S 265911

Court File No. ____________
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

BDO CANADA LIMITED,
in its capacity as the Trustee of the Bankruptcy Estates of CRAIG ALLEN SMITH and ROBERT KYLE SMITH

PETITIONER

AND

BASTIAN HOLDINGS LTD., KRYSTLE HOLDINGS LTD., 1226745 B.C. LTD., SKAW PROPERTIES LTD., 207 – 53 WEST HASTINGS STREET HOLDINGS LTD., 1226734 B.C. LTD., 27222 LOUGHEED HIGHWAY LTD., and WHITEWATER STEELERS REINFORCING LTD.

RESPONDENTS

PETITION TO THE COURT

THIS IS THE PETITION OF:

BDO CANADA LIMITED, in its capacity as
the Trustee in Bankruptcy of the Estates of
Craig Allen Smith and Robert Kyle Smith
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 day**.

This matter is not an application for judicial review.

This proceeding is brought for the relief set out in Part 1 below, by BDO Canada Limited, in its capacity as the Trustee in Bankruptcy of Craig Allen Smith and Robert Kyle Smith.

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,

(a) if you were served with the petition anywhere within 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,

(d) 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:** MLT Aikins LLP Barristers and Solicitors 2600 – 1066 West Hastings Street Vancouver, BC V6E 3X1 Attention: William E. J. Skelly; Mihai Tomos Fax number for service (if any) of the petitioner(s): N/A Email for service (if any) of the petitioner(s): wskelly@mltaikins.com; mtomos@mltaikins.com
(3)	**The name and office address of the Petitioner's lawyer is:** Same as address for service

CLAIM OF THE PETITIONER

PART 1: ORDERS SOUGHT

1. The Petitioner, BDO Canada Limited ("**BDO**"), in its capacity as the licensed insolvency trustee (in such capacity, the "**Trustee**") of the bankrupt estates of Craig Allen Smith and Robert Kyle Smith (the "**Smith Estates**"), seeks an order substantially in the form of the order attached as **Schedule "B"** hereto (the "**Receivership Order**") for certain relief as follows:

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

   b. appointing BDO as receiver and manager (in such capacity, the "**Receiver**") of the property, assets, and undertakings (the "**Companies' Property**") of the following entities (collectively, the "**Smith Companies**"):

      i. Bastian Holdings Ltd. ("**Bastian**");

      ii. Krystle Holdings Ltd. ("**Krystle**");

      iii. Whitewater Steelers Reinforcing Ltd. ("**Whitewater Reinforcing**");

      iv. Skaw Properties Ltd. ("**Skaw Ltd.**");

      v. 207 – 53 West Hastings Street Holdings Ltd. ("**Hastings Ltd.**");

      vi. 27222 Lougheed Highway Ltd. ("**Lougheed Ltd.**");

      vii. 1226745 B.C. Ltd. ("**745 BC**"); and

      viii. 1226734 B.C. Ltd. ("**734 BC**"),

      pursuant to 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 Civil Rules; and

   c. 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

<u>**The Parties**</u>

Smith Brothers

1. Craig Allen Smith ("**Craig**") is an individual that resides in North Vancouver, British Columbia.

2. Robert Kyle Smith ("**Kyle**" and, together with Craig, the "**Smith Brothers**") is an individual that resides in Port Moody, British Columbia. Kyle and Craig are brothers.

3. Pursuant to Orders of the Supreme Court of British Columbia granted on June 13, 2025 in court action number B250135, the Smith Brothers were adjudged bankrupt and BDO was appointed as licensed insolvency trustee of the bankruptcy estates of the Smith Brothers.

4. The Smith Brothers appealed the Bankruptcy Orders, which temporarily stayed the bankruptcies until June 16, 2026, when the appeals were dismissed.

First Report to the Court of BDO, dated August 5, 2026 (the "**BDO Report**"); at para. 2

5. Given the Smith Brothers' status of undischarged bankrupts, pursuant to section 124(2)(c) of the *Business Corporations Act* (British Columbia), they are not qualified to act as directors of the Smith Companies.

6. As of July 30, 2026, the Smith Brothers owe their creditors the following estimated amounts: (i) Kyle – $5,360,737.99, and (ii) Craig - $5,843,510.23.

BDO Report at para. 17

7. Since being appointed, the Trustee has investigated the affairs of the Smith Brothers and determined that there may be recoveries available to the creditors of the Smith Brothers through their direct or indirect ownership of the shares of the Smith Companies.

BDO Report at para. 106

8. After all creditors of each of the Smith Companies are paid in full and all receivership costs are satisfied, all of the remaining equity in the assets of the Smith Companies would be available to be distributed through the applicable corporate ownership structure to the estates of the Smith Brothers for the benefit of their respective creditors.

BDO Report at para. 16

Corporate Structure

9. As set out in the First Report to the Court of BDO, dated August 5, 2026, the Smith Brothers are the sole shareholders and directors of construction, concrete, shotcrete, steel reinforcing, formwork, equipment, and real estate holding businesses through a network of related companies, including the Smith Companies. The Trustee has made efforts to collect information about the shareholdings, beneficial ownership interests, assets, and related transactions of the Smith Companies, which is summarized below, but remains subject to review of the minute books and other records of the Smith Companies.

10. As discussed in detail in the BDO Report, the summary below is based on searches conducted by the Trustee and its legal counsel at the British Columbia Corporate Registry, discussions between the Trustee and the Smith Brothers, and materials filed in the Smith Brothers' bankruptcy proceedings.

BDO Report at paras. 12-19; Appendix A

11. Bastian is a company incorporated on May 24, 2002 pursuant to the *Business Corporations Act*, SBC 2002, c 57 (the "**BCA**"). Craig is the sole shareholder and is the last identified director of Bastian. Craig's shares in Bastian were seized by Accurate Court Bailiff Services Ltd. (the "**Bailiff**") and are now held by the Trustee.

BDO Report at paras. 22-24; Appendix B, C

12. Krystle is a company incorporated on May 24, 2002 pursuant to the BCA. Kyle is the sole shareholder and is the last identified director of Krystle. Kyle's shares in Krystle were seized by the Bailiff. The Trustee was recently informed by Kyle that Leslie Smith ("Leslie"), the wife of Kyle, and Fraser Smith ("Fraser") may be shareholders and directors of Krystle; however, this information is inconsistent with the documentation available to the Trustee, including information included in materials filed by the Smith Brothers in the Smith Brothers' bankruptcy.

BDO Report at paras. 27-32; Appendix C, F, I

13. Whitewater Reinforcing is a company incorporated on October 23, 2019 pursuant to the BCA. Bastian and Krystle are the only shareholders of Whitewater Reinforcing and the Smith Brothers are the last identified directors of Whitewater Reinforcing. The Trustee was recently informed by Kyle that Fraser, Sebastian Smith ("Sebastian"), and Paulina Smith ("Paulina"), the adult children of Kyle Smith, may be directors of Whitewater Reinforcing; however, this information is inconsistent with the documentation available to the Trustee, including information included in materials filed by the Smith Brothers in the Smith Brothers' bankruptcy.

BDO Report at paras. 33-35; Appendix J, K, L

14. Skaw Ltd. is a company incorporated on December 17, 2012 pursuant to the BCA. Bastian and Krystle are the only shareholders of Skaw Ltd. and the Smith Brothers are the last identified directors of Skaw Ltd. Bastian and Krystle's shares in Skaw Ltd. were seized by the Bailiff. The Trustee was recently informed by Kyle that Fraser, Sebastian, and Paulina may be directors of Skaw Ltd.; however, this information is inconsistent with the documentation available to the Trustee, including information included in materials filed by the Smith Brothers in the Smith Brothers' bankruptcy.

BDO Report at paras. 36-41; Appendix N, C, D, O, I

15. Lougheed Ltd. is a company incorporated on September 10, 2019 pursuant to the BCA. Skaw Ltd. is the sole shareholder of Lougheed Ltd. and the Smith Brothers are the last identified directors of Lougheed Ltd. The Trustee was recently informed by Kyle that Fraser, Sebastian, and Paulina may be directors of Lougheed Ltd.; however, this information is inconsistent with the documentation available to the Trustee, including information included in materials filed by the Smith Brothers in the Smith Brothers' bankruptcy.

BDO Report at paras. 43 and 53; Appendix Q, D, I

16. Hastings Ltd. is a company incorporated on December 17, 2012 pursuant to the BCA. Skaw Ltd. is the sole shareholder of Hastings Ltd. and the Smith Brothers are the last identified directors of Hastings Ltd. The Trustee was recently informed by Kyle that Fraser, Sebastian, and Paulina may be directors of Hastings Ltd.; however, this information is inconsistent with the documentation available to the Trustee, including information included in materials filed by the Smith Brothers in the Smith Brothers' bankruptcy.

BDO Report at paras. 55 and 59; Appendix W, K, I

17. 745 BC is a company incorporated on October 11, 2019 pursuant to the BCA. Bastian and Krystle are the shareholders of 745 BC and the Smith Brothers are the last identified directors of 745 BC.

Bastian and Krystle's shares in 745 BC were seized by the Bailiff. The Trustee was recently informed by Kyle that Fraser, Sebastian, and Paulina may be directors of 745 BC; however, this information is inconsistent with the documentation available to the Trustee.

BDO Report at paras. 61, 65-66; Appendix AA, C, I

18. 734 BC Ltd. is a company incorporated on October 11, 2019 pursuant to the BCA. 745 BC is the sole shareholder of 734 BC and the Smith Brothers are the last identified directors of 734 BC.

BDO Report at paras. 67 and 72; Appendix DD, D, W, I

19. WCL Contractors Formwork Ltd. ("**WCL**") is a company incorporated on June 28, 2024 pursuant to the BCA. The Trustee has been advised by Kyle that WCL is owned by the spouses of the Smith Brothers. As discussed below, WCL is a tenant of certain real properties owned by the Smith Brothers. The Petitioner is not seeking a Receivership Order with respect to WCL.

BDO Report at paras. 73-76; Appendix GG

Other Companies Owned by the Smith Brothers Are in Receivership or Bankruptcy

20. In addition to the Smith Companies, the Smith Brothers are the direct or indirect shareholders of the following entities, which are already the subject of receivership and/or bankruptcy orders granted by the Supreme Court of British Columbia:

a. Whitewater Developments Ltd. ("**Developments**");

b. Whitewater Concrete Ltd. ("**Concrete**");

c. Trilogy Concrete 2021 Ltd. ("**Trilogy**"); and

d. 145 Golden Drive Ltd. ("**145 Golden**").

21. Specifically:

a. on July 2, 2024, Deloitte Restructuring Inc. ("**Deloitte**") was appointed as receiver over certain lands, other assets and property of Developments and Concrete;

b. on March 12, 2025, Trilogy was adjudged bankrupt and Deloitte was appointed the licensed insolvency trustee of Trilogy;

c. on July 8, 2026, Concrete was adjudged bankrupt and Deloitte was appointed the licensed insolvency trustee of Concrete; and

d. on December 23, 2025, 145 Golden was adjudged bankrupt and BDO was appointed the licensed insolvency trustee of 145 Golden (the "**Trustee of 145 Golden**").

BDO Report at para. 78

Assets and Liabilities of the Smith Companies

22. The paragraphs below summarize the assets and liabilities of the Smith Companies known to the Trustee. This summary is based on searches conducted by the Trustee and its legal counsel at the BC PPR, Land Title Office, discussions between the Trustee and the Smith Brothers, and materials filed in the Smith Brothers' bankruptcy proceedings. The Receiver would need to review the minute books and other records of the Smith Companies to confirm the accuracy of this information.

Bastian – Assets and Liabilities

23. Bastian is a holding company that holds shares in Whitewater Reinforcing, Skaw, and 745 BC. The only other material asset held by Bastian, based on the records available to the Trustee, is related-party receivables.

BDO Report at paras. 22-23

24. A search of the BC PPR revealed that Bastian's secured creditors are Royal Bank of Canada (formerly HSBC Bank Canada) ("**RBC**"), Echelon Insurance ("**Echelon**"), Trisura Guarantee Insurance Company ("**Trisura**"), Beckingham Holdings Inc. ("**Beckingham**"), and a group of creditors including Barry Charles Holdings Ltd., Becision Holding Corporation, G.I.H. Properties Ltd., McVicar & Company Holdings Inc., TNL Developments Ltd., Aman Gill, Peter Chappell, Sandra Chappell, and Teresa Gautreau (collectively, the "**BCM Parties**").

25. The Trustee understands that, as at April 27, 2026, Bastian owes the BCM Parties $3,245,427.38.

BDO Report at para. 26; Appendix E

Krystle – Assets and Liabilities

26. Krystle is a holding company that holds shares in Whitewater Reinforcing, Skaw, and 745 BC. The only other material asset held by Krystle, based on the records available to the Trustee, is related-party receivables.

BDO Report at paras. 27-28; Appendix C, G

27. A search of the BC PPR revealed that Krystle's secured creditors are RBC, Echelon, Trisura, Beckingham, and the BCM Parties.

28. The Trustee understands that, as at April 27, 2026, Krystle owes the BCM Parties $3,245,427.38.

BDO Report at para. 25

Whitewater Reinforcing – Assets and Liabilities

29. Whitewater Reinforcing is a holding company that holds shares in A&H Steel (Vancouver) Ltd. ("**A&H Vancouver**") and has no other assets.

BDO Report at para. 33; Appendix K

30. A search of the British Columbia Personal Property Registry ("**BC PPR**") revealed that Whitewater Reinforcing's secured creditor is Canadian Western Bank ("**CWB**"). The Trustee has no knowledge of the amounts that may be owing by Whitewater Reinforcing to CWB.

BDO Report at para. 34; Appendix M

Skaw Ltd. – Assets and Liabilities

31. Skaw Ltd. is a holding company that holds shares in Lougheed Ltd. and Hastings Ltd. The other material assets held by Skaw Ltd. include accounts receivable, a beneficial interest in the Lougheed Property (as defined below) and rental revenue received from the Lougheed Property.

BDO Report at paras. 36-38; Appendix C, D, K

32. A search of the BC PPR revealed that Skaw Ltd.'s creditors are First West Credit Union – Envision Financial Division ("**Envision**"), Business Development Bank of Canada ("**BDC**"), Echelon, the BCM Parties, Trisura, Beckingham, and the Canada Revenue Agency (the "**CRA**"). The Trustee has no knowledge of the amounts that may be owing by Skaw Ltd. to these creditors.

BDO Report at para. 39; Appendix P

33. In addition, Skaw Ltd. is a defendant in BCSC Action VLC-S-S-260580, commenced by BDO, in its capacity as the Trustee of 145 Golden, against Skaw Ltd. and Lougheed (the "**145 Golden Action**").

34. The 145 Golden Action is summarized below:

a. Pursuant to certain guarantees granted by 145 Golden in favour of BDC (the "Golden's Guarantees of Lougheed and Skaw"), Golden guaranteed the repayment of certain loans advanced by BDC to Skaw and Lougheed as principal debtors.

b. 145 Golden's obligations under Golden's Guarantees of Lougheed and Skaw were secured pursuant to, among other security documents, a mortgage and an assignment of rents dated September 27, 2019, granted by Golden in favour of BDC with respect to a real property located at 145 Golden Drive in Coquitlam, BC and legally described as PID 023-895-128 (the "**Golden Property**").

c. Pursuant to a Receivership Order granted on July 2, 2024 by the Court in action number H-240524, Deloitte Restructuring Inc. was appointed as receiver (the "**Receiver of the 145 Golden Property**") without security of, among other things, the Golden Property.

d. Pursuant to a Sale Approval Order granted in the Receivership Action on July 3, 2025, the Court approved the sale of the Golden Property. The Receiver of the 145 Golden Property completed the transaction in respect of this sale on July 30, 2025 for a total sale price of $21,218,000.

e. The Receiver of the 145 Golden Property made distributions to BDC in the approximate amount of $20,990,000.

f. Accordingly, Golden suffered losses, including the sale of the Golden Property by the Receiver of the 145 Golden Property and the use of the proceeds thereof to satisfy Golden's liability under Golden's Guarantees of Lougheed and Skaw.

g. Given this, the Trustee of 145 Golden commenced the 145 Golden Action claiming payment from Lougheed and Skaw for contribution and indemnity. In addition, the Trustee of 145 Golden registered a certificate of pending litigation against the Lougheed Property in respect of the 145 Golden Action.

Lougheed Ltd. – Assets and Liabilities

35. Lougheed Ltd.'s sole asset is legal title to the lands located at 27222 Lougheed Highway, Maple Ridge, BC and legally described as: Parcel Identifier: 024-337-285, Legal Description: PARCEL 1 DISTRICT LOT 433 GROUP 1 NEW WESTMINSTER DISTRICT PLAN LMP39524 (the "**Lougheed Property**").

BDO Report at paras. 43-44; Appendix D, O

36. Lougheed Ltd. is the legal owner of the Lougheed Property for the benefit of Skaw Ltd., as beneficial owner.

BDO Report at para. 43

37. A BC Assessment of the Lougheed Property indicates the 2026 assessed value is $27,739,000.

38. The Lougheed Property is the subject of foreclosure proceedings commenced by the BCM Parties in the Court action number H-250918 (the "**Lougheed Property Foreclosure**").

BDO Report at para. 45; Appendix R

39. On May 28, 2026, an Order for conduct of sale was granted in the Lougheed Property Foreclosure, pursuant to which the Lougheed Property was listed for sale.

BDO Report at para. 48

40. As of the date of this Petition, the Lougheed Property remains listed for sale by Colliers International Group Inc. ("**Colliers**") for $25,999,000. The Trustee understands that there is likely to be equity in the Lougheed Property after all creditors are paid in full.

BDO Report at paras. 49-50; Appendix T, U

41. Searches of the BC PPR and the Land Title Office revealed that Lougheed Ltd.'s secured creditors are BDC and the BCM Parties.

42. The Trustee understands that the balances owing in respect of the Lougheed Property are approximately: (i) $5,257,111.04 to BDC as at July 5, 2026; and (ii) $3,245,427.38 to the BCM Parties as at April 27, 2026.

BDO Report at para. 51; Appendix C

43. As discussed in detail above, Lougheed is a defendant in the 145 Golden Action.

Hastings Ltd. – Assets and Liabilities

44. Hastings Ltd.'s only material asset is title to the lands located at 207 - 53 West Hastings Street, Vancouver, B.C. and legally described as PID: 028-835-778 STRATA LOT 34 OLD GRANVILLE TOWNSITE STRATA PLAN BCS3221 (the "**Hastings Property**"). Hastings Ltd. receives rent from the tenant of the Hastings Property, being WCL, but the rent is in arrears.

BDO Report at paras. 55 and 60; Appendix X, I

45. A BC Assessment of the Hastings Property indicates the 2026 assessed value is $842,000. The registrations on title to the Hastings Property include:

a. A mortgage and assignment of rents registered on January 15, 2013 by First West Credit Union which has an approximate balance owing of $268,918.49 as at December 31, 2024; and

b. A mortgage and assignment of rents registered on January 6, 2026 by Beckingham Holdings Inc. which was originally registered in the amount of $200,000.

BDO Report at paras. 56-58; Appendix D, Y, Z

46. Searches of the BC PPR and the Land Title Office revealed that Hastings Ltd.'s secured creditors are First West Credit Union and Beckingham Holdings Inc.

745 BC – Assets and Liabilities

47. 745 BC is a holding company that holds shares in 734 BC. The other material assets held by 745 BC are cash, accounts receivable, a beneficial interest in the River Road Property (as defined below) and rental revenue received from the River Road Property. 745 BC receives rent from the tenant of the River Road Property, being WCL.

BDO Report at paras. 61-63; Appendix C, D

48. A search of the BC PPR revealed that 745 BC's secured creditors are Bank of Montreal ("**BMO**") and Echelon.

BDO Report at para. 64; Appendix CC

734 BC – Assets and Liabilities

49. 734 BC's sole asset is legal title to the lands located at 86563 River Road S., Dewdney, B.C. and legally described as PID: 010-889-680 LOT 1, PLAN NWP3157, SECTION 29, TOWNSHIP 20, NEW WESTMINSTER LAND DISTRICT (the "**River Road Property**" and, together with the Lougheed Property and the Hastings Property, the "**Real Properties**"). 734 BC receives rent from the tenant of the River Road Property, being WCL. The status of rent payable in respect of the River Road Property remains to be verified.

BDO Report at paras. 63, 67-68; Appendix D

50. An appraisal by Grover Elliott & Co. Ltd. of the River Road Property indicates an estimated value of $21,000,000. The financial charges currently registered on title to the River Road Property are two

mortgages registered and assignments of rent, registered by BMO on February 18, 2021 and February 28, 2022.

51. The balance owing under the mortgage registered on February 18, 2021 was $6,950,752 as at March 17, 2025. The Trustee does not have information with respect to the mortgage registered on February 28, 2022. However, it notes this mortgage was registered for the principal amount of $2,000,000.

BDO Report at para. 70; Appendix C

52. Given all of the above, the Trustee directly or indirectly owns: (i) the shares in each of the Smith Companies, and (ii) the beneficial and legal title to the Real Properties.

BDO Report at paras. 84-85

A&H Litigation

53. Bastian, Krystle, and Whitewater Reinforcing (collectively, the "**A&H Shareholders**") are named respondents in an action commenced by A&H Hold Co (B.C.) Ltd. and A&H Steel Ltd. in the Court of King's Bench of Alberta action number 2503 15666 (the "**A&H Action**").

54. On July 10, 2026, the applicants in the A&H Action obtained a court order which, among other things:

   a. transferred the ownership of certain shares in A&H Vancouver from the A&H Shareholders, respectively, to A&H Hold Co (B.C.) Ltd. and vested such shares in A&H Hold Co (B.C.) Ltd. free of any claims, charges, or interests;

   b. transferred all of the shareholder loans owing to the A&H Shareholders by A&H Vancouver to A&H Hold Co (B.C.) Ltd. free and clear of all encumbrances upon payment of:

      i. $235,242.50 for Whitewater Reinforcing;

      ii. $209,245.28 for Bastian; and

      iii. $208,960.59 for Krystle.

55. Counsel for the applicants in the A&H Action made payment of $653,747.87 to counsel for the Trustee, MLT Aikins LLP on July 15, 2026, which amount is held in trust for the benefit of the creditors of Bastian, Krystle, and Whitewater Reinforcing.

BDO Report at para. 83; Appendix II

Necessity for appointment of Receiver

56. As noted above, the Trustee is the direct or indirect owner of the shares of all of the Smith Companies, which would appear to hold, directly or indirectly, assets, records, claims, or interests that will materially benefit the Smith Brothers' creditors.

BDO Report at para. 84

57. The Trustee is of the view that there is an urgent need to preserve the shares and other assets of the Smith Companies and realize on those assets for the benefit of the creditors of the Smith Brothers.

However, considering corporate governance and liability concerns, there is no apparent effective process by which to accomplish the goals of asset preservation or realization in the circumstances of this case other than through the appointment of a receiver of all of the assets and undertakings of each of the Smith Companies.

BDO Report at para. 86

58. The Trustee's appointment as licensed insolvency trustee of the Smith Brothers' bankruptcy estates does not, by itself, appoint the Trustee as a director or officer of the Smith Companies. Without further authority, there is no practical mechanism to administer the Smith Companies or preserve the Companies' Property. In particular, the Trustee cannot control the companies' bank accounts, obtain their books and records, manage contracts and project rights, pursue receivables and claims, investigate corporate transactions, or communicate with creditors and stakeholders.

BDO Report at para. 88

59. The Smiths' shares or beneficial interests in certain Smith Companies appear to comprise a significant portion of estate value. The appointment of a receiver would provide a practical and Court-supervised mechanism to preserve, administer and, where appropriate, realize upon those assets for the benefit of creditors and stakeholders.

BDO Report at para. 89

60. The Trustee is concerned that, without an independent court-appointed officer, there is no means by which to effectively preserve and realize on the Companies' Property.

BDO Report at para. 90

61. In addition, there is no readily-apparent means by which the Trustee might make corporate decisions so as to avoid the potential impairment of claims, possible non-payment of taxes and property-related expenses, uncertainty regarding insurance and security over the Companies' Property, the risk of unauthorized dealings with the Companies' Property, and the prospect of unnecessary disputes among creditors, stakeholders, related parties, and project participants.

BDO Report at para. 91

62. Accordingly, the Trustee is of the view that such an appointment is just and convenient in the present circumstances.

BDO Report at para. 92

63. The Trustee may seek further relief in respect of other related entities as it continues its investigation and as additional facts become available. At this time, the Trustee seeks the appointment of BDO as receiver of the assets of the Smith Companies identified in the BDO Report, which includes the authority to preserve and protect the Companies' Property, sell the assets of the Smith Companies, make distributions to the creditors and equity holders of the applicable Smith Companies, and assign the Smith Companies into bankruptcy, if deemed necessary.

BDO Report at para. 93

Receiver's Charges

64. The Petitioner seeks the following priority charges over all of the property, assets, and undertakings of the Smith Companies, including their legal and beneficial interests in the Real Properties and any related rents and proceeds:

    a. a charge in favour of the Receiver and its legal counsel, as security for their respective fees and disbursements incurred in connection with the receivership (the "**Receiver's Charge**"); and

    b. a charge as security for the amounts borrowed by the Receiver from time to time, including interest and related costs, up to a maximum amount of $500,000, or such other amount as this Honourable Court considers appropriate (the "**Receiver's Borrowings Charge**", and together with the Receiver's Charge, the "**Charges**").

BDO Report at paras. 100-101

65. The Charges are in the template form provided for in the British Columbia Model Receivership Order.

66. Upon the appointment of BDO as Receiver over the Companies' Property, BDO would need to take immediate steps to preserve, protect, and administer the Smith Companies and the Companies' Property.

BDO Report at para. 94

67. The Real Properties and the other assets and interests of the Smith Companies may have value. However, the Trustee has not received or reviewed complete books and records of the Smith Companies.

68. As a result, the Trustee is not presently able to determine the liquidity available within the Smith Companies, including the Real Properties or whether there is equity in the Real Properties after taking into account the creditors and the costs of preservation and realization.

BDO Report at para. 96

69. The Petitioner seeks the Charges over all of the property, assets, and undertakings of the Smith Companies, collectively and on a joint and several basis, given:

    a. the integrated nature of the Smith Companies;

    b. the uncertainty regarding their assets, liabilities, and intercompany relationships; and

    c. the practical difficulty of allocating the initial costs of the receivership before complete books and records have been obtained and reviewed.

BDO Report at para. 99

70. Once the Receiver has obtained and reviewed more complete books and records and has further information regarding the Smith Companies' assets, liabilities, operations, and liquidity, it may seek further relief from this Honourable Court, including an increase or other amendment to the amount or terms of the Charges.

BDO Report at para. 104

71. Accordingly, the Petitioner considers the Charges, including their proposed priority over the existing secured creditors, to be fair, reasonable, and necessary for the effective administration of the receivership.

BDO Report at para. 105

PART 3: LEGAL BASIS

Jurisdiction

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

a. Section 39 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. [Emphasis added]
>
> **(2)** An order made under subsection (1) may be made either unconditionally or on terms and conditions the court thinks just.

b. Rule 10-2(1) of the *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.

LEA, s. 39;
Civil Rules, R. 10-2(1).

Test for Appointment of Equitable Receiver

73. The test for the appointment of an equitable receiver is not entirely settled in British Columbia. As discussed in detail below, British Columbia courts have applied two approaches, which ultimately culminated in a combined analytical framework.

74. In *Access Road Capital, LLC v. Bron Media Corp.*, 2023 BCSC 497 ("**Access Road BCSC**"), the applicant, which had no contractual right to have a receiver appointed, applied to appoint receiver over a guarantor under s. 39 of the LEA. This Court granted the application holding that:

> [16] The law relevant to the court appointment of a receiver under the just or convenient analysis in s. 39 of the *LEA* is not in dispute.
>
> [17] Bron Media cited *Quest Capital Corp. v. Longpre*. Paragraph 16 from *Quest Capital*, quoted below, adopts part of an article by Professor Edinger in the Canadian Bar Review and related comments in a decision of Master Joyce, as quoted by Chief Justice Brenner in another case:

[16] E. R. Edinger describes the rules governing the appointment of equitable receivers in "The Appointment of Equitable Receivers: Application of Rules or Exercise of Pure Discretion?" as follows:

> ... [F]irst, the asset must be of a kind that is exigible by a common law or legal process; second, there must be some impediment to employment of a legal process; third, there must be some benefit to be obtained by the appointing of an equitable receiver and the appointment must be just and convenient; but fourth, special circumstances established by the judgment creditor may permit the court to disregard the second rule.

To like effect are the comments of Master Joyce in *Pacific West v. Fehr Dri-Wall Ltd.*, as quoted by Chief Justice Brenner in *Down (re) (Trustee of)*.

[18] Access relied generally on *Ward Western Holdings Corp. v. Brosseuk*, 2022 BCCA 32, including, at para. 49 in *Ward Western*, a recitation from *Bennett on Receiverships*, 2nd ed. (Toronto: Carswell, 1999) at 130-132, of 16 non-exhaustive factors to consider in determining justice or convenience. Paragraph 49 from *Ward Western* reads as follows:

> [49] Another reason that the issues the appellants seek to advance are largely irrelevant to this appeal is that they are immaterial to the judge's determination that it was "just and convenient" to appoint a receiver. Before the judge, the respondents argued, relying on *Textron Financial Canada Limited v. Chetwynd Motels Ltd.*, 2010 BCSC 477 at para. 50, and Frank Bennett, *Bennett on Receiverships*, 2nd ed. (Toronto: Carswell, 1999), at 130-32, that the following non-exhaustive list of factors governs the question of whether it is "just and convenient," in all of 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.

The judge listed these various factors at para. 57 of his reasons.

75. The *Access Road BCSC* decision was the subject of an application for leave to appeal in *Creative Wealth Media Lending LP 2016 v. Access Road Capital, LLC*, 2023 BCCA 208 ("***Access Road BCCA***").

76. In *Access Road BCCA*, Justice Marchand of the Court of Appeal of British Columbia granted the appellant, Creative Wealth, leave to appeal the receivership order, holding that:

> [20] Neither party cited an authority to the judge or to me that clearly establishes the correct approach to the appointment of an equitable receiver at the instance of an unsecured judgment creditor over the objection of two secured creditors owed substantially more than the unsecured judgment creditor. Perhaps the approach in *Ward Western* establishes the universally applicable approach to the appointment of a general receiver under s. 32 of the *LEA*. On the other hand, perhaps the "rules" in *Quest Capital* should play a role in the context of cases such as this one. In my view, clarity on the question will be of some benefit to the practice.
>
> [24] CW has an arguable case that the judge erred in principle by considering what was just and convenient without first turning his mind to the "rules" referred to in *Quest Capital*.

77. Aside from the leave to appeal decision in *Access Road BCCA*, there are no other appellate decisions in respect of the Access Road BCSC decision.

78. In *Scala Development Consultant Ltd. v. Spirit Bay Developments Limited*, 2024 BCSC 1755 ("***Spirit Bay***"), the applicant asked that a receiver be appointed under R. 10-2(1) of the *Civil Rules* and s. 39 of the *LEA* to collect on a judgment of approximately $1,860,000.

79. In *Spirit Bay*, this Court held that:

> 305 I note that in their petition response the general partners took the position that the test for appointing an equitable receiver was unsettled, citing a pending appeal from *Access Road Capital, LLC v. Bron Media Corp.*, 2023 BCSC 497. In that case, citing *Quest Capital* and *Ward Western* , the chambers judge appointed a receiver based on his finding the appointment was just and convenient. In granting leave to appeal, Marchand J.A. (as he then was) concluded there was an arguable case the judge erred in principle by determining what was just and convenient without first considering the "rules" referred to in *Quest Capital: Creative Wealth Media Lending LP 2016 v. Access Road Capital, LLC*, 2023 BCCA 208 at para. 24 (Chambers). Unlike this case, the appointment of the receiver was opposed by two secured creditors. I am not aware of an appeal decision in *Access Road*
>
> 306 I begin nonetheless with the two "rules" set out in *Quest Capital* that require the assets over which receivership is sought to be exigible by a common law or legal process, and an impediment to employing a legal process. Both requirements are met here.
>
> 307 The headleases, subleases and any sublots subject to registration as subleases are exigible under the headleases and the amendments to the *Land Code*.
>
> 308 As to the second rule, I accept that enforcing Scala's judgment is all but impossible absent appointing a receiver.
>
> 309 Scala has done what it can to collect on the judgment. It made demands for payment which went unmet apart from a small payment made shortly before the original petition hearing date, made from funds held in lawyers' trust accounts revealed to Scala by the Examination. After obtaining the Enforcement Order, Scala attempted to register the judgment with the Lands Register, without success. The *Land Code* does not include a mechanism for enforcing judgments.
>
> 310 Turning to what is just and convenient in all the circumstances, I agree with Scala's assertion that the equities lie squarely with ordering the appointment.
>
> 311 With reference to the factors set out in *Ward Western*, Scala focuses on the conduct of the parties; the nature of the property; the effect of the order; the length of time the receiver may be in place; and the likelihood of maximizing return to the parties. [Emphasis added]

Spirit Bay at paras. 305-311

80. Accordingly, the approach in *Spirit Bay,* which combines both previously accepted approaches, can be summarized as follows:

a. determining if the assets that would be subject to the receivership were exigible by a common law or legal process;

b. determining if there was an impediment to employing a legal process; and

c. considering the *Ward Western* Factors, to determine what is just and convenient in all the circumstances.

Spirit Bay at paras. 306-310

81. Given the uncertainty regarding the appropriate test for the appointment of an equitable receiver, the Petitioner submits that the approach in *Spirit Bay*, which combines both previously accepted approaches, should be followed.

Applications for Equitable Receiver by Trustees in Bankruptcy

82. The BIA provides that a trustee in bankruptcy is, for the purpose of acquiring and retaining possession of the property of a bankrupt, a receiver:

> **Trustee to be receiver**
>
> 16(4) The trustee shall, in relation to and for the purpose of acquiring or retaining possession of the property of the bankrupt, be in the same position as if he were a receiver of the property appointed by the court, and the court may on his application enforce the acquisition or retention accordingly.

83. Courts have exercised their authority to appoint a trustee in bankruptcy of an individual director/shareholder as an equitable receiver over the individual's companies of which they are directors and shareholders.

J.P. Capital Corp. (Trustee of) v. Perez (1996), 38 C.B.R. (3d) 301, 1996 CarswellOnt 430 (Ont. Gen Div.)

The Test for an Equitable Receivership Applied to the Smith Companies

84. The Trustee submits that the appointment of BDO as Receiver over the Smith Companies is just, convenient, and necessary for the following reasons:

a. The assets of the Smith Companies are exigible by a common law or legal process. The assets consist of cash, accounts receivable, share certificates in one or more of the other Smith Companies, and Real Properties.

b. There is an impediment to employing a legal process given that:

i. The existing circumstances create material corporate governance and asset preservation issues.

ii. While the shares and beneficial interests of the Smith Brothers in the Smith Companies have vested in the Trustee, the Trustee is not appointed as a director or officer of the Smith Companies. It would be impractical for the Trustee to appoint itself as director of the Smith Companies. Specifically, any director of these companies would face liability under the common law and statutory frameworks of the BCA, the *Income Tax Act*, RSC 1985, c 1, *Excise Tax Act*, RSC 1985, c E-15, *Canada Pension Plan Act*, RSC 1985, c C-8, *Employment Insurance Act*, SC 1996, c 23, and the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, and perhaps other statutory and common law liabilities.

iii. As a result, the Smith Companies are currently without effective corporate governance. To the extent that the Smith Brothers have purported to appoint replacement directors, the Trustee has not been able to verify the validity of those appointments. The Trustee's legal counsel has advised those individuals that they act at their own risk given the potential statutory and common law liabilities associated with acting as directors.

BDO Report at paras. 86-87; Appendix JJ

c. The *Ward Western* Factors applicable to making a determination of whether it is just and convenient to appoint an equitable receiver in this case also favour an equitable receiver appointment:

   i. The appointment of an equitable receiver is necessary because the Smith Companies cannot presently be administered in an effective or independent manner. Based on the Trustee's review to date, the Smith Brothers' shares and beneficial interests comprise a significant portion of the estate value. The companies form an interconnected corporate structure, and neither of the Smith Brothers is eligible to act as a director. The appointment of an equitable receiver would provide a practical, Court-supervised mechanism to administer the Smith Companies and preserve the Companies' Property. The Receiver would also have authority to control bank accounts, obtain books and records, manage contracts and project rights, pursue receivables and claims, investigate corporate transactions, and communicate with creditors and stakeholders.

   ii. Without the assistance of an independent Court-appointed officer, there is a risk of deterioration or loss of the Companies' Property and records, uncertainty regarding the authority to make corporate decisions, potential impairment of claims, potential non-payment of taxes or property-related expenses, uncertainty regarding insurance and security over the Companies' Property, possible unauthorized dealings with the Companies' Property, and unnecessary disputes among creditors, stakeholders, and related parties. There could be irreparable harm to the creditors of the Smith Estates if the surplus equity in the Smith Companies remains uncollectable. Kyle has informed the Trustee that other family members may have been appointed as directors of the Smith Companies. The Trustee has not been able to verify those appointments, and the purported appointments suggest that the Smith Brothers intend to deal with the Companies' Property.

   iii. A Court-appointed receiver is necessary to realize the equity in the Companies' Property for the benefit of the Smith Estates. The Companies' Property consists of cash, accounts receivable, share certificates, and real property. The Receiver would be able to realize those assets where appropriate, satisfy the claims of the Smith Companies' creditors, and distribute any remaining value through the corporate ownership structure to the Smith Estates. In addition, the Receiver will have the ability to collect unpaid rent from WCL and investigate any priority issues or claims presently unknown to the Trustee.

   iv. Without the appointment of a receiver over the Smith Companies, there is no way to protect or preserve the Companies' Property. The Lougheed Property is currently listed for sale and the net proceeds received from that sale, and any other assets, could be dissipated by any appointed directors, whether those parties are properly appointed or not, and there may be no ability to recover those funds or assets afterwards.

v. The effect of the appointment of the Receiver on the Smith Companies is expected to be minimal. Based on the information available to the Trustee, the Smith Companies are not operating businesses and do not have employees. A receiver will be in the best position to collect unpaid rent and accounts receivable, deal with the winding up of the Smith Companies, conduct an orderly distribution of the Companies' Property to the applicable creditors of the Smith Companies, and then distribute the balance of the equity to the Smith Estates.

vi. The creditors of the Smith Companies will benefit from, and will not be prejudiced by, the appointment of the Receiver.

BDO Report at paras. 84-93

BIA, s. 124

Receiver's Charges

85. The Charges are in the template form provided for in the British Columbia Model Receivership Order.

86. The Petitioner submits that the proposed quantum of the Receiver's Borrowings Charge is fair and reasonable given the value and nature of the property, and the nature of the obligations to be secured.

87. In *Edmonton (City) v Alvarez & Marsal Canada Inc.,* the Alberta Court of Appeal considered an appeal with respect to the provisions of the Alberta Template Receivership Order regarding charges in favour of the receiver, which mirror those under the British Columbia Model Receivership Order.

88. In reversing the decision at first instance, which had granted certain claims by the City of Edmonton priority over the "super-priority" receiver's charge and receiver's borrowings charge, the Court stated:

> [14] […] *Kowal* refers to a general rule that secured creditors may not be subject to the charges and expenses of a receivership. This is so because, "the general purpose of a general receivership is to preserve and realize the property for the benefit of creditors in general. No receivership may be necessary to protect or realize the interests of lienholders": *Kowal,* quoting Ralph Ewing Clark, *Clark On Receivers,* 3rd ed, vol 1, s 22, p 25. There are, however, exceptions to that general rule, three of which were enumerated in *Kowal:*
>
>> 1. if a receiver has been appointed at the request or with the consent or approval of the holders of security, the receiver will be given priority over the security holders;
>>
>> 2. if a receiver has been appointed to preserve and realize assets for the benefit of all interested parties, including secured creditors, the receiver will be given priority over the secured creditors for charges and expenses properly incurred; or

> 3. if the receiver has expended money for the necessary preservation or improvement of the property, the receiver may be given priority for those expenditures over secured creditors.
>
> [16] In his discussion of the applications by ICI and Standard General, the chambers judge made several pertinent observations with respect to the policy considerations relevant to the prioritization of the fees and disbursements of receivers *(Decision* at paras 136-137):
>
> > The difficulty with making a determination at the outset of a receivership (even a liquidating receivership) is that the nature and extent of the work necessary to preserve, protect, maintain, and eventually liquidate a particular asset is unknown. I do not see that claimants with a proprietary claim are entitled to a free ride in a receivership, such that they should be responsible for payment of the costs of the receivership as they relate to the claimants' claims and the cost of monetizing the claim. Those costs may include a part of the Receiver's general costs as well as those that can be specifically tied to the specific assets in question.
> >
> > Up front, it is appropriate to have the Receiver's charges rank ahead of claimants who will benefit from the Receivership, to the extent that they have benefitted from the Receivership. That means that for creditors who may benefit from the Receivership, the super priority is generally appropriate for the Receiver's fees and disbursements, on the expectation that these fees and disbursements will ultimately be fairly apportioned.
>
> [17] In making these observations, the chambers judge rightly recognized the modern commercial realities that affect receiverships. The super priority is necessary to protect receivers; without security for their fees and disbursements they would be understandably concerned about taking on receiverships. [...]
>
> [18] the creditor who brings the application for the receivership should not be left to bear the entire financial burden of the process. Rather, those costs should be shared equitably amongst all the creditors. [...]
>
> [23] The policy behind receiverships is that collective action is preferable to unilateral action. The receiver maximizes the returns for the benefit of all creditors and streamlines the process of liquidation.
>
> > The whole point of a court-appointed receivership is that one person ... is appointed to deal with all of the assets of an insolvent debtor, realize upon them, and then distribute the proceeds of that realization to the creditors.

Edmonton (City) v Alvarez & Marsal Canada Inc, 2019 ABCA 109
at paras. 9, 14-18, 23 and 26

89. The prerequisite of providing notice to all secured creditors likely to be affected by the Charges has been met.

90. The appointment of the Receiver is just, convenient, and necessary. It will preserve and realize upon the property of the Smith Companies, address the existing governance gap, investigate ownership and intercompany matters, communicate with creditors and stakeholders, and administer the Smith Companies for the benefit of all stakeholders.

91. British Columbia courts have confirmed and adopted the principle that, if a receiver is appointed to preserve and realize assets for the benefit of all interested parties, including secured creditors, the receiver will be given priority over the secured creditors for charges and expenses properly incurred.

Integris Credit Union v. Mercedes-Benz Financial Services Canada Corp., 2016 BCCA 231 citing *Robert F. Kowal Investments Ltd. v. Deeder Electric Ltd.* (1975), 59 D.L.R. (3d) 492 (Ont. C.A.)

92. As a result, the Petitioner respectfully submits that the Charges should be granted, with the priority set out in the proposed form of Receivership Order.

Bankruptcy Authorization

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

BIA at s. 49.

94. "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.

95. 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.

96. 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.

97. The Petitioner submits that granting the Receiver the authority to assign the Smith Companies into bankruptcy at the beginning of the receivership would save the Smith Companies' estate the costs associated with the receiver seeking this relief at a subsequent date.

98. Accordingly, the Petitioner respectfully submits that authorizing the Receiver to assign the Smith Companies into bankruptcy is necessary and appropriate in the circumstances.

PART 4: MATERIAL TO BE RELIED ON

99. The materials filed in this proceeding.

100. First Report of the Trustee dated August 5, 2026.

101. Such further materials as may be filed with this Honourable Court.

Dated: August 7, 2026

Signature of William E.J. Skelly / Mihai Tomos
Lawyer for BDO Canada Limited, in its capacity as the Trustee in Bankruptcy of the estates of Craig Allen Smith and Robert Kyle Smith

---

To be completed by the court only:

Order made

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

[ ] with the following variations and additional terms:

Date: ....

Signature of ☐ Judge ☐ Master

SCHEDULE "A"
(TO THE PETITION)

SERVICE LIST

MLT AIKINS LLP 2600, 1066 West Hastings Street Vancouver, BC V6E 3X1 **Attn:** William E. J. Skelly / Mihai Tomos Email: wskelly@mltaikins.com / mtomos@mltaikins.com	**BDO CANADA LIMITED,** in its capacity as the Trustee in Bankruptcy of Craig Allen Smith and Robert Kyle Smith (*Petitioner*) Attn: Chris Bowra / Alykhan Bandali Email: cbowra@bdo.ca / abandali@bdo.ca
FASKEN MARTINEAU DUMOULIN LLP 550 Burrard St #2900, Vancouver, BC V6C 0A3 Attn: Kibben Jackson / Heidi Esslinger Email: kjackson@fasken.com / hesslinger@fasken.com	**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
GEHLEN DABBS CASH LLP 1201-1030 W Georgia St Vancouver, BC V6E 2Y3 Attn: Geoffrey Dab Email: gd@gdlaw.ca	**MCEWAN COOPER KIRKPATRICK LLP** Vancouver Centre II 1500 – 733 Seymour Street Vancouver, BC V6B 0S6 Attn: David E. Gruber Email: dgruber@mcewanpartners.com
KRYSTLE HOLDINGS LTD.	**BASTIAN HOLDINGS LTD.**

c/o Paul C. Weir Law Corporation Unit 2 - 107 Kings Road West North Vancouver BC V7N 2L7 (*Respondent*)	c/o Paul C. Weir Law Corporation Unit 2 - 107 Kings Road West North Vancouver BC V7N 2L7 (*Respondent*)
SKAW PROPERTIES LTD. c/o Paul C. Weir Law Corporation Unit 2 - 107 Kings Road West North Vancouver BC V7N 2L7 (*Respondent*)	**1226745 B.C. LTD.** c/o Paul C. Weir Law Corporation Unit 2 - 107 Kings Road West North Vancouver BC V7N 2L7 (*Respondent*)
27222 LOUGHEED HIGHWAY LTD. c/o Paul C. Weir Law Corporation Unit 2 - 107 Kings Road West North Vancouver BC V7N 2L7 (*Respondent*)	**1226734 B.C. LTD.** c/o Paul C. Weir Law Corporation Unit 2 - 107 Kings Road West North Vancouver BC V7N 2L7 (*Respondent*)
PROVINCE OF BRITISH COLUMBIA Ministry of Attorney General Legal Services Branch PO Box 9290 STN PROV GOVT Victoria, BC V8W 9J7 Attention: Duty Counsel	**WHITEWATER STEELERS REINFORCING LTD.** c/o Paul C. Weir Law Corporation Unit 2 - 107 Kings Road West North Vancouver BC V7N 2L7 (*Respondent*)

RECEIVABLES MANAGEMENT OFFICE 1802 Douglas Street, 6th Floor Victoria, BC V8T 4K6	**MINISTRY OF ATTORNEY GENERAL** Legal Services Branch 1001 Douglas Street Victoria, BC V8W 9J7
BC PPR and/or LTO Registrants	
ECHELON INSURANCE #300-2680 MATHESON BLVD E. MISSISSAUGA ON L4W 0A5	**HSBC BANK CANADA** 200 - 885 WEST GEORGIA STREET VANCOUVER BC V6C 3G1
BANK OF MONTREAL 595 BURRARD STREET VANCOUVER BC V7X 1L7	**TRISURA GUARANTEE INSURANCE COMPANY** 333 BAY STREET SUITE 1610, BOX 22 TORONTO ON M5H 2R2
BECISON HOLDING CORPORATION 1661 WEST 5TH AVENUE VANCOUVER BC V6J 1N5	**BARRY CHARLES HOLDINGS LTD.** VENABLES STREET VANCOUVER BC V6A 4B4
TNL DEVELOPMENTS LTD. 9400 FLORIMOND ROAD RICHMOND BC V7E 1M1	**G.I.H. PROPERTIES LTD.** P.O. BOX 18027 VANCOUVER BC V6M 4L3

GILL, AMAN 9400 FLORIMOND ROAD RICHMOND BC V7E 1M1	**MCVICAR & COMPANY HOLDINGS INC.** 2015 SW MARINE DRIVE VANCOUVER BC V6P 6B4
CHAPPELL, SANDRA C/O UNIT 505 – 1195 WEST BROADWAY VANCOUVER BC V6H 3X5	**CHAPPELL, PETER** C/O UNIT 505 – 1195 WEST BROADWAY VANCOUVER BC V6H 3X5
GAUTREAU, TERESA P.O. BOX 18027 VANCOUVER BC V6M 4L3	**BECKINGHAM HOLDINGS INC.** 1555-1500 GEORGIA ST W VANCOUVER BC V6G 2Z6
CANADIAN WESTERN BANK SUITE 100, 666 BURRARD STREET VANCOUVER BC, V6C 2X8	

SCHEDULE "B"
(TO THE PETITION)

FORM OF RECEIVERSHIP ORDER

Court File No. ____________
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

BDO CANADA LIMITED,
in its capacity as the Trustee of the Bankruptcy Estates of CRAIG ALLEN SMITH and ROBERT KYLE SMITH

PETITIONER

AND

BASTIAN HOLDINGS LTD., KRYSTLE HOLDINGS LTD., 1226745 B.C. LTD., SKAW PROPERTIES LTD., 207 – 53 WEST HASTINGS STREET HOLDINGS LTD., 1226734 B.C. LTD., 27222 LOUGHEED HIGHWAY LTD., and WHITEWATER STEELERS REINFORCING LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE	))))	))))

ON THE APPLICATION of BDO Canada Limited ("**BDO**"), in its capacity as Trustee in Bankruptcy of the Estates of Craig Allen Smith and Robert Kyle Smith (in such capacity, the "**Trustee**"), for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"), and Section 39 of the *Law and Equity Act*, RSBC 1996 c 253, as amended (the "**LEA**"), appointing BDO as receiver and manager (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and property of Bastian Holdings Ltd., Krystle Holdings Ltd., 1226745 B.C. Ltd., Skaw Properties Ltd., 207 – 53 West Hastings Street Holdings Ltd., 1226734 B.C. Ltd., 27222 Lougheed Highway Holdings Ltd., and Whitewater Steelers Reinforcing Ltd. (collectively, the "**Debtors**") 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 First Report of the Trustee dated August 5, 2026 and the consent of BDO to act as the Receiver; **AND ON HEARING** Mihai Tomos, counsel for the Petitioner, BDO, and all other counsel as listed on **Schedule "A"** hereto;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE

1. The time for service of the Petition, Notice of Hearing of Petition for this Order, and the Petition Record is hereby abridged and validated so that this Petition is properly returnable today and further service is hereby dispensed.

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 Debtors, 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 Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;

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

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

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

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

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

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

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

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

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

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

(i) without the approval of this Court in respect of a single transaction for consideration up to $100,000.00 provided that the aggregate consideration for all such transactions does not exceed $500,000.00; 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*, RSBC 1996, c 359 shall not be required;

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

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

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

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

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

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

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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 Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.

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 DEBTORS OR THE PROPERTY

9. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall

prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtors and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

10. All rights and remedies (including, without limitation, set-off rights) against the Debtors, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors 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 Debtors, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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 Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the 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*, SC 2000, c 5 or Section 18(1)(o) of the *Personal Information Protection Act*, SBC 2003, c 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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 $500,000.00 (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.

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 Trustee a demand for notice in the form attached as Schedule "C" (the "**Demand for Notice**"). The Receiver and the Trustee 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 Trustee 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*, RSC 1985, c C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, RSBC 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 Debtors' 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 Debtors 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 or as Trustee, from acting as trustee in bankruptcy of the Debtors.

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 Debtors.

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. BDO 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 Debtors' 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 BDO 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:

Mihai Tomos, lawyer for the Petitioner,

BDO Canada Limited

BY THE COURT

REGISTRAR

SCHEDULE "A"

(List of Counsel)

Name of Counsel	Party Represented
MLT AIKINS LLP 2600, 1066 West Hastings Street Vancouver, BC V6E 3X1 **Attn:** William E. J. Skelly / Mihai Tomos Email: wskelly@mltaikins.com / mtomos@mltaikins.com	**BDO Canada Limited**, in its capacity as the Trustee in Bankruptcy of Craig Allen Smith and Robert Kyle Smith **Attn:** Chris Bowra / Alykhan Bandali Email: cbowra@bdo.ca / abandali@bdo.ca (*Petitioner*)

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. ____________________

AMOUNT $ ____________________

1. THIS IS TO CERTIFY that BDO Canada Limited, the Receiver (the "**Receiver**" or "**BDO**") of all of the assets, undertakings and properties of Bastian Holdings Ltd., Krystle Holdings Ltd., 1226745 B.C. Ltd., Skaw Properties Ltd., 207 – 53 West Hastings Street Holdings Ltd., 1226734 B.C. Ltd., 27222 Lougheed Highway Ltd., and Whitewater Steelers Ltd. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "**Court**") dated ____ 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 (i) the priority of the charges set out in the Order, and (ii) 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 of Bastian Holdings Ltd., Krystle Holdings Ltd., 1226745 B.C. Ltd., Skaw Properties Ltd., 207 – 53 West Hastings Street Holdings Ltd., 1226734 B.C. Ltd., 27222 Lougheed Highway Ltd., and Whitewater Steelers Ltd., and not in its personal capacity

Per:
Name:
Title:

SCHEDULE "C"

Demand for Notice

TO: **BDO Canada Limited**
c/o MLT Aikins LLP
Attention: Mihai Tomos /Sophie Cannon
Email: mtomos@mltaikins.com / scannon@mltaikins.com

AND TO:

Re: **In the matter of the Receivership of Bastian Holdings Ltd., Krystle Holdings Ltd., 1226745 B.C. Ltd., Skaw Properties Ltd., 207 – 53 West Hastings Street Holdings Ltd., 1226734 B.C. Ltd., 27222 Lougheed Highway Ltd., and Whitewater Steelers Ltd.**

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

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

   ____

   OR

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

   ____

   OR

3. By mail, at the following address:

   ____

Name of Creditor: ______________________________

Name of Counsel (if any): ______________________________

Creditor's Contact Address: ______________________________

____

____

Creditor's Contact Phone Number: ______________________________