



FORM 32 (RULE 8-1(4))

No. H-230320
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

LANYARD INVESTMENTS INC. as general partner of LFC
KESEF-B21 LIMITED PARTNERSHIP
FISGARD CAPITAL CORPORATION

Petitioners

AND:

AC NANAIMO INVESTMENT GP LTD.
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP
AC NANAIMO NOMINEE LTD. formerly known as ANSEN
NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD.
COROMANDEL HOLDINGS LTD.
ZHEN YU ZHONG also known as ZHENYU ZHONG
JUN CHAO MO also known as JUNCHAO MO
ALIGN BC PROPERTIES CORP. formerly known as
VIVAGRAND DEVELOPMENT CORP.
ZHONG LIANG
XINTAI LIU
YING LIANG
CHENMING LI
JOHN DOE
ALL TENANTS OR OCCUPIERS OF THE SUBJECT LANDS
AND PREMISES

Respondents

NOTICE OF APPLICATION

Name of applicant:

D. MANNING & ASSOCIATES INC., in its capacity as Court appointed Receiver and Manager of the assets, undertakings and property of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd., formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd., (the “**Debtors**”) as it relates to the Properties (defined below).

To: THE SERVICE LIST

TAKE NOTICE that an application will be made by the Receiver to the presiding JUDGE at the courthouse at 800 Smith Street, Vancouver, BC, WEDNESDAY SEPTEMBER 4, 2024, at 9:45 a.m. for the order(s) set out in Part 1 below.

The applicant estimates that the application will take 10 minutes.

- ☐ This matter is within the jurisdiction of an associate judge.
- ☒ This matter is not within the jurisdiction of an associate judge.

Part 1: ORDER(S) SOUGHT

1. An Order in the form of draft Order attached to this Notice of Application as Schedule “A”, or as the Court may otherwise direct, approving the Receiver’s activities, summarily passing the Receiver’s accounts and discharging the Receiver.

Part 2: FACTUAL BASIS

Receivership History

1. The Receiver was appointed the Receiver and Manager in respect of the assets, undertakings and property of AC Nanaimo Investment Limited Partnership (“AC LP”) and AC Nanaimo Nominee Ltd., formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd. (“AC Nominee”) (AC LP and AC Nominee, together the “Companies”) relating to the Properties (as defined below) pursuant to the Order of the Honourable Justice Forth pronounced August 23, 2023 (the “Receivership Order”).
2. The Companies were a real estate developer. AC Nominee was the registered owner and AC LP was the beneficial owner of a development property consisting of nine (9) adjacent lots in Vancouver, with municipal addresses as follows:
 - 1) 2415 East 26th Avenue, Vancouver B.C.;
 - 2) 2419 East 26th Avenue, Vancouver B.C.;
 - 3) 2425 East 26th Avenue, Vancouver B.C.;
 - 4) 2441 East 26th Avenue, Vancouver B.C.;
 - 5) 2459 East 26th Avenue, Vancouver B.C.;

- 6) 2461 East 26th Avenue, Vancouver B.C.;
- 7) 2469 East 26th Avenue, Vancouver B.C.;
- 8) 2475 East 26th Avenue, Vancouver B.C.; and
- 9) 2483 East 26th Avenue, Vancouver B.C.

(collectively, the “**Properties**”).

- 3. The Properties are residential family lots. Eight (8) of the properties contain tenanted single-family houses. 2425 East 26th Avenue, Vancouver B.C. is a vacant, but rented, lot subject to a Bare Land Use Agreement.
- 4. The Receivership Order authorized the Receiver to, *inter alia*, market and sell the Properties and to apply for any orders necessary to convey the Properties or any part or parts thereof to a purchaser, free and clear of any liens or encumbrances.
- 5. On December 13, 2023, Master Hughes granted an order approving the sale of the Properties for the purchase price of \$19,500,000, which sale closed on January 15, 2024 (the “**Vesting Order**”).
- 6. At the time the Vesting Order was granted, there were two (2) secured creditors with interests secured against title to the Properties as follows:

RESPONDENTS	NATURE OF INTERESTS	REGISTRATION NUMBERS
LANYARD INVESTMENTS INC. and FISGARD CAPITAL CORPORATION	Mortgage	CA8849501
	Assignment of Rents	CA8849502
	Certificate of Pending Litigation	CB580918
XINTAI LIU, YING LIANG and CHENMING LI	Mortgage	CA9849655
	Assignment of Rents	CA9849656

- 7. Following the closing of the sale of the Properties, the Receiver made payment in full to Lanyard Investments Inc. and Fisgard Capital Corporation in the amount of \$13,879,462.60 on account of their first ranking mortgage. The Receiver also made partial payment to Xintai Liu, Ying Liang and Chenming Li in the amount of \$5,191,187.89 on account of their second ranking mortgage. As of April 12, 2024

\$1,921,135.63 remained outstanding on account of the Xintai Liu, Ying Liang and Chenming Li mortgage with interest continuing to accrue.

8. The Receiver is currently holding \$50,445.39, from the proceeds of the sale of the Properties.
9. Assuming the Receiver's fees and activities are approved as presented at this Application and a holdback is granted for legal fees to completion in the amount of \$10,000, the Receiver's Fees to completion in the amount of \$11,000, external accounting fees in the amount of \$12,000, there will be \$17,445.39 remaining and available to Xintai Liu, Ying Liang and Chenming Li on account of their mortgage previously registered to the Properties.
10. As the Properties are now sold, there are no more steps required by the Receiver in this receivership proceeding, aside from distributing any excess funds to counsel for Xintai Liu, Ying Liang and Chenming Li on account of their previously registered mortgage and any incidental duties as may be required to complete the administration of the receivership.

Passing of Accounts

11. The Receiver's fees and disbursements from July 21, 2023 to July 2, 2024 amount to \$179,805.27 as summarized in Schedule "E" to the Receiver's Fourth and Final Report to the Court (the "**Receiver's Fourth Report**"). The Receiver requests a holdback in the amount of \$11,000 for duties to completion including drafting the Receiver's Fourth Report, communications with legal counsel regarding the discharge application and other incidental tasks.
12. The Receiver's legal counsel's fees and disbursements from August 23, 2023 to February 22, 2024 amount to \$53,413.00 as summarized in Schedule "F" of the Receiver's Fourth Report. The Receiver requests a holdback in the amount of \$10,000 for the Receiver's anticipated legal fees for work yet to be completed, including the costs of bringing this application.

13. The Receivership Order provides for the summary passing of its accounts before a Justice of this Court.

Part 3: LEGAL BASIS

1. Section 15 of the *Law and Equity Act*, R.S.B.C. 1996, c. 253;
2. The Receivership Order;
3. Rules 10-2 of the Supreme Court Civil Rules.

Part 4: MATERIAL TO BE RELIED ON


1. Affidavits #1 of Alex En Hwa Ng, made August 20, 2024;
2. Affidavit #1 of Alan Frydenlund, made July 30, 2024;
3. The Receiver's First Report, dated November 14, 2023;
4. The Receiver's Second Report, dated December 6, 2023;
5. The Receiver's Third Report, dated December 12, 2023;
6. The Receiver's Fourth Report, dated July 23, 2024;
7. The Receivership Order; and
8. The Vesting Order.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- a) file an application response in Form 33,
- b) file the original of every affidavit, and of every other document, that
 - i) you intend to refer to at the hearing of this application, and
 - ii) has not already been filed in the proceedings, and
- c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - i) a copy of the filed application response;

- ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
- iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Date: August 21, 2024


 HEATHER A. FRYDENLUND.
 Signature of lawyer for Receiver

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

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ other matters concerning document discovery
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts

SCHEDULE "A"

No. H-230320
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

LANYARD INVESTMENTS INC. as general partner of
LFC KESEF-B21 LIMITED PARTNERSHIP
FISGARD CAPITAL CORPORATION

PETITIONERS

AND:

AC NANAIMO INVESTMENT GP LTD.
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP
AC NANAIMO NOMINEE LTD. formerly known as ANSEN
NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD.

COROMANDEL HOLDINGS LTD.
ZHEN YU ZHONG also known as ZHENYU ZHONG
JUN CHAO MO also known as JUNCHAO MO
ALIGN BC PROPERTIES CORP. formerly known as
VIVAGRANDE DEVELOPMENT CORP.
ZHONG LIANG
XINTAI LIU
YING LIANG
CHENMING LI
JOHN DOE
ALL TENANTS OR OCCUPIERS OF THE SUBJECT LANDS
AND PREMISES

RESPONDENTS

ORDER MADE AFTER APPLICATION

DISCHARGE ORDER

BEFORE THE HONOURABLE

)
)
)

Wednesday September 4, 2024

THE APPLICATION of D. MANNING & ASSOCIATES INC., in its capacity as Court-appointed Receiver and Manager (the “**Receiver**”) of the assets, undertakings and properties of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd., formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd. (the “**Debtors**”) coming on for hearing at Vancouver, British Columbia, on the 4th day of September, 2024; AND ON HEARING Heather A. Frydenlund, counsel for the Receiver, and those other counsel listed on Schedule “A” hereto; AND UPON READING the material filed, including Receiver’s First Report, dated November 14, 2023, the Receiver’s Second Report, dated December 6, 2023, the Receiver’s Third Report, dated December 12, 2023 and the Receiver’s Fourth Report and Final Report of the Receiver dated July 23, 2024 (the “**Receiver’s Fourth Report**” and collectively, the “**Reports**”);

THIS COURT ORDERS AND DECLARES THAT:

1. The activities of the Receiver, as set out in the Reports, are hereby approved.
2. The fees and disbursements of the Receiver and its counsel, as set out in the Receiver’s Fourth Report are hereby approved.
3. The holdbacks for the Receiver, its counsel and Lohn Caulder LLPas set out in the Receiver’s Fourth Report, are hereby approved.
4. After payment of the fees and disbursements of the Receiver, and retaining the holdbacks as herein approved, the Receiver shall pay all funds remaining in its hands to Xintai Liu, Ying Liang and Chenming Li or their legal counsel.
5. Upon payment of the amounts set out in paragraphs 3-4, the Receiver shall be discharged as Receiver of the assets, undertaking and property of the Debtor, provided that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of D. MANNING & ASSOCIATES INC. in its capacity as Receiver.

stays of proceedings in favour of D. MANNING & ASSOCIATES INC. in its capacity as Receiver.

6. D. MANNING & ASSOCIATES INC. is hereby released and discharged from any and all liability that D. MANNING & ASSOCIATES INC. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of D. MANNING & ASSOCIATES INC. while acting in its capacity as Receiver herein. Without limiting the generality of the foregoing, D. MANNING & ASSOCIATES INC. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings
7. Notwithstanding any provision herein, this Order shall not affect any person to whom notice of these proceedings was not delivered as required by the *Bankruptcy and Insolvency Act* and regulations thereto, any other applicable enactment or any other Order of this Court.

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 Heather A. Frydenlund
☐ Party ☒ Lawyer for the Receiver

BY THE COURT

 REGISTRAR

SCHEDULE "A" – Appearance List

Lawyer	Counsel For
<p>Meldon Ellis Ellis Business Lawyers #400 – 1681 Chestnut Street Vancouver, BC V6J 4M6 Meldon@ellislawyers.com Valerie@ellislawyers.com</p>	<p>AC NANAIMO INVESTMENT GP LTD. AC NANAIMO INVESTMENT LIMITED PARTNERSHIP AC NANAIMO NOMINEE LTD. formerly known as ANSEN NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD. COROMANDEL HOLDINGS LTD. ZHEN YU ZHONG also known as ZHENYU ZHONG JUN CHAO MO also known as JUNCHAO MO ALIGN BC PROPERTIES CORP. formerly known as VIVAGRANDE DEVELOPMENT CORP. ZHONG LIANG</p>
<p>Jordan Schultz and Valerie Cross Dentons Canada LLP Barristers & Solicitors 20th Floor, 250 Howe Street Vancouver, BC V6C 3R8</p>	<p>XINTAI LIU YING LIANG CHENMING LI</p>
<p>Chanelle Crasto 9737 King George Blvd Surrey, BC V3T 5W6 Via Fax: 604-658-2700</p>	<p>Canada Revenue Agency</p>

IN THE SUPREME COURT OF BRITISH COLUMBIA

LANYARD INVESTMENTS INC. as general partner of LFC KESEF-
B21 LIMITED PARTNERSHIP
FISGARD CAPITAL CORPORATION

Petitioners

AND:

AC NANAIMO INVESTMENT GP LTD.
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP
AC NANAIMO NOMINEE LTD. formerly known as ANSEN
NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD.

COROMANDEL HOLDINGS LTD.
ZHEN YU ZHONG also known as ZHENYU ZHONG
JUN CHAO MO also known as JUNCHAO MO
ALIGN BC PROPERTIES CORP. formerly known as VIVAGRAN
DEVELOPMENT CORP.

ZHONG LIANG
XINTAI LIU
YING LIANG
CHENMING LI

JOHN DOE
ALL TENANTS OR OCCUPIERS OF THE
SUBJECT LANDS AND PREMISES

Respondents

ORDER MADE AFTER APPLICATION
(ORDER DISCHARGING RECEIVER)

OWEN BIRD LAW CORPORATION
P.O. Box 1
Vancouver Centre II
2900 – 733 Seymour Street
Vancouver, BC V6B 0S6
Attention: Heather A. Frydenlund
File No. 23024-0137

IN THE SUPREME COURT OF BRITISH COLUMBIA

LANYARD INVESTMENTS INC. as general partner of
LFC KESEF-B21 LIMITED PARTNERSHIP
FISGARD CAPITAL CORPORATION

Petitioners

AND:

AC NANAIMO INVESTMENT GP LTD.
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP
AC NANAIMO NOMINEE LTD. formerly known as
ANSEN NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD.
COROMANDEL HOLDINGS LTD.
ZHEN YU ZHONG also known as ZHENYU ZHONG
JUN CHAO MO also known as JUNCHAO MO
ALIGN BC PROPERTIES CORP. formerly known as
VIVAGRAND DEVELOPMENT CORP.

ZHONG LIANG
XINTAI LIU
YING LIANG
CHENMING LI
JOHN DOE

ALL TENANTS OR OCCUPIERS OF THE
SUBJECT LANDS AND PREMISES

Respondents

NOTICE OF APPLICATION

OWEN BIRD LAW CORPORATION
P.O. Box 1
Vancouver Centre II
2900 – 733 Seymour Street
Vancouver, BC V6B 0S6
Attention: Heather A. Frydenlund
File No. 23024-0137