

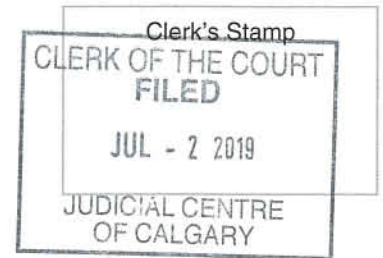
COURT FILE NUMBER **1901-03879**

COURT Court of Queen's Bench of Alberta

JUDICIAL CENTRE Calgary

PLAINTIFF **HSBC BANK CANADA**

DEFENDANTS **GENCO HOLDINGS LTD.**



DOCUMENT **APPLICATION (Walton Interim Distribution)**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT **Fasken Martineau DuMoulin LLP**
Barristers and Solicitors
3400 First Canadian Centre
350 – 7 Avenue SW
Calgary, Alberta T2P 3N9

Attention: Travis Lysak / Mihai Tomos
Tel: (403) 261- 5350 / (587) 233 4107
Facsimile: (403) 261- 5351
File No.: 303718.3

NOTICE TO RESPONDENT(S): SEE SERVICE LIST

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

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

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

Date: July 9, 2019

Time: 11:00 a.m.

Where: Calgary Court Centre, 601 - 5 Street S.W., Calgary, Alberta, T2P 5P7

Before Whom: The Honourable Madam Justice B.E.C. Romaine

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

COURT FILE NUMBER **1901-04336**
COURT Court of Queen's Bench of Alberta
JUDICIAL CENTRE Calgary



PLAINTIFF **MAYNBRIDGE CAPITAL INC.**
DEFENDANTS **GENCO HOLDINGS LTD., GENCO (WALDEN) LTD.,
PALI BEDI, TARLOK TATLA, JASBIR HANS, SOLO
LIQUOR HOLDINGS LTD and SOLO LIQUOR
STORES LTD.**

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Remedy claimed or sought:

1. An Order (Walden Interim Distribution), substantially in the form attached as **Schedule “A”**, ordering, *inter alia*:
 - (a) the approval of the Receiver’s activities as set forth in the Second Report of the Receiver dated July 2, 2019 (the **“Second Report”**); and
 - (b) the approval of interim distributions to Maynbridge Capital Inc. of Walden Net Rents (**“Maynbridge”**), as described in the Second Report.

Grounds for making this application:

The grounds for making this application are set out more fully in the Second Report, but can be summarized as follows:

(A) Background

2. Any capitalized term not defined in the Application shall take the meaning ascribed to it in the Second Report.
3. Pursuant to an Order of the Honourable Justice B.E.C. Romaine granted in these proceedings on April 5, 2019 and an Order of the Honourable Justice P.R. Jeffrey in Court of Queen’s Bench of Alberta Action No. 1901-03879 (collectively, the **“Receivership Order”**), Ernst & Young Inc. was appointed receiver (the **“Receiver”**), without security, of certain of Genco Holdings Ltd. and Genco (Walden) Ltd.’s (collectively, the **“Debtor”**) current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated including all proceeds thereof, as described in those Orders (the **“Property”**).
4. The Receivership Order empowers and authorizes, but does not obligate, the Receiver to, among other things, manage, operate and carry on the business of the Debtor and to take possession and control of the Property of the Debtor and any and all proceeds, receipts

and disbursements arising out of or from the Property, and to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business.

(B) Receiver's Activities

5. The Receiver's actions and activities up to the date of this Application, as described in the Second Report, are lawful, proper, and consistent with its powers under the Receivership Order.

(C) Interim Distribution

6. The Receiver is advised by its counsel that Maynbridge holds valid security against Genco Holdings Ltd. and Genco (Walden) Ltd. Further, based on searches conducted, Maynbridge appears to have first priority to the Walden Net Rents.

Material or evidence to be relied on:

7. The Second Report of the Receiver dated July 2, 2019.
8. Affidavit of Service.
9. The other pleadings and materials filed in this Action and such further and other material as counsel may advise and this Honourable Court may permit.

Applicable rules:

10. Rules 1.3, 1.4, 6.3, and 13.5(2) of the *Rules of Court*.
11. Such further and other rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

12. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.
13. *Judicature Act*, R.S.A. c. J-2.

14. Such further and other Acts and Regulations as counsel for the Receiver may advise or this Honourable Court may permit.

Any irregularity complained of or objection relied on:

15. Not applicable.

How the application is proposed to be heard or considered:

16. Before the presiding Honourable Justice B.E.C. Romaine in Commercial Chambers.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicants 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 rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE "A"

ORDER (Walden Interim Distribution)

COURT FILE NUMBER **1901-03879**

COURT Court of Queen's Bench of Alberta

JUDICIAL CENTRE Calgary

Clerk's Stamp

PLAINTIFF **HSBC BANK CANADA**

DEFENDANTS **GENCO HOLDINGS LTD.**

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Date on which Order was pronounced: July 9, 2019

Location where Order was pronounced: Calgary, Alberta

Name of Justice who made this Order: The Honourable Justice B.E.C. Romaine

UPON the application of Ernst & Young Inc. in its capacity as the receiver (the "**Receiver**") of certain undertaking, property and assets of Genco Holdings Ltd. and Genco (Walden) Ltd. (collectively, the "**Debtor**") for approval of a distribution of certain rent proceeds; **AND UPON** having read the Second Report of the Receiver dated July 2, 2019 (the "**Second Report**") and such other materials in the pleadings and proceedings as deemed necessary; **AND UPON** hearing the submissions of counsel for the Receiver and any other interested parties appearing at the within application; **IT IS HEREBY ORDERED AND DECLARED THAT:**

GENERAL

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Second Report.
2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and 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.

ACTIVITIES

3. The Receiver's conduct, actions, and activities as set out in the Second Report are hereby ratified and approved.

INTERIM DISTRIBUTION

4. The Receiver is hereby authorized and directed to make the following interim distributions to Maynbridge Capital Inc.:
 - (a) an immediate interim distribution of all Walden Net Rents collected to the date of this Order; and
 - (b) further interim distributions of any further Walden Net Rents collected during the Receivership, from time to time, as and when the Receiver sees fit.

SERVICE

5. 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.
6. 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