



No. S264225
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. c-36, AS AMENDED

AND

SYMPHONY HOMES (MOONLIGHT SONATA) LIMITED,
1168386 B.C. LTD., 1197030 B.C. LTD., 1197062 B.C. LTD., SYMPHONY HOMES
(WAYBURNE) LTD., and 663466 B.C. LTD.

PETITIONERS

REQUISITION

Filed by: AlixPartners Restructuring, Inc., in its capacity as court-appointed monitor (the "**Monitor**") in these proceedings pursuant to the order of Justice Milman pronounced on June 26, 2026.

Required:

1. To file the Fifth Report of AlixPartners Restructuring, Inc. as Monitor, dated October 19, 2026 (the "**Fifth Report**")

This requisition is supported by the following:

1. Paragraph 23(b) of the order of Justice Milman pronounced on June 26, 2026.

Dated: October 19, 2026

Signature of Lawyer for filing party
Christian Garton



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PETITIONERS

**FIFTH REPORT OF ALIXPARTNERS RESTRUCTURING, INC.
AS MONITOR**

October 19, 2026

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1.0 Introduction

1. Pursuant to an initial order (the "**Initial Order**") pronounced by the Supreme Court of British Columbia (the "**Court**") on June 17, 2026 (the "**Filing Date**"), Symphony Homes (Moonlight Sonata) Limited, formerly known as 1197101 B.C. Ltd. (the "**Nominee**"), 1168386 B.C. Ltd. ("**386**"), 1197030 B.C. Ltd. ("**030**"), 1197062 B.C. Ltd. ("**062**", and together with 386 and 030, the "**Beneficial Owners**") and 663466 B.C. Ltd. (the "**Corporate Guarantor**", and collectively with the Nominee and the Beneficial Owners, the "**Petitioners**" or "**Debtors**") were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**" and the proceedings thereunder, the "**CCAA Proceedings**"), and AlixPartners Restructuring, Inc. ("**Alix**") was appointed as monitor in the CCAA Proceedings (in such capacity, the "**Monitor**"). Symphony Homes (Wayburne) Ltd. ("**Symphony Wayburne**") was subsequently added as a Petitioner in the CCAA Proceedings pursuant to the ARIO (as defined below).
2. The principal purpose of the CCAA Proceedings is to stabilize the Debtors' operations, secure interim financing, complete construction of the Debtors' principal asset, the "Moonlight Sonata" residential townhome project (the "**Project**"), and maximize value for the benefit of stakeholders, including existing pre-sale purchasers.
3. The procedural history of these CCAA Proceedings is summarized below:
 - a) pursuant to the Initial Order, the Court, among other things: (i) granted a stay of proceedings (the "**Stay of Proceedings**") in favour of the Debtors to and including June 26, 2026 (the "**Stay Period**"); (ii) authorized the Monitor to monitor, operate and control the Debtors' bank accounts, including the *Builders Lien Act* holdback account, and required the Monitor's approval for all disbursements and purchase commitments in excess of \$10,000 for any single transaction or \$25,000 in the aggregate (the "**Disbursement Threshold**"); (iii) authorized the Debtors to borrow under an interim financing credit facility made available to the Debtors by KingSett Mortgage Corporation ("**KingSett**", and in such capacity, the "**Interim Lender**") in the aggregate principal amount of up to \$27,900,000 (the "**Interim Financing Facility**"), provided that borrowings thereunder not exceed \$500,000 absent further order of the Court; (iv) granted a charge on all of the Debtors' current and future assets, property and undertaking (collectively, the "**Property**") up to a maximum amount of \$150,000 (the "**Administration Charge**"); and (v) granted a charge on the Property in favour of the Interim Lender, ranking behind the Administration Charge (the "**Interim Lender's Charge**");

- b) at the comeback hearing held on June 26, 2026, the Court granted an amended and restated initial order (the "**ARIO**") which, among other things: (i) extended the Stay Period to and including July 31, 2026; (ii) increased the authorized borrowings under the Interim Financing Facility from \$500,000 to \$1,000,000; and (iii) added Symphony Wayburne as a "Petitioner" or "Debtor" in the CCAA Proceedings;
- c) on July 31, 2026, the Monitor (on behalf of the Petitioners) and KingSett executed an amendment to the Interim Financing Facility to add Symphony Wayburne as a borrower entity (the "**Amended Interim Financing Facility**"). The Amended Interim Financing Facility was later corrected after consultation between the Monitor and KingSett to fix inadvertent errors describing the borrower parties;
- d) at a hearing held on July 29, 2026, the Court granted an order (the "**Enhanced Powers Order**") which, among other things: (i) granted the Monitor enhanced powers to manage and control the business and affairs of the Debtors (the "**Enhanced Powers**"); (ii) authorized the Monitor to pay certain pre-filing amounts owing to critical suppliers of the Debtors, up to a maximum of \$500,000 in the aggregate; and (iii) extended the Stay Period to and including September 11, 2026;
- e) on August 18, 2026, the Petitioners filed a Notice of Appeal with the British Columbia Court of Appeal seeking leave to appeal the Enhanced Powers Order (the "**Appeal**"). The Petitioners have not obtained or sought to obtain a stay of the Enhanced Powers Order and, accordingly, the Enhanced Powers Order remains in full force and effect. A leave to appeal hearing is scheduled for October 27, 2026;
- f) at a hearing held on September 11, 2026, the Court granted an order which, among other things, extended the Stay Period to and including October 9, 2026; and
- g) at a hearing held on October 5, 2026, the Court granted orders which (among other things): (i) extended the Stay Period to and including December 18, 2026; (ii) approved the Amended Interim Financing Facility and authorized increased borrowing under the facility to \$7,500,000; (iii) removed counsel to the Debtors from the benefit of the Administration Charge and reduced the total amount of the charge to \$100,000; (iv) authorized the Monitor to enter into a Development Management Agreement (the "**Townline DM Agreement**") with Townline Developments Inc. ("**Townline Development**"); and (v) approved the payment of certain post-filing invoices claimed by Symphony Homes Limited, an affiliate of the Debtors, with such payment to be offset against an \$86,185.66 HST refund the Debtors must remit to the Monitor (the "**HST Refund**").

1.1 Purposes of this Fifth Report

1. The purposes of this report (the "**Fifth Report**") are to:
 - a) provide the Court with an update on the current status of the Project;
and
 - b) report on new findings by the Monitor regarding the Debtors' conduct.

1.2 Restrictions

1. In preparing this Fifth Report, the Monitor has relied upon the Debtors' audited and unaudited financial information, the books and records of the Debtors, information provided by third parties, including the Interim Lender and the Project's consultants, and discussions with the Debtors' representatives and legal counsel.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Fifth Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.

1.3 Currency

1. Unless otherwise noted, all currency references in this Fifth Report are in Canadian dollars.

2.0 Background

1. The Debtors are part of a broader group of development companies known as the Symphony Homes Group (collectively, the "**Symphony Homes Group**"), which is a real estate developer with its head office in Burnaby, British Columbia.
2. The Monitor has previously filed the following reports in these CCAA Proceedings: (i) the First Report of the Monitor dated June 26, 2026 (the "**First Report**"); (ii) the Second Report of the Monitor dated July 21, 2026 (the "**Second Report**"); (iii) the Supplement to the Second Report of the Monitor dated July 29, 2026 (the "**Supplemental Report**"); (iv) the Third Report of the Monitor dated September 4, 2026 (the "**Third Report**"); and (v) the Fourth Report of the Monitor dated September 29, 2026 (the "**Fourth Report**"). The First Report, the Second Report, the Supplemental Report, the Third Report and the Fourth Report are collectively referred to as the "**Prior Reports**".

3. Detailed background information concerning the Debtors, the Project, the Debtors' secured creditors and these CCAA Proceedings is provided in the Prior Reports and is not repeated in this Fifth Report, other than as necessary.
4. The Prior Reports, as well as all other Court materials filed in these proceedings are available on the Monitor's case website: <https://cdncases.alixpartners.com/experience/case/moonlight-sonata>.

3.0 Status of the Project

1. Following the granting of the Court's most recent orders on October 5, 2026, the Monitor has worked with various parties and stakeholders towards restarting construction work on the Project.
2. The Monitor formally engaged Townline Development pursuant to the Townline DM Agreement, and Townline Construction Inc. ("**Townline Construction**") and together with Townline Development, "**Townline**") pursuant to a CCDC 5A Construction Management Contract (the "**Townline CM Agreement**"), to provide comprehensive development and construction management services for the Project moving forward.
3. The Monitor has leveraged Townline's expertise and contacts to navigate regulatory issues surrounding the Project detailed in the Prior Reports, including issues such as:
 - a) expiry of the Debtors' builders license in July of 2025;
 - b) suspension or expiration of the Debtors' master building permit and excavation permit in September of 2025; and
 - c) expiration of the Debtors' home warranty insurance program membership in November of 2025(collectively, the "**Regulatory Issues**").
4. The Regulatory Issues must be resolved before construction work can restart on the Project. The Monitor and Townline are in active discussions or negotiations with BC Housing, the City of Burnaby, home warranty insurers, and other parties to reach that objective.
5. The Monitor and Townline have taken certain steps and are exploring various options to get construction restarted as quickly as possible, including among other things:
 - a) submitting a renewal application for a BC Housing developer's license held by the Nominee;

- b) working with a prominent warranty insurer to advance discussions regarding warranty coverage for the Project; and
 - c) considering whether to commence construction on the rental blocks which do not require warranty enrollment while home warranty insurance coverage is being finalized.
- 6. In addition to the above, The Monitor has continued working with BTY Group ("**BTY**") the independent cost consultant for the Project, Townline, and KingSett to finalize revised construction budget. The Monitor has taken steps to re-engage most of the Project's existing consultants. The Monitor, with Townline's assistance, expects to be in a position to retender trade contracts in the near term.
- 7. The Monitor also continues to field requests and inquiries from presale unit purchasers regarding their homes and the status of the Project. To keep these purchasers informed as a group where appropriate, the Monitor has posted public notices on its case website. The last such notice was posted on October 14, 2026.

4.0 Debtor activities

- 1. The Monitor's recent findings and comments regarding activities of the Debtors are detailed below.

4.1 The QS Reports

- 1. During the course of the Project's development, the Debtors provided certain information, including monthly bank statements, to BTY in its role as the Project's independent cost consultant, to assist BTY with the preparation of monthly reports (the "**QS Reports**"). A primary purpose of the QS Reports was to provide the Project's construction lender, KingSett, with comfort that funding advances were being used for their intended purpose. To this end, the QS Reports included bank statements for a TD Bank account ending in 9141 in the name of Symphony Wayburne (the "**Wayburne Account**"). The Wayburne Account is the account from which Project expenses were purportedly being paid.
- 2. Recently, the Monitor compared several Wayburne Account statements contained in the QS Reports against their corresponding statements obtained directly from TD Bank. In every month reviewed, the statement provided by the Debtors to BTY overstated the closing balance of the Wayburne Account by approximately \$970,000 to \$2.04 million, as detailed below.

Project Draw	Month	Wayburne Account closing balance per QS Reports	Wayburne Account closing balance per TD Bank	Variance
Draw 10	Jun 2025	\$1,656,305.00	\$436,312.08	(\$1,219,992.92)
Draw 11	Jul 2025	\$2,046,843.00	\$226,825.16	(\$1,820,017.84)
Draw 12	Aug 2025	\$2,034,536.00	\$1,064,317.34	(\$970,218.66)
Draw 13	Oct 2025	\$2,152,477.00	\$148,256.65	(\$2,004,220.35)
Draw 14	Nov 2025	\$2,040,796.00	\$5,029.67	(\$2,035,766.33)

3. The Monitor has obtained various email correspondence between the Debtors and BTY which demonstrate that the falsified bank statements were being transmitted to BTY directly by the Debtors. The Monitor is deeply concerned by this discovery, and in the absence of any evidence to the contrary, has no other option but to conclude that the Debtors were actively engaged in falsifying banking records in an effort to deceive KingSett and BTY.
4. Based on the correspondence that it has reviewed, the Monitor notes that Gurdeep Singh Kainth, the principal of the Debtors, was included on certain of the email chains where bank statements and other information concerning the QS Reports was transmitted from the Debtors to BTY.
5. When confronted with this evidence, legal counsel to the Debtors advised the Monitor as follows:

“We have been told by Gurdeep that he was completely unaware of these fraudulent bank statements and has relied on his CFO Jay Hothi in regards to the financial reporting.”
6. The Monitor is continuing to follow up with the Debtors for more information about this apparent fraud. The Monitor has also contacted Mr. Hothi for further information or explanations, but has not received any response as of the date of this Fifth Report.
7. The Monitor is considering its options to further investigate matters, including seeking to cross examine Mr. Kainth or Mr. Hothi on their affidavits filed in the CCAA Proceedings.

4.2 The HST Refund

1. As detailed in the Prior Reports, the Debtors have failed to return the HST Refund to the Monitor despite the terms of the ARIO and repeated requests dating back to August 12, 2026, when the Debtors' counsel advised the funds should be returned to the Monitor that week.
2. The Monitor's counsel has continued to follow up for payment of the HST Refund as recently as October 14, 2026; however, the funds still have not been repaid. Absent any valid explanation for the continued withholding of these funds for over two months, the Monitor has no option but to conclude that the Debtors do not intend to pay these funds back, which is in direct contravention of orders made in these proceedings.

All of which is respectfully submitted,

AlixPartners Restructuring, Inc.

**ALIXPARTNERS RESTRUCTURING, INC.,
IN ITS CAPACITY AS MONITOR OF
SYMPHONY HOMES (MOONLIGHT SONATA) LIMITED,
1168386 B.C. LTD., 1197030 B.C. LTD., 1197062 B.C. LTD., SYMPHONY
HOMES (WAYBURN) LTD., AND 663466 B.C. LTD.
AND NOT IN ITS PERSONAL CAPACITY**