



COURT NO. VLC-S-B240334
ESTATE NO. 11-3103569
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE PROPOSAL OF
GO FLOORING LTD.**

NOTICE OF MOTION

NAME OF APPLICANT: Go Flooring Ltd. (the “**Applicant**” or “**Debtor**” herein)

TO: The **Service List** attached hereto as **Schedule “A”**

TAKE NOTICE that the Applicant will apply to the Justice at the Courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia, on Thursday, the 8th day of August, 2024 at 9:45 a.m. for the orders set out in Part 1 below.

The applicant estimates that the application will take 30 minutes.

☒ This matter is not within the jurisdiction of an Associate Judge (sitting as a Registrar in Bankruptcy) or a Registrar in Bankruptcy.

PART 1: ORDER(S) SOUGHT

1. Order in the form attached hereto as **Schedule “B”**; and
2. Such further and other relief as counsel may advise and this Honourable Court may deem just.

PART 2: FACTUAL BASIS

A. The Applicant

3. On July 11, 2024 (the “**Filing Date**”), the Applicant filed a Notice of Intention to make a Proposal (the “**NOI**”) with the Office of the Superintendent of Bankruptcy Canada, and the Crowe MacKay & Company Ltd. was appointed trustee (the “**Proposal Trustee**”) of the

Applicant in relation to these proposal proceedings under the *Bankruptcy and Insolvency Act* (the “**BIA**”) (the “**Proposal Proceedings**”).

4. The Applicant is a British Columbia corporation that was incorporated under B.C.’s *Business Corporations Act* on December 3, 2014.
5. The Applicant carries on business under the trade name “Go Flooring & Trades”.
6. The Applicant is a subcontractor to restoration companies; thus the restoration companies are the Applicant’s primary customers. The restoration companies are retained by insurance companies to assess and restore residential and commercial properties that have suffered damage due to events such as fire, floods, hurricanes, etc. The restoration companies retain the Applicant to complete some or all of the repairs that are needed (the “**Core Business**”).
7. Homeowners and business owners typically expect their insurance company to quickly repair any damages suffered as a result of fire, floods, etc. However, in some regions in Canada, the restoration companies do not have sufficient local knowledge of or relationships with the trades that are needed to repair the damage. Therefore, as part of its services, the Applicant’s Core Business includes retaining various trades such as interior finishers, drywallers, painters, finishing carpenters, roofers, and exterior finishers that are needed to complete the required repairs.
8. In or about 2023, the Applicant expanded its business operations to include new construction projects (“**Non-Core Business**”).
9. Irfan Walji is the sole director of the Applicant.

B. Events leading to the filing of the NOI

10. Since 2019 the number of natural disasters has far exceeded the historical norm and as such led to an unprecedented number of insurance claims by homeowners and businessowners. In turn, this led to unprecedented demand for restoration companies, and subtrades such as the Applicant.
11. The Applicant sought to meet the growing demands of its customers (i.e., the restoration companies) by expanding its operations from one business office in B.C. to sixteen offices

spread over five provinces. At its peak the Applicant employed 70 people. By early 2022, cash flow began to be a problem.

12. With the expansion of fifteen new offices, more employees were hired, and more expenses were incurred. In addition, the Applicant's expansion to include Non-Core Business resulted in it taking on new construction projects that were more time consuming, less profitable, and overall more problematic.

13. The Applicant's growth led to inefficiencies between the various offices and a failure to ensure that experienced accountants were in place to manage the financial side of the rapidly growing business. This failure led to source deductions and GST not being remitted.

14. The Applicant's gross revenue was approximately \$21 million for the fiscal year ending December 31, 2023.

15. The Applicant's gross revenue was approximately \$6.4 million for the first five months of the 2024 fiscal year.

16. Prior to the filing of the NOI, the Applicant took steps aimed at resolving its financial situation. In particular, it:

- (a) closed 5 locations;
- (b) reduced its operations to British Columbia, Ontario and Nova Scotia;
- (c) laid off or terminated approximately 19 employees; and
- (d) sought new financing with the intention that part of the new financing would be used to pay the amount owing for source deductions and GST. The Applicant applied for and understood that Bank of Montreal ("**BMO**") would provide it with a line of credit that would be sufficient to repay those obligations. However, at the 11th hour, BMO declined to proceed with the proposed refinancing transaction.

17. Beginning on or about February 15, 2024, CRA started issuing requirements to pay ("**RTPs**") to various customers of the Applicant. The RTPs exacerbated the cash flow problems

such that the Applicant was no longer able to carry on business in the ordinary course. Therefore, it filed the NOI with the intention of restructuring its business operations.

C. Restructuring steps taken after the filing of the NOI

18. Following the filing of the NOI, the Applicant took the following additional steps reduce its expenses as part of its overall restructuring plan:

- (a) reduced its operations to 3 provinces namely, British Columbia, Ontario and Nova Scotia, and to following 7 locations:
 - (i) Victoria, Delta, Abbotsford, and Kelowna in British Columbia;
 - (ii) Belville and Ottawa in Ontario; and
 - (iii) Halifax in Nova Scotia;
- (b) disclaimed 3 leases;
- (c) laid off or terminated a further 9 employees; and
- (d) is in the process of disclaiming a number of leases of vehicles and equipment.

19. Approximately 40% of the Applicant's revenues are generated in British Columbia, and 30% in each of Ontario and Nova Scotia.

20. Following the filing of the NOI, the Applicant has taken the following steps to restructure its business operations:

- (a) restricted its business operations to the Core Business in the 3 provinces in which it continues to operate (as noted above);
- (b) no longer accepts new constructions contracts (i.e., Non-Core Business);
- (c) retained an experienced accountant and bookkeeper; and
- (d) expects to further lay off or terminate up to 15 additional employees.

21. The Applicant requires additional time to continue to restructure its business operations so that it will be able to make a viable proposal to its creditors.

D. Assets

22. The Applicant's assets consist primarily of accounts receivable, inventory and work in progress ("WIP"). The Applicant's internal financial statements indicate that as of May 31, 2024, it had approximately \$2,450,000 in accounts receivable and approximately \$5,400,000 in inventory (including WIP).

E. Liabilities

23. As at the date of the NOI, the Applicant had secured, statutory and unsecured liabilities totalling between \$10 million and \$12 million (excluding approximately \$2.5 million owed to the principal of the Applicant).

24. As at the Filing Date, the Applicant had statutory liabilities relating to source deductions totally approximately \$2,200,000 and \$515,000 in Goods and Service Tax ("GST"). The Applicant intends to pay down the source deduction debt from receipt of accounts receivable (both current and future). The GST debt is expected to be resolved in the proposal.

25. Prior to the Filing Date, CRA issued RTPs with respect to outstanding accounts receivable owed to the Applicant.

26. As at the Filing Date, the following creditors had a security interest in all of the Applicant's property (excluding leases) as reflected by registrations made in the British Columbia Personal Property Registry (the "PPR"), and having the relative priorities listed below, in the following approximate amounts:

Secured Creditor	Security Interest	Approximate Indebtedness
Royal Bank of Canada (RBC)	All present and after acquired personal property	\$2,850,000
Accord Small Business Corporation	All present and after acquired personal property	\$270,000

Secured Creditor	Security Interest	Approximate Indebtedness
Liquid Capital Pacific Corp.	All present and after acquired personal property	\$320,000
Merchant Opportunities Fund Limited Partnership	All present and after acquired personal property	\$5,000
Biz Fund Canada Ltd.	Factoring Agreement with respect to accounts receivable	\$70,000

27. In addition, as at the Filing Date, the Applicant was a party to various leases of vehicles that are more fully described in the PPR that is attached to the affidavit of Irfan Walji.

F. Pre-Filing Amount

28. The restoration industry requires that subcontractors like the Applicant have a licence from a third party provider.

29. The Applicant's licence is with the Insurance Claim Collaborative Inc. ("**ICC**") The Applicant requires a license in order to provide the restoration services that are its Core Business.

30. ICC was owed \$25,730.15 as at the Filing Date. If the amount due is not paid then ICC will terminate existing subcontracts that form most of the Applicant's WIP and it will not retain the Applicant on any new contracts that arise.

31. There are only a finite number of licences given to a particular area or city. If ICC terminates the Applicant's licence, it will be a death knell for the Applicant: its business will be unable to continue and its WIP will become uncollectable.

G. The Proposal Proceedings

Cash Flow

32. The Applicant, with the assistance of the Proposal Trustee, has produced a 15-week cash flow statement (the "**Cash Flow Statement**") for the period July 11, 2024 to October 20, 2024.

33. The Cash Flow Statement reflects the costs for the Applicant to operate its current locations and pay its professions advisors in relation to its restructuring process.

34. The Cash Flow Statement is premised on the Applicant funding its own operations.

Administration Charge

35. The Applicant is seeking a charge up to a maximum of \$150,000 to secure payment of the fees and disbursements of the Proposal Trustee, counsel for the Proposal Trustee, and counsel for the Applicant (the “**Administration Charge**”).

36. The Administration Charge sought is to rank in priority to all other security interests, trusts, liens, charges, encumbrances and other claims of secured creditors, statutory or otherwise, including all other court-ordered charges.

37. The Applicant has worked with the Proposal Trustee and the other professionals to determine the appropriate amount of the Administration Charge. It is reflective of the limited funds currently available to the Applicant and the fact that if the Proposal Proceedings are unsuccessful, the Proposal Trustee will have a significant amount of work to do, including to transition the Proposal Proceedings to a corporate bankruptcy.

38. Presently, the Proposal Trustee holds a \$75,000 retainer, but counsel for the Applicant currently does not have a retainer.

39. The Applicant believes that the involvement of these professionals is necessary in order to complete a successful proposal under these Proposal Proceedings.

Extension of time to file a Proposal

40. The Applicant filed the NOI on July 11, 2024. Therefore, pursuant to s.50.4(8) of the BIA, the Applicant will be deemed to have been assigned into bankruptcy on August 10, 2024 (Saturday) if an extension of time is not granted by that date.

41. As described above, the Applicant will require the extension of time to allow it to, among other things, continue the orderly restructuring of its business operations, and to negotiate with various creditors (including secured creditors, CRA, and unsecured creditors).

42. The Applicant has acted in good faith and with due diligence prior to filing the NOI, and continues to do so in order to present a viable proposal to its creditors. The Applicant is not aware of any creditor that would be materially prejudiced if the extension is granted.

PART 3: LEGAL BASIS

Extension of time to file a Proposal

43. Subsection 50.4(9) of the BIA provides that this Court may grant an insolvent person an extension of time to file a proposal for a period not exceeding 45 days if satisfied that:

- (a) the insolvent person has acted, and is acting, in good faith and with due diligence;
- (b) the insolvent person would likely be able to make a viable proposal if the extension applied for were granted; and
- (c) no creditor would be materially prejudiced if the extension applied for were granted.

44. Extending the stay of proceedings by an additional 45 days to September 24, 2024 will allow the Applicant to continue its efforts to reorganize its business operations and to pursue a viable proposal for its creditors.

45. The creditors will not be materially prejudiced by an extension of the stay of proceedings to September 24, 2024. The Cash Flow Statement for the period July 11, 2024 to October 20, 2024 indicates that the Applicant will have sufficient liquidity to cover restructuring costs throughout the proposed extension of the stay of proceedings.

46. The Applicant has been acting in good faith and with due diligence so that it is able to continue to complete ongoing contracts, and make a proposal to its creditors.

Pre-Filing Amount

Harmonization of insolvency principles in the BIA and CCAA

47. The court has the jurisdiction to make an order authorizing the payment of pre-filing claims pursuant to s.183 of the BIA, the inherent jurisdiction of the court, or alternatively s.97(1) of the BIA.

48. In *1732427 Ontario Inc. v 1787930 Ontario Inc.*, 2019 ONCA 947, the Ontario Court of Appeal confirms that it would “undermine the first of stage of the BIA process that serves to

encourage a debtor's successful reorganization as a going concern" if the debtors could not enter into an agreement for the payment of past debts to ensure future supply. As the purpose of the BIA's provisions is to provide "breathing room to reorganize", legitimate agreements with key suppliers also form a vital part of that process.

See also *Proposition de Brunswick Health Group Inc.*,
2023 QCCS 3224 (CanLII) at para 29

49. The Supreme Court in *Century Services Inc. v. Canada (Attorney General)*, 2010 SCC 60 at para 24, confirms the "contemporary thrust of legislative reform has been towards harmonizing aspects of insolvency law common to the two statutory schemes [BIA and CCAA] to the extent possible and encouraging reorganisation over liquidation".

50. Proposals to creditors under the BIA serve the same remedial purpose as the CCAA, namely, to permit the debtor to continue to carry on business and, where possible, avoid the social and economic costs of liquidating the assets.

Century Services Inc. v. Canada (Attorney General), supra at para 15

51. The courts have acknowledged an expansive interpretation of the BIA is appropriate so as to allow insolvency judges to react to circumstances that arise to do what practicality demands and justice dictates in BIA proceedings.

Aquilini Development Limited Partnership v Garibaldi at Squamish Limited Partnership,
2024 BCSC 764 at para 58

Section 183 of the BIA

52. Pursuant to section 183 of the BIA, a judge of a court may exercise in chambers the whole or any part of his jurisdiction, so long as it does not conflict with the provision of the BIA or the General Rules.

53. In *Re Residential Warranty Co of Canada*, 20026 ABQB 2636 the court held that there are two preconditions to the court exercising its inherent jurisdiction: the BIA must be silent on the point or not have dealt with it exhaustively; and after balancing competing interests, the benefit of granting the relief must outweigh the relative prejudice to those affected by it. The court also held that "inherent jurisdiction is available to ensure fairness in the bankruptcy process and fulfillment of the substantive objectives of the BIA."

54. The Alberta Court of Appeal confirms that inherent jurisdiction has been used where it is necessary to promote the objects of the BIA.

Re Residential Warranty Co of Canada, supra at paras 20–21

55. The objects of the proposal provisions in the BIA was described by Mr. J. Morawetz, in *Kitchener Frame Limited (Re)*, 2012 ONSC 234 at para 70:

The object of proposals under the BIA is to permit the debtor to restructure its business and, where possible, avoid the social and economic costs of liquidating its assets, which is precisely the same purpose as the CCAA. Although there are some differences between the two regimes and the BIA can generally be characterized as more “rules-based”, the thrust of the case law and the legislative reform has been towards harmonizing aspects of insolvency Law, and to the two statutory schemes to the extent possible, encouraging reorganization over liquidation.

56. The court, in *Bear Creek Contracting Ltd. (Re)*, 2021 BCSC 783 at para 63 relied on s.183 of the BIA in making an order allowing for a payment of a pre-filing obligation.

Section 97(1) of the BIA

57. In *1732427 Ontario Inc. v 1787930 Ontario Inc.*, supra at para 14, the Ontario Court of Appeal affirmed the commentary of E. Patrick Shea, “Dealing with Suppliers in a Reorganization”, (2008) 37 C.B.R. (5th) 161, citing:

...In the contexts of proposals, section 97 [of the BIA] arguably clarifies that payments to suppliers made in good faith after the date the proposal proceedings are commenced (even payments of pre-filing claims) are intended to be valid.”

58. In *the Matter of Aspen Air Corporation and Aspen Air U.S. Corp*, File No. 258090 in the Court of Queen’s Bench of Alberta in Bankruptcy and Insolvency, it was ordered that the Aspen Companies were authorized to pay pre filing debts to those entities that were deemed to be “critical suppliers” under the BIA.

Administration Charge

59. Section 64.2 of the BIA confers on the court the statutory jurisdiction to grant an administration charge.

60. The jurisprudence confirms the courts willingness to grant administration charges in BIA proposal proceedings where, as in the present case, the participation of insolvency professionals is necessary to ensure a successful proceeding under the BIA.

Mustang GP Ltd., 2015 ONSC 6562 at paras 32–33
Bear Creek Contracting Ltd. (Re), supra at para 53

61. There are a number of financial and operational issues for which the Applicant will require the expertise of legal counsel during the Proposal proceedings. Legal counsel and the Proposal Trustee are integral to the success of any Proposal proceeding.

62. The Applicant is seeking a first ranking charge in the maximum amount of \$150,000 to secure the fees and disbursements of legal account and the Proposal Trustee and, if necessary, those fees that would be incurred in connection with those services provided to Go Flooring both before and after the filing of the NOI.

63. The Administration Charge is necessary in order to retain the professional assistance required to plan a proposal for Go Flooring's creditors, including the necessary negotiations and document preparation.

64. The Applicant has worked with the Proposal Trustee and legal counsel to estimate the proposed quantum of the Administration Charge and believes it to be reasonable and appropriate in view of the services to be provided by the beneficiaries of the Administration Charge.

PART 4: MATERIAL TO BE RELIED ON

65. Affidavit 1 of Irfan Mehboob Walji made August 2, 2024; and


66. Such other materials as counsel may advise.

TO THE PERSONS RECEIVING THIS NOTICE OF MOTION: If you wish to respond to this Notice of Motion, 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 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 proceeding, 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.

Dated: August 1, 2024



Bonita Lewis-Hand
Lawyer for the Applicant

This Notice of Motion is filed by Bonita Lewis-Hand, of the law firm of Innovative Legal Solutions LLP, whose place of business and address for delivery is 530 – 625 Howe Street, Vancouver, British Columbia V6C 2T6 (T: (604) 449-3850; E: blewishand@ilslaw.ca).

SCHEDULE A – Service List

Crowe MacKay & Company Ltd. Proposal Trustee 1100 – 1177 West Hastings Street Vancouver, BC V6E 4T5 <u>Attention:</u> Derek Lai and Nelson Allan derek.lai@crowemackay.ca nelson.allan@crowemackay.ca	Gehlen Dabbs Cash LLP Counsel for Proposal Trustee 1201 – 1030 West Georgia Street Vancouver, BC V6E 2Y3 <u>Attention:</u> Carol M. Cash and Lee Marriner cc@gdlaw.ca lm@gdlaw.ca
Royal Bank of Canada c/o McMillan Dubo LLP 401 – 121 – 5 th Avenue Kamloops, BC V2C 0M1 Attention: Sherryl A. Dubo service@mcmillandubo.com sherryl@mcmillandubo.com	His Majesty the King in Right of Canada c/o Department of Justice Canada 900 – 840 Howe Street Vancouver, BC V8Z 2S9
Merchant Opportunities Fund Limited Partnership 200 – 171 Water Street Vancouver, BC V6B 1A7 <u>Attention:</u> David Gens support@merchantgrowth.com	Accord Small Business Finance Corp., Accord Small Business Leasing Corp. Accord Financial Canada Corp. 300 – 889 Harbourside Drive North Vancouver, BC V7P 3S1 csbf.collections@accordfinancial.com csbf.customerservice@accordfinancial.com Fax: 1-888-835-9757
BizFund Canada Ltd. 1018 Finch Avenue West, Unit 405 North York, ON M3J 3L5 <u>Attention:</u> Isaac Levy isaac@bizfund.com raymondm@bizfund.com	Liquid Capital Pacific Corp. c/o Ellis Business Lawyers 400 – 1681 Chestnut Street Vancouver, BC V6J 4M6 <u>Attention:</u> Meldon Ellis meldon@ellislawyers.com Fax: (604) 737-1140

SCHEDULE B

COURT NO. VLC-S-B240334
ESTATE NO. 11-3103569
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE PROPOSAL OF
GO FLOORING LTD.**

ORDER MADE AFTER APPLICATION

BEFORE ASSOCIATE JUDGE
(Sitting as a Registrar in Bankruptcy)

THURSDAY, THE 8th DAY
OF AUGUST, 2024

ON THE APPLICATION of Go Flooring Ltd. coming on for hearing at Vancouver, British Columbia on Thursday, August 8, 2024; and UPON READING the materials filed therein; and UPON HEARING Bonita Lewis-Hand, counsel for the Applicant, and upon no one appearing from the Service List although duly served:

THIS COURT ORDERS that:

1. The time limits be abridged so that this application and its supporting materials may be heard today.
2. The time for the filing of a Proposal by Go Flooring Ltd. be extended to September 24, 2024; and
3. The stay of proceedings be extended to September 24, 2024.

4. The Applicant is authorized to dispose of any redundant or non-material assets not exceeding \$15,000 in any one transaction and \$50,000, in the aggregate, provided that for each sale of an asset for an amount exceeding \$10,000 the Applicant shall first obtain the written approval of the Proposal Trustee, and the Royal Bank of Canada (“**RBC**”).
5. The Applicant is authorized to pay the sum of \$25,730.15 to Insurance Claim Collaborative Inc. for amounts owing to them for goods and services provided prior to the filing of the Notice of Intention to Make a Proposal (“**NOI**”) and in the normal course of business during the period of the NOI.
6. Crowe MacKay & Company Ltd. (the “**Proposal Trustee**”), in its capacity as proposal trustee of the Applicant, counsel to the Proposal Trustee, and Innovative Legal Solutions LLP (“**ILS**”), counsel to the Applicant, shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the assets, property and undertakings of the Applicant (the “**Property**”) for \$150,000 as security for their respective fees and disbursements incurred at the standard rates and charges of the Proposal Trustee, its counsel, and ILS , both before and after the making of this order, that are related to these proceedings, the Applicant’s proposal, the fulfillment of the Proposal Trustee’s duties in these proceedings and under the *Bankruptcy & Insolvency Act*, R.S.C. 1985, c. B-3 as amended (the “**BIA**”) that shall rank in priority to all other security interests, trusts, liens, charges, encumbrances and other claims of secured creditors, statutory or otherwise (collectively, the “**Encumbrances**”) in favour of any person, other than any secured claims which may arise under subsection 14.06(7) of the BIA.
7. The filing, registration or perfection of the Administration Charge shall not be required, and the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title and interest filed, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.
8. Except as otherwise expressly provided for herein, or as may be approved by this court, the Applicant shall not grant any Encumbrances over any of the Property that rank in

priority to, or *pari passu* with, the Administration Charge, unless the Applicant also obtains the prior written consent of the Proposal Trustee and the other beneficiaries of the Administration Charge.

9. The Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the beneficiaries thereof shall not otherwise be limited or impaired in any way by:
 - (a) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order(s) made pursuant to such applications;
 - (b) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
 - (c) the filing by the Applicant for relief pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C. C-36 ("CCAA");
 - (d) the provisions of any federal or provincial statutes;
 - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt and the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, the "**Agreement**") to which the Applicant is a party, and notwithstanding any provision to the contrary in any Agreement;
 - (i) neither the creation of the Administration Charge nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, shall create or be deemed to be constitute a new breach by the Applicant of any Agreement to which it is a party; and the beneficiaries of the Administration Charge shall not have any liability to any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being

“**persons**” and each being a “**person**”) whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and

- (ii) the payments made by the Applicant pursuant to this order and the granting of the Administration Charge do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

10. The Applicant is hereby permitted to permanently or temporarily cease, downsize or shut down all or any party of its business or operations and continue marketing efforts in respect of any of its redundant or non-material assets, and to dispose of redundant or non-materials assets not exceeding \$15,000 in any one transaction or \$50,000 in the aggregate, provided that each such sale of an asset for an amount exceeding \$15,000, the Applicant shall first obtain the written approval of the Proposal Trustee and RBC.
11. Any asset sold in accordance with immediately preceding paragraph shall vest in the purchaser of such asset free and clear of all Encumbrances, and the net proceeds of sale from the disposal of such asset shall be paid:
 - (a) to any creditors having a security interest in such asset in order of their relative priority, subject to the Applicant first obtaining the written consent to such proposal payment from the Proposal Trustee; or
 - (b) to the Applicant for the purpose of funding its business operations if consented to by the creditor having the priority security interest in the asset.
12. Any interested party may apply to this court on notice to any other party likely to be affected, for an order to allocate the Administration Charge amongst the various assets comprising the Property.

13. Endorsement of this order by counsel appearing, other than counsel for the Applicant, is hereby dispensed with.

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:

Bonita Lewis-Hand
Counsel for the Applicant
Go Flooring Ltd.

BY THE COURT

REGISTRAR IN BANKRUPTCY

To be completed by the court only:

Order made

☐ in the terms requested in paragraphs _____ of Part 1 of this Notice of Application / Notice of Motion

☐ with the following variations and additional terms:

Date:

Signature of ☐ Judge ☐ Associate Judge

APPENDIX

The following information is provided for data collection purposes only and is of no legal effect.

THIS NOTICE OF APPLICATION / NOTICE OF MOTION 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
- ☒ none of the above

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Innovative Legal Solutions LLP

Barristers & Solicitors
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Vancouver, British Columbia
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Phone: (604) 449-3850
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