S 264776

Court File No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

ROYAL BANK OF CANADA

PETITIONER

AND

WEST HORIZON CONTRACTING INC.

RESPONDENT

PETITION TO THE COURT

THIS IS THE PETITION OF:

Royal Bank of Canada
c/o MLT Aikins LLP
Barristers and Solicitors
2600 – 1066 West Hastings Street
Vancouver, BC V6E 2X1

ON NOTICE TO: SERVICE LIST attached hereto as Schedule "A"

The Petitioner estimates that the hearing of the petition will take **1 hour**.

This matter is not an application for judicial review.

This proceeding is brought for the relief set out in Part 1 below, by Royal Bank of Canada.

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

(a) file a response to petition in Form 67 in the above-named registry of this court within the time for response to petition described below, and

(b) serve on the Petitioner

(i) 2 copies of the filed response to petition, and

(ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

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

Time for Response to Petition

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

(c) if you were served with the petition anywhere within Canada, within 21 days after that service,

(d) if you were served with the petition anywhere in the United States of America, within 35 days after that service,

(e) if you were served with the petition anywhere else, within 49 days after that service,

(f) if the time for response has been set by order of the court, within that time.

(1)	The address of the registry is: 800 Smithe Street Vancouver, British Columbia V6Z 2E1
(2)	The Address For Service of the Petitioner is: c/o MLT Aikins LLP Suite 2600 - 1066 West Hastings Street Vancouver, BC V6E 3X1 Attention: William Skelly / Mihai Tomos Email: WSkelly@mltaikins.com / mtomos@mltaikins.com
(3)	The name and office address of the Petitioner's lawyers is: William J. Skelly / Mihai Tomos MLT Aikins LLP Suite 2600 - 1066 West Hastings Street Vancouver, BC V6E 3X1 Email: WSkelly@mltaikins.com / mtomos@mltaikins.com

CLAIM OF THE PETITIONER

Part 1: ORDERS SOUGHT

1. An Order, substantially in the form attached as **Schedule "B"**:

   a. shortening, if necessary, of the period for notice pursuant to Rule 22-4 of the *Supreme Court Civil Rules*, BC Reg 168/2009, as amended (the "**Rules of Court**");

   b. appointing BDO Canada Limited as receiver and manager (in such capacity, the "**Receiver**") of the property, assets, and undertakings (the "**Property**") of West Horizon Contracting Inc. ("**WHC**", or the "**Borrower**") pursuant to s. 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended (the "**BIA**") and s. 39 of the *Law and Equity Act*, RSBC 1996, c. 253, as amended (the "**LEA**"), and Rules 10-2 and 16-1 of the Rules of Court;

   c. awarding costs of this Petition to the Petitioner, Royal Bank of Canada ("**RBC**"), on a solicitor and own client basis; and

   d. such further and other relief as counsel may advise and this Court deems to be just and convenient in the circumstances.

Part 2: FACTUAL BASIS

2. RBC is a chartered bank having branches located in the Province of British Columbia and, for the purpose of this action only, has an address for service at 2600 - 1066 West Hastings Street, Vancouver, British Columbia.

3. The Respondent, WHC, was federally incorporated pursuant to the *Canada Business Corporations Act,* R.S.C., 1985 c. C-44 on June 10, 2015 and extra provincially registered in British Columbia under the *Business Corporations Act*, SBC, 2002, c. 57 on July 29, 2015. WHC maintains its registered office at 320 Granville Street, Suite 880, Vancouver, British Columbia, V6C 1S9.

First Affidavit of Michael Daerendinger made June 17, 2026 (the "RBC Affidavit") at para. 6; exs. A- B.

4. WHC formerly operated under the name, Burnett McCreery Ventures Inc., and has operated under its current name since March 14, 2017.

RBC Affidavit; at para. 7

5. WHC has two directors: Jared Burnett-McCreery ("**Jared**") and Gail Burnett ("**Gail**"). As described below, Jared and Gail personally guaranteed the Indebtedness (as defined herein). Since its incorporation, Jared has been the sole individual with significant control of WHC, directly owning or controlling more than 75% of its shares.

RBC Affidavit; at para. 8

6. WHC is a contracting company that specializes in bridge maintenance, road maintenance and construction services.

RBC Affidavit; at para. 9

The Credit Agreement

7. Pursuant to an amended and restated credit agreement dated May 8, 2025 between RBC, as lender, and WHC, as borrower, as amended by amending agreements dated May 16, 2025 and September 29, 2025 (as amended, the "**Credit Agreement**"), RBC extended certain facilities to WHC as described below:

(a) a revolving demand facility in the maximum amount of $3,000,000;

(b) a revolving term facility by way of term loans in the maximum amount of $500,000;

(c) a revolving lease line of credit by way of leases in the maximum amount of $330,987.56; and

(d) a credit card facility in the maximum amount of $200,000.

RBC Affidavit; at para. 12; exs. C-E

8. Events of Default pursuant to the Credit Agreement include, *inter alia,* if:

(a) WHC fails to pay any principal, interest or other amount when due pursuant to the Credit Agreement;

(b) WHC or any Guarantor, if applicable, fails to observe any covenant, term or condition contained in the Credit Agreement, the Security (as defined herein), or any other agreement delivered to RBC or in any documentation relating hereto or thereto;

(c) WHC or any Guarantor, if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;

(d) in the opinion of RBC there is a material adverse change in the financial condition, ownership or operation of WHC, or any Guarantor, if applicable;

(e) any representation or warranty made by WHC, or any Guarantor if applicable, under the Credit Agreement or in any other document relating hereto or under any Security shall be false in any material respect; or

(f) any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to RBC or to any other person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

RBC Affidavit; at para. 13; exs. C-E

9. The Credit Agreement further states:

> "Should RBC demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, WHC shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.".

RBC Affidavit; at para. 14; exs. C-E

The Security

WHC Security

10. To secure repayment of the Indebtedness owed and to be owed to RBC in relation to, among other agreements, the Credit Agreement, WHC granted RBC a General Security Agreement executed on July 22, 2019 (the "**GSA**").

RBC Affidavit; at para. 16; ex. F

11. In addition, RBC and WHC entered into a Master Lease Agreement dated January 14, 2020 and Leasing Schedule # 201000078782 dated February 12, 2024 (the "**Lease Agreement**").

RBC Affidavit; at para. 18; ex. G

12. RBC registered its security interest pursuant to the GSA and the Lease Agreement in the British Columbia Personal Property Registry (the "**BC PPR**") under base registration numbers 647709L, 005554M, and 976893P.

RBC Affidavit; at para. 20; ex. H

13. RBC's PPR registration against WHC pursuant to the GSA is the first-registered interest in the BC PPR.

RBC Affidavit; at para. 21; ex. H

The Guarantees

14. As security for the amounts advanced under the Credit Agreement, the following guarantees were granted in favour of RBC:

(a) a Guarantee and Postponement of Claim granted by Jared on January 11, 2024 in favour of RBC regarding the indebtedness of WHC up to the maximum amount of $2,400,000, together with interest thereon from the date of demand for payment at a rate equal to the Prime Interest Rate of RBC plus 5.0 percent per annum;

RBC Affidavit; at para. 23; ex. I

(b) a Guarantee and Postponement of Claim granted by Gail on November 23, 2022 in favour of RBC regarding the indebtedness of WHC up to the maximum amount of $1,300,000, together with interest thereon from the date of demand for payment at a rate equal to the Prime Interest Rate of RBC plus 5.0 percent per annum;

RBC Affidavit; at para. 23; ex. J

(c) a Guarantee and Postponement of Claim granted by Jared on November 20, 2022 in favour of RBC regarding the indebtedness of WHC up to the maximum amount of $1,300,000, together with interest thereon from the date of demand for payment at a rate equal to the Prime Interest Rate of RBC plus 5.0 percent per annum;

RBC Affidavit; at para. 23; ex. K

(d) a Guarantee and Postponement of Claim granted by Gail on July 24, 2019 in favour of RBC regarding the indebtedness of WHC up to the maximum amount of $801,000, together with interest thereon from the date of demand for payment at a rate equal to the Prime Interest Rate of RBC plus 5.0 percent per annum;

RBC Affidavit; at para. 23; ex. L

(e) a Guarantee and Postponement of Claim granted by Jared on July 22, 2019 in favour of RBC regarding the indebtedness of WHC up to the maximum amount of $801,000, together with interest thereon from the date of demand for payment at a rate equal to the Prime Interest Rate of RBC plus 5.0 percent per annum;

RBC Affidavit; at para. 23; ex. M

(f) a Guarantee and Postponement of Claim granted by West Horizon Industries Corp. on May 12, 2026 in favour of RBC regarding the indebtedness of WHC for an unlimited amount, together with interest thereon from the date of demand for payment at a rate equal to the Prime Interest Rate of RBC plus 5.0 percent per annum; and

RBC Affidavit; at para. 23; ex. N

(g) a Guarantee and Postponement of Claim granted by Jared on May 12, 2026 in favour of RBC regarding the indebtedness of WHC for an unlimited amount, together with interest thereon from the date of demand for payment at a rate equal to the Prime Interest Rate of RBC plus 5.0 percent per annum.

RBC Affidavit; at para. 23; ex. O

15. The above noted Guarantees are referred to herein as, the "**Guarantees**", and the parties that granted the Guarantees, as applicable, are collectively referred to as the "**Guarantors**".

16. The Guarantees each provide, among other things, that they are:

(a) continuing and secure all liabilities and any outstanding indebtedness, present or future, of the respective debtor to RBC;

(b) in addition to and not in substitution for any other guarantees;

(c) repayable upon demand; and

(d) when demand for payment has been made, the undersigned is also be liable to RBC for all legal costs (on a solicitor and own client basis) incurred by or on behalf of RBC resulting from any action instituted on the basis of the guarantee.

RBC Affidavit; at para. 26

Third-Party Security

17. As security for the respective obligations under the Guarantees, the Guarantors executed:

(a) a Postponement and Assignment of Claims dated December 24, 2025 granted by Always Angus Farms Inc. in favour of RBC;

RBC Affidavit; at para. 27; ex. P

(b) a Postponement and Assignment of Claims dated December 24, 2025 granted by Gail L. Burnett Holdings Ltd. in favour of RBC;

RBC Affidavit; at para. 27; ex. Q

(c) a Postponement and Assignment of Claims dated July 22, 2019 granted by Gail in favour of RBC;

RBC Affidavit; at para. 27; ex. R

(d) a Postponement and Assignment of Claims dated July 22, 2019 granted by Jared in favour of RBC; and

RBC Affidavit; at para. 27; ex. S

(e) a Mortgage dated May 28, 2026 granted by West Horizon Industries Corp. with respect to lands identified as PID: 005-942-357,

RBC Affidavit; at para. 27; ex. T

(collectively, the "**Third Party Security**").

BDC Priority Agreement

18. Pursuant to a Priority Agreement between Business Development Bank of Canada ("**BDC**"), RBC as lender, and WHC as borrower, dated April 21, 2023 (the "**Priority Agreement**") the parties thereto agreed that:

(a) BDC holds first priority over the life insurance policy of Jared (coverage of $1,750,000) and all proceeds thereof. RBC's security interest is expressly subordinated to BDC with respect to this insurance collateral, up to all amounts owing to BDC, including interest, costs, and enforcement expenses;

(b) RBC holds first priority over all other present and after acquired personal property of the WHC, together with all proceeds thereof, excluding the life insurance policy and its proceeds. BDC's security interest is subordinated to RBC with respect to this broader class of personal property, limited to the full amount of the WHC's indebtedness to RBC, including interest and enforcement costs; and

(c) the Priority Agreement expressly excludes real property and preserves the priority of properly perfected purchase money security interests and senior or pari passu third party claims where applicable.

RBC Affidavit; at para. 33; ex. U

19. The Priority Agreement, the GSA, and the Third-Party Security are collectively referred to herein as the "**Security**".

The GSA

20. The GSA provides that the security interest granted to RBC thereunder secures the payment and performance of any and all present or future obligations, indebtedness and liability, of WHC to RBC.

RBC Affidavit; at para. 36; ex. F

21. The terms of the GSA include, *inter alia*:

> **1(a):** For value received, the undersigned ("Debtor"), hereby grants to RBC, a security interest in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation…
>
> **2:** The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same … If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.
>
> **11**: The happening of any of the following events or conditions shall constitute default:
>
> > **(a)** the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC.
> >
> > …
> >
> > **(c)** the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or

the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

...

13(a): Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers

13(f): The Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

14(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

RBC Affidavit; at paras. 36-37; ex. F

The Indebtedness

22. Pursuant to its obligations under the Credit Agreement, as of June 12, 2026, WHC was indebted to RBC in the amount of **$3,963,723.84**, plus accruing interest, costs, and expenses, including legal costs on a solicitor and own client, full indemnity basis (collectively, the "**Indebtedness**").

RBC Affidavit; at para. 38; ex. V

23. As of the date of this Petition, the Indebtedness has not been repaid.

RBC Affidavit; at para. 40

Defaults and Demands for Payment by RBC

24. On May 7, 2026, as a result of WHC's failure to comply with financial covenants included in the Credit Agreement, RBC's legal counsel issued to WHC, Jared, and Gail demand letters and Notices of Intention to Enforce Security in accordance with section 244(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c B-3 (collectively, the "**Demand Letters**").

RBC Affidavit; at para. 41; exs. W-Y

25. Despite the Demand Letters, the Indebtedness remains outstanding. As a result, WHC has ceased to meet its liabilities as they have become due.

RBC Affidavit; at para. 45

Forbearance Letter Agreement

26. Shortly after the Demand Letters were issued, Jared, on behalf of WHC, requested that RBC (i) forbear from enforcing its rights against WHC, and (ii) temporarily increase the limit of the demand operating credit facility extended by RBC to WHC by $500,000 until June 26, 2026.

RBC Affidavit; at para. 46

27. RBC, WHC, Gail, Jared, Gail L. Burnett Holdings Ltd., Always Angus Farm Ltd., West Horizon Industries Corp., and 1356833 B.C. Ltd. entered into a forbearance letter agreement dated May 11, 2026 (the "**Forbearance Letter Agreement**").

RBC Affidavit; at para. 47; ex. Z

28. Pursuant to the Forbearance Letter Agreement, among other things, RBC agreed to temporarily increase, and increased, the demand operating credit facility extended by RBC to WHC by $500,000 (the "**Approved Bulge Limit**") until June 26, 2026 subject to the terms and conditions of the Forbearance Letter Agreement.

RBC Affidavit; at para. 49; ex. Z

29. The Forbearance Letter Agreement includes certain conditions precedent, including the requirement that:

(a) 1356833 B.C. Ltd. ("**135 Ltd.**") would grant RBC an unlimited guarantee with respect to the indebtedness of WHC to RBC; and

(b) as security for its obligations under the aforementioned guarantee, 135 Ltd. would grant a mortgage in favour of RBC with respect to the lands identified as PID 031-960-995,

(collectively, the "**135 Security**").

RBC Affidavit; at para. 50; ex. Z

30. As of the date of this Petition, RBC has not been provided with the 135 Security.

RBC Affidavit; at para. 51

Overdrawn Credit Facilities and Rejected Payments

31. On or around June 2, 2026, after WHC made certain payroll payments, WHC exceeded the Approved Bulge Limit by approximately $204,000.

RBC Affidavit; at para. 52

32. On June 3, 2026, RBC asked that WHC bring the facility within the Approved Bulge Limit by the end of June 4, 2026.

RBC Affidavit; at para. 53; ex. AA

33. On June 4, 2026, WHC advised that $204,000 excess would be "covered" that day.

RBC Affidavit; at para. 54; ex. AA

34. On June 4, 2026, WHC continued to exceed the Approved Bulge Limit, reaching to $245,000 in excess of the Approved Bulge Limit.

RBC Affidavit; at para. 55

35. As a result, on June 5, 2026, RBC advised WHC that RBC would only allow future payroll payments to go through based on available balances in WHC's current account.

RBC Affidavit; at para. 56; ex. AA

36. As a result of WHC exceeding the Approved Bulge Limit, since June 2, 2026, RBC has returned cheques and payments made by WHC in the approximate amount of $220,000 as of June 12, 2026.

RBC Affidavit; at para. 58

37. As a result of WHC's inability to make payments to employees and other third parties, and the return of cheques and other payment items due to insufficient available funds, RBC has serious concerns regarding WHC's liquidity and its ability to continue operating its business on a going-concern basis.

RBC Affidavit; at para. 59; ex. AA

Unsuccessful Refinancing Efforts

38. On May 21, 2026, Mr. Alexander Spraggs, counsel to WHC, advised Mr. Tomos, that WHC was in the process of entering into a credit agreement with National Bank of Canada ("**NBC**") that would allow WHC to pay out the entirety of its indebtedness to RBC (the "**Refinancing**").

RBC Affidavit; at para. 60; ex. BB

39. On June 1, 2026, Mr. Spraggs advised Mr. Tomos, that WHC was expecting to receive that week confirmation in writing from NBC with respect to the Refinancing.

RBC Affidavit; at para. 60; ex. BB

40. As of the date of the Petition, RBC has not received, through counsel or otherwise, confirmation from NBC that it would provide WHC with the Refinancing.

RBC Affidavit; at para. 62

Appointment of a Receiver

41. RBC has lost faith in the ability of WHC's management to repay the Indebtedness.

RBC Affidavit; at para. 63

42. As discussed above, RBC has serious concerns regarding WHC's liquidity and its ability to continue operating its business on a going-concern basis.

RBC Affidavit; at para. 64

43. The GSA provides that RBC is entitled to appoint a receiver in the event of default by WHC.

RBC Affidavit; at para. 66

44. BDO Canada Limited has consented to its appointment as receiver and manager of the WHC, if so ordered by this Court.

RBC Affidavit; at para. 68; ex. CC

Part 3: LEGAL BASIS

Jurisdiction

1. This Court's authority to grant a receivership order is derived from, *inter alia*, the following statutory provisions:

   a. Section 243(1) of the *BIA*, which provides:

      > **243 (1)** Subject to subsection (1.1), on application by a secured creditor, a court may appoint a Receiver to do any or all of the following if it considers it to be just or convenient to do so:
      >
      > **(a)** take possession of all or substantially all of the inventory, accounts receivable or other Property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
      >
      > **(b)** exercise any control that the court considers advisable over that Property and over the insolvent person's or bankrupt's business; or
      >
      > **(c)** take any other action that the court considers advisable.

   b. Section 39(1) of the *LEA*, which provides:

39 (1) An injunction or an order in the nature of mandamus may be granted or a Receiver or Receiver manager appointed by an interlocutory order of the court in all cases in which it appears to the court to be just or convenient that the order should be made.

c. Rule 10-2(1) of the *Supreme Court Civil Rules*, which provides:

(1) The court may appoint a Receiver in any proceeding either unconditionally or on terms, whether or not the appointment of a Receiver was included in the relief claimed by the applicant.

BIA, ss. 47(1) and 243(1); *LEA*, s. 39(1); *Supreme Court Civil Rules*, B.C. Reg. 168/2009, R. 10-2(1).

The Test for the Appointment of a Receiver

2. The test for the appointment of a Receiver requires the court to consider whether doing so would be "just or convenient" in the circumstance.

Ward Western Holdings Corp. v Brosseuk, 2022 BCCA 32 at para 49.

3. The British Columbia Superior Courts have adopted the following non-exhaustive list of factors that ought to be considered in determining whether it is "just or convenient" in the circumstances to appoint a Receiver:

(a) whether irreparable harm might be caused if no order were made, although it is not essential for a creditor to establish irreparable harm if a Receiver is not appointed, particularly where the appointment of a Receiver is authorized by the security documentation;

(b) the risk to the security holder taking into consideration the size of the debtor's equity in the assets and the need for protection or safeguarding of the assets while litigation takes place;

(c) the nature of the Property;

(d) the apprehended or actual waste of the debtor's assets;

(e) the preservation and protection of the Property pending judicial resolution;

(f) the balance of convenience to the parties;

(g) the fact that the creditor has the right to appoint a Receiver under the documentation provided for the loan;

(h) the enforcement of rights under a security instrument where the security-holder encounters or expects to encounter difficulty with the debtor and others;

(i) the principle that the appointment of a Receiver is extraordinary relief which should be granted cautiously and sparingly;

(j) the consideration of whether a court appointment is necessary to enable the Receiver to carry out its' duties more efficiently;

(k) the effect of the order upon the parties;

(l) the conduct of the parties;

(m) the length of time that a Receiver may be in place;

(n) the cost to the parties;

(o) the likelihood of maximizing return to the parties; and

(p) the goal of facilitating the duties of the Receiver.

Vancouver Coastal Health Authority v Seymour Health Centre Inc., 2023 BCSC 1158 *("**Seymour Health**")* at para 52 citing *Maple Trade Finance Inc. v CY Oriental Holdings Ltd.*, 2009 BCSC 1527 at para 25 and *Textron Financial Canada Limited v. Chetwynd Motels Ltd.*, 2010 BCSC 477 at para 50.

4. These factors are not a checklist but a collection of considerations to be viewed holistically in an assessment as to whether, in all the circumstances, the appointment of a Receiver is just or convenient.

Seymour Health at paras 53 and 54; *Ward Western Holdings Corp. v. Brosseuk*, 2022 BCCA 32 at para 49.

5. In addition to the foregoing, the failure of a debtor to respond to repeated requests by a lender for financial information that would address its concerns about the potential risk to its security has been considered a factor militating in favour of a receivership.

Prospera Credit Union v Portliving Farms (3624 Parkview) Investments Inc., 2021 BCSC 2449 at para 36.

A Receivership is Just, Convenient, and Necessary in the Circumstances

6. RBC respectfully submits that this Honourable Court ought to exercise its discretion to appoint a Receiver and Manager or over the Property of WHC for the following reasons:

(a) RBC is a secured creditor of WHC and has a first in time registration at the PPR against WHC's all present and after acquired personal property;

RBC Affidavit; at paras. 20-21; ex. H

(b) WHC has committed defaults under the WHC Credit Agreement and the respective Security, and has failed to cure such defaults. The continuation of these defaults poses a material risk to RBC's Security;

RBC Affidavit; at paras. 41, 45, 51, 59

(c) the GSA expressly grants RBC the authority to appoint a receiver or a receiver manager over the Property of WHC upon an event of default;

RBC Affidavit; at para. 66; ex. F

(d) RBC issued the Demand Letters and more than 10 days has passed since the Demand Letters and BIA Notices were received by the Borrower;

RBC Affidavit; at paras. 41-45; exs. W-Y

(e) there is an immediate need to conserve WHC's Property given WHC's liquidity and its inability to continue operating its business on a going-concern basis.

RBC Affidavit; at para. 63

7. The balance of convenience is in favour of appointing a Receiver given that:

(a) RBC has lost confidence in the ability of WHC to manage and operate its business in a commercially reasonable manner, and in compliance with the covenants and obligations owed by WHC under the WHC Credit Agreement and the Security;

RBC Affidavit; at para. 59

(b) as a result of WHC's inability to make payments to employees and other third parties, and the return of cheques and other payment items due to insufficient available funds, there are serious concerns regarding WHC's liquidity and its ability to continue operating its business on a going-concern basis;

RBC Affidavit; at para. 59

(c) WHC's efforts with respect to the Refinancing have not resulted in any concrete evidence that WHC would be in a position to secure the Refinancing;

RBC Affidavit; at paras. 60-62; ex. BB

(d) appointing a receiver over the assets WHC, and no other remedy, will maximize the likelihood of RBC receiving full payment of the Indebtedness;

RBC Affidavit; at para. 65

(e) the appointment of a Receiver will benefit all stakeholders of WHC by saving the costs and inefficiency of a piecemeal sale of WHC's Property;

(f) in addition, a court supervised process will promote confidence, preserve going concern value where possible, and ensure that realizations occur in a fair and commercially reasonable manner;

(g) any further reliance on WHC to manage its business and Property in good faith is untenable in light of the continuing defaults. This conclusion is reinforced by the forbearance agreement efforts and other significant accommodations previously extended by RBC, including the Approved Bulge Limit, none of which have resulted in meaningful compliance by WHC; and

RBC Affidavit; at paras. 41, 45, 51, 59 and 60-62

(h) in the circumstances, the balance of convenience strongly favours the appointment of a Receiver. The prejudice to RBC and other stakeholders if a Receiver is not appointed is significant and ongoing, whereas WHC will suffer little to no prejudice from the implementation of a neutral, court-supervised regime.

8. While there is a cost of appointing a Receiver, all indications to date suggest that the appointment of a Receiver will be the most cost effective means of dealing with WHC at this point.

9. RBC is acting in good faith and in a commercially reasonable manner in respect of the appointment of a Receiver. The appointment of the Receiver is in the best interests of all stakeholders of WHC.

10. BDO Canada Limited has consented to its appointment as receiver and manager of the WHC, if so ordered by this Court.

RBC Affidavit; at para. 68; ex. CC

11. Accordingly, RBC submits that it is just and convenient for the Court to appoint a Receiver over the Property of WHC.

RBC Affidavit; at para. 70

Bankruptcy Authorization

12. Section 49 of the *BIA* provides, inter alia, that an "insolvent person" may make an assignment in bankruptcy.

BIA at s. 49.

13. "Insolvent Person" is defined under section 2 of the *BIA* as a person who is not bankrupt and who resides, carries on business or has Property in Canada, whose liabilities to creditors provable as claims under the BIA amount to one thousand dollars, and either:

a. who is for any reason unable to meet his obligations as they generally become due;

b. who has ceased paying his current obligations in the ordinary course of business as they generally become due; or

c. the aggregate of whose Property is not, at a fair valuation, sufficient, or, if disposed of at a fairly conducted sale under legal process, would not be sufficient to enable payment of all of his obligations, due and accruing due.

BIA at s.2.

14. The Canadian jurisprudence is clear that "the Court is empowered to authorize [a] Receiver to file an assignment in bankruptcy."

RBC v. Gustin, 2019 ONSC 5370 at para 15.

15. In all cases, the question for consideration by the Court "is whether there is a 'need' for a bankruptcy."

Royal Bank of Canada v. Sun Squeeze Juices Inc.,
1994 CarswellOnt 266 at para 11.

16. RBC submits that granting the Receiver the authority to assign WHC into bankruptcy at the beginning of the receivership would save WHC's estate the costs associated with the Receiver seeking this relief at a subsequent date.

17. Accordingly, RBC submits that authorizing the Receiver to assign WHC into bankruptcy is necessary and appropriate in the circumstances.

Solicitor-Client Costs

18. Solicitor-client cost awards are generally reserved for exceptional cases involving reprehensible conduct by a party. However, the British Columbia Court of Appeal recently stated in the decision of *Peace River Partnership v. Cardero Coal Ltd.*:

> [148] Thus, where a contractual indemnity provision meets the threshold test of "clearly and unequivocally" establishing the right to indemnification (*Eisler Estate (SC)* at para. 31), that provision will, in our view, be presumptively enforceable. The burden then shifts to the party opposing indemnification to establish why the court should exercise its discretion to depart from the terms of the contract.
>
> [149] As to when that discretion should be exercised, we do not think it is helpful to enumerate a list of specific factors that would justify doing so. Each case will turn on its specific facts. We agree with the court in *Schafer* that the circumstances in which a court may decline to award contractual costs are not limited to cases in which there has been litigation misconduct, although that may be a relevant factor. Nor do we think "extraordinary" circumstances are necessarily required. Rather, the court must consider all relevant circumstances, including factors such as degree of success and proportionality in terms of expense, keeping in mind that the overriding objective of the *Supreme Court Civil Rules* is to secure a "just, speedy and inexpensive" determination of every proceeding on its merits: R. 1-3(1)

Peace River Partnership v. Cardero Coal Ltd., 2023 BCCA 351
at paras 148-149.

19. The respective Security provides that the parties are liable for all legal costs incurred by RBC on a solicitor-and-own-client basis in connection with the enforcement of the Security, pursuant to the following:

a. the GSA provides at section 13 (f) that the Borrower agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it;

b. the Guarantees each provide at section 12 that when demand for payment has been made, the undersigned shall also be liable to RBC for all legal costs (on a solicitor and own client basis) incurred by or on behalf of RBC resulting from any action instituted on the basis of the guarantee; and

c. The Postponements each state:

> It is agreed by the parties hereto that the Borrower will pay all costs, charges and expenses reasonably incurred by RBC whether directly or for services rendered (including reasonable solicitors' and auditors' costs, registration costs and other legal expenses), in operating the Borrower's accounts, in preparing or enforcing this Agreement, and all such costs, charges and expenses.

RBC Affidavit; at paras. 26, 27 and 37

20. As evidenced above, WHC is indebted to RBC for all out-of-pocket costs and expenses incurred in the enforcement of WHC's obligations under the WHC Credit Agreement and the respective Security. RBC would not have been required to take the step of bringing this Petition but for the failure of WHC to act in accordance with the contractual terms it agreed to. There is no basis in the circumstances of this case to deny RBC its costs on a full-indemnity basis.

21. RBC has disclosed all facts which are material to this Petition and no known facts have been omitted which could mislead this court.

Part 4: MATERIAL TO BE RELIED ON

1. First Affidavit of Michael Daerendinger, made June 17, 2026;
2. Such other materials as counsel may advise and this Honourable Court will allow.

The Petitioner estimates that the hearing of the petition will take **1 hour**.

Date: June 15, 2025

Signature of lawyer for the Petitioner
William J. Skelly / Mihai Tomos
MLT Aikins LLP

To be completed by the court only:

Order made

[ ] in the terms requested in paragraphs *[specify]* of Part 1 of this notice of application

[ ] with the following variations and additional terms:

Date: ______________________________

Signature of

[ ] Judge [ ] Associate Judge

SCHEDULE "A"
Service List

Name of Counsel	Party Represented
MLT Aikins LLP 2600, 1066 West Hastings Street Vancouver, BC V6E 3X1 **Attn:** William E. J. Skelly / Mihai Tomos wskelly@mltaikins.com; mtomos@mltaikins.com *(Counsel for Royal Bank of Canada)*	**Royal Bank of Canada** (*Secured Creditor*)
	BDO Canada Limited Attn: Chris Bowra Email: cbowra@bdo.ca (*Proposed Receiver*)
Pihl Law Corp. 300 - 1465 Ellis Street Kelowna, BC V1Y 2A3 **Attn:** Alexander J. Spraggs alexander.spraggs@pihl.ca; rachel.stratychuk@pihl.ca (*Counsel for the Respondent*)	**West Horizon Contracting Inc.** 2943 Hwy 16E Smithers, BC, V0J 2N0 c/o Lotz Law Corporation 320 Granville Street, Suite 880 Vancouver, BC, V6C 1S9 Email: jared@westhorizon.ca; jared@westhorizoncontracting.com; gail@westhorizon.ca *(Respondent)*
	West Horizon Industries Corp. Email: jared@westhorizon.ca (*Guarantor*)
	BDC Capital Inc. c/o Business Development Bank Canada 1133 Melville St. Suite 1500 Vancouver, BC, V6E 4E5 Email: Lawrence.LEE@bdc.ca

	(Priority Agreement with RBC)
	Province of British Columbia Ministry of Attorney General Attn: Jonathan Wittig E-mail: Jonathan.Wittig@gov.bc.ca; AGLSBRevTaxInsolvency@gov.bc.ca;
	Receivables Management Office 1802 Douglas Street, 6th Floor Victoria, BC V8T 4K6 Canada Attn: Tara Klingspohn E-mail: Tara.Klingspohn@gov.bc.ca
	Canada Revenue Agency Department of Justice Canada British Columbia Regional Office 900 - 840 Howe Street Vancouver, British Columbia V6Z 2S9 Attn: Aminollah Sabzevari Email: Aminollah.Sabzevari@justice.gc.ca
BC PPR Registrants	**Bank Of Montreal** 5750 Explorer Drive, 2nd Floor Mississauga, ON L4W 0A9 Canada **Mercedes-Benz Financial Services Canada Corporation** 2680 Matheson Blvd. E. Ste 500 Mississauga, ON L4W 0A5 Canada **Daimler Truck Financial Services Canada Corporation** 2680 Matheson Blvd. E. Ste 202 Mississauga, ON L4W 0A5 Canada **Caterpillar Financial Services Limited** 3457 Superior Court Unit 2 Oakville, ON L6L 0C4 Canada and

	1122 International Blvd., Suite 400 Burlington, ON L7L 6Z8 Canada **Wells Fargo Equipment Finance Company** 900-1290 Central Parkway W. Mississauga, ON L5C 4R3 Canada **Meridian Onecap Credit Corp.** Suite 1500, 4710 Kingsway Burnaby, BC V5H 4M2 Canada and 204 - 3185 Willingdon Green Burnaby, BC V5G 4P3 Canada **Finloc 2000 Inc** 11505, 1st Avenue, Suite 500 Saint-Georges, QC G5Y 7X3 Canada **Trans Lease Canada, A Division Of Summit Truck Equipment Canada, Ltd** 8060 Edgar Industrial Crescent Red Deer, AB T4P 3R2 Canada **John Deere Financial Inc.** 295 Hunter Road, P.O. Box 1000 Grimsby, ON L3M 4H5 Canada **Canadian Western Bank leasing Inc.** 3rd Floor, 750 Cambie Street Vancouver, BC V6B 0A2 Canada **National Bank Of Canada** 1525 Buffalo Pl Winnipeg, MB R3T 1L9 Canada **Atco Structures & Logistics ltd.** 115 Peacekeepers Drive Sw Calgary, AB T3E 7X4 Canada **Frontier Chrysler Dodge Jeepram Ltd.** PO Box 188

	Smithers, BC V0J 2N0 Canada **BDC Capital Inc.** Main Floor, BDC Capital Tower, Bentall One 505 Burrard Street Vancouver, BC V7X 1M3 Canada **CWB National Leasing Inc.** 1525 Buffalo Place Winnipeg, MB R3T 1L9 Canada **Western Surety Company** 1881 Scarth St Regina, SK S4P 4K9 Canada **Ford Credit Canada Leasing, Division Of Canadian Road Leasing Company** Po Box 8651 Stn Main Concord, ON L4K 0N8 Canada bbankrup@ford.com **Deutsche Leasing Canada, Corp.** 190 South Lasalle Street, Suite 2150 Chicago, IL 60603 United States Of America **Valiant Financial Services Inc.** Ste 426 - 505 8840 210 Street Langley, BC V1M 2Y2 Canada **Brandt Tractor Ltd.** 29 Tower Road Po Box 32063 Victoria Square Regina, SK S4N 7L2 Canada **Frontline Machinery Ltd.** 43779 Progress Way Chilliwack, BC V2R 0E6 Canada **De Lage Landen Financial Services Canada Inc.** 5046 Mainway, Unit 1 Burlington, ON

	Kal Tire 1540 Kalamalka Lake Rd. Vernon, BC V1T 6N6 Canada **SMS Equipment Inc./Equipement SMS Inc.** 11285 - 274 Street Acheson, AB T7X 6P9 Canada

SCHEDULE "B"
Form of Receivership Order

Court File No. ______________
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

ROYAL BANK OF CANADA

PETITIONER

AND

WEST HORIZON CONTRACTING INC.

RESPONDENT

ORDER MADE AFTER APPLICATION
(Receivership Order)

BEFORE THE HONOURABLE	))))	______________, 2026

ON THE APPLICATION of Royal Bank of Canada ("**RBC**"), for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3, as amended (the "**BIA**") and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "**LEA**"), appointing BDO Canada Limited ("**BDO**") as receiver and manager (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and property of West Horizon Contracting Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Michael Daerendinger, made June ___, 2026 (the "**Daerendinger Affidavit**"), the consent of BDO to act as the Receiver, and all other material filed in this action; **AND ON HEARING** William E.J. Skelly, counsel for the Petitioner, RBC, and all other counsel as listed on Schedule "A" hereto, and no one else appearing, although duly served;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE

1. The time for service of the Petition and the Daerendinger Affidavit is hereby abridged and validated so that this Petition is properly returnable today and further service is hereby dispensed with.

APPOINTMENT OF RECEIVER

2. Pursuant to Section 243(1) of the *BIA* and Section 39 of the *LEA*, BDO is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtor, including all proceeds (the "**Property**").

RECEIVER'S POWERS

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

   (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;

   (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of the Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;

   (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

   (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;

   (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

   (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;

   (g) to settle, extend or compromise any indebtedness owing to the Debtor;

   (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;

(j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;

(k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;

(l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:

(i) without the approval of this Court in respect of a single transaction for consideration up to $250,000 provided that the aggregate consideration for all such transactions does not exceed $2,000,000; and

(ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,

and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c 359 shall not be required;

(m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;

(n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;

(o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtor;

(q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. Each of (i) the Debtor; (ii) all of the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.

5. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.

6. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 5, 6, or 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

10. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the *BIA*, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the *BIA*.

NO INTERFERENCE WITH THE RECEIVER

11. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

12. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be

agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

14. Subject to the employees' right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the *BIA*, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the *BIA* or under the *Wage Earner Protection Program Act*, S.C. 2005, c 47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

15. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the

Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

17. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.

18. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:

(a) before the Receiver's appointment; or,

(b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.

19. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the *BIA* section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

20. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:

(a) any gross negligence or wilful misconduct on its part; or

(b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

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

RECEIVER'S ACCOUNTS

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

22. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.

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

FUNDING OF THE RECEIVERSHIP

24. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the *BIA*.

25. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

26. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

27. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

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

SERVICE AND NOTICE OF MATERIALS

29. The Receiver shall establish and maintain a website in respect of these proceedings at: https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements (the "**Website**") and shall post there as soon as practicable:

(a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*, BC Reg 168/2009; and,

(b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

30. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Petitioner a demand for notice in the form attached as Schedule "C" (the "**Demand for Notice**"). The Receiver and the Petitioner need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Petitioner from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.

31. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.

32. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

33. Notwithstanding paragraph 32 of this Order, service of the Petition and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996, c 89 in respect of the British Columbia Crown.

34. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

BANKRUPTCY AUTHORIZATION

35. The Receiver is hereby authorized to assign the Debtor into bankruptcy pursuant to the provisions of section 49 of the BIA as amended.

36. The Receiver shall not be disqualified, by reason only of its role as Receiver, from acting as Trustee in Bankruptcy of the Debtor.

GENERAL

37. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.

38. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

39. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

40. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

41. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

42. The Petitioner shall have its costs of this motion, up to and including entry and service of this Order, on a full indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time and amount as this Court may determine.

43. Endorsement of this Order by counsel appearing on this application other than the Petitioner is dispensed with.

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

APPROVED BY:

William E.J. Skelly, lawyer for the Petitioner,

Royal Bank of Canada

BY THE COURT

DISTRICT REGISTRAR

SCHEDULE "A"

(List of Counsel)

Name of Counsel	Party Represented
William E. J. Skelly / Mihai Tomos MLT Aikins LLP 2600, 1066 West Hastings Street Vancouver, BC V6E 3X1 wskelly@mltaikins.com; mtomos@mltaikins.com (Counsel for Royal Bank of Canada)	**Royal Bank of Canada** (Secured Creditor)
	Chris Bowra BDO Canada Limited cbowra@bdo.ca (Proposed Receiver)
Alexander J. Spraggs Pihl Law Corp. 300 - 1465 Ellis Street Kelowna, BC V1Y 2A3 alexander.spraggs@pihl.ca; rachel.stratychuk@pihl.ca (Counsel for the Respondent)	**West Horizon Contracting Inc.** Email: jared@westhorizon.ca; jared@westhorizoncontracting.com; gail@westhorizon.ca (Respondent)

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. ____________________

AMOUNT $ ____________________

1. THIS IS TO CERTIFY that BDO Canada Limited, the Receiver and Manager (the "**Receiver**") of all of the assets, undertakings and property of West Horizon Contracting Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "**Court**") dated the _____ day of ______, 2026 (the "**Order**") made in SCBC Action No. __________ has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of $__________, being part of the total principal sum of $__________ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly not in advance on the _____ day of each month after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of __________ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at __________.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _______________, 2026.

BDO Canada Limited, solely in its capacity as Receiver and Manager of the Property, and not in its personal capacity

Per:
Name:
Title:

SCHEDULE "C"

Demand for Notice

TO:	**Royal Bank of Canada** c/o MLT Aikins LLP Attention: William E.J. Skelly / Mihai Tomos Email: wskelly@mltaikins.com / mtomos@mltaikins.com
AND TO:	**BDO Canada Limited** Attention: Chris Bowra Email: cbowra@bdo.ca
Re:	**In the matter of the Receivership of West Horizon Contracting Inc.**

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

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

   ____

   OR

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

   ____

   OR

3. By mail, at the following address:

   ____

Name of Creditor: ______________________________

Name of Counsel (if any): ______________________________

Creditor's Contact Address: ______________________________

____

____

Creditor's Contact Phone Number: ______________________________