

S-264225

No. _____
Vancouver Registry



IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. c-36, AS AMENDED**

AND

**SYMPHONY HOMES (MOONLIGHT SONATA) LIMITED,
1168386 B.C. LTD., 1197030 B.C. LTD., 1197062 B.C. LTD.,
and 663466 B.C. LTD.**

PETITIONERS

PETITION TO THE COURT

ON NOTICE TO: Those parties set out in Schedule "A" attached hereto

The address of the registry is: Vancouver Registry
800 Smithe Street
Vancouver, BC V6Z 2E1

The Petitioners estimates that the hearing of the petition will take 2 hours.

This matter is not an application for judicial review.

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

the persons named as Petitioners in the style of proceedings above

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

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

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

Time for response to petition

A response to petition must be filed and served on the Petitioners,

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

(1) Address for service of the Petitioners is:

McEwan Cooper Kirkpatrick LLP
1500-733 Seymour Street
Vancouver BC V6B OS6

Attn: David E. Gruber and William E. Stransky

E-mail address for service (if any) of the Petitioners:

dgruber@mcewanpartners.com
wstransky@mcewanpartners.com

(2) The name and office address of the Petitioners' lawyer is:

David E. Gruber and William E. Stransky
McEwan Cooper Kirkpatrick LLP
1500-733 Seymour Street
Vancouver BC V6B OS6

Claim of the Petitioners

Part 1: ORDER(S) SOUGHT

1. The Petitioners Symphony Homes (Moonlight Sonata) Limited ("**Moonlight**"), 1168386 B.C. Ltd. ("**386**"), 1197030 B.C. Ltd. ("**030**"), 1197062 B.C. Ltd. ("**062**"), and 663466 B.C. Ltd. ("**466**", and collectively, the "**Petitioners**"), seek an order substantially in the form of the draft order attached hereto as **Schedule "B"** to this Petition, (the "**Initial Order**"), granting certain relief, including, *inter alia*:

- (a) a declaration that the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") applies to the Petitioners;
- (b) a declaration that Grant Thornton Limited be appointed as an officer of this Court (in its capacity as proposed monitor, the "**Proposed Monitor**" and, if appointed, the "**Monitor**") to monitor the assets, business and affairs of the Petitioners;
- (c) an order that, until further order of this Court, all proceedings, enforcement processes and remedies taken or that might be taken against the Petitioners, their directors, or any of their property, or the Monitor be stayed, and the Petitioners' operations be carried out in accordance with the express terms of the Initial Order, with liberty to seek to amend or extend the terms of the Initial Order;
- (d) an order authorizing and permitting the Petitioners to file with this Court a formal plan or plans (the "**Plan**" and "**Plans**" respectively) of compromise and arrangement between the Petitioners and one or more classes of their creditors pursuant to the provisions of the CCAA;
- (e) an order granting a charge (the "**Administration Charge**") in favour of the Proposed Monitor, counsel to the Proposed Monitor, and counsel to the Petitioners over the "**Property**" (as defined in the Initial Order) of the Petitioners, which charge shall not exceed an aggregate amount of \$100,000 as security for their fees and disbursements;
- (f) an order that the Petitioners be at liberty to serve all orders and materials (including the Plan) in this proceeding on any of their creditors by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, fax or email to the Petitioners' creditors at their respective addresses as last shown on the records of the Petitioners, and any such service or notice by courier, personal delivery, fax or email shall be deemed to be received on

the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing; and

(g) such further and other relief as this Court may deem necessary.

Part 2: FACTUAL BASIS

A. Overview

1. The Petitioners are companies in the Symphony Homes group of companies, a real estate development group focused on custom residences and multi-family communities across Burnaby, West Vancouver, North Vancouver, and Maple Ridge.

2. Moonlight is the developer of Moonlight Sonata, a master-planned community under construction at a 2.87-acre site at 3588 Wayburne Drive, Burnaby, British Columbia (the "**Development**"). The Development will comprise 130 three and four-bedroom townhomes and garden flats at the crossroads of Metrotown and Brentwood in Burnaby, with 51 market-sale strata townhomes in Phase 1A (under construction); 40 purpose-built rental townhomes in Phase 1B (permitted); and up to 39 market-sale strata townhomes in Phase 2 (permitted)

3. Beginning in December 2025, the Petitioners' senior secured construction lender suspended all further draws and advances under the Petitioners' construction facility. Despite substantial efforts to address the lenders' positions or purported issues, in parallel with efforts to both advance construction and seek alternative financing, the Petitioners have been unable to settle on a path forward with their existing lender or, for the time being, secure a replacement.

4. The Petitioners have completed a significant amount of the construction associated with Phase 1A of the Development (approximately 78%) and pre-sold a significant portion of it (26 firm presale contracts with purchase proceeds totaling \$35.58 million). The Petitioners have preliminary interest from a number of lenders for further or take-out financing. The senior lender's demand on its loan, however - together with advice of an intention to bring a creditor-driven CCAA proceeding - have made it clear that relief under the CCAA is necessary to bring a restructuring transaction to fruition.

5. The Petitioners believe that, with the breathing room and structure afforded by the relief sought in this petition, a successful outcome can be reached for the benefit of all of the Petitioners' stakeholders. As such, it is in the best interests of the Petitioners' stakeholders to apply for relief under the CCAA.

B. Background

6. The Petitioners began work on the Development around May 13, 2024.

7. In December 2025, the Petitioners' senior secured construction lender, KingSett Mortgage Corporation ("**KingSett**"), ceased funding on the Development. Since that time, construction on the development largely halted, though the Petitioners continue to ensure the safety and integrity of the project site through on-going site security and insurance.

8. May 5, 2026, KingSett issued demand on the Petitioners, claiming an amount in excess of \$59 million due and owing.

9. On May 25, 2026, KingSett advised, through counsel, that it intended to seek relief under the CCAA and the appointment of a monitor with enhanced powers over the Petitioners, and sought a date by which such relief would be sought (2:00 p.m. at June 1, 2026).

10. The Petitioners agree that the relief provided by the CCAA is necessary to see the Development advance. The Petitioners disagree that a creditor-driven process on the terms proposed by KingSett is appropriate or to be preferred. The Petitioners' position, on a high-level, would see:

- (a) the Petitioners access the protections and relief afforded by the CCAA; and
- (b) the Petitioners, as those most familiar with the construction and monitoring of the Development, continuing construction management, in coordination with the Monitor and in consultation with KingSett.

11. To realize the value of the Development and capitalize on the years of endeavor that the Petitioners have invested in the project, the Petitioners seek creditor protection with a view of completing the Development for the benefit of all stakeholders.

C. Petitioners

i. Background of the Petitioners

12. The Petitioners are each corporations formed under the laws of the Province of British Columbia.

13. Moonlight is the registered owner of 3588 Wayburne Drive, Burnaby, British Columbia (the "**Real Property**").

14. 1168386 B.C. Ltd. ("**386**"), 1197030 B.C. Ltd. ("**030**"), 1197062 B.C. Ltd. ("**062**") are the beneficial ownership of the Real Property.

15. 663466 B.C. Ltd. ("**466**") has provided certain guarantees and security to KingSett.

ii. Petitioners' leadership team

16. The Petitioners' directors are Gurdeep Singh Kainth and Gurmel Singh Kainth.

D. The Development

17. Symphony Moonlight purchased the Real Property around June 23, 2023.

18. Following that date, the Petitioners worked through the permitting process with the City of Burnaby.

19. The Petitioners obtained excavation and pre-construction permits on September 1, 2023, and building permits on May 9, 2025.

20. Construction of the Development has been divided into two phases:

- (a) Phase 1A (Buildings 1-5) - 51 market-sale strata townhomes;

- (b) Phase 2 (Building 6-9) - up to 39 market-sale strata townhomes; and
- (c) Phase 1B (Buildings 10-13) - 40 rental townhomes.

21. Phase 1A is approximately 78 percent physically complete based on third-party project monitor reporting (BTY Group Report 14, March 2026). With respect to the remaining construction work, trades are scoped and contracted; consultants are engaged; permits are in good standing under issued building permits across all five buildings. The Development plans provide that the Real Property will be subdivided by an airspace subdivision plan.

E. Development Sales

22. The Petitioners have 26 firm presale contracts in place totalling \$35,580,500, representing approximately 51 percent of Phase 1A units presold. The Petitioners' real estate counsel currently holds \$2,889,585 in respect of those purchasers' deposits.

F. KingSett Credit Agreement

23. The Petitioners are parties to a loan agreement dated September 27, 2024 (as amended and restated, the "**KingSett Credit Agreement**") among each of the Petitioners, as borrowers, and KingSett, as lender, and Messrs. Gurdeep and Gurmel Kainth as guarantors.

24. KingSett claims it has advanced approximately \$52,542,533 to the Petitioners as of December 16, 2025, and that as of May 21, 2026, \$59,121,710.51 is owing to KingSett.

25. Under the KingSett Credit Agreement, KingSett committed to provide \$93,350,000 million of a non-revolving demand loan up to a maximum principal amount of \$95,300,000. Interest accrues at the Royal Bank of Canada prime rate + 2.70% (floor rate of 8.40%) per annum, compounded monthly. Among other fees, a lender's fee of \$953,000 is payable to KingSett, with \$57,000 of such amount refundable on certain conditions.

26. In connection with the KingSett Credit Facility, the Petitioners granted certain security to Romspen, including:

- (a) a first-ranking mortgage and assignment of rents over the Real Property in the principal amount of \$105,000,000 (the "**Romspen Mortgage**");
- (b) unlimited guarantees from Messrs. Gurdeep and Gurmel Singh;
- (c) general security agreements;
- (d) certain share pledge agreements (collectively, the "**KingSett Security**").

G. Insolvency of the Petitioners

27. Following January 2025, when KingSett suspended future draws under the Petitioners' construction facility, the Petitioners worked to progress the Development by:

- (a) negotiating potential terms or solutions with KingSett;
- (b) pursuing refinancing with established construction lenders, mezzanine lenders, and private lenders;
- (c) negotiating with existing suppliers, contractors and lien claimants;
- (d) securing the Development site, with on-going care and maintenance activities including security; and
- (e) communicating project developments to all stakeholders.

28. The Development is not currently generating any sales or revenue. The Petitioners have insufficient cash to pay their liabilities as they come due or to otherwise advance construction of the Development.

H. KingSett Demand

29. Around May 4, 2026, KingSett wrote to the Petitioners, issuing demand and stating that the amount of \$59,121,710.51, representing the entire principal amount of

the KingSett Credit Facility currently outstanding, all accrued and unpaid interest thereon, and all other payments and amounts due under the KingSett Credit Facility, was immediately due and payable.

30. On Friday, May 29, 2026, KingSett served unfiled copies of a petition for an Initial Order under the CCAA on the Petitioners, including an order appointing KSV Restructuring Ltd. as a Monitor with enhanced powers over the Petitioners' assets and affairs.

31. In light of KingSett both suspending construction financing and taking steps in enforcement, the Petitioners require the relief sought herein to preserve and stabilize operations and to preserve the opportunity to restructure their business.

I. Assets

32. The Petitioners assets consist of cash, trust deposits, and construction in progress.

33. The Petitioners' unaudited 2025 financial statements provide, as of December 31, 2025, the Petitioners' long-term assets to be \$48,055,168, not accounting for construction in progress.

34. As of June 4, 2026, the Petitioners' real estate counsel holds a total of \$2,889,585 on account of pre-sale contracts for the Development.

35. The Petitioners' major asset is the Real Property. Updated appraisals on an "as is" and "as if" complete basis are currently being prepared.

36. The Real Property is encumbered by, among other charges, liens, certificates of pending litigation and interests and KingSett's mortgages and assignments of rent, as further described in the First Affidavit of Gurdeep Singh Kainth.

J. Liabilities

37. The Petitioners' liabilities are comprised primarily of accounts payable and accrued liabilities and the KingSett Credit Facility.

The Petitioners' current and long-term liabilities consist of:

- (a) accounts payable and accrued liabilities; and
- (b) up to \$59,121,710.51 in secured liabilities under the KingSett Credit Facility.

38. As described in more detail in the First Affidavit of Gurdeep Singh, \$59,121,710.51 has been demanded and other accounts payable and liabilities are also due.

K. Key Suppliers

39. If granted CCAA protection, the Petitioners intend to work with the Monitor to identify those suppliers that, among other considerations, are essential to complete the construction of the Development.

L. Proposed Restructuring Plan

40. The Petitioners are currently in a liquidity crisis, primarily due to KingSett ceasing funding and issuing the KingSett Demand. The Development is not generating sales or revenue.

41. These factors have necessitated a restructuring of the Petitioners' affairs.

42. The Petitioners' directors have spent the past several months in discussions with key project proponents and interested parties. That has included discussions with several construction lenders, and possible project partners to discuss possible paths forward for the Development, including beyond Phase 1A.

43. The Petitioners believe that the ability to restructure under the CCAA will benefit all stakeholders.

44. That includes, as at this time, the securing of necessary funding to complete construction, together with financing and refinancing efforts that are anticipated to run concurrently to the Petitioners' restructuring efforts, to take out some or all of KingSett's debt while otherwise advancing the Development, as more particularly described in the First Affidavit of Gurdeep Singh Kainth

45. The Petitioners and their counsel also intend to continue to consult with key Development stakeholders, including KingSett and various of lienholders, on the path forward for the Development, the need for these CCAA proceedings, including the proposed interim financing and the Petitioners' plan for restructuring within these proceedings.

46. The Petitioners accordingly seek relief under the CCAA to preserve their operations, to prevent enforcement steps from being taken in respect of the KingSett Credit Facility, and to both provide a pathway toward the completion of the Development and to preserve the opportunity to complete a refinancing.

47. The directors of the Petitioners have years of experience with this particular project and decades of experience in property development, which can be capitalized on to move the Development to completion and maximize stakeholder recovery.

J. Cash-Flow

48. In consultation with the Proposed Monitor, the Petitioners have prepared a 10 day cash flow statement for the period ending June 17, 2026 (the "**Cash-Flow Statement**").

49. The Petitioners require approximately \$18,718 in order to meet their obligations through to the end of the Cash-Flow Statement period and to the date of the Comeback Hearing.

K. Relief Requested

i. Stay of Proceedings

50. A stay of proceedings is essential to maintaining the *status quo* to preserve the value of the Petitioners' business. A stay will provide time for the Petitioners to pursue, with the assistance of the Proposed Monitor, restructuring opportunities that will provide sufficient capital to stabilize the Petitioners' operations and enable the Petitioners to progress the Development in a manner that offers the greatest benefit to numerous stakeholders.

51. The Petitioners are seeking a stay of proceedings for ten days from the date of the initial order, at which time the Petitioners will appear before this Court for the Comeback Hearing.

ii. Administration Charge

52. The Petitioners are seeking an administration charge over their assets, properties and undertakings up to a maximum amount of \$100,000 to secure payment of the fees and disbursements of the Petitioners' legal counsel, the Proposed Monitor, and the Proposed Monitor's legal counsel. The Administration Charge would rank in priority to all other encumbrances, including all other court-ordered charges.

53. The Administration Charge will ensure that the Petitioners retain access to the professionals whose expertise and knowledge is required to pursue a restructuring under the CCAA.

L. Conclusion

54. The Petitioners are dedicated to find a path to progress the Development. The Petitioners require the protection of the CCAA to reorganize their affairs and advance a plan that offers the greatest benefit to all stakeholders.

Part 3:LEGAL BASIS

61. The Petitioners rely on:

- (a) the CCAA;
- (b) the *Business Corporations Act*, S.B.C. 2002, c. 57;
- (c) the *Supreme Court Civil Rules*;
- (d) the inherent and equitable jurisdiction of this Court.

A. The CCAA Applies to the Petitioners

62. The CCAA applies in respect of a "debtor company" where the total amount of claims against the debtor exceeds five million dollars. "Debtor company" is defined in section 2 of the CCAA to include any company that is bankrupt or insolvent.¹

63. The Petitioners, separate and together, are "companies" existing under the laws of British Columbia with claims against them exceeding \$5 million. Further, the Petitioners are unable to meet their liabilities as they come due and is therefore insolvent and thus each a "debtor company" within the meaning of the CCAA.²

B. The Initial Order is Consistent with the Purpose and Policy of the CCAA

64. Section 11.02 of the CCAA provides that a Court may, on an initial application, make an order staying all proceedings in respect of the debtor company until otherwise ordered, upon being satisfied that the circumstances exist that make such an order appropriate. This stay of proceedings maintains the *status quo* and is intended to provide the debtor company with the necessary breathing room to carry out a restructuring or organized sale process for the benefit of both the company and its creditors.³

65. Some lines of authority held that while the CCAA can apply to companies whose sole business is a land development (and, particularly, a single land development), such companies may have difficulty proposing an arrangement or compromise to creditors that is more advantageous than the remedies already available to them. That reasoning sometimes applies where (a) the lands are in the early stages of

¹ CCAA, ss. 2(1) and 3(1).

² *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, s. 2(1); *Re Stelco Inc.*, 2004 CarswellOnt 1211, [2004] O.J. No. 1257 at paras. 21-22, 28 (Sup. Ct.); leave to appeal to CA, refused, [2004] O.J. No. 1903; leave to appeal to S.C.C. refused, [2004] S.C.C.A. No 336.

³ CCAA, s. 11.02.

Re Lehndorf General Partners Ltd, (1993) 17 C.B.R. (3d) 24, 9 B.L.R. (2d) 275 (Ont. Ct. J. (Gen. Div.)) at paras. 5-7.

development; (b) mortgagees are the only economic stakeholders; and (c) the process could only be carried out by "eating into" the equity of the mortgagees.⁴

66. Those circumstances do not apply, or apply with full force, in the present case. The plan proposed by the Petitioners is more advantageous to the mortgagees and other stakeholders than an "as is" liquidation foreseen by KingSett's proposed creditor-driven CCAA proceeding. In light of the interim financing sought and the estimated equity in the Lands, the CCAA proceedings will not simply be run at the expense of the mortgagees, but, rather, will in all likelihood result in them being substantially repaid in the near term, and will enable the Petitioners' other economic stakeholders to maximize their recovery. In particular, and with regard to the relevant factors:

- (a) **Overview and governing principles:** The central question between this petition and the KingSett's petition is which will better *maximize realizations* for stakeholders and *preserve value* in the subject Development. In British Columbia real estate projects, market conditions and the statutory overlay of the *Real Estate Development Marketing Act* ("REDMA") significantly affect outcomes. While either approach permits the preservation of the identity of the owner of the Development under REDMA, such that rescission rights are not triggered *per se* by the granting of either Initial Order, recent proceedings (e.g., the Beta View Homes Ltd. and Lumina Eclipse Limited Partnership proceedings) indicate that pre-sale purchasers are motivated to avoid agreements entered into in a different real estate market. Preserving management, trades and suppliers, and sales teams and other continuity best ensures that the Development is able to reach completion by the outside dates while avoiding destabilizing purchaser expectations and depressing market confidence.

⁴ See *Cliffs Over Maple Bay Investments Ltd. v. Fisgard Capital Corp.* 2008 BCCA 327 [Cliffs Over Maple Bay].

- (b) **Preservation of construction and marketing momentum:** Stability is a value-driver. Maintaining management supports consistent messaging to trades and buyers and reduces construction and closing risk. A creditor-driven CCAA, by contrast, risks undermining current construction and marketing efforts and pushing completion to the outside dates.
- (c) **Maximizing recoveries through price, not distress signalling:** “Distress” signalling - especially reporting that KingSett is “taking over” the project - is likely to suppress offers and extends the marketing runway, driving up carrying costs. A debtor-driven CCAA proceeding permits disciplined, receiver-like cash governance while avoiding the market discount associated with creditor-driven sales. In completed or substantially advanced project, courts have suggested superior outcomes when units are marketed to end users rather than liquidated under the optics of a receivership (or quasi-receivership).⁵
- (d) **Efficient stakeholder process and court supervision:** The CCAA affords flexible tools—claims processes, structured approval and vesting orders for unit-by-unit sales, and targeted relief to address disclosure or warranty issues—that can be tailored to the cadence of conveyances in a master-planned community. The Monitor’s reporting obligations ensure that construction and sales metrics, pricing strategy, and cash waterfalls remain transparent to the Court and major stakeholders.
- (e) **Prejudice to Creditors:** the two forms of prejudice generally applicable in these circumstances are (a) the secured creditors’ funds being unrecoverable, and put at risk, during the pendency of the CCAA; and (b) secured creditors’ collateral being primed by the costs of the CCAA. Neither apply strongly here. First, the appointment of a Monitor, as necessary, does or should address any and all concerns with respect to the debtor (the

⁵ See *Pacific Shores Resort & Spa Ltd. (Re)*, 2011 BCSC 1775 at paras. 48, 49(e), and 58.

validity of which are denied). Second, KingSett itself proposes both a process of completing construction (at least of Phase 1A) and an interim financing charge of \$27,900,000 in priority to all security interests, trust, liens, charges, and encumbrances, for the purpose of funding the exercise of the powers and duties under the proposed order. That approach is likely to create less new value than the DIP financing otherwise sought as part of the Initial Order. The equity in the project otherwise supports that the Petitioners are in a reasonable position to attract new financing once their position is stabilized, supporting their relief.⁶

- (f) **Benefits to Creditors:** there is a benefit to the creditors under a debtor-driven CCAA proceeding, rather than a creditor-driven or quasi- Receivership proceeding. A monitor-supervised construction and sales process - as opposed to a creditor-led process - is more likely to create value from the remaining assets for the benefit of all creditors, without any or significant detriment to KingSett.

In sum, the risk to the first mortgagee of recovering on its mortgage security would be no more under a debtor-driven CCAA proceedings than in a creditor-driven CCAA / quasi- Receivership proceeding.⁷

Granting the Administration Charge is Appropriate

67. The Petitioners seek the Administration Charge, currently in the amount of \$100,000, to secure the collective fees and disbursements incurred both before and after the commencement of these proceedings of the proposed Monitor, legal counsel to the Proposed Monitor, and legal counsel for the Petitioners. Section 11.52 of the CCAA expressly provides the Court with the power to grant a charge in respect of professional fees and disbursements on notice to affected secured creditors.

⁶ See *Pacific Shores* at para. 24.

⁷ See *Hush Homes Inc. Re*, 2015 ONSC 370 at paras. 27, 44, 45, and 49; see also *Port Capital Development (EV) Inc. v. 1296371 B.C. Ltd.*, 2021 BCCA 382 at para. 69

68. Courts have held that, unless professional advisor fees are protected by way of a charge, the objectives of the CCAA would be frustrated as professionals would be unlikely to risk offering services without any assurance of ultimately being paid. Failing to provide protection for professional fees will "result in the overwhelming likelihood that the CCAA proceedings would come to an abrupt halt, followed, in all likelihood, by bankruptcy proceedings."⁸

69. The Petitioners business requires the expertise, knowledge and continuing participation of the proposed beneficiaries of the Administration Charge in order to carry out a restructuring, and the Administration Charge is necessary to ensure their continued assistance and participation in these proceedings.

70. The factors to be considered in determining whether to approve an administration charge include:

- (a) the size and complexity of the business being restructured;
- (b) the proposed role of the beneficiaries of the charge;
- (c) whether there is unwarranted duplication of roles;
- (d) whether the quantum of the proposed charge appears to be fair and reasonable;
- (e) the position of the secured creditors likely to be affected by the charge; and
- (f) the position of the Monitor.⁹

71. The quantum of the proposed Administration Charge was determined in consultation with Grant Thornton and is fair and reasonable in light of the number of beneficiaries, the size and complexity of the Petitioners' business and the scope and

⁸ *Re Timminco Ltd.*, 2012 ONSC 506 at para. 66.

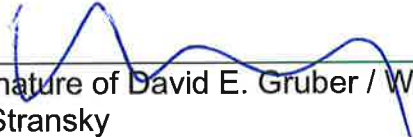
⁹ *Re Canwest Publishing Inc./Publications Canwest Inc.*, 2010 ONSC 222 at para. 54.

complexity of the proposed restructuring. It is not expected that there will be any duplication of the roles of the beneficiaries of the Administration Charge.

Part 4: MATERIAL TO BE RELIED ON

1. Affidavit #1 of Gurdeep Singh Kainth made June 4, 2026;
2. Pre-Filing Report of the Proposed Monitor to be filed.
3. Such other material as counsel may advise and the Court permits.

Dated: 2026/06/04



Signature of David E. Gruber / William E. Stransky
 Petitioners Lawyer for Petitioners

THIS PETITION TO THE COURT was prepared by David E. Gruber and William E. Stransky, of the firm of McEwan Cooper Kirkpatrick LLP, whose place of business and address for delivery is 900-980 Howe Street, Vancouver BC V6Z 0C8, Telephone: (604) 283-7740.

To be completed by the court only:

Order made

- in the terms requested in paragraphs _____ of Part 1 of this petition
- with the following variations and additional terms:

Dated: _____

Signature of Judge Associate Judge

SCHEDULE "A"

Name of Counsel	Name of Party(ies)
Kibben Jackson and Heidi Esslinger Fasken Martineau DuMoulin LLP Bentall 5 2900 – 5500 Burrard Street Vancouver, BC V6C 0A3 Tel: 604-631-3131 Fax: 604-631-3232 Email: kjackson@fasken.com hesslinger@fasken.com	KingSett Mortgage Corporation
Mary Buttery, K.C. and Christian Garton Osler, Hoskin & Harcourt LLP 1055 Dunsmuir Street Suite 3000 Vancouver, BC V7X 1K8 Tel: 778-785-3000 Fax: 778-785-2745 Email: mattery@osler.com cgarton@osler.com	KSV Restructuring Inc.

Schedule "B"

No. _____
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36**

AND

AND

**IN THE MATTER OF SQUARE NINE KING GEORGE DEVELOPMENT LTD. and
SQUARE NINE BUILDERS INC.**

PETITIONERS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
JUSTICE MILMAN) 08/JUNE/2026
)

ON THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 8th day of June, 2026 (the "Order Date"); AND ON HEARING David E. Gruber and William E. Stransky, counsel for the Petitioners and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed, including the First Affidavit of Gurdeep Singh Kainth sworn June 4, 2026, and the consent of Grant Thornton Limited to act as Monitor; AND UPON BEING ADVISED that the secured creditors who are likely to be affected by the charges created herein were given notice; AND pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985 c. C-36 as amended (the "CCAA"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

JURISDICTION

1. The Petitioners are companies to which the CCAA applies.

SUBSEQUENT HEARING DATE

2. The hearing of the Petitioners' application for an extension of the Stay Period (as defined in paragraph 10 of this Order) and for any ancillary relief (the "**Comeback Hearing**") shall be held at the Courthouse at 800 Smithe Street, Vancouver, British Columbia at [10 days] .m. on , the day of , 2025 (the "**Return Date**") or such other date as this Court may order.

PLAN OF ARRANGEMENT

3. The Petitioners shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

4. Subject to this Order and any further Order of this Court, the Petitioners shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), and continue to carry on its business (the "**Business**") in the ordinary course and in a manner consistent with the preservation of the Business and the Property. The Petitioners shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.

5. The Petitioners shall be entitled, but not required, to pay the following expenses which may have been incurred prior to the Order Date:

- (a) all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Order Date, in each case incurred in the ordinary course of business and consistent with the relevant compensation policies and arrangements existing at the time incurred (collectively "**Wages**"); and
- (b) the fees and disbursements of any Assistants retained or employed by the Petitioners which are related to the Petitioners' restructuring, at their standard rates and charges, including payment of the fees and disbursements of legal counsel retained by the Petitioners, whenever and wherever incurred, in respect of:
 - (i) these proceedings or any other similar proceedings in other jurisdictions in which the Petitioners or any subsidiaries or affiliated companies of the Petitioners are domiciled;
 - (ii) any litigation in which the Petitioners is named as a party or is otherwise involved, whether commenced before or after the Order Date; and
 - (iii) any related corporate matters.

6. Except as otherwise provided herein, the Petitioners shall be entitled to pay all expenses reasonably incurred by the Petitioners in carrying on the Business in the ordinary course following the Order Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors'

and officers' insurance), maintenance and security services, provided that any capital expenditure shall be approved by the Monitor;

- (b) all obligations incurred by the Petitioners after the Order Date, including without limitation, with respect to goods and services actually supplied to the Petitioners following the Order Date (including those under purchase orders outstanding at the Order Date but excluding any interest on the Petitioners' obligations incurred prior to the Order Date); and
- (c) fees and disbursements of the kind referred to in paragraph 5(b) which may be incurred after the Order Date.

7. The Petitioners is authorized to remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Petitioners in connection with the sale of goods and services by the Petitioners, but only where such Sales Taxes accrue or are collected after the Order Date, or where such Sales Taxes accrued or were collected prior to the Order Date but not required to be remitted until on or after the Order Date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.

8. Until such time as a real property lease is disclaimed in accordance with the CCAA, the Petitioners shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated between the Petitioners and the landlord from time to time ("**Rent**"), for the period commencing from and including the Order Date, twice-monthly in equal payments on the first and fifteenth day of the month in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including Order Date shall also be paid.

9. Except as specifically permitted herein, the Petitioners is hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Petitioners to any of its creditors as of the Order Date except as authorized by this Order;
- (b) to make no payments in respect of any financing leases which create security interests;
- (c) to grant no security interests, trust, mortgages, liens, charges or encumbrances upon or in respect of any of its Property, nor become a guarantor or surety, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this Order;
- (d) to not grant credit except in the ordinary course of the Business only to its customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by the Petitioners to such customers as of the Order Date; and
- (e) to not incur liabilities except in the ordinary course of Business.

STAY OF PROCEEDINGS, RIGHTS AND REMEDIES

10. Until and including the Return Date, or such later date as this Court may order (the “**Stay Period**”), no action, suit or proceeding in any court or tribunal (each, a “**Proceeding**”) against or in respect of the Petitioners or the Monitor, or affecting the Business or the Property, shall be commenced or continued except with the written consent of the Petitioners and the Monitor or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Petitioners or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

11. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Petitioners or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Petitioners and the Monitor or leave of this Court.

12. Nothing in this Order, including paragraphs 10 and 11, shall: (i) empower the Petitioners to carry on any business which the Petitioners is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the Petitioners.

NO INTERFERENCE WITH RIGHTS

13. During the Stay Period, 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 Petitioners, except with the written consent of the Petitioners and the Monitor or leave of this Court.

CONTINUATION OF SERVICES

14. During the Stay Period, all Persons having oral or written agreements with the Petitioners or mandates under an enactment 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 Business or the Petitioners, are hereby 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 Petitioners, and that the Petitioners shall be entitled to the continued use of its current premises, 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 Order Date are paid by the Petitioners in accordance with normal payment practices of the Petitioners or such other practices as may be agreed upon by the supplier or service provider and the Petitioners and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

15. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Order Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to the Petitioners on or after the Order Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of the Petitioners with respect to any claim against the directors or officers that arose

before the date hereof and that relates to any obligations of the Petitioners whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Petitioners, if one is filed, is sanctioned by this Court or is refused by the creditors of the Petitioners or this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of the Petitioners that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

DIRECTORS AND OFFICERS INDEMNIFICATION AND CHARGE

17. The Petitioners shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Petitioners after the commencement of the within proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

APPOINTMENT OF MONITOR

18. **Grant Thornton Limited** is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Petitioners with the powers and obligations set out in the CCAA or set forth herein, and that the Petitioners and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Petitioners pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

19. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Petitioners' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Petitioners, to the extent required by the Petitioners, in its dissemination to its counsel and its advisors of financial and other information;
- (d) advise the Petitioners in its preparation of the Petitioners' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor, its counsel, and its advisors on such basis as may be agreed by the Petitioners;
- (e) advise the Petitioners in its development of the Plan and any amendments to the Plan;
- (f) assist the Petitioners, to the extent required by the Petitioners, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Petitioners, to the extent that is necessary to adequately assess the Petitioners' business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (i) perform such other duties as are required by this Order or by this Court from time to time.

20. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

21. Nothing herein contained shall require or allow the Monitor 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 respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Fisheries Act*, the *British Columbia Environmental Management Act*, the *British Columbia Fish Protection Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, the Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor'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 it is actually in possession.

22. The Monitor shall provide any creditor of the Petitioners and the Interim Lender with information provided by the Petitioners in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Petitioners is confidential, the Monitor shall not provide such information to

creditors unless otherwise directed by this Court or on such terms as the Monitor and the Petitioners may agree.

23. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

24. The Monitor, counsel to the Monitor, if any, and counsel to the Petitioners shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Petitioners as part of the cost of these proceedings. The Petitioners is hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Petitioners on a periodic basis and, in addition, the Petitioners are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Petitioners, retainers in the amounts of \$50,000 respectively to be held by them as security for payment of their respective fees and disbursements outstanding from time to time..

25. The Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the British Columbia Supreme Court who may determine the manner in which such accounts are to be passed, including by hearing the matter on a summary basis or referring the matter to a Registrar of this Court.

26. The Monitor, counsel to the Monitor, if any, and counsel to the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of **\$100,000**, as security for their respective fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order

which are related to the Petitioners' restructuring. The Administration Charge shall have the priority set out in paragraph 28 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

27. Any security documentation evidencing, or the filing, registration or perfection of, the Administration Charge, the Interim Financing Charge and the Directors' Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be effective as against the Property and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect any such Charges.

28. Each of the Charges shall constitute a mortgage, security interest, assignment by way of security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**"), in favour of any Person, save and except those claims contemplated by section 11.8(8) of the CCAA.

29. Except as otherwise expressly provided herein, or as may be approved by this Court, the Petitioners shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless the Petitioners obtains the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Administration Charge and the Director's Charge.

30. The Administration Charge, the Commitment Letter, the Definitive Documents and the Interim Financing Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the Interim Lender shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the Bankruptcy and Insolvency Act of Canada (the "BIA"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made

pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Petitioners; and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall create or be deemed to constitute a breach by the Petitioners of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Petitioners entering into the Commitment Letter, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Petitioners pursuant to this Order, the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

31. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Petitioners’ interest in such real property leases.

SERVICE AND NOTICE

32. The Monitor shall (i) without delay, publish in the Vancouver Sun a notice containing the information prescribed under the CCAA; and (ii) within five days after Order Date, (A) make this Order publicly available in the manner prescribed under the CCAA,

(B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Petitioners of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

33. The Petitioners and the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Petitioners' creditors or other interested parties at their respective addresses as last shown on the records of the Petitioners and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

34. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Monitor. The Monitor shall post and maintain an up to date form of the Service List on its website at: <https://cfcanada.fticonsulting.com/>.

35. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on its website at: <https://cfcanada.fticonsulting.com/>.

36. Notwithstanding paragraphs 40 and 42 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order 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 regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

GENERAL

37. The Petitioners or the Monitor may from time to time apply to this Court for directions in the discharge of its powers and duties hereunder.

38. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Petitioners, the Business or the Property.

39. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

40. Each of the Petitioners and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and the Monitor 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, including acting as a foreign representative of the Petitioners to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Bankruptcy Code*, 11 U.S.C. §§ 101-1330, as amended.

41. The Petitioners may (subject to the provisions of the CCAA and the BIA) at any time file a voluntary assignment in bankruptcy or a proposal pursuant to the commercial reorganization provisions of the BIA if and when the Petitioners determines that such a filing is appropriate.

42. The Petitioners is hereby at liberty to apply for such further interim or interlocutory relief as it deems advisable within the time limited for Persons to file and serve Responses to the Petition.

43. Leave is hereby granted to hear any application in these proceedings on two (2) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

44. Any interested party (including the Petitioners and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

45. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

46. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

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 David E. Gruber
Lawyer for the Petitioners

BY THE COURT

REGISTRAR