File No.: CI 23-01-42328

THE KING'S BENCH WINNIPEG CENTRE

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT TO

SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3 AS AMENDED, AND SECTION 55 OF THE

COURT OF KING'S BENCH ACT, C.C.S.M. c. C280

BETWEEN:

PEOPLES TRUST COMPANY,

Applicant,

-and-

BOKHARI DEVELOPMENT INC.,

Respondent.

SECOND REPORT OF KPMG INC. In its capacity as Receiver and Manager

November 27, 2024

RECEIVER KPMG INC.

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I. INTRODUCTION

- 1. On August 29, 2023 (the "Receivership Date"), upon application by Peoples Trust Company (the "Applicant"), KPMG Inc. was appointed as receiver and manager (the "Receiver") pursuant to an Order (the "Receivership Order") in Manitoba Court of King's Bench (the "Court") File No. CI 23-01-42328 under section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 55 of *The Court of King's Bench Act*, C.C.S.M. c. C280 without security, of all the assets, undertakings and properties of the Respondent Bokhari Development Inc. ("BDI", or the "Debtor") comprising, located at, arising from, or in any way relating to the property commonly known as 1801-1825 Park Drive in Portage la Prairie, Manitoba (the "Project Premises"), including the development of the project (the "Project") located thereon.
- 2. The Receivership Order provided that the Receiver shall not be deemed to be in possession of the real property located at the Project Premises until such time as the Receiver took care and control of the Project Premises, and that the Receiver may elect not to go into possession of the Project Premises until satisfied that adequate insurance coverage is in place.
- 3. On November 14, 2023, the Receiver took possession and control of the Project Premises, and in accordance with the terms of the Receivership Order, the Receiver served notice of same to the service list.
- 4. On November 16, 2023, the Receiver filed a report (the "First Report") to provide information to the Court in connection with its motion to the Court for the Order dated November 20, 2023 (the "November 20 Order"), which among other things included:
 - (a) the activities of the Receiver since its appointment;
 - (b) the engagement of NDC Construction Ltd. as contractor (the "Contractor") for certain construction on the Project ("Package A", as described in the First Report);
 - (c) the professional fees and disbursements of the Receiver and the Receiver's counsel, MLT Aikins LLP (the "Receiver's Counsel") for the period up to and including October 29, 2023, and October 31, 2023, respectively; and
 - (d) amending the Receivership Order to include the legal description and status of title number of the Project Premises to allow the Receiver's Counsel to properly register a notice of the Receiver's appointment with the Manitoba Land Titles Registry.

- 5. Electronic copies of the First Report, this second report of the Receiver (the "Second Report") and other Court materials and documents in connection with these Receivership proceedings (the "Proceedings") are available on the Receiver's website at https://home.kpmg/ca/BokhariDevelopment (the "Receiver's Website").
- 6. Capitalized terms used but not defined in this report are as defined in the Receivership Order.

II. PURPOSE OF REPORT

- 7. The purpose of this Second Report is to provide this Honourable Court with information pertaining to:
 - (a) the current construction progress on the Project Premises;
 - (b) the Receiver's broker selection process, and proposed engagement of a selected broker in respect of Court-approved sale process related to the Project;
 - (c) the Receiver's proposed sale process in respect of the Project (the "Sale Process"). A copy of the Sale Process procedures (the "Sale Procedures") is attached hereto as Appendix "A";
 - (d) the status of certain property and financial claims filed by Claimants (as defined herein);
 - (e) the activities of the Receiver since the date of the First Report;
 - (f) certain ancillary matters in these Proceedings;
 - (g) the Receiver's interim statement of receipts and disbursements (the "Interim R&D") for the period from the Receivership Date to and including November 15, 2024;
 - (h) the accounts of the Receiver and the Receiver's Counsel for the Receiver Fee Period (as defined herein) and the Counsel Fee Period (as defined herein), respectively; and
 - (i) the Receiver's conclusions and recommendations.

III. QUALIFICATIONS & TERMS OF REFERENCE

8. In preparing this Second Report and making the comments herein, the Receiver has been provided with, or has relied upon certain unaudited, draft, and/or internal financial information, the Debtor's records and financial information and information from other third-party sources (collectively, the

- "Information"). The Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Canada Handbook, and accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
- 9. Some of the information referred to in this Second Report consists of financial forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
- 10. Certain Information referred to in this Second Report is based on estimates and assumptions. Such estimates and assumptions are, by their nature, not ascertainable and as a consequence no assurance can be provided regarding the forecasted or projected results. The reader is cautioned that the actual results will likely vary from the forecasts or projections, even if the assumptions materialize, and the variations could be significant.
- 11. The Receiver has prepared this Second Report in connection with the motion to be heard by the Court on December 2, 2024 (the "December 2nd Motion") or as soon after that time as the December 2nd Motion can be heard. This Second Report should not be relied on for other purposes, except for those expressly specified by the Receiver, if any.
- 12. The information contained in this Second Report is not intended to be relied upon by any prospective purchaser in any transaction with the Receiver.
- 13. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

IV. BACKGROUND ON THE PROJECT

14. Detailed information with respect to the Project, the Debtor's business operations, financial position, and causes of insolvency are set out extensively in the First Report, and in the Affidavit of Brian Jahoor sworn August 23, 2023 (the "Jahoor Affidavit") both previously filed with the Court.

Construction Progress

- 15. Since this Court authorized and approved the engagement of the Contractor, pursuant to the November 20 Order, the Receiver engaged with the Receiver's Counsel and the Contractor to determine and finalize the Contractor's scope of work, schedule and other contract terms (the "CCDC Contract").
- 16. The Contractor, in accordance with the CCDC Contract and additional work orders, completed construction for the following Package A activities:
 - (a) the completion of the building framing, facia and soffits, as required;
 - (b) the completion of exterior sheathing and siding on buildings, and remediation of damaged elements for the exterior of buildings;
 - (c) truss repairs and framing deficiencies as identified in structural reports;
 - (d) plumbing rough-ins in for basements;
 - (e) subgrade prep, granular placement and compaction, rebar, concrete for basement floors;
 - (f) pile foundations and framing of balconies;
 - (g) parging, the application of a specialized mortar mix which is particularly applicable to foundations and basement walls, to the surrounding perimeter of the Project; replacing and installing window and doors; and
 - (h) addressing miscellaneous remediation work and maintenance of the site.
- 17. Prior to the substantial completion of Package A, the Receiver, in consultation with the Receiver's Counsel and the Contractor, began coordinating the interior fit-out and site civil scopes of work on the Project to assist in determining next steps and to ensure continued construction would be possible on the Project during the winter months.
- 18. The Receiver, in consultation with the Applicant and the Contractor, made a change order under Package A, directing the Contractor to advance identified critical path civil and electrical scope activities (the "Critical Path Activities"), which include but are not limited to the following items:

- (a) the rough grading of the site, including areas surrounding buildings and parking lots;
- (b) installation of geogrid and compaction of granular sub base material in the parking lots;
- (c) laying electrical conduit and electrical cables to buildings and parking panels;
- (d) installing frost shield around the building exterior to mitigate foundation damage as a result of freezing; and
- (e) installation of culverts and associated drainage scope.
- 19. As of the date of the Second Report, the Contractor has commenced Critical Path Activities and will progress until weather no longer permits. Weather-dependent, the Critical Path Activities are anticipated to be completed by mid-December 2024 with the Contractor demobilized from the Project Premises by the end of December 2024.

V. SALE PROCESS

- 20. As noted in the First Report, after the completion of Package A, the Receiver was of the view that it would be in a better position to evaluate its options with respect to the Project, which included commencing a sale process for the Project in its current state, or completion of the Project in its entirety prior to a sale.
- 21. The Receiver evaluated various realization alternatives that considered the quantitative and qualitative aspects associated with the sale of a (i) partially completed Project, or (ii) completed Project, and in consultation with the Applicant, determined that the best course of action in the circumstances was to arrange for the sale of the Project after the completion of Package A (as amended).
- 22. This section provides an overview of the proposed Sale Process.

Broker Selection Process

23. The Receiver distributed the request for proposal (the "Broker RFP") to four (4) listing brokers (the "Solicited Brokers"), requesting that they submit to the Receiver a proposal to market and sell the Project. The list of Solicited Brokers comprised listing brokers which, in the Receiver's view, were likely to have sufficient market presence and reach, and expertise in the asset class in order to appropriately market the Project for sale.

- 24. Three (3) of the Solicited Brokers executed non-disclosure agreements in order to obtain information and consider submitting a proposal ("Interested Brokers"). The Broker RFP specifically requested that the Interested Brokers include in their proposals, among other things, information pertaining to:
 - (a) commentary on the market for similar properties in Portage la Prairie, including considerations of various potential purchaser profiles;
 - (b) estimated valuation of the Project as a partially completed project, with considerations of potential purchasers' perception of market risk and expectations for profit in completing the Project;
 - (c) proposed marketing strategy, including commentary on the pricing strategy and types and quantum of marketing expensed anticipated to be incurred;
 - (d) proposed use of minimum listing period, bid deadlines, and any other relevant milestones and timelines;
 - (e) anticipated time period required to obtain offers in respect of the Project and close on any acceptable transactions;
 - (f) a detailed breakdown of the proposed broker fee structure; and
 - (g) relevant credentials and experience.
- 25. The Broker RFP requested that all proposals be delivered to the Receiver by no later than September 5, 2024 (the "**Proposal Deadline**"). Prior to the Proposal Deadline, the Receiver received proposals from the three (3) Interested Brokers (the "**Proposals**"). The Receiver reviewed the Proposals and engaged in discussions with each of the Interested Brokers to review their respective Proposals and to clarify certain details therein.
- 26. Given that the Proposals were submitted to the Receiver by competitor brokerage firms and contain sensitive commercial and competitive information, a schedule summarizing and comparing the key terms of the Proposals (including economic terms), redacted for the identity of the applicable Interested Brokers (other than the selected Broker) is attached hereto as Confidential Appendix "1" (the "Broker Comparison Summary"). In the Receiver's view, the disclosure of the commercial terms and competitive information contained in the Broker Comparison Summary

would have a detrimental impact on (i) each of the applicable Interested Brokers, as it would reveal confidential information, including pricing information, to their competitors, and (ii) efforts to engage a new broker in the future should the need arise.

- 27. Following a thorough review of the Proposals and clarifying discussions with each of the Interested Brokers, the Receiver, in consultation with the Applicant, selected Colliers International Group Inc. ("Colliers", or the "Broker") as the Receiver's proposed exclusive listing agent to assist in developing and implementing the Sale Process. As apparent from the Broker Comparison Summary, the economic terms of Colliers' proposal were within a narrow competitive range of the Proposals received and in the Receiver's view, Colliers' proposed marketing strategy, strong presence and understanding of the local market and its market reach with anticipated buyers, together with its experience with Court-supervised sale processes, make it best suited to assist the Receiver in conducting a robust and transparent Sale Process that will maximize value.
- 28. The Receiver has engaged the Broker pursuant to an engagement letter (the "Broker Engagement Letter"), subject to Court approval. A copy of the Broker Engagement Letter which has been redacted for commercial terms is attached hereto as Appendix "B" and an unredacted copy is attached hereto as Confidential Appendix "2".
- 29. Key terms of the Broker Engagement Letter are summarized below:
 - (a) the Broker Engagement Letter is subject to the approval of the Court;
 - (b) the Broker will assist the Receiver in the marketing and sale of the Project on an "as is, where is" basis, in accordance with the Sale Process;
 - (c) the Broker will assist the Receiver in conducting all negotiations; however, the Broker will not have the authority to make commitments or representations, enter into any agreements, or sign any documents on behalf of the Receiver;
 - (d) the Broker has the exclusive right to list the Project for sale for a six (6) month period commencing on October 29, 2024 and ending on April 29, 2025 (the "**Term**");
 - (e) the Broker will be compensated in the form of a commission based on the gross sale price of the Project, subject to a minimum and maximum commission fee (the "Commission"), payable upon the completion of a Court-approved sale transaction for the Project;

- (f) the Commission is inclusive of all costs, fees and expenses associated with the Broker marketing the Project and engaging or otherwise utilizing a local broker partner as necessary or desirable;
- (g) the Commission is also payable to the Broker in the event that within 60 days after the expiration of the Term, (i) the Receiver enters into an agreement of purchase and sale for the Project which is subsequently completed; or (ii) negotiations continue, resume or commence following the Term with any person or entity with whom the Broker has negotiated or introduced the Project within ten (10) business' days following the expiry of the Term and such negotiations result in the closing of a transaction; and
- (h) a third-party real estate brokerage, or a Colliers' broker other than those parties named in the Broker Engagement Letter, may be permitted to cooperate in the sale of the Project, and such cooperating brokerage or broker would be entitled to a commission (which will be paid out of the Broker's Commission), to encourage participation in the Sale Process by the broker community.
- 30. In the Receiver's view, the terms of the Broker Engagement Letter are reasonable, provide the appropriate amount of control over the Sale Process to the Receiver, and properly incentivize both the Broker to achieve the best outcome in the Sale Process and any cooperating broker to participate in the Sale Process.

Sale Process

- 31. Although the Receiver has obtained estimated indications of value from the Interested Brokers that participated in the Broker RFP, which will serve as a reference point throughout the Sale Process, it has not commissioned formal appraisals on the Project at its current state, or as contemplated at the completion of Package A. In the Receiver's view, the best indicator of value for the Project is a robust and transparent sale process which thoroughly tests the market, and not appraisals which are naturally premised on assumptions and may not materialize as estimated. Accordingly, the Receiver has, in consultation with Colliers and the Applicant, focused on developing the Sale Process.
- 32. Parties interested in participating in the Sale Process are encouraged to read the Sale Procedures in their entirety. The key terms of the Sale Procedures are summarized below (unless otherwise noted, defined terms are as defined in the Sale Process).

Marketing

- (a) The Sale Process contemplates a marketing approach with two phases. In Phase I, the Broker will market to parties that may be interested or that have expressed an interest in purchasing the Project. The pool of interested buyers is anticipated to include a diverse group of private capital, real estate investment trusts, syndications, and local buyers. On the commencement of Phase II, the Broker, in consultation with the Receiver, will prepare a mass marketing launch to campaign and list the Project on various listing and social media platforms, among other activities to be determined between the Receiver and the Broker.
- (b) The overall active marketing period is anticipated to be approximately 4 weeks in duration (excluding approximately 2 weeks around the December holiday period where a lower level of market activity is anticipated).
- (c) Any parties interested in the Project are free to express their interest, undertake due diligence and participate in the Sale Process at any time, subject to entering into the confidentiality agreement referenced below.
- (d) It is anticipated that parties interested in the Project will have sufficient time to assess the opportunity and conduct due diligence. In the Receiver's view, this marketing approach should permit the Broker to focus on active marketing to prospective purchasers who are most likely to have serious interest in the opportunity and still provide all prospective purchasers with ample time to participate in the Sale Process.
- (e) The Project is anticipated to be listed on an unpriced basis.
- (f) A variety of marketing tools will be utilized, including marketing brochures, emails, phone calls, local signage, and listing the Project on listing platforms, including but not limited to, Moodys and Realtors.ca and social media platforms (i.e. LinkedIn).
- (g) All interested parties who sign a confidentiality agreement (each a "Potential Bidder") will be granted access to a confidential data room, which will contain financial and other information in respect of the Project.

Solicitation and Review of Bids

- a) Potential Bidders will be required to submit a non-binding letter of interest (each a "Non-Binding LOI") by an initial bid deadline (the "Initial Bid Deadline"), which will be communicated broadly to all Potential Bidders and other interested parties. The Initial Bid Deadline is anticipated to be set for January 17, 2025.
- b) Following the Initial Bid Deadline, the Receiver, in consultation with the Broker, will review each Non-Binding LOI to determine whether it sets out the key information (including the general deal structure, assets to be purchased, liabilities to be assumed, purchase price and material conditions) required to be considered a "Bid".
- c) On or about January 24, 2025, the Receiver, in consultation with the Broker may:
 - (i) select a Bid as a "Lead Bid" and seek to negotiate and settle the terms of a binding agreement; or
 - (ii) invite two or more bidders to participate in a second round of bidding to submit a binding offer by a "Qualified Bid Deadline", to be set on no less than 10 calendar days' notice to such bidders, following which the Receiver will (in consultation with the Broker) evaluate each such binding offers and seek to negotiate and settle the terms of a binding agreement to the extent any of the binding offers are selected as a successful bid.
- d) In either case, prior to the negotiation of a binding agreement, (i) the applicable bidder will have to be determined to be a "Qualified Bidder" by the Receiver, having regard for its ability to consummate its proposed transaction (taking into account such factors as its financial wherewithal, availability of financing, market presence, etc.), and (ii) the applicable bid or binding offer will have to satisfy certain procedural requirements and set out certain information, including timeline to closing, identity of sponsors, contracts to be assumed, approvals to be obtained and any remaining due diligence to be conducted, as determined by the Receiver and communicated to such applicable bidders.
- e) The Receiver may request a cash deposit from each Qualified Bidder, on terms acceptable to the Receiver and, in an amount to be determined by the Receiver on no less than two (2) business days' notice.

- f) In evaluating whether to select a "Lead Bid" or a binding offer and proceed to negotiate a binding agreement, the Receiver will consider, among other things, the following criteria: the purchase price and any proposed adjustments thereto, form of consideration offered, the liabilities to be assumed and the certainty and anticipated timing of closing. Again, the Receiver may request a cash deposit from the Lead Bid bidder.
- g) The Receiver is under no obligation to continue negotiations with any particular party, accept any bid or binding offer (including the highest or best offer) or enter into any binding agreement(s).

Court Approval

- a) If and when a binding agreement is negotiated and executed, the Receiver, with the Broker's assistance, will assist the parties to complete any remaining due diligence, seek this Court's approval of the proposed transaction and thereafter, seek to close the proposed transaction.
- b) Since its appointment, the Receiver has received certain inquiries from prospective purchasers in respect of the Project. However, the Receiver has determined not to progress discussions with these parties outside of the Sale Process and has indicated to such parties that they may participate in the Sale Process, once approved by the Court.
- c) In the Receiver's view, the proposed Sale Process provides the best opportunity to broadly market the Project and maximize value. Further, the proposed Sale Process was developed in collaboration with the Broker, and the Broker is supportive of the Sale Process.

Other Matters related to the Sale Process

- 33. As detailed in the Jahoor Affidavit, the Applicant commenced these Proceedings as it had serious concerns about the allegations made in the Bokhari Action Materials (as defined in the Jahoor Affidavit). In particular, the Bokhari Action Materials indicate that:
 - (a) the Applicant may have been intentionally misled as to the ownership structure of BDI from the outset in order to induce the Applicant and the Canada Mortgage and Housing Corporation into entering into the loan and the mortgage;
 - (b) the Project Premises had been abandoned by BDI and work had ceased on the Project;

- (c) the abandonment of the Project Premises had left it, and possibly surrounding property in Portage la Prairie, at risk of fire;
- (d) funds advanced by the Applicant to BDI in connection with the loan and the mortgage may have been misappropriated by one or more persons;
- (e) the Project may have been grossly mismanaged;
- (f) contractors may have been unwilling to continue work on the Project if it remained in the control of BDI, Shaver and/or Bokhari; and
- (g) the status of the Project and anticipated completion was unclear.
- 34. At the August 29, 2023 hearing for the Receivership Order, the matter of BDI's ability to redeem the mortgage was raised. Since this time the Receiver has been able to confirm that the Project was left in such a condition as to pose risk of fire, which was the impetus for the Receiver to complete the exterior envelope of the buildings, among other things. Further, representatives of BDI purported to the Receiver to have limited financial records in respect of the Project, and there has been very little correspondence between representatives of BDI and the Receiver during these Proceedings. The Receiver's Counsel advises that the Bokhari Action (as defined in the Jahoor Affidavit) remains ongoing with pleadings being filed as recently as November 15, 2024.
- 35. The Receiver understands that representatives of BDI have expressed interest to the Applicant in redeeming the mortgage, and the Receiver has had conversations with an advisor to representatives of BDI regarding same, however as of the date of this Second Report (some 15 months since the matter was first raised), the Debtor has not exercised this right.
- 36. Following the Receiver's appointment, a prospective purchaser made a comment to the Receiver's Counsel to the effect that they thought that BDI was going to be the "owner" of the Project again. In addition, an Interested Broker asked the Receiver if there was any point in participating in the broker selection process as they had heard that BDI was going to regain control over the Project.

- 37. The Receiver and the Receiver's Counsel are of the view that the market of potential interested parties may be dissuaded from participating in the Sale Process if there is any indication that BDI or parties related to BDI may regain control of the Project, other than by participating in the Sale Process, negatively impacting the integrity and efficacy of the Sale Process.
- 38. Accordingly, by letter dated November 12, 2024, Receiver's Counsel wrote to the listed directors of the Debtor, with a copy to Knight Law Office ("Knight Law"), indicating that in order to preserve the integrity of the Sale Process and to ensure a competitive Sale Process that the Receiver would be seeking relief from the Court at the hearing on December 2, 2024 that the Debtor's right to redeem (if any) would conclude upon the commencement of the Sale Process. As of the date of this Second Report no response has been received. A copy of the November 12th correspondence is attached hereto as **Appendix "C"**.
- 39. In the interest of maximizing the value of the Project and providing full clarity to interested parties, the Receiver respectfully requests that the Court terminate the Debtor's ability to redeem the Applicant's mortgage.

VI. TAX MATTERS

- 40. Pursuant to the Receivership Order, the Receiver was appointed over the Project, and not BDI in its entirety. The concern was that BDI may have other development projects over which the Applicant was not a secured creditor. As such and in connection with the Proceedings, the Receiver opened a separate GST account (RT0002) with Canada Revenue Agency ("CRA") under BDI's business number, solely with respect to the Project and not BDI more broadly.
- 41. The Receiver to date has filed GST returns for the Project under the RT0002 account for the period from August 29, 2023 to October 31, 2024. The Receiver will continue to file GST returns for the Project on a monthly basis during the Proceedings.
- 42. The Receiver is aware that BDI has outstanding returns for their RC0001 account (FY2022 and FY2023 returns) and RT0001 account (since December 2022) (collectively the "Outstanding Returns"). On August 19, 2024, CRA issued a GST assessment for the RT0002 GST returns filed, stating that refunds (in the amount of \$199,433.59 through June 30, 2024) would be held due to non-compliance by BDI with respect to their tax accounts.

- 43. The Receiver has contacted CRA to distribute the withheld refunds however CRA is of the position that these funds will not be released until BDI is in compliance. It is the Receiver's understanding from CRA that income tax and GST returns will also need to continue to be filed on a timely basis for the period following the Receivership Date to remain compliant with the *Income Tax Act* and the *Excise Tax Act*.
- 44. As noted above, pursuant to the Receivership Order, the Receiver's appointment is limited to the Project and does not extend to BDI in its entirety, and as such, the Receiver has neither the Court's authorization nor sufficient records to file the Outstanding Returns on BDI's behalf.
- 45. On September 10, 2024, the Receiver communicated to CRA its inability to file the Outstanding Returns on BDI's behalf and that since the Receiver's appointment, GST returns, solely related to the Project, have continued to be filed to remain compliant under the *Excise Tax Act*. CRA advised the Receiver that since BDI remains an active corporation that has not filed for bankruptcy, no tax relief provisions are available that allow for the release of the refund while the Outstanding Returns remain unassessed.
- 46. As such, on September 11, 2024, the Receiver sent a letter to the registered directors of BDI, with a copy to Knight Law, to request that the Outstanding Returns be completed so that CRA would release the held GST refunds. Shortly thereafter, the Receiver was in communication with Darcy Shaver, and BDI's former accountant, and understood from Mr. Shaver that he intended to have the Outstanding Returns completed. The Receiver has followed up with Mr. Shaver but as at the date of this Second Report, has not been provided with a substantive update on the status of the Outstanding Returns. A copy of the September 11th correspondence is attached hereto at **Appendix** "D"
- 47. The Receiver notes that BDI's non-compliance with the *Income Tax Act* and the *Excise Tax Act* is impeding access to proceeds during the Proceedings, requiring the Receiver to borrow more under the Receiver's Borrowings Charge (as defined in the Receivership Order). It is estimated that as at September 30, 2024, the total GST refund receivable in the Proceedings is approximately \$302,847 and the amount is anticipated to increase thereafter owing to the continued Critical Path Activities construction being completed leading into the Sale Process.
- 48. The Receiver is unaware of any other ongoing projects by BDI and respectfully requests that this Court amend paragraph 3 of the Receivership Order to add subparagraph (u) to empower and authorize the Receiver to take control over the Debtor's RC0001 and RT0001 tax accounts for the

purpose of making the necessary filings for the filing periods both prior to and after the Receivership Date and direct the directors of the Debtor to comply with paragraph 6 of the Receivership Order in respect of amended paragraph 3(u) of the Receivership Order.

VII. UNRESOLVED PROPERTY CLAIMS

- 49. The Receiver understands that prior to the Receivership Date, the former general contractor, 6332189 Manitoba Ltd.'s ("Gateway"), and certain subcontractors performed work on the Project. Following the Receiver's appointment, the Receiver attended the Project Premises and, among other things, took an inventory of the materials and equipment onsite and those disclosed as being held offsite (the "Materials and Equipment").
- 50. Following the Receivership Date, certain parties claimed ownership of certain of the Materials and Equipment (each a "Claimant"), and the Receiver requested that the Claimants submit proofs of claim proving ownership of said Materials and Equipment. To date, the Receiver has been in discussions with five (5) Claimants and has arranged for the retrieval of certain Materials and Equipment by Claimants, where such claims were proven.
- Among such Claimants, the Receiver has spent significant time reviewing claims made by Gateway and by SLK Contracting Ltd. ("SLK"), and liaising with these Claimants to seek further substantiation for the claims; as at the date of this Second Report, these claims are unresolved and the Receiver's activities with respect to same are outlined below:

Gateway

- 52. On September 14, 2023, D'Arcy & Deacon LLP ("Gateway's Counsel" or "D'Arcy and Deacon"), on behalf of Gateway, issued a letter to the Receiver that listed various Materials and Equipment purported to be owned by Gateway (the "Letter", a copy of which is attached hereto at Appendix "E"). The Letter was accompanied by some supporting documentation.
- 53. The Receiver cross-referenced the contents of the Letter against its inventory of the Materials and Equipment to determine i) whether the Receiver may be in the possession of such items, and ii) where supporting documentation was provided, whether such documentation matched the respective Materials and Equipment.

- 54. The Receiver identified numerous discrepancies between the claim made by Gateway in the Letter (the "Gateway Claim"), and the Materials and Equipment, and other shortcomings in proving ownership of the property which were communicated to Gateway as outlined below.
- 55. The Receiver and the Receiver's Counsel had various correspondence and telephone calls with representatives of Gateway and Gateway's counsel on the Gateway Claim, including facilitating the return of certain of Gateway's property where ownership was proven (as detailed below). On January 11, 2024, the Receiver wrote to Gateway's Counsel to summarize its assessment of each resolved or unresolved item of the Gateway Claim included in the Letter (the "January 11 Correspondence", a copy of which is attached hereto as Appendix "F"). This included requesting supporting documentation where substantiation was missing or unclear. Listed below are each of the components of the Gateway Claim, and the Receiver's assessment of same:

Resolved Claims

- (a) A generator was included in the Gateway Claim, and was purported to be older equipment from prior jobs with no associated invoices to prove ownership. The generator was not included in the Materials and Equipment, and the Receiver was unable to locate any generator at the Project Premises.
- (b) The Gateway Claim also included a claim for a security camera (the "Installed Security Camera") on the Project Premises, however the invoices provided indicate that the security cameras were installed on the Project, and the Receiver advised of such in the January 11 Correspondence. As such, in the Receiver's view, while the claim for the security camera may constitute a lien claim if unpaid, it is not a property claim, and as such, the Receiver has not requested supporting evidence to prove that the invoices were unpaid. In the Receiver's view, the claim for the Installed Security Camera is resolved from a property claim perspective.
- (c) The Gateway Claim also included one (1) diesel boom lift, for which Gateway's ownership was ultimately proven and the asset was retrieved by a representative of Gateway.

Unresolved Claims

(d) Shipping Containers and Other Equipment:

- (i) Five (5) shipping containers were included in the Gateway Claim. Upon the Receiver's appointment, there were five (5) shipping containers and one trailer at the Project Premises which formed part of the Materials and Equipment. Invoices were provided for three (3) shipping containers and two (2) were purported to be owned by Gateway from prior jobs and hence no associated invoices were available.
- (ii) The supporting documentation provided with the Gateway Claim was sufficient to prove Gateway's ownership of one (1) shipping container (the "Proven Container"), however there was either insufficient documentation provided, or documentation did not match the details of the shipping containers at the Project Premises, and as a result the ownership of the remaining four (4) containers was not substantiated. The Receiver advised Gateway's Counsel of the foregoing in the January 11 Correspondence, including that the Receiver would provide access for Gateway to retrieve the Proven Container, but that as the ownership of the contents of that container had not been proven (see later subparagraph), the Proven Container would be emptied of its contents prior to retrieval. As at the date of the Second Report, Gateway has not retrieved the Proven Container.
- (iii) Further, since the date of the January 11 Correspondence, one of the containers in the Gateway Claim was retrieved by another Claimant who substantiated their ownership to that piece of property.
- (iv) As at the date of this Second Report, other than Gateway (whose ownership appears to be in dispute as discussed below), no other parties have claimed ownership of the remaining three (3) containers (the "Unresolved Containers").
- (v) Three (3) gas heaters were included in the Gateway Claim (the "Gas Heaters") and purported to be older equipment from prior jobs with no associated invoices to prove ownership. The Receiver had inventoried three gas heaters in the Materials and Equipment, however noted that each has a distinct United Rentals barcode. In the January 11 Correspondence, the Receiver asked Gateway to provide sufficient supporting documentation to determine the ownership of the heaters. As at the date of this Second Report, no supporting documentation has been provided by Gateway, and no other parties have claimed ownership.

(vi) The Gateway Claim also included an invoice for 27 rig mats (the "**Rig Mats**") purported to be located on the Project Premises. As the Receiver could not identify the Rig Mats based on the invoice, in the January 11 Correspondence the Receiver requested additional information from Gateway in order to assist in determining if Rig Mats were indeed on the Project Premises. As at the date of this Second Report, no such information has been provided, and accordingly the Receiver has been unable to determine if the Rig Mats are onsite.

(e) Other Materials:

- (i) The Gateway Claim included claims for certain plumbing materials, bags of insulation, interior doors, suite entry doors, door hardware, and door closures (the "Other Materials") purported to be located in shipping containers on the Project Premises. Certain invoices were provided in support of claims for these Other Materials, however, in the January 11 Correspondence, the Receiver advised that where invoices were provided, the delivery dates for the Other Materials were dated in 2022, and that since advances appear to have been made from the Applicant to the Debtor for costs covering the period through April 30, 2023 (the "Loan Advances Period"), the Receiver had insufficient information to substantiate the Other Materials claim. The Receiver requested copies of invoice(s) presented to the Debtor related to the Other Materials, reference to the related loan draw, and sufficient information to connect the respective invoices to the Other Materials. The Receiver also advised Gateway's Counsel that invoices to substantiate a claim to certain other plumbing materials (not itemized) were not provided. As at the date of this Second Report, no supporting documentation has been provided by Gateway, and no other parties have claimed ownership.
- (ii) The Receiver notes that based on its review of BDI's trust accounting on the Project provided by Knight Law, the last payment made to Gateway received was on May 10, 2023. In total, the trust accounting indicates that Gateway was paid \$14.7 million from September 2021 to May 2023. The Receiver has received copies of what it understands are all of Gateway's invoices to BDI on the Project, however there are no details on the costs claimed by Gateway in each invoice, despite requests made to BDI and Gateway. Given the limitations in substantiating the Gateway Claim for the Other Materials, the Receiver has not performed a

reconciliation of the invoices provided to the inventory of Materials and Equipment. Further, given the period in which the Other Materials were purchased (during the Loan Advance Period) and the passage of time since the date of the Letter and the January 11 Correspondence, the Receiver does not anticipate that there is any information forthcoming which could substantiate Gateway's ownership of the Other Materials.

(iii) The Gateway Claim also included an invoice for road fabric and a property claim for the uninstalled quantity of road fabric (the "Uninstalled Fabric"). The invoice is dated in May 2023, after the Loan Advances Period. The Materials and Equipment inventory includes Uninstalled Fabric at the Project Premises. The Receiver's review of the Uninstalled Fabric claim is still in process, and the Receiver anticipates resolving the claim.

(f) Electrical and Fire Alarm Materials:

- (i) The Gateway Claim included claims for certain electrical and fire alarm materials purported to be located in shipping containers on the Project Premises (the "Electrical and Fire Alarm Materials"). As with the claim for Other Materials, the Receiver identified that all invoices provided by Gateway in support of the Electrical and Firm Alarm Materials were dated in 2022, and the invoices were addressed to SLK whom the Receiver understands performed electrical work on the Project.
- (ii) As with the Other Materials claim, in the January 11 Correspondence, the Receiver advised that the dates in the invoices for the Electrical and Fire Alarm Materials were dated in 2022 (prior to the end of the Loan Advances Period), and that the Receiver had insufficient information to substantiate the claim absent proof that SLK had been paid for the invoices and copies of invoice(s) presented to the Debtor related to the Electrical and Fire Alarm Materials, reference to the related loan draw, and sufficient information to connect the respective Gateway invoices to the Electrical and Fire Alarm Materials. Given the limitations in substantiating the Gateway Claim for the Electrical and Fire Alarm Materials, the Receiver has not performed a reconciliation of the invoices provided to the inventory of Materials and Equipment. Further, given the period in which the Other Materials were

purchased (during the Loan Advance Period) and the passage of time since the date of the Letter and the January 11 Correspondence, the Receiver does not anticipate that there is any information forthcoming which could substantiate Gateway's ownership of the Other Materials.

(iii) As noted in a later subsection to this Second Report, SLK has also made a claim for the Electrical and Fire Alarm Materials in the SLK Property Claim (as later defined), which claim is also unresolved.

Ownership of Gateway

- 56. Following the date of the January 11 Correspondence, the Receiver and the Receiver's Counsel have been made aware of a dispute to the ownership of Gateway, as between Russell Sawatzky and Karampal Sandhu.
- 57. On September 14, 2023, in the Letter, D'Arcy and Deacon claimed that Mr. Sawatzky is not a director, officer or shareholder of Gateway and has no interest in Gateway or the Proceedings.
- 58. Between January 11, 2024 to about April 21, 2024, Receiver's Counsel received correspondence from Mr. Sawatzky, which contained conflicting claims that he is the owner of Gateway. Mr. Sawatzky has also made request for certain property left at the Project Premises, similar to the Gateway Claim, and for the Holdback Funds to be released to him, on behalf of Gateway.
- 59. In May 2024, Receiver's Counsel investigated the proper ownership of Gateway by reviewing historical Manitoba Companies records in respect of Gateway. Said records indicated that between August 4, 2023 and November 20, 2023, there had been three change of directors/officers forms and three change of shareholders forms filed, which respectively changed the listed director, officer and shareholder of Gateway back and forth from Mr. Sawatzky, to Mr. Sandhu, to Mr. Sawatzky, then back to Mr. Sandhu.
- 60. By letter dated May 21, 2024, a copy of which is attached hereto as **Appendix "G"**, from Receiver's Counsel to D'Arcy and Deacon and Mr. Sawatzky, Receiver's Counsel advised, *inter alia*, that:
 - a. the Receiver and the Receiver's Counsel were in receipt of conflicting information regarding the ownership of Gateway;

- b. due to conflicting correspondence regarding the ownership of Gateway, and the numerous changes made to the Manitoba Companies Office records, the Receiver is unable to determine with certainty who the proper owner and directing mind of Gateway is; and
- c. accordingly, in order for the Receiver to release any property to Gateway, two conditions must be met: (i) Gateway must establish its rightful owner; and (ii) the Receiver must either receive a joint direction from Mr. Sandhu and Mr. Sawatzky directing the release of the property and specifying the person to whom the property should be released, or Mr. Sandhu or Mr. Sawatzky must prove entitlement to the property to the Court.
- 61. As at the date of this Second Report, the rightful owner of Gateway has not been established, nor did the Receiver receive a joint direction and, in any event, ownership to the Materials and Equipment set out in paragraph 55 (d) through (f) (together the "Unresolved Gateway Property Claim"), has not be proven.
- 62. The ownership dispute in respect of Gateway between Mr. Sawatzky and Mr. Sandhu was raised in the Holdback Proceedings by D'Arcy and Deacon and counsel for Mr. Sawatzky during the September 17 Hearing (each as later defined). Justice Greenberg advised that the Holdback Proceedings may not be the appropriate forum within which to deal with the Gateway ownership dispute and that separate proceedings may need to be commenced to deal with that issue.
- 63. To date, the Receiver is not aware of any Court Order determining the ownership of Gateway between Mr. Sawatzky and Mr. Sandhu, or determining ownership of property that was left at the Project Premises.
- 64. As such, the Receiver is not in a position to release any further property for any resolved elements of the Gateway Claim until the owner of Gateway is definitively determined.

SLK Contracting Ltd

65. In December 2023, representatives of SLK contacted the Receiver regarding SLK's outstanding account related to their involvement as electrical contractor on the Project prior to the Receivership Date. The Receiver explained to SLK that while it was not adjudicating claims for unpaid work at this time, as there were no proceeds at the time for same (other than the Holdback Funds), should any property in the possession of the Receiver belong to SLK, it could be retrieved by SLK upon providing adequate proof of same to the Receiver. The Receiver and SLK discussed the process for

- proving any claim on the Materials and Equipment, and the requirement for supporting documentation to support same.
- 66. Following these conversations, SLK provided the Receiver with SLK's statement of account with Gateway, however these invoices appeared to relate to unpaid work on the Project, and not for unpaid Materials and Equipment provided by SLK. The Receiver advised SLK of same and continued to liaise with SLK to clarify their claims.
- 67. SLK also submitted invoices for alarm system materials purchased from a supplier which were purportedly unpaid by Gateway, and stored at the Project Premises (the "SLK Property Claim"). The SLK Property Claim appears to be for the same Electrical and Fire Alarm Materials as were included in the Gateway Claim, which appeared to have been incurred in 2022, prior to the end of the Loan Advances Period. However, based on the invoices provided with the SLK Property Claim, it appeared to the Receiver that SLK had been paid for the alarm system materials in the SLK Property Claim. On February 6, 2024, the Receiver requested SLK to provide supporting documentation to substantiate the SLK Property Claim and provided examples of such evidence. The Receiver and SLK have subsequently been in contact, however as at the date of this Second Report, the Receiver has not received further supporting documentation from SLK in support of the SLK Property Claim which would change the Receiver's view.

Receiver's Recommendation

- 68. After extensive communication with Gateway and SLK, the passage of time, the Receiver has been unsuccessful in obtaining further information which would substantiate the Unresolved Gateway Property Claim or the SLK Property Claim. Given the imminent launch of the Sale Process, should the Court see fit to grant an Order approving same, the Receiver respectfully requests the Court's assistance in definitively determining the Unresolved Gateway Property Claim and the SLK Property Claim to provide clarity on the Materials and Equipment which constitute Property and can be marketed and sold as part of the Project, and to assist the Receiver in completing the administration of these property claims.
- 69. The Receiver is of the view, subject to this Court's approval, that any Materials and Equipment in the possession and/or control of the Receiver which are subject to the Unresolved Gateway Property Claim or the SLK Property Claim (together, the "Unresolved Property Claims") should be considered Property and the Receiver should be free to deal with the Materials and Equipment to maximize value in the Sale Process, if the Unresolved Property Claims are not proven within thirty

- (30) days of the hearing of the December 2nd Motion, being January 2, 2025 ("Claims Deadline"). The Receiver's view is based on its analysis of the Unresolved Property Claims as laid out in this section of the Second Report, and the Claims Deadline is intended to provide either Claimant with a final opportunity to prove their claims, but to have certainty on the Materials and Equipment prior to the Initial Bid Deadline in the Sale Process.
- 70. Further, should any Claimant dispute the Receiver's determination as to whether third party ownership of Materials and Equipment has been proven pursuant to either of the Unresolved Property Claims, the Claimant would have until January 10, 2025 to bring the dispute to this Court's attention, in order to have said dispute resolved prior to the Initial Bid Deadline.
- 71. The Receiver respectfully recommends that this Honourable Court grant this relief in the furtherance of the Sale Process and the efficient administration of the Proceedings.

VIII. OTHER MATTERS AKIN TO THE PROCEEDINGS

Holdback Funds

- 72. Over the course of the Proceedings, the Receiver and the Receiver's Counsel corresponded with the Debtor's counsel, Knight Law, in respect of holdback funds understood to be held by Knight Law, in trust, from Project progress payments made prior to the Receivership Date (the "Holdback Funds"). The Receiver and the Receiver's Counsel also corresponded with Gateway's counsel, D'Arcy and Deacon, and the Applicant's counsel in respect of the Holdback Funds and the options as to how to expeditiously and cost effectively deal with the Holdback Funds.
- 73. On March 21, 2024 Receiver's Counsel wrote to the Honourable Mr. Justice Chartier and indicated that following the aforementioned consultation, the parties were of the view that the most expeditious and cost effective mechanism to determine entitlement to the Holdback Funds would be to have the claimants prove their claims outside of the Proceedings and in accordance with *The Builders' Liens Act*, CCSM B91 with the balance being returned to the Receiver.
- 74. On June 12, 2024, Knight Law filed an application (the "Application") in Court of King's Bench File no. CI 24-01-46753 (the "Holdback Proceedings") seeking, *inter alia*, an order authorizing and directing Knight Law to pay the Holdback Funds into Court, less the amount of Knight Law's costs (to be determined by the Court).

- 75. On June 28, 2024, D'Arcy and Deacon filed a Notice of Motion in the Holdback Proceedings on behalf of Gateway (the "Gateway Motion") seeking, *inter alia*: (i) for Gateway to be added as a respondent, or in the alternative, an interpleader, to the Application; and (ii) payment to Gateway of any Holdback Funds paid into Court pursuant to the Application.
- 76. An Uncontested Hearing of the Application took place on July 5, 2024 (the "July 5 Hearing") before the Honourable Mr. Justice Lanchbery. The July 5 Hearing was outside of the Proceedings as the Receiver's interest is limited to only any residual Holdback Funds. However the Receiver shared a copy of the Application for information purposes to select creditors of the Debtor who may have an interest in the Holdback Funds. The Receiver also posted the Application and other materials filed and served in the Holdback Proceedings on the Receiver's Website.
- 77. During the July 5 Hearing, Justice Lanchbery made an Order, *inter alia*, authorizing Knight Law to pay the Holdback Funds paid into Court. Justice Lanchbery also set timelines for claimants to the Holdback Funds to file evidence in support of their respective claims and adjourned the Application back to the Judge's Uncontested List for September 17, 2024.
- 78. On September 17, 2024, Receiver's Counsel appeared before the Honourable Madam Justice Greenberg on the Judge's Uncontested List with respect to the Application (the "September 17 Hearing"). The following creditors were in attendance at the September 17 Hearing:
 - (a) D'Arcy and Deacon on behalf of Gateway;
 - (b) Tom Frohlinger on behalf of Russell Sawatzky;
 - (c) Rose Construction (a self-represented lien claimant);
 - (d) Kulbharat Construction Services (a self-represented lien claimant); and
 - (e) SLK Contracting (a self-represented party that has not filed a lien but is claiming entitlement to the Holdback Funds for unpaid invoices for electrical work done on the Project).
- 79. During the September 17 Hearing, due the number of self-represented parties in attendance, Justice Greenberg scheduled a Case Management Conference (the "CMC") for October 24, 2024 for the following matters:

- (a) determining timelines for a contested hearing in the event that the distribution of the Holdback Funds could not be agreed upon by the parties; and
- (b) explaining the contested Application process to self-represented parties.
- 80. On October 23, 2024, the Receiver's Counsel received confirmation from Knight Law that the Holdback Funds had been paid into Court.
- 81. On October 24, 2024, the Receiver's Counsel attended the CMC before Justice Greenberg, however, neither of the two self-represented lien claimants (Rose Construction and Kulbharat Construction Services) who had appeared at the September 17 Hearing were present. Instead, Gateway's Counsel and Mr. Sawatzky's counsel advised Justice Greenberg that they were in agreement that the respective claims of Rose Construction and Kulbharat Construction should be paid in full from the Holdback Funds.
- 82. As no evidence with respect to service of the Gateway Motion or any agreement was before Justice Greenberg, her Ladyship was not prepared to make an order with respect to payout of the Holdback Funds. Instead, Justice Greenberg scheduled a further appearance for November 29, 2024 to allow counsel for Gateway to serve the Gateway Motion upon all interested parties, including all parties with a registered lien against the Project, and to file proof of service and proof of any agreement between Rose Construction and Kulbharat Construction.
- 83. By letter dated October 24, 2024 from Receiver's Counsel to Justice Greenberg, the Receiver's Counsel advised that, *inter alia*, the Receiver's position is that notwithstanding any agreement between Gateway's Counsel and Mr. Sawatzky's counsel, any payment out of the Holdback Funds is not appropriate unless and until Rose Construction and Kulbharat Construction prove their respective entitlement and claims to the Holdback Funds to the Court.
- 84. While the Receiver is not a party to the Application, the Receiver's Counsel continues to attend in respect of this matter to ensure that Holdback Funds are not paid out in respect of any claim, unless that claim has been proven to the Court, and in the event that the Receiver has an interest in any of the Holdback Funds.

Property Funds

85. On January 9, 2024, the Receiver and the Receiver's Counsel received financial records of BDI's trust account (holding the Holdback Funds) and general account for the Project, and identified that

- Knight Law also continued to hold, in trust, \$43,207 in funds in the general account which did not appear to be holdback funds (the "**Property Funds**").
- 86. On January 23, 2024, the Receiver sent a letter to Knight Law requesting the Property Funds be provided to the Receiver, and requesting copies of invoices supporting certain disbursements from the general account. At issue were certain payments, fees and contracts between BDI and various parties and the reasons for two holdback payments that were released in November 2021 and June 2022.
- 87. The Receiver's Counsel has continued to follow up with Knight Law on multiple occasions, however, to date the Receiver has not received the Property Funds or the additional supporting documentation and information requested.

IX. OTHER ACTIVITIES OF THE RECEIVER

- 88. The Receiver's activities from the Receivership Date to November 16, 2023, are detailed in the First Report. Certain of the Receiver's activities since that date have been noted in other sections of this Second Report; the remaining activities of the Receiver have included:
 - (a) attending Court *via* videoconference for the hearing of the motion seeking the November 20 Order;
 - (b) engaging, with the assistance of the Receiver's Counsel, Turner & Townsend as the project lead (the "Project Lead"), following receipt of multiple proposals from prospective project leads;
 - (c) attending the Project Premises to liaise with the Contractor, the Project Lead, and other professional services supporting the Project, and to monitor the progress of the construction;
 - (d) frequent communication and collaboration with the Contractor and the Project Lead on troubleshooting deficient work performed on the Project prior to the Receivership Date, and the work underway pursuant to the CCDC Contract and Critical Path Activities;
 - (e) engaging regularly with the Debtor's insurance broker to work to secure several extensions to both the wrap-up policy and the builder's risk policy to protect the Project during construction, including discussing the adequacy of the insurance provisions in the CCDC

Contract, and strategies to secure insurance for the Project during the course of the Sale Process after construction is completed. Obtaining extensions of the insurance policies, which are scheduled to expire January 1, 2025, has been a challenge to date, among other things, given the protracted period in which the construction had been in progress prior to the Receivership Date and the fact that no construction will be occurring between the renewal and the sale. Further, the monthly premiums are costly, which along with the other ongoing site security costs, will contribute to the monthly carrying costs for the Project during the course of the Sale Process;

- (f) continuing to liaise with the City of Portage la Prairie and representatives of the planning district with respect to the condition of the Project site, the status of permits and related inspections, continuation of construction, and damages assessed by the City related to the period prior to the Receivership date;
- (g) assessing third party property claims made by various Claimants, including liaising with Gateway and SLK for the Gateway Claim and SLK Property Claim, respectively, and arranging for the retrieval of certain equipment by proven Claimants, as appropriate;
- (h) borrowing the amount of \$8,195,000 in aggregate from the Applicant, from the Receivership Date up to November 15, 2024, through a series of borrowing certificates pursuant to the Receiver's Borrowings (as defined herein) and terms of the Receivership Order. Pursuant to the terms of the Receivership Order, the Receiver was authorized to borrow up to \$12,254,662 by way of Receiver's borrowings certificates (the "Receiver's Borrowings"), and was granted a Receiver's Borrowings Charge as security for such borrowings, which charge has the customary super-priority to other liens and encumbrances, as set out in the Receivership Order;
- (i) evaluating, consulting with the Applicant, and making a determination in respect of, various realization alternatives associated with the sale of (i) a partially completed, or (ii) a fully completed, Project, and related construction costs;
- (j) coordinating and initiating, in consultation with the Applicant, a process to select a
 potential broker to assist with the sale of the Project following the completion of the Critical
 Path Activities;

- (k) liaising with, and preparing a request for proposals from certain interested brokers to act as the Receiver's representative with respect to the Sale Process;
- (l) selecting, with the approval of the Applicant, Colliers as the Broker to assist the Receiver in the Sale Process, and negotiating and entering into the Broker Engagement Letter, subject to Court approval;
- (m) developing the proposed Sale Process in collaboration with the Broker, and in consultation with the Applicant;
- (n) working with the Broker to prepare and compile necessary documentation and materials essential for the execution of the established Sale Process;
- (o) corresponding, with the assistance of the Receiver's Counsel, with Knight Law in respect of the Holdback Funds and the options as to how to expeditiously and cost effectively deal with them;
- (p) attending to sales tax returns for the Project from and after the Receivership date, gaining an understanding of the Debtor's tax compliance, and liaising with the CRA, Knight Law and Mr. Shaver on the Outstanding Returns with a view to obtaining outstanding sales taxes receivable from CRA for the benefit of the receivership estate;
- (q) arranging for the continuation of essential services at the Project Premises, and making payments to suppliers, the Contractor, and the Project Lead in respect of same;
- (r) responding to calls and inquiries from the Debtor's stakeholders, including creditors, service providers, representatives of Gateway, and subcontractors regarding purported third-party materials and equipment on site, and lien claims, and the Proceedings generally;
- (s) maintaining the Receiver's Website where copies of all Court and other statutory materials are available in electronic format; and
- (t) communicating with the Applicant, the Applicant's counsel and the Receiver's Counsel in respect of various aspects of these Proceedings.

X. INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

- 89. As noted in an earlier section to this Second Report, the Receiver was authorized to borrow to fund the costs of these Proceedings under the Receiver's Borrowings, and to November 15, 2024, the Receiver has borrowed \$8,195,000 from the Applicant.
- 90. As shown in the Interim R&D below, during the period of August 29, 2023 to November 15, 2024, the Receiver had cash receipts (including borrowings) of \$8,232,928 (net of banking fees), and cash disbursements of \$643,938. As at November 15, 2024, the Receiver's cash on hand was \$588,991, which is inclusive of \$418,004 in holdback funds related to Package A work that are being held in a separate account of the Receiver. The Receiver's cash on hand net of the said holdback funds is \$165,105.

Interim Statement of Receipts and Disbursements For the period August 29, 2023 to November 15, 2024 (CS)					
Receipts	Notes				
Receiver's Borrowings	1	8,195,000.00			
Interest on cash on hand		37,928.16			
Total Receipts		8,232,928.16			
Disbursements					
Insurance premiums and broker fees	2	620,254.50			
Site security	3	475,703.70			
Repairs and maintenance	4	69,985.60			
Construction costs	5	4,909,896.40			
Legal fees	6	139,675.61			
Court-appointed receiver fees	7	681,225.72			
Other professional fees	8	313,250.90			
Equipment rental fees		615.62			
Bank charges		30.00			
OSB fees		75.30			
GST paid		384,976.92			
PST paid		48,247.23			
Total Disbursements	_	7,643,937.50			
Net Receipts and Disbursements for the Period	9	588,990.66			

Notes:

- 1. Receiver's Borrowings are shown before deductions for wire fees applied on receipt of funds.
- $2. \quad \text{Premiums and broker fees relating to the renewal of the Builders Risk and Wrap up} \\$
- 3. Relates to onsite security personnel and CCTV monitoring
- 4. Relates to general repairs and maintenance for unfinished building units.
- 5. Relates to construction costs for Package A
- 6. Receiver's counsel for services through September 2024.
- 7. Receiver's fees & disbursements through October 2024.
- 8. Relate to fees of the Project Lead and structural engineers on the Project.
- Includes \$418,004.69 in holdback funds related to the Package A work which are being held in a separate account of the Receiver.

91. The amount of cash on hand, net of holdback funds, is primarily a result of favourable timing differences in disbursements, the majority of which relate to payments of professional fees and soft costs not yet incurred. As at November 15, 2024, the Receiver had accrued and unpaid disbursements in the amount of approximately \$424,000. all of which will be paid from the remaining cash on hand, plus additional Receiver's Borrowings.

XI. REQUEST FOR APPROVAL OF FEES AND DISBURSEMENTS

- 92. The Receiver's fees and disbursements from the commencement of the Proceedings through to October 29, 2023, and those of the Receiver's Counsel from the commencement of the Proceedings through to October 31, 2023 were approved pursuant to the November 20 Order (collectively, the "Initial Fee Period").
- 93. Pursuant to paragraph 20 of the Receivership Order, the Receiver and the Receiver's Counsel, have continued to maintain detailed records of their professional fees and disbursements since the Initial Fee Period. In accordance with the Receivership Order, the Receiver is seeking approval of its fees and disbursements from October 30, 2023 (the "Receiver's Fee Period") to September 30, 2024, and those of the Receiver's Counsel, from November 1, 2023 to October 26, 2024 (the "Counsel Fee Period") in connection with the performance of their duties in these Proceedings.
- 94. Total fees and disbursements of the Receiver during the Receiver's Fee Period amount to \$486,743 and \$11,871, respectively, both excluding sales taxes (collectively, the "Receiver's Accounts"). These amounts represent professional fees and disbursements not yet approved by the Court. The disbursements included in the Receiver's Accounts relate to disbursements incurred through September 30, 2024, only, and disbursements incurred thereafter have not yet been invoiced. Attached hereto as Appendix "H" is a summary of the invoices comprising the Receiver's Accounts. Details of the Receiver's Accounts will be available to the Court at the December 2nd hearing.
- 95. The total fees and disbursements of MLT Aikins during the Counsel Fee Period amount to \$82,789 and \$450, respectively, both excluding sales taxes (collectively, the "Counsel's Accounts"). These amounts represent professional fees and disbursements not yet approved by the Court. Attached hereto as **Appendix "I"** is a summary of the invoices comprising the Counsel Accounts. Details of the Counsel's Accounts will also be available to the Court at the December 2nd hearing.

- 96. The Receiver has reviewed the Counsel's Accounts and confirms that the services reflected therein have been duly authorized and duly rendered and that, in the Receiver's opinion, the fees and disbursements are reasonable.
- 97. The fees and disbursements of the Receiver and the Receiver's Counsel have been reviewed by the Applicant. The Receiver understands that the Applicant supports the fee approvals sought in the within motion.

XII. RECEIVER'S CONCLUSION AND RECOMMENDATION

- 98. Based on the forgoing, the Receiver respectfully requests that the Court grant an Order(s):
 - (a) approving and authorizing the engagement of the Broker pursuant to the Broker Engagement Letter (attached hereto as **Appendix "B"**, and an unredacted copy of which is attached hereto as **Confidential Appendix "2"**);
 - (b) approving the proposed Sale Process;
 - (c) declaring that the Debtor's right, or any party's right through the Debtor, to redeem the Project shall conclude upon the commencement of the Sale Process;
 - (d) amending the Receivership Order to empower and authorize the Receiver to take control over BDI's RC0001 and RT0001 tax accounts to make necessary filings for periods prior to and after the Receivership date;
 - (e) directing the directors of the Debtor to comply with paragraph 6 of the Receivership Order in respect of subparagraph (c) herein;
 - (f) ordering the production of an accounting, together with supporting documentation and invoices, in respect of the Debtor's general account with Knight Law;
 - (g) approving this Second Report, and the activities of the Receiver detailed herein;
 - (h) authorizing and directing that Knight Law transfer the Property Funds to the Receiver's Account promptly following the granting of this Order;
 - (i) ordering and declaring that the Unresolved Property Claims shall be resolved in accordance with the Receiver's recommendation in paragraphs 69-70;

- (j) approving the Second Report and the activities and actions of the Receiver as described therein, including approving the Interim R&D;
- (k) sealing the confidential appendices to the Second Report, until further order of the Court; and
- (l) approving the Receiver's Accounts and the Counsel's Accounts.

All of which is respectfully submitted this 27th day of November, 2024.

KPMG Inc.

In its capacity as Receiver of Bokhari Development Inc. And not in its personal or corporate capacity

Per:

Katherine Forbes CPA, CA, CIRP, LIT

Senior Vice President

APPENDIX "A"

Procedures for the Sale Process

Background

- 1. On August 29, 2023, upon application by Peoples Trust Company (the "Applicant"), KPMG Inc. was appointed as receiver and manager (the "Receiver") pursuant to an Order in Manitoba Court of King's Bench (the "Court") File No. CI 23-01-42328, Winnipeg Centre (the "Receivership Proceedings") under section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended, and section 55 of The Court of King's Bench Act, C.C.S.M. c. C280 without security, of all the assets, undertakings and properties of the Respondent Bokhari Development Inc. ("BDI") comprising, located at, arising from, or in any way relating to the property commonly known as 1801-1825 Park Drive in Portage la Prairie, Manitoba (the "Project Premises"), including the development of the project (the "Project").
- 2. On December 2, 2024, the Court granted an Order (the "Approval Order"), *inter alia*, approving a sale process in accordance with the terms and conditions set forth herein (the "Sale Process") and the engagement of Colliers International Group Inc. as listing broker (in such capacity, the "Broker").
- 3. The Sale Process is to be conducted by the Receiver, with the assistance of the Broker. The purpose of the Sale Process is to identify one or more purchasers of the Project and to complete a transaction as contemplated herein. Set forth below are the procedures that shall govern the Sale Process and any transaction consummated as a result thereof.
- 4. The Approval Order, the procedures in respect of this Sale Process as contained herein (the **"Sale Procedures"**) and any subsequent order issued by the Court pertaining to the Sale Procedures shall exclusively govern the process for soliciting and selecting bids for the sale of the assets of BDI.
- 5. In the event that there is a disagreement regarding, or clarification required as to, the interpretation or application of these Sale Procedures or the responsibilities of any person hereunder, the Court will have the jurisdiction to hear such matters and provide advice and directions upon application of the Receiver, the Applicant or any other interested party.

Sale Process Overview and Timeline

- 6. The Sale Procedures set forth herein describe: (i) the manner in which prospective bidders may gain or continue to have access to due diligence materials and information concerning the Project; (ii) the process and timelines for the receipt and negotiation of Non-Binding LOIs, Bids, Successful Bids and Binding Agreements (each as defined below); (iii) the process and criteria by which Qualified Bids (defined below) are determined; (iv) the process and criteria by which a Qualified Bid may be evaluated and selected as a Successful Bid; and (v) the process for obtaining approval of a Successful Bid.
- 7. The Sale Process shall be implemented and conducted by the Receiver, with the assistance of the Broker.
- 8. The following table sets out a summary and approximate timeline of key milestones under this Sale Process, subject to any amendments by the Receiver pursuant to and in accordance with the terms herein (all capitalized terms are defined below):

Milestone	Anticipated Date / Timeline

Commencement of Sale Process	On or about December 4, 2024
Commencement of Phase I Marketing Period	On or about December 4, 2024
Commencement of Phase II Marketing Period	On or about December 11, 2024
Initial Bid Deadline	January 17, 2025
Review of Non-Binding LOIs, selection of any Lead Bid and determination by Receiver to proceed with a Qualified Bid Deadline	January 24, 2025
Negotiation of Binding Agreement	1 week following selection of Lead Bid (if applicable) or Qualified Bid Deadline (if applicable)
Satisfaction or waiver of due diligence conditions in Binding Agreement(s)	6 to 8 weeks following execution of such Binding Agreement(s) (exact timeline to be agreed upon therein)
Court approval of any Successful Bid(s)	As soon as reasonably practicable following satisfaction of any due diligence conditions in applicable Binding Agreement(s)
Closing of any Successful Bid(s)	As soon as reasonably practicable, but no sooner than 10 days, following Court approval

Marketing Period

Phase I Marketing Period

9. The Broker, in consultation with the Receiver, will prepare a list of parties that may have an interest in a potential transaction to acquire the Project (the "Identified Buyers"). As soon as reasonably practicable following the commencement of the Sale Process, the Broker shall notify the Identified Buyers and any other parties who reach out to the Broker or the Receiver and express an interest in acquiring the Project (together with the Identified Buyers, the "Known Buyers") of the existence of the Sale Process, and invite the Known Buyers to participate in the Sale Process in accordance with the terms of the Sale Process.

Phase II Marketing Period

10. Following the commencement of the Phase I marketing period, the Broker, in consultation with the Receiver, shall prepare a mass marketing launch to: (i) directly campaign the Project to the Broker's 1,200+ investment team list; (ii) list the Project on listing platforms, including, without limitation, Moody's and Realtors.ca; (iii) advertise the Project on social media platforms as they

deem advisable including, without limitation, LinkedIn; and (iv) take any other steps to advertise the Project as the Receiver, in consultation with the Broker, deems appropriate.

Marketing Materials

11. A non-confidential marketing brochure prepared by the Broker, in consultation with the Receiver, (the "Marketing Brochure") describing the opportunity to acquire the Project will be made available by the Broker to all Known Buyers as soon as reasonably practicable following the commencement of the Sale Process. Additionally, the Marketing Brochure will be made publicly available during the Phase II marketing period, ensuring full market coverage for the sale of the Project.

Access to Dataroom & Site Visits

- 12. In order for any party that is interested in participating in the Sale Process to: (i) participate in the Sale Process; (ii) be granted access to the electronic dataroom that contains confidential information concerning the Project (the "Dataroom"); and (iii) be provided with any other confidential information by the Broker or the Receiver, such party must deliver to the Receiver or the Broker, an executed confidentiality agreement, in form and substance satisfactory to Receiver ("Confidentiality Agreement") and which includes an acknowledgement as to the receipt of a copy of the Approval Order (including these Sale Procedures) and agreeing to accept and be bound by the provisions contained therein. A party, who in the opinion of the Receiver has complied with both of these requirements shall be deemed a "Potential Bidder".
- 13. Upon execution of the Confidentiality Agreement, Potential Bidders will also receive a confidential information memorandum (the "CIM"), providing additional details about the Project and the Sale Process. Due to the volume of documents expected to be provided in the Dataroom, the Receiver, in consultation with the Broker, recognizes that a CIM will assist Potential Bidders to evaluate the opportunity during the Sale Process.
- 14. Potential Bidders shall be provided with access to the Dataroom, together with the Marketing Brochure and the CIM (collectively the "Marketing Materials"), as the Receiver or Broker may deem appropriate. The Receiver, Broker, BDI and their respective representatives and advisors make no representation or warranty as to the accuracy or completeness of any information provided to Potential Bidders, including the information contained in any Marketing Materials or the Dataroom. The Receiver and Broker will coordinate all reasonable requests from Potential Bidders for additional information and due diligence access to the Project Premises. The Receiver, Broker, BDI and their respective representatives and advisors are not responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the sale of the Project, whether provided during site visits or obtained from the Dataroom or otherwise.

Bidding Process

Initial Bid Deadline

- 15. Unless otherwise extended by the Receiver on notice in accordance with this paragraph, the initial bid deadline (the "Initial Bid Deadline") shall be January 17, 2024. In the event that the Receiver extends the Initial Bid Deadline, the Receiver shall provide five (5) calendar days notice of the extension to the following parties and in the following manner:
 - a. Email and/or telephone to all Potential Bidders;
 - b. Email to all Known Buyers;
 - c. Updating any applicable social media and/or postings on listing platforms; and
 - d. Publication in the Dataroom and the website established by the Receiver for the Receivership Proceedings.

Non-Binding LOIs & Bids

- 16. A Potential Bidder that wishes to make a formal offer to consummate a potential transaction must deliver a non-binding letter of intent ("Non-Binding LOI") to the Broker and the Receiver by sending an email attaching same to the email addresses set out for each in Schedule "A" hereto. A Non-Binding LOI shall only be considered a "Bid" (and such Potential Bidder submitting the Bid, a "Bidder") and reviewed by the Receiver in the Sale Process if it is received by the Broker and Receiver by no later than the Initial Bid Deadline, and meets the requirements set by the Receiver and/or the Broker, which shall include the following:
 - a. <u>General Deal Structure</u>: Clear identification of: (i) the total proposed purchase price (the "Purchase Price") for the acquired Project and related assets (the "Purchased Assets"); and (ii) any liabilities anticipated to be assumed;
 - b. <u>Material Conditions</u>: Clear identification of all material conditions to closing that the Bidder may wish to impose and the process and expected timing for satisfaction of same:
 - c. Overview of Bidder: The identity and background of all parties submitting the Bid;
 - d. <u>No Reliance:</u> An acknowledgement and representation that the Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets and liabilities to be assumed; and (ii) has not relied upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied regarding the Purchased Assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith;
 - e. <u>As is/Where is:</u> A confirmation that the Purchased Assets to be acquired and liabilities to be assumed are to be acquired and assumed substantially on an "as, is, where is" and without recourse basis; and
 - f. <u>Additional Information</u>: Such other information as may reasonably be requested by the Receiver and/or the Broker.

Review of Non-Binding LOIs & Bids

- 17. The Receiver, in consultation with the Broker, will review each Non-Binding LOI. The Receiver and/or the Broker may request clarification of the terms of any Non-Binding LOI and, for greater certainty, may hold clarifying discussions with any Bidder regarding its Non-Binding LOI, including to request that such Bidder submit a revised and clarified Non-Binding LOI, provided the initial Non-Binding LOI was submitted by the Initial Bid Deadline.
- 18. As soon as reasonably practicable following the Initial Bid Deadline, the Receiver, in consultation with the Broker, will assess the Non-Binding LOIs received and determine which Non-Binding LOIs constitute Bids. To the extent that a Non-Binding LOI is not compliant with any one or more of the requirements specified in paragraph 16, the Receiver, in consultation with the Broker, may waive such non-compliance, in the Receiver's sole discretion.
- 19. On or about January 24, 2025, the Receiver, following consultation with the Broker may:
 - a. Select a Bid as a lead bid (a "Lead Bid"), if the Bidder submitting such Lead Bid is determined to be a Qualified Bidder (as defined and described below) and such Bid is determined to satisfy the requirements of a Qualified Bid set out in paragraph 21

(with the exception of it being irrevocable and binding, and provided that it has been submitted by the Initial Bid Deadline or in accordance with paragraph 17) and negotiate and settle the terms of a Binding Agreement (defined below) with such Qualified Bidder.

b. Initiate a second round of bidding and request that two or more Bidders submit qualifications to become Qualified Bidders (as defined and described below) and submit a "Binding Offer" in the form of a markup of a form of purchase and sale agreement prepared by the Receiver ("Form of Binding Agreement") and deliver a copy thereof, together with a blackline against the Form of Binding Agreement (or such other form of binding agreement that the Receiver, in its sole discretion, determines is satisfactory), by a deadline to be designated by the Receiver in consultation with the Broker, and communicated to such Bidders on no less than 10 calendar days' notice (the "Qualified Bid Deadline"), in which case the Receiver may, following consultation with the Broker, select a Binding Offers as a successful bid and negotiate and settle the terms of Binding Agreement(s).

The Receiver may require a cash deposit to be provided with each Qualified Bid, on terms acceptable to the Receiver and, in an amount to be determined by the Receiver on no less than two (2) business days' notice to such Qualified Bidders (as defined and described below).

20. Any Binding Agreement that is settled in accordance with paragraph 19 (a) and executed or any Binding Offer that is selected as a successful bid in accordance with paragraph 19 (b) shall be a "Successful Bid".

Qualified Bids

- 21. As soon as reasonably practicable following the Qualified Bid Deadline, the Receiver, in consultation with the Broker, will assess the Binding Offers received and determine which Binding Offers constitute Qualified Bids. A Binding Offer shall only be considered a "Qualified Bid" if it meets the requirements set by the Receiver and/or the Broker, which shall include the following:
 - a. <u>Qualified Bidder</u>: The Binding Offer is submitted by a Qualified Bidder (as defined and described below) and meets all of the criteria of a Bid as set out in paragraph 16;
 - b. <u>Deadline</u>: The Binding Offer is received by the Broker and Receiver by no later than the Qualified Bid Deadline;
 - c. <u>Irrevocability</u>: The Binding Offer is irrevocable for a period of not less than 5 Business days;
 - d. <u>Identity of Sponsors</u>: The identity of all parties that will be sponsoring or participating in the proposed transaction, including all direct and indirect principals of the Qualified Bidder and information about any sources of debt or equity capital sufficient for the Receiver to determine which individuals have a direct or indirect economic interest in the proposed transaction;
 - e. <u>Approval</u>: Evidence, in form and substance reasonably satisfactory to the Receiver, of corporate authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, and delivery of the Binding Offer, which clearly identifies any anticipated shareholder, regulatory or other approvals outstanding (and the anticipated time frame and any anticipated impediments for obtaining such approvals);
 - f. <u>Assumed Contracts</u>: Clear identification of the contracts, agreements or other

arrangements that are to be assumed by the Qualified Bidder;

- g. <u>Due Diligence</u>: To the extent that the proposed transaction is conditional upon additional confirmatory due diligence, clear identification of the scope and nature of such confirmatory due diligence and timing for satisfaction of same;
- h. <u>Timeline to Closing</u>: A timeline to closing with critical milestones; and
- i. <u>Additional Information</u>: Such other information as may reasonably be requested by the Receiver and/or the Broker.
- 22. To the extent that a Binding Offer is not compliant with any one or more of the requirements specified in paragraph 21, the Receiver, in consultation with the Broker, may waive such non-compliance, in the Receiver's sole discretion.

Qualified Bidder Requirements

- 23. The Receiver, in consultation with the Broker, shall assess each Bidder to determine whether such Bidder is likely to be able to consummate its proposed transaction (a "Qualified Bidder"), taking into account such factors as, without limitation, the Bidder's financial wherewithal, availability of financing, existing market presence (if any), experience with comparable transactions to the proposed transaction and any other factors that may be relevant, in the sole discretion of the Receiver. The Receiver shall promptly notify any Bidder which has been determined to be a Qualified Bidder.
- 24. At any time during the Sale Process, the Receiver may, in consultation with the Broker, eliminate a Potential Bidder or Bidder from the Sale Process, including if: (i) such party does not submit a Bid by the Initial Bid Deadline; (ii) such party does not submit a Qualified Bid by the Qualified Bid Deadline (if applicable); or (iii) the Receiver determines that a previously designated Qualified Bidder ceases to meet the criteria of a Qualified Bidder. Any Potential Bidder or Bidder who is disqualified from the Sale Process will be notified as such by the Receiver, and shall (i) have its access to the Dataroom terminated, and (ii) no longer be entitled to further correspondence or updates regarding the Sale Process, in each case unless and until the Receiver determines, in its sole discretion, that the Bidder qualifies (or re-qualifies) as a Qualified Bidder.

Successful Bids

25. Evaluation criteria with respect to whether a Bid or Qualified Bid constitutes a Successful Bid may include, but are not limited to factors such as: (i) the Purchase Price and net value (including assumed liabilities and other obligations to be performed by the Qualified Bidder); (ii) the form of consideration being offered, including any Purchase Price adjustments and/or any non-cash consideration; (iii) whether there is a firm irrevocable commitment for financing or whether the Qualified Bidder has demonstrated access to sufficient capital resources to consummate its proposed transaction; (iv) the claims likely to be created by such bid in relation to other bids; (v) the counterparties to its proposed transaction; (vi) the terms of its proposed Binding Agreement; (vii) the scope, nature and anticipated length of any remaining due diligence that remains to be carried out; (viii) other factors affecting the speed, certainty and value of its proposed transaction (including any regulatory approvals required to close its proposed transaction); (ix) the Project assets and liabilities included or excluded from the bid; and (x) the likelihood and timing of consummating the proposed transaction.

Court Approval

26. The acceptance of the Successful Bid by the Receiver will be subject to approval of the Court. The Receiver shall use reasonable efforts to apply to the Court for approval of any Successful Bid as soon as practical following the determination by it of any such Successful Bid.

27. On closing of a Successful Bid, any other Binding Offers (other than such Successful Bid) shall be deemed rejected by the Receiver as of the date of the closing of such Successful Bid.

Modification, Termination & Waiver

28. The Receiver shall have the right, at any time and in its sole discretion, to: (i) waive strict compliance with the terms of this Sale Process (including missed deadlines or late submission of materials) by any person (including the Receiver); and (ii) modify the procedures set out herein (including altering the deadlines set out herein), and/or adopt such other procedures that will better promote the sale of the Project, provided that material modifications to, or the termination of, the Sale Process shall require Court approval. For certainty, any waiver of or amendments to the deadlines set out herein shall not constitute a material modification.

"As Is, Where Is"

29. Any sale of the Project will be on an "as is, where is" and without recourse basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Receiver, the Broker, BDI or their respective representatives or advisors, except to the extent otherwise expressly provided under a Binding Agreement.

Free of Any and All Claims and Interests

30. In the event of a sale of the Purchased Assets in the Receivership Proceedings, to the extent permitted by law, all of the rights, title and interests of BDI in such Purchased Assets will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges and interests on or against such Purchased Asset (collectively, the "Claims and Interests") pursuant to approval and vesting order(s), other than those permitted encumbrances expressly set out in any applicable Binding Agreement, and such Claims and Interests are only to attach to the net proceeds of the sale of Purchased Assets (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof).

No Obligation to Conclude a Transaction

31. Neither the Receiver nor the Broker shall be under any obligation to (i) continue negotiations with any Qualified Bidder, and/or (ii) accept any Qualified Bid or other offer (including the highest or best offer), or to select any Successful Bid. Without limiting the generality of the foregoing and for greater certainty, the Receiver, in consultation with the Broker, shall have the discretion to determine that a Qualified Bid is not a Successful Bid, even if such Qualified Bid has the highest gross Purchase Price, having regard in all circumstances to the criteria set out in paragraph 25 above.

No Liability

32. The Receiver, Broker, BDI and their respective representatives and advisors shall have no liability or obligations whatsoever to any party or person in connection the Sale Process, including but not limited to arising from any rejection of any Bid, Qualified Bid or Binding Offer. No party or person shall have any entitlement for any reason (including in the event of any modification or termination of the Sale Process) to reimbursement for any costs or expenses incurred.

Notice

33. Any documents, notices, communication or deliverables to be provided to the Receiver or Broker hereunder shall be provided in accordance with and in the manner specified in Schedule "A" hereto.

General

- 34. The Receiver shall be at liberty, throughout the duration of the Sale Process, to consult with the Applicant in respect of matters related to the Sale Process and provide such party with a copy of all Non-Binding LOIs, Binding Offers and Binding Agreements, provided that the Applicant confirms to the Receiver in advance of such consultation and in writing that, neither it nor its affiliates, related parties or principles will be participating in the Sale Process as a Potential Bidder or Bidder.
- 35. Nothing in this Sale Process, the Approval Order or in any other Court order approving this Sale Process shall create any rights in any person other than the Receiver and the Broker.
- 36. All inquiries from parties interested in participating in the Sale Process (including any Potential Bidders) shall be directed to the Receiver or the Broker. For greater certainty, no party interested in participating in the Sale Process (including any Potential Bidder) shall have any discussions regarding any transaction or the Project with representatives of BDI or any other related parties of the Project without the advance written consent of the Receiver.
- 37. At any time during this Sale Process, the Receiver may apply to the Court for advice and directions with respect to the matters contemplated hereby.

Schedule "A" to Sale Process

Defined Terms:

Capitalized terms used but not otherwise defined in the Sale Process procedures shall have the following meanings:

"Binding Agreement" means a definitive and binding agreement of purchase and sale.

"Business Day" means a day, other than a Saturday or Sunday, on which banks are open for business in the City of Winnipeg.

Notice:

Any notice, document, communication or other deliverable permitted or required to be given under the Sale Process (including the submission of Non-Binding LOIs and/or any Binding Offers) shall be given by electronic mail to the below recipients, and shall be deemed to be sent: (i) on the day that it is sent, if it is sent prior to 5:00 pm (Winnipeg Time) on a Business Day, or (ii) on the next following Business Day, if it is sent after 5:00 pm (Winnipeg Time) on a Business Day, or on a non-Business Day.

TO THE RECEIVER:

KPMG INC.

Attention: Katherine Forbes / Mackenzie Wong

Email: <u>katherineforbes@kpmg.ca</u> / <u>mackenziewong@kpmg.ca</u>

TO THE BROKER:

Colliers International Group Inc.Attention: Matt Odger/ Steven Foubert

Email: Matt.Odger@colliers.com / Steven.Foubert@colliers.com

WITH A COPY TO: MLT AIKINS LLP

Attention: J.J. Burnell / Anjali Sandhu

Email: JBurnell@mltaikins.com / ASandhu@mltaikins.com

APPENDIX "B"

THIS EXCLUSIVE ENGAGEMENT AGREEMENT made the 29th day of October, 2024 (the "Agreement")

BETWEEN

BOKHARI DEVELOPMENT INC., by KPMG INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER (AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY) (the "Receiver")

-and-

COLLIERS INTERNATIONAL GROUP INC. (the "Agent")

WHEREAS the Bokhari Development Inc. (the "Owner") is the legal and beneficial owner of the property located at 1801-1825 Park Drive in Portage la Prairie, Manitoba (the "Property");

AND WHEREAS the Agent is a real estate brokerage, licensed to carry on business in the Province of Manitoba:

AND WHEREAS the Receiver was appointed pursuant to an order of the Court of the King's Bench of Manitoba (the "Court") pronounced on August 29, 2023;

AND WHEREAS pursuant to the terms of this Agreement, the Receiver intends to appoint the Agent as the Receiver's exclusive commercial real estate brokerage (the "**Appointment**") to provide the Receiver with Agent's commercial real estate brokerage services as listed in Schedule "A" attached hereto (the "**Services**");

AND WHEREAS the Agent's listing team representing the Receiver in the sale of the Property shall consist of Matt Odger, Steven Foubert, and Dan Chubey (the "Listing Team"), which cannot be changed without prior written consent of the Receiver;

NOW THEREFORE in consideration of the Appointment and the Services, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereby agree as follows:

ARTICLE 1 - RECITALS

1.1 The above recitals are true and accurate in all respects.

ARTICLE 2 - COURT APPROVAL OF AGREEMENT AND SALE PROCESS

- 2.1 This Agreement is subject to the Court granting an Order (in form and substance satisfactory to the Receiver, in its sole and absolute discretion) ("Approval Order") in the receivership proceedings bearing Court File No. Cl23-01-42328 (the "Receivership Proceedings") approving: (i) a sale process and related sale procedure in connection with the sale of the Property ("Sale Process"), and (ii) this Agreement and the terms hereof.
- 2.2 Subject to the granting of the Approval Order, this Agreement shall be for a period of six (6) months, commencing upon execution of this Agreement, and ending on April 29, 2025 (the "Term"). This Agreement may be extended for a further period of time upon the mutual consent in writing of the parties hereto.

2.3 Notwithstanding Section 2.2. herein, should an Approval Order not be granted by the Court, this Agreement shall immediately terminate upon written notice by the Receiver to the Agent. Upon termination of this Agreement, the Receiver shall have no further liability or obligation to the Agent whatsoever.

ARTICLE 3 - FEES

The Receiver agrees to pay the Agent a commission of
with a maximum fee of
Dollars and a minimum fee of the
"Commission") during the Term or Holdover Period, as applicable. The Commission is
In the event the maximum fee or minimum fee is
applicable, the parties agree that it shall be converted to a percentage fee for the purposes of complying with applicable law.

- 3.2 The Agent and the Receiver agree that all deposit monies payable hereunder from any prospective purchaser shall be paid into the trust account of the Receiver's solicitors.
- 3.3 In the event a purchaser fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Receiver, then the Owner authorizes the Receiver's solicitor to retain and pay to the Agent, up to a maximum aggregate total amount of in full and complete satisfaction the Agent's reasonable fees and documented out of pocket expenses incurred prior to such deposit having been forfeited, awarded, directed or released to the Receiver and to pay the balance of the deposit to the Receiver, without any setoff or deduction.

ARTICLE 4 - HOLDOVER

- 4.1 The Receiver further agrees to pay the Agent a Commission if, within sixty (60) days after the expiration of the Term (the "Holdover Period"), with or without the involvement of the Agent the Receiver enters into an agreement of purchase and sale for the Property with a person or entity on the Prospects List as defined below, which is subsequently completed whether within or outside of the Holdover Period.
- 4.2 The Agent agrees to submit a list to the Receiver (the "Prospects List") of all persons or entities that, during the Term, submitted a bona fide written offer or to whom the Receiver was introduced or submitted by the Agent and with whom the Agent was engaged in bona fide negotiations for the Property within ten (10) business' days following the expiration of the Term. If the Agent fails to deliver the Prospects List within ten (10) business' days, the Agent shall be deemed to have received no offers and had no bona fide negotiations for the sale of the Property as of the expiration of the Term and shall not be entitled to any Commission.
- 4.3 The Commission contemplated by this Article 4 shall be pursuant to section 3.1 herein.

ARTICLE 5 - EXCLUSIVE ENGAGEMENT

5.1 The Receiver warrants to the Agent that, as at the execution of this Agreement, it is not a party to any valid listing agreement with any other real estate brokerage with respect to the sale of the Property. Subject to the Approval Order, the Receiver shall not engage the

- services of another real estate brokerage during the Term with respect to the sale of the Property.
- 5.2 The Agent shall assist the Receiver in formulating a Sale Process and provided that the Approval Order has been granted by the Court, market and list the Property, on an "as is, where is" basis in accordance with such Sale Process.
- 5.3 The Receiver shall, as soon as reasonably practicable following the execution and delivery of this Agreement, seek the Court's issuance of the Approval Order and the Agent shall cooperate with the Receiver in its efforts to obtain the issuance of the Approval Order.
- 5.4 Subject to the Approval Order, the Receiver agrees (i) to cooperate with the Agent in bringing about a sale of the Property, and (ii) to refer all inquiries of anyone interested in the Property to the Agent as soon as reasonably practicable.
- 5.5 The status of the marketing efforts, discussions, and terms and conditions of any and all offers received in connection with the Sale Process shall be promptly communicated to and discussed with the Receiver and/or its solicitors, as may be directed by the Receiver. The Agent will assist the Receiver's solicitors in conducting all negotiations; provided, however, that the Agent shall not have the authority to make any commitments or representations, enter into any agreements, or sign any documents on behalf of the Receiver. All final terms and conditions of any transaction will be subject to the approval of the Receiver in its sole discretion, and the Agent acknowledges that any transaction will be subject to the terms of the Sale Process and any subsequent orders of the Court. Notwithstanding anything contained in this Agreement, the Receiver shall have the sole discretion to accept or reject any offer, or to withdraw any Property from the market, and the undersigned acknowledges that any transaction relating to the Property will be subject to Court approval.
- 5.6 The parties hereby acknowledge that this is an exclusive listing and that the Agent shall not be required to cooperate with any other brokerage or team in connection with this exclusive listing. At the sole discretion of the Agent, a third-party real estate brokerage or another broker may be permitted to cooperate in the sale of the Property on terms which shall be established by the Listing Team and such cooperating brokerage and which terms shall not require the Receiver to pay any commission in addition to the Commission set out herein.
- 5.7 The Agent shall be responsible for and shall pay for sales promotion and marketing including but not limited to brochures, mailers, print-ads and special events, unless otherwise specified by Receiver.

ARTICLE 6 - GENERAL PROVISIONS

- 6.1 The Receiver and the Agent represent and warrant to the other of them that each has the authority to execute this Agreement; and that this Agreement, shall be legally binding upon the Receiver and the Agent and their successors and permitted assigns once the Approval Order is granted.
- 6.2 This Agreement constitutes the entire agreement between the parties, and supersedes all prior discussions, negotiations and agreements, whether oral or written. In case of any inconsistencies between this Agreement and any commission provisions in the agreement of purchase and sale, the provisions of this Agreement shall govern and be paramount.
- 6.3 No amendment or alteration of this Agreement shall be valid or binding unless made in writing and signed by the Receiver and Agent.

- 6.4 Should any provision of this Agreement be unenforceable at law, it shall be considered separate and severable from the remaining provisions of this Agreement, which shall continue in force and shall be binding as though such provision had not been included.
- 6.5 The headings inserted in this Agreement are for convenience of reference only and, in no way define, limit or enlarge the scope or meaning of any of the terms and conditions contained in this Agreement. The preamble to this Agreement forms an integral part of this Agreement and shall be used in its interpretation.
- 6.6 Notwithstanding the foregoing or any other provision of this Agreement: (i) the Agent and its representatives shall treat as confidential and shall not, unless, such information is otherwise publicly disclosed, the Receiver has provided prior written consent (which may be by way of email) or the Agent is required by applicable law, disclose any communications with the Receiver, any communications with any prospective purchaser, any proposals, offers or bids (including the terms thereof) received in connection with the Property or the Sale Process or any information relating to the Property to any person or party which has not been expressly approved by the Receiver in writing (which may be by way of email); and (ii) the Receiver shall be entitled to (a) share unredacted copies of this Agreement with any stakeholder in the Receivership Proceedings with whom the Receiver intends to consult who undertake to keep such Agreement and the terms thereof confidential, and (b) file a copy of this Agreement and any asset purchase agreement (the "APA"), redacted for financial terms, with the Court in connection with the motion for the Approval Order and/or any sale approval motion and set out such economic terms and/or unredacted copy of this Agreement and/or the APA in a confidential appendix, provided that the Receiver also seeks an Order from the Court sealing such confidential appendices. The Agent acknowledges and agrees that the sealing and unsealing of the aforesaid materials is at the discretion and on the terms granted by the Court.
- 6.7 For certainty, the Agent acknowledges and agrees that the Receiver, acting in its capacity as Court-appointed receiver, will have no liability in connection with this Agreement whatsoever, whether in its capacity as Receiver, personal or corporate capacity or otherwise.
- 6.8 This Agreement shall be governed by, and shall be subject to, the laws of the Province of Manitoba; and the parties hereby attorn to the jurisdiction of the courts of the Province of Manitoba with respect to any dispute concerning the interpretation, application and enforcement of this Agreement.
- 6.9 The Agent is bound by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to verify the identity of the clients and companies that are involved in a real estate transaction.

Remainder of page intentionally left blank

IN WITNESS WHEREOF the parties agree to the terms and conditions as set out herein; and have executed this Agreement as of the date first written above.

BOKHARI DEVELOPMENT INC., by KPMG INC., in its capacity as Court-appointed Receiver and Manager (and not in its personal or corporate capacity)

Per:

Print Name: Katherine Forbes

I have authority to bind the corporation

COLLIERS INTERNATIONAL GROUP INC.

Per:

Print Name: DAN CHUBEY

I have authority to bind the corporation

Schedule "A"

SERVICES

The Agent's duties under this Agreement are anticipated to include, but shall not be limited to the following:

- a) listing the Property for sale pursuant to a Sales Process (as defined herein) and related sale procedure to be approved by the Court;
- b) reviewing, compiling, and analyzing available information regarding the Property and to assist with the preparation of an initial offering summary;
- identifying and contacting parties whom, in the Agent's professional opinion, may have an interest in purchasing the Property;
- d) providing information about the Property to, and dealing with inquiries from, interested parties;
- e) scheduling and conducting tours of the Property for interested parties;
- f) assisting the Receiver in negotiating potential sale transactions;
- g) providing recommendations about proposed sale opportunities to the Receiver;
- h) such further and other tasks as are reasonably necessary to complete the foregoing duties; and
- i) such further and other duties as the Agent and the Receiver may agree to in writing.

APPENDIX "C"



MLT Aikins LLP 30th Floor - 360 Main Street Winnipeg, MB R3C 4G1 T: (204) 957-0050 F: (204) 957-0840

J. J. Burnell*
Partner

* services provided by J J Burnell Law Corporation Direct Line: (204) 957-4663 Fax: (204) 957-0840 E-mail: jburnell@mltaikins.com

Lila Alnadi Legal Assistant Direct Line: (204) 957-4855 E-mail: lalnadi@mltaikins.com

November 12, 2024

VIA EMAIL & COURIER

Mohammed Bokhari PO Box 238, 60121 Briarcliff Road Dugald, MB R0E 0K0

Syed Bokhari 40 Art Miki Way Winnipeg, MB R3W 1P9 Darcy Shaver 87 Lakeshore Road Winnipeg, MB R3T 4A6

Dear Sirs:

Re: Peoples Trust Company v. Bokhari Development Inc. (CI 23-01-

42328) - Sales and Investment Solicitation Process

We are counsel for KPMG Inc., the court-appointed receiver and manager (the "Receiver") of the assets, undertakings and property of Bokhari Development Inc. (the "Debtor") comprising, located at, arising from, or in any way relating to the property commonly known as 1801-1825 Park Drive in Portage la Prairie, Manitoba, including the development of the project (the "Project") located thereon and all proceeds thereof (collectively, the "Property").

We are writing to advise that a hearing for the receivership proceedings has been scheduled for <code>December 2</code>, <code>2024 at 10:00 a.m.</code> before the Honourable Justice J. Chartier (the "<code>Hearing</code>"). At that hearing the Receiver intends to seek approval of a sale process (the "<code>Sale Process</code>") in respect of the Property. In anticipation of this approval, the Receiver has retained Colliers International Group Inc. ("<code>Colliers</code>") as a third-party sales agent. Colliers, under the direction of the Receiver, will oversee and conduct all marketing, bidding, and negotiations activities associated with the Sale Process, as well as the satisfaction or waiver of due diligence conditions associated with any sale agreements that arise out of the Sale Process. The acceptance of any and all successful bids by the Receiver will be subject to approval of the Court.

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WESTERN CANADA'S LAW FIRM

Please be advised that in order to maintain the integrity of the sales process and ensure a competitive process the Receiver will also be seeking relief from the Court that the Debtor's right to redemption (if any) conclude upon the commencement of the sale process.

Sincerely,

MLT AIKINS LLP

Per:

JJ Burnell

JJ Burnell

cc. KPMG Inc.

Attn. Katherine Forbes

Knight Law Office Attn. Don Knight

Thompson Dorfman Sweatman LLP Attn. Ross McFadyen

APPENDIX "D"



KPMG Inc.
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, ON, M5H 2S5

Telephone: (416) 777 8500 Fax: (416) 777 8462 Internet: www.kpmg.ca

September 11, 2024

VIA E-MAIL

Bokhari Development Inc.

c/o Knight Law Office 202-900 Harrow Street East Winnipeg, Manitoba, R3M 3Y7

Attn:

Syed Bokhari sgbokhari@icloud.com

Mohammed Bokhari moebok1980@gmail.com

Darcy Shaver darcy shaver@hotmail.com

Subject: Outstanding GST and income tax returns of Bokhari Development Inc. (BN: 80649 1775)

As you're aware, on August 29, 2023 (the "Receivership Date"), pursuant to an order (the "Receivership Order") of the Honourable Mr. Justice Chartier of the Court of the King's Bench (Winnipeg Centre) (the "Court"), KPMG Inc. was appointed as receiver and manager (in such capacity, the "Receiver") of all of the assets and undertakings (collectively, the "Property") of Bokhari Development Inc. ("BDI") comprising, located at, arising from, or in any way relating to the property commonly known as 1801 – 1825 Park Drive in Portage la Prairie, Manitoba, including the development of the project (the "Project") located thereon and all proceeds thereof, pursuant to section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended, and section 55 of The Court of King's Bench Act, C.C.S.M. c. C280. A copy of the Receivership Order and all materials in connection with these proceedings can be found on the Receiver's website at: https://home.kpmg/ca/BokhariDevelopment.

Pursuant to the Receivership Order, the Receiver was appointed over the Project, and not BDI in its entirety. As such and in connection with the receivership proceedings, the Receiver opened a separate GST account (RT0002) with Canada Revenue Agency (CRA) under BDI's business number, solely with respect to the Project Premises. The Receiver to date has filed GST returns for the Project under the RT0002 account for the period from August 29, 2023 to June 30, 2024 (and will continue to file GST returns on a monthly basis during the receivership proceedings). On August 19, 2024, CRA issued a GST assessment for the RT0002 GST returns filed, stating that refunds would be held due to non-compliance by BDI with respect to their tax accounts.

The Receiver is aware that BDI has outstanding returns for their RC0001 account (FY2022 and FY2023 returns) and RT0001 account (since December 2022). It is the Receiver's understanding that income tax and GST returns will also need to continue to be filed on a timely basis for the period following the Receivership Date, to remain compliant with the *Income Tax Act* and the *Excise Tax Act*. As pursuant to the Receivership Order, the Receiver is not appointed over BDI, it does not have control over BDI's RC0001 and RT0001 tax accounts and cannot make filings for periods prior to the Receivership Date (nor following the Receivership Date, other than as it relates to the Project) on BDI's behalf.

BDI's non-compliance with the *Income Tax Act* and the *Excise Tax Act* is impeding access to proceeds in the receivership proceedings. As such, the Receiver is kindly requesting that BDI complete its outstanding RC0001 and RT0001 returns. Please provide the Receiver with an estimated completion date of these returns, and confirmation to the Receiver once they are submitted to CRA.



Should you have any questions or concerns regarding the above, please do not hesitate to contact the undersigned at 416-777- 8107 or email katherineforbes@kpmg.ca.

Thank you for your assistance in this matter.

KPMG Inc., in its capacity as Receiver of Bokhari Development Inc. and not in its personal or corporate capacity

Katherine Forbes, Senior Vice-President

atherine Forbes

Cc:

M. Wong, KPMG Inc.

JJ Burnell, MLT Aikins LLP

D. Knight, Knight Law Office

APPENDIX "E"



2200 - ONE LOMBARD PLACE WINNIPEG, MANITOBA CANADA R3B 0X7

TELEPHONE (204) 942-2271 FACSIMILE (204) 943-4242 WEBSITE: www.darcydeacon.com

VIA EMAIL gcroft@kpmg.ca

REFERENCE NO:

131518-0001

PLEASE REPLY TO:

Derek M. Olson

DIRECT LINE:

204-925-5386

EMAIL:

dolson@darcydeacon.com

LEGAL ASSISTANT:

Tyler Johnson

DIRECT LINE:

204-975-2251

EMAIL:

tjohnson@darcydeacon.com

September 14, 2023

Attn: Garrett Croft

KPMG Inc.

777 Dunsmuir Street - 11th Floor

Vancouver, BC V7Y 1K3

Re: 6332189 Manitoba Ltd. and 1801 – 1825 Park Drive, Portage la Prairie

We have been retained by 6332189 Manitoba Ltd. involving the above-noted property (the "Property") and the Order appointing a receiver to the same as of August 29, 2023.

The purpose of this letter is to provide you with information and documentation regarding materials and equipment owned by 6332189 Manitoba Ltd. that are installed or otherwise on the Property that have not been paid for by the debtor.

1. Shipping Containers and Trailers

There are five shipping containers owned by 6332189 Manitoba Ltd. on the Property that are currently being used to store materials. Invoices for three of the containers are attached at **Tab A**. The two other containers on the Property owned by 6332189 Manitoba Ltd. are older and were moved from prior jobs, so there are no associated invoices.

2. Gas Heaters

There are three gas heaters owned by 6332189 Manitoba Ltd. on the Property. The gas heaters are older and were moved from prior jobs, so there are no associated invoices.

Generator

There is one generator owned by 6332189 Manitoba Ltd. on the Property. The generator is older and was moved from prior jobs, so three is no associated invoice.





4. Plumbing Materials, Doors, Door Hardware, and Door Closures

6332189 Manitoba Ltd. paid for numerous plumbing materials, interior doors, suite entry doors, door hardware, and door closures that are on the Property. Invoices for such materials are attached at **Tab B**. The debtor has not paid 6332189 Manitoba Ltd. for these materials. We are advised that these materials are sitting on the jobsite and in shipping containers owned by 6332189 Manitoba Ltd.

There are other plumbing materials in the containers and on site that also belong to 6332189 Manitoba Ltd and have not been paid for by the debtor.

5. Electrical and Fire Alarm Materials

6332189 Manitoba Ltd. paid for electrical and fire alarm materials that are on the Property. Invoices for such materials are attached at **Tab C**. The debtor has not paid 6332189 Manitoba Ltd. for these materials. We are advised that these materials are sitting in the shipping containers owned by 6332189 Manitoba Ltd.

Insulation

6332189 Manitoba Ltd. paid for several bags of insulation on the Property and has not been reimbursed by the debtor. We are advised that the bags of insulation have not been installed and are sitting in buildings 1819 and 1821.

Security Camera

6332189 Manitoba Ltd. paid for the security camera on the Property, and an invoice for the same is attached at **Tab D**. The debtor has not paid 6332189 Manitoba Ltd. for the security camera on the Property.

Rig Mats

6332189 Manitoba Ltd. owns twenty-seven rig mats currently at the Property, and an invoice for the same is attached at **Tab E**.

9. Road Fabric

The road fabric installed underneath the stone base in the parking lot areas of the Property was paid for by 6332189 Manitoba Ltd. and the debtor was invoiced for the same, 6332189 Manitoba Ltd. has not been paid for the installed road fabric, and as such, a lien has been registered against the



Property. There are also some unused road fabric rolls on the Property owed by 6332189 Manitoba Ltd. Invoices and receipts reflected the amounts paid by 6332189 Manitoba Ltd. for the road fabric are attached at **Tab F**.

10. Parking Lot Stone

The stone used on the Property's unfinished parking lot was ordered by 6332189 Manitoba Ltd. and has not been paid for by the debtor. As such, this amount in also included in the lien against the Property.

Additionally, there is a 2010 JLG 660SJ Diesel Boom Lift on the Property that belongs to 6405259 Manitoba Ltd. On behalf of 6405259 Manitoba Ltd., our client would like to remove this equipment from the Property. An invoice for the boom lift is attached at **Tab G**, along with an authorization from 6405259 Manitoba Ltd. and a Companies Office search.

Lastly, this letter is to advise that Russell Sawatzky is not a shareholder, director or officer of 6332189 Manitoba Ltd., and as such, he has no interest in the company or these proceedings going forward. The Articles of Incorporation for 6332189 Manitoba Ltd. and a Companies Office Search are attached at **Tab H**.

We look forward to hearing from you at your earliest convenience with respect to the above.

Yours truly,

D'ARCY & DEACON LLP

Per:

DEREK M. OLSON

DMO/bm

TAB A



INVOICE
GST /HST Number: 83969 9394 RT 0001

Cantrans Global Inc. 605 Erin St. Winnipeg, Manitoba R3G 2W1 Canada

> Phone: +1 866 6012345 Fax: +1 844- 241 8444 www.cantransglobal.com

> > \$8,193,50

BILL TO 6332189 MB Ltd O/A Gateway Projects Ltd Karan Paul Sadhu 223 Lindenwood Drive West Winnipeg, Manitoba R3P 1X7 Canada

Winnipeg, Manitoba R3P 1X7 Canada 204 890 8478

gatewayprojectsmb@gmail.com

SHIP TO
Karan Paul Sadhu
1801 Park Drive
Portage la Prairie, Manitoba R0H
Canada

204 890 8478

Invoice Number: 111057942

Invoice Date: June 6, 2023

Payment Due: June 6, 2023

Amount Due (CAD): \$8,193.50

Amount Due (CAD):

Details	Quantity	Price	Amount
1 x 53 HC Used Container 1 x 53 HC Used Container	1	\$6,800.00	\$6,800.00
1 x 53 Delivery Charges	1	\$550.00	\$550.00

Subtotal:	\$7,350.00	
MB PST 7%:	\$476.00	
GST 5%:	\$367.50	
Total:	\$8,193.50	

Notes / Terms

Please Note:

From April 1, 2020 all credit card payments exceeding CAD 200 would be subject to a 3% fee. Any purchase more then CAD 500 require a copy of credit card and copy of card holder's photo ID.

If you wish to use e-transfer, please e-transfer at info@cantransglobal.com

Any questions, please contact: 1-866-6 01-2345 or email info@cantransglobal.com

The equipment remains the property of Cantrans Global Inc. until full payment is received.

Please note that there is a 15 days free storage from the invoice date, after the free time, there is \$ 2.00 per day storage charge to be accounted to the buyer if the equipment is not picked up and or delivery has not been requested. The Storage will be collected before delivery or pick up of the unit.



INVOICE GST /HST Number: 83969 9394 RT 0001

> Cantrans Global Inc. 605 Erin St. Winnipeg, Manitoba R3G 2W1 Canada

> > Phone: +1 866 6012345 Fax: +1 844- 241 8444 www.cantransglobal.com

Notes / Terms

Conditions of Sales – All Equipment sold under this agreement (invoice) is purchased by the Buyer on an "AS IS, WHERE IS" basis without covenant or warranty by the Seller of any kind, expressed or implied including without limitation, warranties of merchantability, fitness for particular purpose of condition of the Equipment. Cantrans disclaims and Buyer waives and releases Cantrans from any and all representations and warranties in all respects. Buyer acknowledges and agrees that Cantrans shall have no liability to them for any claim, loss or damage, either directly, indirectly, incidentally or consequentially by the Equipment or whatsoever in connection therewith arising in strict liability or otherwise.

All Sales are subject to STD (Standard Trading Conditions of Cantrans Global Inc. Available on our web http://www.cantransglobal.com/wp-content/uploads/2015/04/Cantrans-Global-Inc-Standered-Trading-Conditions-of-Contract.pdf or can be sent via email if requested.)



GST /HST Number: 83969 9394 RT 0001

Cantrans Global Inc. 605 Erin St. Winnipeg, Manitoba R3G 2W1 Canada

> Phone: +1 866 6012345 Fax: +1 844- 241 8444 Mobile: +1 204 615 4226 www.cantransglobal.com

BILL TO

6332189 MB Ltd O/A Gateway **Projects Ltd** Karan Paul Sadhu

223 Lindenwood Drive West Winnipeg, Manitoba R3P 1X7 Canada

204 890 8478 gatewayprojectsmb@gmail.com SHIP TO

Karan Paul Sadhu 1801 Park Drive

Portage la Prairie, Manitoba R0H

Canada

204 890 8478

Invoice Number: 111056158

Invoice Date: February 8, 2022

Payment Due: February 8, 2022

Amount Due (CAD): \$9,588.82

Details	Quantity	Price	Amount	
1 x 40 hc used container 1 x 40 HC used container for Storage	1	\$7,900.00	\$7,900.00	Ī
1 x 40 Delivery Charges Container Delivery Charges	1	\$400.00	\$400.00	
Merchant Fee Credit Card Payment Credit Card Fee 3 %	t	\$278.88	\$278.88	
		Subtotal:	\$8,578.88	
		MB PST 7%;	\$581.00	
		GST 5%:	\$428.94	
		Total:	\$9,588.82	
		Amount Due (CAD):	\$9,588.82	

Notes / Terms

Please Note:

From April1, 2020 All credit card payments exceeding CAD 200 would be subject to 3 % fee.

If you wish to use e-transfer, please e transfer at info@cantransglobal.com





Cantrans Global Inc. 605 Erin St. Winnipeg, Manitoba R3G 2W1 Canada

> Phone: +1 866 6012345 Fax: +1 844- 241 8444 Mobile: +1 204 615 4226 www.cantransglobal.com

Notes / Terms

Any question, please contact: 1 8666 012345 or email info@cantransglobal.com

The equipment remains the property of Cantrans Global Inc. until full payment is received.

All Sales are subject to STD (Standard Trading Conditions of Cantrans Global Inc. Available on our web http://www.cantransglobal.com/wp-content/uploads/2015/04/Cantrans-Global-Inc-Standered-Trading-Conditions-of-Contract.pdf or can be sent via email if requested.

CONDITIONS OF SALES – All Equipment sold under this agreement (invoice) is purchased by the Buyer on an "AS IS, WHERE IS" basis without covenant or warranty by the Seller of any kind, expressed or implied including without limitation, warranties of merchantability, fitness for particular purpose of condition of the Equipment. Cantrans disclaims and Buyer waives and releases Cantrans from any and all representations and warranties in all respects. Buyer acknowledges and agrees that Cantrans shall have no liability to them for any claim, loss or damage, either directly, indirectly, incidentally or consequentially by the Equipment or whatsoever in connection therewith arising in strict liability or otherwise.

Kindly remind that there is 15 days free storage from the invoice date, after the free time, there is \$ 2.00 per teu per day storage charge to be accounted to buyer if the equipment not picked up and or delivery has not been requested. The Storage will be collected before delivery or pick up of the unit.

ADM Storage Inc.

304-3000 McGillivray Blvd. Oak Bluff MB R4G0B4 204-284-4900 office@admstorage.ca www.admstorage.com Business Number 100056381 RT0001

INVOICE

BILL TO

Gateway Projects 1801 Park Portage La Prairie Manitoba



container rentals . sales . solutions

INVOICE # 115620 DATE 03/05/2023 **DUE DATE 03/05/2023** TERMS Due on receipt

DATE		DESCRIPTION	QTY	RATE	AMOUNT	
	Container Sales	TDRU2030388 - 20' Used Container, cargoworthy, watertight (2006, Blue, Grade B)	1	4,500.00	4,500.00	
	Delivery - Container Sales	Delivery to Park Dr & 18 St NW Portage La Prairie, MB.	1	400.00	400.00	
	Credit Card Convenience Fee	Credit Card Processing fees, 3%	1	163.80	163.80	
		SUBTOTAL			5,063.80	
		GST @ 5%			245.00	
		PST (MB) @ 79	%		315.00	
		TOTAL			5,623.80	
		BALANCE DUE	Ξ	\$	5,623.80	

TAB B

2450 Saskatchewan Ave. W.

Portage la Prairie MB R1N 3N8

PHONE: 204-239-5440

604755 000 RUSS	PO # RUSS ORDR # 11750	TANKS TO SELECT A STATE OF THE SECOND	GCHASKE 4/21/22 4:06	1
SOLD TO:	SHIPTO	DUE DATE: 5/15/22	TERMINAL: 569	
GATEWAY PROJECTS (CASH ACCOUNT C/O RUSS SAWATZKY	PLUMBING FIXTURES	DEL. DATE: 4/21/22	ORDER: 117503	
55 ROEHAMPTON PL WINNIPEG MB R2N 4N6		SALESPERSON: 20 20	INED DST AND GST	

INVOICE: B17568

INE	SHIPPED	ORDERED	MU	SKU	DESCRIPTION	LOCATION	UNITS	PRICE/ PER	EXTENSION
1 2 3 4	30 30	30 30	EA	00535043 00535044	BATH LEFT COLONY 60X30" WHITE BATH RIGHT COLONY 60X30 WHITE XXXXXXXXXXX2009 \$18143.33 AUTH:148895 REF:117568 * * * Delivery Instructions * * * * PROJECT ACCROSS FROM WALMART		30 30	269.99 /EA 269.99 /EA	8,099.70

** PAID IN FULL **

18143.33

TAXABLE NON-TAXABLE

SUBTOTAL

16199.40 0.00 16199.40

PST 7% GST 5% : R121564462 1133.96 809.97

18143.33 TOTAL

18143.33

X Received By

2450 Saskatchewan Ave. W. Portage la Prairie MB **R1N 3N8**

PHONE: 204-239-5440

CUST NO: JOB NO: PURCHASE ORDER: REFERENCE: CLERK: TERMS: DATE / TIME: 604755 000 RUSS PO#RUSS ORDR # 11978 NET 15TH DBOLLMAN 5/6/22 10:49 DUE DATE: 6/15/22 TERMINAL: 573 SOLD TO: ORDER: 119785 GATEWAY PROJECTS (CASH ACCOUNT PLUMBING FIXTURES DEL. DATE: 4/27/22 C/O RUSS SAWATZKY TEXT FROM RUSS ! 55 ROEHAMPTON PL. SALESPERSON: 20 20 WINNIPEG MB R2N 4N6

INVOICE: B23896

TAX: 002 COMBINED PST AND GST

	SHIPPED	ORDERED	UM	SKU		LOCATION	UNITS	PRICE/ PER	EXTENSION
<u>INE:</u> 1	138	138	EA	37355946	DESCRIPTION FAUCET TUB SHOWER PRINCIPALS * *** Delivery Instructions * * * PROJECT ACCROSS FROM WALMART	15DE	UNITS 138	PRICE/ PER 109.00 /EA	EXTENSION 15,042.00

** PAID IN FULL **

16847.04

TAXABLE NON-TAXABLE 15042.00 0.00 15042.00

1052.94

GST 5%: R121564462

SUBTOTAL

752.10

16847.04

TOTAL

16847.04

PAYMENT RD# XXXXXXXXXXXX2009 XR: 009

X Received By

2450 Saskatchewan Ave. W. Portage la Prairie MB

Portage la Prairie MB R1N 3N8 PHONE: 204-239-5440

CUST NO: JOB NO: PURCHASE ORDER: 604755	REFERENCE: PO # RUSS ORDR # 14934	TERMS: NET 15TH	CLERK: DATE TIME: 10:04
SOLD TO: '#	SHIP TO: 107	DUE DATE: 7/15/22	TERMINAL: 569
GATEWAY PROJECTS (CASH ACCOUNT C/O RUSS SAWATZKY	PLUMBING PKG PEDESTAL SINKS	DEL. DATE: 6/27/22	ORDER: 149341
55 ROEHAMPTON PL: WINNIPEG MB R2N 4N6	s in the second	ALESPERSON: 20 20 TAX: 002 COMB	INED PST AND GST

INVOICE: B49957

LINE	SHIPPED	ORDERED	UM	SKU	DESCRIPTION	LOCATION	UNITS	PRICE/ PER	EXTENSION
1	78	78		0408864	SINK PED 22-3/4X18-1/4X31-3/4IN * ** Delivery Instructions ** * PROJECT ACCROSS FROM WALMART		78	89.00 /EA	
			-						

** PAID IN FULL **

7775.04

TAXABLE NON-TAXABLE SUBTOTAL 6942.00 0.00 6942.00

PST 7%

GST 5%: R121564462

485.94 347.10

7775.04

TOTAL

7775.04

####CARD PAYMENT
ELETRD# XXXXXXXXXXXXXXX2003

MID: 32068902 APP: 100088 XR: 003

X Received By

2450 Saskatchewan Ave. W. Portage la Prairie MB

R1N 3N8 PHONE: 204-239-5440

QRDR# 9256 TERMS: GLERK: JOB NO: PURCHASE ORDER: REFERENCE: CUST NO: DATE / TIME: NET 15TH 3/14/22 604755 000 RUSS PO#RUSS GCHASKE ...

SOLD TO: GATEWAY PROJECTS (CASH ACCOUNT C/O RUSS SAWATZKY 55 ROEHAMPTON PL.

WINNIPEG MB R2N 4N6

- WAL

SHIP TO: PLUMBING FIXTURES

DUE DATE: 4/15/22

TERMINAL: 569 ORDER: 92564

DEL. DATE: 2/7/22

SALESPERSON: 20 20

TAX: 002 COMBINED PST AND GST

INVOICE: X84448

INE	SHIPPED	ORDERED	UM	SKU	DESCRIPTION	LOCATION	UNITS	PRICE/	PER	EXTENSION
1					FIRST LOAD					
2					FOR FIRST BUILDING					
3			-							
4	6	6	EA	00535043	BATH LEFT COLONY 60X30" WHITE	TUBS	6	269.00	/EA	1,614.00
5	5	5	EA	00535044	BATH RIGHT COLONY 60X30 WHITE	TUBS	5	269.00	/EA	1,345.00
6	31	31		37355946	FAUCET TUB SHOWER PRINCIPALS	15DE	31	109.00	/EA	3,379.00
7	1 2 2 2 2			7	The second secon	30-11				0.5707.5
8			11		SECOND LOAD	1 1	1			
9					FOR FIRST BUILDING	1				
10					Description of the second of t					1 - 7 - 1
11	10	10	EA	00535044	BATH RIGHT COLONY 60X30 WHITE	TUBS	10	269.00	/EA	2,690.00
12	1.0	3.0		237233,71	18-70-13-01-13-21-21-13-13-13-13-13-13-13-13-13-13-13-13-13	1,567				4,423.4
13					THIRD LOAD	1				
14					FOR FIRST BUILDING					
15										
16	1	1	EA	00535044	BATH RIGHT COLONY 60X30 WHITE	TUBS	1	269.00	/EA	269.00
17	9	9	10000	00535043	BATH LEFT COLONY 60X30" WHITE		9	269.00	1,200,0	
18			1			1,020	9	200,00	7.00	2,721.00
19	· .		1		FOURTH LOAD FOR ALL BUILDINGS			100		
20										200
21	10	10	EA	00535043	BATH LEFT COLONY 60X30" WHITE	TUBS	10	269.00	/EA	2,690.00
22	12	12	1	12975118	SINK SINGLE 3H 20X20X7" S/S	14C	12	74.00		7172777
23	32	32		16905005	LAVATORY DROP-IN OVAL VITR. WH	13A	32	48.56		222000
			1-	100000	•	1905		10.00	,,,,,	1,003.10
			1		* * * Delivery Instructions * * *	1 1				
		1	1		*	1 1				
		1		1	PROJECT ACCROSS FROM WALMART					
		P I	1	1	Theore The International Property of	1 1				
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PRIOR DEPOSIT

18872.20

TAXABLE NON-TAXABLE SUBTOTAL

16850.18 0.00 16850.18

GST 5%: R121564462

1179.51 842.51

TOTAL

18872.20

Х

Received By

RONA PORTAGE 01375 (NEWTON ENTERPRISES 1983)

2450 Saskatchewan Ave. W.

Portage la Prairie MB **R1N 3N8**

PHONE: 204-239-5440

CUST NO: JOB NO: PURCHASE ORDER: 604755 000 RUSS REFERENCE: PO # RUSS ORDR # 10634 SHIP TO: SOLD TO: W . W . . . GATEWAY PROJECTS (CASH ACCOUNT PLUMBING FIXTURES C/O RUSS SAWATZKY

55 ROEHAMPTON PL.

WINNIPEG MB R2N 4N6

TERMS: NET 15TH

CLERK: GCHASKE 3/21/22

DATE / TIME:

10:08

DUE DATE: 4/15/22

TERMINAL: 573 ORDER: 106344

DEL DATE: 3/21/22

SALESPERSON: 20 20

TAX: 002 COMBINED PST AND GST

INVOICE: B06347

LINE	SHIPPED	ORDERED	UM	SKU	DESCRIPTION	LOCATION	UNITS	PRICE/ PER	EXTENSION
1 2 3 4	176	176 11	EA	16905005	LAVATORY DROP-IN OVAL VITR. WH PALLETS REFUNDABLE WHEN IN GOOD CONDITION * * * Delivery Instructions * * * PROJECT ACCROSS FROM WALMAR	13A 13A	176	48.568 /EA 45.00 /EA	8,547.97
			,		÷			+	

** PAID IN FULL **

10093.48

TAXABLE NON-TAXABLE SUBTOTAL

9042.97 0.00 9042.97

PST 7%

GST 5%: R121564462

598.36 452.15

10093.48

TOTAL

10093.48

D PAYMENT RD# XXXXXXXXXXXX1001 XR: 001

Received By

RONA PORTAGE 01375 (NEWTON ENTERPRISES 1983)

2450 Saskatchewan Ave. W. Portage la Prairie MB **R1N 3N8**

PHONE: 204-239-5440

CUST NO: JOB NO: PURCHASE ORDER: REFERENCE: JERMS: TERMS: 604755 000 PREET PO# PREET ORDR # 11324 NET 1 SOLD TO: GATEWAY PROJECTS (CASH ACCOUNT C/O RUSS SAWATZKY. 55 ROEHAMPTON PL. MB R2N 4N6

TEXT FROM PREET

SHIP TO:

NET 15TH

CLERK:

- DATE / TIME: 4/8/22 3:40

DUE DATE: 5/15/22

TERMINAL: 573 ORDER: 113245

DEL. DATE: 4/8/22

SALESPERSON: 20 20

TAX: 002 COMBINED PST AND GST

INVOICE: B13672

INE	SHIPPED	ORDERED			DESCRIPTION	LOCATION	UNITS	PRICE/ PER	EXTENSION
1	1	- 1		00535043	BATH LEFT COLONY 60X30" WHITE	TUBS	1	269.00 /EA	269.00
2	5	5		00535044	BATH RIGHT COLONY 60X30 WHITE	TUBS	5	269.00 /EA	1,345.00
3 4 5	1	1	вх	13995414	1 1/4" DRYWALL SCR #6 COARSE 1/BX = BOX(ES)- \$55.99 per B THREAD * * * Delivery Instructions * * * PROJECT ACCROSS FROM WALMART	wwc wwc wwc	-1	55.99 /BX	55.99 Q
				,		00			
					-				

** PAID IN FULL **

1870.39

TAXABLE NON-TAXABLE SUBTOTAL

1669.99 0.00 1669.99

GST 5%: R121564462

116.90 83.50

1870.39

TOTAL

1870.39

PAYMENT RD# XXXXXXXXXXXX2009 XR: 009

Х

Received By

RONA PORTAGE 01375 (NEWTON ENTERPRISES 1983)

2450 Saskatchewan Ave. W. Portage la Prairie MB R1N 3N8

PHONE: 204-239-5440

CUST NO: 604755 JOB NO:

PURCHASE ORDER: RUSS REFERENCE: INTERIOR DOOR PKG

NET 15TH

CLERK: SMEEHAN DATE / TIME:

10/12/22 11:25

100

TERMINAL: 577

ORDER: 139647

SOLD TO:

GATEWAY PROJECTS (CASH ACCOUNT

C/O RUSS SAWATZKY 55 ROEHAMPTON PL.

WINNIPEG

MB R2N 4N6

SHIP TO:

MEETING WITH RUSS

EXPT DATE: 6/8/22

SALESPERSON: 20 20

TAX: 002 COMBINED PST AND GST

SPEC ORDER: 139647

LINE	SHIPPED	ORDERED	UM	SKU	DESCRIPTION	LOCATION	UNITS	PRICE/ PER	EXTENSION
1		270	EA	RP22060622-01	PRIMED H/B 30" K/D DOOR		270	139.15 /EA	37,570.50 *
2		90	EA	RP22060622-02	PRIMED H/B 32" K/D DOOR		90	139.15 /EA	12,523.50 *
3		90	EA	RP22060622-03	PRIMED H/B 36" K/D DOOR		90	146.20 /EA	13,158.00 *
4		1.55	0.7			1 1	- 1		
5		270	EA	RP22060622-04	PRIMED H/B 30" K/D DOOR	1 1	270	139.15 /EA	37,570.50 *
6		60	EA	RP22060622-05	PRIMED H/B 32" K/D DOOR	1 1	60	139.15 /EA	8,349.00 *
7		60	EA	RP22060622-06	PRIMED H/B 36" K/D DOOR	1 1	60	146.20 /EA	8,772.00 *
8		5.50				1 1			
9		V.130	100	RP22060622-07	PRIMED H/B 30" K/D DOOR	1 1	270	139.15 /EA	
10		60	2000	RP22060622-08	PRIMED H/B 32" K/D DOOR	1 1	60	139.15 /EA	2007/05/03/27
11		60	EA	RP22060622-09	PRIMED H/B 36" K/D DOOR	1 1	60	146.20 /EA	8,772.00 *
12					30 LIFTS OUT IN WAREHOUSE W1	1 1			
13					RECEIVED SEPT 9, 2022				
					MINIMUM 15% RESTOCKING FEE		- 4		
					CHARGED ON ALL S/O RETURNS				
					OTHER DISTRICT				
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TAXABLE NON-TAXABLE SUBTOTAL 172635.00 0.00 172635.00

PRIOR DEPOSIT DEPOSIT AMT BALANCE DUE 71043.84 0.00 122307.36

PST 7% GST 5% : R121564462

12084.45 8631.75

TOTAL

193351.20

TOT WILD 604755000139647S31001;

Received By

TAB C

SLK Contracting Ltd.

206-815 Sterling Lyon Pky Winnipeg MB R3P 2T1 +1 2045130909 office@slkcontractingltd.

GST/HST Registration No.:

783584113

PST MB Registration No.:

750588527

Invoice 1559



BILL TO

R3P1X7

6332189 Manitoba Ltd c/o Gateway Projects 223 Lindenwood Drive West Winnipeg Manitoba

DATE 2022-10-17

PLEASE PAY \$324,979.51

DUE DATE 2022-10-17

ACTIVITY	QTY	RATE	MOUNT
Construction Services Fire Alarm Materials: 13 Buildings / 208 Units Panels Pull Stations Horn Strobes	1	290,160.28	290,160.28
NOTE: Materials to be ordered and shipped to Site UPON PAYMENT of this INVOICE	SUBTOTAL GST @ 5% PST (MB) @ TOTAL	78	290,160.28 14,508.01 20,311.22 324,979.51 \$324,979.51

THANK YOU.

SLK Contracting LTD

Invoice 1388

206-815 Sterling Lyon Parkway Winnipeg MB R3P1J9 (204) 513-0909 slkwinnipeg@gmail.com GST/HST Registration No.: 750588527



BILL TO

6332189 Manitoba Ltd c/o Gateway Projects 108-1090 Waverly Street Winnipeg Manitoba R3P1X7

DATE 2022-01-20 PLEASE PAY \$427,351.33

DUE DATE 2022-01-20

ACTIVITY	QTY	RATE	AMOUNT
Material . Electrical Required NMD90 PO#22-0000 Gescan Invoice 14108657-00 Delivery of 13 Skids - Property of Gateway Projects PROGRESS WIRE DELIVERY REMAINING IS ON ORDER	1	407,001.27	407,001.27
6332189 Manitoba Ltd c/o Gateway Projects 108-1090 Waverly Street Winnipeg Manitoba R3P1X7	SUBTOTAL GST @ 5% TOTAL		407,001.27 20,350.06 427,351.33
	TOTAL DUE		\$427,351.33
	-		

THANK YOU.

TAX SUMMARY

RATE	NET
GST @ 5% 20,350.06	407,001.27



*** DIRECT ORDER ***
*** O R I G I N A L ***

INVOICE

INVOICE DATE	INVOICE NO	PAGE
10/17/2022	14795320-00	1
CUSTOMER NO	YOUR P.O NO)
102272	22-0001 A Packa	ge

850 Empress St

WINNIPEG, MB R3G 3H3

377615

TEL: (204)786-1481/ FAX: (204)783-5326

SOLD TO

SHIPPED TO

SLK CONTRACTING LTD 815 STERLING LYON PKY #206 WINNIPEG, MB R3P 2T1 SLK CONTRACTING LTD
PORTAGE LA PRAIRIE CONDOS
18 ST NW CORNER PARK DR
PORTAGE LA PRAIRIE, MB R1N 2X9

REFEREN	CE	ORDER	DATE	SHIPPED	REP.	C.O.D.		TAKEN BY (PLACED	BY)
		10/17/2	- 2		6422			in Faraci (Rob Pe	ltonen)
G.S.T REGISTRATION NO	P.S.T. REGISTRATI	ON NO CU	ST. PROVINCIAL TA	AX NO	VIA		WAYBILL	IO PA	YMENT TERMS
130204712	377615-8		0		BEST WAY			N	ET 30th FM
DEA OMBESSED	PHICIOLOGY M	AND DESCRIPTION	an incom	MOLFID	LIST PERSON	LIM	DISCOUNT	NET PRICE	TOTAL
1 LOT FIRE ALARM PORTA	E CON	00				17 /			
********	1	1	*******	0	283083.20	EACH	0.00	283083.20	283083.20
*** Terms and Conditi		OSS TOTAL	SUNDRY C	100 000 000	G.S.T./H.S.T.	+++	P.S.T	TO	ΓAL
7,743,744		283083.20	331,411	0.00	14154.1	6	19815.82		317053.18

GESCAN Division of Sonepar Canada Inc.

QUOTE

01/18/2022 14108657-00 1

GUSTOMER NO YOUR P.O. NO.

102272 CABLE

850 Empress St WINNIPEG, MB R3G 3H3

377615

TEL: (204)786-1481/ FAX: (204)783-5326

SOLD TO

SLK CONTRACTING LTD 815 STERLING LYON PKY #206 WINNIPEG, MB R3P 2T1

SHIPPED TO

SLK CONTRACTING LTD 815 STERLING LYON PKY #206 WINNIPEG, MB R3P 2T1

REFERENC	ORDER DATE END DATE 01/18/2022		REP. 6422	C.O.D.		AKEN BY (PLACED E			
S.S.T. REGISTRATION NO	P.S.T. REG	ISTRATION NO	CUST. PROVIN	CIAL TAX NO	VIA		WAYBILL NO		MENT TERMS
1 45	The state of the s	Manual Colonia Aug po	-nou		PICKUP	U/M	DISCOUNT	NET PRICE	TOTAL
Canada Inc. ('Ges continuity of such supply ourselves. any product delay situation may hav- liability shall attact that may be suffer	can') does products is Although is or shorta e on our pe h against (red as a re delivery, s	s not manufacts s therefore ent the full impact ages that may le erformance ob Gescan on acc sult of COVID- hipment and/o	ure any of the price of COVID-19 of COVID-19 of coving a suffered as a ligations, will be ount of any pro-19. By submitted	products that we t on the vendors on the supply ch a result of COV e treated as a fo duct delays or s ting a purchase	distributor, Gescan e sell. The availabilit s and manufacturers ain remains unclear ID-19, or any impact orce majeure event. shortages, or inabilit order to Gescan, yo escan and hold us f	y and from wh at this po the curre According to perfo	ich we bint, ent ggly, no brm, to accept		
1 CAB14/2D7150 6120	00	NMD90 LOO	MEX 14/2C CU	150mtr	1875.00	MT	0.00	1.8750	114750.0
2 CAB14/3D7150 3120	00	NMD90 LOOF	MEX 14/3C CU	150mtr	2670.00	MT	0.00	2.67	83304.0
3 CAB12/2D7150 3120	00	NMD90 LOOI	MEX 12/2C CU	150mtr	2670.00	MT	0.00	2.67	83304.0
4 CAB8/3D775	00	NMD90 LOC	OMEX 8/3C C	U 75mtr	10340.00	мт	0.00	10.34	161304.0
5 CAB10/3D775		NMD90 LOC	OMEX 10/3C	CU 75mtr	5342.18	мт	0.00	5.3420	83338.0
** Terms and Condition	ons of Sale	https://www.g		ns *** IDRY CHARGES	G.S.T.M.S.T.		P.S.T.	1017	AL.
TOTAL CITY	0	526000		0.00	TAX NOT INCLUDED	т/	P.S.T.	101	526000.0

PROMISE DATE: 01/18/2022

PRICING ON THIS QUOTATION IS FIRM FOR 30 DAYS FROM DATE OF ISSUE. AFTER 30 DAYS, PRICING MAY BE SUBJECT TO CHANGE WITHOUT NOTICE. ALL GESCAN WEST TERMS AND CONDITIONS APPLY.

TAB D



RECIPIENT:

Mr. Preet Jaspal

Park Drive

Portage la Prairie, Manitoba R0H

Phone: 2048908478

Invoice #432	
Issued	Jul 13, 2023
Due	Jul 28, 2023
Total	\$2,593.88

For Services Rendered

	- 10		
DESCRIPTION	QTV.	UNIT PRICE	TOTAL
EYEONET 4ÇH 4 POE 4K REAL TIME NVR	1	\$375.00	\$375.00
All channel Al Perimeter Profection with specific Al IPC (IP6194W-28-Al, IP6394W-28-Al) H.265, 4K UHD, 4 PoE - All channels simultaneous playback - 4CH@4K@30fps real time recording - Support IVS & P2P - 4CH POS Integration - English & French			
2TB HDD was quoted and installed is 4 TB HDD	1	\$175.00	\$175.00
\$140.00 quoted \$175.00 - reg cost \$205.00			
5MP AI IR IP STARLIGHT FIXED VANDAL DOME	1	\$195.00	\$195.00
 5MP, H265+, Starlight Perimeter protection (AI human/vehicle tripwire & intrusion) True WDR, ICR, 3DNR 2.8 mm fixed lens IR 50m, Smart IR IP67, IK10, 			
Samsung 22" Flat FHD 1080p 75Hz Computer Monitor	1.1	\$195.00	\$195.00
	EYEONET 4CH 4 POE 4K REAL TIME NVR All channel Al Perimeter Profection with specific Al IPC (IP6194W-28-Al, IP6394W-28-Al) - H.265, 4K UHD, 4 PoE - All channels simultaneous playback - 4CH@4K@30fps real time recording - Support IVS & P2P - 4CH POS Integration - English & French 2TB HDD was quoted and installed is 4 TB HDD \$140.00 quoted \$175.00 - reg cost \$205.00 5MP AI IR IP STARLIGHT FIXED VANDAL DOME - 5MP, H265+, Starlight - Perimeter protection (AI human/vehicle tripwire & intrusion) - True WDR, ICR, 3DNR - 2.8 mm fixed lens - IR 50m, Smart IR - IP67, IK10, Samsung 22" Flat FHD 1080p 75Hz Computer	EYEONET 4CH 4 POE 4K REAL TIME NVR All channel Al Permeter Protection with specific AI IPC (IP6194W-28-AI, IP6394W-28-AI) H.265, 4K UHD, 4 POE -All channels simultaneous playback - 4CH@4K@30fps real time recording - Support IVS & P2P - 4CH POS Integration - English & French 2TB HDD was quoted and installed is 4 TB HDD 1 \$140.00 quoted \$175.00 - reg cost \$205.00 5MP AI IR IP STARLIGHT FIXED VANDAL DOME - 5MP, H265+, Starlight - Perimeter protection (AI human/vehicle tripwire & intrusion) - True WDR, ICR, 3DNR - 2.8 mm fixed lens - IR 50m, Smart IR - IP67, IK10, Samsung 22" Flat FHD 1080p 75Hz Computer	EYEONET 4CH 4 POE 4K REAL TIME NVR All channel Al Perimeter Profection with specific AI IPC (IP6194W-28-AI, 186394W-28-AI) - H.265, 4K UHD, 4 POE - All channels simultaneous playback - 4CH@4K@30fps real time recording - Support IVS & P2P - 4CH POS Integration - English & French 2TB HDD was quoted and installed is 4 TB HDD 1 \$175.00 \$140.00 quoted \$175.00 - reg cost \$205.00 5MP AI IR IP STARLIGHT FIXED VANDAL DOME - 5MP, H265+, Starlight - Perimeter protection (AI human/vehicle tripwire & intrusion) - True WDR, ICR, 3DNR - 2.8 mm fixed lens - IR 50m, Smart IR - IP67, IK10, Samsung 22" Flat FHD 1080p 75Hz Computer 1 \$195.00



AJ True North Total Security Inc.
55 Gagnier Bay | Ste. Anne, Manitoba R5H 1A5
204-294-7692 | admin@ajtntsecurity.com | www.ajtntsecurity.ca

PRODUCT / SERVICE	DESCRIPTION	QTY.	UNIT PRICE	TOTAL
Installation and Material Cost	installation of all network lines and terminations installation of new bullet camera for main gate and vandal dome camera for side storage area Installation of shelf, monitor, ups, power cord and configuration of camera to NVR, confirmed both views with General and Preet. Warning Signs are installed at both entrance gates	1	\$895 ₄ 00	\$895.00
	Both Travel Times, Installation, and Material is included 250 + 260 +)		
Equipment Cost	550 UPS Backup Battery with Surge Protector & longer extension cord for external power receptacle	1	\$189.00	\$189.00
Equipment Cost	- H.265, 4K, Al Perimeter - 2-8mm fixed - 50m IR\night view distance - 120dB True WDR, built-in micro SD slot - \P67, 12VDC/PoE	1.	\$225,00	\$225.00
Comments	Requested Insurance Builders Risk Form to be filled out for Insurance Purpose	1	\$75.00	\$75.00 *
	Standard Rate \$125.00 Express Rate \$175.00			

* Non-taxable	Subtotal	\$2,324.00
Hello Preet,	GST/PST: GST (5.0%) + PST (7.0%) (12.0%)	\$269.88
Hope all is well with you and your Family. This is the invoice for the work that was completed in Portage La Prairie. I did not include the time spent to find a wireless solution for this setup that has cost me several hours to plan and I still need to return those cameras that I purchased for you.	Total	\$2,593.88
Please let us know how you would like to settle this invoice.		

Thank you and have a good rest of your week.



Notes Continued...

Thank you for your business. Please contact us with any questions regarding this invoice. (GST/HST) 755125309RT0001

TAB E

INVOICE



Red Valley Industries Ltd. 707 Premier St. N. Van, BC, V7J 0A5 778-855-0151 red.valley@outlook.com GST# 726968290RT0001 To: Gateway Projects
223 Lindenwood Drive
West
Winnipeg, MB
R3P 1X7
Attn: Preet

gateway.projectsmb@g mail.com Delivered 1801 Park Drive to: Portage La Prairie, MB

Date: June 25, 2022 Invoice # 2018383

PO	Jab	Shipping Method	Shipping Terms	Delivery Date	Payment Terms	Due Date
					Net Terms	ADI

Qty	Item #	Description	Unit Price	Discount	Line Total
27		Used 8'x14' A Grade Mats	\$800.00		\$21,600.00

 Subtotal
 \$21,600.00

 GST 5%
 \$1,080.00

 MB PST 7%
 \$1,512.00

 Total
 \$24,192.00

Please make all checks payable to: Red Valley Ind. Ltd.

Thank you for your business!

TAB F



Invoice

Titan Environmental Containment Ltd.

777 Quest Blvd Ile des Chenes MB R0A0T1 Canada **Email:** ar@titanenviro.ca Invoice #: IN18131

Invoice Date: 05/30/2023

Bill To	Ship To	
WALK UP CUSTOMER Canada	1801 Park Drive Portage La Prairie MB Canada	

Order Date	05/30/2023	SO #	Sales Order #SO15528	Incoterms	
Ship Date	05/30/2023	PO #		Shipping Method	Truck
Payment Terms	Due on receipt	Sales Rep	Evan Vandenberg	Shipping Carrier	Arrow Messenger
Warehouse	Ile des Chenes			Site Contact	204-890-8478
Terms & Conditions	Visit https://titan	enviro.com/te	erms-and-conditions-	ca/ for our complete ter	ms and conditions.

Memo: Gateway Projects - 1801 Park Drive - 204-890-8478

Quantity	им	Description	Unit Cost	Extension
8	RL	TE-W250 Woven Geotextile 5.33m (17.5') x 78.64m (258')	\$428.00	\$3,424.00
8	RL	TE-8 Non-Woven Geotextile 4.57m (15') x 91.5m (300')	\$727.32	\$5,818.56

Titan Tax ID

SK PST	MB RST	BC PST	QST	GST
5786017	808278147 MT0001	PST-1001-2809	1229878529 TQ0001	808278147 RT 0001

British Columbia . Alberta . Saskalchewan . Manitoba . Ontario

Trul Inne 1 REG 327 1857 (Fred I movembrus round (Web www.titanenviro.com sound (Origo 777 Guerri Biya, ye des Chomes Maniloba, Canada ROA 071



Titan Environmental Containment Ltd.

777 Quest Blvd Ile des Chenes MB R0A0T1 Canada **Email:** ar@titanenviro.ca

Additional Shipping Notes:

Invoice

Invoice #: IN18131

Invoice Date: 05/30/2023

Subtotal \$9,242.56

GST/HST (%) \$487.93 **PST (%)** \$683.10

Shipping & Handling \$516.00

Total \$10,929.59

Titan Tax ID

 SK PST
 MB RST
 BC PST
 QST
 GST

 5786017
 808278147 MT0001
 PST-1001-2809
 1229878529 TQ0001
 808278147 RT 0001

N+ +A

British Columbia e Alberta e Saskatchewan e Manitoba e Ontario

TOIL tree: 1.0.65-3.27 (957) Email inflormation com: Web: www.phanerouth.com-Fleat 1700 (# 777 Count River, Ne des Chenes, Manifolia, Canada ROA 011



Invoice

Titan Environmental Containment Ltd.

777 Quest Blvd Ile des Chenes MB ROA0T1 Canada **Email:** ar@titanenviro.ca Invoice #: IN18155

Invoice Date: 05/30/2023

Bill To	Ship To	
WALK UP CUSTOMER Canada	1801 park drive 1801 park drive Portage La Prairie MB Canada	

Order Date	05/30/2023	SO #	Sales Order #SO15543	Incoterms	FOB - Titan Warehouse
Ship Date	05/30/2023	PO#		Shipping Method	Truck
Payment Terms	Due on receipt	Sales Rep	Evan Vandenberg	Shipping Carrier	Arrow Messenger
Warehouse	Ile des Chenes			Site Contact	
Terms & Conditions	Visit https://titan	enviro.com/te	erms-and-conditions-	a/ for our complete ter	ms and conditions.

Memo: Gateway Project - 1801 park drive

Quantity UM Description Unit Cost Extension 16 RL Titan Earth Grid 30 (3.95m x 50m) \$445.00 \$7,120.00 Additional Shipping Notes: Subtotal \$7,120.00 GST/HST (%) \$368.60 PST (%) \$516.04 Shipping & Handling \$252.00 Total \$8,256.64					
Additional Shipping Notes: Subtotal \$7,120.00 GST/HST (%) \$368.60 PST (%) \$516.04 Shipping & Handling \$252.00	Quantity	UM	Description	Unit Cost	Extension
GST/HST (%) \$368.60 PST (%) \$516.04 Shipping & Handling \$252.00	16	RL	Titan Earth Grid 30 (3.95m x 50m)	\$445.00	\$7,120.00
PST (%) \$516.04 Shipping & Handling \$252.00	Additional Sh	nipping No	tes:	Subtotal	\$7,120.00
Shipping & Handling \$252.00				GST/HST (%)	\$368.60
				PST (%)	\$516.04
Total \$8,256.64				Shipping & Handling	\$252.00
				Total	\$8,256.64

Titan Tax ID

SK PST	MB RST	BC PST	QST	GST
5786017	808278147 MT0001	PST-1001-2809	1229878529 TQ0001	808278147 RT 0001

British Columbia . Alberta . Saskatchewan . Manitoba . Ontario

Item Coffice 777 Com I Blyd Ife des Common Mantioba, Countre ROA TTI



Titan Environmental Containment Ltd.

777 Quest Blvd Ile des Chenes MB R0A0T1 Canada **Email:** ar@titanenviro.ca

Invoice

Invoice #: IN18155

Invoice Date: 05/30/2023

Titan Tax ID

SK PST

MB RST

BC PST

QST

GST

5786017

808278147 MT0001

PST-1001-2809

1229878529 TQ0001

808278147 RT 0001

British Columbia • Alberta • Saskatchewan • Manitoba • Ontario

Triffice: 17/36-127 1951 Email intortransiving Law Will www.illaminvin.gom
Persot Office: 177 Const Ewo file des Chenes, Manifoba, Canada ROA 911

TITAN ENVIRONMENTAL CONTA 777 QUEST BLVD ILE DES CHEMES, MB ROAOT1 2048783955

RETURN

MD: 6417258

TID: 001 Batch #: 150001 05/30/23

05/30/23 AMEX *********2010 REF#: 00000005 RRN: 00000005

13:01:49 Manual CP

Hajes

AMOUNT

\$6,516.79

APPROVED

MERCHANT SIGNATURE

I AGREE TO PAY ABOVE TOTAL AMOUNT IN ACCORDANCE WITH CARD ISSUER'S AGREEMENT (MERCHANT AGREEMENT IF CREDIT VOUCHER) RETAIN THIS COPT FOR STATEMENT WERIFICATION

THANK YOU / MERCE

TITAN ENVIRONMENTAL CONTA 777 QUEST BLVD ILE DES CHENES, MB ROAOT1 2048783955

SALE

MID: 6417258
TID: 001 REF#: 00000002
Batch #: 150001 RRN: 00000002
05/30/23 08:42:43
APPR CODE: 148858
AMEX Manual CP

AMOUNT \$10,929.59

APPROVED

I AGREE TO PAY ABOVE TOTAL AMOUNT
IN ACCORDANCE WITH CARD ISSUER'S
AGRECUMT
(MERCHANT AGREEMENT IF CREDIT VOUCHER)
RETAIN THIS COPT FOR STATEMENT
VERIFICATION

THANK YOU / MERCI!

TITAN ENVIRONMENTAL CONTA 777 QUEST BLVD ILE DES CHENES, MB ROAOT1 2048783955

SALE

MID: 6417258 TID: 001 REF#. 00000001 Batch #: 116001 RRN: 00000001 04/26/23 08:48:22 APPR CODE: 162226

AMEX Manual CP

AMOUNT

\$4,412.80

APPROVED

I AGREE TO PAY ABOVE TOTAL AMOUNT
IN ACCORDANCE HITH CARD ISSUER'S
AGREEMENT
(MERCHANT AGREEMENT IF CREDIT VOUCHER)
RETAIN THIS COPT FOR STATEMENT
VERIFICATION

THANK YOU / MERCE

TITAN ENVIRONMENTAL CONTA 777 QUEST BLVD ILE DES CHENES, MB ROAOT1 2048783955

SALE

MID: 6417258

TID: 001 Batch #: 150001 REF#: 00000004 RRN: 00000004

05/30/23

12:25:25

APPR CODE: 164836 AMEX

**********2010

Manual CP

AMOUNT

\$8,256.64

APPROVED

I AGREE TO PAY ABOVE TOTAL AMOUNT
IN ACCORDANCE WITH CARD ISSUER'S
AGRECURNT
(MERCHANT AGREEMENT IF CREDIT VOUCHER)
RETAIN THIS COPY FOR STATEMENT
VERIFICATION

THANK YOU / MERCE

TAB G

Lyon Lifts Ltd.

1401-1128 Quebec Street Vancouver BC V6A 4E1 604-690-5966 romain@lyonlifts.com www.lyonlifts.com GST/HST Registration No.: 799437504RT0001



INVOICE

BILLTO

6405259 Manitoba Ltd 223 Lindenwood Dr West Winnipeg MB R3P 1X7

TAX SUMMARY

SHIP TO

6405259 Manitoba Ltd

1801 Park Drive, Portage La Prairie MB

RATE

GST @ 5%

Preet Sandhu 204-890-8478

INVOICE

DATE

1341

12/01/2023

NET

49,900.00

DATE		DESCRIPTION	QTY	RATE	AMOUNT
12/01/2023	Machine Sale	2010 JLG 660SJ	1	49,900.00	49,900.00
		2400Hours Diesel			
		Foam Filled Tires			
		SN#0300139434			
Note:	***************************************	SUBTOTAL			49,900.00
Selling price includes	s delivery to Portage La Prairie MB.	GST @ 5%			2,495.00
		TOTAL			52,395.00
		BALANCE DUE			\$52,395.00

TAX

2,495.00





File Summary

Registry No : Entity Name :

6405259

6405259 MANITOBA LTD.

As of: 12-Sep-2023

Entity Name:

6405259 MANITOBA LTD.

Registry No:

6405259

Business No : Current Status 839365301MC0001 Active (Revived)

Entity Type : Entity Sub Type :

BUSINESS CORPORATION MB SHARE CORPORATION

Incorp/Amalg Date: Home Jurisdiction:

13-Dec-2011 MANITOBA

Annual Return/Renewal Date: Year of Last A/R - Renewal:

31-Jan-2024

2022

Nature of Business:

MISC SERVICES

NAICS Code :

Registered Office Address :

Address:

223 LINDENWOOD DRIVE WEST

City/Province:

WINNIPEG, MB CANADA, R3P 1X7

Country/Postal Code:

Mailing Address :

Name:

Address:

223 LINDENWOOD DRIVE WEST

City/Province : Country/Postal Code :

WINNIPEG, MB CANADA, R3P 1X7

Director Information :

Date Became :

26-Jul-2022

Name: SANDHU, JASPAL SINGH

Address: 223 LINDENWOOD DRIVE WEST

City/Province : Country/Postal Code : WINNIPEG, MB CANADA, R3P 1X7

Officer Information:

Name:

SANDHU, JASPAL SINGH 223 LINDENWOOD DRIVE WEST Address:

City/Province: WINNIPEG, MB Country/Postal Code: CANADA, R3P 1X7

Position Held as Officer: PRESIDENT AND SECRETARY

Shareholders Information (holders of 10% or more of Issued Voting Shares):

SANDHU, JASPAL COM A

Name : Class Name : Shares Held: 10.00

Share Structure :

Class	Authorized Number			
COM A	UNLIMITED			
COM B	UNLIMITED			
PREF A	UNLIMITED			
PREF B	UNLIMITED			
PREF C	UNLIMITED			

Shares are distributed to the public : No

Event History:

Event	Date:	Filing Year:
FILINGS RECORDED IN THE PREVIOUS SYSTEM ARE NOT INCLUDED		
ANNUAL RETURN	18-Jan-2018	2017
COMPLIANCE STATUS - NOTICE	16-Dec-2019	
DISSOLVED BY BRANCH	04-Jan-2021	
REVIVAL	28-Mar-2022	
ANNUAL RETURN	28-Mar-2022	2019
ANNUAL RETURN	28-Mar-2022	2020
ANNUAL RETURN	28-Mar-2022	2021
CHANGE OF DIRECTORS/OFFICERS	27-Jul-2022	
CHANGE OF SHAREHOLDERS	24-Jan-2023	
COMPLIANCE STATUS - DEFAULT	13-Feb-2023	
ANNUAL RETURN	23-Feb-2023	2022
CHANGE OF DIRECTORS/OFFICERS	28-Feb-2023	

The accuracy of this information is not guaranteed. In particular, it is possible that certain filings have been received which have not yet been updated onto the system. You should consult original documents or obtain appropriate certificates when you need to be certain of information.

AUTHORIZATION

TO: KPMG Inc.

777 Dunsmuir Street - 11th Floor

Vancouver, BC V7Y 1K3

RE: 6405259 Manitoba Ltd.

The undersigned hereby authorizes KPMG Inc. to allow 6332189 Manitoba Ltd. and Karampaul Sadhu to deal with property owned by 6405259 Manitoba Ltd. that remains at 1801 – 1825 Park Drive in Portage la Prairie, to which a KPMG Inc. has been appointed as receiver.

The undersigned hereby acknowledges that this Authorization may be signed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Authorization and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

Dated at the City of Winnipeg, in Manitoba, this 13th day of September, 2023.

6405259 Manitoba Ltd.

Per

JASPAL SANDHU'

'I have the authority to bind the corporation

TAB H





File Summary

Registry No : Entity Name :

6332189

6332189 MANITOBA LTD.

6332189 MANITOBA LTD.

As of: 12-Sep-2023

Entity Name:

Registry No;

6332189

Business No: Current Status: 802565002MC0001

Active

Entity Type : Entity Sub Type :

BUSINESS CORPORATION MB SHARE CORPORATION

Incorp/Amalg Date:

Home Jurisdiction: Annual Return/Renewal Date: 02-Aug-2011 MANITOBA 30-Sep-2024

Year of Last A/R - Renewal:

2023 CONSTRUCTION

Nature of Business:

NAICS Code :

Registered Office Address : Effective date, if changing address : 04-Dec-2020

Address :

108 - 1090 WAVERLEY STREET WINNIPEG, MB

City/Province: Country/Postal Code:

CANADA, R3T 0P4

Mailing Address:

Name :

Address :

223 LINDENWOOD DRIVE WEST WINNIPEG, MB

City/Province: Country/Postal Code:

CANADA, R3P 1X7 KARAMPAUL SANDHU

Attention:

Director Information:

Date Became :

Name:

Address:

04-Aug-2023 SANDHU, KARAMPAUL 223 LINDENWOOD DRIVE WEST WINNIPEG, MB CANADA, R3P 1X7

City/Province: Country/Postal Code

Officer Information:

Name:

SANDHU, KARAMPAUL

223 LINDENWOOD DRIVE WEST Address:

City/Province : Country/Postal Code : Position Held as Officer :

WINNIPEG, MB CANADA, PRESIDENT

Name:

SANDHU, KARAMPAUL COMMON

Class Name: Shares Held:

100.00

Shareholders Information (holders of 10% or more of Issued Voting Shares):

Share Structure :

Class	Authorized Number	
COMMON	UNLIMITED	

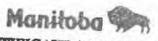
Shares are distributed to the public : No

Event History:

Event	Date:	Filing Year:
FILINGS RECORDED IN THE PREVIOUS SYSTEM ARE NOT INCLUDED		
ANNUAL RETURN	07-Feb-2018	2017
COMPLIANCE STATUS - NOTICE	19-Aug-2019	25.70
ANNUAL RETURN (Filed on the Web)	10-Oct-2019	2018
ANNUAL RETURN (Filed on the Web)	10-Oct-2019	2019
COMPLIANCE STATUS - DEFAULT	21-Oct-2020	
ANNUAL RETURN (Filed on the Web)	04-Dec-2020	2020
CHANGE OF SHAREHOLDERS (Filed on the Web)	04-Jul-2021	
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	04-Jul-2021	
CHANGE OF REGISTERED OFFICE (Filed on the Web)	04-Jul-2021	
CHANGE OF MAILING ADDRESS (Filed on the Web)	04-Jul-2021	
ANNUAL RETURN (Filed on the Web)	01-Sep-2021	2021
ANNUAL RETURN (Filed on the Web)	08-Sep-2022	2022
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	04-Aug-2023	
CHANGE OF SHAREHOLDERS (Filed on the Web)	04-Aug-2023	
CHANGE OF MAILING ADDRESS (Filed on the Web)	04-Aug-2023	
ANNUAL RETURN (Filed on the Web)	01-Sep-2023	2023

The accuracy of this information is not guaranteed, in particular, it is possible that certain filings have been received which have not yet been updated onto the system. You should consult original documents or obtain appropriate certificates when you need to be certain of information.





CERTIFICATE / CERTIFICAT ARTICLES EFFECTIVE / LES STATUTS PRENNENT EFFET LE

02-AUG AOUT 2011	
adrendo	_
DIRECTOM DERECTEUR The Corporations Act /Loi sur les corporations	

1.	Name	of Corporation

6332189 MANITOBALTD.

The address in full of the registered office (include postal code)
 202-960 PORTAGE AVENUE
 WINNIPEG, MB R3G 0R4

3. Number (or minimum and maximum number) of directors

MINIMUM - 1 MAXIMUM - 7

4. First directors

Name in full	Address in full (include postal code)
KARAMPAUL SANDHU	223 LINDENWOOD DRIVE WEST WINNIPEG MB R3P 1X7

5. The classes and any maximum number of shares that the corporation is authorized to issue

COMMON SHARES - NO MAXIMUM

	nd conditions attaching to the shares, if any	
NONE		
	· ·	
	,	
	T	
Restrictions, if any, on share transf		
DIRECTORS TO BE SIGNIFIED	FERRED WITHOUT THE EXPRESS CONSENT OF A MA. BY A RESOLUTION OF THE DIRECTORS EXCEPT IN TH NTATIVE OF A DECEASED SHAREHOLDER.	
8. Restrictions, if any, on business th	e corporation may carry on	
9. Other provisions, if any		
SEE SCHEDULE ANNEXED HE	ERETO	
SEE SCHEDULE ANNEXED THE	INCIO	
	roposed name of the corporation is not the same as or similar to the name if or business so as to be likely to confuse or mislead	of any known body corporate,
11. Incorporators		
Name in full	Address in full (include postal code)	Signature
KARAMPAUL SANDHU	223 LINDENWOOD DRIVE WEST	VSandle
	WINNIPEG MB R3P 1X7	Pasintanti
Note: If any First Director no	uned in paragraph 4 is not an Incorporator, a Form 3 "Consent to Act as a	a First Director" must be attached.
State the fall civic add	ress in paragraphs 2, 4 and 11 - a P.O. box number alone is not acceptable	IC.
OFFICE USE ONLY	(
Corporation Number:	6332189	
Business Number: 802	56 5002 MC0001	

OTHER PROVISIONS:

- 1. The number of shareholders of the Corporation is hereby limited to fifty or fewer, not including persons who are in the employment of the Corporation or persons who, having been formerly in the employment of the Corporation were while in that employment and have continued after the termination of that employment to be shareholders of the Corporation.
- Any invitation to the public to subscribe for the Corporation's shares or securities is hereby prohibited.
- The Corporation shall have a lien on all shares registered in the name of a shareholder or his legal representative for a debt of that shareholder to the Corporation.
- 4. Without in any way limiting the Corporation's powers, the Corporation may:
 - Borrow money upon the credit of the Corporation and limit or increase the amount to be borrowed;
 - (ii) Hypothecate, charge, mortgage or pledge all br any of the real or personal property of the Corporation, present or future, for the purpose of securing any monies borrowed, or other debt, obligation or liability of the Corporation or securing any bonds, debentures or debenture stock which the Corporation is by law entitled to issue;
 - (iii) Issue, re-issue, sell or pledge debt obligations or other securities of the Corporation;
 - Mortgage, hypothecate, charge or pledge on otherwise create a security interest in all property of the Corporation, owned or subsequently acquired, to secure payment of an obligation of the Corporation;
 - Guarantee the repayment of the debts, obligations and liabilities of any other person(s) or corporation;
 - (vi) Give indemnities to any director or other person who has undertaken or is about to undertake any liability on behalf of the Corporation to secure such director or other person against loss by giving him a mortgage or charge upon or granting a security interest in the whole or any part of the real or personal property of the Corporation by way of security.

Nothing in the Articles of Incorporation limits or restricts the borrowing of money by the Corporation.

APPENDIX "F"

From: Forbes, Katherine J < <u>katherineforbes@kpmg.ca</u>>

Sent: Thursday, January 11, 2024 4:06 PM

To: Brooke Mowatt < <u>bmowatt@DarcyDeacon.com</u>>

Cc: JJ Burnell < JBurnell@mltaikins.com >; Croft, Gareth < gcroft@kpmg.ca >;

dolson@darcydeacon.com Subject: RE: KPMG/Bokhari

Importance: High

[EXTERNAL MESSAGE]

Brooke,

Happy New Year. We are writing in our capacity as Receiver to address claims of materials and equipment purported to be owned by 6332189 Manitoba Ltd. (Gateway) included in your letter to the Receiver dated September 14th, 2023 (the "Letter"). For ease of reference, items listed below are in the same order as the Letter.

1. Shipping Containers

a. Sufficient supporting documentation has been received for 1 shipping container (TDRU203038), however there is insufficient documentation provided to substantiate the ownership of the remaining 4 containers.

2. Gas Heaters

a. The Receiver inventoried 3 Heaters, however each has a United Rentals barcode. We do not have sufficient supporting documentation to determine the ownership of the heaters; should you have supporting documentation, please provide.

3. Generator – [Receiver's review in process]

- 4. Plumbing Materials, Doors, Door Hardware, and Door Closures
 - a. All invoices provided at Tab B include delivery dates in 2022, and advances were made from Peoples Trust to BDI for costs covering the period through April 30, 2023, therefore the Receiver has insufficient information to substantiate this claim. Please provide us with the Gateway Projects invoice(s) presented to Bokhari Development Inc. (BDI) related to these materials, indicate to which loan draw they were to relate, and sufficient information to connect the Gateway invoices to these materials invoices.
 - b. 'Other plumbing materials' no invoices were provided.

5. Electrical and Fire Alarm Materials

a. All SLK invoices provided at Tab C are dated in 2022, as are the supporting Gescan invoices. As advances were made to BDI for the period through April 30, 2023, these should have been paid unless advances weren't made per BTY reports or BDI didn't pay through. The Receiver is not in possession of any information to suggest that these costs weren't incorporated into the draws made by Peoples to BDI. Please provide us with the Gateway invoice(s) presented to BDI related to these SLK amounts, indicate to which loan draw they were to relate, and sufficient information to connect the Gateway invoices to these SLK invoices.

6. Insulation

- a. no invoices were provided.
- 7. Security Camera [Receiver's review in process. According to the invoice provided, the security cameras were installed at the Project]
- 8. Rig Mats please provide additional information in order to identify these, and determine if they are on site.
- 9. Road Fabric [Receiver's review in process]

Last, as you're aware, the Boom lift was retrieved by your client. (Including in this correspondence for completeness).

We look forward to receiving further supporting documentation from your client.

Katherine

Katherine Forbes, CPA, CA, CIRP, LIT

Senior Vice-President

KPMG Inc.

Bay Adelaide Centre

333 Bay Street, Suite 4600

Toronto, ON M5H 2S5

O: 416 777 8107

M: 416 303 3993

katherineforbes@kpmg.ca

APPENDIX "G"



MLT Aikins LLP 30th Floor - 360 Main Street Winnipeg, MB R3C 4G1 T: (204) 957-0050 F: (204) 957-0840

J. J. Burnell*

May 21, 2024

* services provided by J J Burnell Law Corporation Direct Line: (204) 957-4663 Fax: (204) 957-0840 E-mail: jburnell@mltaikins.com

VIA EMAIL

Kari E. Rios Legal Assistant Direct Line: (204) 957-4855 E-mail: krios@mltaikins.com

D'ARCY & DEACON LLP 2200 – One Lombard Place Winnipeg, Manitoba R3B 0X7 Attn: Derek Olson

RUSSELL SAWATZKY 55 Roehampton Place Winnipeg, Manitoba R3T 0P4

Dear Sirs:

Re: Requests made by D'Arcy & Deacon LLP and Russell

Sawatzky purportedly on behalf of 6332189 Manitoba Ltd. o/a Gateway Projects to the Receiver of Bokhari Development

Inc.

File No: 0088420-00003

We are counsel to KPMG Inc., the Court-appointed receiver and manager (the "Receiver") of all of the assets, undertakings and properties of Bokhari Development Inc. comprising, located at, arising from, or in any way relating to the property commonly known as 1801 – 1825 Park Drive in Portage la Prairie, Manitoba, including the development of the project (the "Project") located thereon and all proceeds thereof.

We are writing to you in respect of conflicting information our office and the Receiver have received regarding the ownership of 6332189 Manitoba Ltd. o/a Gateway Projects ("Gateway"), the former general contractor of the Project.

Correspondence from D'Arcy & Deacon

By letter dated September 14, 2023 (the "D'Arcy & Deacon Letter"), the Receiver was advised by D'Arcy & Deacon LLP ("D'Arcy & Deacon") that it had been retained by Gateway. The D'Arcy & Deacon Letter further advised that "Russell Sawatzky is not a shareholder, director or officer of 6332189 Manitoba Ltd., and as such, he has no interest in the company or these proceedings going forward."

The D'Arcy & Deacon Letter also enclosed the Articles of Incorporation for Gateway dated August 2, 2011, which lists Karampal Sandhu as the first director of Gateway, and a



Manitoba Companies Office search for Gateway dated September 12, 2023, which lists Mr. Sandhu as the sole officer and director, and a shareholder of Gateway.

D'Arcy & Deacon has requested the "return" of certain property and the holdback funds on behalf of Gateway.

Correspondence from Russell Sawatzky

By emails dated January 11, 2024, January 28, 2024 and February 15, 2024, Mr. Sawatzky advised our office that he is the owner of Gateway, and that: (i) Mr. Olson of D'Arcy & Deacon is not working on Gateway's behalf, and (ii) the Receiver should not be communicating with Mr. Olson with respect to matters relating to Gateway.

On March 16, 2024, by email to Mr. Sawatzky, which was copied to Mr. Olson, our office advised that D'Arcy & Deacon had previously informed the Receiver that Mr. Sawatzky is not a shareholder, director or officer of Gateway and has no interest in Gateway.

Mr. Sawatzky responded by email dated March 20, 2024, stating that: (i) he is the owner of Gateway; (ii) "Darcy Deacon is mistaken"; and (iii) he has never given up his shares of Gateway. This was re-iterated by Mr. Sawatzky in an email sent to our office dated March 25, 2023, to which he attached a screenshot of the second page of a Manitoba Companies Office search for Gateway dated August 4, 2023, which lists Mr. Sawatzky as a shareholder of Gateway.

By email dated April 21, 2024, Mr. Sawatzky requested that the Receiver not discuss matters concerning Gateway with anyone but him.

Mr. Sawatzky has made requests similar to that of D'Arcy Deacon for the "return" of certain property and the holback funds on behalf of Gateway.

Review of Companies Office Records by Receiver

Our office has reviewed historical Manitoba Companies Office records which indicate that:

- On August 3, 2023, Mr. Sawatzky was listed as the sole director and officer, and a shareholder of Gateway.
- On August 4, 2023, a change of directors/officers and change of shareholders was filed in respect of Gateway, changing the sole director and officer to Mr. Sandhu, and listing Mr. Sandhu instead of Mr. Sawatzky as a shareholder.
- On October 10, 2023, another change of directors/officers and change of shareholders was filed in respect of Gateway, changing the sole director and officer back to Mr. Sawatzky, and listing Mr. Sawatzky instead of Mr. Sandhu as a shareholder.



- On November 20, 2023, another change of directors/officers and change of shareholders was filed in respect of Gateway, changing the sole director and officer back to Mr. Sandhu, and listing Mr. Sandhu as a shareholder instead of Mr. Sawatzky.
- Mr. Sandhu remains listed as the sole director and officer and a shareholder of Gateway in the Manitoba Companies Office records as at May 11, 2024, and Mr. Sawatzky does not appear as a director, officer of shareholder of Gateway.

Joint Direction or Court Order Required by Receiver

Due to the conflicting correspondence received by the Receiver and its counsel from D'Arcy & Deacon and Mr. Sawatzky, and the numerous changes made to the Manitoba Companies Office records, the Receiver cannot determine with any certainty who is the proper owner and directing mind of Gateway. This issue has caused cost and expense to the receivership estate.

Accordingly, in order for the Receiver to release any property to Gateway two conditions must be met. First, Gateway must establish that it is the rightful owner. Second, the Receiver must either receive a joint direction from Mr. Sandhu and Mr. Sawatsky directing the release of the property and specifying the person to whom the Property should be released; or Mr. Sandhu or Mr. Sawatzky proves entitlement to the property to the Manitoba Court of King's Bench.

If you have any questions regarding the foregoing, please do not hesitate to contact the undersigned.

Sincerely,

MLT AIKINS LLP

Per:

J. J. Burnell Partner

JJ Burnell

JJBB:ker

APPENDIX "H"

Summary of Receiver's fees and disbursements For the period October 30, 2023 to September 30, 2024 (C\$)											
Invoice Number	Invoice Date	Period	Hours	Professional Fees	Disbursements	HST	Total				
7000443465	February 16, 2024	October 30 to December 3, 2023	148.50	73,670	8,135	10,635	92,439				
7000443481	February 16, 2024	December 4 to December 31, 2023	42.05	21,250	-	2,763	24,013				
7000465483	June 27, 2024	January 1 to April 30, 2024	399.35	200,448	-	26,058	226,507				
7000477401	October 1, 2024	May 1 to June 30, 2024	166.35	80,640	2,018	10,746	93,404				
7000482297	October 15, 2024	July 1 to September 30, 2024	236.45	110,735	1,718	14,619	127,072				
Total			992.70	486,743	11,871	64,820	563,433				

APPENDIX "I"

Summary of MLT Aikins' fees and disbursements For the period November 1, 2023 to October 26, 2024 (C\$)											
Invoice Number	Period	Hours	Professional Fees	Disbursements	GST	PST	Total				
6417767	November 1 to November 30, 2023	80.80	36,656	252	1,845	2,566	41,319				
6428197	December 1 to December 31, 2023	7.90	4,626	30	233	324	5,212				
6439927	January 1 to February 1, 2024	10.60	6,184	-	309	433	6,926				
6446170	February 2 to February 29, 2024	13.30	6,762	-	338	473	7,573				
6452238	March 1 to March 31, 2024	9.80	5,382	-	269	377	6,028				
6468095	April 1 to May 31, 2024	11.30	5,928	35	297	415	6,675				
6482749	June 1 to July 31, 2024	14.50	8,482	133	431	594	9,639				
6489952	August 1 to August 31, 2024	3.60	2,190	-	110	153	2,453				
6499318	September 1 to September 30, 2024	5.10	2,936	-	147	206	3,288				
6504361	October 1 to October 26, 2024	6.90	3,644	-	182	255	4,081				
Total		163.80	82,789	450	4,161	5,795	93,195				