

Clerk's stamp:

COURT FILE NUMBER	2101-08877
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ATB FINANCIAL
DEFENDANTS	732482 ALBERTA LTD., HAN SEUNG YOO, JAI HYUN YOO, HYE YOUNG YEO, JIN OK YEO, GAB BUN KIM, OK SOON KIM, SE JIN KIM, SUNG YEON KIM, YOUNG OK KIM AND YO SUP KIM
DOCUMENT	<u>APPLICATION BY BDO CANADA LTD. COURT-APPOINTED RECEIVER AND MANAGER FOR DISCHARGE AND DISTRIBUTION</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15 th Floor, 850 - 2 nd Street S.W. Calgary, Alberta T2P 0R8 Attn: Derek Pontin Ph. (403) 268-6301 Fx. (403) 268-3100 File No.: 507071-48

NOTICE TO RESPONDENTS: Service List attached as **Schedule "A"**

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the master/judge.

To do so, you must be in Court when the application is heard as shown below:

Date	May 5, 2022
Time	3:30 p.m.
Where	Edmonton Law Courts 1A Sir Winston Churchill Square Edmonton, AB T5J 0R2 VIA WEB-EX at the coordinates attached as <u>Schedule "B"</u>
Before Whom	The Honourable Madam Justice K.M. Horner

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. BDO Canada Ltd. (“**BDO**”), the Court-appointed receiver and manager (“**Receiver**”) of the assets, undertakings, and properties of 732482 Alberta Ltd. (the “**Debtor**”), seeks an Order:
 - (a) substantially in the form attached as **Schedule “C”** hereto:
 - (i) abridging, if necessary, the time for service of this application and deeming service good and sufficient;
 - (ii) approving the activities of the Receiver, the Final Statement of Receipts and Disbursements, and payment of the accounts of the Receiver and its legal counsel without the necessity of a formal assessment;
 - (iii) approving the Professional Fees Holdback and distribution of the Proceeds (as defined below);
 - (iv) ordering the discharge of the Receiver with respect to the estate of the Debtor; and
 - (v) granting such further and other relief as this Honourable Court may see fit.

Grounds for making this application:

Receivership Proceedings

2. On September 3, 2021, pursuant to an application made by ATB Financial (“**ATB**”), BDO was appointed as Receiver of the Debtor by order of the Court of Queen’s Bench of Alberta (the “**Receivership Order**”).
3. Prior to its appointment as Receiver, BDO served as financial advisor in respect of the Debtor.
4. The Debtor was principally involved in the operation of a 61-room limited service hotel in Lloydminster, Alberta.

Receiver’s Activities

5. The Receiver’s activities to date include, among other things, and as more expressly detailed in the First Report of the Receiver BDO dated October 8, 2021 (“**First Report**”), the Confidential Supplement thereto, and the Second Report of the Receiver BDO dated April 25, 2022 (“**Second Report**”):
 - (a) taking steps to secure and safeguard the assets of the Debtor;
 - (b) coordinating continued operations of the Debtor’s business, as appropriate;
 - (c) attending to the provision of required statutory notices;
 - (d) attending to employee matters;
 - (e) negotiating the sales referred to as the “Hotel Transaction” and “Condo Transaction” in the First Report;
 - (f) seeking Court-approval of the Hotel Transaction and Condo Transaction and attending to the closing of the same, following the granting of Sale Approval and Vesting Orders on October 15, 2021;

- (g) conducting a review of the priorities of creditors' claims to proceeds of the Hotel Transaction and Condo Transaction, including obtaining an independent legal opinion;
 - (h) applying to this Honourable Court for, among other things, approval of the Receiver's final accounting, recommended distributions, and discharge.
6. The Receiver is seeking approval of its activities as set out in the receiver's reports.

Distribution of Proceeds

7. The Receiver and its counsel presently hold the proceeds of the Hotel Transaction and Condo Transaction (collectively, the "**Proceeds**").
8. The Receiver has obtained an opinion from its legal counsel and, subject to customary and standard qualifications, the Receiver has confirmed the respective entitlements of creditors to the Proceeds. The Receiver proposes distribution, as follows:
9. After distribution of Proceeds as follows:
- (a) \$31,500 for unbilled work in progress and costs to complete the receivership, of both the Receiver and its legal counsel (the "**Professional Fees Holdback**");
 - (b) \$153,737.42 to Canada Revenue Agency on account of its deemed trust priority claim;
 - (c) \$79,765.76 to Calvert Home Mortgage Investment Corporation (based on an anticipated payout date of May 6, 2022), on account of its secured claim against the Condo;
 - (d) All remaining funds, estimated to be \$2,664,367, to ATB Financial.
10. After the foregoing distributions are made, ATB Financial will still have a significant deficiency in respect of its indebtedness. Any further receipts by the Receiver, although none are anticipated, will be distributed by the Receiver to ATB Financial, up to the balance of its indebtedness.

Professional Fees

11. The Receiver has set out a summary of its professional fees and disbursements in its Second Report, as well as those of its legal counsel.
12. It is the Receiver's respectful view that the Receiver has completed all duties in accordance with the Orders of this Honourable Court in these proceedings and applicable statutory duties and respectfully seeks this Honourable Court's approval of all of the Receiver's fees and costs, and the fees and costs of its counsel, including as set out in the Second Report and the statement of receipts and disbursements attached thereto.

Discharge

13. In connection with its discharge, the Receiver seeks an order directing that the Receiver shall continue to hold any physical books and records of the Debtor for a period of 30 days from the date a copy of the Order sought herein is posted to the Receiver's website for these proceedings, for any entitled party to claim possession and take transfer, and thereafter shall be entitled to destroy any of the Debtor's books and records remaining in the Receiver's possession or control.

14. Upon making final distribution of the Proceeds, as set out in the Second Report, and dealing with any necessary administrative matters, the Receiver is not aware of any further steps that can be taken that would be in the interests of the stakeholders of the Debtor or accretive to its estate, and as such seeks its discharge upon the filing of a Receiver's Certificate stating that these matters have concluded.
15. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

16. First Report of the Receiver dated October 8, 2021 and filed October 14, 2021.
17. Confidential Supplement to the First Report of the Receiver, unfiled.
18. Second Report of the Receiver dated April 25, 2022, to be filed.
19. The pleadings and proceedings in the within action.
20. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

Applicable Rules:

21. *Alberta Rules of Court*, Alta Reg 124/2010, including but not limited to rules 1.2-1.5, 6.3, 6.9, 6.10, 6.47, and Part 11.
22. Such further and other Rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

23. *Bankruptcy and Insolvency Act*, RSC 1985 c B-3.
24. *Bankruptcy and Insolvency General Rules*, CRC c 368.
25. *Judicature Act*, RSA 2000 c J-2.
26. *Land Titles Act*, RSA 2000 c L-4.
27. Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

28. None.

How the application is proposed to be heard or considered:

29. In person, before the Presiding Commercial List Justice.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

Schedule "A" to the Application

SERVICE LIST
as of April 25, 2022

SERVICE RECIPIENT	RECIPIENT STATUS	SERVICE METHOD
<p>Dentons Canada LLP 850 - 2nd Street SW 15th Floor, Bankers Court Calgary, AB T2P 0R8</p> <p>Attention: Derek Pontin Email: derek.pontin@dentons.com</p>	Counsel to the Receiver	Email
<p>BDO Canada Limited 110, 5800 – 2nd Street SW Calgary, Alberta T2H 0H2</p> <p>Attention: Kevin Meyler / Breanne Barker Email: kmeyler@bdo.ca / bbarker@bdo.ca</p>	Receiver	Email
<p>Burnet, Duckworth & Palmer LLP 2400, 525 – 8 Avenue SW Calgary, AB T2P 1G1</p> <p>Attention: David LeGeyt / Ryan Algar Email: dlegeyt@bdplaw.com / ralgar@bdplaw.com</p>	Counsel for ATB Financial, Plaintiff	Email
<p>Yo Sup Kim 5610 – 44 Street Lloydminster, AB T9V 0B6</p> <p>Email: ramadainnlloydminster@hotmail.com Fax: 1-780-778-3764</p>	Address for Service of the Borrower and Guarantors in accordance with the Forbearance Agreement	Email

SERVICE RECIPIENT	RECIPIENT STATUS	SERVICE METHOD
<p>Canada Revenue Agency – Regional Intake Centre And Service Canada (WEPPA) Pacific Insolvency Intake Centre Surry National Verification and Collection Centre 9755 King George Boulevard Surry, BC V3T 5E1 Phone (toll free): 1-866-891-703 Fax: 1-866-219-0311</p> <p>CC: Jill Medhurst Email: jill.medhurst@justice.gc.ca</p> <p>CC: George Bódy Email: george.body@justice.gc.ca</p>	<p>Canada Revenue Agency</p>	<p>Fax and Email</p>
<p>Bishop & McKenzie LLP #2200, 555 - 4th Ave. SW, Calgary, Alberta T2P 3E7</p> <p>Attention: Francis Taman Email: FTaman@bmlp.ca</p>	<p>Counsel for Calvert Home Mortgage Investment Corporation [LTO Registrant]</p>	<p>Email</p>
<p>K&L Gates LLP One Newark Center - 10th Floor Newark, New Jersey 07102</p> <p>Attention: David S. Catuogno, Esq. Email: David.Catuogno@klgates.com</p>	<p>Counsel for Ramada Worldwide Inc.</p>	<p>Email</p>
<p>Cox & Palmer 1959 Upper Water Street, Suite 1100 Halifax, NS B3J 3N2</p> <p>Attention: Gavin D.F. MacDonald Email: gmacdonald@coxandpalmer.com</p>	<p>Agent for Service of Wyndham Hotel Group Canada, ULC</p>	<p>Email</p>
<p>City of Lloydminster 4420 50 Avenue Lloydminster, AB T9V 0W2</p> <p>Email: info@lloydminster.ca</p> <p>Fax: 780-871-8345</p>	<p>City of Lloydminster</p>	<p>Email</p>

SERVICE RECIPIENT	RECIPIENT STATUS	SERVICE METHOD
<p>Wyndham Hotels & Resorts 22 Sylvan Way, 2nd Floor Parsippany, NJ 07054</p> <p>Attention: Madhu Jonnada</p> <p>Email: madhu.jonnada@wyndham.com</p>	Wyndham Hotels & Resorts	Email
<p>Yo Sup Kim 1662 Wascana Highlands Regina, SK S4V 2K7</p> <p>Email: yosupkim@hotmail.com</p>	Interested Party	Email
<p>Honda Canada Finance Inc. 180 Honda Blvd Markham, Ontario L6C 0H9</p> <p>Email: cs@honda.ca</p>	PPR Registrant	Courier and Email
<p>Blue Chip Leasing Corporation 156 Duncan Mill Rd, Unit 16 Toronto, Ontario M3B 3N2</p> <p>Email: info@vaultcredit.ca</p>	PPR Registrant	Courier and Email
<p>Her Majesty The Queen in the Right of Alberta 6th Floor West Haultain Bldg 9811 109 Street Edmonton, Alberta T5K 2L5</p> <p>Email: tbf-r-ops-paralegal@gov.ab.ca</p>	PPR Registrant	Courier and Email
<p>Workers' Compensation Board Collection Unit 9912 107 Street Edmonton, Alberta T5K 1G5</p> <p>Fax : 1 (780) 498-7999</p> <p>Email : ebusiness.support@wcb.ab.ca</p>	PPR Registrant	Courier

SERVICE RECIPIENT	RECIPIENT STATUS	SERVICE METHOD
<p>2377142 Alberta Inc.</p> <p>Box 1135 Lloydminster SK S9V 1E9</p> <p>Attention: Krista Canfield</p> <p>Email: kcanfield@btribalc.ca</p> <p>Fax no: 306-825-3035</p>	<p>Purchaser</p>	<p>Email</p>
<p>PSM Lawyers LLP</p> <p>PO Box 20 Stn Main Lloydminster, Saskatchewan S9V 0X9</p> <p>Attention: Meaghan Larose</p> <p>Email: meaghan@psmlaw.ca</p>	<p>Solicitor for 2377142 Alberta Inc.</p>	<p>Email</p>

Schedule "B" to the Application

Kowalcze, Izzy

From: CommercialCoordinator QBCalgary
<CommercialCoordinator.QBCalgary@albertacourts.ca>
Sent: Monday, April 11, 2022 8:25 AM
To: Pontin, Derek
Cc: CommercialCoordinator QBCalgary
Subject: Webex Confirmation 2101 08877 - ATB FINANCIAL v. KIM, YOUNG OK - May 05, 2022
03:30 PM - HORNER, J - Confirmed

[WARNING: EXTERNAL SENDER]

Counsel: Please ensure that all relevant parties have received Webex information.

Virtual Courtroom 60 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom60>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the **Open Cisco Webex Meeting**.
4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

1. Please connect to the courtroom **15 minutes prior** to the start of the hearing.
2. Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.
3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.
4. **Note: Recording or rebroadcasting of the video is prohibited.**
5. **Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.**

If you are a non-lawyer attending this hearing remotely, **you must** complete the undertaking located here:

<https://www.albertacourts.ca/qb/resources/announcements/undertaking-and-agreement-for-non-lawyers>

For more information relating to Webex protocols and procedures, please visit: <https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>

You can also join the meeting via the "Cisco Webex Meetings" App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

Thank you,



Brent Dufault
Commercial Duty Coordinator

E: commercialcoordinator.qbcalgary@albertacourts.ca

Court of Queen's Bench of Alberta
Calgary Court Centre
601 5 Street SW
Calgary, Alberta T2P 5P7

Disclaimer:

This email is intended only for the person to whom it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use that a person other than the addressee makes of this communication is prohibited.

Schedule "C" to the Application

Clerk's Stamp:

COURT FILE NUMBER	2101-08877
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ATB FINANCIAL
DEFENDANTS	732482 ALBERTA LTD., HAN SEUNG YOO, JAI HYUN YOO, HYE YOUNG YEO, JIN OK YEO, GAB BUN KIM, OK SOON KIM, SE JIN KIM, SUNG YEON KIM, YOUNG OK KIM AND YO SUP KIM
DOCUMENT	<u>ORDER FOR FINAL DISTRIBUTION, APPROVAL OF RECEIVER'S FEES AND DISBURSEMENTS, APPROVAL OF RECEIVER'S ACTIVITIES AND DISCHARGE OF RECEIVER</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15 th Floor, 850 - 2 nd Street S.W. Calgary, Alberta T2P 0R8 Attn: Derek Pontin Ph. (403) 268-6301 Fx. (403) 268-3100 File No.: 507071-48
DATE ON WHICH ORDER WAS PRONOUNCED	May 5, 2022
LOCATION WHERE ORDER WAS PRONOUNCED	Calgary, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER	The Honourable Madam Justice K.M. Horner

UPON THE APPLICATION by BDO Canada Ltd., in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the undertakings, property and assets of 732482 Alberta Ltd. (the "**Debtor**") for an order for the final distribution of proceeds, approval of the Receiver's fees and disbursements, approval of the Receiver's activities, and discharge of the Receiver; AND UPON reading the First Report of the Receiver, dated October 8, 2021 and filed October 14, 2021, the Confidential Supplement to the First Report, and the Second Report of the Receiver, dated April 22, 2022 ("**Second Report**"); AND UPON hearing submissions from counsel as to service; AND UPON hearing submissions of counsel to the Receiver; AND UPON being satisfied that it is appropriate to do so;

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF ACTIVITIES AND ACCOUNTS

2. The Receiver's accounts for fees and disbursements, as set out in the Receiver's Reports, are hereby approved without the necessity of a formal passing of its accounts.
3. The accounts of the Receiver's legal counsel Dentons Canada LLP for their fees and disbursements, as set out in the Receiver's Reports are hereby approved without the necessity of a formal assessment of their accounts.
4. The activities of the Receiver and its legal counsel, as set out in the Receiver's First Report, the Confidential Supplement, and the Receiver's Second Report, all filed herein, and the Statement of Receipts and Disbursements as attached to the Second Report, are hereby ratified and approved.

DISTRIBUTIONS

5. The Receiver is authorized and directed to make the following distributions:
 - (a) to the Receiver, an amount not to exceed \$31,500, inclusive of disbursements and applicable tax, for its remaining fees and costs, including the fees and costs of its legal counsel, for work not yet invoiced and as may be required for completion of the receivership administration;
 - (b) to Canada Revenue Agency, the amount of \$153,737.42, to be applied on account of its deemed trust priority claim;
 - (c) to Calvert Home Mortgage Investment Corporation, the amount of \$79,765.76, based on an anticipated payout date of May 6, 2022, plus any per diem if applicable thereafter;
 - (d) to ATB Financial, the remainder of proceeds held in the receivership estate (estimated to be at least \$2,664,367), up to the balance of the ATB indebtedness.

RELEASE AND STAY

6. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
7. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver, and upon such terms as this Court may direct.

DISCHARGE OF RECEIVER

8. Upon the Receiver filing with the Clerk of the Court a Receiver's Completion Certificate, confirming that:
- (a) the Receiver has filed a final GST return with the CRA;
 - (b) the distributions set out in paragraph 5 of this Order have been completed; and thereafter
 - (c) the Receiver has closed the Debtor's trust accounts;

then the Receiver shall be discharged as Receiver of the Debtor, provided however, 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 the Receiver in its capacity as Receiver.

MISCELLANEOUS

9. The Receiver shall continue to hold any physical books and records of the Debtor for a period of 30 days from the date a copy of this Order is posted to the Receiver's website for these proceedings, for any entitled party to claim possession and take transfer, and thereafter shall be entitled to destroy any of the Debtor's books and records remaining in the Receiver's possession or control.
10. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by Facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
11. Service of this Order on any party not attending this application is hereby dispensed with.

Justice of the Court of Queen's Bench of Alberta

Schedule "A"

Form of Receiver's Certificate

Clerk's Stamp:

COURT FILE NUMBER	2101-08877
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ATB FINANCIAL
DEFENDANTS	732482 ALBERTA LTD., HAN SEUNG YOO, JAI HYUN YOO, HYE YOUNG YEO, JIN OK YEO, GAB BUN KIM, OK SOON KIM, SE JIN KIM, SUNG YEON KIM, YOUNG OK KIM AND YO SUP KIM
DOCUMENT	<u>RECEIVER'S COMPLETION CERTIFICATE</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15 th Floor, 850 - 2 nd Street S.W. Calgary, Alberta T2P 0R8 Attn: Derek Pontin Ph. (403) 268-6301 Fx. (403) 268-3100 File No.: 507071-48

RECITALS

- A. Pursuant to an Order of the Honourable Justice Grosse of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated September 3, 2021, BDO Canada Ltd. was appointed as the receiver (the "**Receiver**") of the undertakings, property and assets of 732482 Alberta Ltd. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated May 5, 2022 (the "**Discharge Order**"), the Court ordered that the Receiver would be discharged as Receiver of the Debtor upon the delivery by the Receiver of a certificate confirming that all matters set out in paragraph 5 of the Discharge Order have been completed.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Receiver has filed a final GST return with the CRA.

2. All matters set out in paragraph 5 of the Discharge Order have been completed.
3. The Receiver has closed the Debtor's trust accounts.
4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

**BDO Canada Ltd. in its capacity as
Receiver of the undertakings,
property and assets of 732482
Alberta Ltd., and not in its personal
capacity.**

Per: _____

Name:

Title: