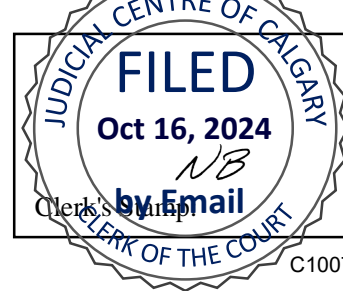


Received Oct 15, 2024



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Oct 24, 2024

COURT FILE NUMBER 2301-13913
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, c B-3, AS
AMENDED

AND IN THE MATTER OF GENESIS
INTEGRATION INC.

APPLICANT SEQUENT AI LTD.
RESPONDENTS GENESIS INTEGRATION INC.
DOCUMENT **APPLICATION FOR BANKRUPTCY ORDER**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT BLAKE, CASSELS & GRAYDON LLP
3500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4J8

Attention: Linc Rogers /
Kevin (Xin Yuan) Wu
Telephone: 416-863-4168
/ 416-863-2586
Facsimile: 403-260-9700
Email: linc.rogers@blakes.com /
kevin.wu@blakes.com

NOTICE TO RESPONDENT: Service List attached hereto as **Schedule "A"**

This application is made against you. You are a Respondent. You have the right to state your side of this matter before the Court. To do so, you must be in Court when the application is heard as shown below:

Date: October 24, 2024
Time: 2:00 p.m.
Where: Virtual Hearing (further details enclosed on **Schedule "B"**)
Calgary Courts Centre
Link: <https://albertacourts.webex.com/meet/virtual.courtroom60>
Before Whom: The Honourable Justice Johnston

Go to the end of this document to see what else you can do and when you must do it.

Remedy sought:

1. The Applicant, Sequent AI Ltd., a creditor of Genesis Integration Inc. ("**Genesis**"), of the City of Edmonton, in the Province of Alberta, is seeking from this Honourable Court, among other things, the following relief:
 - (a) Abridging the time for service of this Application, if necessary, and deeming service good, timely and sufficient upon all interested parties;
 - (b) Lifting the stay of proceedings set out in the Receivership Order dated October 24, 2023 (under Action No. 2301-13913) to permit the Applicant to issue this Application;
 - (c) Granting a Bankruptcy Order in respect of the property of Genesis, substantially in the form attached hereto as **Schedule "C"**;
 - (d) Adjudging Genesis bankrupt;
 - (e) Appointing KSV Restructuring Inc. ("**KSV**") as trustee in bankruptcy of Genesis' bankrupt estate;
 - (f) Directing that the costs of this Application shall be paid out of Genesis' estate; and
 - (g) Such further and other relief as this Honourable Court considers just in the circumstances.

Grounds for making this application:

2. Genesis is justly and truly indebted to the Applicant in the amount of at least \$1,000.
3. The Applicant holds security as against Genesis in the form of:
 - (a) A credit agreement dated as of December 15, 2020 (as amended) (the "**Credit Agreement**"), originally among (i) 965591 Alberta Ltd. as borrower, (ii) Genesis, among others, as guarantor, and (iii) Cortland Credit Lending Corporation ("**Cortland**"), as collateral and administrative agent for the lenders party to the Credit Agreement;
 - (b) An assignment of all of Cortland's rights, title and interests in the Credit Agreement and the associated security to the Applicant, which became the agent and the sole lender pursuant to the Credit Agreement; and

- (c) Pursuant to the amounts advanced under the Credit Agreement, a general security agreement dated December 15, 2020 (the "**GSA**") granted by Genesis over certain security on all of its undertaking, property and assets.
4. The amount owing under the Credit Agreement is approximately \$8.2 million as of October 2023, plus interest and costs which continue to accrue (collectively, the "**Outstanding Indebtedness**"). As noted above, the Outstanding Indebtedness is guaranteed by Genesis.
 5. Pursuant to an order of the Court of King's Bench of Alberta made on October 24, 2023 (the "**Receivership Order**"), KSV Restructuring Inc. was appointed as receiver and manager (the "**Receiver**") of the property, assets and undertaking of Genesis. The Receiver does not oppose the relief sought by the Applicant to lift the stay of proceedings set out in the Receivership Order.
 6. The Receiver conducted a liquidation of Genesis' assets following its appointment pursuant to the Receivership Order. As of August 2, 2024, approximately \$207,000 is in the receivership account. The Receiver expects that approximately \$157,000 of that \$207,000 is available to the Applicant.
 7. The value of the Applicant's security is estimated to be \$157,000 and is not sufficient to satisfy the amount owing to the Applicant.
 8. Genesis has failed and continues to be unable to repay the indebtedness owing to the Applicant under the Credit Agreement, the GSA and guarantee.
 9. Genesis also owes over 90 unsecured creditors amounts in excess of approximately \$3.4 million as at October 24, 2023.
 10. To the best knowledge of the Applicant, Genesis has estimated outstanding liabilities owing to the Canada Revenue Agency, related to GST/HST payable, in the amount of \$187,440.54.
 11. As a result, Genesis has committed an act of bankruptcy within the six months preceding the date of the filing of this Application, namely, it has ceased to meet its liabilities generally as they become due.
 12. KSV is a person qualified to act as trustee in bankruptcy of Genesis' estate and has consented to act in such capacity, and such appointment is acceptable to the Applicant.

Affidavit or other evidence to be used in support of this application:

13. Affidavit of Truth of Statements sworn by Kyle Lanzinger on October 11, 2024;
14. Supplemental Affidavit sworn by Kyle Lanzinger on October 11, 2024;
15. Consent by KSV to act as Trustee of Genesis' estate;
16. The pleadings and materials filed in the within proceedings; and
17. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

18. Without limitation, the Applicant will rely upon and refer to:
 - (a) Rules 6.3(1), 6.9(1) and 11.27 of the *Alberta Rules of Court*, A.R. 124/2010;
 - (b) Rules 69 to 76 of the *Bankruptcy and Insolvency General Rules*, C.R.C. c. 368, as amended;
 - (c) Sections 42 and 43 of the *Bankruptcy and Insolvency Act* (Canada), as amended; and
 - (d) Such further and other Rules and legislation as counsel may advise and this Honourable Court may accept.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to without any further notice of them to you.

If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

Schedule "A "

Service List

COURT FILE NUMBER

2301-13913

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

SEQUENT AI LTD.

RESPONDENT

GENESIS INTEGRATION INC.

DOCUMENT

SERVICE LIST

(as at October 1, 2024)

<p>SEQUENT AI LTD. 161 Bay Street, Suite 1310 Toronto, Ontario M5J 2S1</p> <p>Attention: Kyle Lanzinger, President Email: kyle.lanzinger@sequentai.com</p> <p><i>Applicant</i></p> <p>SEQUENT AI EXCHANGE CO LTD. 161 Bay Street, Suite 1310 Toronto, Ontario M5J 2S1</p> <p>Attention: Kyle Lanzinger, President Email: kyle.lanzinger@sequentai.com</p> <p><i>Borrower</i></p>	<p>BLAKE, CASSELS & GRAYDON LLP 4000, 199 Bay Street Toronto, Ontario M5L 1A9</p> <p>Attention: Linc Rogers Email: linc.rogers@blakes.com</p> <p>Attention: Kevin (Xin Yuan) Wu Email: kevin.wu@blakes.com</p> <p><i>Lawyers to the Applicant</i></p>
<p>GENESIS INTEGRATION INC. 11428 142 ST NW Edmonton, Alberta T5M 1V1</p> <p>Attention: Kyle Lanzinger President of Sequent AI Exchange Co Ltd, the sole shareholder of Genesis Integration Inc. Email: kyle.lanzinger@sequentai.com</p> <p><i>Respondent</i></p>	<p>KSV RESTRUCTURING INC. 150 King Street West, Suite 2308 Toronto, Ontario M5H 1J9</p> <p>Attention: David Sieradzki Email: dsieradzki@ksvadvisory.com</p> <p>Attention: Nisan Thurairatnam Email: nthurairatnam@ksvadvisory.com</p> <p><i>Receiver and Proposed Trustee</i></p>

<p>McMILLAN LLP 421 7th Avenue Southwest, Suite 1700 Calgary, Alberta T2P 4K9</p> <p>Attention: Adam Maerov Email: adam.maerov@mcmillan.ca</p> <p>Attention: Preet Saini Email: preet.saini@mcmillan.ca</p> <p><i>Lawyers to the Receiver and Proposed Trustee</i></p>	
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Litigation Parties

<p>BRAZEAU SELLER LLP 700-100 Queen Street Ottawa, Ontario K1P 1J9</p> <p>Attention: Geoffrey Cullwick Email: gcullwick@brazeauseller.com</p> <p><i>Counsel to Datavisual Marketing Inc.</i></p>	
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PPSA Secured Parties to Genesis Integration Inc.

<p>CRESTRON ELECTRONICS, INC. 15 Volvo Drive Rockleigh, New Jersey 07647</p> <p>Email snewman@rivierafinance.com aplollaro@creston.co</p>	<p>PUR-SUE ACTION SMALL CLAIMS COURT AGENCY C/O RPO Douglas Square P.O. Box 87145 Calgary, Alberta T2Z 3V7</p> <p>Email: sandra@pur-sue.ca</p>
<p>GOVERNMENT OF ALBERTA - EMPLOYMENT STANDARDS, COLLECTIONS UNIT PO BOX 1086 Edmonton Main Edmonton, AB T5J 2M1</p> <p>Email: TBF.ESCollections@gov.ab.ca</p>	<p>HIS MAJESTY IN RIGHT OF ONTARIO REPRESENTED BY THE MINISTER OF FINANCE 400-130 Dufferin Avenue London, ON N6A 6G8</p>

Other Interested Parties

<p>MERIDIAN ONECAP CREDIT CORP. Suite 1500, 4710 Kingsway Burnaby, British Columbia V5H 4M2</p> <p>Email: brooke.cannon@meridianonecap.ca</p>	<p>BASTONE & ASSOCIATES INC. 200 – 5005 boul. Métropolitain Montréal, Québec H1R 1Z7</p> <p>Attention: Robert Bellisle Email: roberto@swishh.com</p> <p>Attention: Frank Bastone Email: fbastone@bastoneinc.com</p>
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PATRICK KELLY McCARTHY 31 Leaside Crescent Sylvan Lake, Alberta T4S 0A3 Email: kelly@genint.com	BONCHAZ BAKERY CAFE INC. 1461 Venables Street Vancouver, British Columbia V5L 2G1 Email: admin@bonchaz.ca
H&R PROPERTIES LIMITED 3625 Dufferin Street, Suite 500 Toronto, Ontario M3K 1N4 Attention: Evan Miller/Kayla Provis Email: emiller@hr-dev.com	CANADA REVENUE AGENCY Surrey National Verification and Collections Centre 9755 King George Boulevard Surrey, British Columbia V3T 5E1 Fax: 1-833-697-2389
JUSTICE HEALTH AND REVENUE GROUP Legal Services Branch – Ministry of Attorney General 2nd Floor – 1001 Douglas Street, Victoria, British Columbia V8W 9J7 Email: AGLSBRevTaxInsolvency@gov.bc.ca	DEPARTMENT OF JUSTICE CANADA 611 4 Street SW Calgary, Alberta T2P 1T5 Attention: Tristen Cones Email: tristen.cones@justice.gc.ca

Schedule "B"

Virtual Hearing Details

Virtual Courtroom 60 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom60>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the Open Cisco Webex Meeting.
4. You will see a preview screen. Click on Join Meeting.

Key considerations for those attending:

1. Please connect to the courtroom 15 minutes prior to the start of the hearing.
2. Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.
3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.
4. Note: Recording or rebroadcasting of the video is prohibited.
5. Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.

For more information relating to Webex protocols and procedures, please visit:

<https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>

You can also join the meeting via the “Cisco Webex Meetings” App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

Schedule "C"

Form of Bankruptcy Order

Clerk's stamp:

COURT FILE NUMBER 2301-13913

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE BANKRUPTCY OF
GENESIS INTEGRATION INC.

APPLICANT SEQUENT AI LTD.

RESPONDENT GENESIS INTEGRATION INC.

DOCUMENT **BANKRUPTCY ORDER**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT BLAKE, CASSELS & GRAYDON LLP
3500, 855 – 2nd Street S.W.
Calgary, AB T2P 4J8

Attention: Linc Rogers /
Kevin (Xin Yuan) Wu

Telephone: 416-863-4168 /
416-863-2586

Facsimile: 403-260-9700

Email: linc.rogers@blakes.com /
kevin.wu@blakes.com

DATE ON WHICH ORDER WAS PRONOUNCED: **October 24, 2024**

LOCATION WHERE ORDER WAS PRONOUNCED: **Calgary Courts Centre**

NAME OF JUSTICE WHO MADE THIS ORDER: **The Honourable Justice Johnston**

UPON the application (the "**Application**") of Sequent AI Ltd., a creditor, of Genesis Integration Inc., in the Province of Alberta, filed on the 15th day of October, 2024; **AND UPON** having read the Affidavit of Truth of Statements sworn October 11, 2024, filed and the Supplemental Affidavit of Kyle Lanzinger sworn October 11, 2024; **AND UPON** being satisfied that Genesis Integration Inc., the proposed trustee named in the Application, the Office of the Superintendent in Bankruptcy and all other interested and affected parties have been served with notice of the within Application;

AND UPON being satisfied that Genesis Integration Inc. has committed an act of bankruptcy in the six months preceding the filing of the within Application, specifically that Genesis Integration Inc. has ceased to meet its liabilities generally as they become due;

AND UPON noting the consent of KSV Restructuring Inc. ("**KSV**") to be appointed as trustee of the bankrupt estate of Genesis Integration Inc. and being satisfied that it is a person qualified to act;

AND UPON hearing from counsel for Sequent AI Ltd. and any other interested party appearing at the Application,

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of notice of the Application and materials filed in support thereof, is hereby validated and deemed good, timely, and sufficient.
2. Genesis Integration Inc., a corporation registered in the Province of Alberta, is hereby adjudged bankrupt by virtue of this Order being made on this date.
3. KSV is appointed as trustee of the estate of Genesis Integration Inc. (the "**Trustee**") without the requirement to give security under the *Bankruptcy and Insolvency Act*, and the Trustee is authorized to take all necessary steps to take possession of the deeds, books, records and documents and all property of the bankrupt and to administer the bankrupt estate of Genesis Integration Inc.
4. The costs of and incidental to the Application and this Bankruptcy Order shall be paid to Sequent AI Ltd. out of the assets of the bankrupt's estate after taxation of the accounts.

J.C.K.B.A