



No. S-260086
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

MASKEEN 177 PROJECTS LTD., 0676086 B.C. LTD., MASKEEN DEVELOPMENT LTD.,
MASKEEN HOMES LTD., 1302095 B.C. LTD., 0943151 B.C. LTD., 0816980 B.C. LTD.,
0816984 B.C. LTD., PRO RIDGE HOMES LTD., PRORIDGE VENTURES INC., JAGDIP
SINGH SIVIA, AMARJIT KAUR SIVIA, JATINDERPAL SINGH GILL, HARBANS KAUR GILL,
PRABHDEV SINGH KHERA, FIRST WEST CREDIT UNION, TOKIO MARINE CANADA LTD.,
VANCOUVER CITY SAVINGS CREDIT UNION, BMW CANADA INC., FRONT STREET
LEASING LP O/A DILAWRI LEASING, OPENROAD LEASING, TD AUTO FINANCE (CANADA)
INC., COUNTRY GREEN EXCAVATING LIMITED, 1299615 B.C. LTD., NEXGEN
ENVIRONMENTAL SERVICES LTD., INTEGRITY SHORING & CIVIL LTD. WITH ASSUMED
NAME: ISC SHORING & CIVIL LTD., MADNESS FORMING & CONSTRUCTION SERVICES
INC., AND PDQ CONSTRUCTION LTD.

RESPONDENTS

NOTICE OF APPLICATION

Name of applicant: MCAP Financial Corporation ("**MCAP**" or the "**Applicant**")

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, V6Z 2E1 on Wednesday January 14, 2026 at 9:45 a.m. for the orders set out in Part 1 below.

The applicant estimates that the application will take 1 hour.

This matter is not within the jurisdiction of an Associate Judge.

Part 1: ORDER(S) SOUGHT

1. An order (the "**Receivership Order**") substantially in the form attached and appended as **Schedule "B"**:

- (a) appointing KSV Restructuring Inc. ("**KSV**") as receiver and manager, without security, of all of the assets, property and undertakings of Maskeen 177 Projects Ltd. ("**Maskeen 177**"), 0676086 B.C. Ltd. ("**0676086**"), Maskeen Development Ltd. ("**Maskeen Development**"), Maskeen Homes Ltd. ("**Maskeen Homes**"), 1302095 B.C. Ltd. ("**1302095**"), and 0943151 B.C. Ltd. ("**0943151**" or the "**Nominee**")

pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "**BIA**") and section 39 of the *Law and Equity Act*, RSBC 1996, c. 253 (the "**LEA**"), in respect of the lands having the legal description:

- (i) PID:031-892-612 Lot 1 Section 14 Block 5 North Range 2 West New Westminster District Plan EPP118312 ("**Lot 1**");
- (ii) PID:031-892-647 Lot 2 Section 14 Block 5 North Range 2 West New Westminster District Plan EPP118312 ("**Lot 2**");
- (iii) PID:031-892-663 Lot 4 Section 14 Block 5 North Range 2 West New Westminster District Plan EPP118312 ("**Lot 4**");

(collectively, the "**Lands**");

together with all of the assets, undertakings and property of the Borrowers (as hereinafter defined) located at, related to, or derived from the Lands, including all proceeds;

- (b) abridging the period for notice pursuant to Rule 22-4 of the *Supreme Court Civil Rules*; and
2. An order for any further or relief as counsel may advise and that this Honourable Court may seem just and appropriate in the circumstances.

Part 2: **FACTUAL BASIS**

The Parties

1. MCAP is a corporation duly registered under the laws of British Columbia, providing independent mortgage financing to residential and commercial borrowers.
2. The following Respondents are the corporate entities involved in this proceeding:
 - (a) Maskeen 177;
 - (b) 0676086;
 - (c) Maskeen Development;
 - (d) Maskeen Homes;
 - (e) 1302095; and
 - (f) 0943151.

(the "**Borrowers**")
3. The following Respondents guaranteed the obligations of the Borrowers:
 - (a) 0816980 B.C. Ltd;
 - (b) 0816984 B.C. Ltd;

- (c) Pro Ridge Homes Ltd;
- (d) Proridge Ventures Inc;
- (e) Jagdip Singh Sivia;
- (f) Amarjit Kaur Sivia;
- (g) Jatinderpal Singh Gill;
- (h) Harbans Kaur Gill; and
- (i) Prabhdev Singh Khera.

(the "**Guarantors**")

4. The following Respondents hold charges and encumbrances registered against the Lands that rank subsequent in priority to MCAP's mortgage, including builder's liens, covenants and options to purchase:
- (a) Country Green Excavating Limited;
 - (b) 1299615 B.C. Ltd.;
 - (c) Integrity Shoring & Civil Ltd.;
 - (d) Nexgen Environmental Services Ltd.;
 - (e) Integrity Shoring & Civil Ltd. with assumed name: ISC Shoring & Civil Ltd.;
 - (f) Madness Forming & Construction Services Inc.; and
 - (g) PDQ Construction Ltd.
5. The following Respondents hold security interests registered in the Personal Property Registry against the property located on the Lands, over which enforcement is sought:
- (a) BMW Canada Inc;
 - (b) Front Street Leasing LP O/A Dilawri Leasing;
 - (c) Openroad Leasing;
 - (d) TD Auto Finance (Canada) Inc;
 - (e) First West Credit Union;
 - (f) Tokio Marine Canada Ltd.; and
 - (g) Vancouver City Savings Credit Union.

The Loan and Security

6. On or about October 31, 2022, MCAP contracted to advance credit facilities to the Borrowers for the redevelopment of 15 lots located along Bentley Road between Howey Road and Harper Road in the Whalley neighbourhood of Surrey, BC which were consolidated and subsequently subdivided into several multi-family development properties (the "**Loan Agreement**").
7. The principal terms of the Loan Agreement (as amended) are as follows:
 - (a) A \$91,900,000.00 non-revolving first mortgage construction loan. The loan was structured with an initial loan cap of up to \$24,000,000.00 (the "**Initial Loan Cap**") to assist in refinancing and funding municipal costs required to achieve final rezoning of the Lands, and to fund sales and marketing costs related to the first phase of development on Lot 2. The loan was to be increased to \$29,734,000.00 under a second loan cap to provide funding for civil servicing works for the Lands. The balance of the loan was to be made available to complete construction of the first phase on Lot 2, subject to satisfaction of all construction advance conditions set out in the Loan Agreement. The loan was advanced at the Royal Bank Prime Rate with an additional 2.00% interest, subject to minimum of 7.45% per annum ("**Facility 1**").
 - (b) A \$4,000,000.00 letter of credit facility, on which no interest will accrue until the letter of credit is drawn, in which case such draw amounts shall be converted to direct borrowing under Facility 1 with interest calculated and payable at the same rate as prescribed for Facility 1 ("**Facility 2**").

(together the "**Loan**").
8. Further, the Loan Agreement is secured by the Guarantors, each of whom is fully liable for all amounts owing under the Loan, including interest and costs.
9. As security for the obligations under the Loan Agreement, the Borrowers and the Guarantors (collectively, the "**Debtors**") granted the following:
 - (a) Form B Mortgages and Assignments of Rents (collectively, the "**Mortgage**"), registered in the New Westminister Land Title Office on December 15 and 21, 2022 under numbers CB391708-CB391709 and CB400675-CB400676, respectively, collectively form a mortgage charging the following lands and premises:
 - (i) PID: 031-892-612 – Lot 1 Section 14 Block 5 North Range 2 West New Westminister District Plan EPP118312 ("**Lot 1**");
 - (ii) PID: 031-892-647 – Lot 2 Section 14 Block 5 North Range 2 West New Westminister District Plan EPP118312 ("**Lot 2**");
 - (iii) PID: 031-892-663 – Lot 4 Section 14 Block 5 North Range 2 West New Westminister District Plan EPP118312 ("**Lot 4**");

(collectively, the "**Lands**").

- (b) Beneficiary Authorization and Charge Agreements dated November 23, 2022 (the "**Beneficial Mortgage**"), granting a mortgage over the Borrowers' registered and beneficial interests in the Lands.
 - (c) Site Specific General Security Agreements dated November 23, 2022, perfected by registration under number 253865P in the British Columbia Personal Property Security Registry (the "**Site Specific GSAs**"), granting a security interest over all present and after-acquired personal property related to the Lands (the "**Property**").
 - (d) Guarantees all dated November 23, 2022, (collectively, the "**Guarantees**"), pursuant to which the Guarantors unconditionally, jointly and severally guaranteed all present and future debts, liabilities and obligations of the Borrowers to the Applicant.
 - (e) Assignment and Postponement Agreements dated November 23, 2022 (the "**Postponements**"), assigning and postponing all indebtedness between the Borrowers and Guarantors in favour of the Applicant.
 - (f) Ancillary Security Agreements dated November 23, 2022 (the "**Ancillary Security Agreements**"), including:
 - (i) Interest Reserve Agreement;
 - (ii) Assignment of Strata Voting Rights;
 - (iii) Assignment of Insurance Proceeds (Phase 1 Lands);
 - (iv) Assignment of Insurance Proceeds (Remainder Lands); and
 - (v) Assignment of Material Documents relating to the Phase 1 Lands and the Remainder Lands, respectively.
10. The Mortgage, the Beneficial Mortgage, the Site Specific GSAs, the Guarantees, the Postponements and the Ancillary Security Agreements are herein collectively referred to as the "**Security**".
11. The Loan was structured to refinance the Lands, facilitate subdivision and final rezoning, and provide construction financing for the first phase of the development on Lot 2 ("**Phase 1**").
12. The Lands are the result of the consolidation of multiple parcel identifiers originally described in the Mortgage.
13. The Lands were subdivided into five lots:
- (a) Lot 1 and Lot 2 represent Phase 2 and Phase 1 respectively;
 - (b) Lot 3 and Lot 4 were intended as future low-rise sites held as collateral;
 - (c) Lot 5 was discharged after subdivision and transferred to the City of Surrey as park land.

14. In addition to these lots, a further collateral first charge was taken over 13761 Grosvenor Road, Surrey, BC, V3R 5E5 ("**13761 Grosvenor Road**").
15. The Loan Agreement was amended three times as follows (capitalized terms in this paragraph have the meaning ascribed to them in the Loan Agreement):
 - (a) Amending letter dated September 24, 2024 converting Facility 1 from a \$91,900,000 construction loan to a \$24,000,000 non-revolving mortgage loan, reducing Facility 2 from \$4,000,000 to \$837,342, repurposing remaining balance to fund an interest reserve, revising maturity to February 1, 2025, setting the interest rate to Royal Bank Prime + 2.00% per annum (subject to a minimum of 8.45% per annum), and imposing a negative covenant not to commence construction until the Loan is repaid in full (the "**September Amendment**");
 - (b) Amending letter dated February 13, 2025 extended the maturity date to May 1, 2025 and revised the partial discharge provision to allow for the discharge of Lot 3 and 13761 Grosvenor Road, upon a paydown of the Loan of not less than \$10,346,000, with Lot 1, Lot 2, and Lot 4 discharge only upon full repayment (the "**February Amendment**"); and
 - (c) Amending letter dated June 16, 2025 extended the maturity date to August 1, 2025, increased Facility 1 by \$200,000 for interest reserve, and revised the partial discharge provision to allow the discharge of Lot 2 and Lot 4 upon a paydown of the Loan of not less than \$10,000,000, replenishment of interest reserve, and replacement or cash collateralization of letters of credit (the "**June Amendment**").

(collectively, the "**Amendments**").

Project Timeline, Presales and Missed Conditions

16. In late 2022, the Borrowers advised that presales for Phase 1 (marketed as 'Victory') would commence in early 2023 with construction targeted for late 2023. In early 2023, however, the Borrowers deferred the presales launch to the third/fourth quarter of 2023, pushing the construction target into 2024.
17. In November 2023, the Borrowers launched presales for Building B of Phase 1 and reported approximately 44 presales totalling about \$24,400,000 in revenue.
18. The Borrowers then stated they would launch Building A of Phase 1 in Q1 2024 to meet presale thresholds under the Loan Agreement. However, Building A launched only in early June 2024. By July 2024, the Borrowers reported 65 total presales across Buildings A and B, representing approximately \$36,900,000.
19. Under the Loan Agreement, the Borrowers were required to achieve \$50,000,000 in presales revenue before construction financing for Phase 1 could be advanced. By mid-2024, that condition was not met and the construction start was approximately 12 months behind the original schedule.
20. As a result of the delays, the interest reserve established at the outset was fully depleted by September 2023. From September 2023 through August 2024, the Borrowers made approximately \$1,800,000 in inconsistent interest payments from their own funds. In the same period, the Borrowers reported a material increase in Phase 1 budget of about

\$9,000,000, further preventing satisfaction of the Construction Advance Conditions (as defined in the Loan Agreement).

Default Pursuant to the Amendments and Subsequent Demand

21. In breach of the September Amendment, the Borrowers commenced construction activities on Phase 1 without construction financing, including excavation, forming and shoring of the underground parking structure in early 2025.
22. Pursuant to the February Amendment, maturity of the Loan extended to May 1, 2025 and MCAP approved a partial discharge of Lot 3 and 13761 Grosvenor Road upon paydown from sale proceeds of Lot 3 and 13761 Grosvenor Road.
23. The sale of Lot 3 and 13761 Grosvenor Road closed on March 14, 2025 for the sale price of \$11,750,000. However, from the proceeds of the sale of Lot 3, the Borrowers retained deposit funds of \$1,165,000 without MCAP's consent, contrary to the February Amendment.
24. Although the deposited funds of \$1,165,000 were ultimately accounted for net of commissions, legal fees and property taxes when the sale closed and a \$10,346,000 paydown was applied, this conduct reduced the net proceeds available for repayment under the Loan Agreement and required the Applicant to accept a lower paydown than anticipated when approving a partial discharge in February 2025.
25. Following the June Amendment, the Borrowers disclosed commissions owing of approximately \$369,000 and over \$1,800,000 in unpaid construction payables for excavation, forming, concrete and shoring related to Phase 1. The Borrowers also had near-term obligations of approximately \$2,900,000 inclusive of tax arrears and lien amounts. In light of liens and arrears, interest capitalization ceased and the loan became several months in arrears.
26. As a result of the above defaults on the Amendments, MCAP sought payment of the amount outstanding by demand letter dated July 28, 2025 (the "**Demand Letter**"). The Debtors were instructed to make payment no later than August 8, 2025.
27. The Demand Letter additionally enclosed a Notice of Intention to Enforce Security upon the Debtors pursuant to section 244 of the *Bankruptcy and Insolvency Act*.
28. The Debtors failed to make full and final payment of the amount owed to MCAP by the date specified within the Demand Letter.

Forbearance Agreement and Failed Refinancing Efforts

29. On October 3, 2025, MCAP and the Debtors entered into a forbearance agreement (the "**Forbearance Agreement**"), pursuant to which MCAP agreed to forbear from exercising its rights to enforce remedies upon default under the Loan Agreement until the earlier of (a) December 1, 2025 (the "**Forbearance Deadline Date**") or (b) the occurrence of an Event of Default (as defined in the Forbearance Agreement).
30. The Forbearance Agreement acknowledged the Borrowers' continuing defaults and confirmed that interest and fees would continue to accrue during the forbearance period. The Borrowers expressly agreed that any applicable redemption period would be deemed to have commenced on August 8, 2025, being the expiry of the demand period, and

irrevocably consented to the appointment of a receiver, receiver-manager, or other enforcement officer over their assets and undertakings upon the occurrence of an Event of Default or expiry of the forbearance period. The agreement further provided that the Applicant could accelerate enforcement and initiate receivership or foreclosure proceedings without further notice if continued forbearance would negatively impact recovery or priority.

31. During the forbearance period, the Borrowers sought mezzanine financing for Lot 2 (Phase 1) and land financing for Lot 1. Several proposals were explored but did not close.
32. On October 6, 2025, the Borrowers provided a letter of intent from another lender for \$12,800,000 against Lot 1, from which the Borrowers proposed a paydown to MCAP of \$10,000,000 from the net loan proceeds.
33. On November 21, 2025, the Borrowers provided a commitment letter from said lender for \$10,000,000, materially lower than the LOI, resulting in estimated proceeds available to be paid to MCAP of \$7,886,827.
34. Throughout this period, the Borrowers repeatedly requested a release of Lot 4 subject to minor paydowns, which would have left MCAP materially under-secured against Lot 2, while allowing the Borrowers to retain refinance proceeds for operations, taxes and subcontractor payments. MCAP did not accept those proposals.
35. The Borrowers did not satisfy the conditions of the Forbearance Agreement by December 1, 2025 and did not deliver binding refinancing sufficient to retire the amount owed.

Lands Charges and Property Tax Arrears

36. The Borrowers' commencement of construction without financing led to unpaid construction payables and the registration of multiple builders' liens and Certificates of Pending Litigation on title, including but not limited to:

(a) Builders' liens registered on title:

- (i) Country Green Excavating Limited as against Lot 1 dated December 01, 2025 under CB2490015;
- (ii) Country Green Excavating Limited as against Lot 2 dated December 01, 2025 under CB2489780;
- (iii) Integrity Shoring & Civil Ltd as against Lot 2 dated July 09, 2025 under CB2163795;
- (iv) Nexgen Environmental Services Ltd. as against Lot 2 dated November 06, 2025 under CB2440755;
- (v) Madness Forming & Construction Services Inc as against Lot 2 dated November 18, 2025 under CB2461018; and
- (vi) PDQ Construction Ltd. as against Lot 2 dated November 20, 2025 under CB2466013.

(b) Certificates of Pending Litigation registered by:

- (i) Country Green Excavating Limited as against Lot 1 and Lot 2 dated December 04, 2025 under CB2496667; and
- (ii) Integrity Shoring & Civil Ltd. (with the assumed name ISC Shoring & Civil Ltd.) against Lot 2 dated November 10, 2025 under CB2446009.

(collectively the "**Lands Charges**").

- 37. As of December 1, 2025, significant property tax arrears remained outstanding on the Lands, including approximately \$258,537.29 on Lot 1, \$161,405.57 on Lot 2, and \$34,184.93 on Lot 4, with daily interest accruing on arrears and delinquent taxes at approximately \$26.79 (Lot 1), \$16.71 (Lot 2), and \$3.51 (Lot 4) per day.
- 38. As of January 5, 2026, the Debtors were indebted to MCAP in the amount of \$15,429,766.11 (the "**Indebtedness**").
- 39. The Indebtedness does not include any penalty for early repayment.
- 40. Despite demands and notices, the Debtors have failed to pay the Indebtedness.

Condition of the Lands

- 41. On January 7, 2026, the Applicant attended the Lands, at which time the site was observed to be vacant and unattended.
- 42. A large and deep excavation was present, supported by temporary shoring, with water accumulating at the base of the excavation walls.
- 43. The site was also observed to be in generally poor condition, with construction materials and debris strewn throughout.
- 44. Given the apparent depth of the excavation, the presence of standing water, the lack of ongoing oversight, and the proximity of the Lands to adjacent occupied residential properties, the current condition of the site poses a risk to neighbouring properties and occupants, requiring urgent oversight and management. In addition, the Lands remains exposed to the imminent winter climate, further underscoring the urgency of the appointment of a receiver.

Need for Receiver

- 45. The Borrowers have failed to meet obligations under the Loan Agreement. In particular:
 - (a) the Borrowers missed the presale threshold and commenced construction contrary to covenant with the Applicant to halt construction;
 - (b) the Borrowers began construction without MCAP's consent and without securing sufficient financing, notwithstanding the negative covenant in the September Amendment;
 - (c) the Borrowers have left title encumbrances and arrears unresolved, and refinancing efforts have failed;

- (d) conditions affecting the residential real estate development have softened since 2023, increasing risk to presales, project completion, and refinancing prospects; and
 - (e) further encumbrances on title remain a live risk, compromising the Applicant's ability to cure default against the Security.
46. Further, the Borrowers have left the Lands vacant and posed a risk to neighbouring properties.
47. In these circumstances, the appointment of a receiver is necessary to preserve and protect the Lands and the Security. The relief sought is just and convenient.

Part 3: LEGAL BASIS

Appointment of a Receiver:

48. Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 ("*BIA*") provides that, on application by a secured creditor, a court may appoint a receiver to do any or all of the following "if it considers it to be just and convenient" to do so:
- (a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
 - (b) exercise any control that the court considers advisable over that property and over the insolvent person's or bankrupt's business; or
 - (c) take any other action that the court considers advisable.
- BIA*, s. 243(1).
49. Similarly, s. 39 of the *Law and Equity Act*, R.S.B.C., 1996, c. 253 ("*LEA*") permits a court to appoint a receiver by interlocutory order if it "appears to the court to be just or convenient that the order should be made."
- LEA*, s. 39.
50. In *Maple Trade Finance Inc. v. CY Oriental Holdings Ltd.*, this Court identified several factors that may inform a holistic determination of whether it is "just and convenient" to appoint a receiver, including:
- (a) whether irreparable harm might be caused if no order were made, although it is not essential for a creditor to establish irreparable harm if a receiver is not appointed, particularly where the appointment of a receiver is authorized by the security documentation;
 - (b) the risk to the security holder taking into consideration the size of the debtor's equity in the assets and the need for protection or safeguarding of the assets while litigation takes place;
 - (c) the nature of the property;

- (d) the apprehended or actual waste of the debtor's assets;
- (e) the preservation and protection of the property pending judicial resolution;
- (f) the balance of convenience to the parties;
- (g) the fact that the creditor has the right to appoint a receiver under the documentation provided for the loan;
- (h) the enforcement of rights under a security instrument where the security-holder encounters or expects to encounter difficulty with the debtor and others;
- (i) the principle that the appointment of a receiver is extraordinary relief which should be granted cautiously and sparingly;
- (j) the consideration of whether a court appointment is necessary to enable the receiver to carry out its duties more efficiently;
- (k) the effect of the order upon the parties;
- (l) the conduct of the parties;
- (m) the length of time that a receiver may be in place;
- (n) the cost to the parties;
- (o) the likelihood of maximizing return to the parties; and
- (p) the goal of facilitating the duties of the receiver.

Maple Trade Finance Inc v. CY Oriental Holdings Ltd., 2009 BCSC 1527 [**Maple Trade**] at para. 25 cited by *Bank of Montreal v. Haro-Thurlow Street Project Limited Partnership*, 2024 BCSC 47 [**Haro-Thurlow**] at paras. 72-74.

51. In applying these factors, this Court has held that the right of a secured creditor to appoint a receiver under a security agreement between the parties holds considerable weight and is a "strong factor" in support of granting a receivership order.

Maple Trade at para. 26;
Haro-Thurlow, at para. 113;
BCIMC Construction Fund Corporation et al. v. The Clover on Yonge Inc., 2020 ONSC 1953, para. 43

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

52. It is just and convenient in the present circumstances to appoint a receiver over the assets, property and undertakings of the Debtors on the terms sought by the Applicant for the following reasons:

- (a) the Indebtedness is currently in excess of \$15 million with interest and legal costs continuing to accrue;

- (b) the Debtors have defaulted on their obligations to MCAP under the Loan Agreement, the Forbearance Agreement, and other related agreements;
- (c) the Borrowers have commenced construction on Phase 1 contrary to the covenant in the September Amendment prohibiting construction until full repayment, creating further risk to the Security;
- (d) the Borrowers' refinancing efforts over the past 15 months have repeatedly failed, including proposals from multiple lenders that did not close, leaving no viable exit strategy;
- (e) the Lands are encumbered by multiple builders' liens and Certificates of Pending Litigation, which impair marketability and refinancing prospects;
- (f) further title encumbrances remain a live risk;
- (g) property taxes on the Lands are in significant arrears, exceeding \$450,000 in aggregate, with daily interest accruing, further eroding equity and increasing risk to stakeholders;
- (h) the Borrowers have used purchaser deposit funds on Lot 3 without consent and have demonstrated liquidity challenges, including inability to meet interest obligations consistently;
- (i) the Borrowers' actions have resulted in increased project costs, missed timelines, and heightened rescission risk for existing presales, jeopardizing project viability;
- (j) the Borrowers have left the Lands vacant and unmaintained, reducing the value of the asset and posing risk to neighbouring residences;
- (k) the Mortgage, the Site Specific GSAs and the Forbearance Agreement expressly contemplate the appointment of a receiver;
- (l) the appointment of a receiver will prevent further deterioration of value, address urgent title encumbrances, and facilitate an orderly realization of the Security, and thereby allowing the Applicant to recover as much as possible under the Security;
- (m) the appointment of a receiver will protect the interests of all stakeholders; and
- (n) interest continues to accrue on the Indebtedness thus rapidly decreasing the Applicant's equity position in respect of the Security.

Equity of Redemption

53. Courts have also considered debtors' equity of redemption in applications to appoint a receiver over debtors' real properties, and in which circumstances a receiver may be appointed with powers of sale prior to the end of the debtors' six month redemption period.
54. In foreclosure law, the Court is able to exercise its equitable jurisdiction to fashion a redemption period. The practice in most cases is to set a six-month redemption period, save in special or extraordinary circumstances or contractual agreement between the parties.

55. The onus in establishing that a shortened redemption period should be set rests on the mortgagee to prove such "extraordinary" or "special" circumstances. In most cases, those circumstances will be a proven risk by a lack of equity (either presently or over the redemption period) or some jeopardy to the property that requires immediate attention.

Haro-Thurlow, at para. 96.

56. The Court in *Haro-Thurlow* notes the following:

... the Court should consider the debtor's equity of redemption in terms of whether a receiver will be appointed and, if so, whether that receiver will be granted the power of sale and when. Such a consideration is clearly relevant to the question as to whether any such appointment and power is "just or convenient", again having regard to the nature of the relief sought. In addition, a consideration of any equity of redemption also comes within the *Maple Trade* factors- factor (k)- in relation to the "effect of the order upon the parties".

Haro-Thurlow, at para. 101.

57. In the facts of this case:

- (a) the Indebtedness continues to accrue interest and costs;
- (b) the Borrowers are in persistent default of the Loan Agreement and the Forbearance Agreement, notwithstanding multiple amendments and the forbearance period;
- (c) title of the Lands is burdened by builders' liens and CPLs;
- (d) there are significant property tax arrears with daily interest accrual;
- (e) failed refinancing efforts over 15+ months have not yielded a credible, fundable exit; and
- (f) the Lands are in a deteriorating condition (deep, water-filled excavation with temporary shoring and no active site management), which presents safety and value-erosion risks.

58. Such are the very types of "special circumstances" recognized in *Haro-Thurlow* to justify an abridged redemption period.

59. The Forbearance Agreement expressly deems any applicable redemption period to commence on August 8, 2025, and provides irrevocable consent to receivership upon default or expiry, further supporting an abridged timeline for the appointment of a receiver.

60. For the above reasons, the Applicant submits that it is just and convenient that this Court appoint KSV as receiver and manager, without security, of all of the assets, property and undertakings of the Borrowers on the terms set out in the proposed Receivership Order, including, that the receiver be authorized, upon appointment, to exercise its powers of sale and realization on the Security prior to the expiry of any redemption period.

- 61. Any sale of assets above the threshold provided for in the proposed Receivership Order (up to \$250,000 per transaction and \$1,000,000 in the aggregate) will require the approval of this Honourable Court.

Part 4: MATERIAL TO BE RELIED ON

- 1. Petition to the Court, filed January 7, 2026.
- 2. Affidavit #1 of Blake Johnston, made January 7, 2026.
- 3. Such further and other materials as counsel may advise and this Honourable Court shall permit.

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 after service of this notice of application,

- (a) file an application response in Form 33;
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding; and
- (c) serve on the applicant 2 copies of the following, and on every other party 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 January 8, 2026

Arad Mojtahedi
Signature of lawyer for filing party
DLA Piper (Canada) LLP (Arad Mojtahedi)
Lawyer for the Applicant

To be completed by the court only:

Order made

in the terms requested in paragraphs _____ of Part 1
of this notice of application

with the following variations and additional terms:

Date: _____

Signature of Judge Associate

Judge

APPENDIX

The following information is provided for data collection purposes only and is of no legal effect.

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- oral 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
- none of the above

SCHEDULE "A"

Service List

First West Credit Union 200-19933 88th Avenue, Langley, BC V2Y 4K5, Canada	Tokio Marine Canada Ltd. 330 Bay Street, Suite 400, Toronto, ON M5H 2S8, Canada	Vancouver City Savings Credit Union 6th Floor, 183 Terminal Avenue, Vancouver, BC V6A 4G2, Canada
Country Green Excavating Limited 200-2955 Gladwin Road, Abbotsford, BC V2T 5T4 523-10333 Southport Road SW, Calgary, AB T2W 3X6 112-2632 Pauline Street, Abbotsford, BC V2S 0C9	1299615 B.C. Ltd. Suite 1500, 13450- 102ND Avenue Surrey BC V3T 5X3	Nexgen Environmental Services Ltd. 74 Glacier Street, Coquitlam, BC V3K 5Y9
BMW Canada Inc 50 Ultimate Drive, Richmond Hill, ON L4S 0C8, Canada	Front Street Leasing LP O/A Dilawri Leasing 300-87 Front Street East, Toronto, ON M5E 1B8, Canada	TD Auto Finance (Canada) PO Box 4086, Station A, Toronto, ON M5W 5K3, Canada
Integrity Shoring & Civil Ltd. 28452 Maclure Road, Abbotsford, BC V4X 1N1	Madness Forming & Construction Services Inc. 413 13th Street, New Westminster, BC V3M 4L5	PDQ Construction Ltd. 206-20189 56 Avenue, Langley, BC V3A 3Y6
0816980 B.C. Ltd. 220 – 7565 132nd Street, Surrey, BC V3W 1K5 308 – 6321 King George Boulevard, Surrey, BC, V3X 1G1	0816984 B.C. Ltd. 220 – 7565 132nd Street, Surrey, BC V3W 1K5 308 – 6321 King George Boulevard, Surrey, BC, V3X 1G1	0943151 B.C. Ltd. 308 – 6321 King George Boulevard, Surrey, BC, V3X 1G1 Suite 1500 – 13450 102nd Avenue, Surrey, BC V3T 5X3

<p>1302095 B.C. Ltd.</p> <p>18272 70th Avenue, Surrey, BC, V3S 6Z1</p> <p>9760 190 Street, Surrey, BC V4N 3M9</p>	<p>0676086 B.C. Ltd.</p> <p>220 – 7565 132nd Street, Surrey, BC V3W 1K5</p> <p>308 – 6321 King George Boulevard, Surrey, BC, V3X 1G1</p>	<p>Amarjit Kaur Sivia</p> <p>5720 – 146 Steet, Surrey, BC, V3S 2Z6</p>
<p>Openroad Leasing</p> <p>13100 Smallwood Pl, Richmond, BC V6V 1W8, Canada</p>	<p>Harbans Kaur Gill</p> <p>1934 – 136 Street, Surrey, BC, V4A 4E5</p> <p>Suite 308- 6321 King George Blvd. Surrey BC, V3X1G1</p>	<p>Jagdeep Singh Sivia</p> <p>5720 – 146 Steet, Surrey, BC, V3S 2Z6</p>
<p>Jatinderpal Singh Gill</p> <p>1934 – 136 Street, Surrey, BC, V4A 4E5</p> <p>Suite 308- 6321 King George Blvd. Surrey BC, V3X1G1</p>	<p>Maskeen 177 Projects Ltd.</p> <p>220 – 7565 132nd Street, Surrey, BC V3W 1K5</p> <p>308 – 6321 King George Boulevard, Surrey, BC, V3X 1G1</p>	<p>Maskeen Development Ltd.</p> <p>308 – 6321 King George Boulevard, Surrey, BC, V3X 1G1</p> <p>Suite 1500 – 13450 102nd Avenue Surrey, BC V3T 5X3</p>
<p>Maskeen Homes Ltd.</p> <p>308 – 6321 King George Boulevard, Surrey, BC, V3X 1G1</p> <p>Suite 1500 – 13450 102nd Avenue, Surrey, BC V3T 5X3</p>	<p>Prabhdev Singh Khara</p> <p>18272 70th Avenue, Surrey, BC, V3S 6Z1</p>	<p>Pro Ridge Homes Ltd.</p> <p>18272 70th Avenue, Surrey, BC, V3S 6Z1</p> <p>208 – 8078 128th Street, Surrey, BC V3W 4E9</p>
<p>Proridge Ventures Inc.</p> <p>18272 70th Avenue, Surrey, BC, V3S 6Z1</p> <p>208 – 8078 128th Street, Surrey, BC V3W 4E9</p>	<p>0676086 B.C. Ltd.</p> <p>220 – 7565 132nd Street, Surrey, BC V3W 1K5</p> <p>308 – 6321 King George Boulevard, Surrey, BC, V3X 1G1</p>	<p>Amarjit Kaur Sivia</p> <p>5720 – 146 Steet, Surrey, BC, V3S 2Z6</p>

SCHEDULE "B"
Receivership Order

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

MASKEEN 177 PROJECTS LTD., 0676086 B.C. LTD., MASKEEN DEVELOPMENT LTD.,
MASKEEN HOMES LTD., 1302095 B.C. LTD., 0943151 B.C. LTD., 0816980 B.C. LTD.,
0816984 B.C. LTD., PRO RIDGE HOMES LTD., PRORIDGE VENTURES INC., JAGDIP
SINGH SIVIA, AMARJIT KAUR SIVIA, JATINDERPAL SINGH GILL, HARBANS KAUR GILL,
PRABHDEV SINGH KHERA, FIRST WEST CREDIT UNION, TOKIO MARINE CANADA LTD.,
VANCOUVER CITY SAVINGS CREDIT UNION, BMW CANADA INC., FRONT STREET
LEASING LP O/A DILAWRI LEASING, OPENROAD LEASING, TD AUTO FINANCE (CANADA)
INC., COUNTRY GREEN EXCAVATING LIMITED, 1299615 B.C. LTD., NEXGEN
ENVIRONMENTAL SERVICES LTD., INTEGRITY SHORING & CIVIL LTD. WITH ASSUMED
NAME: ISC SHORING & CIVIL LTD., MADNESS FORMING & CONSTRUCTION SERVICES
INC., and PDQ CONSTRUCTION LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION
(RECEIVERSHIP ORDER)

BEFORE THE HONOURABLE)
JUSTICE) JANUARY __, 2026
)
)

ON THE APPLICATION of MCAP Financial Corporation. (the "**Applicant**") 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 KSV Restructuring Inc. ("**KSV**") as receiver and manager (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and property of Maskeen 177 Projects Ltd. ("**Maskeen 177**"), 0676086 B.C. Ltd. ("**0676086**"), Maskeen Development Ltd. ("**Maskeen Development**"), Maskeen Homes Ltd. ("**Maskeen Homes**"), 1302095 B.C. Ltd. ("**1302095**"), and 0943151 B.C. Ltd. (the "**Nominee**", and collectively with Maskeen 177, 0676086,

Maskeen Development, Maskeen Homes and 1302095, 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 the Affidavit #1 of Blake Johnston sworn January 7, 2026 and the consent of KSV to act as the Receiver; AND ON HEARING Arad Mojtahedi, counsel for the Applicant, and other counsel as listed on **Schedule "A"** hereto, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA, KSV is appointed Receiver, without security, of the lands having the legal description of:

PID:031-892-612 Lot 1 Section 14 Block 5 North Range 2 West New Westminister District Plan EPP118312 ("**Lot 1**");

PID:031-892-647 Lot 2 Section 14 Block 5 North Range 2 West New Westminister District Plan EPP118312 ("**Lot 2**");

PID:031-892-663 Lot 4 Section 14 Block 5 North Range 2 West New Westminister District Plan EPP118312 ("**Lot 4**");

(collectively, the "**Lands**");

together with all of the assets, undertakings and property of the Debtors located at, related to, or derived from the Lands, including all proceeds (collectively with the Lands, the "**Property**").

RECEIVER'S POWERS

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (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 **\$250,000** 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

3. Each of (i) the Debtors; (ii) all of the Debtors' current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access

to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

8. 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

9. 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 are not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the 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

11. 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

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

EMPLOYEES

13. Subject to the employees' right to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the 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

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but

only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,

- (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

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

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

RECEIVER'S ACCOUNTS

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

22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed **\$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.
24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as **Schedule "B"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

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

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: <https://www.ksvadvisory.com/> (the "**Website**") and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as **Schedule "C"** (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.
30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail

to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

32. Notwithstanding paragraph 31 of this Order, service of the Petition, the Notice of Application and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorized to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

34. The time for service and filing of the Notice of Application is hereby abridged and validated such that the Notice of Application is properly returnable today and hereby dispenses with further service thereof.
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 Debtor.
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 Applicant 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 Applicant's security or, if not so provided by the Applicant'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.
41. Endorsement of this Order by counsel appearing on this application other than the Applicant is dispensed with.

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

APPROVED BY:

Signature of Arad Mojtahedi
Lawyer for the Petitioner,
MCAP Financial Corporation

BY THE COURT

DISTRICT REGISTRAR

SCHEDULE "A"
LIST OF COUNSEL

<u>Name of Counsel</u>	<u>Party Representing</u>

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

\$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "Receiver") of all of the assets, property and undertakings of Maskeen 177 Projects Ltd. ("Maskeen 177"), 0676086 B.C. Ltd. ("0676086"), Maskeen Development Ltd. ("Maskeen Development"), Maskeen Homes Ltd. ("Maskeen Homes"), 1302095 B.C. Ltd. ("1302095"), and 0943151 B.C. Ltd. (the "Nominee", and collectively with Maskeen 177, 0676086, Maskeen Development, Maskeen Homes and 1302095, the "Debtors") 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 _____, 202_ (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 _____, 202__.

KSV Restructuring Inc. solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____
Name:
Title:

Schedule "C"

Demand for Notice

TO: MCAP Financial Corporation
c/o DLA Piper (Canada) LLP
Suite 2700, 1133 Melville Street
Vancouver, BC V6E 4E5
Attention: Arad Mojtahedi and Ashley Kumar
Email: arad.mojtahedi@ca.dlapiper.com; ashley.kumar@ca.dlapiper.com

AND TO: KSV Restructuring Inc.
c/o Osler, Hoskin & Harcourt LLP
Suite 3000, 1055 Dunsmuir Street,
Vancouver, BC V7X 1K8
Attention: Mary Buttery, KC and Marc Wasserman
Email: mbuttery@osler.com; mwasserman@osler.com

**Re: In the matter of the Receivership of Maskeen 177 Projects Ltd., 0676086 B.C. Ltd.,
Maskeen Development Ltd., Maskeen Homes Ltd., 1302095 B.C. Ltd., and 0943151
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: _____

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

MASKEEN 177 PROJECTS LTD., 0676086 B.C. LTD., MASKEEN DEVELOPMENT LTD., MASKEEN HOMES LTD., 1302095 B.C. LTD., 0943151 B.C. LTD., 0816980 B.C. LTD., 0816984 B.C. LTD., PRO RIDGE HOMES LTD., PRORIDGE VENTURES INC., JAGDIP SINGH SIVIA, AMARJIT KAUR SIVIA, JATINDERPAL SINGH GILL, HARBANS KAUR GILL, PRABHDEV SINGH KHERA, FIRST WEST CREDIT UNION, TOKIO MARINE CANADA LTD., VANCOUVER CITY SAVINGS CREDIT UNION, BMW CANADA INC., FRONT STREET LEASING LP O/A DILAWRI LEASING, OPENROAD LEASING, TD AUTO FINANCE (CANADA) INC., COUNTRY GREEN EXCAVATING LIMITED, 1299615 B.C. LTD., NEXGEN ENVIRONMENTAL SERVICES LTD., INTEGRITY SHORING & CIVIL LTD. WITH ASSUMED NAME: ISC SHORING & CIVIL LTD., MADNESS FORMING & CONSTRUCTION SERVICES INC., and PDQ CONSTRUCTION LTD.

RESPONDENTS

**ORDER MADE AFTER APPLICATION
(RECEIVERSHIP ORDER)**

DLA Piper (Canada) LLP
Barristers & Solicitors
Suite 2700
1133 Melville Street
Vancouver, BC V6E 4E5
Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 045036-00175

AM/nn

No. S-260086
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

MASKEEN 177 PROJECTS LTD., 0676086 B.C. LTD., MASKEEN
DEVELOPMENT LTD., MASKEEN HOMES LTD., 1302095 B.C.
LTD., 0943151 B.C. LTD., 0816980 B.C. LTD., 0816984 B.C.
LTD., PRO RIDGE HOMES LTD., PRORIDGE VENTURES INC.,
JAGDIP SINGH SIVIA, AMARJIT KAUR SIVIA, JATINDERPAL
SINGH GILL, HARBANS KAUR GILL, PRABHDEV SINGH
KHERA, FIRST WEST CREDIT UNION, TOKIO MARINE
CANADA LTD., VANCOUVER CITY SAVINGS CREDIT UNION,
BMW CANADA INC., FRONT STREET LEASING LP O/A
DILAWRI LEASING, OPENROAD LEASING, TD AUTO FINANCE
(CANADA) INC., COUNTRY GREEN EXCAVATING LIMITED,
1299615 B.C. LTD., NEXGEN ENVIRONMENTAL SERVICES
LTD., INTEGRITY SHORING & CIVIL LTD. WITH ASSUMED
NAME: ISC SHORING & CIVIL LTD., MADNESS FORMING &
CONSTRUCTION SERVICES INC., and
PDQ CONSTRUCTION LTD.

RESPONDENTS

NOTICE OF APPLICATION

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