



COURT FILE NO. 1801-04745

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF HILLSBORO VENTURES INC.

DEFENDANT CEANA DEVELOPMENT SUNRIDGE INC.

IN THE MATTER OF THE RECEIVERSHIP OF  
CEANA DEVELOPMENT SUNRIDGE INC.

APPLICANT ALVAREZ & MARSAL CANADA INC. in its capacity as  
Court-appointed Receiver and Manager of the assets,  
undertakings and properties of CEANA  
DEVELOPMENT SUNRIDGE INC.

DOCUMENT **APPLICATION**  
**(Approval of Receiver's Actions and Fees; Approval of**  
**Deposit Refund to Karim Sharifat; Approval of**  
**Appointment of Administrator / Amended and**  
**Restated Receivership Order)**

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](mailto:kkashuba@torys.com)  
File No. 39108-2003

**NOTICE TO RESPONDENTS** on the Service List attached as Schedule "A".

This application is made against you. You are the Respondents.

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: Wednesday, June 17, 2020

Time: ~~10:00~~ a.m. **10:30**

Where:	<del>Calgary Courts Centre</del>	Via virtual courtroom
Before Whom:	Mr. Justice C.M. Jones, 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 receiver and manager (the “**Receiver**”) of the assets, undertakings and properties (the “**Property**”) of Ceana Development Sunridge Inc. (“**Ceana**” or the “**Debtor**”), pursuant to the receivership order (the “**Receivership Order**”) granted on July 3, 2019, respectfully seeks the following relief:
  - (a) an Order, in substantially the form attached hereto as Schedule “B”:
    - (i) declaring that the time for service of the within application and supporting materials (the “**Application**”) be abridged, that the Application is properly returnable today and that service of this Application on the service list attached hereto as Schedule “A” is validated and deemed good and sufficient and time for service is abridged to that actually given and that further service of the Application be dispensed with;
    - (ii) approving the actions, activities and conduct of the Receiver set forth in the Second Report of the Receiver dated June 9, 2020 (the “**Second Report**”), including but not limited to the Sales Process (as defined and/or outlined in the Second Report), selection of the Sales Agent (as defined below) and the construction activities taken by the Receiver;
    - (iii) approving the professional fees, receipts and disbursements of the Receiver, and those of the Receiver’s legal counsel, as set forth in the Second Report; and
    - (iv) approving the release of the deposit paid by Karim Sharifat in the amount of \$127,751.25 for the purchase of a commercial condominium unit, that it originally provided to the Debtor’s legal counsel, KH Dunkley Law Group, and which is currently held in Torys LLP’s trust account, to Mr. Sharifat as the parties no longer desire to proceed forward with the subject transaction, and the Receiver has reviewed the transaction and supports the termination of this particular transaction;

- (b) amending and restating the Receivership Order, in substantially the form attached hereto as Schedule “C”, to:
- (i) appoint the Receiver as an administrator of the Condominium Corporation, once formed (the “**Condo Corp.**”), pursuant to section 58 of the *Condominium Property Act*, RSA 2000 c C-22, and relieve the Receiver as administrator of the Condo Corp. from the requirements to hold annual general meetings, set a budget, and prepare a reserve study as otherwise required by the *Condominium Property Act* and empowering and authorizing the Receiver to manage the affairs of the Condo Corp. in all respects under the *Condominium Property Act*;
  - (ii) amend paragraph 21 to reflect the amendments made pursuant to the Order of the Court dated October 29, 2019, specifically, increasing the Receiver’s Borrowings Charge from the principal amount of \$4,500,000 to the principal amount of \$6,000,000;
  - (iii) amend paragraph 23 to reflect the amendments made pursuant to the Order of the Court dated October 29, 2019, specifically, by inserting that “Notwithstanding anything to the contrary in the Receivership Order, the Receiver’s Borrowing Charge shall rank subordinate in priority and payment to the security interests of Connect First Credit Union Ltd. and the Receiver’s Charge and the fees and costs related thereto” therein; and
  - (iv) amend the form of the Receiver’s Certificate, attached as Schedule “A” to the Receivership Order, to reflect certain minor changes made to same and agreed to by the Senior Lenders (as defined in the Second Report);
- (c) a Restricted Court Access Order in the substantially in the form attached hereto as Schedule “D” sealing Confidential Appendices 1 - 3 to the Second Report on the Court file; and
- (d) such other relief as may be sought by the Receiver and granted by this Honourable Court.

**Grounds for making this application:**

2. On July 3, 2019, following the Application of Hillsboro Ventures Inc., Alvarez & Marsal Canada Inc. was appointed Receiver over the Property of the Debtor, Pursuant to the Receivership Order.
3. Pursuant to the Receivership Order, the Receiver is authorized to, among other things:
  - (a) “engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel, contractors, general contractors, professionals, tradespersons and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver’s powers and duties, including without limitation those conferred by this Order” (Paragraph 3(d));
  - (b) “to market any or all [of] the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such that terms and conditions of sale as the Receiver in its discretion may deem appropriate”; and
  - (c) “to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business...”.

**Marketing Process**

4. As described in the Second Report, the Receiver has engaged a commercial real estate brokerage to assist it with carrying out the Sales Process and to complete a realization of Property. As set forth in the Second Report, the Receiver is of the view that the Sales Process is:
  - (a) designed to obtain the highest and best value for the Property in the circumstances; and
  - (b) in the best interest of the Debtor’s stakeholders.

**Sales Agent**

5. As set forth in the Second Report, upon the completion of a thorough evaluation of proposals submitted by five (5) marketing agents, the Receiver is of the view that Barclay Street Real Estate Ltd. (the “**Sales Agent**”) would be the most suitable candidate to act the Receiver’s marketing agent and clearly demonstrated their capabilities in selling buildings in the area in which the Project (as defined in the Second Report) is located.

**Construction activities**



6. As described in the Second Report, the construction of the Project has progressed extremely well and as planned (other than the delays caused by events out of the control of the Receiver, including, cold weather conditions, reduced availability of certain subtrades due to the COVID-19 pandemic and delays to certain site work as a result of waiting for the City to approve the design changes required to change Building E (as further described in the Second Report)).

### **Restricted Court Access Order**

7. Confidential Appendices 1 - 3 to the Second Report contain sensitive commercial information provided by real estate brokerages, purchasers, and included in correspondence between the Debtor's former legal counsel and the lenders, or communications with other stakeholders, and certain of which relates to the value the Receiver can expect to receive under the Transactions (the "**Sensitive Documentation/Correspondence**"). The Receiver is of the view that if the information contained in the Sensitive Documentation/Correspondence is disclosed to third parties prior to the closing of any sales, it would materially jeopardize such sales or, if the sales does not close, such disclosure could materially jeopardize the value that the Receiver could subsequently obtain from subsequent sales.
8. As such, the Receiver is of the view that it is appropriate for the Court to grant a Restricted Court Access Order to seal Confidential Appendices 1 to 3 on the Court file.
9. A Restricted Court Access Order is the least restrictive and prejudicial alternative to prevent the dissemination of commercially sensitive information about the appraisals contained in the Sensitive Documentation/Correspondence and it is fair and just in the circumstances to restrict public access to Confidential Appendices 1 - 3 until the Receiver receives the discharge of its mandate.
10. Such further and other grounds as counsel may advise and as this Honourable Court may permit.

### **Material or evidence to be relied on:**

11. All pleadings, proceedings, orders, affidavits, reports and other materials filed in Alberta Court of Queen's Bench Action No. 1801-04745, and in particular the Receivership Order and the Order of the Court dated October 29, 2019.
12. Second Report of the Receiver, dated June 9, 2020, including Confidential Appendices 1 - 3.
13. The schedules to this Application.
14. The inherent jurisdiction of this Honourable Court to control its own process.

15. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

**Applicable rules:**

16. 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:**

17. *Bankruptcy and Insolvency Act* (Canada).
18. *Judicature Act* (Alberta).
19. *Law of Property Act* (Alberta).
20. *Condominium Property Act* (Alberta).
21. *Condominium Property Regulation* (Alberta).
22. Such further and other acts and regulations as this Honourable Court may allow.

**Any irregularity complained of or objection relied on:**

23. None.

**How the application is proposed to be heard or considered:**

24. Oral submissions by counsel at an Application in Justice Chambers as agreed and scheduled by counsel, scheduled to be heard by WebEx on June 17, 2020 at 10:00 a.m. before the Honourable Mr. Justice C.M. Jones, of the Commercial List.

**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”**

**Service List**

*[See attached.]*

SCHEDULE "A"  
Service List

Party	Mode of Service	Representing
Torys LLP Suite 4600, 525 - 8 Avenue SW Eighth Avenue Place East Calgary, AB T2P 1G1 <b>Attn: Kyle Kashuba</b>	Email: kkashuba@torys.com	Counsel to the Receiver
Alvarez & Marsal Canada Inc. Bow Valley Square IV 1100, 250 – 6 <sup>th</sup> Avenue SW Calgary, AB T2P 3H7 <b>Attn: Orest Konowalchuk Chad Artem David Williams</b>	Email: okonowalchuk@alvarezandmarsal.com cartem@alvarezandmarsal.com david.williams@alvarezandmarsal.com	Receiver and Manager of Ceana Development Sunridge Inc.
Dentons Canada LLP 850 – 2 <sup>nd</sup> Street SW Calgary, AB T2P 0R8 <b>Attn: Derek Pontin</b>	Email: derek.pontin@dentons.com	Counsel to Hillsboro Ventures Inc.  <i>Hillsboro - *Instrument Registered against COT</i>
Glenn & Card LLP #100, 2886 Sunridge Way NE Calgary, AB T1Y 7H9 <b>Attn: Thomas Glenn</b>	Email: tfglenn@gclawyers.ca	Counsel to Ceana Development Sunridge Inc.
<b>Bahadur (Bob) Gaidhar</b>	Email: bg@ceana.ca	Guarantor / Shareholder
<b>Shameer Gaidhar</b>	Email: shameerg@mphomes.ca	Representative of Bahadur
KH Dunkley Law Group 1915 32 Ave NE #20 Calgary, AB T2E 7C8 <b>Attn: Khalil Haji</b>	Email: khalil@khlawgroup.com	Former counsel to Ceana Development Sunridge Inc., with respect to purchase deposits
Burnett Duckworth & Palmer LLP 2400, 525-8 <sup>th</sup> Avenue SW Calgary, AB T2P 1G1 <b>Attn: David LeGeyt</b>	Email: dlegeyt@bdplaw.com	Counsel to Connect First Credit Union Ltd.
McLennan Ross LLP 1900 Eau Claire Tower 600-3 <sup>rd</sup> Avenue SW Calgary, AB T2P 0G5 <b>Attn: Jamie Flanagan</b>	Email: jflanagan@mross.com	Counsel to Emco Corporation  <i>Emco - *Instrument Registered against COT</i>

<b>Party</b>	<b>Mode of Service</b>	<b>Representing</b>
McLennan Ross LLP 1900 Eau Claire Tower 600-3 <sup>rd</sup> Avenue SW Calgary, AB T2P 0G5 <b>Attn: Jamie Flanagan</b>	Email: jflanagan@mross.com	Counsel to Cold Frog Plumbing & Heating Inc.  Cold Frog – <i>*Instrument Registered against COT</i>
Chibambo Law Firm 7 03 6 Ave SW Calgary, AB T2P 0T9 <b>Attn: Tchupa Chibambo</b>	Email: chibambolaw@telus.net	Counsel for 1989207 Alberta Ltd.
Williamson Law 602 11 Avenue SW, Suite 416 Calgary, AB T2R 1J8 <b>Attn:</b>		Counsel to Quantity Surveying Services International Ltd.
Demon Water Hauling Ltd. 11333-84 <sup>th</sup> Street SE Calgary, AB T2C 4T4 <b>Attn: Jennifer Singer</b>	Email: DemonWater1@gmail.com	<i>*Instrument Registered against COT</i>
Calgary Landscaper Ltd. 38048 Country Hills RPO Calgary, AB T3K 5G9 <b>Attn: Bernhard Penner</b>	Canada Post – Xpress Post	<i>*Instrument Registered against COT</i>
Field Law 400, 444-7 <sup>th</sup> Avenue SW Calgary, AB T2P 0X8 <b>Attn: Kim Beachum</b>	Email: kbeachum@fieldlaw.com	Counsel to Sunbelt Rentals of Canada Inc.
Field Law LLP 400 – 444 7 Avenue SW Calgary, AB T2P 0X8 <b>Attn: Douglas Nishimura</b>	Email: dnishimura@fieldlaw.com	Counsel to 1785337 Alberta Ltd. (Joint Venturee)
Reliance Legal Group Commonwealth Centre Unit 1101, 3961 52nd Avenue N.E. Calgary, Alberta T3J 0J7 <b>Attn: David Jung</b>	Email: dj@rlglaw.ca	Counsel to Sukhdeep S Dhaliwal and Mandeep S. Mavi
<b>Edos Omorotionmwan, LL.M</b> Barrister, Solicitor & Notary Public EO LAW Suite 110, 32 Westwinds Crescent N.E. Calgary, Alberta Canada T3J 5L3	Email: edosmo@eolaw.ca	Counsel for Central Halal Meat
<b>Brian N. Lester</b> Barrister & Solicitor 16, 2439 - 54 Avenue S.W.	Email: info@brianlester.com	Counsel to Karim Sharifat

<b>Party</b>	<b>Mode of Service</b>	<b>Representing</b>
Calgary, Alberta T3E 1M4		
Essential Quality Electrical Services 245 Mountain Park Drive SE Calgary, AB T2Z 2L2 <b>Attn: Brian Scott</b>	Canada Post – Xpress Post	<i>*Instrument Registered against COT</i>
Moore Wittman Phillips 307, 1228 Kensington Road NW Calgary, AB T2N 3P7 <b>Attn: Christina Dao</b>	Email: mjohnson@nucleus.com	Counsel to Super Save Fence Rentals Inc.  Super Save - <i>*Instrument Registered against COT</i>
Moore Wittman Phillips 307, 1228 Kensington Road NW Calgary, AB T2N 3P7 <b>Attn: Brian O. Phillips Q.C.</b>	Email: bphillips@nucleus.com	Counsel to Alein Mounir (Purchaser / Joint Venturee)
Arkell Law 4620 Manilla Road SE Calgary, AB T2G 4B7 <b>Attn: Martin J. Arkell</b>	Email: martin@arkell-law.com	Counsel to CECA Holding Co. Ltd.  CECA - <i>*Instrument Registered against COT</i>
<b>Canadian Western Bank</b> 2810-32 <sup>nd</sup> Avenue NE Calgary, AB T1Y 5J4	Fax: 403-250-8806	
<b>Karim Sharifat</b> 109 Cove Point Chestermere, Alberta T1X 1G1	Mail	Purchaser
<b>2035043 Alberta Ltd.</b> 670, 433 Marlborough Way NE Calgary, Alberta T2A 5H5	Email: simontouchan@gmail.com	Purchaser
<b>Paul Ng</b> 51 Hamptons Circle NW Calgary, Alberta T3A 5T2	Email: ngpaul68@gmail.com	Purchaser
<b>Eureka Prescriptions</b> 58 Hidden Spring Green NW Calgary, Alberta T3A 5N2	Email: megapharm@mail.com	Purchaser / Joint Venturee
<b>1989207 Alberta Ltd.</b> 1528-18 Avenue NW Calgary, Alberta T2M 0W8	Mail	Purchaser / Joint Venturee

Party	Mode of Service	Representing
<b>Central Halal Meat</b> 205, 4655-54 Avenue NE Calgary, Alberta T3J 3Z4	Mail	Purchaser / Joint Venturee
<b>Sukhdeep S. Dhaliwal &amp; Mandeep S. Mavi</b> 280181 Township Road 242 Chestermere, Alberta T1X 0M5	Email: gdcl@live.com	Joint Venturee  <i>*Instrument Registered against COT</i>
<b>Dr. Mundi</b> RR6, Site 6, Box 40 Conrad, Alberta T2M 4L5	Mail	Joint Venturee
<b>Suleman Lakhani</b> 114 Sage Hill Way NW Calgary, Alberta T3R 0H5	Mail	Joint Venturee
<b>Manish Raval</b> 8403 Ashworth Road Calgary, Alberta T2H 1R1	Mail	Joint Venturee
<b>Zahir Karmali &amp; Almas Karmali</b> 207 Edgeland Rise NW Calgary, Alberta T3A 4G1	Email: nim@shaw.ca	Shareholder / Joint Venturee
<b>139081 Alberta Ltd.</b> 39 Panorama Hills Cres NW Calgary, Alberta T3K 5H7	Mail	Joint Venturee
<b>Gurjit Singh Dhillon</b> 1731 - 42 Street NE Calgary, Alberta T1Y 2L6	Email: gurjitdhillon77@gmail.com	Shareholder / Joint Venturee
<b>Ceana Development Inc.</b> 101, 3115 – 12 <sup>th</sup> Street NE Calgary, Alberta T2E 7J2	Mail	Shareholder / Joint Venturee
<b>Bhupinder Basati &amp; Ravinder Kaur Basati</b> Box 32, Site 6, RR6 LCD 9	Mail	Shareholder / Joint Venturee

Party	Mode of Service	Representing
Calgary, Alberta T2M 4L5		
<b>HMA Homes and Investment Ltd.</b> 1812, 608-9 <sup>th</sup> Street SW Calgary, Alberta T2P 2B3	Mail	Shareholder / Joint Venturee
<b>909472 Alberta Ltd.</b> 115 – 8 <sup>th</sup> Avenue SW Calgary, Alberta T2P 1B4	Mail	Shareholder / Joint Venturee
<b>Shafique Kanji &amp; Yasmin Kanji</b> 243 Hidden Ranch Circle NW Calgary, Alberta T3A 5R2	Mail	Shareholder / Joint Venturee
<b>1814121 Alberta Ltd.</b> 20, 1915 – 32 <sup>nd</sup> Avenue NE Calgary, Alberta T2E 7C8	Mail	Shareholder / Joint Venturee
<b>1630374 Alberta Ltd.</b> 20, 1915 – 32 <sup>nd</sup> Avenue NE Calgary, Alberta T2E 7C8 <i>*Note: the subject address was obtained through a corporate search.</i>	Mail	Joint Venturee
<b>854413 Alberta Ltd.</b> 20, 1915 – 32 <sup>nd</sup> Avenue NE Calgary, Alberta T2E 7C8 <i>*Note: the subject address was obtained through a corporate search.</i>	Mail	Joint Venturee
<b>Fiazali and Parin Devji</b> 15 Coral Springs Green NE Calgary, Alberta T3J 3S5	Mail	Joint Venturee
<b>Gordon Piper</b> 1002 Northmount Drive NW Calgary, Alberta T2L 0B9	Mail	Joint Venturee
<b>Asif and Simeen Bhanji</b> 2424 Wall Street Vancouver, British Columbia V5I 1B8	Mail	Joint Venturee



Party	Mode of Service	Representing
<b>Nathan Professional Corporation</b> 4528 Brisebois Drive NW Calgary, Alberta T2L 2G4	Mail	Joint Venturee
<b>Mark Pugh</b> 19 Ranchridge Road NE Calgary, Alberta T3G 1V7	Mail	Joint Venturee
<b>Tarnbir K. Mundi</b> RR6, Site 6, Box 40 LCD 9 Calgary, Alberta T2M 4L5	Mail	Joint Venturee
<b>Nan Investments Ltd.</b> 3310 Country Village Park NE Calgary, Alberta T3K oW5	Mail	Joint Venturee
<b>Chem-Pet Process Tech</b> P.O. Box 62064 407 Hawkwood Blvd NW Calgary, Alberta T3G 5S7	Mail	Joint Venturee
<b>1673300 Alberta Ltd.</b> 122 Citadel Crest Green NW Calgary, Alberta T3G 4W4 <i>*Note: the subject address was obtained through a corporate search</i>	Mail	Joint Venturee
<b>1785337 Alberta Ltd.</b> 44 Skyview Springs Rd NE Calgary, Alberta T3N OC2 <i>*Note: the subject address was obtained through a corporate search</i>	Mail	Joint Venturee
<b>QUANTITY SURVEYING SERVICES INTERNATIONAL LTD.</b> 2 Douglasview Rd SE Calgary, Alberta T2Z 2S9	Email: alex@qssi.ca	<i>*Instrument Registered against COT</i>
<b>YORKFIELD FINANCIAL CORPORATION</b> 110, 7330 Fisher Street SE		<i>*Instrument Registered against COT</i>

<b>Party</b>	<b>Mode of Service</b>	<b>Representing</b>
Calgary, Alberta T2H 2H8 <i>*Note: the subject address was obtained through a corporate search.</i>		
Mintz Law 400, 10357-109 St Edmonton Alberta T5J 1N3 <b>Attention: Bruce Mintz</b>		Counsel to Trane Canada ULC. <i>*Instrument Registered against COT</i>
<b>Pipan and Nirmala Kumar</b> 39 Panorama Hills Crescent NW Calgary, Alberta T3K 5H7		Joint Venturee

***The following are entities/individuals for which an address was not provided, but which the Receiver has requested Mr. Gaidhar provide.***

<b>Saj Paleja</b>		Joint Venturee
<b>Sameer and Aliya Dhalla</b>		Joint Venturee
<b>Amish Morjaria</b>		Joint Venturee
<b>Ashoke and Mridula Morjaria</b>		Joint Venturee
<b>Antony Retchaganathan and Sulochana Antony</b>		Joint Venturee

## **Schedule “B”**

### **Order**

*[See attached.]*

COURT FILE NO. 1801-04745  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF HILLSBORO VENTURES INC.  
DEFENDANT CEANA DEVELOPMENT SUNRIDGE INC.

Clerk's Stamp

IN THE MATTER OF THE RECEIVERSHIP OF  
CEANA DEVELOPMENT SUNRIDGE INC.

APPLICANT ALVAREZ & MARSAL CANADA INC. in its capacity  
as Court-appointed Receiver and Manager of CEANA  
DEVELOPMENT SUNRIDGE INC.

DOCUMENT **ORDER**  
**(Approval of Receiver's Activities and Fees;**  
**Approval of Deposit Refund to Karim Sharifat)**

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](mailto:kkashuba@torys.com)  
File No. 39108-2003

DATE UPON WHICH ORDER WAS PRONOUNCED: Wednesday, June 17, 2020  
NAME OF JUSTICE WHO MADE THIS ORDER: Mr. Justice C.M. Jones  
LOCATION OF HEARING: Calgary, Alberta

**UPON THE APPLICATION** by Alvarez & Marsal Canada Inc., in its capacity as Court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of Ceana Development Sunridge Inc. (“**Ceana**”); **AND UPON HAVING READ** the Receivership Order filed in this matter on July 3, 2019 (the “**Receivership Order**”), the Application and the Second Report of the Receiver (the “**Second Report**”), both filed June 9, 2020, and any other material and evidence filed to date in the within proceedings; **AND UPON HEARING** the submissions of counsel for the Receiver, counsel for Hillsboro Ventures Inc., counsel for Connect First Credit Union Ltd., counsel to Ceana, and from any other interested parties who may be present, with no one appearing for any other person on the service list, although properly served as appears

from the Affidavit of Service; **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:**

**Receiver's Activities, Fees and Disbursements**

1. The actions, activities and conduct of the Receiver as described in the Second Report dated June 9, 2020, including but not being limited with respect to the Sales Process (as defined in the Second Report), selection of the Sales Agent (as defined in the Second Report) and the construction activities taken by the Receiver, are hereby approved.
2. The legal fees and disbursements of the Receiver and the Receiver's legal counsel, Torys LLP, incurred to date in the receivership proceedings and as summarized in the Second Report, are fair and reasonable and are hereby approved and ratified.

**Refund Deposit of Karim Sharifat**

3. Karim Sharifat's deposit, currently held in Torys LLP's trust account, in the amount of \$127,751.25, may be refunded by the Receiver to Karim Sharifat.

**Miscellaneous**

4. The time for service of this Application together with all supporting materials is hereby declared to be good and sufficient and no other person is required to have been served with such documents, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
5. Service of this Order shall be deemed good and sufficient by serving the same on:
  - (a) the persons listed on the service list attached as Schedule "A" to the Application; and
  - (b) by posting a copy of this Order on the Receiver's website at:  
<https://www.alvarezandmarsal.com/content/ceana-development-sunridge-inc-court-orders>

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Justice of the Court of Queen's Bench of Alberta

**Schedule “C”**

**Amended and Restated Receivership Order**

*[See attached.]*

Clerk's Stamp

COURT FILE NUMBER 1801-04745  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE OF CALGARY  
PLAINTIFF HILLSBORO VENTURES INC.  
DEFENDANT CEANA DEVELOPMENT SUNRIDGE INC.  
DOCUMENT **AMENDED AND RESTATED**  
**RECEIVERSHIP ORDER**

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](mailto:kkashuba@torys.com)  
File No. 39108-2003

**DATE ON WHICH ORDER WAS PRONOUNCED:** Wednesday, June 17, 2020  
**NAME OF JUDGE WHO MADE THIS ORDER:** Mr. Justice C.M. Jones  
**LOCATION OF HEARING:** Calgary, Alberta

**UPON** the initial application of Hillsboro Ventures Inc. in respect of Ceana Development Sunridge Inc. (the “**Debtor**”) which was heard on July 3, 2019; **AND UPON** having read the Application, the Affidavit of Keith Ferrel, dated June 21, 2019, and the Affidavit of Service of Izzy Kowalcze, filed; **AND UPON** reading the consent of Alvarez and Marsal Canada Inc. to act as receiver and manager (the “**Receiver**”) of the Debtor, filed; **AND UPON** hearing counsel for the Plaintiff, counsel for the Defendant, and any other counsel or other interested parties present;

**AND UPON** the application of the Receiver (i) to amend and restate this Order, and (ii) in respect of the Condominium Corporation to be formed (the “**Condominium Corporation**”) to be heard on June 17, 2020; **AND UPON** having read the Application of the Receiver filed June 9, 2020, the Second Report of the Receiver dated June 9, 2020, and other materials filed in this matter; **AND UPON** hearing counsel for the Receiver and any other parties present: **IT IS HEREBY ORDERED AND DECLARED THAT:**

## SERVICE

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

## APPOINTMENT

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the “**BIA**”), and sections 13(2) of the *Judicature Act*, RSA 2000, c J-2, 99(a) of the *Business Corporations Act*, RSA 2000, c B-9, and 65(7) of the *Personal Property Security Act*, RSA 2000, c P-7, Alvarez and Marsal Canada Inc. is hereby appointed Receiver, without security, of all of the Debtor’s current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).

## RECEIVER’S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, carry on the construction and development of the Property, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel, contractors, general contractors, professionals, tradespersons and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver’s powers and duties, including without limitation those conferred by this Order;



- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - (i) without the approval of this Court in respect of any transaction not exceeding \$25,000, provided that the aggregate consideration for all such transactions does not exceed \$200,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to assign the Debtor into bankruptcy;
- (s) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtor, and without interference from any other Person (as defined below).

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver’s request.
5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its

discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

7. No proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body’s investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. “**Regulatory Body**” means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

#### **NO EXERCISE OF RIGHTS OF REMEDIES**

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtor or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, including, without limitation, any rights or remedies or provisions in any construction, ownership or operating agreement, joint venture agreement or any other agreements to which the Debtor is a party provided; however, that this stay and suspension does not apply in respect of any “eligible financial contract” (as defined in the BIA), and further provided that nothing in this Order shall empower the Debtor to carry on any business that the Debtor is not lawfully entitled to carry on; prevent the filing of any registration to preserve or perfect

a security interest; prevent the registration of a claim for lien; or exempt the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment.

10. Nothing in this Order shall prevent any party from taking an action against the Applicant where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

#### **NO INTERFERENCE WITH THE RECEIVER**

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, except with the written consent of the Receiver, or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract (as defined in the BIA) from closing out and terminating such contract in accordance with its terms.

#### **CONTINUATION OF SERVICES**

12. All persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the Debtor, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtor

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtor or exercising any other remedy provided under such agreements or arrangements. The Debtor shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtor in accordance with the payment practices of the Debtor, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtor and the Receiver, or as may be ordered by this Court.

## RECEIVER TO HOLD FUNDS

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

## EMPLOYEES

14. Subject to employees’ rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor’s behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c 47 (“**WEPPA**”).
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## LIMITATION ON ENVIRONMENTAL LIABILITIES

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
  - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
    - A. complies with the order, or
    - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
  - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,
    - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
    - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

- 17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

#### **RECEIVER'S ACCOUNTS**

- 18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the “**Receiver’s Charge**”) on the Property as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.
- 19. The Receiver and its legal counsel shall pass their accounts from time to time.
- 20. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### **FUNDING OF THE RECEIVERSHIP**

- 21. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$6,000,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers



and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges set out in sections 14.06(7), 81.4(4), 81.6(2) and 88 of the BIA.

22. Neither the Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “A” hereto (the “**Receiver’s Certificates**”) for any amount borrowed by it pursuant to this Order. Notwithstanding anything to the contrary in the Receivership Order, the Receiver’s Borrowing Charge shall rank subordinate in priority and payment to the security interests of Connect First Credit Union Ltd. and the Receiver’s Charge and the fees and costs related thereto.
24. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver’s Certificates.
25. The Receiver shall be allowed to repay any amounts borrowed by way of Receiver’s Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

## **ALLOCATION**

26. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver’s Charge and Receiver’s Borrowings Charge amongst the various assets comprising the Property.

## **APPOINTMENT OF ADMINISTRATOR**

27. Pursuant to section 58 of the *Condominium Property Act*, RSA 2000, c C-22, the Receiver is appointed as administrator of the Condominium Corporation until further Order of this Honourable Court and is relieved as administrator of the Condominium Corporation, from the requirements to hold annual

general meetings, set a budget, and prepare a reserve study as otherwise required by the *Condominium Property Act*.

28. The Receiver is empowered and authorized to manage the affairs of the Condominium Corporation in all respects under the *Condominium Property Act*.
29. For clarity, all of the protections provided to the Receiver by this Order are applicable to the administrator, and the Receiver acting its capacity as administrator.

#### **GENERAL**

30. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
31. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
32. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
33. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver 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 and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
34. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
35. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's

security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

36. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

## FILING

37. The Receiver shall establish and maintain a website in respect of these proceedings (the "**Receiver's Website**") and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publically available; and
- (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

38. 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 or otherwise served with notice of 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 Receiver's Website:

[www.alvarezandmarsal.com/ceana](http://www.alvarezandmarsal.com/ceana)

and service on any other person is hereby dispensed with.

39. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Alvarez and Marsal Canada Inc., the court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of Ceana Development Sunridge Inc. appointed by Order of the Court of Queen's Bench of Alberta (the "**Court**") dated the 3rd day of July, 2019 (the "**Order**") made in action number 1801-04745, has received as such Receiver from the holder of this certificate, \_\_\_\_\_ (the "**Lender**"), the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly not in advance on the 1<sup>st</sup> day of each month after the date hereof at a notional rate per annum equal to the rate of 10% per cent.
3. Such principal sum with interest thereon is, by the terms of the Order and the order of the Court dated October 29, 2019, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, the order of the Court dated October 29, 2019, and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at \_\_\_\_\_.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**ALVAREZ AND MARSAL CANADA INC.,**  
**solely in its capacity as Receiver of the Property**  
**(as defined in the Order), and not in its personal**  
**capacity**

Per: \_\_\_\_\_  
Name: Orest Konowalchuk, LIT  
Title: Senior Vice President

**Schedule “D”**

**Restricted Court Access Order**

*[See attached.]*

COURT FILE NO. 1801-04745  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF HILLSBORO VENTURES INC.  
DEFENDANT CEANA DEVELOPMENT SUNRIDGE INC.

Clerk's Stamp

IN THE MATTER OF THE RECEIVERSHIP OF  
CEANA DEVELOPMENT SUNRIDGE INC.

APPLICANT ALVAREZ & MARSAL CANADA INC. in its  
capacity as Court-appointed Receiver and Manager of  
CEANA DEVELOPMENT SUNRIDGE INC.

DOCUMENT **RESTRICTED COURT ACCESS ORDER**

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](mailto:kkashuba@torys.com)  
File No. 39108-2003

DATE UPON WHICH ORDER WAS PRONOUNCED: Wednesday, June 17, 2020

NAME OF JUSTICE WHO MADE THIS ORDER: Mr. Justice C.M. Jones

LOCATION OF HEARING: Calgary, Alberta

**UPON THE APPLICATION** by Alvarez & Marsal Canada Inc., in its capacity as Court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of Ceana Development Sunridge Inc. (“**Ceana**”); **AND UPON HAVING READ** the Application and the Second Report of the Receiver (the “**Second Report**”), both filed June 9, 2020, and any other material and evidence filed to date in the within proceedings; **AND UPON HEARING** the submissions of counsel for the Receiver, and from any other interested parties who may be present,

with no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service; **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. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this Application, and the time for service of this Application is abridged to that actually given.
2. The Confidential Appendices 1 - 3 to the Second Report of the Receiver shall be treated as confidential, sealed and not form part of the public record, and shall be inserted in a sealed envelope which shall be clearly marked "THIS ENVELOPE CONTAINS THE CONFIDENTIAL APPENDICES 1 - 3 TO THE SECOND REPORT OF ALVAREZ & MARSAL CANADA INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF CEANA DEVELOPMENT SUNRIDGE INC., WHICH IS SEALED PURSUANT TO COURT ORDER, IS NOT TO BE OPENED, AND IS NOT TO BE PLACED ON THE PUBLIC RECORD OR MADE PUBLICALLY ACCESSIBLE WITHOUT PRIOR AUTHORITY FROM THE HONOURABLE MR. JUSTICE C.M. JONES OR ANY OTHER JUSTICE OF THE COURT OF QUEEN'S BENCH".
3. The Confidential Appendices 1 - 3 to the Second Report of the Receiver shall be filed with the Court within 180 days following the granting of this Order.
4. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.

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Justice of the Alberta Court of Queen's Bench