

Action No. B200284
Vancouver Registry

Estate Nos. 11-2650763
11-2650762
112650761
11-2650764

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCIES OF
CONIAN DEVELOPMENTS INC.,
CONIAN DEVELOPMENTS (LA VODA) INC.,
CONIAN DEVELOPMENTS (LA VODA II) INC. AND
FLII CONSTRUCTION LTD.

ORDER MADE AFTER APPLICATION

ORDER CONSOLIDATING DISTRIBUTION PROCESSES

BEFORE THE HONOURABLE
JUSTICE WARREN

) 02/MAY/2025
)
)

ON THE APPLICATION of BDO Canada Ltd., in its capacity as trustee in bankruptcy (in such capacity, the “**Conian Trustee**”) of Conian Developments Inc. (“**Conian**”), Conian Developments (La Voda) Inc. (“**La Voda I**”), Conian Developments (La Voda II) Inc. (“**La Voda II**”), and FLII Construction Ltd. (“**FLII**”), coming on for hearing at Vancouver, British Columbia, on August 12 and December 16, 2024; AND ON HEARING William L. Roberts, Laura Bevan, and Baylee Hunt, counsel for the Conian Trustee, and those other persons listed on Schedule “A” hereto; AND UPON READING the material filed, including the Third Report of the Trustee dated July 29, 2024; AND WITH JUDGMENT being reserved to this date;

THIS COURT ORDERS AND DECLARES THAT:

Definitions

1. For the purposes of this Order, capitalized terms will have the same meanings given to them in the Claims Process Order (the “**CPO**”), and the Substantive and Procedural

Consolidation of Estates Order (the “**Consolidation Order**”) pronounced herein on July 20, 2023, except as otherwise defined.

Consolidation of Distribution Process

2. The assets of:
 - (a) the herein estates of Conian, La Voda I, and La Voda II, as substantively and procedurally consolidated by the Consolidation Order (as consolidated, the “**Joint Debtor Estate**”); and
 - (b) the BCCE Estate

will be treated as common assets (the “**Consolidated Fund**”) for the purposes of distributing property to any Creditor with a Proven Claim in either the Joint Debtor Estate or the BCCE Estate (the “**Consolidated Creditors**”).
3. The assets of the bankruptcy estate of FLII Construction Ltd. (the “**FLII Estate**”) will remain separate from the Consolidated Fund, and any Creditor with a Proven Claim in the FLII Estate will receive a distribution of property from the FLII Estate, and not from the Consolidated Fund, in respect of such Proven Claim.
4. The BCCE Trustee will abandon the BCCE Claim.

Adjudication and Review of Claims

5. The Conian Trustee and the BCCE Trustee (each a “**Trustee**” and together, the “**Trustees**”) will each remain responsible for adjudication of Proofs of Claim filed in their respective estates. For greater certainty:
 - (a) BCCE Non-Lender Claims will be adjudicated by the BCCE Trustee;
 - (b) BCCE Lender Claims will be adjudicated by the BCCE Trustee;
 - (c) Conian Non-Lender Claims will be adjudicated by the Conian Trustee;
 - (d) Conian Direct Lender Claims will be adjudicated by the Conian Trustee; and
 - (e) Involuntary Lender Claims, to the extent those were filed in the Joint Debtor Estate, will be adjudicated by the Conian Trustee.

6. Each Trustee will remain responsible for responding to and otherwise dealing with any appeal from a Notice of Disallowance (each, a “**Disallowance**”) issued by that Trustee.
7. After each of the Trustees has completed adjudication of all Proofs of Claim submitted in their respective estate, in accordance with their respective claims processes, the Trustees will exchange all Proofs of Claim submitted in their respective estates and, as applicable, all Disallowances issued by each Trustee, for review by the other as follows:
 - (a) Within 14 days of receipt, each Trustee will:
 - (i) review the other Trustee’s Proofs of Claim and adjudication thereof (including any Disallowance); and
 - (ii) to the extent either Trustee disagrees with or has concerns about how the other Trustee adjudicated a particular claim, provide feedback to the other Trustee in writing.
 - (b) On receipt of such feedback from the other, each Trustee will consider that feedback and, where appropriate, will seek clarification from and discuss with the other.
 - (c) Any feedback provided by one Trustee to the other as contemplated herein will be non-binding. To the extent the Trustees disagree about the adjudication of any Proof of Claim, the Trustee who adjudicated that Proof of Claim may, in its discretion, seek direction from the Court.
8. For greater certainty, subject to paragraph 7, nothing in this Order will obligate either Trustee to re-adjudicate Proofs of Claim that they have already adjudicated as at the date of this Order. Further, any Disallowance that has been issued at the date of this Order will remain in effect, subject to any successful appeal thereof.

Distribution Process

9. The BCCE Trustee will, within 10 days of this Order, pay to the Conian Trustee all funds in the BCCE Estate, and the Conian Trustee will hold those funds, together with the rest of the Consolidated Fund, in trust for the Consolidated Creditors, pending distribution in accordance with the CPO, the Consolidation Order, and this Order.

10. The Conian Trustee will be responsible for administering distribution of the Consolidated Fund.
11. Except as contemplated herein, the Conian Trustee will not distribute the Consolidated Fund until all appeals of Disallowances in both estates have been disposed of, or the deadline for such appeals has expired, whichever is later.
12. The Trustees may agree to make interim distributions from the Consolidated Fund on account of Proven Claims in either the Joint Debtor Estate or the BCCE Estate, subject to a holdback for all Disallowances that are or may be subject to appeal, and for the professional fees of both Trustees and their respective legal counsel. For greater certainty, no such interim distribution will be made without the consent of both Trustees.

Restatement of Claims Process Order

13. Except as specifically modified by the terms of this Order, the CPO and the Consolidation Order will remain in force and effect.

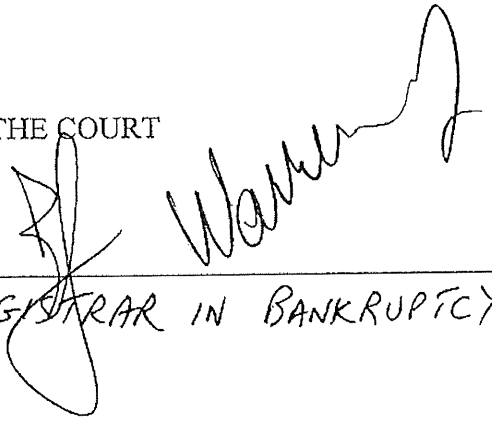
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

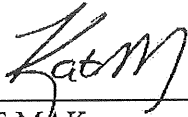

BAYLEE HUNT

Counsel for the Applicant, BDO Canada Limited, in its capacity as trustee of the assets and undertakings of Conian Developments Inc., Conian Developments (La Voda) Inc., Conian Developments (La Voda II) Inc., and FLII Construction Ltd.

*ENDORSEMENTS ATTACHED

BY THE COURT


REGISTRAR IN BANKRUPTCY



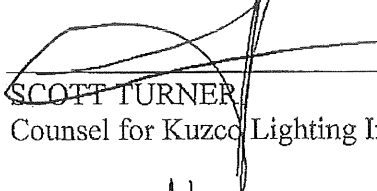
KATIE MAK

Counsel for McEown & Associates Ltd. in
its capacity as trustee in bankruptcy of B.C.
Currency Exchange



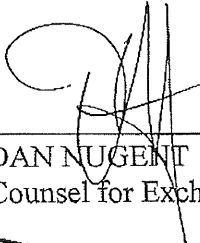
WILLIAM SKELLY

Counsel for Brar Natural Flour Milling BC
Inc. and House of Sher 2018 Ltd.



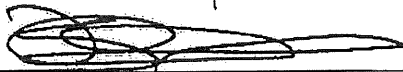
SCOTT TURNER

Counsel for Kuzco Lighting Inc.



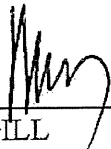
DAN NUGENT

Counsel for Exchange Bank of Canada



SARJINDER DHALIWAL

On her own behalf and as representative of
Moncef Dif, Salman Ghumann, Ranjit Gill
and Paramjeet Parhar, in their capacities as
inspectors of the herein bankruptcy estates



RONNIE GILL

On her own behalf and as a representative of
certain creditors of the herein bankruptcy
estates

SCHEDULE "A"

LIST OF PERSONS APPEARING

<u>Counsel / Persons Appearing</u>	<u>Party Represented</u>
Sarjinder Dhaliwal, in her capacity as an inspector of the herein bankruptcy estate	Sarjinder Dhaliwal, Moncef Dif, Salman Ghumann, Ranjit Gill and Paramjeet Parhar, being the inspectors of the herein bankruptcy estates
Chris Ramsay and Katie Mak (counsel)	McEown & Associates Ltd. in its capacity as trustee in bankruptcy of B.C. Currency Exchange
William Skelly (counsel)	Brar Natural Flour Milling BC Inc. and House of Sher 2018 Ltd.
Scott Turner (counsel)	Kuzco Lighting Inc.
Dan Nugent (counsel)	Exchange Bank of Canada
Ronnie Gill	On her own behalf and as a representative of certain creditors of the herein bankruptcy estate