internet Banking:**

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 529227. Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

**Interac e Transfer:**

e Transfer funds to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number in message. Auto deposits setup on our accounts and therefore no password required.

Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 8% per annum on all outstanding amounts over 30 days.

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**Invoice Detail**


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TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter for the period ending March 31, 2022:

Date	ID	Description of Work	Hours
01-Feb-22	JS	Updates from Pinky Law on sales process.	0.2
02-Feb-22	TJ	Email with Glen Forrester regarding sale process. Email with client regarding same.	0.9
03-Feb-22	TJ	Email with shareholder's counsel regarding payment to Bank. Email and call with Receiver regarding same and interim distributions.	0.7
07-Feb-22	JS	Discussion with Tevia Jeffries regarding various updates and action items.	0.4
07-Feb-22	TJ	Email and call with Receiver regarding open issues and next steps. Email to Glen Forrester regarding sale process.	0.8
08-Feb-22	TJ	Calls with Pinky Law regarding next steps. Call with Glen Forrester regarding repayment of amounts owing by debtors.	0.7
09-Feb-22	TJ	Email with Pinky Law regarding redemption. Email with Glen Forrester regarding same.	0.3
10-Feb-22	JS	Review various emails regarding possible pay down of loan and emails with Tevia Jeffries regarding same.	0.3
16-Feb-22	TJ	Draft form of Offer. Call with Pinky Law regarding same.	1.4
17-Feb-22	TJ	Draft form of Offer.	1.7
22-Feb-22	TJ	Call with Pinky Law regarding form of asset purchase agreement. Revise asset purchase agreement.	1.6
23-Feb-22	ZK	Call with Tevia Jeffries regarding lease review for purchaser obligations upon assignment. Review Leasehold Interest ED035862-63. Review Harbour Lease W18371388. Review Provincial Lease V927098. Draft memo of research results.	1.8
23-Feb-22	TJ	Revise form of Asset Purchase Agreement.	5.9
23-Feb-22	AA	Obtain builder's lien documents from LTSA and email to Emma Newbery regarding same.	0.2
23-Feb-22	ETN	Email with Tevia Jeffries regarding marine mortgages.	0.6
25-Feb-22	ZK	Revise draft memo of research results. Email to Tevia Jeffries regarding memo of research results.	2.0
25-Feb-22	TJ	Revise form of Asset Purchase Agreement.	1.4
28-Feb-22	TJ	Revise form of Offer. Email with Pinky Law regarding same. Email with Mikaila Mauro regarding Guyon action. Call with Peter Bychawski, Todd Martin, Pinky Law, [REDACTED] regarding update to proceedings.	1.9
28-Feb-22	ETN	Research stay of proceedings in Receiverships. Email regarding the same.	0.8

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Date	ID	Description of Work	Hours
01-Mar-22	TJ	Call with Mikaila Mauro regarding Guyan action. Revise form of Offer. Call and email with Aurora Faulkner regarding Farmer action. Revise email to Farmer counsel. Email with Pinky Law regarding outstanding items.	3.8
02-Mar-22	TJ	Call with Peter Bychawski regarding shareholder group. Review correspondence with counsel for shareholder group.	0.5
04-Mar-22	JS	Consider various update emails on sales process and other matters.	0.2
04-Mar-22	TJ	Call with Pinky Law regarding Glen Forrester communication. Draft letter to Glen Forrester.	2.1
07-Mar-22	JS	Review emails from counsel for shareholders and Loan Agreement. Emails to A&M and Tevia Jeffries regarding the same.	0.3
07-Mar-22	TJ	Review and consider email and loan document from Glen Forrester. Email with client regarding same.	1.1
08-Mar-22	JS	Review update emails regarding loan and security and issues.	0.3
08-Mar-22	TJ	Email and call with Pinky Law regarding shareholder group loans. Call with Glen Forrester regarding same. Call with Taghd Egan regarding same. Draft letter to Glen Forrester regarding same. Email with Todd Martin and Pinky Law regarding next steps.	5.2
09-Mar-22	JS	Review update emails.	0.2
09-Mar-22	AA	Instructions from Tevia Jeffries regarding request for title searches. Review materials from A&M. Conduct LTO searches on two properties. Email to Tevia Jeffries with noted spelling error on one of properties reflected in the Loan Agreement. Upload searches accordingly.	0.3
10-Mar-22	TJ	Call with Peter Bychawski regarding Yeakon loan. Call with Pinky Law regarding refinancing. Call with Brenda Lightbody regarding refinancing. Call with Dan Nugent regarding refinancing.	2.5
11-Mar-22	TJ	Call with Glen Forrester regarding redemption. Call with Peter Bychawski regarding same. Email with counsel for the directors regarding same. Review refinancing term sheets. Meet with Eamonn Watson regarding steps for refinancing.	3.7
11-Mar-22	EFW	Call with Tevia Jeffries regarding transaction sequencing and varying receivership order to enable financing proposal.	0.6
14-Mar-22	TJ	Call with Glen Forrester regarding refinancing.	0.3
15-Mar-22	TJ	Email with Peter Bychawski and Glen Forrester regarding refinancing and sale process. Email with lender group regarding same. Call with Glen Forrester regarding same. Call with Pinky Law regarding same.	1.7
16-Mar-22	TJ	Call with Glen Forrester regarding refinancing. Call with Peter Bychawski regarding same. Call with Glen Forrester, Peter Bychawski, Tadhg Egan, Brenda Lightbody, Hana Holbrook regarding same. Email with client regarding same.	2.6
17-Mar-22	JS	Review update emails from Tevia Jeffries and consider.	0.3
17-Mar-22	TJ	Call with Pinky Law regarding refinancing efforts. Call with Aurora Faulkner Killam regarding liens.	1.5

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Date	ID	Description of Work	Hours
18-Mar-22	TJ	Call with Aurora Faulkner Killam and Glen Forrester regarding discharge of liens. Email with Pinky Law regarding CBRE requests. Revise form of offer.	1.0
21-Mar-22	JS	Review update email from Tevia Jeffries and consider.	0.3
21-Mar-22	TJ	Call with Glen Forrester regarding application for financing approval. Call with Pinky Law regarding same. Email with counsel for Receiver regarding application for approval of fees and activities. Prepare application for approval of fees and activities.	2.8
22-Mar-22	TJ	Call with Brenda Lightbody regarding Crown non-disturbance agreements. Email with Brenda Lightbody regarding same. Email with Pinky Law regarding same.	1.4
22-Mar-22	ETN	Revise affidavits in support of taxation. Attend to the commissioning of the A&M affidavit. Prepare pleadings for filing.	2.4
23-Mar-22	TJ	Draft indemnity. Email with Pinky Law regarding status of refinancing.	2.0
23-Mar-22	AA	Draft Notice of Application and supporting affidavits for A&M	1.6
24-Mar-22	TJ	Call with Pinky Law regarding refinancing and sale process statuses. Email with counsel for shareholder group regarding same. Email with Aurora Faulkner Killam regarding updates.	1.2
25-Mar-22	JS	Review various updates on potential payout and possible court application for approval and discharge.	0.3
25-Mar-22	TJ	Call with Glen Forrester regarding order approving transaction. Draft application for approval of fees and activities. Call with Pinky Law regarding status update and next steps.	4.7
25-Mar-22	AA	Continue with drafting materials regarding passing of accounts of the Receiver. Email to Tevia Jeffries.	0.9
26-Mar-22	TJ	Draft application for approval of fees and disbursements.	1.4
27-Mar-22	TJ	Draft application for approval of fees and disbursements.	1.6
28-Mar-22	TJ	Revise proposed distribution and approval order. Call with Pinky Law regarding same. Email with Glen Forrester regarding same.	2.0
29-Mar-22	TJ	Consider communication from tenant regarding lease. Review emails from Glen Forrester.	0.5
30-Mar-22	JS	Brief review of draft materials for court application to approve fees and payments.	0.4
30-Mar-22	TJ	Review and comment on draft pleadings from Glen Forrester. Call and email with Glen Forrester regarding same. Call with Peter Bychawski regarding status. Email with Aurora Faulkner-Killam and Glen Forrester regarding outstanding litigations.	2.9
31-Mar-22	JS	Further review of updates from Tevia Jeffries and consider.	0.3
31-Mar-22	TJ	Call with Pinky Law regarding refinancing. Email with Glen Forrester regarding pleadings in support of refinancing. Revise pleadings in support of fees and activities application.	4.8
31-Mar-22	TJ	Anticipated Fees - to wrap up the Receivership.	0.0

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Date	ID	Description of Work	Hours
31-Mar-22	TJ	Anticipated Fees - to wrap up the Receivership.	0.0
		<b>Total</b>	<b>83.3</b>

Timekeeper	ID	Title	Hours	Rate	Fees
Avic Arenas	AA	Paralegal	3.0	245.00	735.00
Eamonn Watson	EFW	Associate	0.6	360.00	216.00
Emma Newbery	ETN	Associate	3.8	380.00	1,444.00
John Sandrelli	JS	Partner	3.5	775.00	2,712.50
Tevia Jeffries	TJ	Partner	68.6	580.00	39,788.00
Zephi Kramer	ZK	Student	3.8	280.00	1,064.00
<b>Total</b>			<b>83.3</b>		<b>\$45,959.50</b>

<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 45,959.50</b>
Estimated Fees	<u>20,000.00</u>
<b>NET PROFESSIONAL FEES</b>	<b>\$ 65,959.50</b>

**TAXABLE DISBURSEMENTS**

Bank of Canada Searches	\$ 100.10
Bankruptcy Search/Cert.	56.00
<b>TOTAL TAXABLE DISBURSEMENTS</b>	<b>\$ 156.10</b>

**NON-TAXABLE DISBURSEMENTS**

B.C. LTSA search*	\$ 51.78
BC Online Registration*	19.00
<b>TOTAL NON-TAXABLE DISBURSEMENTS</b>	<b>\$ 70.78</b>

<b>TOTAL DISBURSEMENTS</b>	<b>\$ 226.88</b>
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<b>TOTAL FEES AND DISBURSEMENTS</b>	<b>\$ 66,186.38</b>
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**TAXES**

GST (5.0%) on Professional Fees of \$65,959.50	\$ 3,297.98
GST (5.0%) on Taxable Disbursements of \$156.10	7.81
PST (7.0%) on Professional Fees of \$65,959.50	<u>4,617.17</u>
<b>TOTAL TAXES</b>	<b><u>7,922.96</u></b>

<b>TOTAL AMOUNT DUE</b>	<b><u>\$ 74,109.34 CAD</u></b>
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This is the 1<sup>st</sup> affidavit  
of Aurora Faulkner-Killam in this case  
and was made on 12/APR/2022

NO. S-217202  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

**AFFIDAVIT**

I, Aurora Faulkner-Killam, barrister and solicitor, of 3<sup>rd</sup> Floor, 26 Bastion Square, Victoria, British Columbia, AFFIRM THAT:

1. I am a partner at Cox Taylor, counsel for the Alvarez & Marsal Canada Inc. in its capacity as Receiver for the Respondents (the "**Receiver**") in relation to certain matters arising from Vic Reg Vic-S-S-190234 and related Arbitration under CCDC-14 Design-Build Stipulated Price Contract made April 21, 2016 (the "**Action**"). Prior to being counsel for the Receiver, Cox Taylor had acted as counsel to the Respondents, Community Marine Concepts Ltd. and 0736657 BC Ltd. in the Action and on other matters, and now acts for the Receiver with the consent of all parties. As such, I have personal knowledge of the facts herein after deposed to except where stated to be on information and belief, in which case I verily believe them to be true.
2. This affidavit is sworn in support of the application to be made in these proceedings, seeking, among other things, approval of the fees and disbursements of Cox Taylor in its capacity as legal counsel to the Receiver for the period from December 2021 to April, 2022 (the "**Period**") and anticipated fees to discharge the Receiver if the expected refinancing of the Respondents' obligations to the Petitioner (the "**Refinancing**") is approved by this Court and closes within the timeline anticipated by the parties.

3. An application to approve the Refinancing was filed on April 7, 2022. The application to approve fees and disbursements is made to facilitate the wrap up of the receivership and discharge of the Receiver in the event that the Refinancing is approved by this Court and closes as anticipated.
4. I was called to the Bar and admitted as a barrister and solicitor in the Province of British Columbia in May 2010.
5. Since 2010, I have primarily acted in civil litigation including construction, contractual and commercial disputes.

**A. Cox Taylor's Activities**

6. The petition commencing these proceedings was filed in August 2021, and the Receiver was appointed on December 13, 2021, by operation of a consent receivership order entered November 1, 2021.
7. I received notice of the Receivership in November 2021, and Cox Taylor was retained as counsel for the Receiver in December 2021.
8. Cox Taylor has assisted the Receiver with the Receiver's work with respect to the Receiver's general activities (the "**Activities**"). With respect to the Activities, and noting that the Receiver retains and has not waived solicitor-client privilege with respect to same, Cox Taylor has:
  - (a) attended calls and online meetings and corresponded with the Receiver and others regarding the history of the Action, advice sought on outstanding litigation by and against the Respondents, and operational issues arising from the Action;
  - (b) drafted and revised documents;
  - (c) reviewed various matters and issues and reported to the Receiver;
  - (d) attended calls with stakeholders, including counsel for shareholders of the Respondents, and others; and
  - (e) facilitated negotiation of priority or security agreements for claims of builder's lien to allow for the redemption of the Receivership by the shareholder.
9. In addition to continuing with the above activities, Cox Taylor will:
  - (a) communicate with counsel in the Action; and
  - (b) assist in wrapping up the receivership and the duties of the Receiver.

**B. Cox Taylor's Fees**

10. In connection with the Activities, during the Period, Cox Taylor incurred fees in the amount of \$6,812.50 plus taxes in the amount of \$817.51, and projected fees, taxes and disbursements of \$4,850.00 to wrap up the receivership, for a total of \$12,480.01.
11. In connection with the Activities, in the course of performing its duties, Cox Taylor's personnel have expended 23.1 hours during the Period. The average hourly rate of all Cox Taylor's personnel billed in connection with the services performed during the Period is approximately \$294.91.
12. It is expected that approximately 10 hours will be required to assist in the activities required to be able to wrap up the receivership as anticipated by the Refinancing, which led to the estimate of projected fees and disbursements described in this affidavit. These activities include negotiating and facilitating the subordination or security of claims of builder's lien at issue in the Action. If the Refinancing does not close as anticipated, I expect that the Receiver and its counsel will have to file a further application for approval of fees and activities.
13. Cox Taylor will issue itemized invoices in respect of additional work done after the Period to be billed against the estimate of projected fees and disbursements. To the extent any amount is not actually billed, funds will be returned to the Receiver and will not be retained by Cox Taylor. If fees exceed the estimate, then in consultation with the Receiver, further Court approval will be sought, or such fees will be written off and not collected. Cox Taylor will not seek payment of any amounts not approved by this Court in accordance with the order appointing the Receiver.
14. In connection with the Activities, Cox Taylor has issued the following invoices in respect of the work performed in connection with this matter during the Period (collectively, the "Invoices"):

Invoice Date	Invoice Amount	Amount Paid by Alvarez & Marsal Canada Inc.
January 4, 2022	\$1,377.60	\$1,377.60
January 31, 2022	\$1,512.00	\$1,512.00
March 2, 2022	\$1,646.40	\$1,646.40
March 31, 2022	\$3,094.01	--
April 2022	Anticipated \$4,850.00	--
<b>TOTALS:</b>	<b>\$12,480.01</b>	<b>\$4,536.00</b>


15. Copies of the Invoices, which have been redacted to protect solicitor-client privilege, are attached collectively as **Exhibit "A"** hereto.
16. As of the date of the receivership, the Respondents owed Cox Taylor a total of \$10,002.30 in accounts receivable. The Receiver paid this amount to Cox Taylor on February 14, 2022.
17. A list of the outstanding invoices which were paid by the Receiver and provided in a summary format to protect solicitor client privilege is attached as **Exhibit "B"** hereto.
18. I verily believe that the time expended and the legal fees charged are reasonable in light of the services provided and prevailing market rates for legal services of this nature, specifically:
  - (a) Cox Taylor has assisted the Receiver with all Activities, providing legal advice with respect to the Action and related matters;
  - (b) Cox Taylor has assumed significant responsibility during the Period and has worked closely with the Receiver throughout;
  - (c) Cox Taylor has staffed its legal team with experienced lawyers and properly delegated legal tasks to members of the legal team that had the skills to complete each activity in a cost-effective manner;
  - (d) in working with the Receiver, Cox Taylor has helped the Receiver, parties to the Action, and stakeholders to resolve disputes, and progress towards a transaction that would see creditors paid and the business of the Respondents continue; and
  - (e) Cox Taylor has been transparent regarding its fees and the Receiver believes that Cox Taylor's fees are reasonable in the circumstances.
19. To the best of my knowledge, information, and belief, the information contained in the Invoices as to:
  - (a) the amount of hours worked;
  - (b) the nature of work performed;
  - (c) the identity of the individuals who performed the work; and
  - (d) the rates charged for the work performed,is true and correct in all respects.
20. The incurred fees set out in the Invoices were charged at Cox Taylor's standard billing rates in effect from time to time. Disbursements were charged in amounts which were less

than or equal to standard charges in accordance with the firm's disbursement policy for clients.

21. Further, to the best of my knowledge, information, and belief, the fees and disbursements of Cox Taylor are fair and reasonable as:

- (a) Cox Taylor's professional fees and disbursements were properly incurred;
- (b) the work completed by Cox Taylor was delegated to the appropriate professionals in Cox Taylor with the appropriate seniority and hourly rates;
- (c) Cox Taylor's fees in this matter are consistent with the market for similar firms with the capacity to handle a file of comparable size and complexity;
- (d) each of the invoices was reviewed for reasonableness at the time of billing;
- (e) the Invoices were provided to the Receiver when rendered and all have been approved by the Receiver; and
- (f) the services were performed by Cox Taylor in a prudent and economical manner.

AFFIRMED BEFORE ME at Victoria, BC on  
12/APR/2022.

  
A Commissioner for taking Affidavits within  
British Columbia

  
AURORA FAULKNER-KILLAM

**NEIL CARFRA**  
Barrister & Solicitor  
Third Floor, Burnes House  
26 Bastion Square  
Victoria, BC V8W 1H9

1

This is **Exhibit "A"** referred to in the Affidavit #1  
of **AURORA FAULKNER-KILLAM** sworn this  
12<sup>th</sup> day of April, 2022.



A Commissioner for taking Affidavits  
for British Columbia





COX TAYLOR  
BARRISTERS | SOLICITORS | NOTARIES

THIRD FLOOR - BURNES HOUSE, 26 BASTION SQUARE  
VICTORIA, BRITISH COLUMBIA V8W 1H9

[ACCOUNT]

TELEPHONE 250.388.4457  
FACSIMILE 250.382.4236  
HST/GST NO. R122146350

4 January 2022  
FILE - C01162008

COMMUNITY MARINE CONCEPTS LTD.

240-730 View Street  
Victoria, BC V8W 1J8

Attention: Craig E. Norris

*Re: Design-Build Contract with Blue Water Systems*

FEEES AND OTHER CHARGES

Summary

Lawyer Name	Initials	Hours	Rate	Amount
Aurora L. Faulkner-Killam	AFK	4.10	300.00	\$1,230.00

Time Details

Date	Initials	Description of Service	Hours	Rate	Amount
11/08/2021	AFK		0.30	300.00	\$90.00
12/01/2021	AFK		0.30	300.00	\$90.00
12/07/2021	AFK		0.40	300.00	\$120.00
12/13/2021	AFK		0.40	300.00	\$120.00
12/14/2021	AFK		1.30	300.00	\$390.00
12/16/2021	AFK		0.50	300.00	\$150.00
12/19/2021	AFK		0.50	300.00	\$150.00
12/22/2021	AFK		0.40	300.00	\$120.00
Fees:			4.10	300.00	\$1,230.00

TAXES

Goods and Services Tax (5.0%)  
on Fees

\$61.50

Goods and Services Tax (5.0%)

Total Goods and Services Tax: \$61.50

Provincial Sales Tax (7.0%)

on Fees \$86.10

Total Provincial Sales Tax: \$86.10

STATEMENT OF ACCOUNT

Total Current Account \$1,377.60

Previous Balance \$169.46

AMOUNT DUE & OWING AS OF TODAY	\$1,547.06
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COX, TAYLOR

Per:

Aurora L. Faulkner-Killam

E&OE

*Account is due upon receipt. Amounts outstanding over 30 days will be charged 1.0% interest per month (12.56% per annum).*





COX TAYLOR  
BARRISTERS SOLICITORS NOTARIES

THIRD FLOOR - BURNES HOUSE, 26 BASTION SQUARE  
VICTORIA, BRITISH COLUMBIA V8W 1J8

[ACCOUNT]

TELEPHONE 250.388.4457  
FACSIMILE 250.382.4236  
HST/GST NO. R122146350

31 January 2022  
FILE - C01162008

COMMUNITY MARINE CONCEPTS LTD.

240-730 View Street  
Victoria, BC V8W 1J8

Attention: Craig E. Norris

*Re: Design-Build Contract with Blue Water Systems*

FEES AND OTHER CHARGES

Summary

Lawyer Name	Initials	Hours	Rate	Amount
Aurora L. Faulkner-Killam	AFK	4.50	300.00	\$1350.00

Time Details

Date	Initials	Description of Service	Hours	Rate	Amount
01/04/2022	AFK		0.40	300.00	\$120.00
01/05/2022	AFK		1.00	300.00	\$300.00
01/06/2022	AFK		0.20	300.00	\$60.00
01/10/2022	AFK		1.00	300.00	\$300.00
01/12/2022	AFK		0.30	300.00	\$90.00
01/14/2022	AFK		0.10	300.00	\$30.00
01/18/2022	AFK		0.10	300.00	\$30.00
01/20/2022	AFK		0.20	300.00	\$60.00
01/21/2022	AFK		0.10	300.00	\$30.00
01/24/2022	AFK		0.80	300.00	\$240.00
01/27/2022	AFK		0.10	300.00	\$30.00
01/27/2022	AFK		0.20	300.00	\$60.00

Fees: 4.50 300.00 \$1,350.00

5

TAXES

Goods and Services Tax (5.0%)		
on Fees	\$67.50	
Total Goods and Services Tax:		\$67.50
Provincial Sales Tax (7.0%)		
on Fees	\$94.50	
Total Provincial Sales Tax:		\$94.50

STATEMENT OF ACCOUNT

Total Current Account	\$1,512.00
Previous Balance	\$1,547.06

AMOUNT DUE & OWING AS OF TODAY	\$3,059.06
--------------------------------	------------

COX, TAYLOR

Per:

Aurora L. Faulkner-Killam

E&OE

*Account is due upon receipt. Amounts outstanding over 30 days will be charged 1.0% interest per month (12.56% per annum).*

*Payment options: For payment by Interac e-transfer, send to [accounting@coxtaylor.ca](mailto:accounting@coxtaylor.ca) and include your file number in the message. For payment by Visa or Mastercard, please call our receptionist and quote your file number. File number can be found on top right corner of your invoice.*



COX TAYLOR

BARRISTERS SOLICITORS NOTARIES

THIRD FLOOR - BURNES HOUSE, 26 BASTION SQUARE  
VICTORIA, BRITISH COLUMBIA V8W 1H9

[ACCOUNT]

TELEPHONE 250.388.4457

FACSIMILE 250.382.4236

HST/GST NO. R122146350

2 March 2022

FILE - C01162008

COMMUNITY MARINE CONCEPTS LTD.

240-730 View Street

Victoria, BC V8W 1J8

Attention: Pinky Law, Alvarez & Marsal Canada Inc.

*Re: Design-Build Contract with Blue Water Systems*

FEES AND OTHER CHARGES

Summary

Lawyer Name	Initials	Hours	Rate	Amount
Aurora L. Faulkner-Killam	AFK	4.90	300.00	\$1,470.00

Time Details

Date	Initials	Description of Service	Hours	Rate	Amount
02/06/2022	AFK		0.30	300.00	\$90.00
02/07/2022	AFK		1.10	300.00	\$330.00
02/08/2022	AFK		0.10	300.00	\$30.00
02/11/2022	AFK		0.10	300.00	\$30.00
02/14/2022	AFK		0.30	300.00	\$90.00
02/16/2022	AFK		0.70	300.00	\$210.00
02/17/2022	AFK		0.40	300.00	\$120.00
02/17/2022	AFK		0.40	300.00	\$120.00
02/18/2022	AFK		0.20	300.00	\$60.00
02/23/2022	AFK		0.70	300.00	\$210.00
02/24/2022	AFK		0.10	300.00	\$30.00
02/24/2022	AFK		0.50	300.00	\$150.00

Fees: 4.90 300.00 \$1,470.00

TAXES

Goods and Services Tax (5.0%)  
on Fees

\$73.50

Total Goods and Services Tax:

\$73.50

Provincial Sales Tax (7.0%)  
on Fees

\$102.90

Total Provincial Sales Tax:

\$102.90

STATEMENT OF ACCOUNT

Total Current Account

\$1,646.40

AMOUNT DUE & OWING AS OF TODAY

\$1,646.40

COX, TAYLOR

Per:

Aurora L. Faulkner-Killam

E&OE

*Account is due upon receipt. Amounts outstanding over 30 days will be charged 1.0% interest per month (12.56% per annum).*

*Payment options: For payment by Interac e-transfer, send to [accounting@coxtaylor.ca](mailto:accounting@coxtaylor.ca) and include your file number in the message. For payment by Visa or Mastercard, please call our receptionist and quote your file number. File number can be found on top right corner of your invoice.*



# COX TAYLOR

BARRISTERS SOLICITORS NOTARIES

THIRD FLOOR - BURNES HOUSE, 26 BASTION SQUARE  
VICTORIA, BRITISH COLUMBIA V8W 1H9

[ACCOUNT]

TELEPHONE 250.388.4457  
FACSIMILE 250.382.4236  
HST/GST NO. R122146350

31 March 2022  
FILE - C01162008

## COMMUNITY MARINE CONCEPTS LTD.

1 Cooperage Place  
Victoria, BC V9A 7J9

Attention: Pinky Law, Alvarez & Marsal Canada Inc.

*Re: Design-Build Contract with Blue Water Systems*

## FEES AND OTHER CHARGES

### Summary

Lawyer Name	Initials	Hours	Rate	Amount
Aurora L. Faulkner-Killam	AFK	4.90	300.00	\$1,470.00
Matthew Wehrung	MW	4.70	275.00	\$1,292.50

### Time Details

Date	Initials	Description of Service	Hours	Rate	Amount
03/01/2022	AFK		0.60	300.00	\$180.00
03/03/2022	AFK		0.20	300.00	\$60.00
03/04/2022	AFK		0.20	300.00	\$60.00
03/09/2022	AFK		0.10	300.00	\$30.00
03/15/2022	MW		2.70	275.00	\$742.50
03/15/2022	MW		1.70	275.00	\$467.50
03/16/2022	AFK		0.20	300.00	\$60.00
03/17/2022	AFK		0.10	300.00	\$30.00
03/17/2022	AFK		0.90	300.00	\$270.00
03/17/2022	MW		0.20	275.00	\$55.00
03/18/2022	AFK		0.70	300.00	\$210.00



## Time Details

Date	Initials	Description of Service	Hours	Rate	Amount
03/21/2022	AFK		0.40	300.00	\$120.00
03/24/2022	MW		0.10	275.00	\$27.50
03/24/2022	AFK		0.30	300.00	\$90.00
03/25/2022	AFK		0.50	300.00	\$150.00
03/30/2022	AFK		0.20	300.00	\$60.00
03/30/2022	AFK		0.50	300.00	\$150.00
Fees:			9.60		\$2,762.50

## TAXES

Goods and Services Tax (5.0%)  
on Fees

\$138.13

Total Goods and Services Tax:

\$138.13

Provincial Sales Tax (7.0%)  
on Fees

\$193.38

Total Provincial Sales Tax:

\$193.38

## STATEMENT OF ACCOUNT

Total Current Account

\$3,094.01

Previous Balance

\$1,646.40

AMOUNT DUE &amp; OWING AS OF TODAY

\$4,740.41

COX, TAYLOR

Per: 

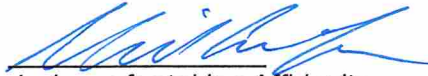
Aurora L. Faulkner-Killam

E&amp;OE

Account is due upon receipt. Amounts outstanding over 30 days will be charged 1.0% interest per month (12.56% per annum).

We accept payment by cheque payable to Cox Taylor, by eTransfer to [accounting@coxtaylor.ca](mailto:accounting@coxtaylor.ca), and by Credit Card over the phone or online at [pay.coxtaylor.ca](http://pay.coxtaylor.ca). Please quote your file number when submitting your payment.

This is **Exhibit "B"** referred to in the Affidavit #1  
of **AURORA FAULKNER-KILLAM** sworn this  
12<sup>th</sup> day of April, 2022.



A Commissioner for taking Affidavits  
for British Columbia



COX TAYLOR

BARRISTERS | SOLICITORS | NOTARIES

THIRD FLOOR - BURNES HOUSE, 26 BASTION SQUARE  
VICTORIA, BRITISH COLUMBIA V8W 1H9

(11)  
[STATEMENT]

TELEPHONE 250.388.4457  
FACSIMILE 250.382.4236  
HST/GST NO. R122146350

FILES – C-1162-3, 4, 8

**Community Marine Concepts Ltd.**

*Summary of Accounts Receivable Paid by Alvarez & Marsal Canada*

**Summary of Accounts Issued for the above referenced matters:**

**C-1162-3 re: Development Permit:**

			Balance
30/MAR/2020	Account Rendered	8,316.00	8,316.00
14/FEB/2022	Payment from Alvarez & Marsal Canada	-8,316.00	<u>0.00</u>

**C-1162-4 re: General Matters:**

			Balance
30/NOV/2020	Account Rendered	1,248.04	1,248.04
02/JUN/2021	Account Rendered	100.80	1,348.84
29/JUN/2021	Account Rendered	168.00	1,516.84
14/FEB/2022	Payment from Alvarez & Marsal Canada	-1,516.86	<u>0.00</u>

**C-1162-8 re: Blue Water Systems:**

			Balance
31/AUG/2021	Account Rendered	336.00	336.00
10/DEC/2021	Payment (partial) received from CMC	-267.34	68.66
02/NOV/2021	Account Rendered	100.80	169.46
14/FEB/2022	Payment from Alvarez & Marsal Canada	-169.46	<u>0.00</u>

<b>TOTAL ACCOUNTS RECEIVABLE PAID BY ALVAREZ &amp; MARSAL:</b>	<b>\$ 10,002.32</b>
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This is the first affidavit  
of Todd Martin in this case  
and was made on 13/April/2022

NO. S-217202  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

**AFFIDAVIT**

I, Todd Martin, Chartered Professional Accountant, of Unit 902 – 925 W. Georgia Street, Vancouver, British Columbia, SWEAR THAT:

1. I am a Senior Vice President of Alvarez & Marsal Canada Inc. ("**A&M**"), the court-appointed receiver (in such capacity, the "**Receiver**") of all the assets, undertakings, and properties of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holding Ltd. And 0736657 B.C. Ltd. (collectively, "**CMC**"). As such, I have personal knowledge of the facts herein after deposed to except where stated to be on information and belief, in which case I verily believe them to be true.
2. The Receiver was appointed pursuant to a consent order (the "**Receivership Order**") of this Supreme Court of British Columbia dated November 1, 2021 (the "**Date of Receivership**"). A true copy of the Receivership Order is attached hereto as **Exhibit "A"**.
3. The Receiver was informed by counsel to certain individuals that these individuals are seeking to refinance CMC's obligations to the Petitioner (the "**Refinancing**") and have filed an application seeking Court authorization to execute the Refinancing and discharge the Receiver (the "**Refinancing Application**").
4. As a result of the Refinancing Application, I believe it is appropriate for A&M to seek approval of its fees and activities, including estimated fees and disbursements to closing,

and to seek authorization to pay priority payables that are outstanding, as described in the Report. These steps are required so that the Receivership can be brought to a timely close if the Refinancing Application is granted.

5. This affidavit is sworn in support of the Receiver's application seeking, among other things, approval of the activities, fees, and disbursements of the Receiver for the period from the Date of Receivership to March 31, 2022 (the "**Period**"), and anticipated fees to discharge of the Receiver if the expected refinancing of the Respondents' obligations to the Petitioner (the "**Refinancing**") is approved by this Court and closes within the timeline anticipated by the parties.

**A. Receiver's Activities**

6. The Receiver has outlined all of its activities (the "**Activities**") through the course of this receivership (the "**Receivership**") in the Receiver's First Report to Court filed April 11, 2022 (the "**Report**").
7. In the Report, the Receiver details its Activities to date. By way of summary, the Receiver has:
  - (a) Attended the Respondents' head office;
  - (b) Reviewed the Respondents' books and records;
  - (c) Taken steps to take possession of, preserve and market assets, including opening trust accounts, new utility accounts, and notifying key parties of the Receivership;
  - (d) Obtained an appraisal of the Respondents' assets;
  - (e) Retained CBRE Limited to market the property;
  - (f) Met with former management, remaining employees, former employees and former contractors;
  - (g) Engaged former employees and contractors on a contract basis to assist with the ongoing operations and administration of the Receivership;
  - (h) Attended meetings with stakeholders and counsel;
  - (i) Communicated with Canada Revenue Agency, Minister of Finance, Minister of National Defense, the Commander Canadian Forces Base Esquimalt and other regulatory bodies;
  - (j) Retained legal counsel;
  - (k) Monitored and managed cash receipts and disbursements of the Receivership;
  - (l) Attended to statutory duties, including mailing notices to creditors identified in the books and records, published a newspaper notice, preparing notices to former

employees, submitting forms and attending to correspondence with Service Canada; and

- (m) Dealt with government reporting matters, including determining the status of the Respondents' payroll remittances, GST and other filings.

**B. Receiver's Fees**

8. During the Period, the Receiver incurred fees in the amount of \$297,232.00 and disbursements in the amount of \$2,472.35, plus taxes in the amount of \$14,985.22, in connection with the Activities. The Receiver projected fees and disbursements of \$50,000 plus taxes of \$2,500 to complete the Receivership. Total fees and disbursements estimated to discharge (inclusive of taxes) total \$367,189.57 (collectively, the "Fees").
9. In the course of performing its duties, the Receiver's personnel have expended 543.8 hours during the Period. The average hourly rate of all Receiver's personnel billed in connection with the services performed during the Period is approximately \$547.00.
10. The Receiver has issued the following invoices in respect of the work performed in connection with this matter during the Period (collectively, the "Invoices"):

Invoice Date	Invoice Number	Invoice Amount
19-Jan-22	830589A – Invoice #1	\$89,478.38
14-Feb-22	830589A – Invoice #2	\$94,259.38
21-Mar-22	830589A – Invoice #3	\$50,963.68
11-Apr-22	830589A – Invoice #4	\$79,988.13
Projected fees and disbursements	830589A – Invoice #5	\$52,500.00
Total:		\$367,189.57

Copies of the Invoices are attached collectively as **Exhibit "B"** hereto.

11. Attached as **Exhibit "C"** is a summary of the Receiver's Fees broken down by personnel and specific time expended.
12. To the best of my knowledge, information, and believe, the information contained in the Invoices as to:
- (a) the amount of hours worked;
  - (b) the nature of work performed;
  - (c) the identity of the individuals who performed the work; and

(d) the rates charged for the work performed,

is true and correct in all respects.

13. The incurred Fees set out in the Invoices were charged at A&M's standard billing rates in effect from time to time. Disbursements were charged at cost.
14. I have reviewed the information contained in the Invoices and I verily believe that:
  - (a) the Receiver's professional fees and disbursements were properly incurred;
  - (b) the work completed by the Receiver was delegated to the appropriate professionals with the appropriate seniority and appropriate hourly rates;
  - (c) the Receiver's Fees in this matter are consistent with fees charged by other insolvency firms of a similar size for work of a similar nature and complexity; and
  - (d) the services were performed by the Receiver in a prudent and economical manner.
15. I verily believe that the time expended and the Fees charged by A&M are reasonable in light of the services provided and prevailing market rates for services of this nature, specifically given the complexities of this file and the work done to facilitate a positive outcome for all stakeholders.
16. In light of the foregoing, I believe it is appropriate for the Court to approve the Receiver's Fees and Activities at this time.

**C. Dentons' Fees**

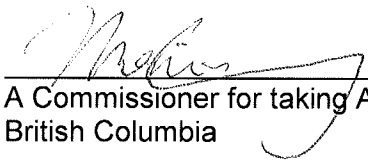
17. I have reviewed First Affidavit of John Sandrelli sworn April 11, 2022 (the "**Dentons Affidavit**"), including the invoices of Dentons Canada LLP ("**Dentons**") attached thereto.
18. The services performed by Dentons, as summarized in the Dentons Affidavit, were at the request of the Receiver.
19. I verily believe that the time expended and the fees charged by Dentons are reasonable in light of the services provided and prevailing market rates for services of this nature.

**D. Cox Taylor's Fees**

20. I have reviewed First Affidavit of Aurora Faulkner Killam affirmed April 12, 2022 (the "**Cox Taylor Affidavit**"), including the invoices of Cox Taylor – Barristers and Solicitors ("**Cox Taylor**") attached thereto.
21. Given the complexity of the litigation in respect of which Cox Taylor was retained, the Receiver believed retaining Cox Taylor to continue with that matter would be more economical than requesting Dentons to assume conduct of the litigation.

22. As part of retaining Cox Taylor, the Receiver paid outstanding accounts receivable of approximately \$11,300 (inclusive of taxes) in respect of services provided to CMC prior to the Date of Receivership.
23. The services performed by Cox Taylor after the Date of Receivership, as summarized in the Cox Taylor Affidavit, were at the request of the Receiver.
24. I verily believe that the time expended and the fees charged by Cox Taylor are reasonable in light of the services provided and prevailing market rates for services of this nature.

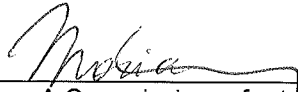
SWORN (OR AFFIRMED) BEFORE ME at  
Vancouver, British Columbia, on  
13/APR/2022.

  
A Commissioner for taking Affidavits within  
British Columbia

  
TODD MARTIN

Monica Cheung  
A Commissioner for Taking  
Affidavits for British Columbia.  
Expiry April 30, 2022

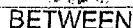
This is **Exhibit "A"** referred to in the affidavit of Todd Martin sworn before me at Vancouver, BC this 13th day of April, 2022



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A Commissioner for taking Affidavits  
For British Columbia

Monica Cheung  
A Commissioner for Taking  
Affidavits for British Columbia.  
Expiry April 30, 2022



AND ON READING Affidavit #1 of Beatriz Martinez sworn August 6, 2021, Affidavit #1 of Sandra Brown-John, sworn August 5, 2021, Confidential Affidavit #2 of Sandra Brown-John, sworn August 5, 2021, Affidavit #3 of Sandra Brown-John, sworn August 25, 2021, Affidavit #1 of Jennifer Alambre, sworn September 1, 2021, Affidavit #1 of Feng Beng Li, sworn September 21, 2021, Affidavit #1 of Angela Bradley, sworn September 23, 2021, Affidavit #4 of Sandra Brown-John, sworn October 28, 2021, Affidavit #1 of Xiaolu Michael Bi, sworn October 28, 2021, Affidavit #2 of Feng Beng Li, sworn October 28, 2021, Affidavit #1 of Yu-Chiao (Joy) Chiang, sworn October 28, 2021, and the consent of A&M to act as the Receiver; AND ON HEARING Peter

Bychawski, counsel for The Bank of Nova Scotia, and Crystal Law, counsel to the Debtors, and no one else appearing.

THIS COURT ORDERS AND DECLARES that:

#### CONSENT APPOINTMENT

1. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA, A&M shall be automatically appointed Receiver, without security, of all of the assets, undertakings and property of the Debtors, including all proceeds (the "**Property**"), at 12:00 a.m. on December 13, 2021 (the "**Appointment Date**"), without any further application or notice to the Debtors, unless prior to the Appointment Date the Petitioner files with this Court: (a) a certificate confirming that all amounts owing by the Debtors to the Petitioner have been paid in full inclusive of all principal, fees, costs (including but not limited to legal and financial advisor fees), and payment-in-kind interest owing by the Debtors, jointly and severally, to the Petitioner pursuant to or in connection with the Commitment Letter, Mortgage, GSAs, Guarantees, Financial Advisor Agreement (in each case as defined in the Petition) and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith; or (b) a certificate confirming that the Petitioner consents to the Appointment Date being extended to such other date as the Petitioner may determine in its discretion.
2. For greater certainty, paragraphs 3 to 34 and 36 – 40 of this Order shall not be effective until the Appointment Date, at which time they shall automatically come into force pursuant to paragraph 1 of this Order.

#### RECEIVER'S POWERS

3. 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:
  - (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
  - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;



- (e) to 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) to receive and collect all monies and accounts now owed or hereafter owing to 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) to settle, extend or compromise any indebtedness owing to the Debtors;
  - (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
  - (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
  - (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtors, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
  - (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
  - (l) to 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 \$500,000 provided that the aggregate consideration for all such transactions does not exceed \$1,000,000, 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) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
  - (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
  - (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. 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.
5. 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, 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.
6. 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.
7. 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**

8. 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 DEBTORS OR THE PROPERTY**

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

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

10. All rights and remedies (including, without limitation, set-off rights) against the Debtors, 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 is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

#### **NO INTERFERENCE WITH THE RECEIVER**

11. 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 Debtors, 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

12. All Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the 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 Debtors 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

13. 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

14. 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 Debtors' 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

15. 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**

16. 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.
17. 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.
18. 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.
19. Notwithstanding anything in federal or provincial law, but subject to paragraph 18 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**

20. 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

21. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
22. 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.
23. 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

24. 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 \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
25. 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.
26. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
27. 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

28. 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

29. The Receiver shall establish and maintain a website in respect of these proceedings at: [www.alvarezandmarsal.com/communitymarine](http://www.alvarezandmarsal.com/communitymarine) (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.
30. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B (the "**Demand for Notice**"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
31. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
32. 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.
33. Notwithstanding paragraph 32 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.
34. 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 Debtors' 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*.

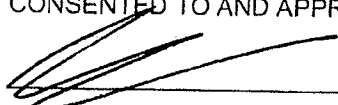
#### GENERAL

35. 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.
36. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
37. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
38. 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.
39. 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.
40. 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.



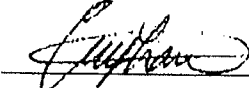
THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

CONSENTED TO AND APPROVED BY:



Signature of Peter Bychawski, lawyer for the  
Petitioner

CONSENTED TO AND APPROVED BY:



Signature of Crystal Law, lawyer for the  
Respondents

BY THE COURT



DISTRICT REGISTRAR

## SCHEDULE "A"

### RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT

\$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Alvarez & Marsal Canada Inc., the Receiver (the "**Receiver**") of all of the assets, undertakings and properties of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holding Ltd., and 0736657 B.C. Ltd. acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "**Court**") dated the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_ (the "**Order**") made in SCBC Action No. \_\_\_\_\_ and/or SCBC Action No. \_\_\_\_\_/Estate No. \_\_\_\_\_ has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly] not in advance on the \_\_\_\_\_ day of each month after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of \_\_\_\_\_ from time to time.
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 1 day of January, 2021.

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

Per:  
Name:  
Title:

**SCHEDULE "B"**

**Demand for Notice**

**TO:**           **The Bank of Nova Scotia**  
                  c/o Blake, Cassels & Graydon LLP  
                  Attention: Peter Bychawski/Claire Hildebrand  
                  Email: peter.bychawski@blakes.com/claire.hildebrand@blakes.com

**AND TO:**     **Alvarez & Marsal Canada Inc.**  
                  c/o [Name of Counsel to the Receiver]  
                  Attention:  
                  Email:

**Re:**    In the matter of the Receivership of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holding Ltd., and 0736657 B.C. Ltd.

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

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

\_\_\_\_\_

OR

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

\_\_\_\_\_

OR

3. By mail, at the following address:

\_\_\_\_\_

Name of Creditor: \_\_\_\_\_

Name of Counsel (if any): \_\_\_\_\_

Creditor's Contact Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Creditor's Contact Phone Number: \_\_\_\_\_

Action No. S-217202  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE BANK OF NOVA SCOTIA

Petitioner

- and -

Respondents

COMMUNITY MARINE CONCEPTS LTD., VICTORIA  
INTERNATIONAL MARINA LTD., ETERNALAND  
YUHENG INVESTMENT HOLDING LTD., AND  
0736657 B.C. LTD.

RECEIVERSHIP ORDER

**BLAKE, CASSELS & GRAYDON LLP**

Barristers & Solicitors

2600, 595 Burrard Street

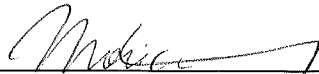
Vancouver, BC V7X 1L3

1.604.631.3300

Agent: Dye & Durham

Counsel: Peter Bychawski  
Matter No. 00019350.090070

This is **Exhibit "B"** referred to in the affidavit of Todd Martin sworn before me at Vancouver, BC this 13th day of April, 2022



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A Commissioner for taking Affidavits  
For British Columbia

Monica Cheung  
A Commissioner for Taking  
Affidavits for British Columbia.  
Expiry April 30, 2022



**Alvarez & Marsal Canada Inc.**  
Licensed Insolvency Trustees  
Cathedral Place Building  
925 West Georgia Street, Suite 902  
Vancouver, BC V6C 3L2  
Phone: +1 604 638 7440  
Fax: +1 604 638 7441

January 19, 2022

Community Marine Concepts Ltd. et al. – In Receivership  
c/o Alvarez & Marsal Canada Inc.  
902-925 West Georgia Street  
Cathedral Place  
Vancouver, BC V6C 3L2

Attention: Mr. Todd M. Martin, Senior Vice President

**Re: In the Matter of the receivership of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holdings Ltd., and 0736657 B.C. Ltd., (collectively, the “Companies”)**

For services rendered for the period ended December 31, 2021, in connection with the appointment of Alvarez & Marsal Canada Inc., as Receiver of the Companies, pursuant to the November 1, 2021 order of the Supreme Court of British Columbia.

<u>A&amp;M Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
T. Martin, Senior Vice President	14.9	\$850	\$12,665.00
P. Law, Vice President	71.0	625	44,375.00
T. Poirier, Senior Associate	43.0	425	18,275.00
N. Virmani, Associate	23.7	375	8,887.50
M. Cheung, Executive Assistant	5.8	175	1,015.00
	<b>158.4</b>		<b>85,217.50</b>

Add: GST (5%) 4,260.88

**TOTAL INVOICE** **\$89,478.38**

**Mail Instructions:**

Alvarez & Marsal Canada ULC  
Attn: Monica Cheung  
Cathedral Place Swiftcode:  
925 West Georgia Street Suite 902  
Vancouver, B.C. V6C 3L2

**Wire Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
TDOMCATTOR  
Bank Address: 55 King Street West  
Toronto, ON M5K 1A2  
Bank Transit #: 10202  
Institution #: 0004  
Account #: 5519970  
Reference #: **830589A – Invoice #1**  
GST: 83486 3367 RT0001

<u>Todd Martin</u>	<u>Description</u>	<u>Hrs.</u>
Dec 13	Pre-receivership planning matters and attend to first day receivership appointment matters including discussion and email with staff regarding engagement of debtor employees, books and records, payroll issues, CBRE mandate, review of banking arrangements and related matters;	3.5
Dec 14	Attend to call with Bank of Nova Scotia; discussion and email with staff regarding various initial receivership activities; review CBRE listing agreement; review and arrange for issuance of Receiver's Certificate and Receiver's borrowings; review employee engagement letter; reviewing settlement of Blue Water Systems;	3.0
Dec 15	Discussion and email with staff regarding various initial receivership activities; prepare for and attend on conference call with Eric Li and Glenn Forrester regarding initial receivership activities, status of debtor's efforts to refinance, employees and books and records and related matters; internal discussion and meeting with staff regarding proposals for an appraisal of the property(ies), employee engagement letters, leases and independent legal counsel;	2.5
Dec 16	Review status of various receivership matters including engagement letters with employees, payroll funding, appraisal proposals, COVID protocol; matters on site, First nations communications, Blue Water litigation and restaurant operations; Review draft of letter to parking lessees and letter to Esquimalt and Songhees First Nations and review of email regarding CEO services;	1.0
Dec 17	Attend to various receivership matters with staff including COVID protocol on site, cash and banking matters, employee engagement letters and various related emails; review draft reporting email to Bank of Nova Scotia;	1.5
Dec 20	Review of draft Form 87 under PPSA; review creditors listing and email to staff; internal discussion and related emails regarding status of various operating matters;	0.7
Dec 21	Attend to various emails regarding operating matters and \$6.0 million deposit in BNS account; internal discussion regarding retention of Dentons as Receiver's independent legal counsel;	0.5
Dec 22	Review payroll and effect payment of payroll cheques;	0.2
Dec 23	Review email to and from Dentons regarding Blue Water litigation; review email to Colliers and related matters; review of Armed Forces agreement re: totem pole storage; review draft cash flow forecast and send edits/comments to staff; review draft email report to Bank of Nova Scotia;	2.0
<b>TOTAL – T. Martin</b>		<b>14.9 hrs.</b>





<u><i>Pinky Law</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Dec 13	Attend on site re: receivership appointment; meeting with former employees; review records provided; consider cash flow forecast; prepare day one letters; email and call with BNS; internal discussions.	9.0
Dec 14	Attend to first day matters; call with BNS; call with CBRE, review info received; prepare letters to various parties, including FN, benefits, etc.; attend to banking matters, issue receiver's certificate; attend to task & term calculation; meeting with former employee; internal discussions re: cash flow and other matters.	8.5
Dec 15	Prepare for and attend call with debtors; call with BNS; various discussions with staff on site; prepare term and task letters, finalize same, discuss with staff; attend to various on site matters; internal discussions.	6.5
Dec 16	Attend to contractor matters, update contracts and discuss internally; review cash flow forecast; draft various letters; attend to insurance and Worksafe BC; call with Cox Taylor re: BWS background; schedule and attend update call with E. Li (did not attend); contact RBC re: banking matters; follow-up on wire transfer; internal discussions.	8.5
Dec 17	Attend to contractor matters; review cash flow forecast; send letters to vendors; attend to enquiries from contractors; attend to payment matters; attend to company information; attend to the BWS matter, email Cox Taylor re: same; internal discussions.	7.2
Dec 20	Attend to Form 87 and creditor list; attend to calls from vendors; consider banking matters; attend to updates to Term & Task letters; call with M. Lester at Colliers; attend to appraisal quote; internal discussions.	6.5
Dec 21	Call with Dentons; finalize Form 87 and creditor list; correspondence with BNS re: banking matters; call with E. Li and C. Norris re: marina operations update; attend to banking matters, call with RBC re: same; attend to newest public health order re: events; attend to published newspaper ad; correspondence with OSB re: appointment; internal discussions.	7.4
Dec 22	Attend to totem pole matter; attend to banking; review cash flow forecast; attend to contractor pay; email with OSB; internal discussions.	4.3

Dec 23	Email with Aon re: totem pole insurance; attend to email from Dentons; email Cox Taylor re: engagement; internal discussions re: cash flow forecast and update; draft update to BNS; attend to letters to suppliers, internal discussions re: same; draft memo re: COVID protocols; call with J. Mitges re: BNS accounts; general correspondence with contractors.	5.1
Dec 27	Review updated cash flow forecast, provide comments.	1.0
Dec 28	Review updated cash flow forecast, internal discussions.	1.5
Dec 29	Finalized cash flow forecast, email BNS re: same; correspondence with contractors on site; email with Naval Base; attend to general matters.	3.5
Dec 30	Attend to general matters at the marina; internal discussions.	2.0
<b>TOTAL – P. Law</b>		<b>71.0 hrs.</b>



<u><i>Taylor Poirier</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Dec 13	Attend CMC re: taking possession; Attend to various discussions with former management re: business operations, effect of the Order; various other first day tasks;	7.1
Dec 14	Attend CMC re: taking possession; Attend various discussions with management; Attend to financial information collection and various other initial tasks; Attend to cash flow forecast;	7.8
Dec 15	Attend CMC re: taking possessions; Attend to various discussions with former management; Attend to contractor agreements; Attend to cash flow forecast;	4.7
Dec 16	Attend to cash flow forecast; Attend to parking and moorage review re: customers and mailing list; Attend to parking annual shared costs;	5.3
Dec 17	Draft letters to parking customers and send to various parties; Draft vessel letters; Internal discussions;	2.7
Dec 21	Attend to cash flow forecast; Attend to vessel and parking letters;	2.1
Dec 22	Internal discussions; Attend to cash flow forecast;	2.4
Dec 23	Attend to review of vessel and parking mailing lists; Draft and sent letters to all remaining vessel and parking customers; Internal discussion re: cash flow forecast;	5.1
Dec 27	Attend to cash flow forecast;	1.7
Dec 28	Attend to KPIs; Attend to cash flow forecast; Attend to file maintenance;	3.4
Dec 29	Attend to KPI review; Attend call with S. Sinclair re: supplier communications.	0.7
<b>TOTAL – T. Poirier</b>		<b>43.0 hrs.</b>



<u><i>Nishant Virmani</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Dec 17	Attend internal calls and discussions regarding proceedings and preparation of creditor's list; Prepare creditor's list;	4.8
Dec 20	Internal discussions regarding the creditor's list; Review vendor invoices and GST balance documents in order to update creditor's list;	2.0
Dec 21	Review vendor listing, screen vendors that require notification of proceedings, collect contact information for vendors; Prepare and send letters to vendors regarding receivership proceedings and continuation of services; Attend calls with vendors regarding receivership;	5.5
Dec 22	Collect contact information for vendors; Prepare and send letters to vendors regarding receivership proceedings and continuation of services; Attend calls with vendors regarding receivership; Update creditor's list; Attend to internal emails regarding vendor contact information;	4.7
Dec 23	Collect contact information for vendors; Prepare and send letters to vendors regarding receivership proceedings and continuation of services; Attend calls with vendors regarding receivership; Attend to internal emails regarding vendors and outstanding amounts; Review court documents;	5.0
Dec 28	Send letters to vendors regarding receivership proceedings and continuation of services;	0.7
Dec 31	Send letters to vendors regarding receivership proceedings and continuation of services.	1.0
<b>TOTAL – N. Virmani</b>		<b>23.7 hrs.</b>



<b><u>Monica Cheung</u></b>	<b><u>Description</u></b>	<b><u>Hrs.</u></b>
Dec 13	Arrange for website to go live; attend to banking matters;	0.2
Dec 15	Attend to banking related matters;	0.2
Dec 16	Arrange for advertising matters; attend to banking related matters;	0.3
Dec 17	Attend to advertising matters; prepare payments to contractors;	0.7
Dec 20	Attend to website matters;	0.3
Dec 21	Attend to banking related matters; Update R&D; Prepare for mailout to creditors;	1.4
Dec 22	Prepare contractor payments; Prepare and mailout creditor notices;	2.3
Dec 24	Attend to administrative matters re letters;	0.3
Dec 30	Attend to website matters.	0.1
<b>TOTAL – M. Cheung</b>		<b>5.8 hrs.</b>





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Fax: +1 604 638 7441

February 14, 2022

Community Marine Concepts Ltd. et al. – In Receivership  
c/o Alvarez & Marsal Canada Inc.  
902-925 West Georgia Street  
Cathedral Place  
Vancouver, BC V6C 3L2

Attention: Mr. Todd M. Martin, Senior Vice President

**Re: In the Matter of the receivership of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holdings Ltd., and 0736657 B.C. Ltd., (collectively, the “Companies”)**

For services rendered for the period January 1-31, 2022, in connection with the appointment of Alvarez & Marsal Canada Inc., as Receiver of the Companies, pursuant to the November 1, 2021 order of the Supreme Court of British Columbia.

<u><b>A&amp;M Personnel</b></u>	<u><b>Hours</b></u>	<u><b>Rate</b></u>	<u><b>Total</b></u>
T. Martin, Senior Vice President	21.6	\$850	\$18,360.00
A. Tillman, Senior Vice President	2.9	795	2,305.50
P. Law, Vice President	70.3	625	43,937.50
T. Poirier, Senior Associate	41.0	425	17,425.00
N. Virmani, Associate	12.3	375	4,612.50
M. Cheung, Executive Assistant	8.0	175	1,400.00
	<b>156.1</b>		88,040.50
Add: out of pocket expenses			
Travel (Airfare, hotel & taxi)			907.07
Advertisement			368.00
Printing fees			251.85
Meals			203.42
			1,730.34
			89,770.84
Add: GST (5%)			4,488.54
<b>TOTAL INVOICE</b>			<b>\$94,259.38</b>

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Alvarez & Marsal Canada ULC  
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Cathedral Place  
925 West Georgia Street Suite 902  
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Institution #: 0004  
Account #: 5519970  
**Reference #:** 830589A – Invoice #2  
GST: 83486 3367 RT0001



<u>Todd Martin</u>	<u>Description</u>	<u>Hrs.</u>
Jan 2	Review of draft cash flow forecast and comments; telephone conversation with legal counsel to moorage owner; review of COVID related processes on site and internal discussion regarding same;	1.5
Jan 3	Attend to various emails including interested parties in marina properties, CBRE and process; internal discussion regarding status of operations and related matters;	0.5
Jan 5	Review Cox & Taylor retainer letter in respect of BW litigation; review Government of Canada agreements regarding totem pole storage/access; review, approve and sign cheques for vendors and contractors on site and internal discussion regarding same; telephone conversation with Dentons regarding Cox & Taylor retainer and related matters; internal discussion regarding status of operations, banking arrangements at BNS and other matters;	2.3
Jan 6	Prepare for and attend on telephone conference with Glen Forrester, legal counsel to shareholders and Dentons; review meeting with CBRE and internal discussion regarding same; attend to banking and cash management matters and related email with staff; internal discussion regarding status regarding potential engagement of CBRE to market the properties;	1.7
Jan 7	Attend to various emails from staff regarding report to BNS; review documents from Ministry of Finance; review arrangements for storage of totem poles; attend to email from Colliers on potential listing of properties;	1.5
Jan 8	Attend to email to staff regarding totem pole storage and access;	0.2
Jan 10	Attend to banking matters and arrange and approve wire for CAFO insurance premium payments;	0.5
Jan 11	Internal discussion regarding various operating matters and banking arrangements including cash sweeps from existing BNS accounts; review Colliers and CBRE communications re: potential listing;	1.0
Jan 12	Review analysis of competing proposals by realty brokers and internal discussion regarding same; Conference call with representatives of BNS to provide status update and review of potential listing brokers; review email from Dentons regarding Cox & Taylor retainer arrangements; internal discussion regarding CBRE, letter to BNS regarding cash sweeps and various other operating matters;	2.2
Jan 13	Review of Altus engagement letter in regards to appraisal of properties;	0.2





Jan 14	Review of analysis of proposals by listing agents and email to staff regarding same; Internal discussion regarding banking matters; review draft listing agreement prepared by Dentons;	1.5
Jan 17	Review of draft CBRE listing agreement and internal discussion regarding same; review email from Dentons regarding banking matters and application of funds on hand; telephone discussion with staff regarding broker engagement and draft note to Glen Forrester and Eric Li;	1.2
Jan 18	Review of CBRE brochure and disclaimer language; review email to Glen Forrester;	1.0
Jan 19	Review email from Dentons regarding Cox & Taylor retainer; review email from staff regarding CBRE brochure; internal discussion regarding CBRE brochure and listing agreement as well as Cox & Taylor retention matter;	0.7
Jan 20	Review and approve payment of payroll and vendor payments and internal discussion regarding same; review Farmer litigation issue; review Denton emails and reply to staff;	1.0
Jan 21	Attend to emails from staff regarding timing of listing and launch dates; internal discussion regarding CBRE listing arrangement;	0.7
Jan 24	Final review and execution of CBRE listing agreement and forward to staff; review email from Glen Forrester to Dentons; internal discussion regarding various matters; sign payroll cheques;	1.4
Jan 25	Attend on call with BNS representatives regarding update on administration of receivership and CBRE listing agreement and launch;	0.5
Jan 26	Email to and from Ernst & Young regarding potential interested parties; internal discussions and emails regarding BNS payout statements for shareholders; review draft legal opinion on security from Dentons;	1.2
Jan 27	Review engagement letter from Cox & Taylor; review of Dentons note to Glen Forrester and internal discussion regarding same; and	0.5
Jan 31	Review of email from Dentons to Glen Forrester; email to Dentons regarding status of listing agreement.	0.3
<b>TOTAL – T. Martin</b>		<b>21.6 hrs.</b>



<u>Anthony Tillman</u>	<u>Description</u>	<u>Hrs.</u>
Jan 5	Attend to marketing matters;	1.2
Jan 6	Attend to marketing matters;	0.5
Jan 7	Attend to banking and payment matters;	0.8
Jan 26	Attend to banking matter updates.	0.4
<b>TOTAL – A. Tillman</b>		<b>2.9 hrs.</b>



<u><i>Pinky Law</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Jan 3	Attend to correspondence with naval base re: totem pole; considered sales process, draft email memo and discuss with T. Martin; email CBRE re: sales process; review service list; internal discussions re: setting up accounts payable routine.	2.0
Jan 4	Call with BNS re: cash flow forecast and updates; call with C. Norris re: operational updates; email BNS re: bank statements; email E. Li re: call with marina for operational updates; attend to general correspondence; follow-up with Colliers re: sales process quote; attend to general correspondence; internal discussions.	4.2
Jan 5	Attend to totem pole matter; attend to Cox Taylor engagement, email re: Farmer Construction; email with C. Hu re: ROE and T4; attend to weekly payments; attend to general matters at the marina; follow-up with Colliers re: quote; call with Cushman Wakefield re: marketing quote, email re: same; internal update and various discussions.	6.4
Jan 6	Prepare for and attend call with G. Forrester, debrief with J. Sandrelli; attend to call with CBRE, internal discussions re: same; attend to marina accounting matters; follow-up with insurance broker on policies and payment info; draft weekly update to BNS; internal discussions on various operational matters.	5.9
Jan 7	Send update email to BNS, call with J. Mitges re: same; attend to Colliers and Cushman emails; attend to totem pole matter; email C. Hu re: accounting matters; email RBC re: banking; attend to insurance instalment payments; internal discussions.	4.5
Jan 10	Call with Cox Taylor, Dentons re: Blue Water matter; attend to marketing proposals for sales process; attend to email re: appraisal quote; request and review bank statements from BNS; update Service List; attend to general matters at marina; finalize totem pole agreements with Canadian Forces; attend to banking matters; internal discussions.	5.1
Jan 11	Call with Dentons re: Cox Taylor engagement; correspondence with CBRE, Colliers and Cushman re: marketing quote, review information received, draft summary table; call and email with Ministry of Forest, Lands, Natural Resource Operations and Rural Development re: receivership; attend to interest buyers; review appraisal quote; internal discussion to report on status and discuss next steps.	4.5

Jan 12	Call with BNS, Blakes and Dentons re: marketing proposals, consider and call CBRE to discuss same; request Dentons to update ELA; attend to banking matters; consider and discuss Blue Water matter re: Farmer Construction; prepare and send letter to BNS for cash sweep; attend to general matters at the marina; email E. Li to set up call; internal discussions.	5.0
Jan 13	Call with Dentons re: CBRE listing agreement, review and provide comments; review WEPPA calculations, provide comments; attend to RBC bank account set up; attend to general matters at the marina; review, finalize and execute engagement letter with Altus Group; internal discussions.	3.5
Jan 14	Prepare weekly update to BNS; attend to WEPPA matters; correspondence with Dentons re: CBRE ELA, internal discussions re: same; attend to updated service list; attend to general matters at the marina.	3.7
Jan 17	Review CBRE brochure, provide comments; review updated ELA, correspondence with Dentons and CBRE, internal discussions re: same; attend to emails from marina; review WEPPA; request bank statements from BNS.	3.5
Jan 19	Attend to CBRE brochure, provide comments; email E. Li re: meeting, respond email; attend to payments, discussion with T. Poirier re: same; attend to banking matters; email appraiser re: site visit; internal discussions.	2.5
Jan 20	Attend to general matters at the marina; email BNS re: balance transfer and update of sales process; email Dentons re: Cox Taylor engagement and sales process.	2.0
Jan 21	Prepare weekly update to BNS; call with J. Mitges re: weekly update; follow-up with CBRE on draft brochure; review draft security opinion; call with C. Norris re: marina matters; internal discussion re: WEPP and sales process.	2.0
Jan 24	Attend to email from G. Forrester, internal discussion and call with Dentons re: same; review updated draft security opinion, call with Dentons re: same; email BNS re: bank statements and wire transfers; review cash flow reporting; attend to RBC online banking matters; internal discussions.	4.3
Jan 25	Call with BNS re: sales process; call and email with CBRE re: same; review WEPP letters; call with D. Machan re: appraisal; attend to RBC online banking set up; internal discussions.	2.5



Jan 26	Review updated security opinion; attend to POS system update; attend to draft payout statement and list of priority payments; call with restaurant lessee; attend to Ascend matters; attend to marina matters; internal discussions.	4.8
Jan 27	Review cash flow reporting; finalize Cox Taylor engagement re: Blue Water Systems; email BNS re: bank statement; email Dentons re: next steps with shareholder matter; internal discussions.	2.1
Jan 28	Call with T. Jeffries re: shareholder matter, attend to emails from G. Forrester re: same, internal discussions.	1.1
Jan 31	Correspondence with CBRE re: sales process, attend to email with Dentons re: same; request BNS statements; attend to GST matters; internal discussions.	0.7
<b>TOTAL – P. Law</b>		<b>70.3 hrs.</b>



<u><i>Taylor Poirier</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Jan 3	Attend to payables;	0.7
Jan 4	Attend to payables; Attend to payroll;	1.8
Jan 5	Attend to payables; Attend office to print cheques;	3.5
Jan 6	Attend to AP workflow review; Attend to variance analysis;	1.2
Jan 7	Attend to EFT payments; Attend to Ascend;	1.1
Jan 10	Attend to contractor matters; Attend to creditor communications; Attend to variance analysis; Prepare for and attend meeting with contractors on site re: financial reporting and payables; Internal discussions;	3.3
Jan 11	Attend to creditor communications; Attend to variance analysis;	1.1
Jan 12	Attend to WEPPA;	0.6
Jan 13	Attend to WEPPA; Attend to customer matters; Attend to variance analysis;	1.2
Jan 14	Attend to WEPPA;	1.4
Jan 17	Attend to payables; Attend to WEPPA; Attend to CRA internal discussions;	2.3
Jan 18	Attend to payables; Attend call with contractors on site re: payables and other matters; Attend to variance analysis;	4.2
Jan 19	Attend to payables; Attend to variance analysis; Attend to Service list; Attend calls with contractors on site re: contractor invoices and payables; Attend to payroll remittance;	5.4
Jan 20	Attend to payables; Attend call with E. Jacques re: payments; Attend call with contractors on site re: payables; Attend to GST returns; Attend to variance analysis; Internal discussion;	4.6
Jan 24	Attend to variance analysis; Attend to WEPPA; Attend to contractor payables;	2.9
Jan 25	Attend to WEPPA package finalization; Respond to WEPPA questions; Attend to Ascend accounting; Attend to contractor pay; Attend to accounting questions from E. Jacques;	2.1
Jan 26	Attend to variance analysis; Attend to file maintenance;	0.7
Jan 27	Attend to variance analysis; Attend to suppliers;	0.5
Jan 28	Attend to suppliers;	0.3



Jan 31          Attend to payables; Attend to WEPPA; Attend to variance analysis.

2.1

**TOTAL – T. Poirier**

**41.0 hrs.**



<u><i>Nishant Virmani</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Jan 6	Attend internal discussions and send emails regarding receivership notice to vendors;	1.0
Jan 7	Draft letter to vendors regarding receivership; Respond to emails from vendors regarding receivership; Review insurance policy documents;	2.0
Jan 10	Review and prepare summary of Company's insurance policies; Prepare letters to inform vendors about receivership;	3.4
Jan 11	Attend to emails from vendors regarding receivership and outstanding invoices;	1.0
Jan 12	Attend to emails with vendors regarding payment methods, outstanding invoices, and terms of receivership;	1.0
Jan 14	Attend call with CRA regarding various tax accounts; Attend to internal emails regarding various tax accounts;	1.2
Jan 17	Update summary of insurers; Attend to emails with CMC contractors and internal conversations regarding GST accounts; Attend call with CRA regarding trust exam audit;	1.2
Jan 19	Attend to emails with VI Marina accountant regarding GST filings;	0.2
Jan 20	Attend to emails with VI Marina accountant regarding GST filings;	0.2
Jan 27	Respond to emails from vendors regarding payment details;	0.5
Jan 28	Internal discussion regarding payment methods for vendors;	0.3
Jan 31	Attend to calls and internal emails regarding CRA accounts.	0.3
<b>TOTAL – N. Virmani</b>		<b>12.3 hrs.</b>





<u>Monica Cheung</u>	<u>Description</u>	<u>Hrs.</u>
Jan 4	Attend to website matters;	0.1
Jan 5	Prepare contractor payments;	1.0
Jan 6	Attend to banking matters;	0.1
Jan 7	Prepare payment for insurance;	0.2
Jan 13	Attend to website matters;	0.1
Jan 19	Prepare contractor and vendor payments and attend to banking matters;	3.5
Jan 20	Prepare and mail payments;	0.6
Jan 21	Prepare and submit TIF for WEPP; Attend to banking matters;	1.9
Jan 24	Prepare and mail payment; attend to banking matters;	0.3
Jan 25	Attend to banking matters.	0.2
<b>TOTAL – M. Cheung</b>		<b>8.0 hrs.</b>





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March 21, 2022

Community Marine Concepts Ltd. et al. – In Receivership  
c/o Alvarez & Marsal Canada Inc.  
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Attention: Mr. Todd M. Martin, Senior Vice President

**Re: In the Matter of the receivership of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holdings Ltd., and 0736657 B.C. Ltd., (collectively, the “Companies”)**

For services rendered for the period February 1-28, 2022, in connection with the appointment of Alvarez & Marsal Canada Inc., as Receiver of the Companies, pursuant to the November 1, 2021 order of the Supreme Court of British Columbia.

<u><b>A&amp;M Personnel</b></u>	<u><b>Hours</b></u>	<u><b>Rate</b></u>	<u><b>Total</b></u>
T. Martin, Senior Vice President	16.3	\$850	\$13,855.00
P. Law, Vice President	36.4	625	22,750.00
T. Poirier, Senior Associate	21.7	425	9,222.50
N. Virmani, Associate	2.0	375	750.00
M. Cheung, Executive Assistant	8.5	175	1,487.50
	<b>84.9</b>		<b>48,065.00</b>
Add: out of pocket expenses			
Website maintenance			400.00
Courier fees			71.84
			<b>471.84</b>
			<b>48,536.84</b>
Add: GST (5%)			2,426.84
<b>TOTAL INVOICE</b>			<b><u>\$50,963.68</u></b>

**Mail Instructions:**

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Attn: Monica Cheung  
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Institution #: 0004  
Account #: 5519970  
**Reference #:** **830589A – Invoice #3**  
GST: 83486 3367 RT0001



<u>Todd Martin</u>	<u>Description</u>	<u>Hrs.</u>
Feb 1	Review and execute listing agreement with CBRE; internal discussion regarding status of appraisal and related matters; attend to various emails related to listing agreement;	1.0
Feb 2	Attend to various banking matters and set up of RBC Express; attend to various emails with staff and Dentons regarding shareholder redemption and related matters;	1.0
Feb 3	Review and approve payments to vendors and site personnel;	0.5
Feb 4	Review email regarding CBRE related matters; telephone conversation with interested party; review draft update to BNS and internal discussion with staff regarding various matters;	1.0
Feb 7	Review email from staff regarding litigation and Cox & Taylor advice; internal discussion regarding pending receipt of additional paydown and funds currently on hand;	0.5
Feb 8	Preparation for and attend on update call with BNS representatives and debrief and internal discussion regarding same;	1.0
Feb 9	Attend to various emails and update from staff;	0.5
Feb 11	Attend to emails from staff, Blakes and Dentons regarding distribution from funds on hand; internal discussion regarding update on CBRE progress and draft offer template; review cash flow forecast and variance analysis;	0.4
Feb 17	Review and approve payments to vendors and site personnel;	0.5
Feb 18	Receipt and review draft template offer drafted by Dentons and internal discussion regarding same;	0.5
Feb 23	Review of Bluewater litigation matter and Cox & Taylor materials; internal discussions;	1.0
Feb 24	Review of email from Aurora at Cox & Taylor regarding Bluewater litigation matter and relate email to staff;	0.5
Feb 25	Travel to and attend marina complex to meet with Craig Norris and Steve Sinclair; Tour premises and review Bluewater related construction issues; internal discussion with staff regarding various matters;	6.0



Feb 28	Prepare for and attend conference call with Blakes and Dentons in respect of various matters including pending paydowns and distribution of funds from shareholders; meet with staff regarding various matters; review of draft letter from Cox & Taylor; discuss form of offer with staff.	1.9
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<b>TOTAL – T. Martin</b>		<b>16.3 hrs.</b>
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<u><i>Pinky Law</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Feb 1	Attend to the finalization and execution of the listing agreement; review list of prospective buyers and timeline with CBRE; email E. Li and G. Forrester re: sales process launch; attend to sales process launch; internal discussions.	2.5
Feb 2	Attend to banking matters; review email from G. Forrester, internal discussion and email Dentons re: same; attend to GST matters; request BNS bank statements.	2.6
Feb 3	Attend to calls from E. Li re: draft BNS payout statement; attend to email from G. Forrester; email BNS re: E. Li's queries; email and call with T. Jeffries re: interim distribution.	2.5
Feb 4	Call with CBRE re: sales process update; email C. Norris re: CBRE dataroom content; attend to call from prospective buyers, email CBRE re: same; prepare update to BNS; attend to general matters at the marina; internal discussions.	2.6
Feb 7	Attend to email from G. Forrester, internal discussions and email BNS re: same; attend to email from BNS re: loan; call with C. Norris re: dataroom requirements for CBRE dataroom; call with A. Faulkner Killam, C. Norris and S. Sinclair re: BWS matter; email structural engineer re: same; call with T. Jeffries re: BNS loan payment matter; attend to GST filing matters; internal discussion.	4.3
Feb 8	Attend to general matters at the marina; calls with Dentons re: shareholder matter; discuss Settlement Agreement matter; call with BNS re: update; email P. Bychawski re: interim distribution; internal discussions.	2.5
Feb 9	Attend to general correspondence; follow-up with T. Jeffries re: shareholder update; emails with CBRE re: sales process; internal discussions.	0.8
Feb 10	Call with B. Lange re: BWS Settlement Agreement matter, email A. Faulkner Killam re: same; attend to CBRE dataroom matters.	0.7
Feb 11	Call with CBRE re: sales process update; email BNS re: weekly update; attend to email from P. Bychawski re: interim distribution; correspondence with C. Norris re: marina matters; internal discussions.	1.2
Feb 14	Correspondence with CBRE re: dataroom; attend to emails re: BWS settlement; attend to staffing matters at the marina; email Altus re: appraisal.	0.9
Feb 16	Attend to calls from E. Li re: BNS payout, email BNS and E. Li re: same; call with T. Jeffries re: draft form of offer; attend to general correspondence.	1.4



Feb 17	Discussions with C. Norris re: internal statements; attend to emails from Cox Taylor re: BWS matter; correspondence with appraiser; review draft form of offer.	1.6
Feb 18	Call with BNS re: update; review and update draft form of offer upon discussion with T. Martin; email A. Faulkner Killam re: BWS and CBRE dataroom; review internal statements, email C. Norris re: same; attend to call with CBRE; provide information for dataroom.	2.5
Feb 22	Discuss with T. Martin re: draft form of offer, update and send to Dentons, discuss re: same; attend to T4/T4A matter; correspondence with C. Norris re: marina matters.	1.4
Feb 23	Call with A. Faulkner-Killam re: Blue Water matter, internal discussion and emails re: same; call with CBRE re: dataroom; emails with C. Norris re: internal statements and general matters at the marina; attend to queries from creditors.	2.4
Feb 24	Consider Blue Water matter, email A. Faulkner-Killam re: same, internal discussion; email with CBRE re: dataroom.	0.8
Feb 25	Call with CBRE; prepare information for dataroom, email C. Norris re: same; email G. Forrester re: meeting; attend to email from P. Bychawski; review draft form of offer; attend to tax slips for 2021; internal discussions.	2.6
Feb 28	Email with CBRE re: dataroom and bid deadline; attend to requests and call from E. Li; call with BNS, Blakes re: updates; attend to documents served from former employee, email Dentons; email Dentons re: receivership funds; internal discussions.	3.1
<b>TOTAL – P. Law</b>		<b>36.4 hrs.</b>



<b><u>Taylor Poirier</u></b>	<b><u>Description</u></b>	<b><u>Hrs.</u></b>
Feb 1	Attend to creditor inquiries from C. Norris;	0.7
Feb 2	Review and prepare bi-weekly contractor payables; Review other bi-weekly payables; Obtain direct deposit information and review re: contractor payments; Attend to WEPPA questions from C. Norris;	2.1
Feb 3	Attend to WEPPA proofs of claim review and follow up; Review physical mail and attend to as required; Attend to contractor payments re: cancelled cheque;	1.8
Feb 4	Review WEPPA proofs of claims; Various calls with former employees re: edits to proofs of claims; Review revenue report from C. Norris and provide comments; Provide internal accountant summary of payments;	3.1
Feb 8	Attend to insurance payables; Attend to R&D and variance analysis update; Attend to payment inquiry from external accountant;	1.6
Feb 9	Attend to payment inquiry from external accountant; Attend to WEPPA re: review and submit completed proofs of claims;	1.3
Feb 11	Attend to variance analysis update;	0.3
Feb 14	Attend to creditor inquiry from internal accountant; Attend to financial statements review; Call with C. Norris re: same;	2.3
Feb 15	Review and prepare bi-weekly contractor payables; Review other bi-weekly payables; Attend to WEPPA inquiry from C. Norris;	1.3
Feb 16	Attend call with former management re: payables list provided to improve the payables process; Update payables list and review invoices; Review pre-filing invoices and reports in respect of the external account's invoices;	2.9
Feb 17	Prepare payables package for printing and review final disbursements;	0.7
Feb 18	Emails regarding contractor payments not received;	0.3
Feb 24	Call and email to external accountant re: T4 & T4A preparation;	0.3
Feb 25	Review T4s provided by external accountant; Internal discussions; Emails with external accountant re: same.	1.2
Feb 28	Attend to T4 follow up with external accountant; Attend to T4 review, Attend to T4 email distribution; Attend to T4 mailing; Attend to creditor communications.	1.8
<b>TOTAL – T. Poirier</b>		<b>21.7 hrs.</b>





<u><i>Nishant Virmani</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Feb 1	Attend to internal emails regarding vendor payment details;	0.2
Feb 2	Internal emails regarding GST account filings and vendor payment details;	0.3
Feb 3	Internal discussion regarding CRA accounts;	0.2
Feb 4	Internal discussion regarding vendor payment methods;	0.2
Feb 10	Review and update insurance policy summary;	0.2
Feb 24	Attend calls and internal discussions regarding sales process;	0.2
Feb 28	Internal discussion regarding access to CMC's CRA accounts and vendor payment methods.	0.7
<b>TOTAL – N. Virmani</b>		<b>2.0 hrs.</b>



<u>Monica Cheung</u>	<u>Description</u>	<u>Hrs.</u>
Feb 2	Attend to banking related matters; Prepare contractor payments;	4.0
Feb 3	Prepare and mail out payments;	0.3
Feb 9	Amend WEPP TIFs with Service Canada;	0.2
Feb 16	Prepare contractor payments; Set up contractor payments for direct deposit;	1.6
Feb 17	Prepare for contractor payments; Attend to banking matters related to RBC express;	1.3
Feb 18	Call with RBC express regarding payment matters; Prepare payment for contractor invoices;	0.8
Feb 22	Prepare and mail payments;	0.2
Feb 24	Attend to administrative matters on Ascend.	0.1
<b>TOTAL – M. Cheung</b>		<b>8.5 hrs.</b>





**Alvarez & Marsal Canada Inc.**  
Licensed Insolvency Trustees  
Cathedral Place Building  
925 West Georgia Street, Suite 902  
Vancouver, BC V6C 3L2  
Phone: +1 604 638 7440  
Fax: +1 604 638 7441

April 11, 2022

Community Marine Concepts Ltd. et al. – In Receivership  
c/o Alvarez & Marsal Canada Inc.  
902-925 West Georgia Street  
Cathedral Place  
Vancouver, BC V6C 3L2

Attention: Mr. Todd M. Martin, Senior Vice President

**Re: In the Matter of the receivership of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holdings Ltd., and 0736657 B.C. Ltd., (collectively, the “Companies”)**

For services rendered for the period March 1-31, 2022, in connection with the appointment of Alvarez & Marsal Canada Inc., as Receiver of the Companies, pursuant to the November 1, 2021 order of the Supreme Court of British Columbia.

<u>A&amp;M Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
T. Martin, Senior Vice President	22.2	\$850	\$18,870.00
A. Tillman, Senior Vice President	0.2	795	159.00
P. Law, Vice President	38.1	625	23,812.50
T. Poirier, Senior Associate	67.3	425	28,602.50
N. Virmani, Associate	7.8	375	2,925.00
M. Cheung, Executive Assistant	8.8	175	1,540.00
	<b>144.4</b>		<b>75,909.00</b>
Add: out of pocket expenses			
Courier fees			123.31
Travel			146.86
			<b>270.17</b>
			<b>76,179.17</b>
Add: GST (5%)			<b>3,808.96</b>
<b>TOTAL INVOICE</b>			<b><u>\$79,988.13</u></b>

**Mail Instructions:**

Alvarez & Marsal Canada ULC  
Attn: Monica Cheung  
Cathedral Place  
925 West Georgia Street Suite 902  
Vancouver, B.C. V6C 3L2

**Wire Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
Swiftcode: TDOMCATTFOR  
Bank Address: 55 King Street West  
Toronto, ON M5K 1A2  
Bank Transit #: 10202  
Institution #: 0004  
Account #: 5519970  
**Reference #: 830589A – Invoice #4**  
GST: 83486 3367 RT0001



<u>Todd Martin</u>	<u>Description</u>	<u>Hrs.</u>
Mar 1	Internal discussion and meeting regarding status of receivership and outstanding matters;	1.0
Mar 3	Review and approve payroll and vendor payments and review cash balances;	0.5
Mar 4	Review of emails and letters from Blakes (counsel to BNS), Mr. Forrester (counsel to Debtors) and Dentons (counsel to Receiver) regarding various matters including application of funds against BNS account, redemption application and approach and related matters and internal discussion regarding same;	1.2
Mar 7	Review of appraisal from Altus and reconcile to previous draft and other valuations; review emails and correspondence regarding pay out to BNS and application of funds issue; receipt and review of letter from Mr. Forrester;	0.7
Mar 8	Internal discussion with P. Law and review of information from Dentons on application of funds and potential redemption of BNS security by debtors; Review Altus appraisal; review draft payout and disbursements at close and review of related letter from Dentons to Mr. Forrester;	2.2
Mar 9	Internal discussion and meeting with staff regarding draft Altus appraisal and related matters;	1.0
Mar 10	Attend to banking matters; internal discussion regarding appraisal status and update on receivership matters generally; Internal discussion regarding debtors efforts to repay BNS and discharge Receiver and steps relating thereto;	1.5
Mar 11	Review emails regarding wire and banking details for BNS; internal discussion regarding receivership matters generally and status and review of Altus appraisal;	1.0
Mar 14	Review and approve vendor payments and payroll; internal discussion regarding Altus appraisal; telephone conference with interested party in Marina;	1.0
Mar 15	Review of email from Dentons regarding various matters; internal discussion regarding Altus appraisal;	0.5
Mar 16	Attend to banking matters and RBC Express set up; review and approve vendor payments;	1.0
Mar 17	Review of Dentons email and correspondence regarding next steps in receivership process; review letter from Blakes to Forrester regarding information and confirmation requests of debtor;	0.5



Mar 18	Telephone conference with interested party and email to IGY contact;	0.7
Mar 19	Telephone conference with interested party;	0.5
Mar 21	Internal discussion regarding draft Orders required to effect refinancing and Receiver discharge; attend to various matters and meeting with interested party and draft of memo relating thereto;	2.0
Mar 23	Review of summary of offers received by CBRE and internal discussion regarding same;	1.0
Mar 24	Internal discussion and review and update of summary of offers received by CBRE; prepare for and attend on update conference call with BNS;	1.5
Mar 28	Internal discussion and review of draft Order from Forrester; review draft edits and other questions on Order from Dentons and internal discussion regarding transition planning post Order;	1.0
Mar 29	Review of draft Orders and internal discussion regarding transition planning matters;	1.0
Mar 30	Internal discussion regarding various and on-going receivership matters;	1.0
Mar 31	Prepare for and attend on conference call with BNS and provide update on CBRE and offers; review and approve payroll and vendor payments.	1.4
<b>TOTAL – T. Martin</b>		<b>22.2 hrs.</b>



*Anthony Tillman*

Mar 16      Attend to disbursements.

0.2

**TOTAL – A. Tillman**

**0.2 hrs.**



<u><i>Pinky Law</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Mar 1	Attend to correspondence with T. Jeffries re: form of offer; former employee claims; Farmer Construction matter and receiver's funds; attend to correspondence from A. Faulkner Killam re: Farmer Constructions and BWS settlement agreement; internal discussions.	1.4
Mar 2	Finalize draft form of offer for sales process, email with CBRE re: same; attend to banking inquiries.	0.6
Mar 3	Attend to the announcement of bid deadline by CBRE; prepare letter for fund transfer from BNS to receiver's trust account; attend to email from prospective purchaser.	0.6
Mar 4	Attend to correspondence from B. Bychawski and G. Forrester, internal discussions and call with T. Jeffries re: same; call with CBRE re: update; attend to information provided by BNS requested by E. Li, email E. Li same; review draft appraisal numbers, discuss internally; review Phase I report, email environmental specialist re: same; internal discussions.	3.2
Mar 7	Review documents re: \$6 million loan; call with H. Gross re: Phase I report; internal discussion.	1.6
Mar 8	Discuss draft appraisal values; attend to information provided by BNS, send to E. Li re: same; prepare draft payout figures, send to E. Li re: same; review additional documents re: \$6 million loan, call with T. Jeffries re: same, review draft Dentons letter; attend to \$10 million commitment letter; internal discussions.	3.4
Mar 9	Prepare for and attend call with Altus re: appraisal; review updated draft figures; attend to marina matters; internal discussion.	1.9
Mar 10	Call with T. Jeffries re: potential redemption; internal discussions re: next steps.	1.3
Mar 11	Attend to banking matters; attend to revised commitment letter from G. Forrester; attend to draft appraisal; call with CBRE re: sales process; internal discussions.	1.0
Mar 14	Review draft appraisal; review proforma analysis; call with T. Jeffries re: shareholder refinancing efforts; internal discussions.	2.7
Mar 15	Attend to request from E. Li; attend to email from T. Jeffries re: shareholder update; email and call with J. Mitges re: appraisal and general update; internal discussions.	1.3
Mar 16	Call with C. Norris re: draft appraisal; internal discussion re: renewing leases as landlord; attend to correspondence from T. Jeffries.	1.4





Mar 17	Call with T. Jeffries re: shareholder refinancing; call with Altus re: draft appraisal; attend to call from E. Li re: draft payout statement; attend to general matters at the marina; internal discussions.	2.5
Mar 18	Call with CBRE re: sales process; update form of offer per CBRE request, email Dentons re: same; internal discussion re: potential purchaser and status update.	1.5
Mar 21	Calls with T. Jeffries re: shareholder refinancing; internal discussions re: same; review updated draft appraisal; attend call from restaurant re: sales process and deposit.	1.9
Mar 22	Attend to offers from interested parties, email CBRE re: same; review offer summary; call with C. Norris re: update; review finalized appraisal.	1.6
Mar 23	Attend to additional bid received; review draft cash flow forecast, internal discussion; correspondence with T. Jeffries re: shareholders update.	1.5
Mar 24	Call with T. Jeffries re: sales process and status update; attend to cash flow forecast updates; call with BNS re: update; internal discussions.	2.3
Mar 25	Call and email with CBRE re: sales process; attend to emails from counsel re: shareholder financing; email and call with T. Jeffries re: same.	1.6
Mar 28	Review draft application materials and orders, email and call with Dentons re: same; attend to CBRE emails and calls; internal discussions.	2.1
Mar 29	Review revised draft orders, provide comments; attend to CRA requests; attend to letter from Boom + Batten, email Dentons re: same; internal discussions.	1.1
Mar 30	Call with T. Jeffries re: shareholder's update, discuss next steps; internal discussions.	0.6
Mar 31	Attend to offer from interested party; call with T. Jeffries re: shareholder's application.	1.0
<b>TOTAL – P. Law</b>		<b>38.1 hrs.</b>



<u><i>Taylor Poirier</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Mar 2	Attend to payables and contractor pay; Update variance analysis to reflect recent disbursements;	3.6
Mar 4	Attend to physical mail and filing; Attend to external accountant invoice review and FY 2022 event booking inquiries; Attend to second cash flow forecast update and send to C. Norris and S. Sinclair with template and instructions; Attend call with C. Norris re: external accountant request; Internal discussions re: draft appraisal;	3.1
Mar 7	Attend to draft appraisal review and tie out; Internal discussions re: same; Update variance analysis; Attend to proforma appraisal analysis; Review prior appraisals; Update R&D;	7.3
Mar 8	Attend to draft appraisal review; Internal discussions; Attend call with C. Norris re: draft appraisal assumptions and continuing operations; Internal meetings re: draft appraisal;	6.3
Mar 9	Prepare for and attend meeting with Altus re: draft appraisal; Internal discussions re: same; Attend to emails with C. Norris and internal accountant re: accounting duties and questions from external accountant; Review percentage rents and email to C. Norris re: same; Review recent proforma statement for reasonableness and formulas; Update proforma to match draft appraisal and begin work on the proforma discounted cash flow ("DCF") analysis;	4.1
Mar 10	Prepare proforma DCF of marina; Review invoices for payables;	0.7
Mar 11	Attend call with C. Norris re: proforma statements and assumptions and external accountant request; Email to internal accountant re: same; Attend to payables preparation and review; Attend to draft second cash flow forecast;	2.9
Mar 14	Attend to payables review; Attend to inquiry from S. Sinclair re: Telus invoice; Review draft appraisal from Altus; Update proforma to check reasonableness of appraisal; Send comments to P. Law re: same; Internal discussions re: draft appraisal; Attend call with internal accountant re: book keeping and requests from external accountant; Review and prepare contractor and other payables for processing;	4.4
Mar 15	Attend to payables preparation and review to assist with staff vacation; Attend to parking allocation calculation review re: potential sale of individual assets to be sold;	2.1

Mar 16	Attend payables follow up re: inquiry from T. Martin; Emails to external accountant re: accounting records inquiry and pre-filing invoice amounts; Review draft contracts and update re: receivership; Attend meeting with C. Norris re: appraisal; Internal discussions re: agreement renewal and potential assignment;	3.3
Mar 17	Attend to agreement review re: receivership; Internal discussions; Attend to Burgess appraisal comparison; Prepare and attend call with Altus;	3.2
Mar 18	Attend to creditor inquiry; Update Burgess appraisal comparison to include proforma amounts; Update second cash flow forecast;	3.1
Mar 21	Attend to supplier mailing re: receivership notice; Review updated draft report and check comments sent to Altus; Perform an analysis of the updated DCF draft appraisal; Provide additional comments to P. Law re: draft appraisal;	3.1
Mar 22	Attend to second cash flow forecast and update for actuals; Attend to offer review and summary;	3.1
Mar 23	Attend to offer summary updates; Attend to cash flow forecast follow up; Attend to variance tracking update; Attend to questions from internal account re: accounting entries and inquiry from external account; Review CRA access letter; Review annual moorage agreement and reconcile to second cash flow forecast;	3.8
Mar 24	Update variance analysis; Update second cash flow forecast for actual amounts; Attend to draft Receiver discharge handover list; Email S. Sinclair re: supplier invoice inquiry;	3.6
Mar 28	Review moorage agreement and reconcile; Emails to S. Sinclair re: same; Attend to review of actuals mapping and email to C. Norris re: same;	2.3
Mar 29	Attend to second cash flow forecast updates; Call with C. Norris re: cash flow receipts, payables, contractor pay, and accounting duties delegation; Review Ascend re: cash balance;	2.5
Mar 30	Attend to payables review; Attend to security agreement review; Attend to customer inquiry re: pre-filing amounts owing; Update variance analysis and R&D for the Receiver's report.	2.1
Mar 31	Attend to payables; Attend to contractor pay; Update variance analysis to include recent disbursements; Review funds available and propose funds account transfer.	2.7
<b>TOTAL – T. Poirier</b>		<b>67.3 hrs.</b>



<u><i>Nishant Virmani</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Mar 4	Prepare letter for vendor regarding payment method;	0.4
Mar 14	Internal discussion regarding vendor payments and CRA accounts; Review letters sent to vendors;	0.4
Mar 15	Attend call with CRA regarding payroll accounts; Review CRA notice of account statements;	0.5
Mar 18	Calls with vendor regarding payments; Review invoices to be paid by Receiver; Internal discussion regarding vendor payments;	1.3
Mar 21	Review correspondence from CRA and attend to follow up calls with CRA;	0.2
Mar 22	Internal discussion regarding CRA payroll accounts and bids from sales process;	0.3
Mar 23	Review tax documents and complete authorization forms to be submitted to the CRA; Attend call with CRA regarding various matters including payroll trust reviews and notices of assessment; Attend to matters related to insurance policy updates;	2.1
Mar 24	Emails with Aon regarding insurance name change endorsements; Review, finalize, and submit authorization forms to be submitted to the CRA;	1.0
Mar 28	Attend call with CRA regarding various tax accounts; Internal emails regarding CRA accounts;	1.0
Mar 29	Attend call with CRA regarding various tax accounts; Internal emails regarding CRA accounts.	0.6
<b>TOTAL – N. Virmani</b>		<b>7.8 hrs.</b>



<u><i>Monica Cheung</i></u>	<u><i>Description</i></u>	<u><i>Hrs.</i></u>
Mar 2	Prepare contractor payments;	1.0
Mar 3	Attend to banking related matters; Release contractor payments; Mail T4s;	0.4
Mar 7	Update R&D;	0.7
Mar 10	Call with RBC re banking matters;	0.1
Mar 11	Call with RBC re banking matters; update R&D; Prepare vendor payments;	0.7
Mar 14	Prepare vendor payments;	0.3
Mar 15	Review and prepare vendor payments; Set up wire payments; Update R&D; internal discussion re same;	2.6
Mar 21	Update R&D;	0.3
Mar 29	Call with RBC re bank account balances;	0.1
Mar 30	Review and prepare vendor payments; Set up wire payments to contractors;	1.4
Mar 31	Prepare vendor payments.	1.2
<b>TOTAL – M. Cheung</b>		<b>8.8 hrs.</b>





**Alvarez & Marsal Canada Inc.**  
Licensed Insolvency Trustees  
Cathedral Place Building  
925 West Georgia Street, Suite 902  
Vancouver, BC V6C 3L2  
Phone: +1 604 638 7440  
Fax: +1 604 638 7441

April 11, 2022

Community Marine Concepts Ltd. et al. – In Receivership  
c/o Alvarez & Marsal Canada Inc.  
902-925 West Georgia Street  
Cathedral Place  
Vancouver, BC V6C 3L2

Attention: Mr. Todd M. Martin, Senior Vice President

**Re: In the Matter of the receivership of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holdings Ltd., and 0736657 B.C. Ltd., (collectively, the “Companies”)**

For services rendered for the period April 1, 2022 to discharge, in connection with the appointment of Alvarez & Marsal Canada Inc., as Receiver of the Companies, pursuant to the November 1, 2021 order of the Supreme Court of British Columbia.

<b>A&amp;M Professional fees</b>	<b>\$50,000.00</b>
 Add: GST (5%)	 <u>2,500.00</u>
 <b>TOTAL INVOICE</b>	 <b>\$52,500.00</b>

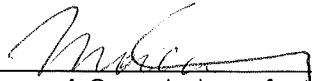
**Mail Instructions:**

Alvarez & Marsal Canada ULC  
Attn: Monica Cheung  
Cathedral Place  
925 West Georgia Street Suite 902  
Vancouver, B.C. V6C 3L2

**Wire Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
Swiftcode: TDOMCATTOR  
Bank Address: 55 King Street West  
Toronto, ON M5K 1A2  
Bank Transit #: 10202  
Institution #: 0004  
Account #: 5519970  
Reference #: **830589A – Invoice #5**  
GST: 83486 3367 RT0001

This is **Exhibit "C"** referred to in the affidavit of  
Todd Martin sworn before me at Vancouver, BC this  
13th day of April, 2022

  
A Commissioner for taking Affidavits  
For British Columbia

Monica Cheung  
A Commissioner for Taking  
Affidavits for British Columbia.  
Expiry April 30, 2022

**Community Marine Concepts Ltd. et al. – In Receivership**  
**Summary of the Receiver's Professional Fees and Disbursements by Personnel**  
**For the period December 13, 2021 to discharge**

Name	Position	Hourly Rate	Hours	Total Fees
Todd Martin	Senior Vice President	850	75.00	\$ 63,750.00
Anthony Tillman	Senior Vice President	795	3.10	2,464.50
Pinky Law	Vice President	625	215.80	134,875.00
Taylor Poirier	Senior Associate	425	173.00	73,525.00
Nishant Virmani	Associate	375	45.80	17,175.00
Monica Cheung	Executive Assistant	175	31.10	5,442.50
			<u>543.80</u>	<u>297,232.00</u>
Estimate to discharge				50,000.00
Total fees				347,232.00
<b>Disbursements</b>				
Travel (Airfare, hotel & taxi)				1,053.93
Advertisement				368.00
Courier, mailing, printing, and storage				447.00
Website Maintenance				400.00
Meals				203.42
				<u>2,472.35</u>
GST				<u>17,485.22</u>
Total fees, disbursements and tax				<u>\$ 367,189.57</u>



SUPREME COURT  
OF BRITISH COLUMBIA  
VANCOUVER REGISTRY

APR 14 2022

ENTERED



IN THE SUPREME COURT OF BRITISH COLUMBIA

No. S-217202  
Vancouver Registry

BETWEEN

THE BANK OF NOVA SCOTIA

PETITIONER

AND

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL MARINA LTD.,  
ETERNALAND YUHENG INVESTMENT HOLDING LTD., AND 0736657 B.C. LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE

MR. JUSTICE GRUVE

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)  
)

14/04/2022

THE APPLICATION of Huai Yin (Alyssa) Zhang (the "**Applicant**"), coming on for hearing at Vancouver, British Columbia, on the 14<sup>th</sup> day of April, 2022 AND ON HEARING Glen Forrester, counsel for the Applicants, Tevia Jeffries, counsel for Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Receiver, (the "**Receiver**") of the assets, undertakings and properties of the Respondents Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holding Ltd. and 0736657 B.C. Ltd. (the "**Debtors**"), Peter Bychawski, counsel for The Bank of Nova Scotia ("**BNS**"), and those other counsel listed on Schedule "A" hereto, AND UPON READING the material filed;

THIS COURT ORDERS AND DECLARES THAT:

**Redemption Date**

1. Subject to paragraph 2 of this Order, and notwithstanding any other paragraph of this Order:
  - (a) If the Receiver's Certificate (as defined in paragraph 10 of this Order) is filed on or before April 29, 2022 (the "**Redemption Date**");
    - i. the Receiver shall be discharged as Receiver of the assets, undertaking and property of the Debtors (the "**Property**"), provided that notwithstanding its discharge herein: (i) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (ii) the Receiver shall continue to have the benefit of

the provisions of all Orders made in this proceeding, including all approvals, protections, charges and stays of proceedings in favour of Alvarez & Marsal Canada Inc. in its capacity as Receiver;

- ii. the stay of proceedings against or in respect of the Debtors or the Property set out in paragraph 9 of the Consent Receivership Order shall terminate;
  - iii. Alvarez & Marsal Canada Inc. shall be released and discharged from any and all liability that Alvarez & Marsal Canada Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Alvarez & Marsal Canada Inc. while acting in its capacity as Receiver herein, save an except for any liability resulting from gross negligence or willful misconduct of Alvarez & Marsal Canada Inc. Without limiting the generality of the foregoing, upon filing the Receiver's Certificate, Alvarez & Marsal Canada Inc. shall be forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings; and
  - iv. the Debtors expressly assume any and all claims or liabilities attributable to the Debtors or the Property, whether arising before or after the date of the Consent Receivership Order, to the extent such claims and liabilities have not been fully satisfied prior to filing of the Receiver's Certificate.
- (b) If the Receiver's Certificate is not filed on or before the Redemption Date, the Receiver shall be at liberty to sell, convey, transfer or assign the Property or any part or parts thereof subject only to the approval of this Court. the Receiver or by further Order of this Court made on or before the Redemption Date.
2. The Redemption Date may be extended by written agreement of the Applicant, BNS, the Receiver or by further Order of this Court made on or before the Redemption Date.

#### **The \$6 Million Payment to BNS**

3. BNS is hereby authorized and directed to apply the funds in the amount of \$6,000,000, provided to it by way of the February 4, 2022, Royal Bank of Canada bank draft and delivered to the BNS branch located at #1576 West 41<sup>st</sup> Avenue, Vancouver B.C on February 28, 2022 as a partial payment against the Debtors' loan and financial obligations to BNS (the "**RBC Draft Payment**") as of the date of the RBC Draft Payment.

#### **Distribution Order Re Funds paid to account of Community Marine**

4. The distribution of \$4,000,000 of funds held by the Receiver in trust for the Debtors to BNS, to be applied as a partial payment against the Debtors' loan and financial obligations to BNS as of the date of distribution, is hereby approved, and the Receiver is hereby authorized and directed to make that distribution to BNS (the "**Interim Distribution**").

#### **The \$5,000,000 1129057 B.C. Ltd. Loan**

5. The \$5,000,000.00 loan (the "**First Loan**") by 1129057 B.C. Ltd. (the "**First Lender**") to 0736657 B.C. Ltd. and Community Marine Concepts Ltd. as borrowers as set out and described in the commitment letter issued by Amber Financial Services Corp. on behalf of

the First Lender to Community Marine Concepts Ltd. c/o the Applicant dated February 25, 2022 (the "**1129057 Commitment Letter**"), a copy of which is attached as **Exhibit "8"** to the Affidavit #1 of Alyssa Zhang, sworn April 4, 2022 (the "**Zhang Affidavit**"), and the borrowing of the First Loan by 0736657 B.C. Ltd. and Community Marine Concepts Ltd. in accordance with the terms of the 1129057 Commitment Letter, is hereby approved.

6. The execution of the 1129057 Commitment Letter and the First Loan security and other loan documents as set out in or contemplated by the 1129057 Commitment Letter or otherwise required by the First Lender in connection with the First Loan transaction, by the Applicant as a director of and on behalf of the Debtors, is hereby authorized and approved, and the Applicant as a director and on behalf of the Debtors is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the First Loan transaction.

#### **The \$5,000,000 Amber Mortgage Loan**

7. The \$5,000,000.00 loan (the "**Second Loan**") by Amber Mortgage Investment Corp. (the "**Second Lender**") to 0736657 B.C. Ltd., and Community Marine Concepts Ltd. as borrowers as set out and described in the commitment letter issued by the Second Lender to Community Marine Concepts Ltd. c/o the Applicant dated March 1, 2022 (the "**Amber Mortgage Commitment Letter**"), a copy of which is attached as **Exhibit "12"** to the Zhang Affidavit, and the borrowing of the Second Loan by 0736657 B.C. Ltd. and Community Marine Concepts Ltd. in accordance with the terms of the Amber Mortgage Commitment Letter, is hereby approved.
8. The execution of the Amber Mortgage Commitment Letter and the Second Loan security and other loan documents as set out in or contemplated by the Amber Mortgage Commitment Letter or otherwise required by the Second Lender in connection with the Second Loan transaction, by the Applicant, as a director of and on behalf of the Debtors, is hereby authorized and approved, and the Applicant as a director and on behalf of Debtors is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Second Loan transaction.

#### **Distribution of the Proceeds of the First Loan and Second Loan**

9. Upon satisfaction or waiver of all conditions to the First Loan transaction and the Second Loan transaction, in each case in accordance with the terms of the 1129057 Commitment Letter and the Amber Mortgage Commitment Letter, as applicable, the First Lender and the Second Lender are hereby authorized and directed to pay the net proceeds of the First Loan and the Second Loan to, ~~firstly~~, BNS in such amounts as are required to repay the balance of all amounts owing to BNS by the Debtors, as confirmed in a payout statement to be provided by BNS to the First Lender, in the first instance, and to the Second Lender, with respect to the balance of the Debtors' loan and financial obligations to BNS after receipt by BNS of the RBC Draft Payment, the Interim Distribution, and payment by the First Lender in accordance with this paragraph 9 (collectively, the "**Loan Distributions**").

#### **Receiver's Certificate**

10. The Receiver shall deliver to the Applicant and BNS, and file with this Court, a certificate substantially in the form attached as Schedule "B" hereto (the "**Receiver's Certificate**"), certifying that:
- (a) The First Loan transaction and the Second Loan transaction, described in the 1129057 Commitment Letter and the Amber Mortgage Commitment Letter respectively, have closed and the Loan Distributions have been made to BNS;
  - (b) All amounts owing by the Debtors to BNS have been paid in full, as confirmed by writing by BNS, inclusive of all principal, interest, fees, costs (including but not limited to legal and financial advisor fees), and payment-in-kind interest owing by the Debtors, jointly and severally, to BNS pursuant to or in connection with the Commitment Letter, Mortgage, GSAs, Guarantees, Financial Advisor Agreement, and CEBA Loans (in each case as defined in Affidavit #1 of Beatriz Martinez sworn in this proceeding on August 9, 2021) and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith;
  - (c) The Receiver and its legal counsel have passed their accounts in accordance with paragraph 22 of the Consent Receivership Order dated November 1, 2021 (the "**Consent Receivership Order**"), and the activities of the Receiver, as described in any Reports to Court filed by the Receiver prior to the date of the Receiver's Certificate, have been approved; and
  - (d) The Receiver has made all distributions of funds authorized and directed by this Court prior to the date of the Receiver's Certificate, including such distributions described in First Report of the Receiver dated [April 11], 2022.
11. The distributions and payments made pursuant to this Order, including but not limited to the RBC Draft Payment, the Interim Distribution, and the Loan Distributions, shall be deemed to be made free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise.
12. Notwithstanding:
- (a) the pendency of these proceedings;
  - (b) the assignment in bankruptcy or any petition for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") and any order issued pursuant to such petition; or
  - (c) any provisions of any federal or provincial legislation,

the distributions and payments permitted by this Order, including but not limited to the RBC Draft Payment, the Interim Distribution, and the Loan Distributions, and the completion of the First Loan Transaction and the Second Loan Transaction pursuant to this Order, shall be binding on any trustee in bankruptcy or receiver that may be appointed and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any

other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

13. The Applicants, the Receiver, BNS, or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.

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:

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Glen Forrester, Lawyer for the Applicants

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Tevia Jeffries, Lawyer for the Receiver

---

Peter Bychawski, Lawyer for The Bank of Nova Scotia

BY THE COURT



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REGISTRAR



**Schedule A – Service List**

**Schedule B – Receiver's Certificate**

No. S-217202  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

**THE BANK OF NOVA SCOTIA**

PETITIONER

AND

**COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL MARINA LTD.,  
ETERNALAND YUHENG INVESTMENT HOLDING LTD., AND 0736657 B.C. LTD.**

RESPONDENTS

**RECEIVER'S CERTIFICATE**

The undersigned hereby certifies for the purposes of the Order made on the \_\_\_\_ day of April, 2022 (the "**Order**", all capitalized terms used but not defined herein have the meaning ascribed to them in the Order) in the within matter that:

1. The loan transactions described in the 1129057 Commitment Letter and the Amber Mortgage Commitment Letter have closed;
2. All amounts owing by the Debtors to BNS have been paid in full inclusive of all principal, interest, fees, costs (including but not limited to legal and financial advisor fees), and payment-in-kind interest owing by the Debtors, jointly and severally, to BNS pursuant to or in connection with the Commitment Letter, Mortgage, GSAs, Guarantees, Financial Advisor Agreement, and CEBA Loans (in each case as defined in Affidavit #1 of Beatriz Martinez sworn in this proceeding on August 9, 2021) and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith;
3. The Receiver and its legal counsel have passed their accounts in accordance with paragraph 22 of the Consent Receivership Order, and the activities of the Receiver, as described in the Receiver's First Report to Court, dated \_\_\_\_\_, 2022, have been approved; and
4. The Receiver has made all distributions of funds authorized and directed by this Court prior to the date hereof, including such distributions described in First Report of the Receiver dated [April 11], 2022.

Dated at Vancouver, British Columbia, this \_\_\_\_ day of \_\_\_\_\_, 2022.

ALVAREZ & MARSAL CANADA INC.,  
in its capacity as Receiver of Community

Marine Concepts Ltd., Victoria International  
Marina Ltd., Eternaland Yuheng Investment  
Holding Ltd., and 0736657 B.C. Ltd.

Per:

---

Name:

Title:



SCHEDULE A

No.: S-217202  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

**SERVICE LIST**

Blakes, Cassels & Graydon LLP Suite 2600 – 595 Burrard St. Vancouver, BC V7X 1L3  Attention: Peter Bychawski / Claire Hildebrand  Tel: (604) 631-3300 Email: peter.bychawski@blakes.com claire.hildebrand@blakes.com  <i>Counsel for the Petitioner</i>	Forrester & Company 300 – 171 Water Street Vancouver, BC V6B 1A7  Attention : Crystal Law / Glen Forrester  Tel : (604) 682-1066 Email : claw@forresterbarristers.ca gforrester@forresterbarristers.ca  <i>Counsel for the Respondents</i>
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<p>Dentons Canada LLP 20<sup>th</sup> Floor – 250 Howe Street Vancouver, BC V6C 3R8</p> <p>Attention: John Sandrelli / Emma Newbery</p> <p>Tel: (604) 443-7132 Email: john.sandrelli@dentons.com emma.newbery@dentons.com sarah.howes@dentons.com avic.arenas@dentons.com</p> <p><i>Counsel for Court-Appointed Receiver (Alvarez &amp; Marsal Canada Inc.)</i></p>	<p>Alvarez &amp; Marsal Canada Inc. Cathedral Place Building 925 West Georgia Street, Suite 902 Vancouver, BC V6C 3 L2</p> <p>Attention: Todd Martin / Pinky Law</p> <p>Tel : (604) 638-7440 Email: tmartin@alvarezandmarsal.com pinky.law@alvarezandmarsal.com</p> <p><i>Court-Appointed Receiver</i></p>
<p>Fasken Martineau DuMoulin LLP 2900 – 550 Burrard Street Vancouver, BC V6C 1A3</p> <p>Attention: Kibben Jackson</p> <p>Tel: (604) 631-3131 Email: kjackson@fasken.com</p> <p><i>Counsel for Ed Scripps</i></p>	<p>JFK Law Corporation 816 – 1175 Douglas Street Victoria BC V8W 2E1</p> <p>Attention: Robert Janes, QC</p> <p>Tel: 1-250-405-3460 Email: rjanes@jfkclaw.ca; krose@jfkclaw.ca</p> <p><i>Counsel for Songhees First Nation</i></p>
<p>Allen / McMillan Litigation Counsel 1625 – 1185 West Georgia St. Vancouver, BC V6E 4E6</p> <p>Attention: Wes McMillan</p> <p>Tel: 604-282-3980 Email: wes@amlc.ca / thea@amlc.ca</p> <p><i>Counsel for Blue Water Systems Ltd.</i></p>	<p>Justice Health and Revenue Legal Services Branch Ministry of Attorney General PO Box 9280 Stn Prov Govnt Victoria, BC V8W 9J7</p> <p>Attention: Aaron Welch / Cindy Cheuk</p> <p>Tel: 1-250-387-6121 Email: AGLSBRevTaxInsolvency@gov.bc.ca Aaron.Welch@gov.bc.ca Cindy.Cheuk@gov.bc.ca</p> <p><i>Ministry of Attorney General</i></p>

<p>Pearlman Lindholm 201 – 19 Dallas Road Victoria, BC V8V 5A6</p> <p>Attention: Mikaila Mauro</p> <p>Tel: 1-250-388-4433 Email: <a href="mailto:mmauro@pearlmanlindholm.com">mmauro@pearlmanlindholm.com</a> Email: <a href="mailto:adahl@pearlmanlindholm.com">adahl@pearlmanlindholm.com</a></p> <p>Counsel for Andrea Guyon</p>	
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**No. S-217202**

**Vancouver Registry**

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**BETWEEN**

**THE BANK OF NOVA SCOTIA**

**PETITIONER**

**AND**

**COMMUNITY MARINE CONCEPTS LTD.,**

**VICTORIA INTERNATIONAL MARINA LTD.,**

**ETERNALAND YUHENG INVESTMENT HOLDING LTD., AND 0736657 B.C. LTD.**

**RESPONDENTS**

**FIRST REPORT OF THE RECEIVER**

**ALVAREZ & MARSAL CANADA INC.**

**April 11, 2022**



**ALVAREZ & MARSAL**

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## 1.0 INTRODUCTION

- 1.1 On December 13, 2021 (the “**Receivership Date**”), upon application of the Bank of Nova Scotia (“**BNS**”), Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as Receiver (the “**Receiver**”) pursuant to a consent receivership order (the “**Receivership Order**”) granted by the Honourable Justice Groves on November 1, 2021, in respect of all the assets, undertakings and property of Community Marine Concepts Ltd. (“**CMC**”), Victoria International Marina Ltd. (“**VIM**”), Eternaland Yuheng Investment Holding Ltd. (“**Eternaland**”), and 0736657 B.C. Ltd. (“**073**”, collectively with CMC, VIM and Eternaland, the “**Company**”). This matter is hereinafter referred to more generally as, the “**Receivership Proceedings**”.
- 1.2 The Company’s head office is located in Victoria, British Columbia. As at the date of the Receivership Proceedings, the Company’s principal line of business involved operating a luxury yacht center in the Victoria inner harbour on Vancouver Island known as the Victoria International Marina (the “**Marina**”).
- 1.3 The Receivership Order along with select application materials and other documents filed in the Receivership Proceedings are available for review by interested parties and posted on the Receiver’s website at [www.alvarezandmarsal.com/communitymarine](http://www.alvarezandmarsal.com/communitymarine).

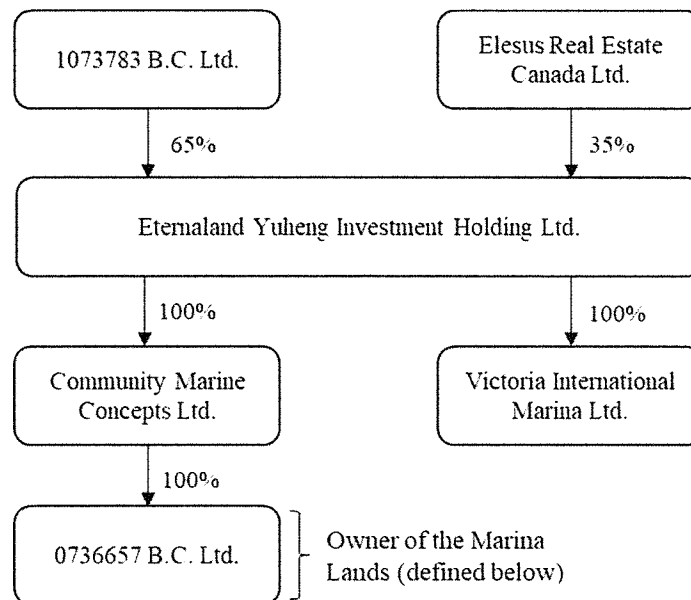
## 2.0 PURPOSE OF THE FIRST REPORT

- 2.1 This is the first report of the Receiver (the “**First Report**”) and has been prepared to provide this Honourable Court with information regarding the following:
- a) background with respect to the Company, the Marina and related operations;
  - b) an update on the activities of the Receiver since commencement of the Receivership Proceedings;
  - c) the Receiver’s interim statement of cash receipts and disbursements for the period December 13, 2021 to April 1, 2022;
  - d) the particulars and status of the sales process undertaken to solicit offers to purchase the Company’s assets;
  - e) the Company’s shareholder group’s (the “**Shareholder**”) refinancing efforts and proposed payout to BNS and discharge of the Receiver;
  - f) proposed distributions to certain of the Company’s priority creditors;
  - g) the fees and disbursements of the Receiver and its independent legal counsel; and
  - h) the recommendations of the Receiver.

### 3.0 BACKGROUND

#### Corporate Ownership

- 3.1 CMC, VIM, Eternaland and 073 are all incorporated in British Columbia, and share the same registered address at 2959 Kingsway, Vancouver, B.C. Eternaland owns 100% of CMC and VIM, and 073 is wholly owned by CMC.
- 3.2 Eternaland is jointly owned by 1073783 B.C. Ltd. (“**1073**”) and Elesus Real Estate Canada Ltd. (“**Elesus**”). 1073 is ultimately owned by Huai Yin Zhang, and Elesus is ultimately owned by Dongxia Zhang. The individuals referenced above as well as 1073 and Elesus are not parties to the Receivership Proceedings.
- 3.3 The corporate structure of the Company is depicted in the chart below:



#### Properties and Operations

- 3.4 The properties owned by the Company (the “**Marina Properties**”) consist of the following:
- a) two parcels of property located on West Song Way, Victoria BC (“**Marina Lands**”);
    - a. Lot 3, District Lot 119, Esquimalt District, Plan 47008, PID 011-570-253; and
    - b. Lot 4, District Lot 119, Esquimalt District, Plan 47008, PID 011-570-270;
  - b) the Marina, a facility providing moorage for 28 marine craft 65 feet in length and greater or total moorage of 2,800 linear feet, located on the Marina Lands. One of the Marina’s designated yacht slips is licensed to an individual on a long-term basis and the remaining 27 slips are available for daily, monthly and annual moorage;

- c) two commercial waterfront buildings, including a marina office building (the “**Marina Building**”) and a restaurant (the “**Restaurant**”) leased to Boom and Batten Restaurant and Café Ltd., both of which are located on the Marina Lands;
  - d) 48 underground parking spots secured pursuant to a 200-year pre-paid lease (the “**Parking Lease**”) from Pacific National Developments Ltd., located on Cooperage and Paul Kane Streets, Victoria, B.C.;
  - e) a foreshore lease granted by the Province of British Columbia (the “**Provincial Lease**”) and a foreshore lease granted by the Government of Canada (the “**Federal Lease**”). The Provincial Lease and the Federal Lease have remaining terms of 37 and 15 years, respectively.
- 3.5 073 is the owner of the Marina Lands, lessor of the Restaurant, and the lessee of the Parking Lease, Provincial Lease and the Federal Lease. VIM is the operator of the Marina.
- 3.6 VIM, as operator and manager of the Marina, and CMC employed six full time and part time employees and two contractors as at the Receivership Date.
- 3.7 Prior to the Receivership Date, the Marina was managed by Mr. Feng Bing Li who is related to the Shareholder. While the Receiver understands that Mr. Li’s title was “CFO”, he was not a designated corporate Director, Officer, or employee of the Company. Since the commencement of the Receivership Proceedings, Mr. Li has been the contact person in relation to Shareholder matters.

#### **Senior Secured Term Loan and Other Liabilities**

- 3.8 In February 2017, CMC and BNS entered into a commitment letter whereby BNS provided a non-revolving term loan (the “**Term Loan**”) to the Company in the amount of \$14,000,000, with a 15-month term. The loan was subsequently increased to \$17,080,000 in October 2018, with a repayment date of April 30, 2019, or on demand, whichever came first. The maturity date of the Term Loan was eventually extended to April 30, 2020.
- 3.9 CMC’s obligations under the Term Loan are guaranteed by VIM, Eternaland, and 073, Hao Ran Zhang (related to Ms. Huai Yin Zhang) and Dongxia Zhang (with VIM, Eternaland, and 073 the “**Guarantors**”).
- 3.10 In addition to the Term Loan, BNS also provided a standby Letter of Credit of \$100,000 and a VISA business credit card, with \$50,000 as authorized credit, to CMC. The credit card was terminated by BNS in March 2021. BNS also provided two Canadian Emergency Business Account loans of \$40,000 each to CMC and VIM in or around May 2020.



- 3.11 CMC has been in default of its payment obligations under the Term Loan since April 30, 2020. Since then, BNS has been in discussions with the Company to formulate a path for the repayment of the outstanding loans, including but not limited to, the execution of a forbearance agreement (the “**Forbearance Agreement**”) between BNS and CMC and the Guarantors on or about October 27, 2020.
- 3.12 The Forbearance Agreement expired on January 31, 2021, at which time CMC was unable to repay BNS in full. Further correspondence and discussions were subsequently held between BNS and CMC, leading to BNS’ engagement of A&M as BNS’ financial advisor in or around April 2021.
- 3.13 In August 2021, BNS made an application to this Honourable Court to appoint A&M as the Receiver of the Company and its assets and undertakings. The application was adjourned on several occasions, and a Court hearing was held on November 1, 2021 at which time a Consent Receivership Order was granted effective December 13, 2021, should the Company not pay the indebtedness of BNS in full by December 11, 2021.
- 3.14 CMC did not repay BNS as of December 11, 2021, and consequently, the Company was placed into receivership on the Receivership Date (December 13, 2021).
- 3.15 As of the Receivership Date, the Company had a total of approximately \$16.5 million of liabilities comprised as follows:

Community Marine Concepts Ltd., et al Liabilities as at December 13, 2021 Per Company's records S'000	
Creditor Type	Claim Amount
Secured creditors	\$15,835
Unsecured creditors	672
Total	\$16,506

- 3.16 In addition to the liabilities of the Company indicated in the table above, Blue Water Systems Ltd. (“**BWS**”), an engineering firm, had filed a builder’s lien against the Marina Building and the Restaurant, in the amount of approximately \$3.2 million. Settlement discussions were underway prior to the Receivership Date, and the Company had placed \$2.55 million into a trust account with Cox Taylor Lawyers (litigation counsel to CMC, “**Cox Taylor**”) on or around June 2020 in relation to a proposed settlement.

#### 4.0 ACTIVITIES OF THE RECEIVER SINCE ITS APPOINTMENT

- 4.1 Since the Receivership Date and up to and including the date of this First Report, the Receiver’s activities have included the following:

### **Possession, Preservation and Marketing of Assets**

- a) attending the Company's head office, during the week of December 13, 2021, at 1 Cooperage Place, Victoria, British Columbia;
- b) reviewing the access and security protocols in respect of the Marina and ensuring on site access is limited to authorized contractors and employees, customers and the Receiver;
- c) suspending all virtual accesses (including emails and cloud drives) of the Shareholder from Company management information systems;
- d) issuing notices to various financial institutions to freeze accounts and transfer balances to the Receiver's trust accounts;
- e) securing possession and preparing an inventory of the Company's assets;
- f) opening new utility accounts;
- g) setting up the Receiver's website and updating it with pertinent information relating to the Receivership Proceedings;
- h) providing the Company's insurance broker with a copy of the Receivership Order and upon review of the property and liability cover, directing the insurance broker to have the Receiver added as first named insured and loss payee on the Company's insurance policies;
- i) notifying the restaurant lessee, moorage customers and marina office sub-tenants of the Receivership Order and arranging for payments of rent to the Receiver;
- j) obtaining an appraisal from Altus Group of the Company's Marina and related properties;
- k) retaining CBRE Limited ("CBRE") to market the Marina Properties and gathering due diligence and marketing materials for CBRE to be included in a brochure and in a virtual data room;

### **Management, Employees and Contractors**

- l) conducting an initial meeting with on-site management and employees on December 13, 2021, to advise them of the Receivership Order and related matters;
- m) retaining six former employees and two former contractors of the Company on a contract basis to assist with the ongoing operations at the Marina and administration of the Receivership;
- n) responding to employee queries regarding severance pay and the *Wage Earner Protection Program Act* ("WEPPA");

### **Receiver's Borrowings and Receiver's Cash Receipts and Disbursements**

- o) borrowing \$100,000 from BNS under a Receiver's Certificate pursuant to paragraph 21 of the Receivership Order;

- p) reviewing invoices, making necessary payments and maintaining a ledger of cash receipts and disbursements;

#### **Consultation and Communications with Stakeholders and Other Parties**

- q) attending various meetings with the Shareholder and their legal counsel in relation to the initial receivership appointment, operational updates regarding the Marina and the Shareholder's refinancing efforts;
- r) communicating and consultation with the Esquimalt Nation and the Songhees First Nation;
- s) communicating with the Canada Revenue Agency, Minister of Finance, Minister of National Defense, the Commander Canadian Forces Base Esquimalt and other regulatory bodies and fulfilling various statutory regulatory requirements;

#### **Retention of Legal Counsel**

- t) retaining Dentons Canada LLP ("**Dentons**") as the Receiver's independent legal counsel and instructing Dentons to assist with various matters, including but not limited to the sale process, assessing the BWS builders' lien matter and litigation and discussions with Cox Taylor regarding same;
- u) instructing Dentons to review and assess the Provincial Lease and the Federal Lease, review storage agreement regarding a totem pole on Federal lands, the builders' lien matter, and the Shareholder's refinancing efforts;
- v) retaining Cox Taylor as the Receiver's counsel in dealing with matters surrounding the builders' lien registered by BWS against the Marina;

#### **Statutory Duties**

- w) attending to various statutory notices pursuant to the *Bankruptcy and Insolvency Act* and *Personal Property Security Act* (British Columbia) including mailing a Notice and Statement of Receiver to approximately 50 creditors identified in the books and records of the Company, posting a copy on the Receiver's Website and publishing the Notice of Appointment of Receiver of Property in the Victoria Times Colonist on December 21, 2021;
- x) preparing and mailing notices to four former employees pursuant to the WEPPA, submitting Trustee Information Forms to Service Canada and attending to correspondence with former employees and Service Canada; and
- y) dealing with government reporting matters, including determining status of the Company's payroll remittances, GST and other filings and notifying Worksafe BC in respect of the Receivership Proceedings.

## 5.0 RECEIVER'S INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

5.1 The Receiver's interim statement of cash receipts and disbursements for the period December 13, 2021 to April 1, 2022 is summarized in the table below:

<b>Community Marine Concepts Ltd. et al.</b>	
<b>Receiver's Interim Statement of Cash Receipts and Disbursements</b>	
<b>For the period December 13, 2021 to April 1, 2022</b>	
<b>Receipts</b>	
Shareholder deposit	\$ 5,948,324
Pre-filing bank balances	341,120
Restaurant lease	109,325
Receiver's certificate	100,000
Moorage	73,883
Shore power	21,153
Office leases	18,725
Events	16,511
Other revenue	14,218
Parking	12,773
Interest	961
<b>Total receipts</b>	<b>\$ 6,656,994</b>
<b>Disbursements</b>	
Professional fees - Receiver	\$ 234,701
Contractors	185,852
Professional fees - Legal	50,740
Insurance	49,712
General and administrative costs	44,995
Repairs, maintenance and other operating costs	23,778
Pre-receivership payroll	19,942
Appraisal	17,850
Credit card fees	9,601
Security	7,873
Events	2,421
<b>Total disbursements</b>	<b>\$ 647,466</b>
<b>Cash on hand in trust</b>	<b>\$ 6,009,528</b>

## 6.0 SALES PROCESS

6.1 Prior to the Receivership Proceedings, the Company had retained CBRE in December 2020 to widely market the Marina Properties. While certain indications of interest and/or offers were received, none of the received offers were deemed acceptable to the Shareholder.

6.2 Upon the Receiver's appointment, the Receiver initiated discussions with CBRE and sought a proposal for a marketing process within the Receivership Proceedings. As part of the Receiver's review and consideration, it also obtained marketing proposals from two other recognized realty brokerage firms with experience in the marina segment.

- 6.3 The Receiver considered the marketing proposals received from the various realty brokerage firms in consultation with BNS. After considering the terms of the competitive proposals, the Receiver retained CBRE on February 1, 2022, to market the Marina Properties. CBRE promptly set up a data room containing due diligence materials, which were made available to potential purchasers subsequent to executing a Non-Disclosure Agreement (“**NDA**”).
- 6.4 The CBRE marketing/sales process commenced on February 1, 2022 with an initial bid deadline set at March 21, 2022. During the marketing process, CBRE was in contact with a total of 36 parties. 17 of whom signed NDAs and accessed the data room.
- 6.5 As the marketing process concluded on or around March 21, 2022, five offers were received from interested parties.
- 6.6 As of the date of this First Report, the Receiver has not accepted or pursued any of the offers received from the interest parties due to the advancement of the Shareholder’s efforts to refinance the BNS senior secured debt.

## **7.0 SHAREHOLDER’S REFINANCING EFFORTS**

- 7.1 The Receiver understands that, prior to the Receivership Date (i.e. December 13, 2021), the Shareholder was working with a third party financier (or a broker) to arrange for financing to repay BNS in full.
- 7.2 Since the appointment of the Receiver, the Shareholder has expressed their intention to repay the BNS Loans and re-gain control of the Company and its operations. As part of their efforts to refinance BNS, the Shareholder deposited approximately \$5.95 million into CMC’s BNS account on December 14, 2021 (i.e., the day after the Receivership Date, the “**CMC Deposit**”).
- 7.3 Subsequently, in February 2022, the Shareholder delivered a bank draft drawn on a Canadian chartered bank in the amount of \$6.0 million (the “**Bank Draft**”) to a BNS branch located in Vancouver, B.C. At around the same time as the delivery of the Bank Draft, the Receiver was provided with a loan agreement (the “**Yeakon Loan Agreement**”) between CMC, as a borrower (signed by Ms. Huai Yin Zhang), and Yeakon Minoru Blvd Holdings Ltd., the lender (“**Yeakon**”), for a loan of \$6.0 million, and was advised that the loan documented by the Yeakon Loan Agreement was the source of funds for the Bank Draft. The Yeakon Loan Agreement was ultimately revised to replace CMC with Ms. Huai Yin Zhang and Ms. Dongxia Zhang as borrowers, as Ms. Zhang did not have the corporate capacity to execute the Yeakon Loan Agreement on CMC’s behalf, due to CMC’s receivership status.

- 7.4 After the delivery of the Bank Draft, BNS issued a letter to the Shareholder requesting additional information regarding the Bank Draft before BNS could apply the funds to its indebtedness. It is the Receiver's understanding that, as of the date of this First Report, the Bank Draft has not yet been applied by BNS against the loan indebtedness of the Company.
- 7.5 On April 7, 2022, the Shareholder filed an application in the Receivership Proceedings for an order from this Honourable Court to have the Bank Draft applied to the BNS Loans as a partial payment against the BNS indebtedness.
- 7.6 Apart from the CMC Deposit and the Bank Draft, the Shareholder has also provided the Receiver with copies of commitment letters (the "**Commitment Letters**") from 1129057 B.C. Ltd. (the "**First Lender**") and Amber Mortgage Investment Corp. (the "**Second Lender**"), each with a commitment of \$5 million (i.e. totaling \$10 million, the "**New Loans**"), to CMC and 073.
- 7.7 The Receiver has been in discussion with the Shareholder, BNS, the First Lender, and the Second Lender regarding the New Loans, and understands that the First Lender and the Second Lender are in a position to advance the New Loans, provided that the Commitment Letters and other documents required under the Commitment Letters are executed by CMC and 073, and provided that other conditions precedent are satisfied.
- 7.8 The Shareholder is also seeking this Honorable Court's authorization for Ms. Huai Yin Zhang to execute the Commitment Letters and other related documents on behalf of the Company.

#### **8.0 PROPOSED DISTRIBUTION OF THE CMC DEPOSIT AND BANK DRAFT**

- 8.1 Based on the Shareholder's efforts, it appears that they have either deposited or obtained sufficient third party financing to repay the BNS Loans in full. Pursuant to a draft payout letter from BNS dated January 21, 2022 (the "**Draft Payout**"), the outstanding loan amount as at January 24, 2022 totaled \$16,139,715.70, with interest at \$1,225.09 per diem.
- 8.2 It appears that the funds and/or financing that may be available to pay obligations of the Company, including the BNS Loans, total approximately \$21.9 million, and include:
- a) the CMC Deposit of \$5.9 million;
  - b) the Bank Draft of \$6.0 million; and
  - c) the New Loans totaling \$10.0 million.
- 8.3 In addition to authorization to execute the Commitment Letters and direction to apply the Bank Draft to the BNS Loans, the Shareholder is also seeking to have this Honourable Court authorize

and direct the Receiver to apply a portion of the CMC Deposit to the BNS Loans and to have the Receiver discharged (collectively, the “**Shareholder’s Application**”).

- 8.4 Given that the Shareholder’s Application is seeking discharge of the Receiver at or around the time of closing of the New Loans, the Receiver has been working, in consultation with BNS and the Shareholder, to ensure that Receivership matters can be properly completed prior to the Receiver’s discharge, including payment of obligations incurred over the course of the Receivership as well as certain amounts owing by the Company that are or may be senior in priority to the BNS indebtedness (collectively, the “**Priority Obligations**”).
- 8.5 The Receiver prepared a draft payout and holdback estimate to the Shareholder in early March 2022 (the “**Receiver’s Estimate**”), taking into account the Draft Payout, the CMC Deposit, the Bank Draft, anticipated disbursements under the receivership and an estimate of additional funds to hold back to cover unanticipated obligations. The Receiver’s Estimate was attached to the First Affidavit of Huai Yin Zhang sworn on April 4, 2022.
- 8.6 Subsequently, the Receiver and the Shareholder have agreed that the amount to be applied to BNS Loans from the CMC Deposit is to be set at \$4 million, with the remaining funds (approximately \$2.0 million) to be used by the Receiver to satisfy the Priority Obligations, including expenses in the receivership, and to retain as a holdback for unanticipated expenses (the “**Holdback**”). It is also agreed that any Holdback that are not utilized six (6) months after the discharge of the Receiver will be returned to the Company.
- 8.7 The Receiver has revised the Receiver’s Estimate based on additional information as of March 31, 2022. Summarized in the table below are the current estimated disbursements that will be made upon closing of the Shareholder’s refinancing of the BNS indebtedness:

Community Marine Concepts Ltd., et al		
Priority Obligations		
For the period April 1 to April 29, 2022		
\$'000		
Estimated funds on hand as at April 7, 2022 (after the proposed BNS distribution)	\$	2,010
<u>Priority Obligations</u>		
Priority payments		
CRA - Source deductions and GST		202
Ministry of BC - PST		1
City of Victoria - property taxes		299
Subtotal - priority payments		503
Professional fees - estimate to discharge		215
Sales agent fee (inclusive of GST)		263
Other operating expenses		210
<b>Total Priority Obligations</b>		<b>1,191</b>
<b>Estimated Holdback amount</b>	<b>\$</b>	<b>819</b>

- 8.8 Based on the above estimates, the Holdback available to the Receiver as of the Redemption Date would be approximately \$818,000.

**Receiver's Comments on the Shareholder's Application**

- 8.9 The Receiver is supportive of the Shareholder's Application, based on the following:
- a) the proposed form of order provides for the full repayment of the BNS Loans and the associated fees and costs;
  - b) the proposed form of order sought by the Shareholder contemplates that the Receiver will seek approval by this Honourable Court of distributions in respect of the Priority Obligations, as well as approval of its fees and activities, prior to discharge. The Receiver will be filing a separate application to seek approval of same in due course;
  - c) as the Bank Draft is not in the possession of the Receiver, the Receiver takes no position on how the funds should be applied. However, provided that the source of and interests in the Bank Draft is clarified and are satisfactory to BNS, the Receiver is not aware of any other concerns that would limit BNS's ability to apply such funds to the BNS Loans;
  - d) without the authorization of this Honourable Court, the Shareholder will not be in a position to execute the Commitment Letters on behalf of CMC. While the Receiver would not be in a position to execute the Commitment Letters on behalf of CMC, the Receiver believes it is reasonable for this Honourable Court to authorize the Shareholder to do so and allow the closing of the financing of the New Loans, which is integral in the Shareholder's efforts in getting BNS fully repaid;
  - e) the Receiver has considered the proposed distribution from the CMC Deposit of \$4.0 million and the Holdback, and believes both are reasonable; and
  - f) the Shareholder's Application has been discussed and negotiated between the Shareholder, BNS and the New Lenders, in consultation with the Receiver. The Receiver is generally supportive of the Shareholder's Application subject to the form of order sought taking into account of the concerns of the Receiver, BNS, the New Lenders, and other stakeholders in the Receivership Proceedings. The Receiver understands that negotiations are continuing as of the time of writing to address these concerns and maximize stakeholder support for the Shareholder's Application and minimize points of dispute prior to the hearing.

**9.0 RECEIVER'S CERTIFICATE AND DISCHARGE**

- 9.1 It is contemplated that the Receiver will be discharged upon the Receiver executing a certificate (the "**Receiver's Certificate**") , certifying that the following conditions have been met:



- a) the loan transactions for the New Loans have closed;
- b) the Company's obligations to BNS have been fully satisfied as confirmed in writing by BNS;
- c) the Receiver and its legal counsel have passed their accounts in accordance with Consent Receivership Order, and the activities of the Receiver have been approved; and
- d) the Receiver has made all distributions of funds authorized and directed by this Honourable Court prior to the date of the Receiver's Certificate, which the Receiver anticipates will include the Priority Obligations.

9.2 Upon the filing of the Receiver's Certificate,

- a) the Receiver shall be discharged as Receiver of the assets, undertaking and property of the Company;
- b) the stay of proceedings against or in respect of the Company shall terminate;
- c) Alvarez & Marsal Canada Inc. shall be released and discharged from any and all liability while acting in its capacity as Receiver, save and except for any liability resulting from gross negligence or willful misconduct; and
- d) the Company expressly assumes any and all claims or liabilities attributable to the Company, whether arising before or after the Receivership Date, to the extent such claims and liabilities have not been fully satisfied prior to filing of the Receiver's Certificate.

9.3 As previously discussed, the Holdback shall be retained by the Receiver for a period of six months upon the execution of the Receiver's Certificate, and any remaining Holdback will be returned to the Company thereafter.

9.4 It has been agreed between the Shareholder, BNS and the Receiver that the conditions presented in the Receiver's Certificate shall be fulfilled by no later than April 29, 2022 (the "**Redemption Date**"). The Redemption Date may be extended by written agreement of the applicant, BNS, and the Receiver, or by further order of the Court. In the event the Receiver's Certificate is not filed on or before the Redemption Date, the Receiver shall be at liberty to sell, convey, transfer or assign the Property or any part or parts thereof subject only to the approval of this Court.

## 10.0 PROFESSIONAL FEES

10.1 Detailed statements of account of the Receiver, its legal counsel, Dentons and Cox & Taylor will be included in affidavits filed by the respective representatives of the Receiver and its legal counsel (the "**Fee Affidavits**").

10.2 The Receiver has reviewed the statements of account to be included in the Fee Affidavits and is of the view that the fees incurred are fair and reasonable and were necessary for the effective

administration of the Receivership Proceedings, including but not limited to the day-to-day administration at the Marina, the conducting of the Sales Process, the correspondence with BWS in relation to the Liens, the continuous discussions and coordination between the Shareholder, BNS and the New Lenders in relation to the payout of the Loans, and various administrative matters as reported to this Honourable Court in the earlier section of this report.

- 10.3 The Fee Affidavits include estimates to closing of the New Loans and discharge of the Receiver. The Receiver is seeking approval of such amounts as fees and disbursements of the Receiver so that the New Loans can close and Receiver can be discharged in the timeline the Shareholder is trying to meet. The Receiver and its counsel will continue to account for their time in a detailed manner.
- 10.4 To the extent fees are incurred by the Receiver and its counsel that are greater than the amounts estimated, further approvals of the Receiver's activities and its fees would have to be sought from this Honourable Court.

#### **11.0 RECEIVER'S CONCLUSION AND RECOMMENDATIONS**

- 11.1 The Receiver respectfully recommends that this Honourable Court:
- a) approve the Shareholder's Application, including discharge of the Receiver;
  - b) approve the activities of the Receiver; and
  - c) approve distributions in respect of the Priority Obligations.

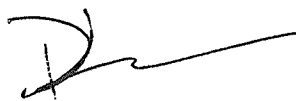
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All of which is respectfully submitted to this Honourable Court this 11<sup>th</sup> day of April, 2022.

**Alvarez & Marsal Canada Inc.,**  
in its capacity as Receiver of  
Community Marine Concepts Ltd., Victoria International Marina Ltd.,  
Eternaland Yuheng Investment Holding Ltd., and 0736657 B.C. Ltd.



Per: Todd M. Martin  
Senior Vice President



Per: Pinky Law  
Vice President

FORCE FILED



NO. S-217202  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA  
INTERNATIONAL MARINA LTD., ETERNALAND YUHENG  
INVESTMENT HOLDING LTD. AND 0736657 B.C. LTD.

RESPONDENTS

#### NOTICE OF APPLICATION

**Name of applicant:** Alvarez & Marsal Canada Inc., in its capacity as court appointed Receiver of the Respondents (the "**Receiver**").

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

TAKE NOTICE that an application will be made by the applicant to the presiding judge at the courthouse at 800 Smithe Street, Vancouver, BC on April 22, 2022 at 9:45 a.m. by MS Teams, for the orders set out in Part 1 below.

#### Part I: ORDERS SOUGHT

1. An order substantially in the form attached hereto as **Schedule "B"**:
  - (a) approving the Receiver's activities;
  - (b) approving the Receiver's and the Receiver's counsel's fees; and
  - (c) authorizing and directing the Receiver to make certain distributions.

## Part 2: FACTUAL BASIS

### A. Background

1. The Receiver was appointed by consent receivership order dated November 1, 2021 (the "**Receivership Order**"), appointing the Receiver effective December 13, 2021.
2. On April 7, 2022, Huai Yin Zhang, a director and shareholder of the Respondents, filed an application seeking, among other things, (a) approval of a refinancing of the obligations of the Respondents to the Petitioner (the "**Refinancing**") and (b) discharge of the Receiver.
3. The application for approval of the Refinancing is due to be heard on April 14, 2022. The form of order sought anticipates closing of the Refinancing before April 29, 2022.
4. To facilitate closing of the Refinancing, discharge of the Receiver, and a smooth transition of the Respondents' business back to the control of previous management and shareholders, the Receiver is seeking approval of (a) its activities, its fees and disbursements and its counsel's fees and disbursements until discharge, including expected fees, and (b) certain distributions in respect of certain of the Respondents' obligations that the Receiver believes are appropriate to satisfy prior to the completion of these proceedings and a holdback in respect of unanticipated expenses.

### B. Receiver's Fees and Activities

5. The Receiver seeks approval of its fees since the start of this receivership (the "**Receivership**") and its activities (the "**Activities**") as detailed in the Receiver's First Report to Court, dated April 11, 2022 (the "**Report**").
6. In the Report, the Receiver details its Activities to date. By way of summary, the Receiver has:
  - (a) attended the Respondents' head office;
  - (b) reviewed the Respondents' books and records;
  - (c) taken steps to take possession of, preserve and market assets, including opening trust accounts, new utility accounts, and notifying key parties of the Receivership;
  - (d) obtained an appraisal of the Respondents' assets;

- (e) retained CBRE Limited ("**CBRE**") to market the property;
- (f) met with former management, remaining employees, former employees and former contractors;
- (g) engaged former employees and contractors on a contract basis to assist with the ongoing operations and administration of the Receivership;
- (h) attended meetings with stakeholders and counsel;
- (i) communicated with Canada Revenue Agency, Minister of Finance, Minister of National Defense, the Commander Canadian Forces Base Esquimalt and other regulatory bodies;
- (j) retained legal counsel;
- (k) monitored and managed cash receipts and disbursements of the Receivership;
- (l) attended to statutory duties, including mailing notices to creditors identified in the books and records, published a newspaper notice, preparing notices to former employees, submitting forms and attending to correspondence with Service Canada; and
- (m) dealt with government reporting matters, including determining the status of the Respondents' payroll remittances, Goods and Services Tax and other filings.

First Affidavit of Todd Martin, sworn April 13, 2022  
(the "**A&M Affidavit**") at para. 7.

Report, at para. 4.1.

7. The Receiver now seeks approval of its fees and Activities as detailed in the Report and the A&M Affidavit.

8. From the start of the Receivership to March 31, 2022, the Receiver has incurred fees in the amount of \$297,232.00 and disbursements in the amount of \$2,472.35 (not including legal fees), plus taxes in the amount of \$14,985.22, in connection with the Activities, and projected fees and disbursements of \$50,000 (not including legal fees), plus taxes of \$2,500 to wrap up the Receivership, for a total of \$367,189.57.

A&M Affidavit, at para. 8.

9. The Receiver has affirmed its belief that the time expended and the fees charged by A&M are reasonable in light of the services provided and prevailing market rates for services of this nature.

**C. Dentons' Fees and Activities**

10. As further detailed in the First Affidavit of John Sandrelli, sworn April 11, 2022 (the "**Dentons Affidavit**"), and the invoices attached thereto (which have been redacted to protect solicitor-client privilege as between Dentons and the Receiver), Dentons has been counsel for the Receiver since December 2021. Dentons has assisted the Receiver with the Activities. The legal fees of Dentons are disbursements of the Receiver in the Receivership.

11. With respect to the Activities, and noting that the Receiver retains and has not waived solicitor-client privilege with respect to same, Dentons has:

- (a) attended calls and meetings and corresponded with the Receiver regarding advice sought on various matters, including potential sales processes, outstanding litigation against the Respondents, license and lease issues, and operational issues;
- (b) attended calls and meetings and corresponded with counsel to the Petitioner regarding various issues, including to obtain documents to support a review of the Petitioner's security;
- (c) drafted and revised documents, memoranda and pleadings;
- (d) reviewed and analyzed searches of public registries in relation to security on the property of the Respondents, completed security review and provided opinion to the Receiver; and
- (e) attended calls with stakeholders, including the Petitioner, counsel for shareholders of the Respondents, and others.

Dentons Affidavit at para. 8.

12. Dentons has had a significant role in the Receiver's Activities, specifically Dentons has:

- (a) assisted in reviewing agreements associated with sales process, shareholders, providing legal advice with respect to certain litigation, preparing court materials, and attending court hearings;

- (b) assumed significant responsibility throughout these Proceedings and has worked closely with the Receiver throughout;
- (c) staffed its legal team with experienced insolvency lawyers and properly delegated legal tasks to members of the legal team that had the skills to complete each activity in a cost-effective manner;
- (d) helped the Receiver and stakeholders to resolve disputes, and progress towards a transaction that would see creditors paid and the business of the Respondents continue; and
- (e) been transparent regarding its fees and the Receiver believes that Dentons' fees are reasonable in the circumstances.

Dentons Affidavit, at para. 15.

13. The Receiver has affirmed that the services performed by Dentons were at the Receiver's request and that the Receiver believes that the time expended and the fees charged by Dentons are reasonable in light of the services provided and prevailing market rates for fees of this nature.

A&M Affidavit, at paras. 17-19.

#### **D. Cox Taylor's Fees and Activities**

14. As further detailed in the First Affidavit of Aurora Faulkner Killam, sworn April 12, 2022 (the "**Cox Taylor Affidavit**"), and the invoices attached thereto (which have been redacted to protect solicitor-client privilege), Cox Taylor was retained as counsel for the Receiver in December 2021 in relation to certain matters arising from Vic Reg Vic-S-S-190234 and related Arbitration under CCDC-14 Design-Build Stipulated Price Contract made April 21, 2016. The legal fees of Cox Taylor are disbursements of the Receiver in the Receivership.

15. With respect to the Activities, Cox Taylor has:

- (a) attended calls and online meetings and corresponded with the Receiver and others regarding the history of the Action, advice sought on outstanding litigation by and against the Respondents, and operational issues arising from the Action;
- (b) drafted and revised documents;
- (c) reviewed various matters and issues and reported to the Receiver;

- (d) attended calls with stakeholders, including counsel for shareholders of the Respondents, and others; and
- (e) facilitated negotiation of priority or security agreements for claims of builder's lien to allow for the redemption of the Receivership by the shareholder.

Cox Taylor Affidavit, at para. 8.

16. As part of retaining Cox Taylor, the Receiver paid outstanding accounts receivable in respect of services provided to the Respondents prior to the commencement of the Receivership.

A&M Affidavit, at para. 22.

17. The Receiver has affirmed that the services performed by Cox Taylor were at the Receiver's request and that the Receiver believes that the time expended and the fees charged by Cox Taylor are reasonable in light of the services provided and prevailing market rates for fees of this nature.

A&M Affidavit, at paras. 20-24.

#### **E. Distributions for Priority Obligations and Holdback**

18. The Receiver has, in reviewing the books and records of the Respondents, identified certain amounts owing by the Respondents that are or may be senior in priority to the Respondents' indebtedness to the Petitioner (the "**Priority Obligations**").

19. The Priority Obligations total \$1.191 million, and are set out at paragraph 8.7 of the Report. The Priority Obligations comprise source deductions due to Canada Revenue Agency, Provincial Sales Tax, property taxes, professional fees, fees due to CBRE in respect of the sale process, and other operating expenses.

Report, at para. 8.7.

20. The Receiver is seeking approval of the Court to make distributions in respect of the Priority Obligations (the "**Distributions**") to the extent the authority to make such Distributions is not included in the Receivership Order.

21. The Receiver also seeks approval of the Court to retain funds remaining in the Receiver's "Post-Receivership Accounts", as defined in s. 13 of the Receivership Order, for a period of six months after discharge in the event there are other unanticipated expenses or obligations in respect of the Respondents (the "**Holdback**"). The Receiver



proposes to return any unused Holdback to the Respondents after six months.

### **Part 3: LEGAL BASIS**

#### **I. Approval of Receiver's, Dentons' and Cox Taylor's Fees and Activities**

1. Paragraph 22 of the Receivership Order provides that "the Receiver and its 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."

Receivership Order, s. 22

2. Courts have provided direction as to the exercise a supervising court should undertake to approve receivers' fees and activities. This direction includes that it is not necessary to go through the supporting documentation for the fees, line by line, to determine what the appropriate fees are for a receivership. In addition, the supervising court's analysis should not involve second guessing the amount of time spent by a receiver unless it is clearly excessive or overreaching. Generally, courts have directed that supervising courts should consider all the relevant factors, and should award costs (or fees) in a holistic manner.

*Bank of Nova Scotia v. Diemer*, 2014 ONSC 365  
("Diemer") at para. 19

*Re: Redcorp Ventures Ltd.*, 2016 BCSC 188  
("Redcorp") at para. 28.

3. A receiver must pass its accounts from time to time to allow interested parties to question the receiver's activities and conduct. In addition, the passing of accounts ensures that the supervising court is in a position to ascertain if the receiver's fees and disbursements are properly made and are fair and reasonable in the circumstances.

*Redcorp*, at para. 22.

4. Further, the Court has the inherent jurisdiction to approve the activities of a court-appointed receiver. If the receiver has met the objective test of demonstrating that it has acted reasonably, prudently, and not arbitrarily, a court may approve the activities as set out in its reports.

5. On application to approve a receiver's accounts and the accounts of its legal counsel:

- (a) the accounts should be verified by affidavit;
- (b) the accounts should contain sufficient evidence to permit a court to conclude that what was incurred for services rendered was at the standard rate of charges of the receiver and of the receiver's counsel; and
- (c) the accounts should provide a sufficient description of the services rendered to permit a court to determine whether the liability for fees was properly made or incurred.

*Redcorp*, at paras. 26 & 32.

6. The Receiver's accounts and those of its counsel have been verified by affidavit. The affidavits filed in support of this application, and the invoices appended thereto contain sufficiently detailed descriptions to, without waiving privilege, provide the Court with sufficient evidence to conclude that the fees incurred were at standard rates for the Receiver. Further, the affidavits and the invoices provide sufficient evidence for the Court to assess the Receiver's fees and its counsel's fees in relation to the factors for consideration identified in applicable case law, as set out in more detail below.

See A&M Affidavit; Dentons Affidavit;  
and Cox Taylor Affidavit

7. Courts will consider the following non-exhaustive factors in assessing the reasonableness of a receiver's fees:

- (a) the nature, extent and value of the assets;
- (b) the complications and difficulties encountered by the receiver;

- (c) the time spent by the receiver;
- (d) the receiver's knowledge, experience and skill;
- (e) the diligence and thoroughness displayed by the receiver;
- (f) the responsibilities assumed;
- (g) the results of the receiver's efforts; and
- (h) the cost of comparable services.

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

8. As noted by the New Brunswick Court of Appeal:

There is no fixed rate or settled scale for determining the amount of compensation to be paid a receiver. He [the receiver] is usually allowed either a percentage upon his receipts or a lump sum based upon the time, trouble and degree of responsibility involved. The governing principle appears to be that the compensation allowed a receiver should be measured by the fair and reasonable value of his services and while sufficient fees should be paid to induce competent persons to serve as receivers, receiverships should be administered as economically as reasonably possible. Thus, allowances for services performed must be just, but nevertheless moderate rather than generous.

[Emphasis added.]

*Belyea v. Federal Business Development Bank*, 1983  
CarswellNB 27 at para. 3 (C.A.)

9. The Receiver submits its fees are fair and reasonable because:

- (a) the assets and business of the Respondents are complex;
- (b) the Receiver has spent significant time and effort in taking possession of, preserving and marketing the assets, as well as in consulting with stakeholders, including the Petitioner, former management, and current shareholders;

- (c) the Receiver has facilitated progressing the Refinancing, while simultaneously progressing preservation and marketing efforts;
- (d) the Receiver has significant knowledge, experience and skill;
- (e) the Receiver has displayed diligence and thoroughness in discharging its duties, and has taken on significant responsibilities in the Receivership;
- (f) a full repayment of the Respondents' obligations to the Petitioners and the other Priority Obligations and continued operation of the Respondents business is a positive result to the Receivership; and
- (g) the fees of the Receiver is in line with comparable services when performed in a prudent and economical manner.

Report, paras. 3.1-8.9.

A&M Affidavit, at paras. 7-16.

10. Similar factors are considered on the assessment of legal accounts of counsel to the Receiver, including:

- (a) the time expended;
- (b) the complexity of the receivership;
- (c) the degree of responsibility assumed by the lawyers;
- (d) the amount of money involved, including the amount of proceeds after realization and the payments to the creditors;
- (e) the degree and skill of the lawyers involved;
- (f) the results achieved; and
- (g) the client's expectations as to the fee.

*Maple Leaf Loading*, at para. 12.

11. The Receiver submits Dentons' fees are fair and reasonable, because:

- (a) Dentons has assisted, and will assist, the Receiver with all Activities, assisting in reviewing agreements associated with sales process, shareholders, providing legal advice with respect to certain litigation, preparing court materials, and attending court hearings;
- (b) Dentons has assumed significant responsibility throughout these Proceedings and has worked closely with the Receiver throughout;
- (c) Dentons has staffed its legal team with experienced insolvency lawyers and properly delegated legal tasks to members of the legal team that had the skills to complete each activity in a cost-effective manner;
- (d) in working with the Receiver, Dentons has helped the Receiver and stakeholders to resolve disputes, and progress towards a transaction that would see creditors paid and the business of the Respondents continue; and
- (e) Dentons has been transparent regarding its fees and the Receiver believes that Dentons' fees are reasonable in the circumstances.

Dentons Affidavit, at para. 15.

12. The Receiver submits Cox Taylor's fees are fair and reasonable, because:

- (a) Cox Taylor has extensive knowledge, and has provided significant assistance to the Receiver, in respect of the matter for which they were retained;
- (b) Cox Taylor has assumed significant responsibility during the Period and has worked closely with the Receiver;
- (c) Cox Taylor has staffed its legal team with experienced lawyers and properly delegated legal tasks to members of the legal team that had the skills to complete each activity in a cost-effective manner;

- (d) in working with the Receiver, Cox Taylor has helped progress certain issues in respect of the action for which they were retained to enable the Refinancing to progress.

Cox Taylor Affidavit, at para. 18.

13. In addition, the evidence shows that:

- (a) the Receiver's professional fees and disbursements were properly incurred;
- (b) the work completed by the Receiver was delegated to the appropriate professionals with the appropriate seniority and appropriate hourly rates;
- (c) the Receiver's fees in this matter are consistent with fees charged by other insolvency firms of a similar size for work of a similar nature and complexity; and
- (d) the services were performed by the Receiver in a prudent and economical manner.

A&M Affidavit, at para. 14.

14. Similarly, the evidence shows that:

- (a) Dentons' and Cox Taylor's professional fees and disbursements were properly incurred;
- (b) the work completed by counsel was delegated to the appropriate professionals in each firm with the appropriate seniority and hourly rates;
- (c) counsel's fees in this matter are consistent with the market for similar firms with the capacity to handle a file of comparable size and complexity;
- (d) each of the invoices were reviewed for reasonableness at the time of billing;

- (e) invoices were provided to the Receiver when rendered and all have been approved by the Receiver; and
- (f) the services were performed by Dentons and Cox Taylor in a prudent and economical manner.

Dentons Affidavit, at para. 18.

Cox Taylor Affidavit, at para. 21.

## **Conclusion**

15. The Receiver submits that the Activities of the Receiver and its counsel as detailed in the Report, the A&M Affidavit, the Cox Taylor Affidavit, and the Dentons Affidavit were carried out pursuant to, and in accordance with, the Receivership Order and subsequent Orders of this Court. The Receiver submits that at all times it has acted reasonably, prudently, and not arbitrarily.

16. Further, the approval sought by the Receiver is not a general approval of its activities, but is the approval of the specific Activities taken by the Receiver as specifically detailed in the Report, and is linked to the fees and disbursements of the Receiver for which approval is also being sought.

17. The Receiver submits that Activities were necessary to progress this Receivership. The Receiver carried out all Activities in good faith.

18. Therefore, the Receiver submits that it is appropriate in these circumstances to approve the Receiver's fees, disbursements, and Activities as outlined in the Report, the A&M Affidavit, the Cox Taylor Affidavit, and the Dentons Affidavit.

## **II. Distribution for Priority Obligations and Holdback**

19. Pursuant to paragraph 3 of the Receivership Order, the Receiver was empowered to take possession of and exercise control over the assets, undertakings and property of the Respondents, including cash held by the Respondents as of the date of appointment.

Receivership Order, s. 3

20. Pursuant to paragraph 13 of the Receivership Order, the Receiver is to hold monies collected from and after the making of the Receivership Order in the "Post-Receivership Accounts", as defined in the Receivership Order. The Receiver is then to hold such funds to be paid in accordance with the terms of the Receivership Order or any further order of the Court.

Receivership Order, s. 13

21. Pursuant to paragraph 36 of the Receivership Order, the Receiver may apply to this Court for advice and directions in the discharge of its powers and duties.

Receivership Order, s. 36

22. Given the application filed by Ms. Zhang seeking to repay all amounts owing to the Petitioner and discharge the Receiver, the Receiver believes that making the Distributions is appropriate prior to discharging the Receiver and winding up these proceedings. The Distributions are in respect of obligations that would typically be considered as senior in priority to the obligations of the Respondents to the Petitioner, and the Receiver is in possession of funds in the Post-Receivership Accounts that are sufficient to pay these amounts.

23. The Receiver also believes that retaining the Holdback in the event there are unanticipated expenses or obligations in respect of the Respondents is appropriate. Given that the Receivership is coming to a close with the Refinancing, rather than the more typical path of asset sales and security realization, it is prudent to ensure that unanticipated expenses or obligations can be satisfied by the Receiver if such expenses are advanced against the Receiver. In assisting to transition operations back to existing management, the Receiver should not be exposed to potential liability or extra cost, when such would not be the case if the Receivership progressed in a more typical fashion.

24. To enable the discharge of the Receiver, the closing of the Refinancing and an orderly transition of operations back to former management and shareholders, the Receiver seeks this Court's authorization and direction to make the Distributions and satisfy the Priority Obligations prior to discharge.



**Part 4: MATERIALS TO BE RELIED ON**

1. Consent Receivership Order dated November 1, 2021;
2. Notice of Application of Huai Yin Zhang, filed April 7, 2022;
3. Receiver's Report to the Court dated April 11, 2022
4. Affidavit #1 of John Sandrelli, sworn April 11, 2022;
5. Affidavit #1 of Aurora Faulkner Killam, sworn April 12, 2022;
6. Affidavit #1 of Todd Martin, sworn April 13, 2022; and
7. Such other pleadings and materials previously filed herein as counsel may advise.

The applicant(s) estimate(s) that the application will take 15 minutes if unopposed.

- ☐ This matter is within the jurisdiction of a master.
- ☒ This matter is not within the jurisdiction of a master.

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

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

Date: 13/APR/2022

  
\_\_\_\_\_  
Signature of lawyer for filing party  
Tevia Jeffries

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

## APPENDIX

### Part 3: THIS APPLICATION INVOLVES THE FOLLOWING:

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

- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts

**SCHEDULE "A"**

NO. S-217202  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

**SERVICE LIST**

(as at April 12, 2022)

<b>NAME OF COUNSEL:</b>	<b>NAME OF PARTY(IES):</b>
Blakes, Cassels & Graydon LLP Suite 2600 – 595 Burrard St. Vancouver, BC V7X 1L3  Attention: Peter Bychawski / Claire Hildebrand  Tel: (604) 631-3300  Email: peter.bychawski@blakes.com claire.hildebrand@blakes.com	<i>Counsel for the Petitioner, The Bank of Nova Scotia</i>
Forrester & Company 300 – 171 Water Street Vancouver, BC V6B 1A7  Attention : Crystal Law / Glen Forrester  Tel : (604) 682-1066  Email: gforrester@forresterbarristers.ca jchiang@forresterbarristers.ca	<i>Counsel for the Respondents, Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holding Ltd. and 0736657 B.C. Ltd.</i>

<p>Dentons Canada LLP 20<sup>th</sup> Floor – 250 Howe Street Vancouver, BC V6C 3R8</p> <p>Attention: John Sandrelli / Emma Newbery</p> <p>Tel: (604) 443-7132</p> <p>Email: <a href="mailto:john.sandrelli@dentons.com">john.sandrelli@dentons.com</a>  <a href="mailto:tevia.jeffries@dentons.com">tevia.jeffries@dentons.com</a>  <a href="mailto:emma.newbery@dentons.com">emma.newbery@dentons.com</a>  <a href="mailto:avic.arenas@dentons.com">avic.arenas@dentons.com</a>  <a href="mailto:lee.ngo@dentons.com">lee.ngo@dentons.com</a></p>	<p><i>Counsel for Court-Appointed Receiver (Alvarez &amp; Marsal Canada Inc.)</i></p>
<p>Alvarez &amp; Marsal Canada Inc. Cathedral Place Building 925 West Georgia Street, Suite 902 Vancouver, BC V6C 3 L2</p> <p>Attention: Todd Martin / Pinky Law</p> <p>Tel : (604) 638-7440</p> <p>Email: <a href="mailto:tmartin@alvarezandmarsal.com">tmartin@alvarezandmarsal.com</a>  <a href="mailto:pinky.law@alvarezandmarsal.com">pinky.law@alvarezandmarsal.com</a></p>	<p><i>Court-Appointed Receiver</i></p>
<p>Fasken Martineau DuMoulin LLP 2900 – 550 Burrard Street Vancouver, BC V6C 1A3</p> <p>Attention: Kibben Jackson</p> <p>Tel: (604) 631-3131</p> <p>Email: <a href="mailto:kjackson@fasken.com">kjackson@fasken.com</a>;  <a href="mailto:svolkow@fasken.com">svolkow@fasken.com</a></p>	<p><i>Counsel for Ed Scripps</i></p>
<p>JFK Law Corporation 816 – 1175 Douglas Street Victoria BC V8W 2E1</p> <p>Attention: Robert Janes, QC</p> <p>Tel: 1-250-405-3460</p> <p>Email: <a href="mailto:rjanes@jfklaw.ca">rjanes@jfklaw.ca</a>;  <a href="mailto:krose@jfklaw.ca">krose@jfklaw.ca</a></p>	<p><i>Counsel for Songhees First Nation</i></p>

<p>Allen / McMillan Litigation Counsel 1625 – 1185 West Georgia St. Vancouver, BC V6E 4E6</p> <p>Attention: Wes McMillan</p> <p>Tel: 604-282-3980</p> <p>Email: <a href="mailto:wes@amlc.ca">wes@amlc.ca</a>; <a href="mailto:thea@amlc.ca">thea@amlc.ca</a></p>	<p><i>Counsel for Blue Water Systems Ltd.</i></p>
<p>Justice Health and Revenue Legal Services Branch Ministry of Attorney General PO Box 9280 Stn Prov Govnt Victoria, BC V8W 9J7</p> <p>Attention: Aaron Welch / Cindy Cheuk</p> <p>Tel: 1-250-387-6121</p> <p>Email: <a href="mailto:AGLSBRevTaxInsolvency@gov.bc.ca">AGLSBRevTaxInsolvency@gov.bc.ca</a>; <a href="mailto:Aaron.Welch@gov.bc.ca">Aaron.Welch@gov.bc.ca</a>; <a href="mailto:Cindy.Cheuk@gov.bc.ca">Cindy.Cheuk@gov.bc.ca</a></p>	<p><i>Ministry of Attorney General</i></p>
<p>Pearlman Lindholm 201 – 19 Dallas Road Victoria, BC V8V 5A6</p> <p>Attention: Mikaila Mauro</p> <p>Tel: 1-250-388-4433</p> <p>Email: <a href="mailto:mm Mauro@pearlmanlindholm.com">mmauro@pearlmanlindholm.com</a>; <a href="mailto:adahl@pearlmanlindholm.com">adahl@pearlmanlindholm.com</a></p>	<p><i>Counsel for Andrea Guyon</i></p>
<p>Richards Buell Sutton LLP 700 - 401 West Georgia Street Vancouver, BC V6B 5A1</p> <p>Attention: Daniel Nugent / Winsome Glover</p> <p>Tel: 604-595-9917</p> <p>Email: <a href="mailto:dnugent@rbs.ca">dnugent@rbs.ca</a>; <a href="mailto:wglover@rbs.ca">wglover@rbs.ca</a>; <a href="mailto:dramsey@rbs.ca">dramsey@rbs.ca</a></p>	<p><i>Counsel for Amber Mortgage Investment Corp.</i></p>

Lawson Lundell LLP 1600 - 925 West Georgia Street Vancouver, BC V6C 3L2  Attention: Brenda Lightbody  Tel: 604-631-9165  Email: <a href="mailto:blightbody@lawsonlundell.com">blightbody@lawsonlundell.com</a> ; <a href="mailto:ldavis@lawsonlundell.com">ldavis@lawsonlundell.com</a>	1129057 BC Ltd.
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[AGLSBRevTaxInsolvency@gov.bc.ca](mailto:AGLSBRevTaxInsolvency@gov.bc.ca); [Aaron.Welch@gov.bc.ca](mailto:Aaron.Welch@gov.bc.ca); [Cindy.Cheuk@gov.bc.ca](mailto:Cindy.Cheuk@gov.bc.ca);  
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SCHEDULE "B"

NO. S-217202  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

**ORDER MADE AFTER APPLICATION**

	)	)	
BEFORE	)	)	22/APR/2022
	)	)	

ON THE APPLICATION of Alvarez & Marsal Canada Inc., in its capacity as court appointed Receiver of the Respondents (the "**Receiver**"); AND ON HEARING Tevia Jeffries, counsel for the Receiver and those other counsel listed on **Schedule "A"**, appearing by MS TEAMS; AND UPON READING the Receiver's First Report to the Court dated April 11, 2022 (the "**Report**"), the Affidavit of John Sandrelli sworn April 11, 2022 (the "**Dentons Affidavit**"), the Affidavit of Aurora Faulkner Killam sworn April 12, 2022 (the "**Cox Taylor Affidavit**"), and the Affidavit of Todd Martin sworn April 13, 2022 (the "**A&M Affidavit**", together with the Dentons Affidavit and the Cox Taylor Affidavit, the "**Fee Affidavits**");

THIS COURT ORDERS AND DECLARES THAT:

1. The activities of the Receiver, as set out in the Report, are hereby approved; provided however, that the Receiver in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
2. The fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, are hereby approved.



3. The distributions of funds held by the Receiver as described in the Report (the "**Distributions**") in respect of the Priority Obligations (as defined in the Report) are approved and the Receiver is authorized and directed to make such Distributions.
4. The Receiver is hereby authorized to retain the funds remaining in the Receiver's trust account after payment of the Distributions (the "**Holdback**") for the following purposes:
  - (a) to pay any fees and disbursements of the Receiver and its counsel that have been approved by order of this Court but not yet paid; and
  - (b) to pay claims or liabilities attributable to the assets, undertakings and property of the Debtors where payment is sought from the Receiver.
5. If any Holdback remains six months after the Receiver is discharged, the Receiver shall pay any remaining Holdback to the Respondents, unless otherwise ordered by this Court.
6. Endorsement of this Order, other than by counsel for the Receiver, is hereby dispensed with.

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

---

Signature of Tevia Jeffries  
Lawyer for Alvarez & Marsal Canada Inc.

BY THE COURT

---

REGISTRAR

**Schedule A**

**LIST OF COUNSEL APPEARING**

Name of Counsel:	Representing:

NO. S-217202  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD.,  
VICTORIA INTERNATIONAL MARINA LTD.,  
ETERNALAND YUHENG INVESTMENT HOLDING  
LTD. AND 0736657 B.C. LTD.

RESPONDENTS

---

**ORDER MADE AFTER APPLICATION**  
[APPROVAL OF FEES AND ACTIVITIES]

---

DENTONS CANADA LLP  
BARRISTERS & SOLICITORS  
250 Howe Street, 20<sup>th</sup> Floor  
Vancouver, BC V6C 3R8  
Phone No.: (604) 687-4460  
Attention: Tevia Jeffries

File No. 529227-22



No. S-217202  
Vancouver Registry

# BETWEEN

**THE BANK OF NOVA SCOTIA**

PETITIONER

AND

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL MARINA LTD.,  
ETERNALAND YUHENG INVESTMENT HOLDING LTD., AND 0736657 B.C. LTD.

## RESPONDENTS

**CONSENT ORDER MADE AFTER APPLICATION**

**(APPOINTMENT OF RECEIVER)**

BEFORE THE HONOURABLE

## JUSTICE GROVES

November 1, 2021

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. ("**A&M**") as Receiver (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and property of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holding Ltd., and 0736657 B.C. Ltd. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING Affidavit #1 of Beatriz Martinez sworn August 6, 2021, Affidavit #1 of Sandra Brown-John, sworn August 5, 2021, Confidential Affidavit #2 of Sandra Brown-John, sworn August 5, 2021, Affidavit #3 of Sandra Brown-John, sworn August 25, 2021, Affidavit #1 of Jennifer Alambre, sworn September 1, 2021, Affidavit #1 of Feng Beng Li, sworn September 21, 2021, Affidavit #1 of Angela Bradley, sworn September 23, 2021, Affidavit #4 of Sandra Brown-John, sworn October 28, 2021, Affidavit #1 of Xiaolu Michael Bi, sworn October 28, 2021, Affidavit #2 of Feng Beng Li, sworn October 28, 2021, Affidavit #1 of Yu-Chiao (Joy) Chiang, sworn October 28, 2021, and the consent of A&M to act as the Receiver; AND ON HEARING Peter

Bychawski, counsel for The Bank of Nova Scotia, and Crystal Law, counsel to the Debtors, and no one else appearing.

THIS COURT ORDERS AND DECLARES that:

### **CONSENT APPOINTMENT**

1. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA, A&M shall be automatically appointed Receiver, without security, of all of the assets, undertakings and property of the Debtors, including all proceeds (the "**Property**"), at 12:00 a.m. on December 13, 2021 (the "**Appointment Date**"), without any further application or notice to the Debtors, unless prior to the Appointment Date the Petitioner files with this Court: (a) a certificate confirming that all amounts owing by the Debtors to the Petitioner have been paid in full inclusive of all principal, fees, costs (including but not limited to legal and financial advisor fees), and payment-in-kind interest owing by the Debtors, jointly and severally, to the Petitioner pursuant to or in connection with the Commitment Letter, Mortgage, GSAs, Guarantees, Financial Advisor Agreement (in each case as defined in the Petition) and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith; or (b) a certificate confirming that the Petitioner consents to the Appointment Date being extended to such other date as the Petitioner may determine in its discretion.
2. For greater certainty, paragraphs 3 to 34 and 36 – 40 of this Order shall not be effective until the Appointment Date, at which time they shall automatically come into force pursuant to paragraph 1 of this Order.

### **RECEIVER'S POWERS**

3. 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:
  - (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
  - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;

- (e) to 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) to receive and collect all monies and accounts now owed or hereafter owing to 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) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtors, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
- (l) to 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 \$500,000 provided that the aggregate consideration for all such transactions does not exceed \$1,000,000, 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) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. 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.
5. 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, 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.
6. 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.
7. 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**

8. 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 DEBTORS OR THE PROPERTY**

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

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

10. All rights and remedies (including, without limitation, set-off rights) against the Debtors, 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 is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

#### **NO INTERFERENCE WITH THE RECEIVER**

11. 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 Debtors, 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

12. All Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the 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 Debtors 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

13. 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

14. 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 Debtors' 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

15. 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**

16. 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.
17. 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.
18. 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.
19. Notwithstanding anything in federal or provincial law, but subject to paragraph 18 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**

20. 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

21. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
22. 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.
23. 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

24. 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 \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
25. 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.
26. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
27. 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

28. 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

29. The Receiver shall establish and maintain a website in respect of these proceedings at: [www.alvarezandmarsal.com/communitymarine](http://www.alvarezandmarsal.com/communitymarine) (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.
30. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B (the "**Demand for Notice**"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
31. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
32. 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.
33. Notwithstanding paragraph 32 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.
34. 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 Debtors' creditors or other interested parties and their advisors. For greater

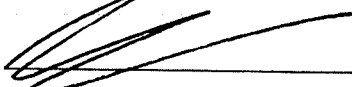
certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

#### GENERAL

35. 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.
36. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
37. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
38. 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.
39. 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.
40. 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.

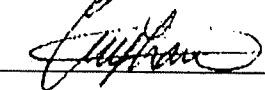
THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

CONSENTED TO AND APPROVED BY:



Signature of Peter Bychawski, lawyer for the  
Petitioner

CONSENTED TO AND APPROVED BY:



Signature of Crystal Law, lawyer for the  
Respondents

BY THE COURT



DISTRICT REGISTRAR

## SCHEDULE "A"

### RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT

\$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Alvarez & Marsal Canada Inc., the Receiver (the "**Receiver**") of all of the assets, undertakings and properties of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holding Ltd., and 0736657 B.C. Ltd. acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "**Court**") dated the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_ (the "**Order**") made in SCBC Action No. \_\_\_\_\_ and/or SCBC Action No. \_\_\_\_\_/Estate No. \_\_\_\_\_ has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly] not in advance on the \_\_\_\_\_ day of each month after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of \_\_\_\_\_ from time to time.
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 \_\_\_\_\_, 2021.

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

Per:  
Name:  
Title:



**SCHEDULE "B"**

**Demand for Notice**

**TO:**           **The Bank of Nova Scotia**  
                  c/o Blake, Cassels & Graydon LLP  
                  Attention: Peter Bychawski/Claire Hildebrand  
                  Email: peter.bychawski@blakes.com/claire.hildebrand@blakes.com

**AND TO:**     **Alvarez & Marsal Canada Inc.**  
                  c/o [Name of Counsel to the Receiver]  
                  Attention:  
                  Email:

**Re:**    **In the matter of the Receivership of Community Marine Concepts Ltd., Victoria International Marina Ltd., Eternaland Yuheng Investment Holding Ltd., and 0736657 B.C. Ltd.**

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

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

\_\_\_\_\_

OR

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

\_\_\_\_\_

OR

3. By mail, at the following address:

\_\_\_\_\_

Name of Creditor: \_\_\_\_\_

Name of Counsel (if any): \_\_\_\_\_

Creditor's Contact Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Creditor's Contact Phone Number: \_\_\_\_\_

Action No. S-217202  
Vancouver Registry

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IN THE SUPREME COURT OF BRITISH COLUMBIA

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BETWEEN:

THE BANK OF NOVA SCOTIA

Petitioner

- and -

Respondents

COMMUNITY MARINE CONCEPTS LTD., VICTORIA  
INTERNATIONAL MARINA LTD., ETERNALAND  
YUHENG INVESTMENT HOLDING LTD., AND  
0736657 B.C. LTD.

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RECEIVERSHIP ORDER

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**BLAKE, CASSELS & GRAYDON LLP**

Barristers & Solicitors

2600, 595 Burrard Street

Vancouver, BC V7X 1L3

1.604.631.3300

Agent: Dye & Durham

Counsel: Peter Bychawski  
Matter No. 00019350.090070

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD., VICTORIA INTERNATIONAL  
MARINA LTD., ETERNALAND YUHENG INVESTMENT HOLDING LTD. AND  
0736657 B.C. LTD.

RESPONDENTS

**ORDER MADE AFTER APPLICATION**

	)		)
BEFORE	)		) 22/APR/2022
	)		)

ON THE APPLICATION of Alvarez & Marsal Canada Inc., in its capacity as court appointed Receiver of the Respondents (the “**Receiver**”); AND ON HEARING Tevia Jeffries, counsel for the Receiver and those other counsel listed on **Schedule “A”**, appearing by MS TEAMS; AND UPON READING the Receiver’s First Report to the Court dated April 11, 2022 (the “**Report**”), the Affidavit of John Sandrelli sworn April 11, 2022 (the “**Dentons Affidavit**”), the Affidavit of Aurora Faulkner Killam sworn April 12, 2022 (the “**Cox Taylor Affidavit**”), and the Affidavit of Todd Martin sworn April 13, 2022 (collectively with the Dentons Affidavit and the Cox Taylor Affidavit, the “**Fee Affidavits**”);

THIS COURT ORDERS AND DECLARES THAT:

1. The activities of the Receiver, as set out in the Report, are hereby approved; provided however, that the Receiver in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
2. The fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, are hereby approved.

3. The distributions of funds held by the Receiver as described in the Report (the "**Distributions**") in respect of the Priority Obligations (as defined in the Report), including but not limited to the repayment to the Petitioner of funds borrowed by the Receiver from the Petitioner from time to time pursuant to the Receivership Order (as defined in the Report), are approved and the Receiver is authorized and directed to make such Distributions.
4. The Receiver is hereby authorized to retain the funds remaining in the Receiver's trust account after payment of the Distributions (the "**Holdback**") for the following purposes:
  - (a) to pay any fees and disbursements of the Receiver and its counsel that have been approved by order of this Court but not yet paid; and
  - (b) to pay claims or liabilities attributable to the assets, undertakings and property of the Debtors where payment is sought from the Receiver or the Petitioner.
5. If any Holdback remains six months after the Receiver is discharged, the Receiver shall pay any remaining Holdback to the Respondents, unless otherwise ordered by this Court.
6. Endorsement of this Order, other than by counsel for the Receiver, is hereby dispensed with.

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

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Signature of Tevia Jeffries  
Lawyer for Alvarez & Marsal Canada Inc.

BY THE COURT

---

REGISTRAR

**Schedule A**

**LIST OF COUNSEL APPEARING**

Name of Counsel:	Representing:

NO. S-217202  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

COMMUNITY MARINE CONCEPTS LTD.,  
VICTORIA INTERNATIONAL MARINA LTD.,  
ETERNALAND YUHENG INVESTMENT HOLDING  
LTD. AND 0736657 B.C. LTD.

RESPONDENTS

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**ORDER MADE AFTER APPLICATION**  
**[APPROVAL OF FEES AND ACTIVITIES]**

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DENTONS CANADA LLP  
BARRISTERS & SOLICITORS  
250 Howe Street, 20<sup>th</sup> Floor  
Vancouver, BC V6C 3R8  
Phone No.: (604) 687-4460  
Attention: Tevia Jeffries

File No. 529227-22