

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE RECEIVERSHIP OF
THE SYMPHONY DEVELOPMENT CORPORATION
(Referred to as “Symphony” or the “Company”)**

**RECEIVER MANAGER’S NINTH REPORT TO COURT
(Prepared for the August 16, 2011 Court Hearing)**

AUGUST 11, 2011

**THE SYMPHONY DEVELOPMENT CORPORATION
RECEIVER MANAGER'S NINTH REPORT TO COURT
AUGUST 11, 2011**

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1 INTRODUCTION

- 1.1 On January 12, 2010, by order of the Supreme Court of British Columbia (the "Court") on application of Malkit Johal ("Johal") and Gurmel Singh Kainth ("Kainth"), PricewaterhouseCoopers Inc. was appointed Receiver Manager (the "Receiver") of The Symphony Development Corporation ("Symphony" or the "Company").
- 1.2 The Receiver has previously filed the following reports with the Court:
 - 1.2.1 March 4, 2010 – Receiver's First Report;
 - 1.2.2 March 24, 2010 – Supplemental Report to the Receiver's First Report;
 - 1.2.3 April 26, 2010 – Receiver's Second Report;
 - 1.2.4 May 25, 2010 – Receiver's Third Report;
 - 1.2.5 June 16, 2010 – Receiver's Fourth Report;
 - 1.2.6 August 19, 2010 – Receiver's Fifth Report;
 - 1.2.7 October 4, 2010 – Receiver's Sixth Report;
 - 1.2.8 November 10, 2010 – Receiver's Seventh Report; and
 - 1.2.9 January 27, 2011 – Receiver's Eighth Report.
- 1.3 This is the Receiver's ninth Report to the Court and is filed for the following purposes:
 - 1.3.1 Providing the Court with a brief update on the status of this receivership;
 - 1.3.2 Reporting on the Court's request that the Receiver image the memory stick referred to in its order dated June 30, 2011 and report on its findings relative to certain loan agreement files contained therein; and
 - 1.3.3 Providing comments on the List of Offsets submitted by Johal as part of Johal's appeal of the Receiver's determination on the validity of the secured claims submitted by Tejwant Kainth and 0769932 B.C. Ltd. ("076").

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2 STATUS OF THE RECEIVERSHIP

2.1 A summary of the status of the Receivership is provided below:

Remaining Assets

- 2.2 Since its last report the Receiver has collected approximately \$276,000 in respect of outstanding GST refunds as a result of updating the Company's books and records and filing all the relevant tax returns.
- 2.3 Security deposits totaling \$271,000 are recoverable from the District of Maple Ridge ("DMR") once certain additional work is completed pursuant to agreements with DMR. The Receiver may be able to realize some of these deposits if the cost of the work required is less than the deposits held. However, the Receiver is not convinced that the potential benefit is worth the risk of cost over-runs to the Receiver. The Receiver is seeking alternate approaches to realizing any potential "equity" in these deposits.

Statement of Receipts and Disbursements

- 2.4 Attached as Appendix A is a Statement of Receipts and Disbursements from the date of the Receiver's appointment to July 31, 2011.
- 2.5 Cash receipts have totaled \$19.7 million and cash disbursements have totaled \$1.7 million, resulting in an excess of receipts over disbursements of \$18.0 million.
- 2.6 Distributions totaling \$13.0 Million have been made to Coast Capital Savings Credit Union, Tejwant Kainth and the subcontractors to Pacific Utility Contracting, leaving \$5.0 million cash on hand as at July 31, 2011.

Status of appeals to Receiver's determinations on the Secured Claims

- 2.7 Integra Architecture Inc. ("Integra") – The Receiver's initial determination of Integra's lien claim was that it should not be allowed and that it was an unsecured claim. Subsequent to this determination, the Receiver was provided with additional information regarding the claim, including evidence that the work performed by Integra was in respect of an improvement constructed upon the Albion Slopes Lands. Additionally, and more importantly, a post-determination judgment of the Supreme Court of British Columbia altered the previous standard for determining when an improvement is deemed to have been abandoned for the purposes of establishing the commencement of the lien period. The effect of this judgment was to permit the Court to consider the intention of Integra not

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to abandon the improvement until August 21, 2009. In the result, Integra's Claim of Builder's Lien, filed on August 21, 2009, was filed within the requisite lien period and constituted a valid secured claim. Details of these material factors were filed in connection with Integra's appeal, which was heard on June 15, 2011. The Court accepted the additional evidence concerning the existence of an improvement, and applied the new SCBC authority in approving Integra's secured claim in the amount of \$122,479.24.

- 2.8 497308 B.C. Ltd ("497") – The Receiver is not aware of any actions taken by 497 to schedule an appeal of its claim to date. The Receiver will be contacting 497 in this regard to make arrangements for an appeal.
- 2.9 Bassi Brothers Framing Ltd. ("Bassi") – The Receiver understands that Bassi is currently seeking court dates to schedule the hearing of its appeal.
- 2.10 Tejwant Kainth & 076 – Johal has appealed these claims and case planning conferences are set for August 16 and August 17, 2011. The following sections of this report address issues raised during the appeal process.

3 KAINTH FLASH DRIVE

- 3.1 The Receiver's original analysis relative to the claims by Tejwant Kainth and 076 included a description of its efforts to confirm whether the terms of the loans, at the time they were made, were in fact as set out in the loan agreements submitted with the proofs of claim. In particular, the Receiver noted that it had obtained the computer files that the claimants represented contained the original loan agreements. The Receiver reviewed them to determine the following:
 - 3.1.1 Whether the loan agreements contained therein matched the loan agreements that were submitted with the proofs of claim; and
 - 3.1.2 Whether the file creation and print dates pre-dated the dates that the loans were made in order to corroborate the assertion that the loan agreements were in place at the time that the loans were made.
- 3.2 Although the computer files provided evidence supporting the conclusion that a loan agreement existed at the time the loan was made, there remained the possibility that the loan agreements had been altered and re-printed subsequent to the dates on which the loans were made. Details of the Receiver's concerns in this regard, and the qualifications upon the

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Receiver's conclusions respecting the dates of creation and printing of the loan agreements, are set out more fully at Appendix H.1 of the Receiver's 6th Report to Court. As a result of these qualifications, the Johals sought a further review of the computer files in relation to the loan agreements, and on June 30, 2011 an Order was granted, directing the Receiver to conduct forensic testing in relation to the electronic records.

- 3.3 A copy of the Court's order made on June 30, 2011 is attached as Appendix B. In summary, the Court ordered:
 - 3.3.1 That Gurdeep Kainth deliver to the Receiver the flash drive containing the loan agreement files.
 - 3.3.2 That the Receiver make two bit stream image copies of the loan agreement files only and return the flash drive to Gurdeep Kainth or Fasken Martineau DuMoulin LLP ("FMD") on his behalf.
 - 3.3.3 That the Receiver deliver one copy of the imaged loan agreement files to counsel for Johal.
 - 3.3.4 That the Receiver prepare a report to the Court as to its review and analysis of the loan agreement files that addresses, in particular, the dates of creation and printing of the loan agreement files.
- 3.4 On July 15, 2011, the Receiver received the flash drive. The Receiver's Forensic Technology Solutions group imaged the following four files from the flash drive:
 - 3.4.1 Loan Agreement – Template.doc;
 - 3.4.2 Loan Agreement – TK.doc;
 - 3.4.3 Loan Agreement – 076.doc; and
 - 3.4.4 Loan Agreement – GP.doc.
- 3.5 On July 20, 2011, the Receiver:
 - 3.5.1 delivered a CD containing the imaged files to counsel for Johal.
 - 3.5.2 delivered a copy of the CD provided to counsel for Johal and the original flash drive to Mr. Millar at FMD.

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- 3.5.3 obtained a confidentiality agreement from Mr. Brown of Boughton Law Corporation with respect to the imaged files as outlined in the draft court order.
- 3.6 The Receiver notes that the draft court order did not include the data file entitled "Loan Agreement – GP.doc as one of the files to be imaged. The file was imaged, as it contained one of two loan agreement documents that formed part of the claim submitted by 076. The Receiver notes that this additional file was provided by FMD during the course of the Receiver's initial claims review and was discussed by the Receiver in its analysis of 076's claim in its 6th report to the court.
- 3.7 The Receiver used software called Encase to extract each Microsoft Word file ("Word File") and compared the loan agreements contained on the Word File with the loan agreements submitted with the proofs of claim provided to the Receiver. The loan agreements contained the same text and appeared to be identical to the documents submitted with the proofs of claim.
- 3.8 The Receiver used Encase to determine the Word File creation dates which are summarized below:

Word File	Creation Date
Loan Agreement – Template.doc	June 20, 2006
Loan Agreement – TK.doc.	November 19, 2007
Loan Agreement – 076.doc	March 31, 2008
Loan Agreement – GP.doc	October 3, 2007

- 3.9 The Receiver notes that without access to the computer used to print the files or the print server for a network of computers that may have been used to print the files, it is not possible to determine and verify all the dates that the Word Files were printed or whether all of a particular Word File was printed.
- 3.10 However, the Receiver did review the Word File properties ("File Properties") statistics for each loan agreement file. The File Properties include details as to the creation date, last modified or accessed date, last printed date and the name of the user that last saved the Word File.

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- 3.11 File Properties can sometimes be helpful in tracing what has happened to a Word File; however, there are some limiting features about File Properties that must be considered. For example:
- 3.11.1 The creation date for a Word File that is saved on another storage medium or renamed on the current storage medium will be updated to reflect the date that the Word File is saved or renamed.
- 3.11.2 The modified or accessed dates reflect only the date on which the Word File was last modified or accessed. No log disclosing all of the modification or accessed dates is maintained or available from the File Properties.
- 3.11.3 The printed date reflects only the last date that the Word File was submitted for printing. No log disclosing all print dates is maintained or available from the File Properties. Further, the printed date only indicates the date when a request to print the Word File was made. It is not definitive in determining whether the Word File was ever physically printed by the computer or network being used to print the Word File. A review of the printing computer's hard drive or the print server would be necessary to provide a more definitive determination.
- 3.12 Based on the print dates contained within the File Properties, the Receiver compared the print dates of each Word File to the dates that the loan agreements provided with the proofs of claim indicate that they were "signed and dated". The comparison follows:

Word File	Printed Dates	Signed & Dated
Loan Agreement – TK.doc	November 19, 2007	November 19, 2007
Loan Agreement – 076.doc	March 31, 2008	April 2, 2008
Loan Agreement – GP.doc	October 3, 2007	October 3, 2007

- 3.13 The fact that the printed dates pre-date or are the same as the "signed and dated" dates strongly suggests that a form of the loan agreement contained in each Word File was printed and was available for execution on the "signed and dated" dates for each loan agreement.

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- 3.14 However, the Receiver also reviewed the File Properties for each Word File and noted that in each case the most recent modified date is subsequent to the most recent printed date. A summary of the last modified dates follows:

Word File	Modified Date
Loan Agreement – Template.doc	September 9, 2010
Loan Agreement – TK.doc.	September 9, 2010
Loan Agreement – 076.doc	September 9, 2010
Loan Agreement – GP.doc	September 9, 2010

- 3.15 The modified date is updated when either a change in the Word File occurs and is saved or the Word file is opened and then subsequently saved without any changes. Given that each of the Word Files has a modified date that post dates the print dates, one cannot conclude with certainty that the loan agreements contained in the Word Files as provided to the Receiver were the same loan agreements printed on the print dates.
- 3.16 In summary, the Word File creation dates and the print dates allow the Receiver to conclude that a loan agreement, in one form or another, existed at the time that the loans were made and on the dates that they were said to have been executed. However, because the last modification date for each file is September 9, 2010, the Receiver cannot determine with certainty whether the forms of the loan agreements contained in the flash drive (which in each case matches the loan agreement submitted with the proofs of claim for 076 and Tejawant Kainth) were in fact the same forms of loan agreements that existed when the loans were agreed to by Symphony.

4 POTENTIAL SET OFF ISSUES RAISED BY JOHAL

- 4.1 On July 26, 2011, counsel for Johal delivered a document entitled “List of Offsets of the Symphony Development Corporation” as part of its appeal from the Receiver’s determination on the secured claims of Tejawant Kainth and 076. The document outlines certain legal arguments relating to the assignment of the loan to the Company by Pritam Aulakh and Gurmel Kainth to 076 and details of up to \$1.3 million that could be set off against claims made by Gurmel Kainth, Tejawant Kainth and Pritam Aulak (the “Offsets”). A copy is attached as Appendix C. On June 30, 2011, the

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Court requested that the Receiver review the list of Offsets and provide its comments to the Court.

- 4.2 When the Receiver made its determination on the Tejawant Kainth and 076 claims, the Receiver conducted a review of the accounts between the Company and Tejawant Kainth and 076, to determine whether potential offsets existed, and did not identify any offsets that applied to those claimants. The Receiver did not consider whether any offsets might exist as between the Company and Gurmel Kainth, as Mr. Kainth was not directly a claimant.
- 4.3 The presentation of the Offsets by Johal raises the following two issues:
 - 4.3.1 Do the Offsets constitute legitimate claims that should be deducted from claims made against the Company?
 - 4.3.2 Are amounts (if any) owing to the Company by Pritam Aulakh or Gurmel Kainth eligible for set off against the secured claim of 076?
- 4.4 The Receiver considers that only amounts determined to be owing from Tejawant Kainth should be set off against Tejawant Kainth's claim. Further, the Receiver considers that any amount owing to the Company by Gurmel Kainth or Pritam Aulakh could potentially be set off against the claim advanced by 076, based upon the following:
 - 4.4.1 The claim of 076 relies in part upon an assignment of an obligation due from the Company to Gurmel Kainth and Pritam Aulakh, which was assigned to 076;
 - 4.4.2 A debtor is entitled as against an assignee to any set off or defence existing at the time of the notice to the assignment to the debtor, in the same manner and to the same extent as the set off or defence would have been effectual if there had been no assignment; and
 - 4.4.3 The Company received notice of the assignment to 076 on April 2, 2008, and therefore any amounts due from Gurmel Kainth and Pritam Aulakh to the Company prior to that date could potentially serve to reduce the Company's indebtedness to 076.

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- 4.5 The Receiver has considered the nature of the Offsets but not conducted a detailed review to determine the potential validity of the Offsets for the following reasons:
- 4.5.1 The Offsets represent select transactions rather than a full accounting of all the transactions between the Company and either Gurmel Kainth or Pritam Aulakh. Although the Offsets are supported by documentation and appear to represent claims in favour of the Company, there may be other transactions that create claims against the Company which would operate to reduce the value of the Offsets. To validate the net balance between Gurmel Kainth and the Company, for example, the Receiver anticipates that it would need to review the Company records to identify all transactions occurring between them. It would have to seek explanations from Gurmel Kainth and review source documents to validate the transactions. This exercise could not be completed in the timeframe provided to the Receiver, and would not be consistent with the Receiver's restrictions respecting the review of unsecured claims; and
- 4.5.2 Moreover, unless and until it is determined that the Offsets can be applied against the claims against the Company by 076 or Tejwant Kainth, there appears to be little value in incurring the cost of determining whether the Offsets constitute valid claims.
- 4.6 In summary, it is the Receiver's view that there is a threshold issue to be determined before it would be useful to conduct an analysis of the Offsets related to 076. It is the Receiver's understanding that counsel for the Johals and counsel for the Kainths each agree that no analysis of these Offsets should be undertaken in the absence of a determination of that threshold issue, and further directions from the Court.
- 4.7 It is the Receiver's further view that at least those impugned transactions involving Gurmel Kainth and Pritam Aulakh which precede the date on which notice of the assignment was provided to the Company (April 2, 2008 - the "Notice Date") prima facie meet the threshold test, and should be reviewed along with all other transactions which might result in a credit to Gurmel Kainth and Pritam Aulakh, such that the Receiver can provide a further report as to the balance of such accounts as at the Notice Date. Additional transactions may, depending upon the Court's determination as to the essential validity of the assignment and related Mortgage (as submitted by the Johals), be added to the transactions under review by the Receiver.

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- 4.8 The Receiver would propose to initiate the process by interviewing Gurmel Kainth to obtain his evidence and position on the impugned transactions. It would then obtain and review all available primary resources in its effort to present an accurate and fulsome analysis of the individual transactions and the balance of accounts as at the material date(s), to assist the Court in its determination of whether the test for legal or equitable set off has been satisfied in each case.
- 4.9 With respect to Tejwant Kainth, the Receiver concludes that there is no similar threshold issue, such that any Offsets involving her could presently be considered to operate in reduction of the balance due to Tejwant Kainth under her mortgage, if they otherwise meet the legal tests for legal and equitable set off. The Receiver would propose to initiate a review of the impugned transaction identified at paragraphs 42 and 43 of the List of Offsets submitted by the Johals. The review would include interviewing Tejwant Kainth and Gurmel Kainth, and reviewing Symphony's records.

This report is respectfully submitted this 11th day of August 2011.

**PricewaterhouseCoopers Inc.
Court Appointed Receiver Manager of
The Symphony Development Corporation**



Neil P. Bunker
Vice President

APPENDIX A

Statement of Receipts and Disbursements to July 31, 2011

APPENDIX A

PRICEWATERHOUSECOOPERS INC.
IN ITS CAPACITY AS RECEIVER MANAGER OF
THE SYMPHONY DEVELOPMENT CORPORATION

STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD JANUARY 12, 2010 TO JULY 31, 2011

Receipts	(\$)
Cash in bank at Vancity	3,695
Term deposits from Coast Capital	850,156
Land Sales	
Spencer's Ridge	732,500
Albion Slopes	17,688,000
Pre Appt - GST Refund	276,958
Post Appt GST/HST Refunds	118,615
Motor Vehicle	5,400
Interest Income	64,752
Total Receipts	19,740,075
Disbursements	
Commission	423,161
Property tax paid on sale of lands	208,241
Receiver fees	582,763
Legal Fees	363,912
Office expenses	29,488
Utilities	762
HST Paid	107,448
GST Paid	28,347
Insurance	3,765
Repairs & Maintenance	420
Search Fees	190
Contract Labour	2,433
Advertising	449
Filing fees	90
Total Disbursements	1,751,469
Excess of Receipts over disbursements	17,988,606
Represented by	
Cash on hand	5,028,680
Distributions	
Coast Capital Savings Credit Union	11,582,951
Tejwant Kaur Kainth	471,076
Tejwant Kaur Kainth Mortgage Security Held in Trust	25,000
Pacific Utility Contracting Subcontractors	734,549
Pacific Utility Contracting	146,350
Total	17,988,606

APPENDIX B

**Court Order dated June 30, 2011
regarding the Kainth flash drive**



NO. H091522
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

COAST CAPITAL SAVINGS CREDIT UNION

PETITIONER

AND:

THE SYMPHONY DEVELOPMENT CORPORATION, GURMEL SINGH
KAINTH, SHMINDER JOHAL, 497308 B.C. LTD., 0769932 B.C. LTD., EMCO
CORPORATION, PACIFIC UTILITY CONTRACTING LTD., UNLIMITED
EXCAVATING & LANDSCAPING LTD., JACK CEWE LTD., C&C TRUCKING
(1988) LTD., OCEAN CONSTRUCTION SUPPLIES LIMITED, NORA ROSALIE
MARVIN, BASSI BROTHERS FRAMING LTD., UNITED RENTALS OF CANADA
INC., MCRAE'S ENVIRONMENTAL SERVICES LTD., GRAESTONE READY
MIX INC., VALLEY GEOTECHNICAL ENGINEERING SERVICES LTD., D.K.
BOWINS & ASSOCIATES INC., VANCOUVER CITY SAVINGS CREDIT UNION
and MALKIT SINGH JOHAL and TEJWANT KAUR KAINTH

RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE) THE HONOURABLE JUSTICE) 30/JUN/2011
) MR. JUSTICE WALKER)
)

ON THE APPLICATION of Malkit Singh Johal

- ☒ coming on for hearing at Vancouver, British Columbia on 30/Jun/2011 and on hearing Alan H. Brown for Malkit Singh Johal; Steven D. Dvorak, for PricewaterhouseCoopers Inc., the Receiver and Manager of The Symphony Development Corporation (the "Receiver"); Robert A. Millar for Tejwant Kaur Kainth and 0769932 B.C. Ltd.; no one else appeared although all were duly served;


THIS COURT ORDERS that:

1. Gurdeep Kainth shall forthwith produce to the Receiver the original flash disk drive (the "Flash Drive") referred to in the Affidavit #1 of Gurdeep Kainth sworn in this proceeding on September 29, 2010, and containing data related to the template loan agreement identified as "Loan Agreement - Template.doc" (the "Template Data"), the Tejwant Kainth Loan Agreement identified as "Loan Agmt - TK .doc" (the "TK Data") and the 0769932 B.C. Ltd. Loan Agreement identified as "Kainth/Aulakh Loan Agreement" (the "076.Data") (the Template Data, TK Data and 076 Data are collectively referred to herein as the "Loan Agreement Data").


2. All files, documents and data (the "Data") contained on the Flash Drive are confidential documents and are expressly subject to the undertaking of confidentiality governing the disclosure of documents pursuant to the Supreme Court Civil Rules, and except as may be authorized and permitted under this Order, all persons receiving the Data shall maintain the Data in confidence and shall not disclose the Data to any person without the express written agreement of Gurdeep Kainth or an Order of this Court, made on notice to Gurdeep Kainth.
3. The Receiver or its agent shall, within three (3) business days of receiving the Flash Drive:
 - (a) make two bit stream image copies of the Loan Agreement Data only;
 - (b) deliver one copy of the imaged Loan Agreement Data to counsel for Malkit Singh Johal; and
 - (c) return the Flash Drive to Gurdeep Kainth or to Fasken Martineau DuMoulin LLP on his behalf, unaltered.
4. The Loan Agreement Data may only be disclosed or communicated, directly or indirectly, to the following qualified persons:
 - (a) the solicitors of record for Malkit Singh Johal in the Action, and such solicitors' employed personnel who are assisting the solicitors of record in the Action; and
 - (b) experts or consultants retained by Malkit Singh Johal or his solicitors of record for the purpose of analyzing the Loan Agreement Data.
5. Before the Loan Agreement Data is disclosed or communicated, directly or indirectly, to any person, the party disclosing or communicating the Loan Agreement Data shall ensure that the recipient of the Loan Agreement Data has executed an Acknowledgment Regarding Confidentiality of Data in the form attached hereto as Schedule "A".
6. Each executed Acknowledgment Regarding Confidentiality of Data shall be retained by the solicitors for the party disclosing the Documents to the qualified person(s) as set out in paragraph 4 hereof.

7. Upon final determination of the review of the Receiver's determination of the Claims of Tejawant Kainth and 0769932 B.C. Ltd., any party in possession of Loan Agreement Data shall deliver the same to Gurdeep Kainth or to Fasken Martineau DuMoulin LLP on his behalf, and shall retain no copies or images thereof.
8. The Receiver shall prepare a Report to the Court as to its review and analysis of the Loan Agreement Data and any metadata related thereto, addressing in particular the dates of creation and printing of the Loan Agreement Data, and shall file a copy of the Report with the Court and deliver copies to counsel for Malkit Singh Johal and Tejawant Kainth/0769932 B.C. Ltd. within thirty (30) days of receiving the Flash Drive from Gurdeep Kainth.
9. The Receiver shall, if requested, provide a copy of any forensic review of the Loan Agreement Data prepared at its request to counsel for Malkit Singh Johal, provided that any report prepared in reliance, in whole or in part, upon such forensic review shall be disclosed to the Receiver and counsel for Tejawant Kainth/0769932 B.C. Ltd.


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 Steven D. Dvorak
☐ party ☒ lawyer for the Receiver

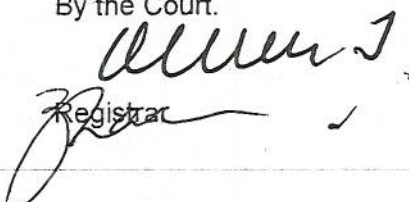


Signature of Alan H. Brown
☐ party ☒ lawyer for Malkit Singh Johal



Signature of Robert A. Millar
☐ party ☒ lawyer for Tejawant Kaur Kainth
and 0769932 B.C. Ltd

By the Court.


Registrar

SCHEDULE "A"

NO. H091522
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

COAST CAPITAL SAVINGS CREDIT UNION

PETITIONER

AND:

THE SYMPHONY DEVELOPMENT CORPORATION, GURMEL SINGH KAINTH, SHMINDER JOHAL, 497308 B.C. LTD., 0769932 B.C. LTD., EMCO CORPORATION, PACIFIC UTILITY CONTRACTING LTD., UNLIMITED EXCAVATING & LANDSCAPING LTD., JACK CEWE LTD., C&C TRUCKING (1988) LTD., OCEAN CONSTRUCTION SUPPLIES LIMITED, NORA ROSALIE MARVIN, BASSI BROTHERS FRAMING LTD., UNITED RENTALS OF CANADA INC., MCRAE'S ENVIRONMENTAL SERVICES LTD., GRAESTONE READY MIX INC., VALLEY GEOTECHNICAL ENGINEERING SERVICES LTD., D.K. BOWINS & ASSOCIATES INC., VANCOUVER CITY SAVINGS CREDIT UNION and MALKIT SINGH JOHAL and TEJWANT KAUR KAINTH

RESPONDENTS

**ACKNOWLEDGEMENT REGARDING
CONFIDENTIALITY OF INFORMATION**

I hereby acknowledge that:

1. I have read the Order (the "Order") of the Supreme Court of British Columbia made on June 30, 2011 in Vancouver Registry Action No. H091522 (the "Action").
2. all electronic data and other information disclosed by Gurdeep Kainth pursuant to the Order that may have been or may be provided to me (the "Confidential Information") is subject to an implied undertaking of confidentiality governing the disclosure of documents under the laws of British Columbia ("Implied Undertaking").
3. As provided in the Order, I will maintain the Confidential Information in confidence and will not disclose it to any person without the express written agreement of Gurdeep Kainth or an Order of this Court, made on notice to Gurdeep Kainth.

4. pursuant to the Implied Undertaking and the Order, the Confidential Information will not be used by me for any purpose other than in connection with the preparation of a report to be filed in the Action; and

5. any breach of the Implied Undertaking or the Order may be punishable by contempt proceedings.

I hereby agree to abide by the Implied Undertaking and the Order, and agree to return, upon request of the solicitor for the party disclosing the Confidential Information to me, any Confidential Information that has been or may be provided to me.

Signature

Name

Address

Occupation

NO. H091522
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

COAST CAPITAL SAVINGS CREDIT UNION

PETITIONER

AND:

THE SYMPHONY DEVELOPMENT CORPORATION, and
Others

RESPONDENTS

ORDER MADE AFTER APPLICATION

BULL, HOUSSEY & TUPPER LLP
Barristers & Solicitors
3000 - 1055 West Georgia Street
Vancouver, B.C. V6E 3R3
Telephone: (604) 687-6575
Facsimile: (604) 641-4949
E-mail: litigation@bht.com
Attention: Steven D. Dvorak

SDD/cef

Matter# 10-2231

DYE & DURHAM CORPORATION

7246114-2

R/L

APPENDIX C

List of offsets of the Symphony Development Corporation



No. H091522
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

COAST CAPITAL SAVINGS CREDIT UNION

PLAINTIFF

AND:

**THE SYMPHONY DEVELOPMENT CORPORATION,
GURMEL SINGH KAINTH,
SHMINDER JOHAL,
497308 B.C. LTD.INC.,
0769932 B.C. LTD.,
EMCO CORPORATION,
PACIFIC UTILITY CONTRACTING LTD.,
UNLIMITED EXCAVATING & LANDSCAPING LTD.,
JACK CEWE LTD.,
C & C TRUCKING (1988) LTD.,
OCEAN CONSTRUCTION SUPPLIES LIMITED,
NORA ROSALIE MARVIN,
BASSI BROTHERS FRAMING LTD.,
UNITED RENTALS OF CANADA INC.,
McRAE'S ENVIRONMENTAL SERVICES LTD.,
GRAESTONE READY MIX INC.,
VALLEY GEOTECHNICAL ENGINEERING SERVICES LTD.,
D.K. BOWINS & ASSOCIATES INC.,
VANCOUVER CITY SAVINGS CREDIT UNION**

DEFENDANTS

**LIST OF OFFSETS OF
THE SYMPHONY DEVELOPMENT CORPORATION**

LAW OF SET-OFF

1. In the absence of an agreement on the part of 0769932 B. C. Ltd. ("076") to allow offsets against their mortgage debt, Symphony must demonstrate that it has a right of set-off at law or a right of set-off in equity.

Telford v. Holt [1987] 2 S.C.R.. 193 at para. 22

2. Supreme Court Civil Rules allow for set off. The purpose of Rule 3-7(11) (formerly R. 19(13)) is to ensure that a right of set-off is not limited to a liquidated demand but can extend to any claim founded on equitable set-off, including a claim for damages. However, for equitable set-off to apply it must be established that there is such a relationship between the respective claims of the parties that the claim of 0769932 has been brought about by, or has been contributed to by, or is otherwise so bound up with, the rights that are relied upon by 0769932 that it would be unconscionable that 0769932 should proceed on its claim without allowing Symphony a set-off.

Pos v. Pos (1985) 61 B.C.L.R. 388

3. It is submitted that Symphony is entitled to assert legal set-off in relation to various amounts owed to Symphony by Gurmel Kainth ("Gurmel"), Pritam Aulakh and Tejwant Kainth.
4. For legal set-off, the debts must be mutual, between the same parties and in the same right. There is no necessity for the debts to be connected in any manner and it is immaterial that one of the debts was not actually payable at the date of bankruptcy.

CIBC v. Tuckerr Indust. Inc. (1983) 48 C.B.R. (N.S.) 1, 46
B.C.L.R. 8

Coopers & Lybrand Ltd. v. Lumberland Building Materials Ltd.
(1983) 50 C.B.R. (N.S.) 150

076's LOAN

5. The documents relied upon by 076 in its Proof of Claim together with a number of facts disclosed in Gurmel's 3rd affidavit, make it clear that the claim asserted by 076 was for a loan granted by Gurmel to Symphony.
6. In paragraph 25 of Gurmel's affidavit #3, he stated the following:

"...so I made arrangements in advance of that date to personally borrow and arrange financing in part through Pritam Aulakh and other persons that I knew and from whom I personally borrowed, so that I could in turn lend that money to Symphony..."

7. In paragraph 28 of Gurmel #3 he stated the following:

28. "Of the \$1,100,000 advance by myself and Pritam Aulakh, Pritam provided \$300,000 and I obtained the balance from other sources who lent the money to me and I advanced those monies to Symphony."

8. After the funds were advanced Gurmel decided to assign the loan to 076. Furthermore, he acknowledged in paragraph 29 of his affidavit #3 that 076 is not the beneficial owner of the 076 loan:

"29. "...after we had advanced these funds, I thought that for reasons of security it would be preferable that the loan be assigned to a company, 076, so that it could act as a form of trustee for the benefit of Pritam Aulakh, myself and the persons that had advanced money to me and as such this loan was assigned by myself for the benefit of Pritam Aulakh and myself to 076, who agreed to hold the benefit of the loan for those persons that had advanced the underlying funds. There is no "written" assignment agreement in this regard."

9. It is submitted that Gurmel's affidavit #3 makes the following clear in relation to the loan the repayment of which is claimed by 076 ("076 Loan"):
 - (a) Whatever the original source(s) were for the \$1,100,000 loaned to Symphony, Gurmel personally loaned all of those funds to Symphony;
 - (b) 076 did not pay or provide any consideration whatsoever for the assignment of the loan;
 - (c) 076993 is not the beneficial owner of the debt created by the monies loaned to Symphony;
 - (d) Gurmel advanced the funds to Symphony, and so is the beneficial owner of that loan; and
 - (e) Neither Gurmel nor Pritam Aulakh have ever at any time signed or executed any document purporting to assign to 076 any loan the may have advanced to Symphony.
10. Paragraph 43 of Gurmel's Affidavit #1 refers to 076 as his wife's company. No evidence has been submitted to indicate that Mrs. Kainth ever provided any money or other consideration for whatever interest in 076 she might have.

LAW AND EQUITY ACT S. 36

11. It is submitted that the assignment of the debt from Gurmel Kainth ("Kainth") to 0769932 B.C. Ltd. is ineffective as against Symphony and the Receiver. The true creditor on this loan and the only person entitled at law to enforce payment of it, is Gurmel.
12. Section 36 of the *Law and Equity Act* ("LEA") specifies that an absolute assignment, in writing signed by the assignor, not purporting to be by way of charge only, of a debt of which express notice in writing has been given to the debtor, is effectual in law.
13. The assignment to 076 does not meet the requirements of section 36 of the LEA. This is not an assignment in writing. Gurmel has acknowledged that there is no written assignment.
14. The Loan Agreement dated April 2, 2008 purports to contain an acknowledgement by Symphony of an assignment. Written notice of an assignment does not render an

unwritten assignment enforceable, so neither does an acknowledgement by the debtor of an unwritten assignment.

McConnachie v. Esposito [1985] B.C.J No. 255

15. In the absence of an assignment in writing it is impossible to determine:
 - (a) The name of assignor and assignee;
 - (b) any description of the item(s) assigned; and
 - (c) the consideration given for the assignment.
16. The unwritten assignment also does not meet the requirements of LEA s. 36 since it is not an absolute assignment. Gurmel Kainth's evidence in his affidavit #3 is that the loan was to be assigned to 076 so the assignee could act as a form of trustee for the benefit of Pritam Aulakh, myself and the persons that had advanced money to me. 076 was to hold the benefit of the loan as a trustee, not as an absolute owner.
17. The unwritten assignment does not create a trust since it does not state any of the three certainties required to create a valid trust.

LAW AND EQUITY ACT S. 59

18. The Loan Agreement dated October 3, 2007:
 - (a) Acknowledges a debt of \$1,100,000; and
 - (b) indicates that in the event that the loaned funds are not returned by October 31, 2008, the Lenders have the right to register a mortgage against the unsold portion of property owned by Symphony commonly known as 'Albion Slopes' located at Jackson Road and 105th Avenue in Maple Ridge, British Columbia.
19. 076 takes the position that the Loan Agreement constitutes an equitable mortgage against the lands described therein.
20. Malkit Johal takes the position that the October 3, 2007 Loan Agreement does not qualify as an equitable mortgage since the property over which the mortgage is to be granted is uncertain. It is unclear what is meant by "the unsold portion" of the property. It is unclear whether it means the portion of that property that was unsold at the time of the Loan Agreement, was unsold at October 31, 2008, or was unsold when at some uncertain later date the Lenders sought to register a mortgage.
21. For the purposes of this List of Offsets only, it is assumed that the Loan Agreement of October 3, 2007 constitutes an equitable mortgage.
22. A mortgage conveys an interest in land. An assignment of a mortgage is a disposition of an interest in land.

23. The unwritten assignment of a mortgage does not meet the requirements of subsection 59(3)(a) of the LEA.
24. Neither Gurmel Kainth nor Pritam Aulakh have done any act or acquiesced in any act by 076 to allege the assignment as required by LEA s. 59(3)(b). 076 submitted the proof of claim. No steps were taken by either purported assignor either before or after that time to indicate that an assignment had been granted.
25. 076 has not changed its position to its detriment in reliance upon the purported assignment as required by LEA s. 59(3)(c). 076 paid nothing for the alleged assignment and has done nothing detrimental to it in reliance upon that assignment.

076 HOLDS NO ENFORCEABLE DEBT OR MORTGAGE

26. It is submitted that there is no debt owing by Symphony to 076 that is capable of enforcement by 076. That debt is properly owed to Gurmel Kainth, who is the only person entitled to enforce payment of that loan.
27. In the alternative, Gurmel Kainth and Pritam Aulakh are the only persons entitled to enforce payment of that loan.
28. The mortgage registered by 076 is therefore unenforceable since it secures repayment of a debt which is not owned by 076, nor is it enforceable by 076 as against Symphony.
29. For the reasons set out above, it is submitted that the amounts claimed to be owed by Gurmel Kainth to Symphony as set out below (the "Offsets"), should be recognized as debts owed by Gurmel Kainth to Symphony - the same person in the same right - and which can therefore be set off against any amount Gurmel might claim to be owed by Symphony in relation to the "076 Mortgage".
30. In the further alternative, if the Court concludes that Symphony is indebted to Pritam Aulakh by virtue of the funds advanced by Gurmel Kainth to Symphony, the amounts claimed to be owed by Pritam Aulakh to Symphony as set out below, should be recognized as debts owed by Pritam Aulakh - the same person in the same right - and which can therefore be set off against any amounts Pritam Aulakh might claim to be owed by Symphony in relation to the claim asserted by 076.

LOAN FROM PETER (GERMANY)

31. Deposit slip dated April 19/06 shows a deposit of \$150,000 described as "Peter's Loan".

Exhibits, page 1

32. Cheque 193 dated January 15, 2007 on Symphony's Vancity account shows \$420,000.00 paid to G.S. Kainth. The reference is:

"300k Principal + 120k
Peter (Germany) Loan Repmt"

Exhibits, page 2

33. It is unclear why a loan from 'Peter' was repaid to G.S. Kainth. However, a cheque was made payable to G.S. Kainth for repayment of an 8 month loan of \$150,000.
34. The amount of this offset is \$420,000 paid to G.S. Kainth less the \$150,000 loan, or \$270,000.

SYMPHONY LOAN TO FERRIGNO

35. Cheque no. 90 on Symphony's Vancity account dated July 21, 2006, in the amount of \$1,000,000.00 was used by Gurmel to purchase an official cheque for \$1,000,000.00 payable to Drysdale Bacon McStravick ("Drysdale") in trust for a mortgage loan to 0763636 B.C. Ltd., guaranteed by Dave Ferrigno.

Exhibits, pages 3, 4 and 6

36. On August 23, 2006 Drysdale issued two trust account cheques, each in the amount of \$506,668.38, totalling \$1,013,336.76, payable to Gurmel Kainth.

Exhibits, pages 5 - 9

37. On August 25, 2006 Symphony's Vancity account statement shows \$1,000,000.00 repaid to Symphony. It appears that Gurmel retained the balance of the two cheques from Drysdale.

Exhibits, page 10

38. The amount of this offset is:

Amount Received	\$1,013,336.76
LESS	
Balance paid to Symphony	1,000,000.00
LESS	
Signing fee and Legals	<u>678.00</u>
Balance of offset	\$ 12,658.76

UNPAID DEPOSITS ON SPENCER'S RIDGE PROPERTIES

PRITAM AULAKH

39. Gurmel Kainth and Pritam Singh Aulakh are both described as the lenders in the loan agreement dated October 3, 2007. To the extent that Pritam Aulakh might be considered a lender or beneficially entitled to part of the 076 Loan, Symphony is entitled to assert an offset in relation to unpaid deposits as set out below.
40. Pritam Aulakh was the purchaser from Symphony of Lots 13 and 14 of the Spencer's Ridge subdivision. The purchase price in each case was to be made up partly of the deposits of \$50,000.00 for each of these two lots, for a total of \$100,000.00. The deposits on these lots totalling \$100,000.00 were never paid by Pritam Aulakh or anyone else.

41. Despite the non-payment of these deposits, Gurmel Kainth signed the transfer and these amounts are still unpaid and owing by Pritam Aulakh to Symphony.

TEJWANT KAINTH

42. Tejawant Kainth was the purchaser from Symphony of Lots 11 and 15 of the Spencer's Ridge subdivision. The purchase price in each case was to be made up partly of the deposits of \$25,000.00 for lot 11 and \$50,000 for lot 15, for a total of \$75,000.00. The deposits on these lots totalling \$75,000.00 were never paid by Tejawant Kainth or anyone else to Symphony.
43. Despite the non-payment of these deposits, Gurmel Kainth signed the transfers in favour of his wife, Tejawant Kainth and these amounts totalling \$75,000.00 are still unpaid and owing by Tejawant Kainth Aulakh to Symphony.

Affidavit #1 of Jagdip Johal, paragraphs 3 – 6, Exhibits "B" and "D"

FUNDS RECEIVED BY GURMEL KAINTH RE LOT 7, SPENCER'S RIDGE

44. Upon completion of the sale to Gurmel Kainth's niece Gurpreet Battu of Lot 7 of Spencer's Ridge on 104th Avenue, Maple Ridge, Symphony's solicitors La Van & Company issued cheque no. 43026 dated May 29, 2009 in the amount of \$92,159.51 to Gurmel Singh Kainth. On the same date La Van & Company issued cheque no. 43027 to Symphony in the amount of \$11,189.98.
45. It appears that the entire sale proceeds from Spencer's Ridge Lot 7 should have been paid to Symphony, rather than Gurmel Kainth.

Exhibits, pages 11 - 12

OVERPAYMENT OF LOAN FROM PRITAM AULAKH RETAINED BY G. KAINTH

46. A Vancity deposit slip dated February 4, 2006 shows a deposit totalling \$150,000 which is indicated to be from Pritam Aulakh.
47. A Vancity deposit slip dated March 1, 2006 shows a deposit of \$100,000 which refers to the February 4/06 deposit and shows a total of \$250,000 from Pritam Aulakh.
48. A Vancity deposit slip dated October 24, 2007 shows a deposit of \$275,000 which shows as being from Pritam Aulakh through Gurmel K.
49. The total amount loaned by Pritam Aulakh is therefore \$525,000.
50. Cheque no. 161 on Symphony's Vancity account dated November 16, 2006 in the amount of \$333,333.00 was made payable to G.S. Kainth and the reference is "Pritam S. Aulakh principle (sic) + 10 months int.
51. Cheque no. 194 on Symphony's Vancity account dated January 15, 2007 in the amount of \$275,000.00 was made payable to G.S. Kainth and the reference is "150k Principle + 60k

interest. "S. Jassal" is crossed out and "Aulakh" is written below, followed by "\$150k loan repayment."

52. Cheque no. 422 on Symphony's Vancity account dated January 1, 2008 in the amount of \$210,000.00 was made payable to Pritam Singh Aulakh with the reference note "Return of loan Amount".
53. Cheque no. 445 on Symphony's Vancity account dated February 28, 2008 in the amount of \$4,365.75 was made payable to P. S. Aulakh with the reference note "Interest to Feb. 2008".
54. Cheque no. 448 on Symphony's Vancity account which appears to have ben back dated to December 31, 2007 in the amount of \$3,500.00 was made payable to P. S. Aulakh with the reference note "Interest for 2007".
55. The total amount taken by Gurmel Kainth (cheques 161 and 194) and P.S. Aulakh, purportedly for loans totalling \$525,000 from Pritam Aulakh, is therefore \$826,198. Assuming the interest payments totalling \$7,865 are valid, the result is that an excess of \$293,333 was retained by Gurmel Kainth beyond what was required to repay the loans amounts Symphony received from Pritam Aulakh.

Exhbits, pages 13 - 19

\$210,000 CHEQUE TO "CASH"

56. Gurmel Kainth prepared cheque no. 268 on Symphony's Vancity account dated to April 30, 2007 in the amount of \$110,000.00 was made payable to "Cash" with the reference note "24930- 110th Deposit - Arthur & Barbara Neufeld".
57. It is unclear where these funds went. At best, it is believed that this cheque exceeds by \$60,000.00, the \$50,000 deposit Symphony paid on the referenced property.

Exhibits, page 20

CONSULTATION FEE ON PURCHASE OF ALBION SLOPES

58. When Symphony purchased the Albion Slopes property (43 acres at 10552 Jackson Road) from 670206 B.C. Ltd. ("670206"), Gurmel Kainth entered into an agreement with the Vendor, James Das, for payment to Mr. Kainth's company, Deer Lake Enterprises Inc. ("Deer Lake") of a "consultation fee" of \$350,000. This was recorded on a document dated October 13, 2005.
59. It appears that Gurmel caused Deer Lake to assign its consultation fee to Gurdeep Kainth's company, Vencial Capital Corp., through an Assignment and Assumption Agreement dated for reference March 31, 2006 as evidenced in an Addendum to the Assignment and Assumption Agreement (the "Addendum") dated effective as of June 20, 2006. The Addendum also indicated that 670206 agreed to increase the consultation fee to be paid by 670206 from \$350,000 to \$400,000. It also indicated that the consultation fee was to be paid \$75,000 to Deer Lake and \$325,000 to Surinder Jassal.

60. At all times relevant to this transaction Gurmel Kainth was a director and owed a fiduciary duty to Symphony. As such, the Receiver, Symphony or Malkit Johal are entitled to seek an order requiring Gurmel and Deer Lake to account to Symphony for the profit he directly or indirectly earned on this transaction.

Business Corporations Act S.B.C. 2002, c. 57, sections 142 to 150

61. It is submitted that an offset should be allowed against the 076 debt for the full amount of the consultation fee retained by Gurmel Kainth or Deer Lake. This offset is for at least \$75,000 and possibly \$400,000.

Exhibits, pages 21 - 24

UNAUTHORIZED WAGES TAKEN

62. During February of 2007 Gurmel Kainth, Malkit Johal, Jagdip Johal and Gurdeep Kainth all agreed that Symphony could not afford to pay any of them wages until the Albion Slopes project was completed and the last pay day will be for the month of February, 2007. Gurmel Kainth breached that agreement and took money out of Symphony, apparently for wages.
63. Cheque no. 406 on Symphony's Vancity account dated October 15, 2007 in the amount of \$5,000.00 was made payable to Mr. & Mrs. G. S. Kainth with the reference note "Nov 07".
64. Cheque no. 414 on Symphony's Vancity account dated January 9, 2008 in the amount of \$5,000.00 was made payable to Mr. & Mrs. G. S. Kainth with the reference note "Dec 07".
65. The total amount owing by Gurmel Kainth to Symphony under this category is \$10,000.00

Exhibits, pages 25 - 26

SYMPHONY OFFSETS AGAINST GURMEL KAINTH

DATE	DESCRIPTION	VALUE OF OFFSET
January 15/07	Peter's Loan	\$270,000.00
August 23/06	Ferrigno Loan	\$12,658
Nov/06 to Jan/07	Overpayment of Aulakh loans	\$293,333
April 30/07	Cheque to "Cash"	\$110,000
May 29/09	La Van & Co. Cheque to Gurmel Kainth	\$92,159
June 20/06	Consultation Fee on Albion	\$75,000 or \$400,000
October/07 to January/08	Unauthorized wages	\$10,000
	TOTAL	\$863,150 to \$1,188,750


SYMPHONY OFFSETS AGAINST PRITAM AULAKH

DATE	DESCRIPTION	VALUE OF OFFSET
	SPENCER'S RIDGE UNPAID DEPOSITS	\$100,000

SYMPHONY OFFSETS AGAINST TEJWANT KAINTH

DATE	DESCRIPTION	VALUE OF OFFSET
	SPENCER'S RIDGE UNPAID DEPOSITS	\$75,000

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 26TH DAY OF JULY, 2011.


Alan H. Brown
Solicitor for Malkit Johal

**EXHIBITS TO LIST OF OFFSETS OF
THE SYMPHONY DEVELOPMENT CORPORATION**

181-

THE SY

0183

DATE 05012007
D D M M Y Y Y Y

PAY to D.K. BURNS & ASSN. INC.
the order of

\$ 5,024.40

- Five thousand : twenty four

40 DOLLARS 100 Security Features

Vancity

VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

THE SYMPHONY DEVELOPMENT CORPORATION

RE Albion Slopes: Civil Engineering #3

PER

⑈000183⑈ ⑆16370⑈809⑆ 21⑈039⑈478⑈3⑈

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1238, SUITE 234, 4820 KINGSWAY
BURNABY, B.C. V5H 4J2
Tel: (604) 710-0061

0194

DATE 15012007
D D M M Y Y Y Y

PAY to G.S. Koenig
the order of

\$ 210,000

Two hundred & Ten thousand

200 DOLLARS 100 Security Features

Vancity

VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

THE SYMPHONY DEVELOPMENT CORPORATION

RE 152 K Principal + 60 K Interest
S. Jassal
Albion 150 K Loan MINT

PER

⑈000194⑈ ⑆16370⑈809⑆ 21⑈039⑈478⑈3⑈

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1238, SUITE 234, 4820 KINGSWAY
BURNABY, B.C. V5H 4J2
Tel: (604) 710-0061

0193

DATE 15012007
D D M M Y Y Y Y

PAY to G.S. Koenig
the order of

\$ 420,000

Four hundred & twenty thousand

420 DOLLARS 100 Security Features

Vancity

VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

THE SYMPHONY DEVELOPMENT CORPORATION

RE 300 K Principal + 120 K
Peter (Germany) Low REPAIR

PER

⑈000193⑈ ⑆16370⑈809⑆ 21⑈039⑈478⑈3⑈

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 3, SUITE 234, 4820 KINGSWAY
BURNABY, B.C. V5H 4J2
Tel: (604) 710-0061

0081

DATE 17072006
D D M M Y Y Y Y

JULY 2006

\$ 3000.00

THE ISLAND ONLY

VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

DOLLARS 100

THE SYMPHONY DEVELOPMENT CORPORATION

PER

163708091 210394783

0000300000

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 3, SUITE 234, 4820 KINGSWAY
BURNABY, B.C. V5H 4J2
Tel: (604) 710-0061

0090

DATE 21072006
D D M M Y Y Y Y

Richard Kaminski DAYSONE CATION McSMITH

\$1,000,000.00

VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

DOLLARS 100

THE SYMPHONY DEVELOPMENT CORPORATION

PER

163708091 210394783

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 3, SUITE 234, 4820 KINGSWAY
BURNABY, B.C. V5H 4J2
Tel: (604) 710-0061

0092

DATE 21072006
D D M M Y Y Y Y

Keywest Asphalt

\$106,000.00
\$107,000.00

One hundred & seven thousand

DOLLARS 100

VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

THE SYMPHONY DEVELOPMENT CORPORATION

PER

000092 163708091 210394783

0000600000

DO NOT DESTROY

Vancity

Vancouver City Savings Credit Union
South Burnaby, 5064 Kingsway, Burnaby, BC V5H 2E7

Official
Cheque

71067

July 21, 2006

Pay

** ONE MILLION **

\$ **1,000,000.00

DAYS DALE BACON MCSTRAVICK
IN TRUST

Vancouver City Savings Credit Union

Donation 4897

Authorized Signature

[Signature]

3514

⑈071067⑈ ⑆16370⑈809⑆ 90⑈004⑈215⑈0⑈

4

5



Drysdale Bacon McStravick
Barristers & Solicitors
#211 - 1015 Austin Avenue
Coquitlam, BC V3K 3N9

T 5117

PAY

506668 38

/100 DOLLARS

DATE	TO THE ORDER OF	RE:
08/23/06	EUREKA KAINTH	21558-1

CHEQUE AMOUNT
50666838

TRUST ACCOUNT

TD CANADA TRUST London Village Branch
#400 - 329 NORTH ROAD COQUITLAM, BC V3K 3V8

PER DRYSDALE BACON MCSTRAVICK

PER

⑈005117⑈ ⑆90700⑈004⑆ 0916⑈5208040⑈



Drysdale Bacon McStravick
Barristers & Solicitors
#211 - 1015 Austin Avenue
Coquitlam, BC V3K 3N9

T 5118

PAY

506668 38

/100 DOLLARS

DATE	TO THE ORDER OF	RE:
08/23/06	EUREKA KAINTH	21558-1

CHEQUE AMOUNT
50666838

TRUST ACCOUNT

TD CANADA TRUST London Village Branch
#400 - 129 NORTH ROAD COQUITLAM, BC V3K 3V8

PER DRYSDALE BACON MCSTRAVICK

PER

⑈005118⑈ ⑆90700⑈004⑆ 0916⑈5208040⑈



6

DRYSDALE BACON McSTRAVICK
BARRISTERS & SOLICITORS

July 27, 2006

By Facsimile (604) 437-3529
and original by courier

File No. 21,558-1

PIHL & COMPANY
Barristers & Solicitors
205 - 5481 Kingsway
Burnaby, B.C. V5H 2G1

Attention: C. Eric Aleksejev

Dear Sirs:

**Re: Gurmel Kainth loan to 0763636 B.C. Ltd.
Guaranteed by Dave Ferrigno**

FAXED

JUL 27 2006

BY _____

• SUITE 211
1015 AUSTIN AVENUE
COQUITLAM, BC
CANADA V3K 3N9
TELEPHONE 604 939 8321
FACSIMILE 604 939 7584

• SUITE 102
19610 64TH AVENUE
LANGLEY, BC
CANADA V2Y 1H3
TELEPHONE 604 534 2131
FACSIMILE 604 939 7584

• www.dbmlaw.ca

Further to your letter dated July 21, 2006, please find enclosed the following documents:

- (a) a full liability guarantee duly executed by Mr. Ferrigno;
- (b) promissory note in the amount of \$1,000,000 duly executed by 0763636 B.C. Ltd.;
- (c) assignment of contract of purchase and sale duly executed by 0763636 B.C. Ltd.;
- (d) original copy of the Form B - Mortgage registered in the Land Title Office;
- (e) copy of the bank draft issued by Van City to our firm in trust in the amount of \$1,000,000.

We confirm that the Form B - Mortgage in the amount of \$1,000,000 was registered in the New Westminster Land Title Office on July 21, 2006 under registration number BA404071 as a first mortgage against the subject property in Burnaby.

We trust you will find the enclosed in order and remain.

Yours sincerely,
DRYSDALE BACON McSTRAVICK

Per: 
Brian P. Kaminski
c.c: Clients
enclosures

JOSEPH P. MCSTRAVICK •
DONALD A. DRYSDALE •
CHRISTOPHER R. BACON •
BRIAN P. KAMINSKI •
SHARENE D. ORSTAD
JONATHAN D. WALLER

• LAW CORPORATION

(7)

PIHL & COMPANYBARRISTERS & SOLICITORS
NOTARIES PUBLIC#205 - 5481 Kingsway
Burnaby, B.C., V5H 2G1Phone: (604) 437-8837
Fax: (604) 437-3529G. Eric Aleksejev, B. A., LL. B.
Arthur J. Pihl, B. Comm., LL. B. (1997)

Reply to: G. ERIC ALEKSEJEV

VIA FAX ONLY: (604) 939-8340 (2 pages)

August 22, 2006

Drysdale Bacon McStravick
Barristers & Solicitors
211 - 1015 Austin Avenue
Coquitlam, BC V3K 3N9Attention: Brian P. Kaminski

Dear Sir:

Re: Kainth loan to Ferrigno

Further to your fax of August 18, 2006 I advise that the payout is as follows:

Mortgage payout as of August 22, 2006	\$ 1,011,835.68
(\$657.54 per diem thereafter)	
Signing fee including prep'n of discharge	\$ 150.00
Legal fees	\$ 678.00

TOTAL: \$1,012,663.68Funds may be paid on my undertaking to provide your office with a registrable discharge. Please provide two separate cheques - one for legal fees of \$678.00 payable to Pihl & Company. The balance payable to the mortgagee.

Yours truly

PIHL & COMPANY

per:

G. Eric Aleksejev

657.54 X
1,315.681,315.68
1,011,835.68TRUST
1,259,883.741013,336.76
678.00

8



Canada Trust

Branch: 0736 COQUITLAM AUSTIN
1022 AUSTIN ROAD
COQUITLAM BC

Date: Aug 23, 2006 04:05 PM
REF: 00009905 12 - ZARN

From: Cheque Total:

678.00

To: 091-5001486

Credit Memo Drysdale,

Bacon, McStu

Cash: 0.00

Number of Items: 1

PHIL & TR

678.00

Customer Signature

X

Banking can be this comfortable

(9)

PIHL & COMPANYBARRISTERS & SOLICITORS
NOTARIES PUBLICG. Eric Aleksejev, B. A., LL. B.
Arthur J. Pihl, B. Comm., LL. B. (1997)

Reply to: G. ERIC ALEKSEJEV

#205 - 5481 Kingsway
Burnaby, B.C., V5H 2G1Phone: (604) 437-8837
Fax: (604) 437-3529**VIA FAX ONLY: 939-7584**

August 2, 2006

Drysdale Bacon McStravick
Barristers & Solicitors
211 - 1015 Austin Avenue
Coquitlam, BC V3K 3N9Attention: Brian P. Kaminski

Dear Sir:

Re: Kainth loan to Ferrigno / 0763636 BC Ltd.

Further to our telephone conversation of even date I confirm I hold a registered discharge of my client's mortgage registered on Elwell Street (PID: 003-089-134).

I undertake to forward same to you upon a satisfactory post index search confirming that the my client's mortgage has been registered as first mortgage on the Chilliwack property (PID: 013-582-861) to be purchased by your client

I confirm my advice to you that the maturity date of the mortgage is to be no later than August 18, 2006.

Yours truly,

PIHL & COMPANY

Per:



G. Eric Aleksejev

THE SYMPHONY DEVELOPMENT COR
PORATION
6188 BUCKINGHAM DRIVE
BURNABY BC V5E 2A4

SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY
BURNABY BC V5H 2E7

T 604 877 7000 B.C. TOLL FREE 1-888-VanCity
Date August 31, 2006
Account 394783
Branch 17

Date	Transaction Detail	Amount	Balance
	IMPORTANT: UNDER YOUR AGREEMENT WITH VANCITY, THIS STATEMENT WILL BE CONSIDERED CORRECT IF NO EXCEPTIONS ARE REPORTED IN WRITING WITHIN 30 DAYS FROM MAILING TO YOU. RATES QUOTED AS AT STATEMENT DATE. GST NO. R105483150		
	CHEQUING SAVINGS		
	#1 INDEPENDENT BUSINESS		
	BALANCE FROM PREVIOUS STATEMENT		181,641.38
01 AUG 2006	CHEQUE # 95 D.K. Bowins & Associates #3 / #2	10,000.00	171,641.38
01 AUG 2006	CHEQUE # 94 I. Kainth - Casual labour.	1,500.00	170,141.38
01 AUG 2006	CHEQUE # 87 Pivotal Consultants Ltd. - #3	7,985.00	162,156.38
08 AUG 2006	CHEQUE # 80 Letts Envisowise - #2	1,500.00	160,656.38
09 AUG 2006	CHEQUE # 96 Keywest Asphalt #3	106,000.00	54,656.38
10 AUG 2006	CHEQUE # 102 Telus	72.54	54,583.84
10 AUG 2006	CHEQUE # 98 Rogers	100.00	54,483.84
10 AUG 2006	CHEQUE # 99 Mastercard MIC - fuel.	150.00	54,333.84
10 AUG 2006	CHEQUE # 106 RBC VISA - purch.	737.74	53,596.10
11 AUG 2006	CHEQUE # 97 Vencial Capital Corp.	3,180.00	50,416.10
14 AUG 2006	TRANSFER TO LOAN #1 Interest	3,139.24	47,276.86
15 AUG 2006	CHEQUE # 93 Fido	70.18	47,206.68
15 AUG 2006	CHEQUE # 110 Alpin Martin #1	207.31	46,999.37
15 AUG 2006	CHEQUE # 101 Johnston Meier Inst #3 Insurance	1,350.00	45,649.37
15 AUG 2006	CHEQUE # 107 Alpin Martin #2	2,396.53	43,252.84
17 AUG 2006	DEPOSIT Dep. #1	15,000.00	58,252.84
18 AUG 2006	CHEQUE # 111 Fraser Excavation #3	840.00	57,412.84
21 AUG 2006	CHEQUE # 112 " #3	29,960.00	27,452.84
22 AUG 2006	DEPOSIT Dep. Alpin Martin - refund/reimburse #3 #2	11,000.00	38,452.84
25 AUG 2006	DEPOSIT ?? - return of loan.	1,000,000.00	1,038,452.84
25 AUG 2006	TRANSFER TO TERM #6 Term Dep	200,000.00	838,452.84
25 AUG 2006	TRANSFER TO TERM #7 Term Dep	300,000.00	538,452.84
30 AUG 2006	CHEQUE # 114 Pivotal Consultants Ltd. #3	6,867.60	531,585.24
31 AUG 2006	DEPOSIT Symphony Homes Ltd. #3	570,000.00	1,101,585.24
31 AUG 2006	INTEREST DEPOSITED Interest	70.00	1,101,655.24
	TOTAL CREDITS	1,596,070.00	
	TOTAL DEBITS	676,056.14	
	17 CHEQUES		
	Continued on reverse		

(11)

LA VAN & COMPANY
BARRISTERS & SOLICITORS, IN TRUST
#704, 1478 WEST HASTINGS STREET
VANCOUVER, BC V6G 3J6
TEL: 604-669-1411

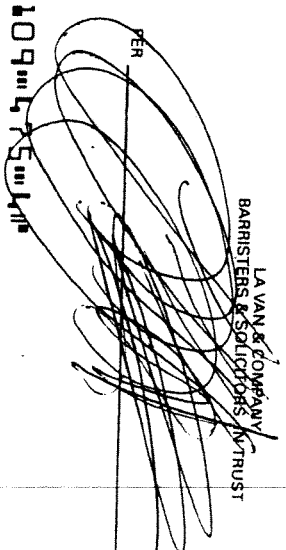
ROYAL BANK OF CANADA
Main Branch - Royal Centre
1025 West Georgia Street
Vancouver, BC V6E 3N9

43026

PAY *****Ninety Two Thousand One Hundred Fifty Nine & 51/100

TO THE ORDER OF GURMEL SINGH KAINTH

⑈043026⑈ ⑆07400⑈003⑆

PER 
LA VAN & COMPANY
BARRISTERS & SOLICITORS, IN TRUST
MP

DATE 29 05 2009
\$ 92,159.51

LA VAN & COMPANY
BARRISTERS & SOLICITORS, IN TRUST
#704, 1478 WEST HASTINGS STREET
VANCOUVER, BC V6G 3J6
TEL: 604-669-1411

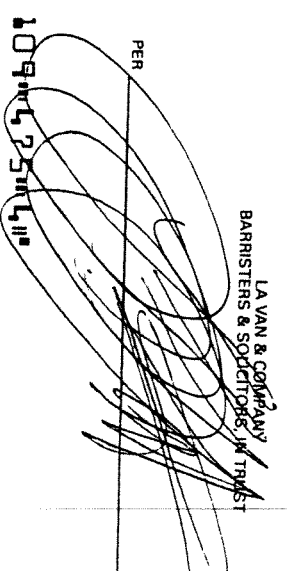
ROYAL BANK OF CANADA
Main Branch - Royal Centre
1025 West Georgia Street
Vancouver, BC V6E 3N9

43027

PAY *****Eleven Thousand One Hundred Eighty Nine & 98/100

TO THE ORDER OF THE SYMPHONY DEVELOPMENT CORPORATION

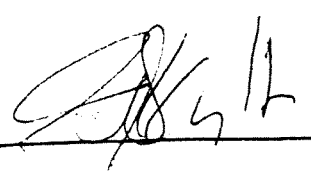
⑈043027⑈ ⑆07400⑈003⑆

PER 
LA VAN & COMPANY
BARRISTERS & SOLICITORS, IN TRUST
MP

DATE 29 05 2009
\$ 11,189.98

Picked up.

(X)



SWEENEY SARAO NOTARY CORPORATION

12

SELLER STATEMENT OF ADJUSTMENTS

Seller: THE SYMPHONY DEVELOPMENT CORPORATION
Buyers: PRABHJOT SINGH BATTU and GURPREET KAUR BATTU
Civic: 24206 -104th Avenue, Surrey, BC, V6G 3J6
Legal: Parcel Identifier: 027-423-913, LOT 7 SECTION 3 TOWNSHIP 12
NEW WESTMINSTER DISTRICT PLAN BCP35192
File Ref. No: 090513
Completion Date: May 25, 2009
Adjustment Date: May 25, 2009
Possession Date: May 25, 2009

	Debit	Credit
Sale Price		\$185,000.00
Deposit paid to seller & the Assignor as per the Contract of Sale and Purchase & Assignment Agreement	\$80,000.00	
Seller portion of 2009 taxes to be paid by Buyers: based on 2009 annual billing of \$1,081.86 + 5.00% = \$1,135.95 Credit Buyers January 1st to May 25th, 2009. \$1,135.95 X 144 ÷ 365	\$448.16	
Balance payable to La Van & Company "In Trust".	\$104,551.84	
	\$185,000.00	\$185,000.00

E. & O. E.

See next page attached hereto and forming a part of the Statement of Adjustments.

Initials:

--	--	--	--	--

Cheques	Name	Amount
Britain 3.		50,000
Airpach.		100,000
<u>150,000</u>		
Total Cheques		150,000
Foreign Exchange Adjustment		
Net Cheques Amount		\$150,000

Deposited By G. S. L.

T3-804 (R/05)



Vancity

Business Deposit

Date Feb 4/06

Name Symphony Dev. Corp.

Br. No. 17 Account No. 394 783

Account Type:

☐ Z1

☐ Z2 ☐ (US Account)

☐ Z3 ☐ C

☐ Z4 ☐ Other

* SHADED AREAS MUST BE COMPLETED TO AVOID DEPOSIT DELAY.

Cash	X \$1	
	X \$2	
	X \$5	
	X \$10	
	X \$20	
	X \$50	
	X	
Coin		
U.S. Cash		
Foreign Exch. Adjust.		
Total Cash		\$ <u>150,000</u>
Add Net Cheques Amount		<u>150,000</u>
Total Deposit		\$ <u>150,000</u>

Tellers Initials



15

Cheques	Name	Amount
Pritain S. Whatch. Through Gumel. K.		275,000 00
Returned 12/07		
Total Cheques		275,000 00
Foreign Exchange Adjustment		—
Net Cheques Amount		\$ 275,000 00

Vancity

75

Business
Deposit

Date
OCT. 24/07

Name
Symphony Dev. Corp.

Br. No. 17 Account No. 394783

Account Type:
☐ Z1
☐ Z2 ☐ (US Account)
☐ Z3 ☐ C
☐ Z ☐ Other

* SHADED AREAS MUST
BE COMPLETED TO
AVOID DEPOSIT DELAY.

Cash	X \$1		
	X \$2		
	X \$5		
	X \$10		
	X \$20		
	X \$50		
	X		
Coin			
U.S. Cash			
Foreign Exch. Adjust.			
Total Cash		\$	
Add Net Cheques Amount			
Total Deposit		\$ 275,000	00

Deposited By
H.K.

T3-004 (R1/05)



Tellers
Initials

Handwritten: 20 888 555
442125.516

PAY to the order of Mr & Mrs Malkit Johal

Six Thousand

\$ 6000⁰⁰

100 DOLLARS 

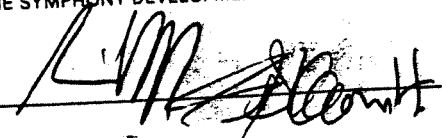
Vancity VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

RE

Oct, 2006

THE SYMPHONY DEVELOPMENT CORPORATION

PER



⑈000158⑈ ⑆16370⑈809⑆ 21⑈039⑈478⑈3⑈

⑈0000600000⑈

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 4820 KINGSWAY
BURNABY, B.C. V5H 4J2
Tel: (604) 710-0061

PAY to the order of

G.S. Kocint

Three hundred & thirty three thousand three hundred & thirty three

\$ 333,333⁰⁰

100 DOLLARS 


Vancity VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

RE

Principles & Partners Int.

THE SYMPHONY DEVELOPMENT CORPORATION

PER



⑈000161⑈ ⑆16370⑈809⑆ 21⑈039⑈478⑈3⑈

H#18

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 4820 KINGSWAY
BURNABY, B.C. V5H 4J2
Tel: (604) 710-0061

PAY to the order of

Vernon Thompson (IN TRUST)

One hundred & ten thousand

\$ 110,000⁰⁰

100 DOLLARS 


Vancity VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

RE

24930-210th Ave Maple Ridge #258
(Art & Barbara Neufeld) #4 - Lane Deposit

THE SYMPHONY DEVELOPMENT CORPORATION

PER



⑈000165⑈ ⑆16370⑈809⑆ 21⑈039⑈478⑈3⑈

DATE 05012007
P P M M Y Y Y Y

PAY to D.K. BOWINS & ASSOC. INC.
the order of

\$ 5,024.40

der of
- Five thousand : twenty four

40 DOLLARS  Security Features Included

Vancity VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

THE SYMPHONY DEVELOPMENT CORPORATION

RE Albion Slopes: Civil Engineering #3

PE

1100018311 1:163708091: 21039478311

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1238, SUITE 234, 4820 KINGSWAY
BURNABY, B.C. V5H 4J2
Tel: (604) 710-0061

0194

DATE 1 5 0 1 2 0 0 7
D D M M Y Y Y Y


PAY to _____
the order of _____

G. S. Kaen H.

\$ 210,000

the order of

der of
Two hundred & Ten thousand

22 DOLLARS  Security
100 feature
include

Vancity VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5084 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

THE SYMPHONY DEVELOPMENT CORPORATION

RE 150K Principle + 60K Interest
S. Jassal
Alvin \$150K loan^{as} PMT

PF

000194 1:16370 8091 21 039 478 3

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1238, SUITE 234, 4820 KINGSWAY
BURNABY, B.C. V5H 4J2
Tel: (604) 710-0061

0193

DATE 15012007
D D M, M Y Y Y Y

PAY to _____
the order of _____

G. S. Kae'n 1/5

\$ 490,000⁰⁰

the order of

Four hundred ⁶/₁₀ ~~thirty~~ thousand

27
100 DOLLARS

Vancity VANCOUVER CITY SAVINGS CREDIT UNION
SOUTH BURNABY COMMUNITY BRANCH
5064 KINGSWAY TEL: (604) 877-7000
BURNABY, B.C. V5H 2E7

THE SYMPHONY DEVELOPMENT CORPORATION

RE 300 K Principles + 12 c.
Peter (Germany) LOW REPLY

PF

0000193 1:163708091: 21003947831

cheque # 422.

(18)

Vancity

business

FEBRUARY 01, 2008

my account number

394783 BRANCH 17

my branch

SOUTH BURNABY

COMMUNITY BRANCH

5084 KINGSWAY

BURNABY BC V5H 2E7

T 604 877 7000 TOLL-FREE 1 888 VANCITY

vancity.com

my accounts

INDEPENDENT BUSINESS #1 (CONT.)

DATE CLEARED: 18 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1238, SUITE 234, 4025 KINGSWAY
BURNABY, B.C. V5H 4J2

DATE 2008 01 02 0422

PAY TO Pattam Singh Ayubh \$ 275,000

Two hundred & seventy-five thousand 00/100 DOLLARS

Vancity THE SYMPHONY DEVELOPMENT CORPORATION

Return of Loan Amount

0000422P C16170-809K 21-039-478-3P 000275000000

DATE CLEARED: 21 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1238, SUITE 234, 4025 KINGSWAY
BURNABY, B.C. V5H 4J2

DATE 2008 01 15 0417

PAY TO Fida Salameh Inc. \$ 118,000

ONE HUNDRED EIGHTEEN THOUSAND 00/100 DOLLARS

Vancity THE SYMPHONY DEVELOPMENT CORPORATION

604-710-0061

0000417P C16170-809K 21-039-478-3P 000000118000

DATE CLEARED: 22 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1238, SUITE 234, 4025 KINGSWAY
BURNABY, B.C. V5H 4J2

DATE 2008 01 16 0419

PAY TO TELUS COMMUNICATIONS INC. 1238 646591 \$ 72.42

SEVENTY TWO/100 42/100 DOLLARS

Vancity THE SYMPHONY DEVELOPMENT CORPORATION

52180

0000419P C16170-809K 21-039-478-3P

DATE CLEARED: 22 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1238, SUITE 234, 4025 KINGSWAY
BURNABY, B.C. V5H 4J2

DATE 2008 01 16 0420

PAY TO SHAW CABLESYSTEMS GP (INC-10-0258-6115) \$ 101.63

ONE HUNDRED & ONE/100 63/100 DOLLARS

Vancity THE SYMPHONY DEVELOPMENT CORPORATION

Interid

0000420P C16170-809K 21-039-478-3P

INDEPENDENT BUSINESS #1 (CONT.)

DATE CLEARED: 07 MAR

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 234, 4020 KINGWAY
BURNABY, B.C. V5H 4J2

DATE 20080306

PAY TO MASTERCARD 5491 9806 3656 7537 \$150.00

ONE HUNDRED & FIFTY ONLY

Vancity

Payable to: Ramhase Gail (underp) (Feb 08)

0000443# 116370-809# 21-039-478-3# /0000015000/

DATE CLEARED: 12 MAR

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 234, 4020 KINGWAY
BURNABY, B.C. V5H 4J2

DATE 20080228

PAY TO Mr. P.S. AULAKH \$436.75

Four thousand, three hundred & sixty five

Vancity

Payable to: Int to Feb. 2008

0000445# 116370-809# 21-039-478-3# /0000436575/

DATE CLEARED: 13 MAR

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 234, 4020 KINGWAY
BURNABY, B.C. V5H 4J2

DATE 20080306

PAY TO DISTRICT OF MAPLE RIDGE \$500.00

FIVE HUNDRED ONLY

Vancity

Payable to: Business License

0000440# 116370-809# 21-039-478-3# /0000050000/

DATE CLEARED: 18 MAR

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 234, 4020 KINGWAY
BURNABY, B.C. V5H 4J2

DATE 20080306

PAY TO LEAV ELECTRIC & POLE LINE LTD. \$1,907.33

ONE THOUSAND NINE HUNDRED & EIGHTY SEVEN

Vancity

Payable to: Install kmp power

116370-809# 21-039-478-3# /0000198733/

DA

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 234, 4020 KINGWAY
BURNABY, B.C. V5H 4J2

DATE 20080306

PAY TO ROGER'S WIRELESS (AK-1-3416-8832) \$100.00

ONE HUNDRED ONLY

Vancity

Payable to: Ramhase Phone (underp) (Feb 08)

0000444# 116370-809# 21-039-478-3# /0000010000/

DATE CLEARED: 12 MAR

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 234, 4020 KINGWAY
BURNABY, B.C. V5H 4J2

DATE 20071231

PAY TO Mr. P.S. AULAKH \$350.00

Three thousand five hundred

Vancity

Payable to: Int for 2007

0000446# 116370-809# 21-039-478-3# /0000350000/

DATE CLEARED: 14 MAR

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 234, 4020 KINGWAY
BURNABY, B.C. V5H 4J2

DATE 20080312

PAY TO MMM GROUP LIMITED \$3,097.50

THREE THOUSAND & NINETY SEVEN

Vancity

Payable to: Alison Slope Traffic Sign (Paved) BURN. 200603

0000448# 116370-809# 21-039-478-3# /0000309750/

DATE CLEARED: 20 MAR

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 234, 4020 KINGWAY
BURNABY, B.C. V5H 4J2

DATE 20080213

PAY TO D.K. ROWINS & ASSY. INC. \$19,080.00

NINETEEN THOUSAND & EIGHTY ONLY

Vancity

Payable to: Alison Slope Civil Engineering

0000427# 116370-809# 21-039-478-3#

20

my branch
SOUTH BURNABY
COMMUNITY BRANCH
5084 KINGSWAY
BURNABY BC V5H 2E7
T 604 877 7000 TOLL-FREE 1 888 VANCITY
vancity.com

my accounts

CLEARED CHEQUES

INDEPENDENT BUSINESS #1

DATE CLEARED: 30 APR

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 878, SUITE 250, ANN ARBOR, MI 48106
SYMPHONY 442-1100
TOL 800-745-8888

0288

DATE 30 04 2007

PAY TO: MSTERKARD 5491 9078 4492 6793 \$ 150.00

CASH HUNDRED & FIFTY ONLY XX DOLLARS 055

Vancity
VANCITY FINANCIAL GROUP, AN AFFILIATE OF VANCITY SOCIETY
2000 VANCITY AVENUE, SUITE 100, VANCOUVER, B.C. V6T 1V6
TEL 604-681-1100

THE SYMPHONY DEVELOPMENT CORPORATION

REIMBURSE FOR: Garage (April 07)

00001550 118370-8096 21-039-478-30 /0000015000/

DATE CLEARED: 30 APR

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1735, SUITE 200, ANN ARBOR
MICHIGAN, U.S.A. 48106-1735
TEL: (313) 763-0828

0287

1987 50042007

PAY TO: THEIR WIRELESS AC: 1-800-802 \$ 100.00

ONE HUNDRED ONLY /

Vancity
Vancouver City Savings Credit Union
1000-10th Avenue, Suite 1000
Vancouver, B.C. V6Z 1Y6

THE SYMPHONY DEVELOPMENT CORPORATION

— Simphone Walk Phone: (408) 494-1111 —

⑈000 757⑈ ⑆16370-8076 21-034-678-3⑈ /00000 00000/

DATE CLEARED: 30 APR

[illegible]

DATE CLEARED: 01 MAY

THE SYMBIONESE DEVELOPMENT CORPORATION
P.O. BOX 570, 15215 75th, NEW BRUNSWICK
BUMSBURY, N.C. 27844
Tel. (919) 750-8288

0268


DATE 30 04 20 07

PAY TO: VENKIA CAPITAL CORPORATION \$ 5,300.00
for the use of _____

FIVE THOUSAND THREE HUNDRED ONLY / XX DOLLARS 00/100

Vandity TRANSNATIONAL CITY SYMBIONESE DEVELOPMENT CORPORATION
15215 75th, NEW BRUNSWICK, N.C. 27844
Tel. (919) 750-8288
Fax (919) 750-8288

= Consulting Fee (May 07)

 THE SYMBIONESE DEVELOPMENT CORPORATION

⑈000265⑈ ⑆66370-80⑈ 26-039-478-3⑈ /0000530000/

things grow here

Oct. 13th. 2005

To Whom it may concern.

RE: Lot 10 and c Industrial Ave. Maple Ridge.
 Lot 10, PL 12 280, Sec. 10, TWP 12, and Lot c, PL 212,
 Sec 11, TWP 12

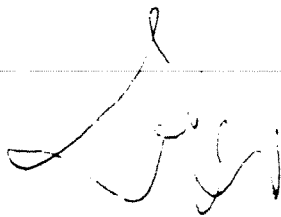
Seller (670 206 B.C. Ltd.) will pay consideration
 for of \$350,000⁰⁰ (Three hundred & fifty thousand
 to Deer Lake Ent. inc or Nominee upon
 completion of sale of the above property, as
 per contract dated Oct. 13/05



13 榮華
 670 206 B.C. Ltd



James
 James DGS



13 榮華
 Jay Yim

THIS IS AN ADDENDUM TO THE ASSIGNMENT AND ASSUMPTION AGREEMENT
 (the "Assignment") between 670206 B.C. Ltd., as assignor and Vencial Capital Corp., as
 assignee, dated for reference March 31, 2006 in regards to those lands and premises civically
 described as Lot C and Lot 10, Maple Ridge, British Columbia and legally described as:

P.I.D: 010-397-019
 Lot 10 Section 10 Township 12
 New Westminster District Plan 13280

and

P.I.D.: 010-339-663
 Lot C Section 11 Township 12
 New Westminster District Plan 21213

(collectively the "Lands").

The Assignor and Assignee agree to amend the Assignment so that the consultation fees paid by
 the Assignor will be increased from \$350,000.00 to \$400,000.00. The said
 \$400,000.00 in consultation fees will be paid as follows:

- (a) Deer Lake Enterprises Inc. - \$ 75,000.00
- (b) SURINDER S. JASSAL \$325,000.00
 NO GST PAYABLE


All other terms of the Assignment shall remain unchanged.

Dated effective as of June 20, 2006.

Vencial Capital Corp.
 by its authorized signatory:


 Authorized Signatory

670206 B.C. Ltd.
 by its authorized signatory:


 Authorized Signatory

**BRITISH
COLUMBIA**
The Best Place on Earth**Ministry
of Finance**
BC Registry Services**Mailing Address:**
PO BOX 9431 Stn Prov Govt.
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca**Location:**
2nd Floor - 940 Blanshard St.
Victoria BC
250 356-8626

BC Company Summary
For
DEER LAKE ENTERPRISES INC.

Date and Time of Search: December 09, 2009 10:37 AM Pacific Time
Currency Date: November 23, 2009

ACTIVE**Incorporation Number:** BC0272704
Name of Company: DEER LAKE ENTERPRISES INC.
Recognition Date: Incorporated on January 04, 1984
Last Annual Report Filed: January 04, 2008
In Liquidation: No
Receiver: No

REGISTERED OFFICE INFORMATION**Mailing Address:**
6188 BUCKINGHAM DRIVE
BURNABY BC V5E 2A4
CANADA**Delivery Address:**
6188 BUCKINGHAM DRIVE
BURNABY BC V5E 2A4
CANADA

RECORDS OFFICE INFORMATION**Mailing Address:**
6188 BUCKINGHAM DRIVE
BURNABY BC V5E 2A4
CANADA**Delivery Address:**
6188 BUCKINGHAM DRIVE
BURNABY BC V5E 2A4
CANADA

DIRECTOR INFORMATION**Last Name, First Name, Middle Name:**
KAINTH, GURMEL SINGH**Mailing Address:**
6188 BUCKINGHAM DR
BURNABY BC V5E2A4**Delivery Address:**
6188 BUCKINGHAM DR
BURNABY BC V5E2A4

OFFICER INFORMATION AS AT January 04, 2008

24

Last Name, First Name, Middle Name:

KAINTH, GURMEL SINGH

Office(s) Held: (President, Secretary)

Mailing Address:

**6188 BUCKINGHAM DR
BURNABY BC V5E2A4**

Delivery Address:

**6188 BUCKINGHAM DR
BURNABY BC V5E2A4**

25

INDEPENDENT BUSINESS #1 (CONT.)

DATE CLEARED: 19 DEC

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 224, 4820 KINGWAY
SUMMIT, S.C. 29166-4222

DATE 20071213 0404

PAY TO THE ORDER OF BC IMRO \$ 888.28

EIGHT HUNDRED & EIGHTY EIGHT / 100

Vancity VANCITY CITY SAVINGS CREDIT UNION
SOUTH SUMMIT COMMUNITY BRANCH
1000 UNIVERSITY AVE. SUMMIT, S.C. 29166-4222

1012 YORK RD, MAPLE RIDGE

0000404 16370-8090 21-039-478-30 0000088828

DATE CLEARED: 20 DEC

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 224, 4820 KINGWAY
SUMMIT, S.C. 29166-4222

DATE 20071211 0401

PAY TO THE ORDER OF TELUS COMMUNICATIONS \$ 34.29

THIRTY FOUR / 100

Vancity VANCITY CITY SAVINGS CREDIT UNION
SOUTH SUMMIT COMMUNITY BRANCH
1000 UNIVERSITY AVE. SUMMIT, S.C. 29166-4222

520-1480

0000404 16370-8090 21-039-478-30

DATE CLEARED: 20 DEC

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 224, 4820 KINGWAY
SUMMIT, S.C. 29166-4222

DATE 20071211 0403

PAY TO THE ORDER OF VALLEY GEOTECHNICAL ENGINEERING SERVICES LTD. \$ 7,089.27

SEVEN THOUSAND & EIGHTY NINE / 100

Vancity VANCITY CITY SAVINGS CREDIT UNION
SOUTH SUMMIT COMMUNITY BRANCH
1000 UNIVERSITY AVE. SUMMIT, S.C. 29166-4222

FIN NO: 425-6135, 6144, 6041, 15958

0000403 16370-8090 21-039-478-30 0000708927

DATE CLEARED: 21 DEC

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 224, 4820 KINGWAY
SUMMIT, S.C. 29166-4222

DATE 20071215 0406

PAY TO THE ORDER OF M. & M. Kozak \$ 5000.00

FIVE THOUSAND / 100

Vancity VANCITY CITY SAVINGS CREDIT UNION
SOUTH SUMMIT COMMUNITY BRANCH
1000 UNIVERSITY AVE. SUMMIT, S.C. 29166-4222

Nov. 07

0000406 16370-8090 21-039-478-30

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DATE CLEARED: 20 DEC

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 224, 4820 KINGWAY
SUMMIT, S.C. 29166-4222

DATE 11122007 0408

PAY TO THE ORDER OF TELUS COMMUNICATIONS (A/C: 23686 4659) \$ 84.46

EIGHTY FOUR / 100

Vancity VANCITY CITY SAVINGS CREDIT UNION
SOUTH SUMMIT COMMUNITY BRANCH
1000 UNIVERSITY AVE. SUMMIT, S.C. 29166-4222

522-MRO

0000400 16370-8090 21-039-478-30

DATE CLEARED: 20 DEC

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 224, 4820 KINGWAY
SUMMIT, S.C. 29166-4222

DATE 20071211 0402

PAY TO THE ORDER OF SHAW CABLE SYSTEMS LGP \$ 101.63

ONE HUNDRED & ONE / 100

Vancity VANCITY CITY SAVINGS CREDIT UNION
SOUTH SUMMIT COMMUNITY BRANCH
1000 UNIVERSITY AVE. SUMMIT, S.C. 29166-4222

AK: 10-0238-6115

0000402 16370-8090 21-039-478-30

DATE CLEARED: 20 DEC

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1236, SUITE 224, 4820 KINGWAY
SUMMIT, S.C. 29166-4222

DATE 20071213 0405

PAY TO THE ORDER OF DISTRICT OF MAPLE RIDGE \$ 3000.00

THREE THOUSAND SEVEN HUNDRED ONLY / 100

Vancity VANCITY CITY SAVINGS CREDIT UNION
SOUTH SUMMIT COMMUNITY BRANCH
1000 UNIVERSITY AVE. SUMMIT, S.C. 29166-4222

Alton Pns 2 T/H DP1 DP2 App.

0000405 16370-8090 21-039-478-30 0000370000

W.R. & M.S.
Kerlin

things grow

80/60 LRP #25 (26)

CLEARED CHEQUES

INDEPENDENT BUSINESS #1

DATE CLEARED: 03 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1231, SLATE 12A, 4025 GUNSHAW
BURNABY, B.C. V5H 4J2

DATE 20071231

PAY TO Whole Singh Sikh Society \$ 500.00

Five hundred

Vancity

0000407P 16370-809K 21-039-478-3P /0000050000/

DATE CLEARED: 03 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1231, SLATE 12A, 4025 GUNSHAW
BURNABY, B.C. V5H 4J2

DATE 20080103

PAY TO MASTERCARD: 5491 9806 5656 7537 \$ 50.00

ONE HUNDRED & FIFTY

Vancity

0000409P 16370-809K 21-039-478-3P /0000015000/

DATE CLEARED: 07 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1231, SLATE 12A, 4025 GUNSHAW
BURNABY, B.C. V5H 4J2

DATE 20080106

PAY TO GURINDER G. GILL \$ 1000.00

ONE THOUSAND ONLY

Vancity

0000411P 16370-809K 21-039-478-3P /0000100000/

DATE CLEARED: 11 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1231, SLATE 12A, 4025 GUNSHAW
BURNABY, B.C. V5H 4J2

DATE 20080109

PAY TO Mrs. Mrs. Kaur \$ 500.00

Five hundred

Vancity

0000414P 16370-809K 21-039-478-3P /0000500000/

0005P
Mr & Mrs Kaur

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1231, SLATE 12A, 4025 GUNSHAW
BURNABY, B.C. V5H 4J2

DATE 20080103

PAY TO VENCIAL CAPITAL CORPORATION \$ 50.00

FIVE THOUSAND TWO HUNDRED & FIFTY

Vancity

0000408P 16370-809K 21-039-478-3P /0000300000/

DATE CLEARED: 03 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1231, SLATE 12A, 4025 GUNSHAW
BURNABY, B.C. V5H 4J2

DATE 20080103

PAY TO ROBERT WIRELESS INC: 1-516-8833 \$ 100.00

ONE HUNDRED ONLY

Vancity

0000410P 16370-809K 21-039-478-3P /0000015000/

DATE CLEARED: 11 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1231, SLATE 12A, 4025 GUNSHAW
BURNABY, B.C. V5H 4J2

DATE 20080110

PAY TO GYHBA \$ 35.00

THIRTY FIVE ONLY

Vancity

0000412P 16370-809K 21-039-478-3P /00000031

DATE CLEARED: 14 JAN

THE SYMPHONY DEVELOPMENT CORPORATION
P.O. BOX 1231, SLATE 12A, 4025 GUNSHAW
BURNABY, B.C. V5H 4J2

DATE 20080114

PAY TO FEAZER EXCAVATION LTD \$ 429.00

Forty two thousand nine hundred & sixty eight

Vancity

0000413P 16370-809K 21-039-478-3P /00004290

things grow h