

Form 3-49
(Rule 3-49)

COURT FILE NUMBER KB6-R6-01098-2024

COURT OF KING'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE REGINA

APPLICANT / APPELLANT: PYTHON MANUFACTURING LTD.

RESPONDENT FINANCIAL AND CONSUMER AFFAIRS
AUTHORITY OF SASKATCHEWAN

ORIGINATING APPLICATION

NOTICE TO THE RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Court. To do so, you must be in Court when the application is heard as shown below:

Where: 2425 Victoria Avenue, Regina, SK, S4P 4W6

Date June 11, 2024

Time 10:00am

Go to the end of this document to see what you can do and when you must do it.

PARTICULARS OF APPLICATION

The applicant seeks the following remedy or order:

1. The Applicant, Python Manufacturing Ltd. ("**Python**") seeks an Order from this Court requiring the Respondent, Financial and Consumer Affairs Authority of Saskatchewan ("**FCAA**") to reinstate the Pension Plan Registration No. 1316371 (the "**Plan**").
2. In the alternative, Python seeks an Order from this Court to direct the matter be returned to a hearing before the FCAA to allow Python to present new material evidence to the Deputy Superintendent of Pensions.
3. An extension of time for filing and service pursuant to section 23(2) of *The Pension Benefits Act, 1992* (the "**Act**") to allow time for the supporting documents to be translated

from Korean to English.

The applicant's ground(s) for making this application is/are:

4. The authority for this Court to grant the requested relief is derived from section 23 of the *Act* and Rule 3-49(2) of the *King's Bench Rules*.

The applicant's summary of the material facts is as follows:

5. Python is the employer of the Plan members and the administrator of the Plan pursuant to sections 2(1)(b) and 2(1)(n) of the *Act*, respectfully.
6. The Plan had an effective date of November 17, 2017, and was registered pursuant to the *Act* on March 18, 2018. The Plan is a defined contribution plan pursuant to section 2(1)(j) of the *Act*.
7. Python, a small business, fell victim to the Covid-19 pandemic which placed Python in an unfavorable financial position as the companies which Python was contracted to complete work for were unable to fulfill their financial obligations to Python and many of the contracts were terminated.
8. Therefore, during the pandemic, Python lost its revenue streams. Due to the unfavorable financial position, Python was unable to meet its financial obligations. One of these obligations was to remit contributions to the Plan.
9. Canada Life sent to Python ten letters between June 1, 2022 and April 3, 2023 advising of the overdue contributions and the Plan was terminated by the Deputy Superintendent of Pensions (the "**Superintendent**") on July 10, 2023 pursuant to section 22 of the *Act*.
10. The concerns outlined by the Superintendent included:
 - a. Concerns of operational business pressures causing the late contributions;
 - b. Concerns of Python's financial difficulties to pay its suppliers and employees and could be using the pension contributions to keep the business operating;
 - c. Concerns of bankruptcy (as it is unlikely Plan members will receive contributions to their arrears in this scenario);
 - d. Concerns of the impact missing contributions could affect members' retirement

plans; and

- e. Concerns members may not be able to make alternative contributions to a registered product as Canada Revenue Agency were likely advised the contributions had been remitted.

11. On or about August 4, 2023, Python filed the Notice of Objection and the Hearing was scheduled then rescheduled to December 18, 2023 (the "**Hearing**"). The purpose of the Hearing was to provide Python an opportunity to make representations in support of its objection to the Superintendent's decision to termination the Plan.

12. The Superintendent issued their decision from the Hearing on March 20, 2024 and served on Python on March 21, 2024. The Superintendent upheld their initial decision to terminate the Plan.

13. Python had experienced significant financial difficulty due to losing its revenue streams and inability to sell its products during the pandemic. Throughout the course of this matter, from Canada Life's initial letters in June of 2022 until the Superintendent issued their written decision in March of 2024, Python's parent company had been in negotiations with an investor for when the initial investment would come through. Python had also been in negotiations with other parties to enter into contracts for Python's services. At the time of the Hearing, no money had yet been advanced to Python and Python was not in a position to be self-sufficient without the influx of working capital.

14. Since the Hearing, Python has:

- a. Secured a contract with the City of Atlantic City Municipal Corporation of the *State of New Jersey*;
- b. Secured an extensive contract with the Government of Seoul, South Korea;**
- c. Python's parent company (in South Korea) had entered into the agreement that had been presented by Python in the form of a binding Memorandum of Understanding signed by investors and has begun to advance funds to Python;**
and
- d. Python is in the process of re-hiring their staff.

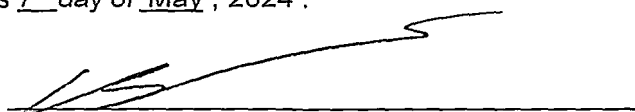
(** indicates documents are in the process of being translated from Korean to English to be included in the supporting Affidavit)

15. Python also experienced financial difficulty as a result of the pandemic which resulted in a Judgment against Python by the Ministry of Labour Relations and Workplace Safety for unpaid wages. Python will have the Judgment satisfied in the upcoming days.
16. Daniel Honski Yun, the Chief Operating Officer for Python ("Daniel Yun") has reached out to Canada Life and is awaiting confirmation of the amounts owing (employer contributions, employee contributions, and interest accumulated). Once these values are known, Python will coordinate with the FCAA to advance the funds to the appropriate party to satisfy these outstanding amounts owed.
17. The material change of circumstance which has occurred is that Python has returned to a position of financial stability for the first time since the pandemic. Unfortunately, at the time of Canada Life's initial letters and up to the date of the Hearing, Python was still in a state of uncertainty, waiting for contracts and waiting for their investors to come through. The uncertain times appear to be behind Python now, and Python endeavors to fulfill its obligations to the Plan, pursuant to the Act as Python had from 2017 up to 2022.
18. Python prays this Court orders the Plan be reinstated.

In support of this application, the applicant relies on the following material or evidence:

19. This Originating Application;
20. The Affidavit of Daniel Hongsik Yun, to be filed;
21. The Decision of the Superintendent, Dated March 20, 2024
22. Draft Order of the Relief Sought, to be filed; and
23. Any other materials as filed by the Applicant and this Honourable Court may allow.

DATED at Regina , Saskatchewan, this 7th day of May , 2024 .

A handwritten signature in black ink, consisting of several fluid, connected strokes, positioned above a horizontal line.

(signature)

TO: LOCAL REGISTRAR

AND TO: Deputy Superintendent of Pensions
Financial and Consumer Affairs Authority of Saskatchewan
2365 Albert St, 4th Floor, Regina SK, S4P4K1

This notice is issued at the above-noted judicial centre on the 9th day of May, 2024




Local Registrar **C. WAGNER**
BY LOCAL REGISTRAR

NOTICE

You are named as a respondent because you have made or are expected to make an adverse claim with respect to this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form.

The rules require that a party moving or opposing an originating application must serve any brief of written argument on each of the other parties and file it at least 3 days before the date scheduled for hearing the originating application.

If you intend to rely on an affidavit or other evidence when the originating application is heard or considered, you must serve a copy of the affidavit and other evidence on the originating applicant at least 10 days before the originating application is to be heard or considered.

This document was delivered by:

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