



No. PRR-S-B-11725
Estate No. 11-2716201
Province of British Columbia
Bankruptcy Division
Prince Rupert Registry

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

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF
BEAR CREEK CONTRACTING LTD.

NOTICE OF APPLICATION

Name of applicant: Bear Creek Contracting Ltd. (“**BCC**”, or the “**Applicant**”)

To: The Service List, a copy of which is attached hereto as Schedule “A”

TAKE NOTICE that an application will be made by the Applicant to Mr. Justice Punnett **by telephone** at the courthouse at 100 Market Place, Prince Rupert, British Columbia on March 11, 2021, at 10:00 a.m. for the orders set out in Part 1 below.

Part 1:ORDER SOUGHT

1. The Applicant seeks an order in substantially the form of draft order attached hereto as Schedule “B”:
 - (a) granting a charge on the assets, property and undertakings of the Applicant in the aggregate amount of \$200,000 (the “**Administration Charge**”) as security for the collective fees and disbursements of: (i) Crowe MacKay & Company Ltd. (the “**Proposal Trustee**”); (ii) counsel for the Proposal Trustee; and (iii) counsel for the Applicant, that shall rank in priority to all other security interests and claims of other persons other than any secured claims that may arise pursuant to subsection 14.06(7) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”);

- (b) authorizing the Applicant to dispose of any redundant or non-material assets not exceeding \$100,000 in any one transaction or \$1,000,000 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, Accord (defined below), and any creditor having a valid and perfected security interest in such asset;
- (c) authorizing the Applicant to make payments to or on behalf of Northbridge (defined below) in respect of certain pre-filing obligations; and
- (d) extending the time for filing a proposal pursuant to subsection 50.4(9) of the BIA to May 12, 2021 (the “**Extension**”).

Part 2: FACTUAL BASIS

A. The Applicant

1. On February 26, 2021 (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 Proposal Trustee was appointed trustee of the Applicant in relation to these proposal proceedings under the BIA (the “**Proposal Proceedings**”).
2. The Applicant is a British Columbia corporation with a head office in Terrace, British Columbia.¹ It is a heavy construction company that specializes in road construction and excavation projects (the “**Core Business**”). The Applicant currently has approximately 22 full and part-time employees.
3. The Applicant carries on business at two locations in Terrace which are owned by a related company, Bear Creek Construction Ltd. (“**Construction**”):
 - (a) **Head Office:** PID: 009-695-567; this parcel is located just off Highway 16 in the east-side community of Thornhill, and consists of office/administrative, equipment storage, repair, and warehouse facilities; and

¹ Affidavit #1 of Ian Munson, made March 9, 2021 (“**Munson #1**”), Exhibit “A”.

- (b) **Pit Parcels:** PIDs: 008-244-561 and 009-334-394; these parcels are a gravel pit located in the west of the city.
4. Ian Munson is the Applicant's sole director. The Applicant is one of a group of related companies of which Mr. Munson is also the sole director, including, among others (collectively, the "**Related Companies**"): (a) Construction; (b) Prince Rupert Aggregates Ltd.; and (c) Spring Creek Aggregates Ltd. ("**SC Aggregates**").
5. The Related Companies are not insolvent. However, some of the Applicant's secured creditors (described below) have claims against, and security interests in assets owned by, the Related Companies, and in some cases the Related Companies are indebted to the Applicant.

B. Assets

6. The Applicant's physical assets consist primarily of real property and numerous pieces of leased or financed equipment, vehicles and machinery. In addition to the physical assets, BCC also has accounts receivable having a net book value of approximately \$1.14 million, as well as several disputed claims against third parties described in greater detail below.

(i) ***Real Property***

7. The Applicant is the registered owner of four contiguous parcels of land located adjacent to the Head Office, having 2021 BC Assessment values totalling approximately \$2.48 million, comprising:
- (a) **Warehouse Parcels:** PID 011-597-496 and PID 014-296-055; consisting of warehouse, repair, and storage facilities for the Equipment (defined below); and
- (b) **Vacant Parcels:** PID 011-069-821 and PID 011-268-298; which are bare lands located adjacent to the Warehouse Parcels.²

² Munson #1, Exhibits "B" and "C".

(ii) **Equipment**

8. The Applicant currently owns 196 pieces of heavy equipment and machinery plus 29 vehicles (collectively, the “**Equipment**”).
9. With the assistance of the Proposal Trustee, the Applicant has prepared a spreadsheet (the “**Equipment Spreadsheet**”) that lists: (a) each piece of Equipment; (b) estimates of the fair market, orderly liquidation, and forced liquidation values of each piece of Equipment, along with the approximate value of any registered encumbrances (collectively, the “**Valuation Information**”); and (c) whether each piece of Equipment is redundant, insofar as it is not required to carry on the Core Business (collectively, the “**Redundant Equipment**”).
10. Attached as Exhibit “D” to Munson #1 is copy of the Equipment Spreadsheet redacted so as to remove the columns containing the Valuation Information due to the commercially sensitive nature of that information (the “**Redacted Spreadsheet**”).³
11. As indicated in the Redacted Spreadsheet, each piece of Equipment is financed by one of six financing companies, including: (a) Accord Small Business Finance Corp. (“**Accord**”); (b) Arundel Capital Corporation; (c) Current Financial Corp.; (d) Dynamic Capital Equipment Finance Inc.; (e) Ford Credit Canada Company; and (f) Terrace Totem Ford Sales Ltd. (collectively, the “**Equipment Financers**”).
12. Each of the Equipment Financers holds first-ranking security interests in the Equipment they financed, and those security interests are perfected by registration of a financing statement in the B.C. Personal Property Registry (the “**PPR**”), in each case identifying the Equipment by serial-number. None of the Equipment Financers hold overlapping security interests in any of the Equipment.

³ Munson #1, Exhibit “D”.

(iii) Applicant's Claims

13. The Applicant is involved in a number of legal disputes that can generally be described as monetary claims by the Applicant. Following is a summary of those claims, which shall hereinafter collectively be referred to as the “**Applicant's Claims**”.

(A) Pretium Claim

14. In or about 2016, the Applicant suffered significant losses and damages in relation to a construction project (the “**Brucejack Project**”) involving the development of certain mineral claims owed by Pretium Exploration Inc. (“**Pretium**”). BCC performed extensive construction services for Pretium for which Pretium refused or neglected to pay.
15. In or about April 2017, the Applicant commenced Supreme Court of British Columbia action number S-1913985 (Vancouver Registry) (the “**Pretium Claim**”) against, among others, Pretium in respect of the Brucejack Project, seeking judgment against the defendants therein in the amount of over \$14.56 million.
16. By order made October 14, 2020, the Applicant was granted leave to file a Third Amended Notice of Civil Claim in the Pretium Claim, and is in the process of so doing. The parties to the Pretium Claim are trying to arrange a one-day mediation tentatively scheduled for the end of May 2021.

(B) Rainbow Hill Claim

17. By Major Works Contract dated April 7, 2017 (the “**Prime Contract**”) among the Applicant and Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Transportation and Infrastructure (the “**MOTI**”), the Applicant was engaged as the prime contractor to construct a passing lane along a stretch of Highway 16 known as Rainbow Hill (the “**Rainbow Hill Project**”).
18. In or about the summer of 2017, a dispute arose between the Applicant and the MOTI respecting certain concrete lock blocks manufactured and supplied by Burnco Rock Products Ltd. (“**Burnco**”) to BCC, which were intended to be used to construct a

significant feature of the Rainbow Hills Project, but were rejected by the MOTI. The Applicant initiated a claim in respect of this dispute (the “**Rainbow Hill Claim**”) under which it seeks damages in the amount of approximately \$1.50 million. Pursuant to the Prime Contract, this claim has been referred to a Referee for non-binding determination.

19. In or about 2020, the parties made submissions to the Referee on certain issues and have since been awaiting the Referee’s decision. In January 2021, the Referee advised that he expected to issue his decision in mid-March 2021. If the Referee finds in favour of BCC, then (barring the MOTI’s rejection of this decision) the Applicant will make submissions to the Referee on the issue of damages.

(C) Admirals’ Claim

20. By Subcontract dated October 11, 2017 (the “**Subcontract**”) among the Applicant and Westpro, a division of Pomerleau Inc. (“**Westpro**”), the Applicant was engaged as earthworks and electrical subcontractor on the Highway 1-Admirals/McKenzie Interchange Project (the “**Admirals Project**”), in respect of which Westpro had been engaged by the MOTI as prime contractor.
21. In October 2020, pursuant to the Subcontract, the Applicant submitted a comprehensive claim for further compensation in the amount of approximately \$17.08 million. The Subcontract sets out a dispute resolution procedure whereby the parties are required at first instance to attempt to reach a resolution by negotiation.
22. If the dispute, which involves the Applicant, Westpro, and the MOTI (the “**Admirals’ Claim**”), cannot be resolved through negotiation, it will be arbitrated pursuant to the terms of the Subcontract.

(D) Lakelse Group Receivership

23. By Amended and Restated Purchase Agreement dated August 31, 2018 (the “**Lakelse Purchase Agreement**”) among the Applicant, Mr. Munson, Lakelse Air Ltd. (“**Lakelse**”) and Lakelse Helicopters Limited Partnership (“**Lakelse LP**”, and together with Lakelse, the “**Lakelse Group**”), the Applicant agreed to sell to Lakelse LP certain assets relating

to the helicopter services business for, among other consideration: (a) a promissory note in the amount of \$2.50 million; and (b) an “Earn Out Payment” (as defined therein) totalling no more than \$2.00 million (collectively, the “**Lakelse Receivables**”).

24. By Intercreditor Agreement dated September 6, 2018 among Canadian Western Bank (“**CWB**”), the Applicant, Lakelse, and Lakelse LP, among other things: (a) CWB agreed to extend financing to Lakelse LP to purchase the assets under the Lakelse Purchase Agreement; and (b) the Applicant agreed to subordinate its interests in the property of the Lakelse Group to CWB.
25. On May 27, 2020, CWB caused MNP Ltd. to be appointed receiver over the Lakelse Group and its related entities. The Applicant expected that once the liquidation of the Lakelse Group’s assets was completed, it would receive at least \$2.50 million from the receiver. That has not happened, and in the context of the receivership a dispute arose with CWB regarding entitlement to the proceeds of realization.
26. The Lakelse Group receivership is ongoing. Presently, the Applicant is discussing with counsel for CWB particular issues relating to the priority of CWB’s security. It is not known at this time whether the dispute between the Applicant and CWB can be resolved without the need for litigation.

C. Liabilities

(i) Secured debt and statutory liabilities

27. The Applicant has secured and statutory liabilities totalling approximately \$9.29 million.
28. As at the Filing Date, the Applicant was indebted to the following creditors having security interests in the Applicant’s property as reflected by registrations made in the PPR, and having the relative priorities listed below, in the following approximate amounts totalling \$7.94 million:

Secured Creditor	Security Interest	Approx. Indebtedness
Accord, Accord Small Business Leasing Corp. and Varion Capital Corp. dba Accord Financial (collectively, the "Accord Group")	All present and after-acquired personal property	\$7,388,455.14
Northbridge General Insurance Corporation Société D'Assurance Générale Northbridge ("Northbridge")	Every Contract, and all funds and properties whatever that may become due in connection therewith, and every subcontract let in connection therewith; ... All Contract Equipment and Material; All Equipment and Material; and All Other Contract Assets (collectively, the "Contract Assets"). ⁴	\$463,073.49
Her Majesty the Queen in Right of the Province of British Columbia (the "Province")	All present and after-acquired personal property	\$93,374.53

29. Attached as Exhibit "E" to Munson #1 is a PPR search in respect of the Applicant dated March 1, 2021 (the "**PPR Search**").⁵
30. The PPR Search shows registrations in favour of the above-mentioned secured creditors, the Equipment Financers (which, excluding the Accord Group, are collectively owed approximately \$760,434), and several former equipment financing companies, including:
- (a) Atco Structures & Logistics Ltd., BNP Paribas, acting through its Canada branch, Brandt Finance Ltd., Britco Boxx LP, Canadian Western Bank Leasing Inc., Great West Equipment Ltd., John Deere Financial Inc. ("**John Deere**"), Northern Savings Credit Union, and Roynat Inc., all of whose equipment is no longer in the Applicant's possession and, in some cases, to whom the Applicant is not indebted (the "**Historic Registrations**"). The Applicant has delivered Form 4 Demands for

⁴ Capitalized terms herein having the meanings ascribed to them under the Indemnity Agreement (defined below) and appended as Exhibit "M" to Munson #1.

⁵ Munson #1, Exhibit "E".

Discharge pursuant to Section 50(4) of the *Personal Property Security Act* to each of these entities;⁶ and

- (b) the Bank of Montreal, Concentra Bank c/o Comm Leasing, Inland Kenworth, and TFG Financial Corporation, whose equipment is now in the possession of Antler Creek Contracting Ltd. (a company of which Mr. Munson's son, George Munson, is the sole director), which has taken over these leases.
31. The Applicant leases computer and electronic equipment from IBM Global Financing Canada Corporation. These leases are current and will be maintained throughout these Proposal Proceedings.
32. The PPR registration in favour of the Province was filed in respect of PST owing by the Applicant in the amount of approximately \$93,374.53. In or about August 2019, the Applicant submitted an application for a PST refund in the amount of \$136,314.25 in respect of the claim period October 2, 2018, through March 15, 2019 (the "**PST Refund**"). The Applicant has diligently followed up with the Province regarding the status of the PST Refund, but has been advised that—on account of the COVID-19 pandemic—all Ministry of Finance staff are tasked with "special projects" and cannot indicate when the PST Refund will be processed.⁷ Assuming the PST Refund is issued in (or near) the amount claimed, BCC is in a net credit position vis-à-vis the Province in respect of PST.
33. The Applicant has statutory liabilities relating to source deductions owing to Canada Revenue Agency totalling approximately \$284,984.14. BCC is eligible for a monthly rebate through the Canada Emergency Wage Subsidy (CEWS), and intends to pay down the balance owing above upon receipt of each refund.
34. The Applicant is current in respect of employee obligations with the exception of unused vacation pay owing in the amount of approximately \$10,252.86. BCC does not maintain a pension plan for its employees.

⁶ Munson #1, Exhibit "F".

⁷ Munson #1, Exhibit "G".

(iii) Unsecured liabilities

35. The Applicant has unsecured liabilities to various creditors totalling \$18.85 million. This amount includes liabilities to trade suppliers, utility and professional service providers, and approximately \$3.92 million being the cumulative amount of the shortfall suffered by each of John Deere (approximately \$3.48 million) and Travelers Finance, a division of Coast Capital Savings Credit Union (approximately \$437,610.85) after realizing on their previously financed equipment.

D. Financial Challenges and Responses

36. The Applicant has been conducting the Core Business in Northwestern British Columbia since 1965.

37. As mentioned above, in or about 2016, the Applicant became involved with the Brucejack Project. Pretium's failure to pay for the work performed by the Applicant and its subcontractors resulted in significant losses, all of which are part of the Pretium Claim.

38. Despite its best efforts to source new projects and continue operating, in the aftermath of the Brucejack Project the Applicant began struggling to meet its obligations as they came due. Such difficulties were compounded by, among other things:

- (a) the substantial ongoing costs of the equipment and personnel taken on by the Applicant for the Brucejack Project, which it continued to carry;
- (b) losses suffered by the Applicant in relation to the Admirals and Rainbow Hill Projects, which are parts of the Admirals and Rainbow Hill Claims, as well as the significant legal fees associated therewith; and
- (c) the COVID-19 pandemic, which limited the scope of work available to the Applicant and further exacerbated its difficulties with the above-mentioned overhead.

(i) ***Ongoing sale of Redundant Equipment***

39. In January 2020, the Applicant began exploring restructuring and refinancing alternatives with the assistance of counsel and financial advisors.
40. By early summer 2020, the Applicant had compiled a list of its equipment with a view to disposing of the Redundant Equipment so as to retrench and focus on the Core Business. Accordingly, the Applicant began selling the Redundant Equipment through private sales and equipment and vehicle dealerships.
41. By Consignment Sales Agreement dated September 30, 2020, as amended January 12, 2021 (the “**UEI Agreement**”), among the Applicant and UconsignEquip Inc. (“**UEI**”), the Applicant engaged UEI to market and sell a package of Redundant Equipment (the “**UEI Package**”). Currently, the UEI Package is listed on UEI’s website and marketing efforts are ongoing pursuant to the UEI Agreement, the term of which ends on April 12, 2021.⁸
42. From about May 2020 until the Filing Date, the Applicant sold 70 pieces of Redundant Equipment generating sale proceeds of approximately \$7.00 million.
43. By Bill of Sale dated February 19, 2021 (the “**Bill of Sale**”) among the Applicant and a third party purchaser (the “**Purchaser**”), the Applicant (through UEI) sold a 2013 Peterbilt 348 Tandem truck for the purchase price of \$80,000.⁹ Although brokered prior to the Applicant’s filing of the NOI, funds were not transferred by the Purchaser to UEI until March 3, 2021 (i.e. during these Proposal Proceedings), and were paid to Accord pursuant to the Asset Disposition Provision imposed by Accord as a condition of the Refinancing Agreement (as those terms are defined and explained in the following section).
44. No other sales of Redundant Equipment are pending at this time.

⁸ Munson #1, Exhibit “H”.

⁹ Munson #1, Exhibit “I”.

(iii) Accord Group Agreement

45. The Accord Group is the Applicant's senior secured lender. The Applicant's obligations to Accord are also owed by, among others, certain of the Related Companies, which have granted security interests in their assets to Accord to secure same.
46. In January 2020, when the Applicant began exploring restructuring options, it entered into discussions with Accord regarding the possibility of refinancing its obligations to BCC's then-primary secured creditor, Royal Bank of Canada ("**RBC**").
47. By letter agreement dated August 19, 2020 among Accord, the Applicant, the Related Companies and others (the "**Refinancing Agreement**"), Accord agreed to purchase the loans and security then existing between RBC and the Applicant, Construction, and SC Aggregates, subject to (among other things):
- (a) the condition that the Applicant proceed immediately to dispose of certain "Equipment Assets" and all of the "Real Estate Security" (as defined therein) (the "**Asset Disposition Provision**"); and
 - (b) a reduction in the RBC revolving lines of credit in the approximate amount (\$400,000, the "**Burnco Amount**") of the judgment in favour of Burnco, registered under charge number CA7212964 (the "**Burnco Judgment**") against one of the Warehouse Parcels, which judgment was registered in priority to Accord's mortgage against the same lands.¹⁰
48. By Waiver and Support Agreement dated January 18, 2021 (the "**Accord Agreement**"), among the Accord Group, the Applicant, and the Related Companies, among others:
- (a) the parties confirmed: (i) the various credit facilities (collectively, the "**Credit Facilities**") established by the Accord Group, as lender, in favour of the Applicant and the Related Companies, as borrowers, pursuant to various loan agreements

¹⁰ Munson #1, Exhibit "J".

(collectively, the “**Credit Agreements**”); (ii) the amounts owing in respect of the Credit Facilities; and (iii) the Security Documents (as defined therein); and

- (b) subject to the terms of the Accord Agreement, the Accord Group agreed to:
- (i) waive any default in respect of the Credit Agreements that might arise as a result of the Applicant initiating these Proposal Proceedings;
 - (ii) continue to make the Credit Facilities available to the Applicant and the Related Companies during these Proposal Proceedings; and
 - (iii) upon discharge of the Burnco Judgment, increase the amount available under the Credit Facilities by the Burnco Amount.¹¹

49. The Applicant also still needs to sell approximately \$800,000 worth of Redundant Equipment in order to meet the requirements of the Asset Disposition Provision contained in the Refinancing Agreement.

50. By letters exchanged and dated March 1 and 3, 2021 (the “**Burnco Judgment Letters**”), counsel for the Applicant wrote to Burnco and its counsel requesting that Burnco discharge the Burnco Judgment, and counsel for Burnco responded advising that while Burnco remains open to discussing the matter, for the moment it would not discharge the Burnco Judgment. Counsel for the Applicant and counsel for the Proposal Trustee had a teleconference with counsel for Burnco on March 5, 2021, which also did not result in a resolution regarding the discharge of the Burnco Judgment.¹²

E. Pre-filing Amounts

51. Northbridge is a bonding company that previously bonded certain projects awarded to the Applicant, including the Admirals Project.

52. By Indemnity Agreement dated November 28, 2017 (the “**Indemnity Agreement**”) among Northbridge and the Applicant, among others, the Applicant granted Northbridge

¹¹ Munson #1, Exhibit “K”.

¹² Munson #1, Exhibit “L”.

a security interest in the Contract Assets as security for the Applicant's obligation to indemnify Northbridge should it be required to pay on a bond.¹³ Presently, the Applicant owes Northbridge the sum of \$463,073.49 (the "**Northbridge Indebtedness**") arising from a claim by Matrix (defined and described below).

53. On about December 13, 2017, Northbridge issued a surety bond to the Applicant, as principal, and the MOTI, as obligee, in respect of the Admirals Project (the "**Northbridge Bond**").
54. By Master Services Agreement entered into about December 17, 2019 (the "**Matrix MSA**"), among Gitga'at Matrix Workforce Services Ltd. ("**Matrix**") and the Applicant, Matrix agreed to provide certain labour placement services. Pursuant to the Matrix MSA, Matrix provided services in relation to (among other things) the Admirals Project, and subsequently claimed against the Applicant for amounts due and owing for these services in the amount of the Northbridge Indebtedness.
55. On October 13, 2020, Matrix filed a Notice of Civil Claim initiating British Columbia Supreme Court Action Number S-2010167 (the "**Matrix Action**"), claiming against Northbridge for amounts due and owing to it under the Northbridge Bond in the sum of \$542,049.05.
56. On February 18, 2021, the Applicant, Matrix, and Northbridge entered into two agreements (together, the "**Settlement Agreements**"), including: (a) a Settlement Agreement between Matrix and Northbridge (the "**Matrix/Northbridge Settlement**"); and (b) a Payment Agreement between Northbridge and the Applicant (the "**Northbridge/BCC Agreement**").¹⁴
57. Pursuant to the Settlement Agreements:
 - (a) to date, Matrix has been paid the sum of \$350,000 by: (i) Northbridge (\$271,024.44); and (ii) the Applicant (\$78,975.56); and

¹³ Munson #1, Exhibit "M".

¹⁴ Munson #1, Exhibits "N" and "O".

(b) the parties have agreed, among other things, that the Applicant will pay (collectively, the “**Pre-filing Amounts**”):

(i) \$192,049.05 (the “**Matrix Payment**”) to Matrix (on behalf of Northbridge) by March 15, 2021 (the “**Matrix Payment Deadline**”); and

(ii) \$271,024.44 to Northbridge in 12 equal monthly payments payable on the last day of each month beginning May 31, 2021, and ending April 30, 2022 (collectively, the “**Northbridge Payments**”).

58. Northbridge has confirmed that, upon payment of the Pre-filing Amounts, it intends to continue to work with BCC to provide bonds in accordance with existing bond facility agreements.

59. The Accord Group is aware of the Applicant’s obligation to pay the Pre-filing Amounts, and, to the best of the Applicant’s understanding as at the time of filing, will allow the Applicant to draw on the Credit Facilities to make same provided that payment of the Pre-filing Amounts authorized by this Court.

(i) ***Bonding is required to conduct the Core Business***

60. The Core Business is heavy construction and excavation. More often than not, parties soliciting bids for such projects (i.e. development companies, First Nations, and government ministries) require bidders to post performance security in the form of either cash or a labour and material payment bond.

61. Since about November 2019, Northbridge has refused to issue bonds to the Applicant. The Applicant has attempted to secure bonding from other sources, but has been unsuccessful due to its straitened circumstances.

62. As a result of the foregoing, the Applicant has been—and is currently—unable to bid on bonded projects and has been forced to bid on smaller jobs where bonding is not required or (in one case) where it could post cash security.¹⁵
63. If the relief sought in respect of the Pre-filing Amounts is granted, the Applicant: (a) intends to work with the Proposal Trustee to pay the Pre-filing Amounts as quickly as possible; and (b) expects further bonded projects to begin soliciting bids as spring and summer approach. The Applicant believes that obtaining bonding is critical to its ability to conduct and grow the Core Business and maximize recoveries for its stakeholders in these Proposal Proceedings.

F. These Proposal Proceedings

(i) Orderly Liquidation

64. In these Proposal Proceedings, the Applicant intends to work with the Proposal Trustee to continue the orderly liquidation of the Redundant Equipment and the Real Property (the “**Orderly Liquidation**”) while continuing to operate the Core Business. The Applicant will also continue to actively pursue the Applicant’s Claims.
65. Funds generated from the Orderly Liquidation are intended to be paid to the creditors having security against the applicable assets, i.e. the Equipment Financers, including to Accord on account of amounts owing by the Applicant under the Credit Agreements.
66. Provided that the Applicant is able to sell, in a timely manner, sufficient assets at the prices reflected in the Equipment Spreadsheet, Accord has agreed to continue to make the revolving credit facilities available to BCC. This means that BCC does not now require interim financing, but (as set out in the Cash Flow Forecast defined and described below) may require same at a later date depending on actual revenues, expenses, and sales proceeds from realization.

¹⁵ Further particulars of the challenges faced by the Applicant in respect of a lack of bonding are detailed at paragraph 19 of Munson #1.

(ii) Cash Flow Forecast

67. The Applicant, with the assistance of the Proposal Trustee, has produced a preliminary 15-week cash flow statement (the “**Cash Flow Forecast**”) covering the period from March 1, 2021 through June 13, 2021 (the “**Initial Period**”). The Cash Flow Forecast is appended as Exhibit “P” to Munson #1.¹⁶
68. The Cash Flow Forecast reflects the costs for the Applicant to operate the Core Business and pay its professional advisors in relation to its restructuring process and in pursuing the Applicant’s Claims.
69. Funding for operations during the Initial Period will be drawn from the Credit Facilities pursuant to the Accord Agreement. The Cash Flow Forecast assumes a \$400,000 increase in the amount capable of being drawn on the Credit Facilities in week five as a result of the discharge of the Burnco Judgment. The Applicant cannot operate during the Initial Period without the ability to access these additional funds under the Credit Facilities.

(iii) Administration Charge

70. The Applicant is seeking the Administration Charge up to a maximum of \$200,000 to secure payment of the fees and disbursements of the Proposal Trustee, counsel for the Proposal Trustee (Cassels Brock & Blackwell LLP, “**Cassels**”), and counsel for the Applicants (Fasken Martineau DuMoulin LLP, “**Fasken**”).
71. 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.
72. 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

¹⁶ Munson #1, Exhibit “P”.

Proceedings are unsuccessful, the Proposal Trustee will have a significant amount of work to do, including to transition these Proposal Proceedings to a bankruptcy.

73. Presently, Fasken and Cassels each hold retainers totalling \$50,000 and \$25,000, respectively, and the Proposal Trustee holds a retainer in the sum of \$40,000. As shown in the Cash Flow Forecast, it is expected that the Applicant will have insufficient cash to increase these retainers during the pendency of these Proposal Proceedings.
74. The Applicant believes that the involvement of these professionals is necessary in order to complete a successful proposal under these Proposal Proceedings.

(iv) Extension of time to file a Proposal

75. The Applicant filed the NOI on February 26, 2021. Therefore, pursuant to subsection 50.4(8) of the BIA, the Applicant will be deemed to have been assigned into bankruptcy on March 28, 2021 (a Sunday), if an extension of time is not granted by that date.
76. As described above, the Applicant will require the Extension to allow it to, among other things, continue the Orderly Liquidation and operate the Core Business while it completes its restructuring.
77. The Applicant has acted in good faith and with due diligence prior to the filing of 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 were granted.
78. The Proposal Trustee supports the Applicant's application for the Extension.

Part 3: LEGAL BASIS

A. Approval of the Administration Charge

1. Section 64.2(1) of the BIA provides the Court with the authority to grant a charge in favour of financial, legal or other professionals involved in proposal proceedings under the BIA.

2. Administration and financial advisor charges have been approved in proposal proceedings where the participation of financial, legal and other professionals is necessary to ensure a successful proceeding under the BIA. Courts have considered the complexity of the applicant's business in assessing the reasonableness of the quantum of the charge sought.¹⁷
3. The participation of the Proposal Trustee, legal counsel for the Proposal Trustee and counsel for the Applicant is necessary to ensure a successful proposal under these Proposal Proceedings.
4. The quantum of the Administration Charge was determined in consultation with the Proposal Trustee and its counsel, and is fair and reasonable in light of the complexity of the Applicant's business and the issues anticipated to arise in the context of these Proposal Proceedings, including in dealing with the Applicant's secured creditors and the Equipment Financers.

B. Sale of Redundant Equipment

5. Section 65.13 of the BIA, which is substantially similar to Section 36 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "CCAA"), prohibits a debtor company from selling or otherwise disposing of assets outside of the ordinary course of business unless authorized to do so by the court.
6. A debtor company that applies in proceedings under the BIA or CCAA for authorization to sell or dispose of assets outside the ordinary course of business:
 - (a) must give notice of the application to the secured creditors likely to be affected by the proposed sale or disposition; and
 - (b) pursuant to Section 65.13(4) of the BIA, in deciding whether to grant authorization, the court is to consider, among other things:

¹⁷ *Danier Leather Inc. Re*, 2016 ONSC 1044, at paras. 57-58, citing *Colossus Minerals Inc. Re*, 2014 ONSC 514 at paras. 11-15.

- (i) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;
- (ii) whether the trustee (or monitor) approved the process leading to the proposed sale or distribution;
- (iii) whether the trustee (or monitor) filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;
- (iv) the extent to which the creditors were consulted; and
- (v) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.¹⁸

7. The Model CCAA Initial Order issued by this court August 1, 2015 (the “**Model Order**”) provides that, if granted in appropriate circumstances, applicant companies are authorized to “dispose of redundant or non-material assets” in values not exceeding specified amounts in any one transaction, or a further specified amount on aggregate.
8. The practical benefit of the foregoing to CCAA debtor companies is that they (under the Monitor’s supervision) are permitted to downsize and streamline their business without incurring the added expense of returning to court on multiple occasions to obtain the court’s authorization to dispose of assets of *de minimus* value.
9. The Applicant seeks an order authorizing it to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$1,000,000 in the aggregate, provided that for each sale of an assets for an amount exceeding \$10,000, the Applicant shall first obtain the written approval of the Proposal Trustee, Accord, and (as applicable) any creditor having a valid and perfected security interest (including a purchase-money security interest, “**PMSI**”) in such asset.

¹⁸ BIA, Section 65.13(4); CCAA, Section 36(3).

10. If granted, the order sought would: (a) provide the same practical benefit in these Proposal Proceedings to which the Applicant would otherwise be entitled if seeking the Model Order relief under the CCAA; and (b) prevent the Applicant from breaching the Asset Disposition Provision under the Refinancing Agreement.
11. Further, in regards to the Section 65.13(4) factors above, the Applicant submits that:
 - (a) notice of this application has been provided to all secured creditors likely to be affected by any proposed sale or disposition thereunder, including, in particular, Accord, Northbridge, the Province, and each of the Equipment Financers;
 - (b) the proposed process for selling redundant or non-material assets (i.e. the Redundant Equipment): (i) is reasonable and supported by the Proposal Trustee; and (ii) will reasonably assure that the consideration received for such assets is reasonable and fair considering their market value; and
 - (c) for the sale of asset over \$10,000: (i) requiring the Proposal Trustee's approval will allow it to consider, decide, and later report to the court its opinion that the sale of such asset was more beneficial to the Applicant's creditors than a sale or disposition under a bankruptcy; and (ii) requiring the approval of each creditor holding a valid and perfected security interest (including PMSI) in the asset to be sold will ensure adequate consultation.

C. Pre-filing Amounts

12. Section 183 of the BIA invests this court with the power to exercise its inherent jurisdiction to control its own process.¹⁹ Resort to inherent jurisdiction may be made to further to objects of the BIA where the act does not provide a specific mechanism.²⁰
13. Inherent jurisdiction is maintained as an important but sparingly used tool, and there are two preconditions to its exercise:

¹⁹ *Petrowest Corporation v. Peace River Hydro Partners*, 2019 BCSC 2221, paras. 37, 38, and 48; citing *Pope & Talbot Ltd., Re*, 2009 BCSC 1552 [*"Pope & Talbot"*].

²⁰ *Pope & Talbot*, para. 120.

- (a) the BIA must be silent on a point or not have dealt with the matter exhaustively; and
 - (b) after balancing competing interests, the benefit of granting the relief must outweigh the relative prejudice to those affected by it.²¹
14. Debtors in proceedings under the CCAA have in many cases obtained orders permitting them to pay pre-filing debts where unusual circumstances warrant a departure from the normal rule.²²
15. In *Eddie Bauer of Canada Inc., Re*, [2009] O.J. No. 2647 (Morawetz J.) and *EarthFirst Canada Inc., Re*, 2009 ABQB 78 (Romaine J.) [*“EarthFirst”*] courts authorized the payment of pre-filing obligations to non-critical suppliers under the CCAA in order to prevent disruption of the debtor company’s operations and maximize the value of the debtor company’s business for the purposes of reorganization or realization. In these cases, and in *Futura, infra*, the courts engaged in a form of proportionality or cost-benefit analysis, weighing the cost of such payments against the benefit to the estate.²³
16. The Applicant seeks an order pursuant to Section 183 of the BIA authorizing it to pay the Pre-filing Amounts (totalling \$463,073.49) to Matrix and Northbridge (both payments being on account of the Northbridge Indebtedness), so that it can obtain bonding from Northbridge.
17. Accord, the Applicant’s senior secured creditor, consents to the Applicant’s paying the Pre-filing Amounts. By its security interest in the Contract Assets, Northbridge holds a security interest in the Equipment and the Applicant’s receivables that ranks only behind serial-numbered registrations against the Equipment; therefore, such payment would not prefer Northbridge in relation to any other secured creditor of greater seniority (except for Accord).

²¹ *Pope & Talbot*, para. 120, citing *Residential Warranty Co. of Canada Inc., Re*, 2006 ABQB 236 (Topolniski J.)

²² *Veris Gold Corp., Re*, 2015 BCSC 399, para. 51.

²³ *Futura Loyalty Group Inc., Re*, 2012 ONSC 6403 [*“Futura”*], para. 13.

18. The Applicant submits that this Court may grant this order under its inherent jurisdiction because:
- (a) the BIA is silent and does not prohibit payment of the Pre-filing Amounts; and
 - (b) the benefit to the Applicant's stakeholders if it obtains bonding and continues the Core Business will, or is more than likely to, outweighs any potential prejudice to such stakeholders.
19. Further, while the BIA (as compared to the CCAA) is less flexible and more rules-based mechanism, proposals under the BIA serve the same remedial purpose as plans of arrangement under the CCAA, and authorizing the Applicant to pay the Pre-filing Amounts is consistent with the contemporary thrust of legislative reform towards harmonizing aspects of insolvency law common to the two acts to the extent possible in order to encourage reorganization over liquidation.²⁴

D. Extension of time to file a Proposal

20. The Applicant seeks the Extension to file a proposal in these proceedings to May 12, 2021.
21. 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.

²⁴ *Ted Leroy Trucking [Century Services] Ltd., Re*, 2010 SCC 60, paras. 15, 24.

22. The Applicant has acted in good faith and with due diligence both prior to the commencement of, and during these proceedings. It is working with the Proposal Trustee to conduct the Ordered Liquidation, and towards the funding of the Proposal Fund.
23. Growing the Proposal Fund will take time, as the same relies both on revenues generated from the Core Business and proceeds derived from the Applicant's Claims (if any). The Extension is required to allow the foregoing to continue; and, accordingly, the likelihood of a viable proposal is enhanced if the Extension is granted.

Part 4: MATERIAL TO BE RELIED ON

1. First Report of the Proposal Trustee to the Court, to be filed;
2. Affidavit #1 of Ian Munson, made March 9, 2021;
3. Model CCAA Initial Order, issued August 1, 2015; and
4. Such further and other material as counsel may advise and as this court deems admissible.

The Applicant estimate that the application will take **1 hour**.

- This matter is NOT within the jurisdiction of a master.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this Notice of Application, 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 of 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;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Dated: 09-Mar-2021

DocuSigned by:
Glen Nesbitt
4A0B70DD412F45F...

Signature of Lawyer for Applicant
Kibben Jackson

To be completed by the court only:

Order made

in the terms requested in paragraphs of Part 1 of
this Notice of Application

with the following variations and additional terms:

.....
.....
.....

Date:

.....
Signature of Judge Master

The Solicitors for the Applicant are Fasken Martineau DuMoulin LLP, whose office address and address for delivery is 550 Burrard Street, Suite 2900, Vancouver, BC V6C 0A3 Telephone: +1 604 631 3131 Facsimile: +1 604 631 3232. (Reference: KXJ/322707.00001)

APPENDIX

THIS APPLICATION 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

SCHEDULE "A"

SERVICE LIST

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

IN THE MATTER OF THE NOTICE OF INTENTION TO
 MAKE A PROPOSAL OF BEAR CREEK CONTRACTING
 LTD.

SERVICE LIST

(Last Updated: March 9, 2021)

<p>Fasken Martineau DuMoulin LLP</p> <p>Attention: Kibben Jackson Glen Nesbitt Suzanne Volkow Maaji Isobe</p> <p>Email: kjackson@fasken.com gnesbitt@fasken.com svolkow@fasken.com misobe@fasken.com</p> <p><i>Counsel for Bear Creek Contracting Ltd.</i></p>	<p>Bear Creek Contracting Ltd.</p> <p>Attention: Ian Munson Savanna Noel</p> <p>Email: munson@bearcreekgroup.onmicrosoft.com snoel@bearcreekgroup.onmicrosoft.com</p>
<p>Crowe MacKay & Company Ltd.</p> <p>Attention : Derek Lai</p> <p>Email: Derek.Lai@crowemackay.ca</p> <p><i>Proposal Trustee</i></p>	<p>Cassels Brock & Blackwell LLP</p> <p>Attention: Lance Williams</p> <p>Email: lwilliams@casselsbrock.com</p> <p><i>Counsel for Proposal Trustee</i></p>

<p>Her Majesty the Queen in the right of the Province of British Columbia</p> <p>Deputy Attorney General at Victoria</p> <p>PO BOX 9290 STN PROV GOVT Victoria, BC V8W 9J7</p> <p>Attention: Richard Fyfe, Q.C.</p> <p>Email: MAG.Correspondence@gov.bc.ca Alice.Nott@gov.bc.ca Aaron.Welch@gov.bc.ca Cindy.Cheuk@gov.bc.ca Carmen.Saldivia@gov.bc.ca</p> <p><i>Secured Creditor</i></p>	<p>Northbridge General Insurance Corporation Societe D'Assurance Generale Northbridge</p> <p>105 Adelaide Street West Toronto ON M5H 1P9</p> <p>Attention: Iqbal Bhinder</p> <p>Email: iqbalbhinder@unitedsurety.ca info@nbfc.com</p> <p><i>Secured Creditor</i></p>
<p>Accord Small Business Finance Corp.</p> <p>c/o : Alexander Holburn Beaudin + Lang LLP</p> <p>Attention: David Garner James Jang</p> <p>Email: dgarner@ahbl.ca jjang@accordfinancial.net</p> <p><i>Senior Secured Creditor</i></p>	<p>Arundel Capital Corporation</p> <p>Suite 420, 5119 Elbow Drive SW Calgary, AB T2V 1H2</p> <p>Attention: Vik Ghosh</p> <p>Fax: 403.287.9847</p> <p>Email: vghosh@arundelcapital.com</p> <p><i>Equipment Lessor</i></p>
<p>Current Financial Corp.</p> <p>Tower 1 2020, 10060 Jasper Avenue Edmonton, AB T5J 3R8</p> <p>Attention: Maya Winfrey</p> <p>Fax: 780-665-4901</p> <p>Email: mwinfrey@currentfinancial.com</p> <p><i>Equipment Lessor</i></p>	<p>Dynamic Capital Equipment Finance Inc.</p> <p>208, 1824 Gordon Drive Kelowna, BC V1Y 0E2</p> <p>Attention: Dustin White</p> <p>Fax: 877.521.9273</p> <p>Email: dwhite@dynamic-capital.ca</p> <p><i>Equipment Lessor</i></p>

Ford Credit Canada Company PO Box 2400 Edmonton, AB T5J 5C7 Telephone: 1-877-636-7346 Fax: 780-443-5352 Email: n/a <i>Equipment Lessor</i>	Terrace Totem Ford Sales Ltd. 4631 Keith Avenue Terrace, BC V8G 1K3 Telephone: 855-908-2929 Fax: n/a Email: Mitch@totemford.net <i>Equipment Lessor</i>
---	--

SCHEDULE "B"
DRAFT ORDER

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

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF
BEAR CREEK CONTRACTING LTD.

ORDER MADE AFTER APPLICATION

BEFORE)
) THE HONOURABLE
) MR. JUSTICE PUNNETT
)
) MARCH 11, 2021
)

ON THE APPLICATION OF Bear Creek Contracting Ltd. (the “**Applicant**”), coming on for hearing by telephone at Prince Rupert, British Columbia on this day, and on hearing Kibben Jackson and Glen Nesbitt, counsel for the Applicant, and those counsel listed in Schedule “A” attached hereto; AND UPON READING the material filed, including Affidavit #1 of Ian Munson, sworn March 9, 2021 (“**Munson #1**”) and the First Report of the Proposal Trustee dated March 9, 2021 (the “**First Report**”);

THIS COURT ORDERS that:

Administration Charge

1. Crowe MacKay & Company Ltd. (the “**Proposal Trustee**”), in its capacity as proposal trustee of the Applicant, counsel to the Proposal Trustee, and 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**”), which charge shall not exceed the aggregate amount of \$200,000, as security for their respective fees and disbursements incurred at the standard rates and charges of the

Proposal Trustee, its counsel, and counsel for the Applicant, both before and after the making of this order, that are related to these proceedings, the Applicant's proposal and the fulfillment of the Proposal Trustee's duties in these proceedings and under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**"). The Administration Charge shall rank in priority to all other security interests, trusts, liens, charges, encumbrances and other claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**"), in favour of any person, other than any secured claims which may arise pursuant to subsection 14.06(7) of the BIA.

2. 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, registered, recorded or perfected subsequent to Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.
3. 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.
4. 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;
 - (d) the provisions of any federal or provincial statutes; or

- (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, an “**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 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.
- 5. Any interested Person 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.

Sale of Redundant Equipment

- 6. The Applicant is hereby permitted to permanently or temporarily cease, downsize or shut down all or any part 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-material assets not exceeding \$100,000 in any one transaction or \$1,000,000 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, Accord Small

Business Finance Corp. (“**Accord**”) and any creditor having a valid and perfected security interest in such asset.

7. Any asset sold in accordance with the 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 any such proposed payment from each creditor having a security interest in such asset and from the Proposal Trustee; or
 - (b) pending receipt of such written consent or a further order of this court, to the Proposal Trustee.
8. The net proceeds of sale of any asset sold in accordance with this order shall stand in the place and stead of such asset, and all claims of any creditors shall attach to the net proceeds with the same priority as they had with respect to such asset immediately prior to the sale, as if such asset had not been sold and remained in the possession or control of the Applicant.

Payments to Northbridge

9. The Applicant is hereby permitted to pay to Northbridge General Insurance Corporation Société D’Assurance Générale Northbridge (“**Northbridge**”), or to Gitga’at Matrix Workforce Services Ltd. (“**Matrix**”) on behalf of Northbridge, the sum of \$463,073.49 in accordance with the terms of the agreements dated February 18, 2021, between the Applicant and Northbridge and Matrix and Northbridge, copies of which are attached as Exhibits “N” and “O” to Munson #1.

Extension of time to file a Proposal

10. The time for filing the Applicant’s proposal under Part III of the BIA be and is hereby extended to 11:59 on May 12, 2021.

Miscellaneous

11. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this order and to assist the Applicant and the Proposal Trustee, and their respective agents in carrying out the terms of this order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Trustee, as an officer of this court, as may be necessary or desirable to give effect to this order, to assist the Applicant and the Trustee and their respective agents in carrying out the terms of this order.
12. Any interested party (including the Applicant and the Proposal Trustee) may apply to this Court to vary or amend this order on not less than seven days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this court may order.
13. This order and all of its provisions are effective as of 12:01 a.m. Pacific Time on the date of this order.
14. 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.

Signature of Kibben Jackson
Lawyer for the Applicant

BY THE COURT

REGISTRAR

SCHEDULE "A"

List of Counsel Appearing

Name of Party	Counsel Name
Crowe MacKay & Company Ltd.	Lance Williams
Accord Small Business Finance Corp.	David Garner

No. PRR-S-B-11725

Estate No. 11-2716201

Province of British Columbia
Bankruptcy Division
Prince Rupert Registry

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

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL
OF BEAR CREEK CONTRACTING
LTD.

**ORDER MADE AFTER APPLICATION
(ADMINISTRATION CHARGE ET. AL.)**

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors
550 Burrard Street, Suite 2900
Vancouver, BC, V6C 0A3
+1 604 631 3131

Counsel: Kibben Jackson
Matter No: 322707.00001