

**COURT OF APPEAL OF ALBERTA**

Clerk's Stamp

COURT OF APPEAL FILE NUMBER: 2401-014AC

TRIAL COURT FILE NUMBER: 2401-01422

REGISTRY OFFICE: CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF GRIFFON PARTNERS  
OPERATION CORPORATION, GRIFFON  
PARTNERS HOLDING CORPORATION, GRIFFON  
PARTNERS CAPITAL MANAGEMENT LTD.,  
STELLION LIMITED, 2437801 ALBERTA LTD.,  
2437799 ALBERTA LTD., 2437815 ALBERTA LTD.,  
and SPICELO LIMITED

APPLICANT: TAMARACK VALLEY ENERGY LTD.

RESPONDENTS: GRIFFON PARTNERS HOLDING CORPORATION,  
AND GRIFFON PARTNERS CAPITAL  
MANAGEMENT LTD., STELLION LIMITED,  
2437801 ALBERTA LTD., 2437799 ALBERTA LTD.,  
2437815 ALBERTA LTD. AND SPICELO LIMITED

NOT PARTIES TO THE APPEAL  
(MONITOR): ALVAREZ & MARSAL CANADA INC.

NOT PARTIES TO THE APPEAL  
(PRIMARY LENDERS): TRAFIGURA CANADA LIMITED AND SIGNAL  
ALPHA C4 LIMITED

DOCUMENT: **MEMORANDUM OF ARGUMENT  
(RESPONDENTS)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY  
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File No.: 1255876

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## PART I - OVERVIEW

1. This brief of law is submitted on behalf of the respondents Griffon Partners Operation Corporation (“**GPOC**”), Griffon Partners Holding Corp. (“**GPHC**”), Griffon Partners Capital Management Ltd. (“**GPCM**”, and together with GPOC and GPHC, the “**Griffon Entities**”),<sup>1</sup> Stellion Limited, 2437801 Alberta Limited, 2437799 Alberta Limited, 2437815 Alberta Limited, and Spicelo Limited (“**Spicelo**”) (collectively, the “**Respondents**”) in these proceedings under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”) in response to an application filed by Tamarack Valley Energy Ltd. (“**Tamarack**” or the “**Applicant**”) for leave to appeal a decision (the “**Marshalling Decision**”) of the Honourable Justice L.K. Harris (“**Justice Harris**”) dated May 14, 2024. The Marshalling Decision held that Tamarack has no claim against the assets of Spicelo and that GPOC’s senior secured creditors, Signal Alpha C4 Limited and Trafigura Canada Ltd. (collectively, the “**Lenders**”) are not required to exhaust their remedies pursuant to the Spicelo Guarantee (defined below) prior to realizing on the proceeds from the SISP (defined below).

2. This application is brought by Tamarack in an effort to do nothing more than enrich itself by securing a remedy it had not bargained for against assets against which it does not have security.

## PART II - FACTS

3. The Griffon Entities are each private corporations under the laws of Alberta. Prior to the granting of a Reverse Vesting Order in these CCAA proceedings, the Griffon Entities’ business focused on the exploration and development of light oil and natural gas liquids.<sup>2</sup>

4. Spicelo is a Cypriot investment company extra-provincially registered in Alberta and is beneficially owned by Jonathan Klesch (“**Klesch**”) - a director of the Griffon Entities.<sup>3</sup>

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<sup>1</sup> Pursuant to paragraph 8 of the Reverse Vesting Order granted by the Honourable Justice Burns on April 10, 2024 (the “**RVO**”), GPOC ceased to be an applicant in these proceedings and was removed from the style of cause. However, the Marshalling Decision materials were submitted prior to the RVO. Accordingly, this Memorandum replicates the style of cause utilized in the Marshalling Decision, despite GPOC’s release from these proceedings.

<sup>2</sup> The Affidavit of Daryl Stepanic sworn September 14, 2023 (“**Exhibit A**”) at paras 6, 13, being Exhibit “A” to the Affidavit of Kira Lyseng, sworn May 24, 2023 (the “**Lyseng Affidavit**”) at 5.

<sup>3</sup> Lyseng Affidavit, Exhibit A at 15-16, paras 7-8, 11.

5. GPOC was the borrower under a Loan Agreement dated July 21, 2022, as amended on August 31, 2022 (the “**Amended Loan Agreement**”) with the Lenders as lenders and GLAS Americas LLC as collateral agent (the “**Collateral Agent**”), pursuant to which: (a) GPOC borrowed approximately USD\$36 million from the Lenders; and (b) GPOC granted to the Collateral Agent a security interest over all of GPOC’s present and after-acquired real and personal property.<sup>4</sup>

6. In addition, GPOC issued a Subordinated Secured Promissory Note dated July 21, 2022 in the amount of CAD\$20 million to Tamarack (the “**Subordinated Tamarack Note**”) and granted Tamarack a subordinated security interest in all of GPOC’s present or after-acquired property.<sup>5</sup>

7. GPOC, Tamarack, and the Collateral Agent were also party to an Intercreditor Agreement dated July 21, 2022 pursuant to which Tamarack agreed to subordinate the Subordinated Tamarack Note to the Lenders’ senior loan obligations under the Amended Loan Agreement. Accordingly, the Lenders were the senior secured creditor against GPOC and Tamarack was a subordinated secured creditor against GPOC and its assets.<sup>6</sup>

8. On July 21, 2022 Spicelo and the Lenders entered into a Limited Recourse Guarantee and Securities Pledge Agreement (the “**Spicelo Guarantee**”) pursuant to which: (a) Spicelo guaranteed GPOC’s obligations to the Lenders, and (b) Spicelo pledged securities owned by Spicelo in the capital of Greenfire Resources Ltd. (the “**Spicelo Pledged Shares**”).<sup>7</sup>

9. As a result of the above: (a) the Lenders and the Collateral Agent were the senior secured creditors over GPOC’s present and after-acquired property, and Tamarack’s security interest was subordinated to that of the Lenders and Collateral Agent; and (b) the Collateral Agent (and only the Collateral Agent) holds a security interest over the Spicelo Pledged Shares to secure the Spicelo Guarantee. Tamarack has no claim whatsoever against Spicelo or the Spicelo Pledged Shares.<sup>8</sup>

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<sup>4</sup> Lyseng Affidavit, Exhibit A at 16-17, 21-22, paras 11, 26-30.

<sup>5</sup> Lyseng Affidavit, Exhibit A at 23, para 31.

<sup>6</sup> Lyseng Affidavit, Exhibit A at 23, para 33.

<sup>7</sup> Lyseng Affidavit, Exhibit A at 22, para 29(c).

<sup>8</sup> The Affidavit of Daryl Stepanic sworn March 15, 2024 at paras 4-5, being Exhibit “B” to the Affidavit of Elena Pratt sworn June 4, 2024 (the “**Pratt Affidavit**”).

### **The Applicants' Insolvency Proceedings**

10. In response to the demands made by the Lenders, on August 25, 2023 the Respondents each filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.<sup>9</sup>

11. On October 18, 2023 the Court of King's Bench of Alberta (the "**Court**") granted an Order approving a Sale and Investment Solicitation Process ("**SISP**") pursuant to which the assets of GPOC were to be marketed and sold. The SISP was concluded by the granting of a Reverse Vesting Order on April 10, 2024.<sup>10</sup>

12. It was an express term of the SISP that only the assets of GPOC were to be marketed and sold. The Spicelo Pledged Shares were not to be included in any sale transaction under the SISP.<sup>11</sup>

13. The proceeds from the SISP were not sufficient to satisfy the amount outstanding to the Lenders, and so some of the Spicelo Pledged Shares were sold to repay the Lenders in full.

14. Because the proceeds of the SISP were insufficient to satisfy the Lenders' obligations in full, Tamarack, being a subordinated creditor, received none of the proceeds of the SISP.

### **The Marshalling Applications**

15. On February 2, 2024 Tamarack's counsel filed and served a Bench Brief with the Court asserting that: "the doctrine of marshalling requires the Lenders to realize upon the entirety of Spicelo's Pledged Shares pursuant to the [Spicelo Guarantee] . . . prior to realizing upon any of proceeds from the . . . [SISP]."<sup>12</sup> This assertion is incorrect as a matter of law.

16. Subsequently, after conferring as to scheduling, both the Respondents and the Applicant filed Applications (the "**Marshalling Applications**") (which were essentially mirror-images of

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<sup>9</sup> Lyseng Affidavit, Exhibit A at 28, para 49.

<sup>10</sup> The Affidavit of Daryl Stepanic sworn January 29, 2024 at paras 71-72, being Exhibit "F" to the Lyseng Affidavit at 1357.

<sup>11</sup> Order (Sales and Investment Solicitation Process) filed September 15, 2023, being Exhibit "D" to the Lyseng Affidavit at 991.

<sup>12</sup> Bench Brief of Tamarack Valley Energy Ltd. filed February 2, 2024 at para 3(a), being Exhibit "A" to the Pratt Affidavit.

each other) putting the doctrine of marshalling into issue before the Court and scheduling the argument of same. The Applicant filed an Application on March 12, 2024 seeking a declaration:

“directing that pursuant to the doctrine of marshalling, Signal Alpha C4 Limited and Trafigura Canada Ltd. (collectively, the “**Lenders**”), are required to realize upon the Share Pledge (as defined below) provided by Spicelo Limited (“**Spicelo**”) in satisfaction of the debt owing by Griffon Partners Operation Corp. (“**GPOC**”) in priority to the proceeds from the SISP (as defined below)”<sup>13</sup>

17. The Respondents filed an Application on March 15, 2024 seeking a declaration:

“declaring that Signal Alpha C4 Limited and Trafigura Canada Ltd. (collectively, the “**Lenders**”) are not required, pursuant to the doctrine of marshalling or otherwise, to exhaust their remedies under the Spicelo Guarantee (as that term is defined below) granted to the Lenders by Spicelo and the Spicelo Pledged Shares (as that term is defined below) prior to the Lenders realizing upon any of proceeds from the SISP (as that term is defined in the February 7, 2024 Amended and Restated Initial Order in these proceedings)”<sup>14</sup>

18. The Marshalling Applications were set down and argued before Justice Harris on April 12, 2024. The Applicant and the Respondents both filed Briefs of Argument which were before the Court and which had been reviewed by the Court in advance of the hearing.

19. The Applicant’s Brief raised - for the first time - multiple allegations that the principal of Spicelo (Klesch) had committed various acts of fraud - notwithstanding no such allegation in the Applicant’s Marshalling Application. The arguments of fraud raised by the Applicant were not consistent with the evidence before the Court, and after the hearing of the Marshalling Applications Justice Harris found in her May 14, 2024 Reasons for Decision (the “**Reasons for Decision**”):

While Tamarack might take issue with some of Klesch’s beliefs and actions, I cannot conclude that they amount to fraud or extraordinary circumstances that should be considered in determining whether the equitable principle of marshalling should apply.<sup>15</sup>

20. Ultimately, Justice Harris held that:

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<sup>13</sup> Application by Tamarack Valley Energy Ltd. filed March 12, 2024 at para 1(c), being Exhibit “G” to the Lyseng Affidavit at 2173.

<sup>14</sup> Application by the Respondents filed March 15, 2024 at para 1(c), being Exhibit “H” to the Lyseng Affidavit at 2182.

<sup>15</sup> Reasons for Decision of the Honourable Justice L. K. Harris dated May 14, 2024 (“**Exhibit S**”) at para 44, being Exhibit “S” to the Lyseng Affidavit at 2846.

“... Tamarack has no claim against the assets of Spicelo and the Lenders are not required to exhaust their remedies pursuant to the Spicelo Guarantee prior to realizing on the proceeds from the SISP.”<sup>16</sup>

21. No Order has yet been filed in respect of the Reasons for Decision. While the Respondents’ counsel drafted a form of Order and provided same to the Applicant’s counsel and the Court for approval and signature, the Applicant’s counsel opposed the signing of the Order, and advised the Court by letter dated May 29, 2024 that:

As [Tamarack’s] application for permission to appeal is extant, [Tamarack] respectfully submits that it would be inappropriate to issue any corrigendum to the May 14 Decision or to include the [Tamarack] Application in the form of Order in these circumstances, as [Tamarack] takes the position that this is an appealable issue.<sup>17</sup>

22. On May 30, 2024, the Court replied to Tamarack’s counsel’s letter saying: “Given that [Tamarack] has filed an Application for Permission to Appeal, I will await the Court of Appeal decision on that Application before taking any further steps.”<sup>18</sup>

### **PART III - ISSUES**

23. The sole issue before this Court is whether to grant leave to appeal the Marshalling Decision.

### **PART IV - LAW AND ARGUMENT**

24. Appeals of CCAA decisions can proceed only with leave of the CCAA court or a judge of the court to which the appeal lies.<sup>19</sup>

25. Leave to appeal in CCAA proceedings should only be granted “sparingly”. Courts have recognized a four-part test in deciding whether leave to appeal should be granted:

- (a) whether the point on appeal is of significance to the practice;
- (b) whether the point raised is of significance to the proceeding itself;
- (c) whether the appeal is *prima facie* meritorious; and

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<sup>16</sup> Lyseng Affidavit, Exhibit S at 2855, para 48.

<sup>17</sup> Letter from Matti Lemmens dated May 29, 2024, being Exhibit “G” to the Pratt Affidavit.

<sup>18</sup> Letter from the Honourable Justice L. K. Harris dated May 30, 2024, being Exhibit “H” to the Pratt Affidavit.

<sup>19</sup> *Companies’ Creditors Arrangement Act*, RSC 1986, c C-36 at [s 13](#) [TAB 1].

(d) whether the appeal will unduly hinder the progress of the action.<sup>20</sup>

26. Leave to appeal will not be granted unless the Applicant can demonstrate that “the supervising judge erred in principle or exercised its discretion unreasonably.”<sup>21</sup>

27. As this Court has held:

The fact that an appeal lies only with leave of an appellate court (s. 13, CCAA) suggests that Parliament, mindful that CCAA cases often require quick decision-making, intended that most decisions be made by the supervising judge. This supports the view that those decisions should be interfered with only in clear cases.<sup>22</sup>

28. In this proposed appeal, the Applicant asks this Court to second-guess Justice Harris even though her decision correctly follows established case law. Indeed, the Applicant seeks relief which appears to have never been granted by a Canadian Court – and for good reason. To distinguish this case from the weight of authority, the Applicant relied on allegations of fraud, which it was not able to establish. Justice Harris’s factual finding that Klesch was not guilty of fraud means the Applicant’s appeal has no merit, as is simply an attempt to escape the clear limits of the doctrine of marshalling, which have already been precisely laid out by this and other Courts.

29. Importantly, this application is the only matter left to be resolved before Spicelo can conclude these CCAA proceedings and the Monitor can be discharged. Any delay in resolving these proceedings could be hugely prejudicial to Spicelo: not only would such a delay lead to additional expenses, but the Spicelo Pledged Shares are publicly traded and hence volatile. Spicelo (the owner of the Spicelo Pledged Shares) and Klesch (as the ultimate beneficial owner) are at risk of suffering large losses if the price of the Spicelo Pledged Shares drops before this marshalling issue is concluded.

30. We discuss the four-part test for granting leave to appeal in greater detail below.

#### **A. The Proposed Appeal is not of Significance to the Practice**

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<sup>20</sup> *BMO Nesbitt Burns Inc v Bellatrix Exploration Ltd*, 2020 ABCA 264 at paras [7-8](#) [TAB 3]; *Liberty Oil & Gas Ltd (Re)*, 2003 ABCA 158 at para [16](#) [TAB 8]; *Canadian Airlines Corp (Re)*, 2000 ABCA 149 [Canadian Airlines] at paras [7, 34](#) [TAB 6].

<sup>21</sup> *9354-9186 Quebec inc v Callidus Capital Corp*, 2020 SCC 10 at paras [53-54](#) [TAB 2].

<sup>22</sup> *Re Smoky River Coal Ltd*, 1999 ABCA 179 at para [61](#) [TAB 9].



31. Leave will generally only be granted in a CCAA proceeding if the proposed appeal raises issues of “significance to the practice”, or on which there is no clear authority.

32. This factor is influenced by whether there is appellate authority on the question proposed to be considered on appeal.<sup>23</sup>

33. Importantly, and as illustrated by the authorities cited in the Marshalling Decision, there is a large body of case law, including appellate case law from this jurisdiction<sup>24</sup> and other jurisdictions,<sup>25</sup> considering both the doctrine of marshalling in general, as well as the surety exception to the single debtor rule (discussed more fully below).

34. The doctrine of marshalling has already been clearly and precisely defined by this weight of case law. Therefore, the proposed appeal would be of no significance to the practice.

35. Bald statements by the Applicant that allege Justice Harris erred in her application of the doctrine of marshalling or incorrectly interpreted the surety exception to the single debtor rule should be given no weight, as the Applicant is unable to raise a single authority in support of these claims. This can be contrasted with the wealth of case law correctly relied on by Justice Harris.

36. Indeed, the result urged by the Applicant (for which there is absolutely no authority) is nothing more than a fanciful effort to achieve a result which is contrary to established authority.

37. The doctrine of marshalling clearly requires that there be a single debtor who has two funds, one of which is doubly secured. There is a limited and narrow exception to this “single debtor rule” (which has been called “the Surety Exception to the Single Debtor Rule” (the “**Surety Exception**”)) which provides that marshalling can be applied where there are two debtors – a principal debtor and a guarantor – but only where:

- (a) the senior creditor has security against the assets of both the principal debtor and the guarantor (“A”);
- (b) the junior creditor has security only against the assets of A (senior’s guarantor); and

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<sup>23</sup> *Canadian Airlines* at para 33 [TAB 6].

<sup>24</sup> See *First Investors Corporation Ltd v Veeradon Developments Ltd.*, 1988 ABCA 38 [TAB 7].

<sup>25</sup> *Wolfe et al v Taylor et al*, 2020 MBCA 44 [Wolfe] [TAB 11].

- (c) the senior creditor seeks to enforce its security against its guarantor A (before its principal debtor, and to the detriment of the junior).<sup>26</sup>

38. But the situation in the case at bar is the exact opposite of this. In our case, there are two debtors – a principal debtor and a guarantor – but:

- (a) the senior creditor has security against the assets of both the principal debtor (“A”) and the guarantor;
- (b) the junior creditor has security only against the assets of A (senior’s principal debtor); and
- (c) the senior creditor seeks to enforce its security against its principal debtor A.<sup>27</sup>

39. The Applicant is attempting to stand the Surety Exception on its head by compelling the Lenders to look to its guarantor (rather than its principal debtor) first.

40. As the Manitoba Court of Appeal noted in *Wolfe*, the Surety Exception is based on the principal debtor’s obligation to indemnify its surety. But the reverse is not true – the surety has no obligation to indemnify the principal debtor. And hence invoking marshalling in our case would not be fair.<sup>28</sup>

41. The right of a guarantor to be indemnified by the principal debtor has been established by both this Court and the Supreme Court of Canada.<sup>29</sup> There is no uncertainty on this point of law, and so the Proposed Appeal is of no significance to the practice. (It should also be noted that for this same reason the Applicant’s suggestion that the senior creditor is entitled to treat Spicelo as the principal debtor<sup>30</sup> – a typical provision – is irrelevant, as it focuses on the relationship between the senior creditor and the guarantor rather than between the principal debtor and the guarantor.)

## **B. The Proposed Appeal is not of Significance to the Proceeding Itself**

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<sup>26</sup> *Brown v Canadian Imperial Bank of Commerce*, 1985 CarswellOnt 729 at paras [11-12](#) [TAB 4]; *Wolfe* at paras [57-60](#) [TAB 11]; see Appendix A for an illustration of this scenario.

<sup>27</sup> See Appendix A for an illustration of this scenario.

<sup>28</sup> *Wolfe* at paras [60-61](#) [TAB 11].

<sup>29</sup> *Royal Bank v Fox*, [1976] 2 SCR 2 at paras [11-12](#) [TAB 10]; *Canada (Attorney General) v Becker*, 1998 ABCA 283 at para [57](#) [TAB 5].

<sup>30</sup> Applicant’s Memorandum of Argument filed May 27, 2024 at paras 4, 9, 25, 43, 45 and 48.

42. The proposed appeal is of no significance to these CCAA proceedings. These proceedings are nearly completed, with all matters concluded aside from this single issue. All of the Griffon Entities' assets have been sold; the SISP is concluded; the Lenders have been paid in full. This application is all that stands in the way of a conclusion of these CCAA proceedings.

43. The only entity that stands to benefit from the proposed appeal is Tamarack. No other party would benefit. The proposed appeal is of no significance to these CCAA proceedings – it is of significance only to Tamarack – who is attempting to achieve a benefit for itself that it did not bargain for when it agreed to be a subordinated secured lender.

**C. The Proposed Appeal is not *Prima Facie* Meritorious**

44. In addition, for leave to be granted, the proposed appeal must be *prima facie* meritorious. As this Court has said,

...there must appear to be an error in principle of law or a palpable and overriding error of fact. Exercise of discretion by a supervising judge, so long as it is exercised judicially, is not a matter for interference by an appellate court, even if the appellate court were inclined to decide the matter another way. It is precisely this kind of a factor which breathes life into the modifier “*prima facie*” meritorious.<sup>31</sup>

45. Contrary to the submissions of the Applicant (unsupported by any law or evidence), Justice Harris made no significant errors in the Marshalling Decision. It is clear that Justice Harris did not ignore or fail to consider the Tamarack Marshalling Application. Both Marshalling Applications were before the Court on April 12, 2024. Tamarack filed a Brief in support of its application. Justice Harris received and reviewed Tamarack's application and Brief. Tamarack's counsel fully addressed Tamarack's application in oral argument. Justice Harris rendered her written decision roughly one month later. Those Reasons for Decision dealt with the substance of Tamarack's application. In fact, the language which was used in the second sentence of paragraph 48 directly follows the language in paragraph 1(c) of Tamarack's Marshalling Application. Therefore, there can be no doubt that Tamarack's application was considered, decided, and dismissed.

46. The Applicant is attempting to stand the Surety Exception on its head by applying it in circumstances which are the direct opposite of the circumstances where it can be applied. There is simply no authority for the Applicant's proposition, and in fact such a result would run contrary to

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<sup>31</sup> *Canadian Airlines* at para 35 [TAB 6].

the established authority that a principal debtor has an obligation to indemnify its guarantor and not the other way around. Accordingly, the proposed appeal is not *prima facie* meritorious.

47. Finally, much of Tamarack's argument before Justice Harris was premised on misguided and unsubstantiated allegations of fraud against Spicelo and Klesch. In particular, Tamarack attempted to rely on such allegations in an effort to seek a novel exception to the single debtor rule and other relief.<sup>32</sup> However, Justice Harris found as a fact that there was no fraud.<sup>33</sup>

48. Tamarack appears now to be conceding it cannot establish fraud on the part of Klesch, and hence Tamarack's proposed appeal cannot be seen as *prima facie* meritorious. Tamarack is simply rearguing issues relating to marshalling which have already been clearly and precisely defined by the weight of case law and were correctly applied by Justice Harris in the Marshalling Decision.

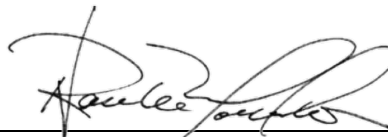
**D. Granting Leave would Unduly Hinder the Progress of the Action**

49. Even where any or all criteria for leave to appeal are satisfied, a court may still deny leave if it would unduly hinder the progress of the CCAA proceeding. The party seeking leave must establish, through affirmative evidence, that the proposed appeal will not do so.<sup>34</sup>

50. The Applicant has not done so, for the simple reason that granting leave to appeal the Marshalling Decision here *would* hinder the progress of the CCAA proceeding. This issue is the only matter left to be resolved before Spicelo can conclude the CCAA proceedings.

51. For these reasons, the Respondents respectfully submit that leave to appeal should be denied and Spicelo should be permitted to conclude the CCAA proceedings and discharge the Monitor.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 6<sup>th</sup> day of June, 2024.**



Randal Van de Mosselaer / Julie Treleaven  
Osler, Hoskin & Harcourt LLP  
Counsel for the Applicants

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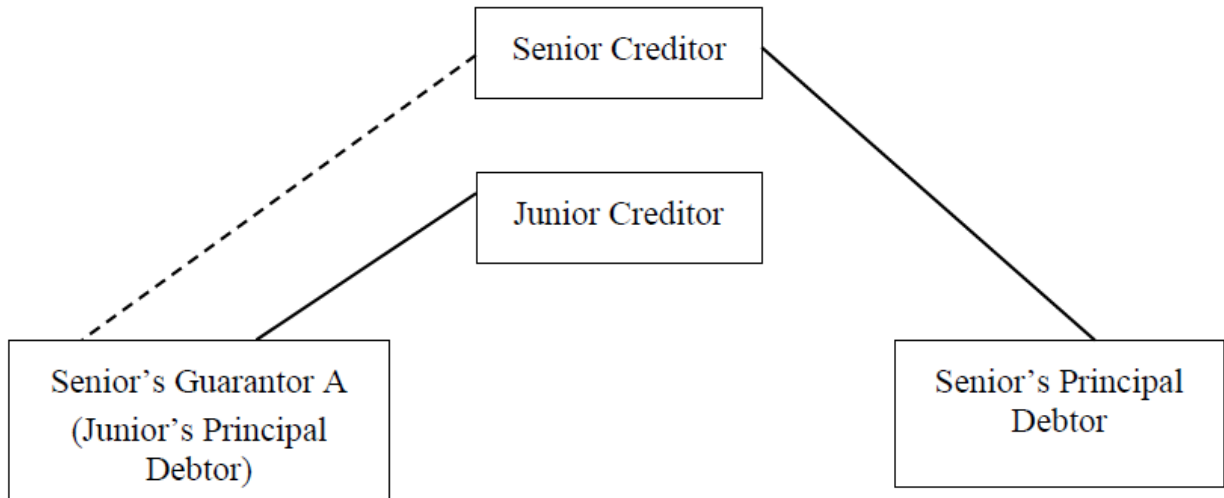
<sup>32</sup> Brief of Tamarack Valley Energy Ltd., Filed April 5, 2024, at paras. 62-63, 81, 89, 111, 115-116.

<sup>33</sup> Lyseng Affidavit, Exhibit S at 2854, para 44.

<sup>34</sup> *Canadian Airlines* at paras [41-45](#) [TAB 6].

## APPENDIX A

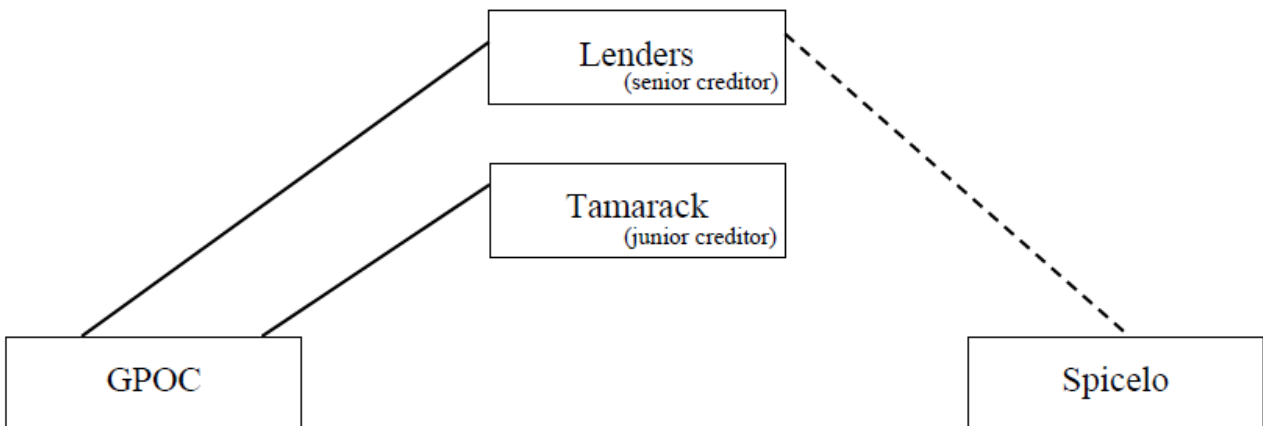
### The Surety Exception to the Single Debtor Rule:



\*Solid lines represent primary obligations.

\*Dotted line represents guarantee.

### The Current Scenario:



## TABLE OF AUTHORITIES

Tab	Authority
<b>Legislation</b>	
1.	<i>Companies' Creditors Arrangement Act</i> , <a href="#">RSC 1985, c C-36</a>
<b>Caselaw</b>	
2.	<i>9354-9186 Quebec inc v Callidus Capital Corp</i> , <a href="#">2020 SCC 10</a>
3.	<i>BMO Nesbitt Burns Inc v Bellatrix Exploration Ltd</i> , <a href="#">2020 ABCA 264</a>
4.	<i>Brown v Canadian Imperial Bank of Commerce</i> , <a href="#">1985 CarswellOnt 729</a>
5.	<i>Canada (Attorney General) v Becker</i> , <a href="#">1998 ABCA 283</a>
6.	<i>Canadian Airlines Corp (Re)</i> , <a href="#">2000 ABCA 149</a>
7.	<i>First Investors Corporation Ltd v Veeradon Developments Ltd</i> , <a href="#">1988 ABCA 38</a>
8.	<i>Liberty Oil &amp; Gas Ltd (Re)</i> , <a href="#">2003 ABCA 158</a>
9.	<i>Re Smoky River Coal Ltd</i> , <a href="#">1999 ABCA 179</a>
10.	<i>Royal Bank v Fox</i> , <a href="#">[1976] 2 SCR 2</a>
11.	<i>Wolfe et al v Taylor et al</i> , <a href="#">2020 MBCA 44</a>