

COURT FILE NO. 2501-02733

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

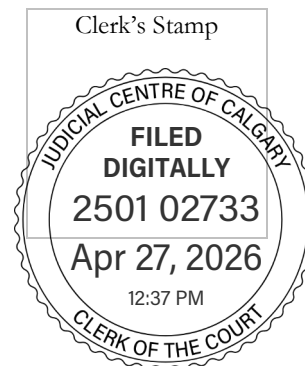
IN THE MATTER OF THE *COOPERATIVES ACT*,
SA 2001, c C-28.1

AND IN THE MATTER OF THE RECEIVERSHIP
OF PICTURE BUTTE FEEDER COOPERATIVE

APPLICANT ALVAREZ & MARSAL CANADA INC. in its capacity
as Court-appointed Restructuring Officer of the assets,
undertakings and properties of PICTURE BUTTE
FEEDER COOPERATIVE

DOCUMENT **APPLICATION**
**(Approval of the Restructuring Officer's Actions,
Conduct, Fees and Disbursements, the Discharge of
the Restructuring Officer and other relief)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1
Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 39108-2013



NOTICE TO 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 Justice.

To do so, you must be in Court when the Application is heard as shown below:

Date: Monday, May 4, 2026

Time: 2:00 p.m.

| | |
|--------------|---|
| Where: | Calgary Courts Centre (by Webex videoconference – see Schedule “A”) |
| Before Whom: | Justice A.G. Kuntz, of the Commercial List |

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

Remedy claimed or sought:

1. Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Restructuring Officer (the “**Restructuring Officer**”), over the assets, properties and undertakings (the “**Property**”) of Picture Butte Feeder Cooperative (“**PBFC**” or the “**Cooperative**”), seeks an Order substantially the same form as those attached as **Schedule “C”** to this Application, granting the following relief and directions:
 - 1.1 declaring that the time for service of the within Application and supporting materials be abridged if necessary, that the Application is properly returnable on the scheduled date and that service of the Application on the Service List attached hereto as **Schedule “B”** is validated and deemed to be good and sufficient, and that further service of the Application be dispensed with;
 - 1.2 approving the actions and conduct of Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Restructuring Officer (the “**Restructuring Officer**”) over the assets, properties and undertakings (the “**Property**”) of PBFC, and the fees and disbursements of the Restructuring Officer and the Restructuring Officer’s counsel, as set out and described in the Third Report of the Restructuring Officer, filed April 27, 2026 (the “**Third Report**”);
 - 1.3 approving the actions, activities and conduct of the Restructuring Officer, as set out and described in the Third Report; and
 - 1.4 approving the fees and costs of the Restructuring Officer, the Restructuring Officer’s legal counsel, and PBFC’s legal counsel, as set out and described in the Third Report;
 - 1.5 approving the Forecast Fees and Costs of the Restructuring Officer, the Restructuring Officer’s legal counsel, and PBFC’s legal counsel, as set out and described in the Third Report;
 - 1.6 approving the final discharge of the Restructuring Officer, upon the filing of the Restructuring Officer’s Discharge Certificate, as appended to the proposed form of Discharge Order attached as Schedule “C” to this Application, following which the Restructuring Officer shall be fully and irrevocably discharged as Restructuring Officer of the Debtors, provided however, that notwithstanding its discharge herein (a) the Restructuring Officer shall remain Restructuring Officer for the performance of such incidental duties as may be required to complete the administration of the restructuring

proceedings herein, and (b) the Restructuring Officer shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Restructuring Officer in its capacity as Restructuring Officer.

2. Such further and other relief, advice and directions as counsel may advise and this Honourable Court may deem just and appropriate.

Grounds for making this Application:

3. On January 27, 2025, the Inspection and Investigation Section of Alberta Agriculture and Irrigation (the “**Ministry**”) issued an order (the “**Ministerial Order**”) that prohibited PBFC from making any further advances to its members under a loan program that was established under the Alberta legislative scheme.
4. The Ministerial Order was ordered as a result of various inspections on PBFC that took place between September 7, 2023 and May 15, 2024 by the Ministry, which were outlined in a report completed by the Ministry dated November 18, 2024 (the “**Inspection Report**”). The Inspection Report was attached to the Confidential Affidavit of Tony Ankermann sworn on February 18, 2025 (the “**Ankermann Affidavit**”). In the decision of The Honourable Justice D.R. Mah released on March 18, 2025, a sealing order that was sought in respect of the Ankermann Affidavit was denied, and consequently the Inspection Report now forms part of the public record.
5. On February 21, 2025, following the Application of PBFC, Alvarez & Marsal Canada Inc. was appointed Restructuring Officer over the Property of PBFC, by Order of Justice D.R. Mah (the “**Restructuring Officer Order**”).
6. Pursuant to the terms of the Restructuring Officer Order, and in particular subparagraph 3(a) thereof, the Restructuring Officer is empowered and authorized to take possession of and exercise control over the Property of PBFC, and any and all proceeds, receipts and disbursements arising out or from the Property.
7. Pursuant to subparagraph 3(c) of the Restructuring Officer Order, the Restructuring Officer is empowered and authorized to manage, operate and carry on the business of PBFC, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the PBFC.
8. Since the appointment of the Restructuring Officer on February 21, 2025, the Restructuring Officer has been working diligently with the stakeholders of PBFC, including the Inspection and Investigation Section of Alberta Agriculture and Irrigation (the “**Ministry**”) and PBFC’s senior lenders, to reconcile PBFC’s financial records, including member deposits, loan balances and other receipts and disbursements.

9. As a result of the Restructuring Officer's efforts, the Ministry rescinded the Ministerial Order without any further restrictions for PBFC to continue operations. In addition, on May 21, 2025, the Restructuring Officer entered into an amended credit agreement with the lenders that would allow PBFC to resume lending and access to its credit facilities. PBFC resumed its lending practice to its members on May 26, 2025. However, as part of the rescinding of the Ministerial Order, there was an expectation by the Ministry that the Restructuring Officer would continue to address all corporate governance matters impacting PBFC, including but not limited to updating PBFC's by-laws and policies, and initiating a process to establish a new board of directors.
10. As part of the Restructuring Officer's goal of stabilizing PBFC's operations, the Restructuring Officer ensured that it had the appropriate key experts and agents to assist and provide guidance while the Restructuring Officer took steps to restructure the affairs of PBFC.
11. The steps taken by the Restructuring Officer to date are set out and described in the Third Report, which has been provided to the Court and posted to the Restructuring Officer's website.
12. The actions, activities and conduct of the Restructuring Officer to date in respect of the administration of the PBFC estate, as reported and described in the Third Report, have been necessarily undertaken.
13. The fees and disbursements of the Restructuring Officer, those of the Restructuring Officer's legal counsel, and those of PBFC's legal counsel to date are fair and reasonable in the circumstances, have been necessarily incurred, and reflect the work done and steps taken in furtherance of the restructuring proceedings.
14. Now that the restructuring proceedings are predominantly complete, save for the items identified in the Administrative Duties as set out in the Third Report, the Restructuring Officer is seeking its discharge from these proceedings.
15. The terms as set out in the proposed form of Order attached hereto as Schedule "C" are necessary to permit the final discharge of the Restructuring Officer from the restructuring proceedings of PBFC, and the other matters set out in the Third Report.
16. PBFC supports the proposed form of Order sought.
17. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

18. All pleadings, proceedings, orders, affidavits, reports and other materials filed in Alberta Court of King's Bench Action No. 2501-02733, and in particular the Restructuring Officer Order granted by the Honourable Justice D.R. Mah on February 21, 2025.
19. The Third Report of the Restructuring Officer, filed April 27, 2026.

20. The proposed form of Order attached as Schedule “C” to this Application.
21. The inherent jurisdiction of this Honourable Court to control its own process.
22. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

Applicable rules:

23. Part 6, Division 7, and in particular Rules 3.2 and 6.47(e) and (f), and Part 6, Division 4, and in particular Rule 6.28(b), and such further and other Rules as counsel may advise and that this Honourable Court may permit.

Applicable Acts and Regulations:

24. *Cooperatives Act*, SA 2001, c C-28.1, as amended, the *Judicature Act*, RSA 2000, c J-2, as amended, and such further and other Acts and Regulations as counsel may advise and that this Honourable Court may permit.

Any irregularity complained of or objection relied on:

25. None.

How the Application is proposed to be heard or considered:

26. Oral submissions by counsel at an Application in Justice Chambers as agreed and scheduled by counsel, scheduled to be heard on Monday, May 4, 2026 at 2:00 p.m. before The Honourable Justice A.G. Kuntz of the Commercial List, via Webex videoconference.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the Applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this Application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the Application is heard or considered, you must reply by giving reasonable notice of the material to the Applicant.

Schedule "A"
Webex Information

The above booking is Confirmed

File #(s) : 2501 02733

Style of Cause: PICTURE BUTTE FEEDER COOPERATIVE v. COOPERATIVES ACT.

Date/Duration:

May 04, 2026 02:00 PM

Total: 120 Minute(s)

Booking Type/List: Commercial

Purpose of Hearing: Commercial Hearing

Counsel: Kyle David Kashuba;

Special Requirements:

Requirements: Courtroom Required

Equipment: Video Conferencing

Counsel: Please ensure that all relevant parties have received Webex information.

Virtual Courtroom 60 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom60>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the **Open Cisco Webex Meeting**.
4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

Please connect to the courtroom **15 minutes prior** to the start of the hearing.

Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.

If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.

Schedule "B"
Service List

| PARTY | METHOD OF DELIVERY | ROLE / INTEREST |
|---|--------------------|--|
| <p>Torys LLP 525, 8th Ave - Eighth Avenue Place East 4600 8 Ave SW Calgary, AB T2P 3N4</p> <p>Attention: Kyle Kashuba</p> <p>Email: kkashuba@torys.com</p> | Email | Counsel to the Restructuring Officer |
| <p>Brad Deleeuw Po Box 417 Picture Butte, AB T0K 1V0</p> <p>Email: Deleeuwbrad@gmail.com</p> | Email | Director of PBFC and member of the Special Relations Committee |
| <p>Jason Konynenbelt Po Box 123 Nobleford, AB T0L 1S0</p> <p>Email: Jasonkbelt@outlook.com</p> | Email | Director of PBFC |
| <p>Philipp Lammerding Po Box 217 Coalhurst, AB T0L 0V0</p> <p>Email: Plammerding@gmail.com</p> | Email | Director of PBFC |
| <p>Trevor Molenaar Po Box 474 Nobleford, AB T0L 1S0</p> <p>Email: Tmolenaar@Xplornet.com</p> | Email | Director of PBFC |
| <p>Bill Schooten Po Box 292 Nobleford, AB T0L 1S0</p> <p>Email: B.M.Farms@outlook.com</p> | Email | Director of PBFC |
| <p>Kevin Serfas Po Box 101 Turin, AB T0K 2H0</p> <p>Email: Kevinserfas@gmail.com</p> | Email | Former Director of PBFC |

| PARTY | METHOD OF DELIVERY | ROLE / INTEREST |
|---|--------------------|--|
| <p>Gowling WLG (Canada) LLP Suite 1600, 421 7th Avenue SW Calgary, AB T2P 4K9</p> <p>Attention: Theresa Nolan</p> <p>Email: Theresa.nolan@gowlingwlg.com</p> | Email | Counsel to Kevin Serfas |
| <p>Conrad Withage Po Box 199 Monarch, AB T0M 1M0</p> <p>Email: Cwithage@gmail.com</p> | Email | Director of PBFC and member of the Special Relations Committee |
| <p>Shane Schooten Po Box 148 Diamond City, AB T0K 0T0</p> <p>Email: Shane.Schooten@gmail.com</p> | Email | Former Director of PBFC |
| <p>Blakes Cassels & Graydon LLP Suite 3500, Bankers Hall East Tower 855-2nd Street SW Calgary, AB T2P 4J8</p> <p>Attention: Mark Morrison, K.C.</p> <p>Email: mark.morrison@blakes.com</p> | Email | Counsel to Shane Schooten |
| <p>Tony Ankermann Po Box 204 Iron Springs, AB T0K 1G0</p> <p>Email: Tankermann4@gmail.com</p> | Email | Director of PBFC and member of the Special Relations Committee |
| <p>Bank of Montreal 100 King Street West, 18th Floor Toronto, On M5x 1a1</p> <p>Email: Issam.Majeed@bmo.com</p> | Email | Lender/Agent |
| <p>MLT Aikins LLP 2100 Livingston Place</p> | Email | Counsel to BMO |

| PARTY | METHOD OF DELIVERY | ROLE / INTEREST |
|---|--------------------|--|
| <p>222 3rd Ave SW Calgary, AB T2P 0B4</p> <p>Attention: Ryan Zahara / Maria Penner</p> <p>Email: rzahara@mltaikins.com MPenner@mltaikins.com</p> | | |
| <p>Alberta Agriculture and Irrigation 131 Legislature Building 10800 – 97 Avenue Edmonton, AB T5K 2B6</p> <p>Attention: RJ Sigurdson / Jason Hale / John Conrad</p> <p>Email: Agric.Minister@gov.ab.ca Jason.Hale@gov.ab.ca; John.Conrad@gov.ab.ca</p> | Email | Minister and Deputy Ministers, Agriculture and Irrigation |
| <p>Alberta Agriculture and Irrigation Animal Health and Assurance Branch Inspection and Investigation Section 201, 5030 – 50 Street Olds, AB T4H 1S1</p> <p>Attention: Bruce Hamblin</p> <p>Email: Bruce.Hamblin@gov.ab.ca Agi.lisadmin@gov.ab.ca Thomas.Pack@gov.ab.ca</p> | Email | Director, Inspection and Investigation Section Alberta Agriculture and Irrigation |
| <p>Alberta Justice 9th Floor, Peace Hills Trust 10011-109 Street Edmonton, AB T5J 3S8</p> <p>Attention: Andrea Simmonds / Julie Lee / Nicholas Smith</p> <p>Email: andrea.simmonds@gov.ab.ca julie.lee@gov.ab.ca nicholas.smith@gov.ab.ca</p> | Email | Counsel to the Director, Inspection and Investigation Section Alberta Agriculture and Irrigation |

| PARTY | METHOD OF DELIVERY | ROLE / INTEREST |
|---|--------------------|-------------------------------|
| Feeder Association of Alberta 100, 5908 50 Street Leduc, AB T9E 0R6 Attention: George L'Heureux / Craig Guthrie Email: zone4@feederassoc.com CGuthrie@feederassoc.com | Email | Feeder Association of Alberta |

Schedule "C"

Proposed form of Order

**(Approval of the Restructuring Officer's Actions, Conduct, Fees and Disbursements, Final Distribution,
the Discharge of the Restructuring Officer and other relief)**

COURT FILE NO. 2501-02733
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's Stamp

IN THE MATTER OF THE *COOPERATIVES ACT*, SA
2001, c C-28.1

AND IN THE MATTER OF THE RECEIVERSHIP OF
PICTURE BUTTE FEEDER COOPERATIVE

APPLICANT ALVAREZ & MARSAL CANADA INC. in its capacity as
Court-appointed Restructuring Officer of the assets,
undertakings and properties of PICTURE BUTTE
FEEDER COOPERATIVE

DOCUMENT **ORDER**
**(Approval of the Restructuring Officer's Actions, Conduct,
Fees and Disbursements, the Discharge of the
Restructuring Officer and other relief)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1
Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 39108-2013

DATE UPON WHICH ORDER WAS PRONOUNCED: Monday, May 4, 2026
NAME OF JUSTICE WHO MADE THIS ORDER: Justice A.G. Kuntz
LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION being made by Alvarez & Marsal Canada Inc. in its capacity
as the Court-appointed Restructuring Officer (the "**Restructuring Officer**") of the assets,

undertakings and properties of Picture Butte Feeder Cooperative (“**PBFC**”); **AND UPON** having read the Third Report of the Restructuring Officer, filed April 27, 2026 (the “**Third Report**”); **AND UPON** having read the Affidavit of Service of Samantha Hawley, sworn and filed April __, 2026 (the “**Service Affidavit**”); **AND UPON** hearing counsel for the Restructuring Officer, counsel for PBFC, and from any other interested parties who may be present; **AND UPON** it appearing that all interested and affected parties have been served with notice of this Application;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of notice of this Application is abridged to the time actually given and service of the Application and supporting materials as described in the Service Affidavit is good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
2. The actions, activities and conduct of the Restructuring Officer to date, including and as reported in the Third Report, are hereby authorized and approved.
3. The fees and disbursements of the Restructuring Officer, those of the Restructuring Officer’s legal counsel, and those of PBFC’s legal counsel, as reported in the Third Report, are hereby authorized and approved.
4. The Forecast Fees and Costs of the Restructuring Officer, those of the Restructuring Officer’s legal counsel, and those of PBFC’s legal counsel, as reported in the Third Report, are hereby authorized and approved.
5. On the evidence before the Court, the Restructuring Officer has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Restructuring Officer shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any in fraud, gross negligence or willful misconduct on the part of the Restructuring Officer or with leave of the Court. Subject to the foregoing any claims against the

Restructuring Officer in connection with the performance of its duties are hereby stayed, extinguished and forever barred.

6. No action or other proceedings shall be commenced against the Restructuring Officer in any way arising from or related to its capacity or conduct as Restructuring Officer, except with prior leave of this Court on notice to the Restructuring Officer, and upon such terms as this Court may direct.
7. Upon the Restructuring Officer filing with the Clerk of the Court a Discharge Certificate, in the form appended to this Order as Schedule "A", confirming that all Administrative Duties, as set out and defined in the Third Report, then the Restructuring Officer shall be fully and irrevocably discharged as Restructuring Officer of PBFC, provided however, that notwithstanding its discharge herein (a) the Restructuring Officer shall remain Restructuring Officer for the performance of such incidental duties as may be required to fully and finally conclude the restructuring proceedings herein, and (b) the Restructuring Officer shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Restructuring Officer in its capacity as Restructuring Officer. As set out and described in the Third Report, the Restructuring Officer is authorized and permitted to transition operational power and governance control to the PBFC Staff and Board of Directors upon the execution of this Order
8. The Restructuring Officer is hereby authorized and empowered to apply to this Honourable Court to amend, vary, or seek any advice, directions, or the approval or vesting of any transactions, in connection with this Order.
9. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, to give effect to this Order and to assist the Restructuring Officer and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Restructuring Officer, as an officer of this

Court, as may be necessary or desirable to give effect to this Order or to assist the Restructuring Officer and its agents in carrying out the terms of this Order.

10. Service of this Order shall be deemed good and sufficient by:

- (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the Application for this Order;
 - (iii) any other parties attending or represented at the Application for this Order;
and
- (b) Posting a copy of this Order on the Restructuring Officer's website at:
<https://www.alvarezandmarsal.com/picturebutte>

and service on any other person is hereby dispensed with.

Justice of the Alberta Court of King's Bench

Schedule "C"

Proposed form of Certificate of Discharge

COURT FILE NO. 2501-02733

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Clerk's Stamp

IN THE MATTER OF THE *COOPERATIVES ACT*, SA
2001, c C-28.1

AND IN THE MATTER OF THE RECEIVERSHIP OF
PICTURE BUTTE FEEDER COOPERATIVE

APPLICANT ALVAREZ & MARSAL CANADA INC. in its capacity as
Court-appointed Restructuring Officer of the assets,
undertakings and properties of PICTURE BUTTE
FEEDER COOPERATIVE

DOCUMENT **CERTIFICATE OF DISCHARGE OF ALVAREZ &
MARSAL CANADA INC., in its capacity as Court-
appointed Restructuring Officer of the assets,
undertakings and properties of PICTURE BUTTE
FEEDER COOPERATIVE**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING
THIS DOCUMENT

Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 39108-2013

RECITALS:

- A. Pursuant to an Order of the Honourable Justice D.R. Mah of the Court of King’s Bench of Alberta (the “**Court**”) dated February 21, 2025, Alvarez & Marsal Canada Inc. was appointed Restructuring Officer over the assets, properties and undertakings of Property of PBFC.

- B. Pursuant to an Order of the Court dated May 4, 2026 (the “**Discharge Order**”), the Court approved the discharge of the Restructuring Officer, subject to the Restructuring Officer filing a certificate certifying that it had completed the administrative duties of the Receiver set out in the Third Report of the Restructuring Officer dated April 27, 2026 (the “**Third Report**”).

THE RESTRUCTURING OFFICER CERTIFIES the following:

- 1. The matters set out in paragraph 7 of the Discharge Order are completed.

- 2. This Certificate was delivered by the Restructuring Officer at **[Time]** on **[Date]**.

**Alvarez & Marsal Canada Inc., in its
capacity as Court-appointed
Restructuring Officer and not in its
personal or corporate capacity**

Per: _____
**Orest Konowalchuk, LIT
Senior Vice President**