

COURT FILE NUMBER 1703-21274

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS 1679775 ALBERTA LTD., REID-BUILT HOMES LTD., REID WORLDWIDE CORPORATION, BUILDER'S DIRECT SUPPLY LTD., REID BUILT HOMES CALGARY LTD., REID INVESTMENTS LTD., and REID CAPITAL CORP.

IN THE MATTER OF THE RECEIVERSHIP OF 1679775 ALBERTA LTD., REID-BUILT HOMES LTD., REID WORLDWIDE CORPORATION, BUILDER'S DIRECT SUPPLY LTD., REID BUILT HOMES CALGARY LTD., REID INVESTMENTS LTD., 1852512 ALBERTA LTD., and REID CAPITAL CORP.

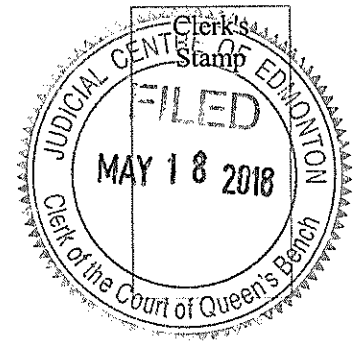
APPLICANT ALVAREZ & MARSAL CANADA INC. in its capacity as Court-appointed Receiver and Manager of the current and future assets, undertakings and properties of 1679775 ALBERTA LTD., REID-BUILT HOMES LTD., REID WORLDWIDE CORPORATION, BUILDER'S DIRECT SUPPLY LTD., REID BUILT HOMES CALGARY LTD., REID INVESTMENTS LTD., 1852512 ALBERTA LTD., and REID CAPITAL CORP.

DOCUMENT **RECEIVER'S SEVENTH REPORT**  
**May 17, 2018**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
**Norton Rose Fulbright Canada LLP**  
400 3rd Avenue SW, Suite 3700  
Calgary, Alberta T2P 4H2

Phone: +1 403.267.8222  
Fax: +1 403.264.5973  
Email: [howard.gorman@nortonrosefulbright.com](mailto:howard.gorman@nortonrosefulbright.com) /  
[aditya.badami@nortonrosefulbright.com](mailto:aditya.badami@nortonrosefulbright.com)

Attention: Howard A. Gorman, Q.C. / Aditya M. Badami



ALVAREZ & MARSAL

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## **1.0 INTRODUCTION**

- 1.1 On November 2, 2017, upon application of the Royal Bank of Canada (“**RBC**”), Alvarez & Marsal Canada Inc. was appointed as Receiver and Manager (the “**Receiver**”) pursuant to a consent receivership order (“**Receivership Order**”) granted by the Honourable Justice Hillier in respect of the current and future assets, undertakings and properties of 1679775 Alberta Ltd. (“**167**”), Reid-Built Homes Ltd. (“**RBH**”), Reid Worldwide Corporation (“**RWW**”), Builder’s Direct Supply Ltd., Reid Built Homes Calgary Ltd., Reid Investments Ltd., and Reid Capital Corp. (“**Capital**”) (collectively, the “**Reid Group**”).
- 1.2 On January 8, 2018 an application for Summary Judgement (the “**Application**”) was filed by Lauder Industries Inc. (“**Lauder**”) in respect of a dispute between Lauder and Emilie Reid (“**Ms. Reid**”) and RWW as to whether Ms. Reid and/or RWW granted an easement on real property located near Pigeon Lake in Wetaskiwin, Alberta (the “**Pigeon Lake Property**”). The Application is scheduled to be heard by this Honourable Court on May 25, 2018.
- 1.3 The Receivership Order and other motion materials are posted on the Receiver’s website at [www.alvarezandmarsal.com/reidbuilt](http://www.alvarezandmarsal.com/reidbuilt).
- 1.4 Capitalized terms not defined in this seventh report of the Receiver (the “**Seventh Report**”) are as defined in the Receivership Order.
- 1.5 All references to dollars in the Seventh Report are in Canadian currency.

## **2.0 PURPOSE OF REPORT**

- 2.1 This Seventh Report is a special purpose report that is intended to provide this Honourable Court with information with respect to the Application and the Receiver’s reply brief (the “**Reply Brief**”) in support of its position that the Application should be dismissed, seeking a declaration that no such easement exists as alleged by Lauder, and an order discharging the caveat registered against the Pigeon Lake Property.

## **3.0 PIGEON LAKE PROPERTY**

- 3.1 The Pigeon Lake Property is located in the County of Wetaskiwin and includes a 4,100 square foot residence built in 2005 situate on approximately 5.5 acres of land with 200 feet of waterfrontage. The assessed value of the property for municipal tax purposes (2016 assessment) was \$1.084 million.
- 3.2 The registered owners of the Pigeon Lake Property as per the Alberta Land Titles Registry are Ms. Reid and RWW with ownership interests of 11% and 89%, respectively. Certain furnishings

that adorn the residence as well as certain chattels relating to the Pigeon Lake Property are the personal property of Ms. Reid.

- 3.3 The Pigeon Lake Property is subject to two registered first mortgages held by Royal Bank of Canada.
- 3.4 Prior to the date of the Receivership Order, Ms. Reid and/or RWW had retained a ReMax realty agent (the “**Agent**”) to list the Pigeon Lake Property on MLS and the Receiver has continued to work with the Agent in its efforts to market the property for sale. The latest listing price posted by the Agent for the Pigeon Lake Property was \$1.295 million.
- 3.5 The Receiver has been advised by the Agent that the Pigeon Lake area is currently experiencing weak demand conditions for such recreational properties. While there has been one offer received from a third-party purchaser, the Receiver was advised by the Agent that the purchase price and terms of the offer fall short of the current market value of the property. Further, the Agent has advised the Receiver that should there be an easement registered against the Pigeon Lake Property similar to that sought by Lauder, such an easement could negatively impact the fair value of the property.

#### **4.0 CLAIM OF LAUDER**

- 4.1 The details supporting the claim of Lauder that an easement on the Pigeon Lake Property was granted by Ms. Reid and/or RWW is as set out in the Application materials and is not repeated herein.
- 4.2 The Receiver, in conjunction with its legal counsel, have reviewed materials that has been relied upon in the drafting of the Reply Brief, including the documents produced in the affidavits of records, transcripts of questioning, and responses to undertakings of the parties, which have been attached as Appendices A to Z. The Receiver has found the following materials to be instructive for the purposes of Lauder’s May 25, 2018 Application for Summary Judgment:
  - a) September 24, 2014 Letter (RWC00005) (Appendix “**A**”);
  - b) Letter of Permission for Emergency Access (RWC00006) (Appendix “**B**”);
  - c) Information relating to Letter of Permission for Emergency Access (Lauder UT No. 7) (Appendix “**C**”);
  - d) December 9, 2014 Email (RWC00008) (Appendix “**D**”);
  - e) Information relating to January 7, 2015 Letter (Excerpt from Lauder Transcript) (Appendix “**E**”);

- f) January 7, 2015 Letter (RWC00009) (Appendix “**F**”);
- g) Information relating to \$25,000 Holdback (Excerpt from Hembroff Transcript) (Appendix “**G**”);
- h) Information relating to Drainage Issue (Excerpt from Hembroff Transcript) (Appendix “**H**”);
- i) January 12, 2015 Email (RWC00011) (Appendix “**I**”);
- j) March 13, 2015 Email (RWC00010) (Appendix “**J**”);
- k) March 17, 2015 Letter (RWC00012) (Appendix “**K**”);
- l) Correspondences relating to Drainage Issue (RWC00013; RWC00015; RWC00016-23) (Appendix “**L**”);
- m) September 28, 2015, and October 29, 2015 Letters (RWC00024; RWC00028) (Appendix “**M**”);
- n) November 26, 2015 Letter (Lauder Document 6; RWC00030) (Appendix “**N**”);
- o) Information relating to November 26, 2015 Letter (Excerpt from Hembroff Transcript) (Appendix “**O**”);
- p) December 1, 2015 Email (Lauder Document 8; RWC00033) (Appendix “**P**”);
- q) Information relating to Release of Trust Cheque (Lauder Document 7; RWC00037) (Appendix “**Q**”);
- r) Information relating to November 26, 2015 Letter (Excerpt from Lauder Transcript) (Appendix “**R**”);
- s) Unexecuted Emergency Access Easement Agreement (Lauder Document 15; RWC00039) (Appendix “**S**”);
- t) Correspondence related to Unexecuted Emergency Access Easement Agreement (Lauder Document 63; 70) (Appendix “**T**”);
- u) June 28, 2016 Email (Lauder Document 71) (Appendix “**U**”);
- v) August 10, 2016 Email (Lauder Document 77) (Appendix “**V**”);
- w) Caveat Registered November 16, 2016 (Lauder Document 27) (Appendix “**W**”);
- x) May 10, 2017 Email (Lauder Document 78) (Appendix “**X**”);
- y) Information relating to Intention to Create Easement (Excerpt from Lauder Transcript) (Appendix “**Y**”); and
- z) Information relating to Intention to Create Easement (Excerpts from Hembroff Transcript) (Appendix “**Z**”).

**5.0 RECEIVER'S CONCLUSION**

- 5.1 It is the view of the Receiver that the caveat currently registered against the Pigeon Lake Property and the potential for an easement as sought by Lauder has and will have a negative impact on the future realizable value of the subject property.
- 5.2 The Receiver respectfully requests that this Honourable Court dismiss the application filed by Lauder and provide a declaration that no easement exists in respect of the Pigeon Lake Property and an order discharging the caveat registered against the Pigeon Lake Property.

All of which is respectfully submitted to this Honourable Court this 17<sup>th</sup> day of May, 2018.

**Alvarez & Marsal Canada Inc., in its capacity as  
Receiver and Manager of the assets, undertakings and  
properties of the Reid Group and not in its personal capacity**



Per: Todd M. Martin  
Senior Vice President

## APPENDIX A



September 26, 2014

Ken Cowles  
Box 173  
Mulhurst Bay, AB  
T0C 2C0

Rashied & or Emily Reid  
Reid Worldwide Corp.  
18140-107 Ave.  
Edmonton, AB  
T5S 1K5

Dear Sir/Madame:

As per our conversation earlier where you tentatively agreed to allow us to use your road for emergency access, (to be used only in the event of an emergency crisis), the County of Wetaskiwin is requesting us to obtain written permission from the adjacent landowners stating we have permission for this use from you. If we could have this letter by October 3, 2014, it would be greatly appreciated.

In Sincere Appreciation,  
Ken Cowles

Cell: 780-974-7170  
Email: ktranch@telus.net

## **APPENDIX B**

LETTER OF PERMISSION FOR EMERGENCY ACCESS

Date: \_\_\_\_\_

In compliance with the County of Wetaskiwin, I, \_\_\_\_\_ agree to give Ken Cowles of Cowles Landing permission to use the adjacent Reids' road (north) for an emergency road access, only in the event of an emergency crisis.

\_\_\_\_\_

\_\_\_\_\_

## APPENDIX C

Answers to Undertakings  
of Arthur William Lauder  
Oral Questioning June 27, 2017  
Last Updated August 17, 2017

Page 4

No.	Page & Line	UNDERTAKING Question & Answer	Status Date Completed Related document #'s
		<p>an Emergency Access Agreement with an adjoining landowner (the Camp)</p> <ul style="list-style-type: none"> <li>Our documents number 56 and 27 refer to this. This Access on the Camp lands was discussed with the County. See our documents numbered 58 and 59.</li> </ul>	
7.	P24 L13-23	<p><b>QUESTION:</b> Inquire of Ken Cowles and advise whether or not and executed copy of the Defendant document 6 was ever provided to him.</p> <p><b>ANSWER:</b></p> <ul style="list-style-type: none"> <li>The Defendants document number 6, never got signed. Rashid Reid said the lawyers would deal with it.</li> </ul>	COMPLETE
8.	P26 L15-27 P27 L1-15	<p><b>QUESTION:</b> Provide copies of any correspondence or notes between the county, Lauder, Patrick Reid, or Ken Cowles dealing with the emergency access to the Lauder Lands.</p> <p><b>ANSWER:</b></p> <ul style="list-style-type: none"> <li>We have produced the documents, which are in our possession or power concerning these issues.</li> <li>We believe, however, that there are other documents in the possession of the County concerning the Emergency Access Agreement passing between Reid's counsel and the County.</li> </ul>	COMPLETE
9.	P28 L8-27 P29 L1-6	<p><b>QUESTION:</b> <b>[UNDER ADVISEMENT]</b> Provide a copy of whatever document contains subdivision condition number 1 as referenced in Defendant document number 39 and confirms when that condition was conveyed to Lauder or Ken Cowles.</p>	OUTSTANDING

## **APPENDIX D**

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**From:** Patrick Reid

**Sent:** Tuesday, December 09, 2014 7:50:55 PM (UTC-07:00) Mountain Time (US & Canada)

**To:** Greg Gartner

**Subject:** Reid International / Lauder

Greg

We had a couple of phone discussions lined up but were not able to connect. Perhaps you could e-mail me with what it is you wanted to discuss. From my client's point of view he wanted me to discuss with you the possibility of your client agreeing to allow a side road on his property be used as an emergency exit from my client's sub-division rather than my client having to build another road. I had understood that our respective clients had discussed and agreed to this as my client had agreed in exchange to allow something to do with the water flow over his land to your client's land. Please discuss this with your client and get back to me.

PAR

## **APPENDIX E**



1 your Statement of Claim says there was an agreement  
2 made on or after January 7th, 2016. I believe the  
3 agreement that it's referring to is a document that  
4 your counsel just put before you. Is that correct?

5 A I don't understand what you're -- what's the question  
6 you're asking me?

7 Q If you review paragraph 4 of your Statement of Claim,  
8 it's referring to a letter agreement, okay?

9 A Okay, yeah.

10 Q Made on or after January 7th, 2016. What agreement or  
11 letter agreement is being referred to in your Statement  
12 of Claim?

13 MR. DOHERTY: Counsel, I see that I've made a  
14 typographical error in the Statement of Claim and  
15 written 2016. It should say 2015. I apologize for  
16 that. That's an error in my office.

17 Q MR. CHAPOTELLE: And I'm not really concerned with  
18 that. What I'm just trying to understand is your  
19 Statement of Claim says that there was an agreement  
20 between the parties. I just need to know what  
21 agreement you're referring to.

22 I've put before you and your counsel has correctly  
23 pointed out that it's January 7th, 2015 on the  
24 defendant Document Number 9. Is that what you're  
25 referring to in your Statement of Claim as being the  
26 agreement?

27 A Yes.

## APPENDIX F

January 7, 2015

VIA EMAIL: [REIDLAW@TELUSPLANET.NET](mailto:REIDLAW@TELUSPLANET.NET)

FILE NO. 5173-3536

**PATRICK A. REID**  
Barrister & Solicitor  
Suite 202-2 Athabasca Ave  
Sherwood Park, AB T8A 4E3

Dear Sir:

**Re: Access to Road on Plan 0020956, Lot A (the "Subject Land")**

Thank you for your email dated December 9, 2014 wherein you have requested our clients' authorization (the "Requested Authorization") to access a road on the Subject Land as an emergency access for your client's subdivision on Plan 0020956, Lot B ("Lot B"). We have been advised by our clients that they would be agreeable to granting your client the Requested Authorization provided the following three conditions precedent have been satisfied:

1. Your client releases the \$25,000 holdback which was withheld from the mortgage loan pay out with respect to Lot B pursuant to our previous correspondence and the concrete moorings with respect to the subject "boat launch" remain where they are;
2. Your client agrees to remedy, at his sole expense and to the complete satisfaction of our clients, the drainage issue on the Subject Land and Lot B which we have been advised by the County of Wetaskiwin No. 10 was caused by your client installing a new road on Lot B which blocked the natural drainage on Lot B and the Subject Land; and
3. Your client removes the lis pendens he registered on November 25, 2008 on the Certificate of Title for the Subject Land.

Should you have any questions, please do not hesitate to contact our office.

Yours very truly,  
**Moody's Gartner Tax Law LLP**

**Greg Gartner CA, QC**  
Direct Phone: 780.784.2501  
Email: [ggartner@moodysgartner.com](mailto:ggartner@moodysgartner.com)

GJG/eb  
Enclosure

c.c. Cory Beattie  
Jim Morrison

Tax well solved.

RWC00009

## **APPENDIX G**

- 1 A No.
- 2 Q Now, you told me that you had some discussion with Ken  
3 Cowles. Had you and he actually agreed to anything by  
4 December of 2014 concerning the access issue?
- 5 A No.
- 6 Q Do you know whether Rashid and Mr. Cowles had agreed to  
7 something by December 9th, 2014 concerning the access  
8 issue?
- 9 A No.
- 10 Q Do you remember any discussions with Rashid Reid at or  
11 about or before December, 2014 about his discussions  
12 with Mr. Cowles?
- 13 A Not related to that, no.
- 14 Q Now, the next document is the Reid Document Number 9.  
15 This is a letter dated January 7th, 2015 from Moodys  
16 Gartner to Patrick Reid. Did you give instruction to  
17 Mr. Gartner to send this letter or was it someone else  
18 at Reid who gave the instruction?
- 19 MR. CHAPOTELLE: That would be covered by solicitor/  
20 client privilege.
- 21 Q MR. DOHERTY: At January 7th, 2015, Greg Gartner  
22 was acting on behalf of the Reid Corporation?
- 23 A Correct.
- 24 Q We're looking at the document in the Reid production  
25 number 9, and there's three listed points in here. I  
26 don't think that they're too contentious. I'm going to  
27 ask you about them and we'll find out if there's

1 anything contentious.

2 Number 1 talks about a \$25,000 holdback. There  
3 are some documents that have been produced, and my  
4 understanding of that issue is that there was a  
5 mortgage on the Lauder land and there was money owed on  
6 that mortgage to Reid Corporation. Patrick Reid, the  
7 lawyer, had basically said, We're going to pay that  
8 mortgage but we're going to hold back 25,000 because of  
9 some issue with a boat dock or some other issues at the  
10 shoreline.

11 So that money had been held back from the payment,  
12 and Mr. Gartner is here talking about having that money  
13 released as one of the conditions that he's referring  
14 to. Is that kind of in a nutshell your understanding  
15 of what happened as well?

16 A Yes.

17 Q The second issue is this drainage issue that you and I  
18 have talked about a little bit already. Is that fair  
19 to say?

20 A Yeah.

21 Q The third issue I don't really know a whole lot about.  
22 It says there's a certificate of lis pendens against  
23 the Reid land. In talking to Mr. Cowles, he tells me  
24 there was some kind of lawsuit between his numbered  
25 company and the Reid Corporation, and that eventually  
26 got resolved; but in the process of that litigation,  
27 this lis pendens had been filed.

## **APPENDIX H**

1 A Yeah.

2 Q Lawyer Reid is writing to Mr. Gartner in this e-mail  
3 saying that his client agrees to the proposal as long  
4 as the County accepts it. Do you know if the County  
5 ever accepted Mr. Gartner's proposal in his January 7th  
6 letter?

7 MR. CHAPOTELLE: How is he supposed to know what the  
8 County did or did not do?

9 MR. DOHERTY: He might have heard something about  
10 it. He might also not understand what Mr. Reid is  
11 talking about. Let's do it that way.

12 Q MR. DOHERTY: Do you know what lawyer Reid was  
13 talking about when he said as long as the County  
14 accepts it?

15 A I'm not certain.

16 Q All right. We can go through. There's a lot of  
17 documents dealing with the drainage issue, and I think  
18 we can cut through that fairly quickly. You've read  
19 all the documents, correct?

20 A Mm-hm.

21 Q My understanding of the documents is that there was  
22 discussion over 2015 about the drainage issue, and  
23 eventually that drainage issue was resolved to the  
24 County of Wetaskiwin's satisfaction, to Reid's  
25 satisfaction, and the drain package issue was put to  
26 bed by Lauder corporation basically installing a  
27 culvert and doing some other engineering work, getting



1 an engineer to say it was fine, and that issue was  
2 solved between the parties as far as the documents seem  
3 to show. Is that right?

4 A Correct.

5 Q It was Lauder corporation that paid for that drainage  
6 issue to be resolved to pay for the material, to pay  
7 for the labour, and to pay for the engineering. Is  
8 that correct?

9 A It's not anything I had privy information to. I would  
10 assume that was all part of their development proposal  
11 that was approved by the County at the time.

12 Q Let's get back to it another way, then. Did Reid  
13 Corporation have to pay anything to get this drainage  
14 issue that's referred to in item number 2 of  
15 Mr. Gartner's letter of January 7th, 2015, Reid  
16 Document Number 9?

17 A No.

18 Q Now, my understanding of that drainage issue was that  
19 there had been a road built by Lauder corporation on  
20 the Lauder land. And to fix the drainage issue, what  
21 they did was they actually dug up a part of that road  
22 and put a culvert in. Is that your understanding of  
23 what happened as well?

24 A I believe it was.

25 Q The next document I'd like to direct you to is the Reid  
26 Document Number 12. On March 17th, 2015, Mr. Gartner  
27 was still acting for the Reid Corporation, correct?

## APPENDIX I

**Subject:** RE: Moodys Gartner Tax Law LLP Request for Road Access Plan 0020956  
**Importance:** High

My client advises that he will agree to the proposal set out in Greg's letter as long as the County accepts it. We are looking into the Lis Pendens and will get back to you on that as soon as possible.

**From:** Erica Banick [<mailto:ebanick@moodysgartner.com>]  
**Sent:** January 7, 2015 3:58 PM  
**To:** Patrick Reid  
**Cc:** Kari Drinnan; Greg Gartner; Jim Morrison; Cory Beattie  
**Subject:** Moodys Gartner Tax Law LLP Request for Road Access Plan 0020956

Dear Sir,

Please see the attached correspondence. Should you have any questions, please do not hesitate to contact our office to set up a time to discuss this matter with Mr. Gartner. We note that Mr. Gartner will be away from the office January 10 – 17, 2015.

Thank you.

Yours truly,

Erica Banick

Erica Banick  
Office Administrator/Paralegal to Greg J. Gartner CA, QC, MBA, LLB

Moodys Gartner Tax Law LLP | D 780.784.2503  
2701, 10004 – 104 Avenue NW  
Edmonton, AB T5J 0K1 Canada

**moodys** ::  
**gartner** tax law™

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If you received this in error, please contact the sender and destroy all copies of this email.

## APPENDIX J

**Erica Banick**

---

**From:** Patrick Reid <reidlaw@telusplanet.net>  
**Sent:** Friday, March 13, 2015 2:11 PM  
**To:** Erica Banick  
**Subject:** URGENT RE: Moodys Gartner Tax Law LLP Request for Road Access Plan 0020956

We refer to Greg's letter of January 7<sup>th</sup>, 2015. My client agrees with all conditions raised in this letter namely a release of the \$25,000.00 holdback with concrete mooring remaining in place, the drainage issue has been remedied, the discharge of Lis Pendens has been submitted to Land Titles and a certified copy of title confirming same will be supplied to you once received back from LTO. We now need a letter from your client addressed to the County of Wetaskiwan to the attention of David Blades authorizing emergency access to the road on your client's property for my client's sub-division. Once this letter is prepared and signed please provide a copy by e-mail and we will get it to the County. Thank you for your early attention to same.

PAR

**From:** Erica Banick [mailto:ebanick@moodysgartner.com]  
**Sent:** March 9, 2015 5:32 PM  
**To:** Patrick Reid  
**Cc:** Art Lauder; Greg Gartner  
**Subject:** RE: Moodys Gartner Tax Law LLP Request for Road Access Plan 0020956

Dear Sir,

Please provide a follow up with respect to the below matter.

We thank you and we look forward to an update at your earliest convenience.

Yours truly,

Erica B.

Erica Banick  
Office Administrator/Paralegal to Greg J. Gartner CA, QC, MBA, LLB

Moodys Gartner Tax Law LLP | D 780.784.2503

**moodys** ::  
**gartner** tax law™

Confidentiality

---

**From:** Patrick Reid [mailto:reidlaw@telusplanet.net]  
**Sent:** Monday, January 12, 2015 2:59 PM  
**To:** Erica Banick  
**Cc:** Art Lauder

## **APPENDIX K**

**Moody's Gartner Tax Law LLP**  
2701, 10004 - 104 Avenue NW  
Edmonton, AB T5J 0K1  
Canada  
M 780.784.2500  
F 780.784.2525  
moodysgartner.com

**MARCH 17, 2015**

**VIA EMAIL: REIDLAW@TELUSPLANET.NET**

**FILE NO. 5173-3536**

**PATRICK A. REID**  
Barrister & Solicitor  
Suite 202-2 Athabasca Ave  
Sherwood Park, AB T8A 4E3

Dear Sir:

**Re: Access to Road on Plan 0020956, Lot B (the "Subject Land")**

Thank you for your email of Friday, March 13, 2015 confirming the release of the holdback in the amount of \$25,000.00 and confirmation that the drainage issue has been remedied with respect to the Subject Land.

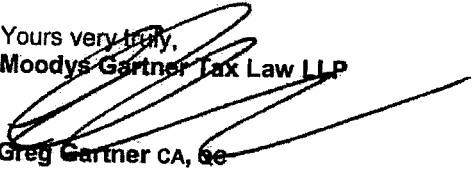
Once the following conditions have been satisfied, our office will provide a letter of permission directly to the County of Wetaskiwin authorizing your client emergency access to the road which remains on our client's property:

1. A trust cheque in the amount of \$25,000.00 made payable to Moody's Gartner Tax Law representing the holdback amount that was withheld from the mortgage loan pay out with respect to Lot B; and
2. Written confirmation from our client that the drainage issue has been resolved to their satisfaction. Our client is intending to confirm same by way of an inspection of the Subject Land.

We look forward to receipt of the above at your earliest convenience.

Should you have any questions, please do not hesitate to contact our office.

Yours very truly,  
**Moody's Gartner Tax Law LLP**

  
**Greg Gartner CA, SC**  
Direct Phone: 780.784.2501  
Email: ggartner@moodysgartner.com

GJG/eb

c.c. Cory Beattie  
Jim Morrison

Tax well solved.

RWC00012

## **APPENDIX L**



**Moodys Gartner Tax Law LLP**  
2701, 10004 – 104 Avenue NW  
Edmonton, AB T5J 0K1  
Canada  
M 780.784.2500  
F 780.784.2525  
moodysgartner.com

MARCH 25, 2015

VIA EMAIL: [REIDLAW@TELUSPLANET.NET](mailto:REIDLAW@TELUSPLANET.NET)

FILE NO. 5173-3536

**PATRICK A. REID**  
Barrister & Solicitor  
Suite 202-2 Athabasca Ave  
Sherwood Park, AB T8A 4E3

Dear Sir:


**Re: Access to Road on Plan 0020956, Lot B (the "Subject Land")**

Further to our letter of March 17, 2015, our client has conducted a site visit to the Subject Land and has determined that due to THE current snow pack, they are not able to confirm whether any corrections were made to resolve the drainage issues or alternatively, if culverts were installed.

Please provide our office with a letter of confirmation that the above mentioned work was completed in relation to the Subject Land, along with any type of reports that you may have been provided from the County or an engineer.

We look forward to receipt of the above at your earliest convenience.

Yours very truly,  
**Moodys Gartner Tax Law LLP**

  
**Greg Gartner CA, QC**  
Direct Phone: 780.784.2501  
Email: [ggartner@moodysgartner.com](mailto:ggartner@moodysgartner.com)

GJG/eb

c.c. Cory Beattie  
Jim Morrison

Tax well solved.

RWC00013

**Moodys Gartner Tax Law LLP**  
2701, 10004 - 104 Avenue NW  
Edmonton, AB T5J 0K1  
Canada  
M 780.784.2500  
F 780.784.2525  
moodysgartner.com

JUNE 30, 2015

VIA EMAIL: [REIDLAW@TELUSPLANET.NET](mailto:REIDLAW@TELUSPLANET.NET)

FILE NO. 5173-3536

**PATRICK A. REID**  
Barrister & Solicitor  
Suite 202-2 Athabasca Ave  
Sherwood Park, AB T8A 4E3

Dear Sir:

**Re: Access to Road on Plan 0020956, Lot B (the "Subject Land")**

We apologize for the delay in our response to you with respect to your request to gain access to an emergency access road located on the Subject Land described above.

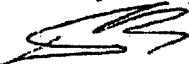
Our clients have visited the Subject Land and are not satisfied that the drainage issues have been adequately resolved.

Please provide our office with information or documentation describing the measures taken by your client to resolve the drainage issues, and please advise whether your client has consulted an engineer or other qualified professional regarding a resolution.

We understand that your client has requested that we provide a letter to the County of Wetaskiwin on a rush basis, however, until the conditions set out in our letter of March 17, 2015 are satisfied, we are unable to do so.

Should you wish to discuss this matter further, please contact the writer to arrange for a telephone call.

Yours very truly,  
**Moodys Gartner Tax Law LLP**

  
**Greg Gartner CA, QC**  
Direct Phone: 780.784.2501  
Email: [ggartner@moodysgartner.com](mailto:ggartner@moodysgartner.com)

GJG/eb

c.c. Cory Beattie  
Jim Morrison

Tax well solved.

RWC00015

**From:** Art Lauder [mailto:[alauder@hawk-eye.com](mailto:alauder@hawk-eye.com)]  
**Sent:** Friday, August 21, 2015 8:16 AM  
**To:** Erica Banick <[ebanick@moodysgartner.com](mailto:ebanick@moodysgartner.com)>  
**Subject:** Fwd: 11-002 Cowles Landing

Good morning Erica

Sorry for the delay, it seems half the world is on holidays.

This is the drwg. showing the culvert in question. Hopefully this addresses the concerns of your client and we look forward to resolving this matter.

Regards  
Art

Sent from my iPhone

Begin forwarded message:

**From:** "Ken Cowles" <[ktranch007@gmail.com](mailto:ktranch007@gmail.com)>  
**To:** "Art Lauder" <[alauder@hawk-eye.com](mailto:alauder@hawk-eye.com)>  
**Subject:** Fwd: 11-002 Cowles Landing

Sent from my iPhone

Begin forwarded message:

**From:** "Glen Pitt" <[glen@teckera.ca](mailto:glen@teckera.ca)>  
**Date:** August 19, 2015 at 10:54:19 PM MDT  
**To:** "'Ken Cowles'" <[ktranch007@gmail.com](mailto:ktranch007@gmail.com)>  
**Subject:** FW: 11-002 Cowles Landing

Ken,

Should you have any questions or concerns, please do not hesitate to contact us.

Regards,

Glen

**Glen Pitt, P.L.(Eng), R.E.T.**  
Engineering Manager / Principal

*"Providing Practical, Common Sense Solutions"*  
#90, 210 McLeod Ave., Spruce Grove, Ab, T7X 2K5  
[glen@teckera.ca](mailto:glen@teckera.ca) | [www.teckera.ca](http://www.teckera.ca)  
Phone: (780) 948-1444 | Fax: 1-888-842-6147  
Cell: (780) 803-0571

This is the email with the culvert shown from the Reid's to you property. They may need to complete some minor grading if they want their entire low area to drain.....it had a few humps in it.

Regards,

Glen

**Glen Pitt, P.L.(Eng), R.E.T.**  
Engineering Manager / Principal

*"Providing Practical, Common Sense Solutions"*  
#90, 210 McLeod Ave., Spruce Grove, Ab, T7X 2K5  
[glen@teckera.ca](mailto:glen@teckera.ca) | [www.teckera.ca](http://www.teckera.ca)  
Phone: (780) 948-1444 | Fax: 1-888-842-6147  
Cell: (780) 803-0571

**From:** Glen Pitt [<mailto:glen@teckera.ca>]  
**Sent:** Monday, July 27, 2015 2:11 PM  
**To:** 'Ken Cowles' <[ktrench007@gmail.com](mailto:ktrench007@gmail.com)>  
**Subject:** FW: 11-002 Cowles Landing

Ken,

Here is the email I was referring to RE: Offsite Drainage

**Glen Pitt, P.L.(Eng), R.E.T.**  
Engineering Manager / Principal  
*"Providing Practical, Common Sense Solutions"*  
#90, 210 McLeod Ave., Spruce Grove, Ab, T7X 2K5  
[glen@teckera.ca](mailto:glen@teckera.ca) | [www.teckera.ca](http://www.teckera.ca)  
Phone: (780) 948-1444 | Fax: 1-888-842-6147  
Cell: (780) 803-0571

**From:** Glen Pitt [<mailto:glen@teckera.ca>]  
**Sent:** Monday, July 20, 2015 12:10 PM  
**To:** Ken Cowles  
**Subject:** 11-002 Cowles Landing

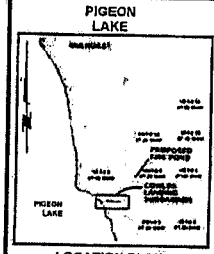
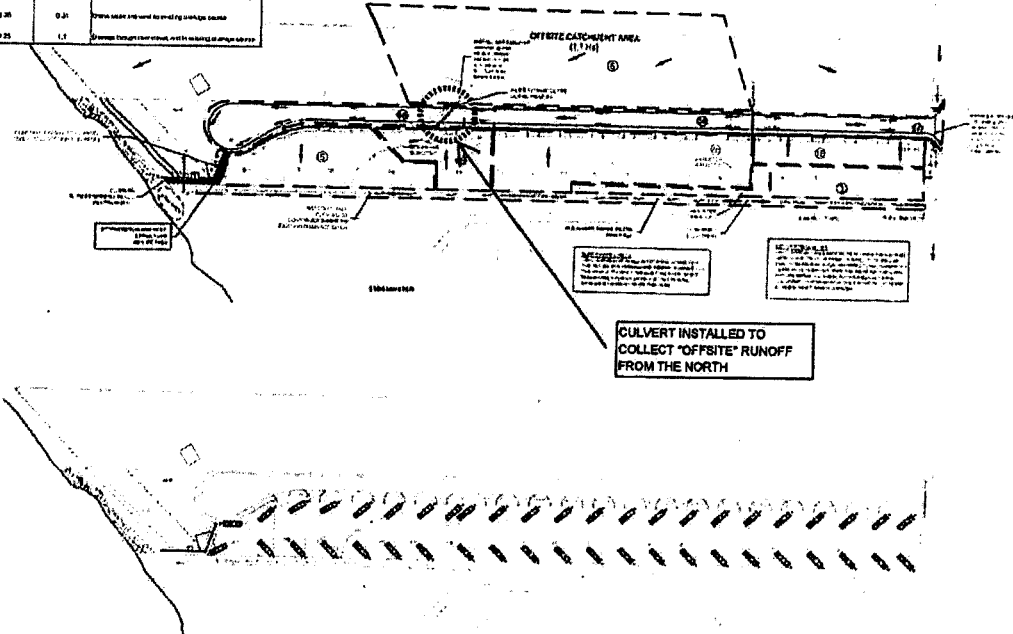
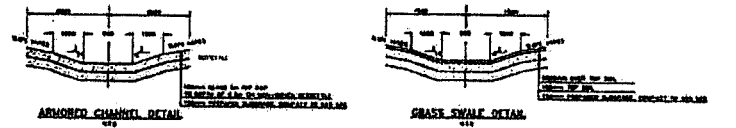
**Ken,**

Further to our conversation, please find attached 2 marked up PDF's showing the drainage features that were installed to accommodate the north "offsite" area. This is the low are directly north of your site (within the Reid's property). A culvert was installed underneath your road and into the south ditch system where the runoff will be conveyed west.

This is the scheme discussed /agreed upon with the County some time ago when they were onsite reviewing the project.

I trust that this is the information you were looking for

#	Q Factor (Pipe)	Q Factor (Flow)	Calculated Pipe Size	Notes
1A	0.2	0.8	0.15	Storm Inletting Stormwater Runoff
1B	0.2	0.8	0.15	Storm Inletting Stormwater Runoff
2A	0.2	0.8	0.15	Storm Inletting Stormwater Runoff
2B	0.2	0.8	0.15	Storm Inletting Stormwater Runoff
3	0.4	0.20	0.22	Storm Inletting Stormwater Runoff
4A	0.2	0.8	0.15	Storm Inletting Stormwater Runoff
4B	0.2	0.20	0.15	Storm Inletting Stormwater Runoff
5	0.2	0.20	0.20	Storm Inletting Stormwater Runoff
6	0.25	0.25	1.0	Storm Inletting Stormwater Runoff



**REVISIONS / ISSUES**

#	DATE	DESCRIPTION
1	08/11/2010	ISSUE FOR PERMIT
2	08/11/2010	ISSUE FOR PERMIT
3	08/11/2010	ISSUE FOR PERMIT
4	08/11/2010	ISSUE FOR PERMIT
5	08/11/2010	ISSUE FOR PERMIT
6	08/11/2010	ISSUE FOR PERMIT
7	08/11/2010	ISSUE FOR PERMIT
8	08/11/2010	ISSUE FOR PERMIT
9	08/11/2010	ISSUE FOR PERMIT
10	08/11/2010	ISSUE FOR PERMIT

**LEGEND**

PROPOSED CULVERT	---
STORMWATER INLET	○
DIFFUSE CATCHMENT AREA	○
EASEMENT	---
PROPERTY BOUNDARY	---
EXISTING ROAD	---
EXISTING UTILITY	---
EXISTING EASEMENT	---
EXISTING PROPERTY	---
EXISTING ROADWAY	---
EXISTING UTILITY	---
EXISTING EASEMENT	---
EXISTING PROPERTY	---

**ISSUE & APPROVAL**

**TECKERA CONSULTING**  
 Ken Cowles  
 Professional Engineer  
 No. 10000  
 2010-01-01

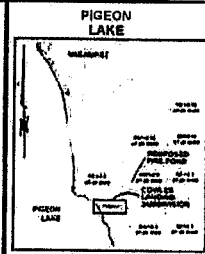
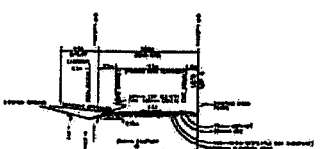
**KEN COWLES**  
 Cowles Landing Subdivision  
 PLAN ENCLOSED

**PROPOSED STORMWATER PLAN**  
 SHEET 47-28-4  
 LOT 16, PLAN 800 8000  
 COUNTY OF SAUTERAC

SEE DRAWING: 75-201-1-02

**TeckEri** ENGINEERING CONSULTANTS  
 10000  
 2010-01-01

SHEET INDEX		
NO.	DESCRIPTION	DATE
1	PLAN	2010
2	PROFILE	2010
3	LOCATION PLAN	2010



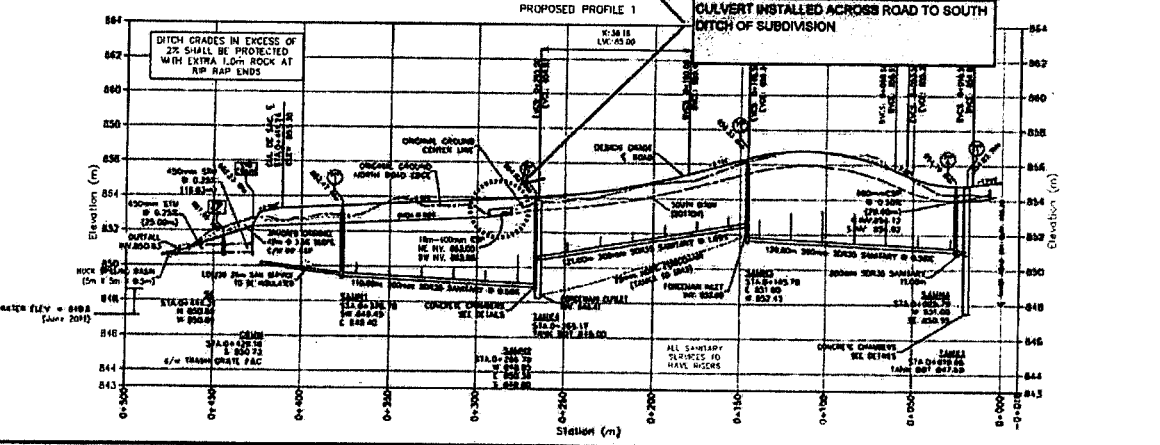
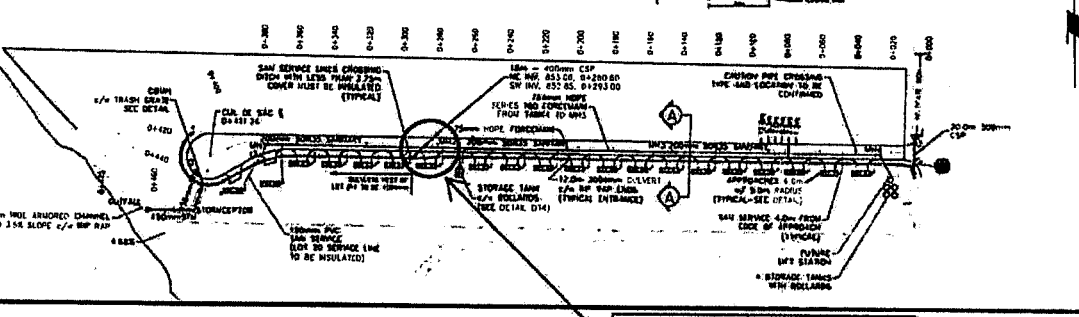
**LOCATION PLAN**  
N.T.S.

REVISION #ISSUED	
1	DATE
2	DESCRIPTION
3	APPROVED BY
4	REVISION #
5	DATE

LEGEND	
Symbol	Description
Symbol	Description
Symbol	Description
Symbol	Description
Symbol	Description
Symbol	Description



**KEN COWLES**  
Cowles Landing Subdivision  
FLORISSIMO  
**DETAILED PLAN & PROFILE**  
ROADS & SERVICES  
WITH  
NEE 17-23-C-4  
LOT 8, PLAN 992 9936  
CITY OF LOS ANGELES  
SHEET NO. 1 OF 3  
DATE: 10/10/10



**Erica Banick**

---

5773 (F)

**From:** Erica Banick  
**Sent:** Wednesday, August 12, 2015 3:16 PM  
**To:** Art Lauder (ALauder@hawk-eye.com)  
**Cc:** Greg Gartner; 'Patrick Reid'  
**Subject:** Cowles Landing - Access Road

Pigeon -

Good Afternoon,

Further to your inquiry as to the status of this matter, we have been asked by our client to find out if you have an "approved" drawing or "as-built" drawings for the culvert?

Please advise.

Thank you.

Erica



**From:** Art Lauder [mailto:[alauder@hawk-eye.com](mailto:alauder@hawk-eye.com)]  
**Sent:** Thursday, September 03, 2015 9:25 AM  
**To:** Erica Banick <[ebanick@moodysgartner.com](mailto:ebanick@moodysgartner.com)>  
**Subject:** Re: 11-002 Cowles Landing - Offsite Drainage

Good morning Erica

Has the information supplied by Teckera satisfied the concerns your client had on this drainage issue, and if so, can you give me a timeline on the promised response to the county?

Regards  
Art

Sent from my iPad

On Aug 31, 2015, at 8:35 AM, Glen Pitt <[glen@teckera.ca](mailto:glen@teckera.ca)> wrote:

**Attention:** Erica Banick  
Moody's Gartner Law

*Hi Erica*

I understand from Ken Cowles that you are looking for some information on how offsite drainage from the Reid Property is being accommodated through the newly constructed subdivision "Cowles Landing". This offsite area previously ran southwesterly through the Cowles property (via small swale) and drained into the lake.

The design and construction of the Subdivision has not altered this scheme. A culvert was constructed underneath of the east-west access road. It is designed to collect surface runoff from the low area on the Reid's property and direct it south and west through the Cowles Landing Drainage System. The runoff will eventually end up in the lake through a series of rip rapped channels. We have attached a marked-up version of our drawings to show the location of the culvert and the profile.

The County had reviewed and approved this concept and had visited the site to verify its completion.

We trust that this is the information you were looking for. Should you have any questions, please do not hesitate to contact us.

Regards,

Glen

**Glen Pitt, P.L.(Eng), R.E.T.**

Erica Banick

Proau Lake - 5773

**From:** Erica Banick  
**Sent:** Monday, September 14, 2015 11:21 AM  
**To:** Art Lauder (ALauder@hawk-eye.com)  
**Cc:** Greg Gartner  
**Subject:** FW: 11-002 Cowles Landing - Offsite Drainage

Hi Art – I received your email this morning. Our client is still waiting for a copy of the plan approved by the County (as referenced in the email below from Glen Pitt). Please request this approval from them or ask Glen if he has a copy of the approval and please provide to our office.

Thank you.

Erica

**From:** Erica Banick  
**Sent:** Thursday, September 03, 2015 4:18 PM  
**To:** Art Lauder (ALauder@hawk-eye.com) <ALauder@hawk-eye.com>  
**Cc:** Greg Gartner <ggartner@moodysgartner.com>  
**Subject:** FW: 11-002 Cowles Landing - Offsite Drainage

Art,

Further to the email below, and the email provided by the engineer, it has been stated that the concept was approved by the county. Please provide a copy of the approved plan as our client is asking for it.

Thanks

Erica B.

Begin forwarded message:

**From:** "Glen Pitt" <glen@teckera.ca>  
**To:** "Erica Banick" <ebanick@moodysgartner.com>  
**Cc:** "alauder@hawk-eye.com" <alauder@hawk-eye.com>, "Greg Gartner" <ggartner@moodysgartner.com>, "Ken Cowles" <ktranch007@gmail.com>  
**Subject:** 11-002 Cowles Landing - Offsite Drainage

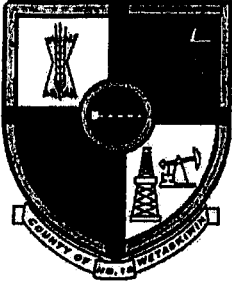
**Attention:** Erica Banick  
Moodys Gartner Law

Hi Erica

I understand from Ken Cowles that you are looking for some information on how offsite drainage from the Reid Property is being accommodated through the newly constructed subdivision "Cowles Landing". This offsite area previously ran southwesterly through the Cowles property (via small swale) and drained into the lake.

The design and construction of the Subdivision has not altered this scheme. A culvert was constructed underneath of the east-west access road. It is designed to collect surface runoff from the low area on the Reid's property and direct it south and west through the Cowles Landing Drainage System. The runoff will eventually end up in the lake through a series of rip rapped channels. We have attached a marked-up version of our drawings to show the location of the culvert and the profile.

## APPENDIX M



## County of Wetaskiwin No. 10

P.O. Box 6960, Wetaskiwin, AB T9A 2G5

Phone: (780) 852-8821

Fax: (780) 352-3486

[www.county.wetaskiwin.ab.ca](http://www.county.wetaskiwin.ab.ca)

Strong Proactive Leadership • Safe Progressive Communities

September 28, 2015

2717.03

Mr. Kenneth Cowles  
P.O. Box 25, Site 6, RR #2  
Thorsby, Alberta  
T0C 2P0

**RE: Cowles Landing Subdivision – Storm Water Plan Approval  
NE 2-47-28-W4M, Plan 002 0956, Lot B**

Dear Mr. Cowles  
Developer, Cowles Landing

Per your recent request, the County of Wetaskiwin No.10 has approved the proposed stormwater plan as provided in the Cowles Landing approval drawings dated October 7, 2014 (attached). Per discussions with David Blades; Director of Planning & Development; we have accepted the plan to accommodate the offsite drainage from the North through the newly developed Cowles Landing subdivision.

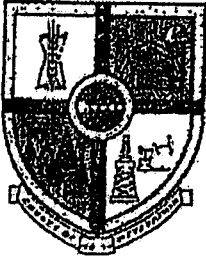
Thank you for your continued efforts with regards to the progress of the Cowles Landing development.

Best regards,  
County of Wetaskiwin No.10

Dallas E. Vikse, C.E.T.  
Engineering Technologist

Cc: Glen Pitt, P.L.(Eng), R.E.T., TeckEra Consulting Ltd.  
Craig Suchy, P.Eng, WSP Canada Inc.

RWC00024



## County of Wetaskiwin No. 10

P.O. Box 8980, Wetaskiwin, AB T0A 2G6  
Phone: (780) 362-8323  
Fax: (780) 362-2406  
www.county.wetaskiwin.ab.ca

Strong Proactive Leadership • Safe Progressive Communities

October 29, 2015

2717.03

Mr. Kenneth Cowles  
P.O. Box 25, Site 6, RR #2  
Thorsby, Alberta  
T0C 2P0


RE: Cowles Landing Subdivision – Offsite Drainage Approval Rev.2  
NE 2-47-28-W4M, Plan 002 0956, Lot B

Dear Mr. Cowles:  
Developer, Cowles Landing

Per your request, the County of Wetaskiwin No.10 has approved, inspected and accepted the storm water drainage plan as provided within the Cowles Landing approval drawings dated October 7, 2014 (attached for your reference). Per discussions with David Blades; Director of Planning & Development; the County has accepted the previously constructed infrastructure to accommodate the offsite drainage from the Northern property catchment area into and through the newly developed Cowles Landing subdivision ditch system.

Thank you for your continued efforts with regards to the progress of the Cowles Landing development.

Best regards,  
County of Wetaskiwin No.10

  
Dallas E. Vikse, C.E.T.  
Engineering Technologist

Cc: Glen Pitt, P.L.(Eng), R.E.T., TeckEra Consulting Ltd.  
Craig Suchy, P.Eng, WSP Canada Inc.

RWC00028

## **APPENDIX N**



**Moody's Gartner Tax Law LLP**  
2701, 10004 - 104 Avenue NW  
Edmonton, AB T5J 0K1  
Canada  
M 780 764 2500  
F 780 764 2525  
moodysgartner.com

November 26, 2015

VIA FAX

FILE NO. 5173-3536

COUNTY OF WETASKIWIN NO. 10  
PO Box 6960  
Wetaskiwin, AB T9A 2G5

Attention: Dave Blades, Director of Planning/Economic Development

Dear Sir:

Re: Emergency Access to Road on Plan 0020956, Lot A (the "Subject Land"), Pigeon Lake

Please be advised that our office represents Emilie Anne Reid and Reid Worldwide Corporation whom are the registered owners of the above referenced Subject Land.

It has been requested by the owner of Plan 0020956, Lot B, Lauder Industries Inc. ("Lauder") that we provide a letter to the County of Wetaskiwin (the "County"), so that access can be granted to the roadway which is located on the Subject Land for the purposes of facilitating the subdivision of land owned adjacent by Lauder.

We received a letter on October 29, 2015 from Dallas Vikse, Engineering Technologist for the County which stated that the required infrastructure to accommodate drainage is accepted and approved by the County (copy attached).

Our client agrees to the use of the roadway for emergency access only by Lauder (see Acknowledgement on page 2). We respectfully request the receipt of permission by the County be granted at your earliest convenience.

Should you have any questions, please do not hesitate to contact our office.

Yours very truly,  
Moody's Gartner Tax Law LLP

*on Behalf of*

Greg Gartner CA, QC  
Direct Phone: 780.784.2501  
Email: ggartner@moodysgartner.com

c.c. Greg Hembroff  
Patrick Reid  
Art Lauder

**Moodys Gartner Tax Law LLP**  
2700 100th Ave NW  
Edmonton, Alberta T6C 2K1  
Canada  
Tel: 780.784.2500  
Fax: 780.784.2525  
moodysgartner.com

November 26, 2015

VIA FAX

FILE NO. 5173-3536

COUNTY OF WETASKIWIN NO. 10  
PO Box 6960  
Wetaskiwin, AB T9A 2G5

Attention: Dave Blades, Director of Planning/Economic Development

Dear Sir:

**Re: Emergency Access to Road on Plan 0020956, Lot A (the "Subject Land"), Pigeon Lake**

Please be advised that our office represents Emilie Anne Reid and Reid Worldwide Corporation whom are the registered owners of the above referenced Subject Land.


It has been requested by the owner of Plan 0020956, Lot B, Lauder Industries Inc. ("Lauder") that we provide a letter to the County of Wetaskiwin (the "County") ,so that access can be granted to the roadway which is located on the Subject Land for the purposes of facilitating the subdivision of land owned adjacent by Lauder.

We received a letter on October 29, 2015 from Dallas Vikse, Engineering Technologist for the County which stated that the required infrastructure to accommodate drainage is accepted and approved by the County (copy attached).

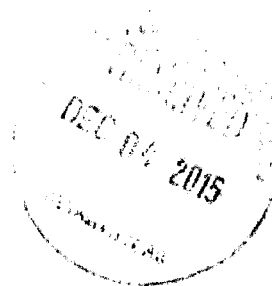
Our client agrees to the use of the roadway for emergency access only by Lauder (see Acknowledgement on page 2). We respectfully request the receipt of permission by the County be granted at your earliest convenience. ]

Should you have any questions, please do not hesitate to contact our office.

Yours very truly,  
Moodys Gartner Tax Law LLP

*on Behalf of*   
Greg Gartner CA, QC  
Direct Phone: 780.784.2501  
Email: ggartner@moodysgartner.com

c.c. Greg Hembroff  
Patrick Reid  
Art Lauder



Tax well solved



## **APPENDIX O**

- 1 A Correct.
- 2 Q The next document I'd like you to look at, then, is  
3 Reid Document Number 30. This is a letter November  
4 26th, 2015 from Mr. Gartner to the County of  
5 Wetaskiwin, and I see that he's copied it to yourself.  
6 Is that right?
- 7 A Yeah.
- 8 Q Again, I'm going to ask you. Who gave Mr. Gartner  
9 instructions to write this letter on behalf of Reid  
10 Corporation?
- 11 MR. CHAPOTELLE: Again, refused.
- 12 MR. DOHERTY: And I'm going to ask if there is in  
13 fact any written instructions to Mr. Gartner to issue  
14 this letter or what's to be included in the letter.  
15 You took the previous one under advisement. I assume  
16 that you'll take that under advisement?
- 17 MR. CHAPOTELLE: Exactly.
- 18 MR. DOHERTY: Thank you.
- 19 **UNDERTAKING NO. 2: ADVISE IF THERE IS ANY WRITTEN**  
20 **INSTRUCTIONS TO MR. GARTNER TO PREPARE REID**  
21 **DOCUMENT NUMBER 30 - TAKEN UNDER ADVISEMENT.**
- 22 Q MR. DOHERTY: Now, let's just look at  
23 Mr. Gartner's letter, Reid production number 30 dated  
24 November 26th, 2015. It refers to land Plan 0020956,  
25 Lot A, and that's the land that I've called the Reid  
26 land. Is that right?
- 27 A Yeah.

- 1 Q It also refers to land in the second paragraph, Plan  
2 0020956, Lot B, and that's the land I've called the  
3 Lauder land, correct?
- 4 A Correct.
- 5 Q And then in the second-last paragraph before the yours  
6 truly, it says, Our client agrees to use of the  
7 roadway, et cetera. And then it talks about an  
8 acknowledgement on page 2. Reid Document Number 31,  
9 this is page 2 referred to by Mr. Gartner as you  
10 understand it?
- 11 A Yeah.
- 12 Q The only acknowledgement I see there is the word  
13 acknowledgement and then there's a signature. That's  
14 your signature, is it?
- 15 A Yeah.
- 16 Q Now, in this Reid Document Number 30, the second-last  
17 paragraph, the last line says, We respectfully request  
18 the receipt of permission by the County be granted at  
19 your earliest convenience. Do you know what permission  
20 by the County Mr. Gartner was referring to there?
- 21 A No.
- 22 Q Have you asked Mr. Gartner for his complete file  
23 dealing with the Reid land and the Lauder land?
- 24 MR. CHAPOTELLE: Again, that would be privileged,  
25 what communications he had with Mr. Gartner.
- 26 Q MR. DOHERTY: As part of the production in this  
27 lawsuit, have you obtained the complete file from the

## APPENDIX P

## Ron Schuldhaus

---

**From:** Art Lauder <alauder@hawk-eye.com> ✓  
**Sent:** Wednesday, August 31, 2016 10:51 AM  
**To:** Ron Schuldhaus (ron@dohertyschuldhaus.com)  
**Subject:** FW: Access to Road on Plan 0020956, Lot B  
**Attachments:** County of Wetaskiwin.pdf

---

**From:** Patrick Reid [<mailto:reidlaw@telusplanet.net>]  
**Sent:** Tuesday, December 01, 2015 4:33 PM  
**To:** Art Lauder <[alauder@hawk-eye.com](mailto:alauder@hawk-eye.com)>  
**Subject:** FW: Access to Road on Plan 0020956, Lot B

Finally a response. Comments???

---

**From:** Erica Banick [<mailto:ebanick@moodysgartner.com>]  
**Sent:** December 1, 2015 4:24 PM  
**To:** Art Lauder ([ALauder@hawk-eye.com](mailto:ALauder@hawk-eye.com)) <[ALauder@hawk-eye.com](mailto:ALauder@hawk-eye.com)>; Patrick Reid <[reidlaw@telusplanet.net](mailto:reidlaw@telusplanet.net)>  
**Cc:** Greg Gartner <[ggartner@moodysgartner.com](mailto:ggartner@moodysgartner.com)>; Greg Hembroff <[ghembroff@reidbuilthomes.com](mailto:ghembroff@reidbuilthomes.com)>; Cory Beattie <[Cbeattie@reidbuilthomes.com](mailto:Cbeattie@reidbuilthomes.com)>  
**Subject:** Access to Road on Plan 0020956, Lot B

Dear Sir,

After several email exchanges of information and review of items provided from Art Lauder (various engineering reports etc.), we enclose a copy of the letter we have sent to the County of Wetaskiwin advising them that our client agrees to allow your client emergency access to the roadway located on our client's property.

We confirm that our client is satisfied with the measures taken and reports provided addressing the drainage issue, and in accordance with our letter dated March 17, 2015, we will release to our client the \$25,000.00 holdback of funds relating to the mortgage loan payout for Lot B.

Should you have any questions, please do not hesitate to contact our office.

Yours truly,

Erica B.  
On Behalf of Greg J. Gartner, QC

Erica Banick  
Office Administrator/Paralegal to Greg J. Gartner CA, QC, MBA, LLB

Moodys Gartner Tax Law LLP | D 780.784.2503  
2701, 10004 - 104 Avenue NW  
Edmonton, AB T5J 0K1 Canada



**From:** Erica Banick [<mailto:ebanick@moodysgartner.com>]  
**Sent:** December 1, 2015 4:24 PM  
**To:** Art Lauder ([ALauder@hawk-eye.com](mailto:ALauder@hawk-eye.com)) <[ALauder@hawk-eye.com](mailto:ALauder@hawk-eye.com)>;  
Patrick Reid <[reidlaw@telusplanet.net](mailto:reidlaw@telusplanet.net)>  
**Cc:** Greg Gartner <[ggartner@moodysgartner.com](mailto:ggartner@moodysgartner.com)>; Greg Hembroff  
<[ghembroff@reidbuilthomes.com](mailto:ghembroff@reidbuilthomes.com)>; Cory Beattie  
<[Cbeattie@reidbuilthomes.com](mailto:Cbeattie@reidbuilthomes.com)>  
**Subject:** Access to Road on Plan 0020956, Lot B

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After several email exchanges of information and review of items provided from Art Lauder (various engineering reports etc.), we enclose a copy of the letter we have sent to the County of Wetaskiwin advising them that our client agrees to allow your client emergency access to the roadway located on our client's property.

We confirm that our client is satisfied with the measures taken and reports provided addressing the drainage issue, and in accordance with our letter dated March 17, 2015, we will release to our client the \$25,000.00 holdback of funds relating to the mortgage loan payout for Lot B.

Should you have any questions, please do not hesitate to contact our office.

Yours truly,

Erica B.  
On Behalf of Greg J. Gartner, QC

**Erica Banick**  
**Office Administrator/Paralegal to Greg J. Gartner CA, QC, MBA, LLB**

Moodys Gartner Tax Law LLP | D 780.784.2503  
2701, 10004 - 104 Avenue NW  
Edmonton, AB T5J 0K1 Canada



Confidentiality: This email is intended only for the person to whom it is addressed (the "addressee") and is confidential and may contain privileged material. Any review, retransmission, dissemination or other use by a person other than the addressee of this communication is prohibited.

If you received this in error, please contact the sender and destroy all copies of this email.

<County of Wetaskiwin.pdf>

## APPENDIX Q



**Moodys Gartner Tax Law LLP**  
2701, 10004 - 104 Avenue NW  
Edmonton, AB T5J 0K1  
Canada  
M 780.784.2500  
F 780.784.2525  
moodysgartner.com

December 7, 2015

**VIA DIRECT COURIER**

**REID WORLDWIDECORPORATION**  
18140 - 107 Avenue NW  
EDMONTON, AB T5S 1K5

Attention: Greg Hembroff

Dear Sir:

**Re: Emergency Access Road - Plan 0020956 Lot B**

Enclosed please find a cheque in the amount of \$25,000.00 representing the holdback amount withheld from the mortgage loan pay out with respect to Lot B.

Should you have any questions, please do not hesitate to contact our office.

Yours very truly,  
**Moodys Gartner Tax Law LLP**

For **Greg J. Gartner, LLB, CA, QC**  
Direct Phone: 780.784.2501  
Email: ggartner@moodysgartner.com

GJG/eb  
Enclosures

c.c. Cory Beattie, Reid Worldwide Corporation  
Jim Morrison, Reid Worldwide Corporation  
Patrick Reid, Reid Law Office



*copy also in acct file*

**Moodys Gartner Tax Law LLP**  
2701, 10004 - 104 Avenue NW  
Edmonton, AB T5J 0K1  
Canada  
M 780.784.2500  
F 780.784.2525  
moodysgartner.com

December 7, 2015

**VIA DIRECT COURIER**

**REID WORLDWIDECORPORATION**  
18140 - 107 Avenue NW  
EDMONTON, AB T5S 1K5

*copy*

Attention: Greg Hembroff

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Yours very truly,  
**Moodys Gartner Tax Law LLP**



*for*  
Greg J. Gartner, LLB, CA, QC  
Direct Phone: 780.784.2501  
Email: ggartner@moodysgartner.com

GJG/eb  
Enclosures

c.c. Cory Beattie, Reid Worldwide Corporation  
Jim Morrison, Reid Worldwide Corporation  
Patrick Reid, Reid Law Office

## **APPENDIX R**

1 to get your requested authorization to allow emergency  
2 access; does that work for you? You have no knowledge  
3 of any of that, do you?

4 A I don't know for sure. Like, I don't think he dealt  
5 directly with the County. That's all I can say.

6 Q I'll just do it this way. I'll ask for an undertaking  
7 to provide copies of any correspondence or notes  
8 between the County, Lauder, Patrick Reid, or Ken Cowles  
9 dealing with the emergency access to the Lauder lands.

10 MR. DOHERTY: We'll make our inquiries and see  
11 what we can find for you on that end.

12 **UNDERTAKING NO. 8: PROVIDE COPIES OF ANY**  
13 **CORRESPONDENCE OR NOTES BETWEEN THE COUNTY,**  
14 **LAUDER, PATRICK REID, OR KEN COWLES DEALING WITH**  
15 **THE EMERGENCY ACCESS TO THE LAUDER LANDS.**

16 Q MR. CHAPOTELLE: What I'm struggling with is you see  
17 the initial correspondence by Ken Cowles to Reid  
18 saying, We need a letter of authorization. You then  
19 get the e-mail from Patrick Reid to the effect that  
20 they want to allow emergency access. Then you get the  
21 response from Greg Gartner saying, We'll give you the  
22 required authorization if certain conditions are met,  
23 and that's ultimately what is done.

24 It just seems strange to me that the parties spent  
25 over a year dealing with this issue. What exactly was  
26 contemplated was done, and then ultimately it appears  
27 that that wasn't acceptable to the County. I'm trying

1 to understand where the County comes into this to say,  
2 No, a letter wasn't sufficient and, if that's the case,  
3 when that occurred and why that that's all that was  
4 ever required of Reid. But you have no understanding  
5 or knowledge of that because you weren't dealing with  
6 the County on that issue, were you?

7 A No.

8 Q If you go to defendant Document 39, it's a letter from  
9 the County to Reid. It says, This agreement is part of  
10 Subdivision Condition Number 1 for RW/11/21. Do you  
11 see that?

12 A Yes.

13 Q When was that Subdivision Condition Number 1 put in  
14 place?

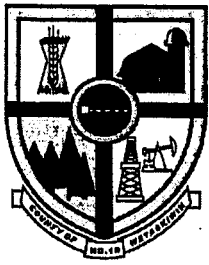
15 A I don't know when they put it in place, but it come up  
16 rather late in the whole process. It come up basically  
17 after the thing was 90 percent complete. It had to do  
18 with registering the lots with the County. That's when  
19 it came up.

20 Q Do you know when that would have been?

21 A I guess when these other conversations started, but  
22 it's probably within the last maybe two years most.

23 Q Let's do it this way. I'll just ask for an undertaking  
24 to provide a copy of whatever document contains  
25 Subdivision Condition Number 1 as referred to in  
26 defendant Document Number 39 and to confirm when that  
27 condition was conveyed to Lauder or Ken Cowles.

## **APPENDIX S**



# County of Wetaskiwin No. 10

P.O. Box 6960, Wetaskiwin, AB T9A 2G5

Phone: 780-352-3321

Fax: 780-352-3486

www.county.wetaskiwin.ab.ca

**Strong Proactive Leadership • Safe Progressive Communities**

March 29, 2016

Our Files: 2717.01, 2717.03  
& 2714.00 S

Reid Worldwide Corporation  
10707-182 Street  
Edmonton, AB T5S 1J5

**RE: EMERGENCY ACCESS EASEMENT AGREEMENT – NE 2-47-28-W4M,  
PLAN 0020956, LOT B AND NE 2-47-28-W4M, PLAN 0020956, LOT A**

Please find a copy of an Emergency Access Easement Agreement between Emilie Reid, Reid Worldwide Corp. and the County of Wetaskiwin in regards to an emergency right of way agreement between NE 2-47-28-W4M, Plan 0020956, Lot A and Lot B. This agreement is part of subdivision condition #1 for RW/11/21 (1502392 Alberta Ltd. – Ken Cowles).

Enclosed please find three (3) copies of the Emergency Access Agreement with the County. Please send three (3) original signed copies back to the County of Wetaskiwin and once the County has signed, we will mail one fully executed copy back to you for your records.

Please contact the undersigned if you have any questions or concerns.

Yours truly,

ROD HAWKEN  
Assistant County Administrator  
County of Wetaskiwin No.10

:lj

:enclosures

cc Ken Cowles

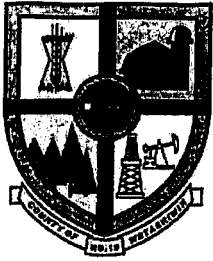
*duo Pagan*

P.O. Box 6960, Wetaskiwin, AB T9A 2G5

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# County of Wetaskiwin No. 10

**Strong Proactive Leadership • Safe Progressive Communities**

March 29, 2016

Our Files: 2717.01, 2717.03  
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Yours truly,

ROD HAWKEN  
Assistant County Administrator  
County of Wetaskiwin No.10

:lj

:enclosures

cc: Ken Cowles

## **APPENDIX T**



## Rod Hawken

---

**From:** Rod Hawken  
**Sent:** June-29-16 12:47 PM  
**To:** ghembroff@rwwc.ca; ktranch@telus.net  
**Subject:** Cowles Emergency Access Easement  
**Attachments:** easement.PDF

Ken/Greg:

Attached is the letter mailed on March 29, 2016 with the updated emergency access agreement relating only to accessing by way of current road (driveway).

Rod Hawken  
Assistant CAO

**From:** Rod Hawken  
**Sent:** June-21-16 7:44 AM  
**To:** 'ghembroff@rwwc.ca'  
**Cc:** Lindsay Jacobsen; Amber Tripp  
**Subject:** Cowles Emergency Access Easement

Greg:

I am just following up to see if Reid Worldwide has had the opportunity to review and/or sign the revised emergency access easement with the County of Wetaskiwin.

Rod Hawken  
Assistant CAO  
780-361-6225

**From:** Rod Hawken  
**Sent:** May-02-16 9:05 AM  
**To:** 'ghembroff@rwwc.ca'  
**Cc:** Lindsay Jacobsen; Amber Tripp  
**Subject:** Cowles Emergency Access Easement

Greg:

Good morning. I am just following up on a revised emergency access agreement we forwarded on March 29 regarding the Cowles project. We had amended the original blanket easement to include the roadway only along with a condition of gate being installed between the properties. Have you had a chance to review the agreement yet and are there any remaining concerns?

Rod Hawken  
Assistant CAO  
780-361-6225

## Rod Hawken

---

**From:** David Blades  
**Sent:** July-12-16 10:34 AM  
**To:** Dallas Vikse; Rod Hawken  
**Subject:** RE: Cowles Landing

Hi Dallas:

I believe Rod was still needing to hear from Reid's solicitor.

We can check with Rod on Wednesday at the Pre-Planning meeting. Can you attend at the pre-planning meeting for a few minutes to see about the status and then we can update Ken.

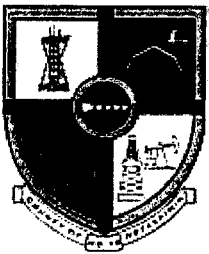
Thanks

**From:** Dallas Vikse  
**Sent:** July-12-16 9:13 AM  
**To:** Rod Hawken; David Blades  
**Subject:** RE: Cowles Landing

Good morning Rod & David –  
Ken contacted me & is wondering if the Reid's emergency access easement has been signed off & approved by them. Please let me know.

Best regards,

**Dallas E. Vikse, C.E.T.**  
Engineering Technologist | Planning & Development Services



*Strong Proactive Leadership | Safe Progressive Communities*

**County of Wetaskiwin No.10**  
Office: 780-352-3321 Ext. 2288  
Toll Free: 1-800-661-4125  
Cellular: 780-312-4362  
Website: [www.county.wetaskiwin.ab.ca](http://www.county.wetaskiwin.ab.ca)  
Email: [dvikse@county.wetaskiwin.ab.ca](mailto:dvikse@county.wetaskiwin.ab.ca)

**From:** Rod Hawken  
**Sent:** Tuesday, June 28, 2016 6:23 AM  
**To:** Katie Hunter; [ktranch@telus.net](mailto:ktranch@telus.net)

## **APPENDIX U**

**Cc:** David Blades; Dallas Vikse; [jtran@westcentralplanning.ca](mailto:jtran@westcentralplanning.ca)  
**Subject:** Cowles Landing

Katie:

I have been able to review the file with staff and this is the list we have come up with:

1. Ken has been previously forwarded with a 'ccc' form to apply for construction completion. When the project is complete he can make application. Depending on the results of the ccc inspection, there may be further adjustments required.
2. The County should be provided with engineering proof that the wastewater line has been tested and has passed all tests.
3. An access easement agreement is attached to this email. The agreement will be registered on title and gives the County access to the Municipal and Environmental reserves on the west side of the development.
4. An Offsite Levy and Road Contribution agreement are attached to this email for review. Please note that the agreement allows payment at time of sale for the first 3 years. Regardless of how many lots are sold in the first 3 years, payment in full is due at the end of the 3 year period.
5. As mentioned to Ken, I have not had any success in obtaining the emergency access easement on the Reid's property. Failing that, we will have to go back to the south easement and the lot design would have to be adjusted.
6. Property taxes would have to be paid.
7. West Central Planning fees would have to be paid.
8. If there are any deficiencies but Ken would still like to register, we would only need to take security for 120% of the value of the outstanding issues.

The following have been confirmed:

1. Subdivision design drawings have been approved.
2. David Blades has reviewed and approved the water study from 2005 as sufficient for the purpose of registering the subdivision
3. All subdivision approvals have received or been applied for extensions.
4. Proof of payment for ATCO and Fortis are in place.
5. ER, MR and PUL properties will be registered as part of the subdivision registration on both properties.

Thanks for your patience, I hope we are able to register this subdivision shortly.

Rod Hawken  
Assistant CAO

**From:** Katie Hunter [<mailto:katie@exploresurveys.com>]  
**Sent:** May-05-16 4:18 PM  
**To:** Rod Hawken; [ktranch@telus.net](mailto:ktranch@telus.net)  
**Cc:** David Blades; Dallas Vikse; [jtran@westcentralplanning.ca](mailto:jtran@westcentralplanning.ca)  
**Subject:** RE: Cowles Landing

Good afternoon,

Can you please let me know which conditions are outstanding and completed from the list below.

Thank you,

**Katie Hunter, ALS**  
*Explore – Land Surveying & Pipeline Integrity*

## **APPENDIX V**

## Rod Hawken

---

**From:** David Blades  
**Sent:** August-26-16 9:32 AM  
**To:** Rod Hawken  
**Subject:** FW: Emergency Access Easement Agreement - Ken Cowles

Hi Rod:

Here is a formal reply. It looks like Ken Cowles has run into another road block.

I'll check with Ken to advise him he needs to either sweeten the pot with the Reids or re-arrange the access to the Lutheran Church site.

**From:** Stacey Denham Gibson [<mailto:sagibson@bryanco.com>]  
**Sent:** August-10-16 9:57 PM  
**To:** David Blades  
**Cc:** Greg Hembroff  
**Subject:** Emergency Access Easement Agreement - Ken Cowles

Hi David –

I am writing to advise that our clients, Reid Worldwide Corporation and Emilie Reid, are not willing to encumber their title with the proposed Emergency Access Easement Agreement benefitting the adjacent parcel to the south of their land.

If you have any questions or concerns, please don't hesitate to contact me.

Thank you,

**Stacey A. Denham Gibson**

EMAIL [sagibson@bryanco.com](mailto:sagibson@bryanco.com)



Bryan & Company LLP  
2600 Manulife Place 10180 101 Street Edmonton Alberta T5J 3Y2  
Direct 780-420-4704 | Toll free 1 800 357 9265 | Fax 780 428 6324  
Web [www.bryanco.com](http://www.bryanco.com)

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## **APPENDIX W**

LAND TITLES ACT  
(SECTION 130)  
CAVEAT

TO THE REGISTRAR OF THE NORTH ALBERTA LAND REGISTRATION DISTRICT,  
EDMONTON, ALBERTA

TAKE NOTICE THAT LAUDER INDUSTRIES INC., claims an interest in the under mentioned lands, specifically an Emergency Access Easement herein called the Easement. The Easement arose pursuant to a written Agreement dated December 9, 2014 and January 7, 2015 between LAUDER INDRUSTRIES INC., and EMILIE ANNE REID and REID WORLDWIDE CORPORATION, whereby EMILIE ANNE REID and REID WORLWIDE CORPORATION granted to LAUDER INDUSTRIES INC., who owns land legally described as:

PLAN 0020956  
LOT B  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
(herein referred to as The Lauder Land)

a right to use a road located on land legally described as:

PLAN 0020956  
LOT A  
EXECPTING THEREOUT ALL MINES AND MINERALS  
(herein referred to as The Reid Land)

to access The Lauder Land.

The Easement is claimed in the Land legally described as:

PLAN 0020956  
LOT A  
EXCEPTING THEREOUT ALL MINES AND MINERALS

standing in and register in the names of EMILIE ANNE REID and REID WORLDWIDE CORPORATION; and I forbid the registration of any person as transferee or owner of, or of any instrument affecting that estate or interest, unless the certificate of tile is expressed to by subject to my clam.



## **APPENDIX X**

## Rod Hawken

---

**From:** David Blades  
**Sent:** May-10-17 1:49 PM  
**To:** KT Ranch  
**Cc:** Rod Hawken  
**Subject:** RE: Cowles Landing Commitment Letter

Hello Ken:

The following would be options regarding the matter.

1. One consideration is providing a satisfactory temporary south access to the Lutheran Church camp and then upon a final approval to the Reid property, the north one would then become the permanent access and the temporary one could be abandoned. In this case, we would need some kind of easement or registration on the plan that allows for the temporary access on the south side. This may be a bit more cumbersome with plan and discharge of the respective plan registrations.
2. Another option is a partial registration of the plan from the Range Road then west but only to a length of 120 metres. 120 metres is our minimum for cul-de-sacs without requiring a second access or emergency access. At moment, the distance for the whole length is approximately 400 metres. This partial registration would be subject to security and the remainder of the plan area would not be allowed to be registered until the permanent emergency access is provided.

Ultimately, if your legal counsel is able to get Reids on board to provide the access with legal binding agreements etc, then the full registration can be done.

If the options discussed are a possibility to you, then we could proceed with one.

Thanks

**From:** [ktranch007@gmail.com](mailto:ktranch007@gmail.com) [<mailto:ktranch007@gmail.com>] **On Behalf Of** KT Ranch  
**Sent:** April-03-17 2:27 PM  
**To:** David Blades  
**Subject:** Cowles Landing Commitment Letter

Good Afternoon David,

Here's our commitment letter for the proposed title agreement.  
Let me know what you think,

Sincerely,  
Ken Cowles

## **APPENDIX Y**

1 authorized Patrick Reid to release the \$25,000  
2 holdback, correct?

3 A I would have assuming all the conditions were met.

4 Q What conditions weren't met?

5 A Well, in this case, it turns out an easement. It turns  
6 out that's -- it turns out to be a requirement.

7 Q But where was the requirement placed on Reid to provide  
8 an easement?

9 A I assume that the legal part of it was looked after by  
10 Pat Reid.

11 Q Sure, no disagreement there, but what I'm trying to  
12 understand is, did you instruct Patrick Reid to release  
13 the \$25,000 holdback?

14 A I don't think by this I did.

15 Q No, but I assume that based on this e-mail exchange you  
16 say, There was to be a letter to the County stating  
17 this and I would like to see this before any funds are  
18 released. You then realize that you've got a copy of  
19 the letter to the County. I assume that you reviewed  
20 it. And then we know that -- based on defendant  
21 Document 36, December 7th, 2015, we know that the  
22 holdback is released.

23 A Well, I would have expected a confirmation from the  
24 County that it was acceptable someplace along the line.

25 Q Did you instruct Patrick Reid to wait before releasing  
26 the holdback funds?

27 A I don't recall what I said, but I would have expected

1 confirmation from the County somewhere along the line.

2 Q We've gone through the correspondence that gives rise  
3 to the letter to the County. Now, nowhere in there  
4 that I've seen is there a condition that anything more  
5 than a letter of authority or a letter of authorization  
6 be given. So I'm trying to understand where you're  
7 getting this from.

8 A Getting what?

9 Q Your understanding that it would have had to have been  
10 acceptable to the County before the \$25,000 was  
11 released. You can go back to the December 7th, 2014  
12 e-mail, the January 7th, 2015 letter, and the response  
13 from Patrick Reid to that. Feel free to read it over  
14 because the January 7th, 2015 letter from Greg Gartner  
15 to Patrick Reid very clearly says, We'll provide the  
16 requested authorization if the following conditions  
17 have been satisfied. A release of the \$25,000  
18 holdback. We know that that's done. Satisfaction of  
19 the drainage issue. We know that that's been done.  
20 And then the removal of the certificate of lis pendens.  
21 We know that that's been done.

22 I'm trying to understand where there's any  
23 requirement in the agreement between Patrick Reid and  
24 Greg Gartner that the County be satisfied and accept  
25 the requested authorization or an easement be required.

26 A Well, just common sense to me that they would have to  
27 approve it. Otherwise, it doesn't mean anything.

- 1 Q Then why didn't you ask for that or why didn't Patrick  
2 Reid ask for that?
- 3 A I think it is someplace along the line. It has to be  
4 asked for.
- 5 Q It says in the March 13th, 2015 e-mail, My client  
6 agrees with all the conditions raised in this letter,  
7 referring to the January 7th, 2015 letter.
- 8 A Is there any approval in there that the County accepted  
9 that letter?
- 10 Q No. I haven't seen approval of the letter by the  
11 County. I'm trying to understand where that condition  
12 was ever imposed. Did you ever raise any concerns with  
13 the letter of authorization -- the requested  
14 authorization that was provided by Greg Gartner to the  
15 County?
- 16 A No. Me personally, no.
- 17 Q Do you know if Ken Cowles ever did?
- 18 A No. We assumed that the legal part of it was looked  
19 after by the legal guys.
- 20 Q What I'm trying to understand is the requested  
21 authorization goes to the County in and around December  
22 of 2015. Then, at least according to what I've seen,  
23 the first response is the letter from the County saying  
24 we now require an easement. And they enclose an  
25 easement in triplicate as set out in defendant Document  
26 Number 39.
- 27 Did you ever have any discussions with Reid about

1 the fact that the requested authorization was  
2 insufficient?

3 A Not that I recall.

4 Q And do you know if Ken Cowles ever did?

5 A No, I can't answer that. I don't know.

6 Q Well, we've already asked for an undertaking to inquire  
7 of him of his conversations with Reid so that should  
8 take care of that.

9 When did Lauder first realize that an easement was  
10 required and that the emergency access authorization  
11 wasn't sufficient?

12 A When Reid said they weren't going to sign it. It was  
13 about that time, I guess, is when that all happened.

14 Q What I'm trying to understand is, did the County  
15 contact you, Lauder, or Ken Cowles after they received  
16 the requested authorization and say, This isn't enough?

17 A No, they sent out an easement, as far as I know, to  
18 Reid. And then we first heard about when the County  
19 got back to us and said they won't sign it.

20 Q They didn't respond directly to you or Lauder to say,  
21 This isn't enough. They just unilaterally went and  
22 prepared an easement and then sent it off to Reid?

23 A To my knowledge, that's right.

24 Q If you turn to defendant Document Number 41. That's  
25 the emergency access easement agreement that was sent  
26 by the County to Reid. Do you see that?

27 A Yes.

## **APPENDIX Z**



- 1 used to talk out there.
- 2 Q All right. Tell me over the years that you talked to  
3 Mr. Cowles about the emergency access issue, if in fact  
4 it was over years, over months or whatever it was, tell  
5 me what you recall Mr. Cowles telling you was needed by  
6 himself or Lauder corporation.
- 7 A That he needed an access for emergency purpose and that  
8 was about it. We looked at the location of what he was  
9 talking about, and it was our understanding it was for  
10 emergency purposes when they were doing construction of  
11 the development on his property.
- 12 Q What kind of development were they doing on Ken Cowles'  
13 property?
- 14 A Well, they were putting a road in adjacent to the Reid  
15 property, and it would have been some sort of condo RV  
16 development from my understanding.
- 17 Q Was the Reid land being developed or talked about being  
18 developed at the same time?
- 19 A No.
- 20 Q Was there any discussion between you and Mr. Cowles  
21 about the County of Wetaskiwin?
- 22 A At one point, they needed a letter saying that we would  
23 grant them access.
- 24 Q Do you have any other recollection of any of the  
25 discussions with Mr. Cowles?
- 26 A Not a lot of details about it other than he wanted some  
27 kind of access and he sent a letter requesting an

- 1 A I did.
- 2 Q What were the discussions with the County of Wetaskiwin  
3 concerning the requested authorization about? What do  
4 you recall of them?
- 5 A It wasn't about authorization. It was regarding the  
6 drainage.
- 7 Q All right. And that's the drainage that's item number  
8 2 in Mr. Gartner's letter in Reid Document Number 9,  
9 correct?
- 10 A Correct.
- 11 Q Now, let's talk specifically about January 7th, 2015  
12 and Mr. Gartner's letter which is Reid Document Number  
13 9. What's your understanding of what the Reid  
14 Worldwide Corporation understanding was of what the  
15 Lauder corporation wanted the requested authorization  
16 for? Why did they want it and what was Reid's  
17 understanding of why that was wanted?
- 18 A The understanding was for access to a site while under  
19 construction.
- 20 Q That was your personal understanding?
- 21 A Yeah.
- 22 Q Where had you gotten that understanding from?
- 23 A From talking to Ken.
- 24 Q Now, I'm reading Mr. Gartner's letter again, the  
25 January 7th, 2015 letter. Can you point out to me  
26 where in there it says that the requested authorization  
27 is while under construction?

1 Moodys Gartner firm dealing with these two pieces of  
2 land?

3 MR. CHAPOTELLE: Can I answer that?

4 MR. DOHERTY: Yes, please.

5 MR. CHAPOTELLE: Yes, the entire file was obtained,  
6 reviewed, and anything that was relevant or material to  
7 any of the issues raised was produced other than  
8 documents that would have been subject to solicitor/  
9 client privilege to the best of our knowledge.

10 Q MR. DOHERTY: I'm going to ask you to undertake  
11 to talk to Mr. Gartner and ask him what did he mean by  
12 that sentence, We respectfully request the receipt of  
13 permission by the County be granted at your earliest  
14 convenience.

15 MR. CHAPOTELLE: Under advisement.

16 **UNDERTAKING NO. 3: INQUIRE OF MR. GARTNER AND**  
17 **ADVISE WHAT HE MEANT BY "WE RESPECTFULLY REQUEST**  
18 **THE RECEIPT OF PERMISSION BY THE COUNTY BE GRANTED**  
19 **AT YOUR EARLIEST CONVENIENCE" AS WRITTEN IN REID**  
20 **DOCUMENT NUMBER 30 - TAKEN UNDER ADVISEMENT.**

21 Q MR. DOHERTY: Now, you told me earlier that your  
22 impression from the discussion you had with Ken Cowles  
23 was that Mr. Cowles was simply asking for a temporary  
24 access during course of construction. Did I get that  
25 correctly?

26 A Yeah.

27 Q What did Mr. Cowles tell you that caused you to come to

- 1           that conclusion?  What specific wording --
- 2       A     He said he needed access while their development  
3           project was underway, and that's all he ever really  
4           mentioned, said he needed something to satisfy the  
5           County.  He never provided a lot of detail about  
6           anything.
- 7       Q     When you talked to Mr. Cowles about the access issue,  
8           did he talk about emergency access and also emergency  
9           exit?
- 10      A     I just recall emergency access which to me is the same.
- 11      Q     All right.  Did you ever have any discussion with  
12           Mr. Cowles where he told you that if he couldn't get  
13           the emergency access from Reid Corporation then Lauder  
14           corporation would have to build another road on the  
15           Lauder land?
- 16      A     No.
- 17      Q     Do you know if he talked about that to Mr. Rashid Reid?
- 18      A     No, not aware of that.
- 19      Q     Did Mr. Rashid Reid give you any written summary of his  
20           discussions with Mr. Cowles about the access issue?
- 21      A     No.
- 22      Q     Did you have any actual discussions with Mr. Rashid  
23           Reid about his discussions with Mr. Cowles about the  
24           access issue?
- 25      A     I don't recall anything about the access.
- 26      Q     But do you know for a fact whether or not Rashid Reid  
27           was talking to Mr. Cowles about the access issue?

1 production says -- it's got written on it "copy". Do  
2 you know if that's the letter that's being referred to  
3 in that e-mail?

4 A I believe so.

5 Q The Reid Document Number 37, is this Mr. Gartner  
6 releasing the \$25,000 that he had referred to in his  
7 earlier letter to Patrick Reid which we've looked at?  
8 It was the Reid Document Number 9, January 7th, 2015.

9 A Can you repeat the question, please?

10 Q This letter, Reid Document 37, is Mr. Gartner releasing  
11 \$25,000 to Reid Worldwide Corporation. My question is  
12 simply to get you to confirm that that's the \$25,000  
13 being referred to by Mr. Gartner in his letter of  
14 January the 7th in point number 1.

15 A Yeah.

16 MR. DOHERTY: Just off the record.

17 (DISCUSSION OFF THE RECORD)

18 Q MR. DOHERTY: The next document I would like to  
19 look at is Reid Document Number 39. Now, we looked at  
20 this earlier when you said that you had had some  
21 discussion with the County and they were asking for an  
22 actual easement agreement to be signed.

23 Now, I'll give you a moment to read through that,  
24 and then I'm going to ask you a question on it, just  
25 that letter. When I talked to Mr. Cowles about this  
26 letter, he said that he thought that there had been a  
27 previous version of the emergency access agreement

1 prepared by the County which wasn't acceptable to  
2 either Reid Corporation or to anyone else except the  
3 County.

4 Do you remember any other version of this  
5 emergency access easement agreement? I'll just point  
6 out to you the part that Mr. Cowles told me about.  
7 It's on R41 and it's paragraph number 1. Mr. Cowles  
8 says that got changed to this version from a previous  
9 version.

10 A I believe the County -- there was a document sent from  
11 the County at one time that was just a blanket  
12 easement, and we told them that wasn't good enough or  
13 wasn't acceptable, because why would we agree to a  
14 blanket kind of easement. Alls we granted was access.

15 Q All right. So what I'd like you to do is to look  
16 through your records again, see if you can find that  
17 earlier access agreement that the County prepared and  
18 any correspondence relating to that either from Reid  
19 Corporation to the County or the County to Reid  
20 Corporation dealing with that earlier version. I'd  
21 like to see those documents if they're still available,  
22 please.

23 MR. CHAPOTELLE: Agreed.

24 MR. DOHERTY: Thank you.

25 **UNDERTAKING NO. 4: SEARCH RECORDS TO ATTEMPT TO**  
26 **LOCATE THE EARLIER ACCESS AGREEMENT THAT THE**  
27 **COUNTY PREPARED AND ANY CORRESPONDENCE RELATING TO**

1 timing was there.

2 Q All right. I'd ask you to look for that  
3 correspondence. If there's anything going from  
4 Mr. Gartner's office to the County or to Mr. Cowles or  
5 to Lauder corporation indicating that Reid Worldwide  
6 Corporation was refusing to sign an easement agreement,  
7 I'd like to see that correspondence, please.

8 MR. CHAPOTELLE: Agreed.

9 **UNDERTAKING NO. 6: PROVIDE ANY CORRESPONDENCE**  
10 **BETWEEN MR. GARTNER'S OFFICE TO THE COUNTY,**  
11 **MR. COWLES, OR LAUDER CORPORATION INDICATING THAT**  
12 **REID WORLDWIDE CORPORATION WAS REFUSING TO SIGN AN**  
13 **EASEMENT AGREEMENT.**

14 Q MR. DOHERTY: Now, you told me earlier that the  
15 discussions you had with the County were -- concerning  
16 this access issue were around the time that you got the  
17 easement agreement from the County. Do you remember  
18 any specific conversations you had with any specific  
19 people at the County about the access issue, you  
20 personally?

21 A Well, I think it was quite clear the letter we had sent  
22 and had agreed to was for access only for Lauder. It  
23 wasn't any kind of municipal access in perpetuity.  
24 That's the only real discussion that we had.

25 Q I'd like you to look at -- since we've been referring  
26 to the Reid documents, we'll go back to the Reid  
27 Document Number 9. Now, in your Document Number 9, the