

Clerk's Stamp:

COURT FILE NUMBER	1901 - 18029
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF AN APPLICATION UNDER SECTION 47(1) OF THE <i>BANKRUPTCY AND INSOLVENCY ACT</i> , RSC 1985, c B-3 AND IN THE MATTER OF AN APPLICATION UNDER SECTION 13(2) OF THE <i>JUDICATURE ACT</i> , RSA 2000, c J-2
APPLICANTS	SUN LIFE ASSURANCE COMPANY OF CANADA, AND THOSE OTHER APPLICANTS SET OUT IN SCHEDULE "A.1" OF THE INTERIM RECEIVERSHIP ORDER DATED DECEMBER 20, 2019
RESPONDENTS	SUNDANCE PLACE II LTD., SUNDANCE PLACE II 1000 LIMITED PARTNERSHIP by its general partner SUNDANCE PLACE II LTD., AND THOSE OTHER RESPONDENTS SET OUT IN SCHEDULE "A.2" OF THE INTERIM RECEIVERSHIP ORDER DATED DECEMBER 20, 2019
DOCUMENT	<b>APPLICATION</b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15 <sup>th</sup> Floor, 850 - 2 <sup>nd</sup> Street S.W. Calgary, Alberta T2P 0R8 Attn: David Mann / Sam Gabor Ph. (403) 268-7097 / 3048 Fx. (403) 268-3100 File No's.: 529227-19, 21

**NOTICE TO RESPONDENTS:** Service List

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

You have the right to state your side of this matter before the master/judge.

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

Date	<b>March 29, 2021</b>
Time	<b>2:00 p.m. (MT)</b>
Where	<b>Calgary Courts Centre (Via WebEx Video Conference – Videoconference details are enclosed as Appendix “1” to this Application)</b>
Before Whom	<b>The Honourable Justice Eidsvik</b>

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

**Remedy claimed or sought:**

1. An Order, substantially in the form attached herein as **Schedule “A”** for the following relief:
  - a) declaring that service of notice of this application and the supporting materials is validated, and an order abridging the time necessary for service of notice of this application, if necessary.
  - b) ratifying and approving the Receiver’s activities as set out in the Twelfth Report of the Receiver, Alvarez & Marsal Canada Inc. (the “**Receiver**”), dated March 22, 2021 (“**Twelfth Report**”);
  - c) approving the proposed interim distribution of funds for proven claims under the Initial Claims Procedure Order (as defined herein), as set out in the Twelfth Report;
  - d) approving the Receiver’s and its legal counsel’s fees, costs and disbursements for the period August 22, 2020 through to January 31, 2021, as set out in the Twelfth Report;
  - e) approving the Receiver’s allocation of it and its counsel’s fees, costs and disbursements amongst the various assets comprising the Property (as defined in the Interim Receivership Order and Amended and Restated Receivership Order, as applicable) for the period of August 22, 2020 through to January 31, 2021, as set out in the Twelfth Report;
  - f) Such other relief as counsel may advise and this Honourable Court deems just.

**Grounds for making this application:**

*Distribution of Creditor Cash Pool Under Initial Claims Process*

2. Unless specifically defined herein, all capitalized terms shall have the meaning as provided for in the Twelfth Report of the Receiver.
3. On March 27, 2020, the Court approved a global transaction in these proceedings whereby thirty (30) properties co-owned by special purpose subsidiaries of TELUS Pensions Master Trust (collectively “**TPMT**”) and certain debtor entities in this receivership (“**Strategic Debtor Co-Owners**”) were sold by the Receiver to TPMT (“**TPMT Transaction**”). As part of the purchase price of the transaction, TPMT provided the Receiver a creditor cash pool of \$4.4MM (“**Creditor Cash Pool**”) to fund a claims process and effect a distribution to affected creditors of the Strategic Debtor Co-Owners.
4. On September 16, 2020, the Court granted an initial claims procedure order (“**Initial Claims Procedure Order**”) which directed the Receiver to commence a claims process (“**Initial Claims Process**”) to solicit claims from effected creditors of the Strategic Debtor Co-owners whose properties, if sold on the open market, as opposed to being sold in the TPMT Transaction, may have generated additional funds available for creditors after payment of priority payables, including senior secured debt, other priority charges and professional fees (“**Equity Properties**”).
5. The claims bar date under the Initial Claims Procedure Order was 5:00 p.m. November 5, 2020 (MT).

6. The Receiver has received approximately \$53.3MM in claims from creditors under the Initial Claims Process. Of the \$53.3MM of claims submitted in the Initial Claims Process approximately:
  - (a) \$1.28 million have been accepted in full as filed and are now proven claims;
  - (b) \$192,000 have been partially accepted;
  - (c) \$51.5 million have been disallowed in full;
  - (d) approximately \$99,000 relate to personal injury claims that are contingent on the resolution of ongoing litigation; and
  - (e) one claim of \$31,000 remains under adjudication.
7. The Receiver is proposing to pay an initial distribution (the “**Initial Claims Process Distribution**”) of all Proven Claims in full. Subject to Court approval, the Receiver’s intention is to process payment of the Initial Claims Process Distribution to each Claimant, following Court approval as each Claim become a Proven Claim.
8. The remaining balance of approximately \$2.6 million in the Creditor Cash Pool will be used to fund the prior court sanctioned supplemental claims process (“**Supplemental Claims Process**”), as approved by this Court on January 18, 2021, and the Receiver’s and its counsel’s costs, fees and disbursements with respect to the Initial Claims Process and Supplemental Claims Process.

*Activities of the Receiver to Date*

9. The Receiver’s activities to date since the Eleventh Report of the Receiver have included, amongst other things and as more expressly detailed in the Twelfth Report:
  - (a) facilitating the closing of the sale of the 411 Property mortgaged to Business Development Bank of Canada and making an interim distribution with respect to that property;
  - (b) preparing to transition a property known as the Terra Property, previously mortgaged to ATB Financial and now mortgaged to Canada ICI Capital Corporation, into the care and custody of Strategic and its respective property manager;
  - (c) adjudicating claims submitted under the Initial Claims Process;
  - (d) conducting the Supplemental Claims Process with respect to the surplus amounts expected from the remainder of the Creditor Cash Pool after making distributions of funds to creditors pertaining to the Equity Properties who have validly proven their claims;
  - (e) working with various mortgagees requesting the discharge of the Interim Receivership Order against the titles for certain properties previously in the Interim Receivership Proceedings;
  - (f) continuing to approve and pay expenses for the Remaining Receivership Properties, including insurance, and other operational expenses;

- (g) continuing the cash management function in respect of making ordinary course operational payments and monitoring liquidity with respect to Individual Properties which have exited the Receivership Proceedings and their associated cash reserves;
- (h) continuing to collect rents from tenants;
- (i) preparing and filing all outstanding GST returns with the Canada Revenue Agency (“**CRA**”) for all of the Individual Properties since the inception of the Interim Receivership Proceedings; and
- (j) assisting Colliers and FirstService Residential, as property manager of Individual Properties, to provide supporting documents for their 2020 year-end financial reporting and operating expense recovery process.

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

- 10. Twelfth Report of the Receiver dated March 22, 2021, filed.
- 11. Order (Claims Procedure) dated September 16, 2020.
- 12. Affidavit of Service of Terry Trojanoski, to be filed.
- 13. The pleadings and proceedings in the within action.
- 14. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

**Applicable Rules:**

- 15. *Alberta Rules of Court*, Alta Reg. 124/2010.
- 16. Such further and other Rules as counsel may advise and this Honourable Court may permit.

**Applicable Acts and regulations:**

- 17. *Bankruptcy and Insolvency Act*, RSC 1985 c B-3.
- 18. *Bankruptcy and Insolvency General Rules*, CRC c 368.
- 19. *Judicature Act*, RSA 2000 c J-2.
- 20. *Law of Property Act*, RSA 2000 c L-7.
- 21. Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

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

- 22. None.

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

23. Via WebEx Video Conference, before the Presiding Commercial List Justice.

**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 give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

## **APPENDIX “1”**

**Virtual Courtroom 60** has been assigned for the following matter:

Date: Mar 29, 2021 02:00 PM

Style of Cause: 1901 18029 - SUNLIFE ASSURANCE COOF CANADA v. SUNDANCE PLACE II LTD

Presiding Justice: EIDSVIK, J

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:

1. Please connect to the courtroom **15 minutes prior** to the start of the hearing.
2. 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.
3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.
- 4. Note: Recording or rebroadcasting of the video is prohibited.**
- 5. Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.**

If you are a non-lawyer attending this hearing remotely, **you must** complete the undertaking located here: <https://www.albertacourts.ca/qb/resources/announcements/undertaking-and-agreement-for-non-lawyers>

For more information relating to Webex protocols and procedures, please visit:

<https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>

You can also join the meeting via the “Cisco Webex Meetings” App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

***Please note this email is responsible for Webex information only. If you have questions about procedure or concerns with your matter, please contact the appropriate Court Coordinator or Judicial Assistant for further assistance.***

**Schedule "A"**

Clerk's stamp:

COURT FILE NUMBER 1901 - 18029  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

IN THE MATTER OF AN APPLICATION UNDER  
SECTION 47(1) OF THE BANKRUPTCY AND  
INSOLVENCY ACT, RSC 1985, c B-3 AND IN THE  
MATTER OF AN APPLICATION UNDER SECTION  
13(2) OF THE JUDICATURE ACT, RSA 2000, c J-2

APPLICANTS SUN LIFE ASSURANCE COMPANY OF CANADA,  
AND THOSE OTHER APPLICANTS SET OUT IN  
SCHEDULE "A.1" OF THE INTERIM RECEIVERSHIP  
ORDER DATED DECEMBER 20, 2019

RESPONDENTS SUNDANCE PLACE II LTD., SUNDANCE PLACE II  
1000 LIMITED PARTNERSHIP BY ITS GENERAL  
PARTNER SUNDANCE PLACE II LTD., AND THOSE  
OTHER RESPONDENTS SET OUT IN SCHEDULE  
"A.2" OF THE INTERIM RECEIVERSHIP ORDER  
DATED DECEMBER 20, 2019

**DOCUMENT**

**ORDER**

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

Dentons Canada LLP  
Bankers Court  
15<sup>th</sup> Floor, 850 - 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 0R8  
Attn: David Mann / Sam Gabor  
Ph. (403) 268-7097 / 3048 Fx. (403) 268-3100  
File No.: 529227-19, 21

Date on which this order was pronounced: March 29, 2021  
Location where order was pronounced: Calgary, Alberta  
Name of judge who made this order: The Honourable Justice Eidsvik

**UPON THE APPLICATION** by Alvarez & Marsal Canada Inc., LIT, in its capacity as Court-appointed receiver and manager (the "**Receiver**") under the Interim Receivership Order dated December 20, 2019

(the “**Interim Receivership Order**”) and the Amended and Restated Receivership Order (Expanded Powers) dated January 19, 2020 (the “**Amended and Restated Receivership Order**”);

**AND UPON** reading the Twelfth Report of the Receiver dated March 22, 2021, filed (the “**Twelfth Report**”), the Order (Claims Procedure) dated September 16, 2020 (“**Initial Claims Procedure Order**”), and such additional pleadings and proceedings had and taken in this action and Receiver’s reports filed herein;

**AND UPON** having read the Affidavit of Service of Ronica Cameron sworn March \_\_\_\_, 2021, filed;

**AND UPON** hearing the submissions of counsel to the Receiver and counsel or other persons who made submissions at the hearing of this application by telephone or videoconference;

**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, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.
2. The Receiver’s activities as set out in the Twelfth Report are hereby ratified and approved.
3. The Receiver is hereby authorized and directed to make initial distributions of all Proven Claims in full under the Initial Claims Procedure Order, as set out in the Twelfth Report.
4. The Receiver’s Statement of Receipts and Disbursements as set out in the Twelfth Report are hereby approved without the necessity of a formal passing of accounts.
5. The Receiver’s legal counsel’s Statement of Receipts and Disbursements as set out in the Twelfth Report are hereby approved without the necessity of a formal passing of accounts.
6. The Receiver’s allocation of it and its legal counsel’s fees, costs and disbursements amongst the various assets comprising the Property (as defined in the Interim Receivership Order and Amended and Restated Receivership Order, as applicable) for the period of August 22, 2020 through to January 31, 2021, as set out in the Twelfth Report, is hereby approved.

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Justice of the Court of Queen’s Bench  
Alberta