



S 235890

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ESTATE OF HORST KARL ASCHENBROICH AND
ESTATE OF HILDEGARD ELFRIEDE ASCHENBROICH

PETITIONERS

AND:

CON-TECH SYSTEMS LTD.

RESPONDENT

PETITION TO THE COURT

ON NOTICE TO: SERVICE LIST ATTACHED HERETO AS SCHEDULE "A"

This proceeding has been started by the Petitioner for the relief set out in Part 1 below.

If you intend to respond to this petition, you or your lawyer must

- (a) file a response to petition in Form 67 in the above-named registry of this court within the time for response to petition described below, and
- (b) serve on the Petitioner
 - (i) 2 copies of the filed response to petition, and
 - (ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.

Time for response to petition

A response to petition must be filed and served on the Petitioner,

- (a) if you reside anywhere within Canada, within 21 days after the date on which a copy of the filed petition was served on you,
- (b) if you reside in the United States of America, within 35 days after the date on which a copy of the filed petition was served on you,
- (c) if you reside elsewhere, within 49 days after the date on which a copy of the filed petition was served on you, or

(d) if the time for response has been set by order of the court, within that time.

The address of the registry is:	800 Smithe Street Vancouver, BC
The ADDRESS FOR SERVICE of the Petitioners is:	Cassels Brock & Blackwell LLP Suite 2200, HSBC Building 885 West Georgia Street Vancouver, BC V6C 3E8 Attention: Vicki Tickle, Forrest Finn, and Hayley Roberts
Fax number address for service (if any):	N/A
E-mail address for service (if any):	vtickle@cassels.com ffinn@cassels.com hroberts@cassels.com
The name and office address of Petitioners' lawyer is:	Cassels Brock & Blackwell LLP Suite 2200, HSBC Building 885 West Georgia Street Vancouver, BC V6C 3E8 Attention: Vicki Tickle, Forrest Finn, and Hayley Roberts

CLAIM OF THE PETITIONER

Part 1: ORDERS SOUGHT

2. An order substantially in the form attached hereto as **Schedule "B"** (the "**Receivership Order**"):
 - (a) appointing MNP Ltd. (the "**Proposed Receiver**") as receiver and manager over all of Con-Tech System Ltd.'s ("**Con-Tech**") assets, properties, and undertakings (the "**Property**"); and
 - (b) abridging the period for notice pursuant to Rule 22-4(2) of the *Supreme Court Civil Rules*, BC Reg 87/2023 (the "**Supreme Court Civil Rules**").
3. Such further and other relief as counsel may advise and this Court deems just and appropriate in the circumstances.

Part 2: FACTS

A. Introduction

1. Con-Tech is a supplier of quality products to the geo-technical construction industry, and was founded in 1985 by Horst Aschenbroich ("**Horst**") and his wife, Hildegard Aschenbroich ("**Hildegard**", and together with Horst, the "**Aschenbroichs**").

2. Prior to his death in June 2023, Horst was Con-Tech's sole director and officer, and the operating mind of the company, Con-Tech International Ltd. ("**International**"), and Con-Tech USA Systems Inc. ("**USA Systems**" and, collectively with Con-Tech and International, the "**Con-Tech Systems Group**").
3. For a number of years, Con-Tech and the other members of the Con-Tech Systems Group have suffered financial difficulties and have operated at a loss. The Aschenbroichs loaned significant amounts to Con-Tech on a secured basis.
4. Since Horst's passing, no additional funds have been available to be loaned to Con-Tech, and the Con-Tech Systems Group is essentially rudderless. This has led to significant uncertainty among employees of Con-Tech and demands for payment by suppliers.
5. The Aschenbroichs' daughters and executors of their respective estates, Claudia Dennison, Sylvia Hart, and Sonya Schmitz (collectively, the "**Executors**") seek the appointment of the Proposed Receiver on the basis that it is just and convenient and will facilitate:
 - (a) the preservation and realization of the Property, which is in the best interests of the company's creditors and stakeholders; and
 - (b) identification and quantification of the claims of Con-Tech's various creditors, and those claims being dealt with in an orderly manner.

B. Parties

(i) Con-Tech

6. Con-Tech was established in its current corporate form by amalgamation on July 31, 2013 pursuant to the laws of British Columbia. It provides quality products, including ground anchors, soil nails, high-capacity tie-down anchors, and micropiles, as well as innovative solutions and technical support for construction projects in North America. It has supplied construction products, technology, and systems to various large-scale projects, including the Golden Gate Bridge and the Seven Mile Dam.
7. The Con-Tech Systems Group operates its business from premises in:
 - (a) Delta, British Columbia, owned by the Petitioners;
 - (b) Barrie, Ontario, owned by the Petitioners;
 - (c) Tacoma, Washington (USA Systems); and
 - (d) Charlotte, North Carolina (USA Systems).

(ii) The Aschenbroichs

8. As noted above, until his passing, Horst served as Con-Tech's sole director and officer and held positions as the company's Chief Executive Officer and President. While Con-Tech has other employees, Horst was the operating mind of the company.

9. Hildegard, worked side-by-side with Horst at Con-Tech until 2009 when she retired from the business.

(iii) The Petitioners

10. On September 11, 2006, Hildegard executed her last will and testament. Hildegard died on April 17, 2023. Pursuant to her will, Horst was appointed as executor of Hildegard's estate. Subsequently, upon Horst's death, the Executors were appointed executors of Hildegard's estate.
11. On May 25, 2023, Horst executed his last will and testament. He died on June 15, 2023. Pursuant to his will, the Executors were appointed executors of Horst's estate.
12. Neither of the Aschenbroichs' wills have been probated at this time and the probate process is expected to take several months.

C. Funds Advanced

13. From time-to-time over the years, the Aschenbroichs loaned money to Con-Tech to fund the company's capital investments and some of its operations. These funds were advanced pursuant to a loan agreement dated August 5, 2005 among the Aschenbroichs and Con-Tech.
14. By a General Security Instrument dated August 5, 2005 (the "**GSI**"), Con-Tech granted to the Aschenbroichs a security interest in all of Con-Tech's present and after-acquired personal property as security for the payment and performance of all of its obligations, indebtedness, and liabilities to the Aschenbroichs. The Aschenbroichs' security interest granted under the GSI was perfected by registration in the Personal Property Registry of British Columbia (the "**PPR**") on November 23, 2015 and renewed on October 20, 2020.
15. The following parties have also registered financing statements in the PPR in respect of some or all of Con-Tech's personal property:
 - (a) Meridian Onecap Credit Corp.;
 - (b) LFC Webster19 Limited Partnership ("**Lanyard LP**") and Lanyard Investments Inc. ("**Lanyard GP**"); and
 - (c) Aventus Capital Corp. ("**Aventus**").

D. Financial Difficulties

16. Con-Tech's business was severely impacted by the global economic downturn in 2008. While they previously had provided some shareholder loans to Con-Tech, it was from this point that the Aschenbroichs began to loan significant amounts to Con-Tech to keep it solvent and operating. Some of these loans were funded by the proceeds of loans obtained, and secured by assets owned, by the Aschenbroichs personally. These loans include, among others:
 - (a) a loan in the principal amount of \$650,000 from Domain Mortgage Corp. (the "**Domain Loan**") of which \$577,222.76 was paid to Con-Tech;

- (b) a loan in the principal amount of \$1,507,000 from Lanyard GP in its capacity as general partner of Lanyard LP, of which \$606,059.16 was used to pay out the Domain Loan and \$860,272.13 was paid to Con-Tech;
 - (c) a loan in the principal amount of \$655,000 from Aventus, of which:
 - (i) \$584,652.41 was paid to Con-Tech;
 - (ii) \$10,805.21 was paid to Norton Stewart Business Lawyers in respect of outstanding invoices payable by Con-Tech; and
 - (iii) \$571.20 was paid to Norton Stewart Business Lawyers in respect of an outstanding invoice payable by International; and
 - (d) funds from lines of credit provided to Horst and Hildegard respectively by The Bank of Nova Scotia.
17. The Executors and Cassels Brock & Blackwell LLP, counsel for the Petitioners, have made significant efforts to determine the precise amount owing by Con-Tech to the Petitioners. However, they have been unable to obtain this information at this time and a detailed review of the books and records of both Con-Tech and the Aschenbroichs likely will be necessary to identify the amount outstanding and secured by the GSI. Based on the information available, it appears that Con-Tech is indebted to the Petitioners in an amount in excess of \$7 million.
18. In or around July 2021, Horst engaged MNP Ltd. to explore various wind-down scenarios for the Con-Tech Systems Group. In the course of MNP Ltd.'s work with Horst, it became clear that the Con-Tech Systems Group was not viable in the short- or medium-term, absent material, ongoing third-party funding.
19. In addition to the indebtedness owed to the Petitioners, Con-Tech has outstanding accounts payable of approximately \$230,000, and monthly fixed expenses of approximately \$63,000. Since Horst's passing, the Executors have been contacted by numerous suppliers and other creditors of Con-Tech seeking payment for outstanding invoices, and no new funds have been available to be loaned to Con-Tech to help fund its operations.
20. Further, while there are certain management level employees who remain in place at Con-Tech, Horst was the operating mind of the company who provided the overall guidance and strategic management for the Con-Tech Systems Group. In his absence, that guidance is missing and the Con-Tech Systems Group is essentially rudderless.
21. Over the past several weeks, the Executors have been contacted by various employees of Con-Tech who have expressed concern about the future of the company. In particular, given the uncertainty regarding the financial status of Con-Tech and the Con-Tech Systems Group more broadly, Con-Tech has been unable to accept a number of new jobs that it has been asked to work on, to the confusion and alarm of the employees. The Executors are concerned that the uncertainty surrounding Con-Tech's business going forward, without the guidance that Horst provided for many years, will lead to valued employees who are essential to Con-Tech's operations leaving to look for other employment.

Part 3: LEGAL BASIS

A. Standing of the Executors

1. While the appointment of a receiver is usually employed by a security holder to enforce payment of a debt, other parties may employ the remedy seeking protection and preservation of assets, pending adjudication of the issues.

Frank Bennett, *Bennett on Receiverships*, 3rd ed
(Toronto: Thomson Reuters Canada Limited, 2011) at 155

2. An executor has the same powers to bring an action as the testator of the will would have if living. Since the executor's authority is based on the will itself, the executor may bring such an action before probate is granted. Accordingly, the Executors have standing to seek the Receivership Order.

Wills, Estates and Succession Act,
SBC 2009, c 13, s 150(2)

Romans Estate v Tassone, 2009 BCSC
194 at para 40 (aff'd 2009 BCCA 421)

3. The Executors' duties as executors also require them to manage the Petitioners' affairs in the same manner as a person of ordinary prudence would manage their own. Their primary duty in doing so is the preservation of the Petitioner's assets. This Petition seeks the appointment of the Proposed Receiver to, among other things, preserve the Property which is collateral under the GSI and is appropriately brought by the Executors in the circumstances.

Parish (Guardian of) v Parish Estate, 1999
CanLII 6211 at paras 10, 11 (BCSC)

Fales v Canada Permanent Trust Co,
[1977] 2 SCR 302 at 316

B. Jurisdiction

4. This Court has jurisdiction to grant the Receivership Order pursuant to section 39 of the *Law and Equity Act*, RSBC 1996, c 253 (the "**LEA**"), provided the Court finds it is "just or convenient" to do so. This Court also has jurisdiction to grant the Receivership Order under Rule 10-2 of the *Supreme Court Civil Rules* and pursuant to its inherent jurisdiction.

LEA, s 39

Supreme Court Civil Rules, r 10-2

Quest Capital Corp v Longpre, 2012
BCCA 49 at para 15

C. Just and Convenient

5. In deciding whether to appoint a receiver, this Court has held that it should engage in a robust review of all of the circumstances and then determine, based on that review, whether it is just and convenient to do so.

Bank of Montreal v Gian's Business Centre Inc, 2016 BCSC 2348 at paras 23, 24

6. In undertaking this holistic review, this Court has considered, among other things, the following factors, all of which weigh in favour of appointing the Proposed Receiver:

- (a) **the nature of the Property and the need to preserve and protect it from irreparable harm.** The Property's value is as a going-concern business. However, since Horst passed away in June 2023, no new funds have been available to be loaned to Con-Tech to help fund its operations and numerous suppliers and creditors have sought payment for outstanding invoices. In addition, Horst was the operating mind of the company. With his death, Con-Tech no longer has the strategic management and guidance that Horst provided. The uncertainty of Con-Tech's management risks damaging the value of its business, including by incentivizing customers to move their business to competitors and by causing employees that are essential to Con-Tech's operations to leave the company. The appointment of the Proposed Receiver will empower it to preserve the Property while these immediate issues are dealt with. Its appointment will also provide needed certainty to suppliers, customers, and employees and blunt the risk that they will move to competitors.
- (b) **the balance of convenience to the parties and the effect of the Receivership Order upon them.** Without the Receivership Order, the Petitioners will be materially prejudiced. The Petitioners have advanced significant funds to Con-Tech and the outstanding secured indebtedness is at least \$7 million. If the Proposed Receiver is not put in place, the collateral securing that indebtedness - and the indebtedness of the other secured creditors of Con-Tech - will deteriorate. In contrast, any harm suffered by Con-Tech by the appointment of the Proposed Receiver will be outweighed by the harm caused by *not* appointing it. Currently, the company has no operating mind and no directors or officers. The company is being contacted by creditors seeking payment of outstanding invoices; in the absence of payment, these creditors may take steps to collect the amounts owing to them. While the Receivership Order sought includes a stay of proceedings that will prevent these creditors from taking additional actions to recover amounts owing to them, the stay is necessary and appropriate to ensure that their claims are identified, quantified, and satisfied in an orderly and fair manner. The appointment of the Proposed Receiver will also provide much-needed professional assistance to assist with that process;
- (c) **the fact that the Petitioners have the right to appoint the Proposed Receiver under the GSI.** While the Petitioners do not rely on section 243 of the *Bankruptcy and Insolvency Act* for the appointment of the Proposed Receiver, the GSI provides that, upon default, the Petitioners may, among other things, seek the appointment of a receiver. Defaults under the GSI include, among other things, if Con-Tech becomes insolvent or if the Petitioners, in good faith, believe upon

commercially reasonable grounds, that the prospect of Con-Tech's payment or performance of any of its obligations is, or is about to be, impaired or that the collateral in the GSI, or any part thereof, is, or is about to be, in jeopardy including danger of being lost, damaged or confiscated;

- (d) **the conduct of the parties.** The Petitioners have brought this Petition in good faith and for no improper purpose;
- (e) **the length of time that the Proposed Receiver may be in place.** It is uncertain at this point how long the Proposed Receiver will be in place. However, the Proposed Receiver is best placed to ensure an orderly and efficient process for the identification, protection and realization of Con-Tech's assets, and the distribution of the proceeds thereof to the company's creditors;
- (f) **the likelihood of maximizing return to the parties.** The Property's highest and best value is as a going-concern business. Without the appointment of the Proposed Receiver, there is serious risk that suppliers and other partners will move to competitors and that key employees will leave, damaging the realizable value of the Property. The appointment of the Proposed Receiver is necessary to preserve this value and maximize the return to Con-Tech's creditors and other stakeholders; and
- (g) **the goal of facilitating the duties of the Proposed Receiver.** If appointed, the Proposed Receiver will be empowered to take possession of the Property to preserve the going-concern value of Con-Tech's business, provide guidance and certainty for the future of the business, and to review Con-Tech's books and records to assess its current financial position and to effectively respond to inquiries from creditors and other stakeholders. Accordingly, the appointment of the Proposed Receiver will protect the interests of all stakeholders, including employees and creditors.

Maple Trade Financing Inc v CY Oriental Holdings Ltd, 2009 BCSC 1527 at para 25

Textron Financial Canada Limited v Chetwynd Motels Ltd, 2010 BCSC 477 at paras 50, 52

- 7. For the foregoing reasons, the Petitioners submit that it is just and convenient that this Court appoint the Proposed Receiver as receiver and manager of the Property.

D. Service

- 8. Rule 22-4(2) of the *Supreme Court Civil Rules* provides, among other things, that this Court may extend or shorten any period of time provided for in the *Supreme Court Civil Rules*, including the period for notice in respect of the Petition.

Supreme Court Civil Rules, r 22-4(2)

- 9. There is an urgent need for the appointment of the Proposed Receiver. Without Horst, the Con-Tech Systems Group is essentially rudderless. The uncertainty of Con-Tech's management risks incentivizing customers to move their business to competitors and

causing employees, who are essential to Con-Tech's operations, to leave the company, all of which would damage the prospects of Con-Tech's business continuing as a going-concern and, consequently, the value available for creditors and other stakeholders.

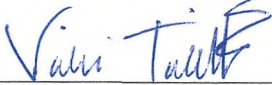
- 10. Accordingly, the Petitioners submit that it is appropriate for this Court to abridge the notice period required for the service of the Petition.

Part 4: MATERIAL TO BE RELIED ON

- 1. Affidavit #1 of Claudia Dennison, Affirmed August 21, 2023;
- 2. Such further affidavits and other documents as counsel may advise.

The Petitioner estimates that the hearing of this Petition will take one hour.

Date: August 23, 2023 _____



 Signature of lawyer for the Petitioners
 Cassels Brock & Blackwell LLP
 (Vicki Tickle)

To be completed by the Court only:

Order made

in the terms requested in paragraphs _____ of Part 1 of this petition

with the following variations and additional terms:

Date: _____

Signature of Judge Master

SCHEDULE "A"

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

**ESTATE OF HORST KARL ASCHENBROICH AND
ESTATE OF HILDEGARD ELFRIEDE ASCHENBROICH**

PETITIONERS

AND:

CON-TECH SYSTEMS LTD.

RESPONDENT

SERVICE LIST

(as at August 23, 2023)

Name of Party	Service Address
Con-Tech Systems Ltd.	1301 - 808 Nelson Street Vancouver, BC V6Z 2H2
Meridian Onecap Credit Corp.	1500 – 4710 Kingsway Burnaby, BC V5H 4M2
LFC Webster19 Limited Partnership and Lanyard Investments Inc.	210 – 2112 West Broadway Vancouver, BC V6K 2C8
Aventus Capital Corp.	310 – 8820 120 Street Surrey, BC V3V 0C9

SCHEDULE "B"

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ESTATE OF HORST KARL ASCHENBROICH AND
ESTATE OF HILDEGARD ELFRIEDE ASCHENBROICH

PETITIONERS

AND:

CON-TECH SYSTEMS LTD.

RESPONDENT

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE) WEDNESDAY, THE 30TH DAY OF
)
_____ JUSTICE _____) AUGUST, 2023
)

ON THE APPLICATION of the Petitioners for an Order pursuant to Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "**LEA**") and Rule 10-2 of the *Supreme Court Civil Rules*, BC Reg 87/2023 (the "**Supreme Court Civil Rules**"), appointing MNP Ltd. as Receiver and Manager (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and property of Con-Tech Systems Ltd. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Claudia Dennison affirmed August 21, 2023 (the "**Dennison Affidavit**") and the consent of MNP Ltd. to act as the Receiver; AND ON HEARING Vicki Tickle and Forrest Finn, counsel for the Petitioners and other counsel as listed on **Schedule A** hereto, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 39 of the LEA and Rule 10-2 of the *Supreme Court Civil Rules*, MNP Ltd. is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtor, including all proceeds (the "**Property**").

RECEIVER'S POWERS

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
- (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
 - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;
 - (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
 - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;
 - (g) to settle, extend or compromise any indebtedness owing to the Debtor;
 - (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
 - (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
 - (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
 - (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;

- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of a single transaction for consideration up to \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,
- and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have;
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;
- (t) to cause the Debtor to make a voluntary assignment for the benefit of its creditors pursuant to section 49 of the *Bankruptcy and Insolvency Act*, RSC 1985 c B-3 (the "**BIA**"); and
- (u) to act as trustee in bankruptcy of the Debtor, in accordance with the provisions of the BIA,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtor; (ii) all of the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post-Receivership Accounts**") and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to the employees' right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection,

conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,
 - (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - (a) any gross negligence or wilful misconduct on its part; or
 - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as **Schedule B** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: <https://mnpdebt.ca/en/corporate/corporate-engagements/con-tech-systems-ltd> in English and <https://mnpdettes.ca/fr/restructuration-entreprise/mandats-courants-de-la->

societe/con-tech-systems-ltd in French (the “**Website**”) and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Petitioners a demand for notice in the form attached as **Schedule C** (the “**Demand for Notice**”). The Receiver and the Petitioners need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the “**Service List**”). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.
32. Notwithstanding paragraph 31 of this Order, service of the Petition and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor’s creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days’ notice to the Service List and to any other party who may

be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.

35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
39. The Petitioners shall have their costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the Petitioners' security or, if not so provided by the Petitioners' security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
40. Service of the Petition and the Dennison Affidavit is hereby abridged and validated such that this Petition is properly returnable today.
41. Endorsement of this Order by counsel appearing on this application other than the Petitioners is dispensed with.

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

APPROVED BY:

Counsel for the Petitioners
Cassels Brock & Blackwell
(Vicki Tickle)

BY THE COURT

SCHEDULE A
LIST OF COUNSEL

NAME	PARTY

SCHEDULE B
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

_____ \$ _____

1. THIS IS TO CERTIFY that MNP Ltd., the Receiver and Manager (the "**Receiver**") of all of the assets, undertakings and properties of Con-Tech Systems Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "**Court**") dated the _____ day of August, 2023 (the "**Order**") made in SCBC Action No. _____ has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly] not in advance on the _____ day of each month after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 202__.

MNP Ltd., solely in its capacity as Receiver of
the Property, and not in its personal capacity

Per:
Name:
Title:

SCHEDULE C

DEMAND FOR NOTICE

TO: Estate of Horst Karl Aschenbroich and Estate of Hildegard Elfriede Aschenbroich
c/o Cassels Brock and Blackwell LLP
Attention: Vicki Tickle, Forrest Finn, and Hayley Roberts
Email: vtickle@cassels.com, ffinn@cassels.com, and hroberts@cassels.com

AND TO: MNP Ltd.
c/o McCarthy Tetrault LLP
Attention: H. Lance Williams, Ashley Bowron, and Sue Danielisz
Email: lwilliams@mccarthy.ca, abowron@mccarthy.ca, and sdanielisz@mccarthy.ca

Re: In the matter of the Receivership of Con-Tech Systems Ltd.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

OR

2. By facsimile, at the following facsimile number (or numbers):

OR

3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

Action No. _____

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ESTATE OF HORST KARL ASCHENBROICH AND
ESTATE OF HILDEGARD ELFRIEDE
ASCHENBROICH

PETITIONERS

AND:

CON-TECH SYSTEMS LTD.

RESPONDENT

ORDER MADE AFTER APPLICATION

Cassels Brock & Blackwell LLP

Barristers & Solicitors

2200 – 885 West Georgia Street

Vancouver, BC V6C 3E8

Tel. No. 604.691.6100

Fax No. 604.691.6120

File No. 059449-00001
