

NOV 27 2022

NO. S-229292
VANCOUVER REGISTRY



IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

113 ROYAL INVESTMENTS LTD.

PETITIONER

AND:

GEYSER BRANDS INC.

RESPONDENT

PETITION TO THE COURT

Form 11

ENDORSEMENT ON ORIGINATING PROCESS
FOR SERVICE OUTSIDE BRITISH COLUMBIA

The petitioner claims the right to serve this Petition on the respondents, or any of them, outside British Columbia on the ground that the proceeding is brought to enforce, assert, declare, or determine proprietary or possessory rights or a security interest in property in British Columbia, pursuant to Rule 4-5(1) and s. 10(a) of the *Court Jurisdiction and Proceedings Transfer Act*.

ON NOTICE TO:

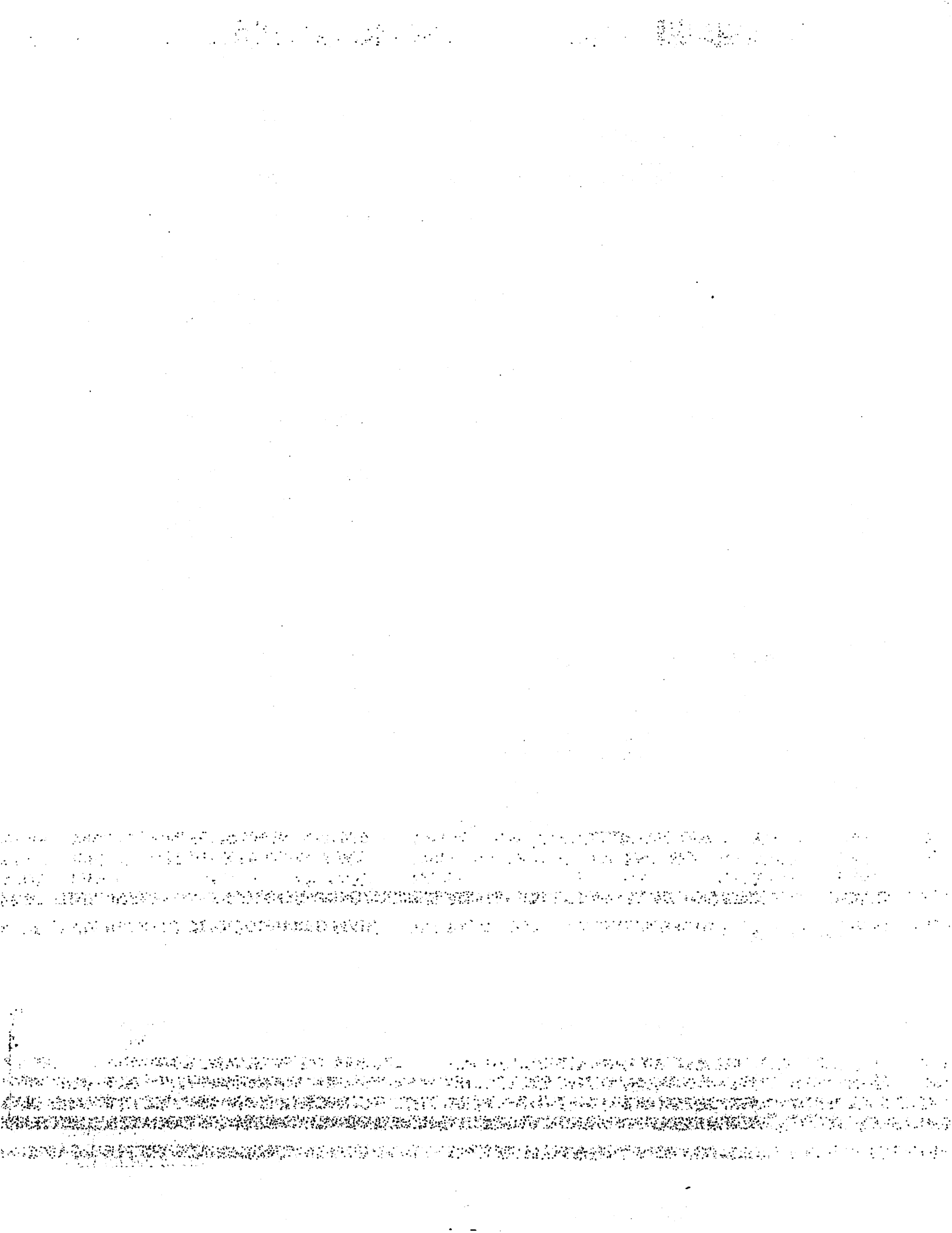
GEYSER BRANDS INC.
1100 – 1111 Melville Street
Vancouver, B.C. V6E 3V6

This proceeding is brought for the relief set out in Part 1 below by 113 Royal Investments Ltd.

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

- a) file a Response to Petition in Form 67 in the above-named registry of this court within the time for Response to Petition described below, and
- b) serve on the 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,

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

The address of the Registry is: 800 Smithe Street, Vancouver, British Columbia.

The ADDRESS FOR SERVICE of the Petitioner is: c/o Owen Bird Law Corporation, PO Box 1, Vancouver Centre II, 2900-733 Seymour Street, Vancouver, B.C. V6B 0S6

Fax number for delivery is: N/A

Email address for delivery is: jwilliams@owenbird.com

The name and office address of the Petitioner's solicitor is: Owen Bird Law Corporation, PO Box 1, Vancouver Centre II, 2900-733 Seymour Street, Vancouver, B.C. V6B 0S6 (Attention: Jonathan L. Williams)

CLAIM OF PETITIONER

Part 1: ORDERS SOUGHT

1. An Order appointing BDO Canada Limited (“BDO”) as receiver and/or receiver and manager (in such capacity, the “Receiver”) over the property of the Respondent, Geyser Brands Inc., substantially in the form attached hereto as *Schedule “A”*.
2. If necessary, an Order shortening the period for notice pursuant to Rule 22-4 of the *Supreme Court Civil Rules*.

Part 2: FACTUAL BASIS

The Parties

3. The Petitioner, 113 Royal Investments Inc. (“113 Royal”), is a corporation under the laws of British Columbia with an address for service at c/o Owen Bird Law Corporation, PO Box 1, Vancouver Centre II, 2900–733 Seymour Street, Vancouver, B.C. V6B 0S6.
4. The Respondent, Geyser Brands Inc. (“Geyser”), is a corporation under the laws of British Columbia with an address at 1100 – 1111 Melville Street, Vancouver, B.C., V6E 3V6.

Indebtedness of Geyser Brands Inc.

5. Geyser is indebted to 113 Royal in the amount of \$1,838,252.60 as at November 1, 2022, plus interest accruing after November 1, 2022 at the rate of 12% per annum (the “Indebtedness”) pursuant to a Loan Agreement in writing dated September 20, 2020.
6. The Indebtedness is due and payable.
7. The Indebtedness is secured by a general security agreement (the “GSA”) dated September 30, 2020.
8. 113 Royal registered a financing statement with regard to its security at the British Columbia Personal Property Registry on October 1, 2020, for a period of three years.

9. On November 3, 2022, 113 Royal issued a demand letter to Geyscr, demanding payment of the Indebtedness plus interest.
10. Geyscr had not made payment to 113 Royal of the Indebtedness or any of it.
11. Geyscr has granted a security interest to Royal Bank of Canada, which has priority over the GSA with regard to the subject matter of its security. Accordingly, Royal Bank of Canada is not party to this proceeding.

Assets of Geyscr Brands Inc.

12. Geyscr owns all of the issued and outstanding shares of a subsidiary, Geyscr Management Inc.
13. Geyscr Management Inc. owns all of the issued and outstanding shares of a subsidiary, 0957102 B.C. Ltd. ("0957").

0957102 B.C. Ltd.

14. 0957 is an operating company with 9 employees.
15. 0957 is the holder of a licence issued by Health Canada, No. LIC-RY7DMQFEYL-2021, issued in accordance with the *Cannabis Act*, S.C. 2018, c. 16 and *Cannabis Regulations*, SOR/2018-144 (the "Licence").
16. 0957 is indebted to Geyscr, in the approximate amount of \$1,500,000.00 (the "0957 Debt").
17. 0957 currently requires cash injections of approximately \$70,000.00 per month in order to remain operating.
18. Since September, 2020, 113 Royal has been providing financing to Geyscr, which Geyscr has used to maintain 0957's business.
19. In November 2022, 113 Royal provided financing to 0957 directly in the amount of \$150,000.00.

20. 113 Royal is not willing to provide financing to Geyser Brands or 0957 indefinitely, and wishes to realize on its security.

Proposed Receivership

21. Ultimately, it is the Licence which has value, and a sale of the Geyser Management Inc. shares and the 0957 Debt are 113 Royal's means of obtaining value for its security.
22. There is urgency to the receivership process, as 0957 continues to require capital for operations, and neither Geyser nor Geyser Management Inc. are able to finance the operations of 0957. The continuing employment of 0957's employees and the Licence are thus in jeopardy.
23. If appointed, BDO intends to ensure that the assets are preserved, and proposes to enter into a sale and investment solicitation process with regard to Geyser's assets.
24. BDO anticipates a marketing period of 60 days, following which it proposes to make an application to court for a sales approval and vesting order.
25. The appointment of BDO as receiver of Geyser is necessary to realize on Geyser's assets in a fair and reasonable manner and to preserve assets.
26. If appointed, BDO has consented to act as Receiver.

Part 3: LEGAL BASIS

27. 113 Royal pleads and relies upon the following:
- a) Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - b) Section 66 of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 as amended;
 - c) Section 39 of the *Law and Equity Act*, R.S.B.C. 1996, c. 253 as amended; and
 - d) Rules 10-2 and 16-1 of the *Supreme Court Civil Rules*.

28. Where a receivership order is sought by a secured creditor, and default of security is proven, the receivership order should be granted as a matter of course unless there are other compelling reasons why the order should not be made.

United Savings Credit Union v. F & R Brokers Inc., 2003 B.C.S.C. 640; *Canadian Imperial Bank of Commerce v. Can-Pacific Farms Inc.*, 2012 B.C.S.C. 437

29. There are a number of factors that figure into the determination of whether it is appropriate to appoint a receiver including, among other things:

- a) the fact that the creditor has the right to appoint a receiver under the documentation provided for the loan; the consideration of whether a court appointment is necessary to enable the receiver to carry out its duties more efficiently; and
- b) the goal of facilitating the duties of the receiver.

Maple Trade Financing Inc. v. CY Oriental Holdings Ltd., 2009 B.C.S.C. 1527; *Textron Financial Canada Limited v. Chetwynd Motels Ltd.*, 2010 B.C.S.C. 477

30. There is some divergence in the Court concerning the test to be applied in respect of appointing a receiver:

Both of these decisions are to the effect that while it is not necessary for a secured creditor to show jeopardy before a receiver is appointed, no such presumption of appointment should be made; rather, the court should review the matter holistically and decide whether on the whole of the circumstances it is, in fact, just and convenient to appoint a receiver.

Bank of Montreal v. Gian's Business Centre Inc., 2016 B.C.S.C. 2348 at para 23; *Cascade Divide Enterprises, Inc. v. Laliberte*, 2013 B.C.S.C. 263 at para 77

31. In this matter, the unpaid demand constitutes a clear default, and pursuant to the Security Agreement, 113 Royal is entitled to appoint a receiver.

32. Further, the appointment of BDO as receiver is just and convenient. The shares are Geyscr's only asset of value, which asset BDO is likely unable to be able to preserve assets and realize upon without a receivership order and vesting order pronounced by this Honourable Court.
33. Based on the foregoing, a Court appointed receivership is the only meaningful way to realize upon the shares and the only way to preserve the prospect of any recovery.

Part 4: MATERIAL TO BE RELIED ON

34. Affidavit of Helen M. Ai, sworn November 19, 2022.

The Petitioner estimates that the hearing of the Petition will take 15 minutes.

Dated at the City of Vancouver, in the Province of British Columbia, this 21 day of November, 2022.



Owen Bird Law Corporation
Solicitors for the Petitioner

This Petition to the Court is filed by Jonathan L. Williams, of the law firm of Owen Bird Law Corporation, whose place of business and address for delivery is Vancouver Centre II, 2900-733 Seymour Street, Vancouver, B.C. V6B 0S6.

To be completed by the court only:

Order made

in the terms requested in paragraphs _____
of Part 1 of this Petition

with the following variations and additional terms:

Date:

Signature of Judge Master

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

RECEIVER'S POWERS

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - c) to manage, operate and carry on the business of the 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 \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$100,000.00 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

3. 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.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the 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.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may

not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. 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

9. 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

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

11. 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

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

EMPLOYEES

13. Subject to the employees' right to terminate their employment, all employees of the 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

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other

contamination (collectively "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - a) before the Receiver's appointment; or,
 - b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - a) any gross negligence or wilful misconduct on its part; or

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

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

RECEIVER'S ACCOUNTS

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

FUNDING OF THE RECEIVERSHIP

- 23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed

\$150,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.
26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

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

SERVICE AND NOTICE OF MATERIALS

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

Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

32. Notwithstanding paragraph 31 of this Order, service of the Petition and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are 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*.

GENERAL

34. 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.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

37. 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.
38. 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.
39. The [Plaintiff/Applicant] shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the [Plaintiff/Applicant]'s security or, if not so provided by the [Plaintiff/Applicant]'s security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
40. Endorsement of this Order by counsel appearing on this application other than the Petitioner is dispensed with.

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

Signature of lawyer for the Petitioner
Jonathan L. Williams

By the Court.

Registrar

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that BDO Canada Limited, the Receiver and/or Receiver and Manager (the "Receiver") of all of the assets, undertakings and properties of Geysler Brands Inc. 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 (the "Court") dated the _____ day of _____, 2022 (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 [daily] [monthly] not in advance on the _____ day of each month after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

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

DATED the _____ day of _____, 2022

BDO CANADA LIMITED solely in its
capacity as Receiver of the Property, and
not in its personal capacity

Per: _____
Name:
Title:

SCHEDULE "B"

DEMAND FOR NOTICE

TO: 113 ROYAL INVESTMENTS LTD.
c/o Owen Bird Law Corporation
PO Box 1, Vancouver Centre II
2900-733 Seymour Street
Vancouver, B.C. V6B 0S6
Attention: Jonathan L. Williams
Email: jwilliams@owenbird.com

AND TO: BDO Canada Limited
1100 - 1055 West Georgia Street
Vancouver, B.C. V6E 3P3
Attention: Chris Bowra
Email: cbowra@bdo.ca

Re: In the matter of the Receivership of GEYSER BRANDS 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: _____

No. _____
Vancouver Registry

In the Supreme Court of British Columbia

Between

113 ROYAL INVESTMENTS LTD.

Petitioner

and

GEYSER BRANDS INC.

Respondent

RECEIVERSHIP ORDER

OWEN BIRD LAW CORPORATION
P.O. Box 49130
Three Bentall Centre
2900 - 595 Burrard Street
Vancouver, BC V7X 1J5
Attention: Jonathan L. Williams
File No. 40057/0000
