

CLERK OF THE COURT
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JUDICIAL CENTRE
OF CALGARY

COURT FILE NO. 1701-08853
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT PARAGON CAPITAL CORPORATION LTD.
RESPONDENT STARKE DOMINION LTD.
DOCUMENT **APPLICATION (FINAL DISTRIBUTION,
APPROVAL OF RECEIVER'S FEES AND
DISBURSEMENTS, APPROVAL OF RECEIVER'S
ACTIVITIES AND DISCHARGE OF RECEIVER)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BLAKE, CASSELS & GRAYDON LLP**
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File: 99766/10

NOTICE TO RESPONDENT

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

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

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

Date	<u>April 24, 2018</u>
Time	<u>4:00 p.m.</u>
Where	<u>Calgary Courts Centre, Justice Chambers</u>
Before Whom	<u>The Honourable Mr. Justice C. M. Jones</u>

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. ("**A&M**" or the "**Applicant**"), in its capacity as receiver or receiver and manager (the "**Receiver**") of certain lands (the "**Property**", as such term is defined in the Order granted by the Honourable Madam Justice B. E. Romaine on January 26, 2018 hereinafter referred to as the "**Receiver Manager Order**") seeks an Order, substantially in the form attached hereto as Schedule "**A**", granting, among other things, the following relief:
 - (a) abridging the time for, and validating service of, this application (the "**Application**") on the parties set out in the service list attached hereto as Schedule "**B**" and the materials filed in support of this Application, if necessary, and dispensing with service on any party not served;
 - (b) approving the actions, conduct and activities of the Receiver as outlined in the Receiver's First Report dated April 18, 2018 (the "**First Report**") and all other documents that may have been filed by the Receiver in these receivership proceedings;
 - (c) approving the holdback of \$50,000 by the Receiver contemplated in the First Report;
 - (d) approving the final statement of receipts and disbursements of the Receiver for the period from the Receivership Date to April 16, 2018;
 - (e) approving the Forecast Distributions by the Receiver contemplated in the First Report;
 - (f) approving A&M's accounts and the accounts of its independent legal counsel, inclusive of all accrual for the fees and disbursements in connection with the completion of these proceedings, including costs of this Application;
 - (g) declaring that A&M has duly and properly discharged its duties, responsibilities and obligations as Receiver;

- (h) discharging and releasing A&M from any and all further obligations as Receiver and any and all liability in respect of any act done by A&M in these receivership proceedings, and its conduct as Receiver pursuant to its appointment in accordance with the Receiver Manager Order, or otherwise;
- (i) allowing A&M to destroy the Records (as defined in the First Report), if not retrieved by 5:00 p.m. on May 18, 2018; and
- (j) such further and other relief and directions as counsel may request and this Honourable Court may deem appropriate.

Grounds for making this Application:

- 2. The grounds upon which the Applicant relies in making the within Application are as follows:
 - (a) A&M was appointed as Receiver of certain Property pursuant to the Receiver Manager Order;
 - (b) title to the Property has transferred to 2107209 Alberta Inc. pursuant to the Final Order (as defined in the First Report) granted in these proceedings;
 - (c) as A&M has performed its mandate as Receiver under the Receiver Manager Order, it is now appropriate that A&M be discharged as Receiver of the Property;
 - (d) the reasons described in the First Report; and
 - (e) such further and other relief as counsel may request and this Honourable Court may deem just.

Material or Evidence to be relied on:

- 3. The Applicant intends to rely upon the following materials:
 - (a) the First Report and all previous evidence filed and Orders granted in these proceedings; and
 - (b) such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

4. The Receiver may rely upon and refer to the *Rules of Court*, AR 124/2010 during the making of the Application.

Applicable Acts and Regulations:

5. During the making of the Application, the Receiver may rely upon and refer to the provisions of the:
 - (a) *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended;
 - (b) *Judicature Act*, RSA 2000, c. J-2, as amended; and
 - (c) *Law of Property Act*, RSA 2000, c. L-7, as amended.

Any Irregularity Complained of or Objection relied on:

6. None.

How Application is Proposed to be Heard or Considered:

7. Oral submission by counsel in Justice Chambers before the Honourable Mr. Justice C. M. Jones on April 24, 2018 at 4:00 p.m.

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 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"

Form of Discharge Order

(see attached)

COURT FILE NO. 1701-08853
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT PARAGON CAPITAL CORPORATION LTD.
RESPONDENT STARKE DOMINION LTD.
DOCUMENT **ORDER (FINAL DISTRIBUTION, APPROVAL OF RECEIVER'S FEES AND DISBURSEMENTS, APPROVAL OF RECEIVER'S ACTIVITIES AND DISCHARGE OF RECEIVER)**

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DATE ON WHICH ORDER WAS PRONOUNCED: April 24, 2018

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre

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

UPON the application (the "**Application**") of Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as receiver or receiver and manager (the "**Receiver**") of certain Property (as such term is defined in the Order granted by the Honourable Madam Justice B. E. Romaine on January 26, 2018) for an Order for the approval of the Receiver's activities, approval of the Receiver's fees and disbursements and those of its legal counsel, and discharge of the Receiver; **AND UPON** having read the First Report of the Receiver dated April 18, 2018 (the "**First Report**"), filed, **AND UPON** having read the Affidavit of Service of Lindsay Farr sworn [●], 2018, filed; **AND UPON HEARING** counsel for the Receiver and counsel for any other interested parties in attendance; **AND UPON** being satisfied that it is appropriate to do so; **IT IS ORDERED THAT:**

1. Capitalized terms used but not otherwise defined herein shall have the meaning given to them in the First Report.
2. Service of notice of the 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;
3. The actions, conduct and activities of the Receiver to date, as outlined in the First Report are hereby authorized and approved.
4. The Final Statement of Receipts and Disbursements is hereby authorized and approved.
5. The Receiver's accounts, including the Forecast Fees and Costs (as set out in the First Report), are hereby approved without the necessity of a formal passing of its accounts.
6. The accounts of the Receiver's legal counsel, Blake, Cassels & Graydon LLP, for its fees and disbursements, including the Forecast Fees and Costs (as set out in the First Report), are hereby approved without the necessity of a formal assessment of its accounts.
7. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any in fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
8. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver, and upon such terms as this Court may direct.

9. Upon the filing with the Clerk of the Court a certificate signed by a Licensed Insolvency Trustee employed by the Receiver confirming that the Receiver has satisfied its obligations under and pursuant to the terms of the Receiver Manager Order, then the Receiver shall be discharged as Receiver of the Property, provided however, that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.
10. A&M is authorized and empowered to destroy any and all documents, accounting records, and other papers, records, and information related to the Property (collectively, the "**Records**") in its possession, on or after May 18, 2018, if such Records are not required by the Receiver, or are not requested and collected by Paragon Capital Corporation Ltd., the Property Manager or any of the current directors of Starke Dominion Ltd. prior to that date.
11. This Order must be served only upon those interested parties attending or represented at the Application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
12. Service of this Order on any party not attending the application is hereby dispensed with.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "B"

Service List

(see attached)

COURT FILE NO.	1701-08853
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	PARAGON CAPITAL CORPORATION LTD.
RESPONDENT	STARKE DOMINION LTD.

SERVICE LIST

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