

COURT FILE NUMBER

1701-07807

COURT OF QUEEN'S BENCH OF  
ALBERTA

JUDICIAL CENTRE

CALGARY



IN THE MATTER OF THE *COMPANIES ACT*,  
RSA 2000, c C-21.

AND

IN THE MATTER OF THE *JUDICATURE ACT*,  
RSA 2000, c J-2.

AND

IN THE MATTER OF SHEPHERD'S VILLAGE  
MINISTRIES LTD.

DOCUMENT

FIRST REPORT OF THE COURT APPOINTED  
LIQUIDATOR OF SHEPHERD'S VILLAGE  
MINISTRIES LTD. DATED JULY 31, 2017.

PREPARED BY KPMG INC.

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

**Liquidator**

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File No.: 533650-8

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# ***1. INTRODUCTION AND PURPOSE OF REPORT***

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## **Introduction**

1. Shepherd's Village Ministries Ltd. ("**SVM**" or the "**Company**") was organized as a not-for-profit company pursuant to Part 9 of the *Companies Act*, RSA 2000, c C-21, as amended, on June 3, 1999.
2. SVM's primary purpose was to build housing accommodations for mature adults, senior citizens or the elderly. SVM built a seniors independent living facility in Valleyview, Alberta consistent with that objective and the concept conceived by the local Lutheran church in Valleyview, Alberta. That facility is known as Shepherd's Village.
3. The only assets of the Company are residential lands in Valleyview, Alberta which are comprised of raw land and the condominium project known as Shepherd's Village (collectively the "**Lands**").
4. A portion of the Lands are subject to life leases (the "**Life Leases**") which have proven to be complex legal structures.
5. SVM was unable to carry on with its stated objectives for a number of reasons, including without limitation:
  - a) it is not currently able to meet its liabilities generally as they become due;
  - b) it has no secure source(s) of funding;
  - c) it cannot afford full time management or employees;
  - d) the complexity of managing Life Leases referred to above; and,
  - e) construction / structural issues have arisen with a portion of the Lands, which SVM is not in a position to adequately address.
6. While it is not part of the proceedings in the Court of Queen's Bench of Alberta under the Companies Creditors' Arrangement Act (Canada), in action #1501-00955 (the "**CCAA Proceedings**") in relation to other Lutheran entities, those proceedings create uncertainty for SVM going forward including determining the identity, nature and extent of all of its stakeholders.

7. SVM was named in a number of related class action litigation matters. The details and extent of which are currently unknown and are believed to be driven by the CCAA Proceedings.
8. On March 8, 2017, the Directors of SVM passed a special resolution authorizing the commencement of winding up the affairs of the Company and seeking the appointment of a Liquidator.
9. On June 8, 2017, an *ex parte* application was made to appoint KPMG Inc. (“**KPMG**”) as Liquidator of SVM (the “**Liquidator**”) pursuant to sections 214, 215(1), 216(1), and 240(1) of the *Companies Act*, R.S.A. 2000, c. C-21 and section 13(2) of the *Judicature Act*, RSA 2000, c J-2.
10. On June 8, 2017, the Court of Queen’s Bench of Alberta (“**Court**”) issued an order appointing KPMG as the Liquidator over all of the Property and undertakings of SVM (the “**Order**”). A copy of the Order is attached hereto as **Appendix “A”**.
11. In view of the facts that (a) the application was brought on limited notice, and (b) there were considerable uncertainties surrounding the project, it was proposed by the Liquidator that a general “come-back” application be scheduled in order that the Liquidator could report on its initial findings and recommendations. Accordingly, paragraph 31 was included in the Order.
12. For additional information on SVM and these liquidation proceedings please refer to the Liquidator’s website [www.kpmg.ca/shepherdsvillage](http://www.kpmg.ca/shepherdsvillage).
13. In preparing this report, the Liquidator has been provided with, and has relied upon, unaudited and other financial information, books and records (collectively, the “**Information**”) prepared by the SVM and/or their representatives, and discussions with SVM’s management and/or representatives. The Liquidator has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided and in consideration of the nature of evidence provided to this Honourable Court. However, the Liquidator has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CAS**”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Liquidator expresses no opinion or other form of assurance contemplated under the CAS in respect of the Information.
14. The information contained in this report is not intended to be relied upon by any prospective purchaser or investor in any transaction with the Liquidator.

15. All references to monetary amounts in this report are in Canadian dollars unless otherwise specified.

**Purpose of the Liquidator's First Report**

16. This is the Liquidator's first report (the "**First Report**") and has been prepared pursuant to Paragraph 31 of the Order regarding the "come-back" hearing scheduled for August 9, 2017.
17. This First Report is filed to provide this Honourable Court with an update on the Liquidator's activities since the date of the Order and to seek approval of those activities.

## ***2. SVM'S PRIMARY ASSETS***

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18. SVM's primary assets are Lands comprised as follows:
- a) seven apartment-type rental units;
  - b) thirty-six condominium-type units that are subject to Life Leases;
  - c) four vacant building lots;
  - d) improved and unimproved common property; and
  - e) approximately 4.18 acres of undeveloped raw land.
19. The Lands are subject to Condominium Plan 0020672, as re-divided, (the "**Condo Plan**") registered pursuant to the *Condominium Property Act*, R.S.A. 2000. In conjunction with the registration of the Condo Plan, a separate legal entity known as The Owners: Condominium Plan 0020672 was established ("**Condo Corp.**"). A copy of the Condo Plan is attached hereto as **Appendix "B"**.

### ***3. LIQUIDATOR'S ACTIVITIES TO DATE***

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#### **Initial Activities**

20. Subsequently to being appointed, the Liquidator:
- a) attended the SVM premises in Valleyview, Alberta;
  - b) ensured that the SVM office premises were secured;
  - c) met with the site manager regarding the Liquidator's appointment and the Order; and
  - d) toured the Lands and took photos.
21. The Liquidator retained the site manager and the part time janitor to assist with the exercise of the Liquidator's powers and duties.

#### **Cash and Banking**

22. The Liquidator immediately arranged a new bank account in the name of the liquidation estate to facilitate future receipts and disbursements during the liquidation.
23. The Liquidator is maintaining the existing SVM operating bank account as a "deposit account" to facilitate existing Electronic Funds Transfer ("EFT") arrangements of the condo fees from the tenants of Shepherd's Village.

#### **Books and Records**

24. The Liquidator obtained a back-up of the digital current accounting records.
25. The physical books and records reside in Calgary, Alberta. The Liquidator will arrange for the books and records to be stored offsite.
26. Copies of the Life Lease documents have been obtained from the land titles office.

#### **Insurance**

27. The Liquidator continued the existing insurance coverage and has been added as a loss payee on the existing insurance policy.



## **Notice**

28. The Liquidator issued the prescribed notice and statement pursuant to Section 240(3) of the Companies Act to all known secured and unsecured creditors of SVM, providing notice of its appointment. A copy of the notice and statement are attached hereto as **Appendix “C”**.
29. The Liquidator provided a notice to all Life Lease holders regarding its appointment.

## **Employees and Contractors**

30. As at the date of Liquidator’s Appointment, SVM had 1 full-time employee (site manager) and a part time janitor. As previously mentioned, the Liquidator has retained these employees to assist with day to day activities. Service contractors will be retained by the Liquidator on an as-needed basis to provide such services as:
  - a) maintenance;
  - b) repairs; and
  - c) accounting and bookkeeping assistance.

## **Construction Issues – Rental Units**

31. Upon touring and inspecting the Lands, it was brought to the Liquidator’s attention that there have been on-going settling issues experienced by the rental unit building. Upon visual inspection by the Liquidator cracks were observed in the drywall, ceilings and the basement floors.
32. SVM has been attempting to remedy the issues with cosmetic repairs (drywall patching and painting, building subfloors, replacing crown and floor moulding, etc.) on a regular basis.
33. The Liquidator retained a structural engineer to inspect the rental units and advise of any risk to the integrity of the building structure. The structural engineer attended SVM on July 14, 2017 and based on his inspections concluded that the rental unit building is structurally sound and advised that the resultant cracking in the drywall, ceilings and basement floors are aesthetic in nature and are not a result of structural integrity concerns.

## **Appraisal**

34. On July 26, 2017, the Liquidator engaged an appraiser to provide an updated appraisal of the Lands.

### Accounts Receivable

35. The estimated accounts receivable of SMV at the time of the Liquidator's appointment based on the Company's accounting records was \$99,422 comprised as follows:

| Summary of SVM's Accounts Receivable |           |
|--------------------------------------|-----------|
| CAD \$000's                          |           |
| AR as reported by the Company        | Amount \$ |
| General Accounts Receivable          | 80        |
| GST Receivable                       | 19        |
| <b>Total Accounts Receivable</b>     | <b>99</b> |

36. The Liquidator will undertake an analysis to confirm the validity and amounts of any outstanding receivables.
37. The Liquidator will implement collection of any valid accounts receivable amounts.

### Preliminary Cash Flow Projection for Core Operations

38. The Liquidator has prepared a preliminary cash flow projection to the end of December 2017 which indicates SVM has resources to continue basic operations. The Liquidator recognizes that actual results may vary from projected results and will continue regularly monitoring cash position.

### Caveat Registered in 2015 By The Town of Valleyview

39. In 2015, the Town of Valleyview registered an "Option to Purchase" caveat against the Lands. The Liquidator's legal counsel has requested additional information regarding this registration to determine the underlying issue(s) and the impact (if any) on the liquidation.

### Life Leases

40. Copies of the Life Leases have been obtained and are currently subject to review by the Liquidator and its counsel.

### Service of Order

41. Counsel for the Liquidator sent the letter attached hereto as **Appendix "D"** to all parties of which it was aware of who could reasonably be affected by the liquidation.

42. The service list attached hereto as **Appendix “E”** includes all parties who have requested to be included in further service relating to the liquidation.

#### **4. SVM'S PRIMARY LIABILITIES**

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43. SVM's primary estimated liabilities based on the Company's books and records at the time of the Liquidator's appointment were comprised of the following:

| Summary of SVM's Primary Liabilities                            |            |
|---|------------|
| CAD \$000's   |            |
| <b>Secured Creditors:</b>                                       | Amount \$  |
| Encharis Group  | 2,423      |
| Life Leases   | 4,429      |
| Total Secured Creditors   | 6,852      |
| <b>Unsecured Creditors</b>                                      |            |
| Trade Creditors   | -          |
| Lutheran Church Canada - Alberta & BC District (Loan Guarantee) | TBD        |
| Total Unsecured Creditors                                       | TBD        |
| <b>Total Liabilities</b>  | <b>TBD</b> |

44. On December 29, 2008 SVM signed a loan guarantee agreement that unconditionally guaranteed the loan provided by the Lutheran Church Canada – Alberta and BC District (the “**Church**” to Encharis Community Housing and Services (“**Encharis**”). The loan guarantee agreement provides that SVM jointly and severally guarantees payment by Encharis to the Church of all present and future debts and liabilities. The guarantee is limited to \$38,112,960.31 plus interest of 5.5% per annum.
45. The Liquidator understands that the loan guarantee was in relation to a seniors living real estate development project known as Prince of Peace located just outside Calgary, Alberta.
46. The Liquidator will be undertaking an analysis to confirm:
- a) the validity and amount of secured creditor claims (if any);
  - b) the amounts outstanding and owing (if any) to any unsecured trade creditors; and
  - c) the amount outstanding and owing (if any) pursuant to loan guarantees in connection with the Lutheran Church Canada – Alberta and BC District.

## ***5. REALIZATION CONSIDERATIONS***

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47. The Liquidator is currently considering liquidation approaches pending the resolution of a number of issues, including:
- a) an updated appraisal;
  - b) obtaining a more fulsome understanding and resolution of the Life Leases;
  - c) obtaining a more fulsome understanding and resolution of the 2015 caveat registered by the Town of Valleyview; and
  - d) establishment and implementation of an appropriate realization process.

## **6. CONCLUSION**

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48. This First Report is respectfully submitted pursuant to paragraph 31 of the Order seeking:
- a) approval of this First Report and the activities of the Liquidator described herein; and
  - b) leave to report back to this Honourable Court at such time as the Liquidator deems appropriate, on such notice as this Honourable Court may direct, to seek such further and other relief as may be appropriate.

All of which is respectfully submitted this 31<sup>st</sup> day of July, 2017.

**KPMG INC., COURT-APPOINTED LIQUIDATOR OF  
SHEPHERD'S VILLAGE MINISTRIES LTD.  
and not in its personal capacity**



Per: Neil A. Honess  
*Senior Vice President*



Per: C.F. (Cecil) Cheveldave  
*Vice President*

APPENDIX A

Order Appointing the Liquidator dated June 8, 2017

COURT FILE NUMBER

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

APPLICANT(S)

1701-07807

CALGARY

IN THE MATTER OF THE COMPANIES ACT, R.S.A.  
2000, c. C-21.

AND

IN THE MATTER OF THE JUDICATURE ACT, R.S.A.  
2000, c. J-2.

AND

IN THE MATTER OF SHEPHERD'S VILLAGE  
MINISTRIES LTD.

**ORDER APPOINTING LIQUIDATOR**

**Rose LLP**  
810, 333 - 5th Avenue S.W.  
Calgary, Alberta T2P 3B6  
Attention: Matthew R. Lindsay Q.C.  
Telephone: (403) 776-0525  
File No.: 10546-001

Clerk's stamp:



I hereby certify this to be a true copy of  
the original Order

Dated this 9 day of Jun, 2017  
[Signature]  
for Clerk of the Court

DOCUMENT

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

**DATE ON WHICH ORDER WAS PRONOUNCED:** June 8, 2017

**NAME OF JUDGE WHO MADE THIS ORDER:** The Honourable Justice G.A. Campbell

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE EX PARTE APPLICATION** of Shepherd's Village Ministries Ltd. (the "**Company**");  
**AND UPON** having read the Originating Application, the Affidavit of Mr. Kurt Robinson sworn, May 1,  
2017; **AND UPON** it appearing that the Company requires the assistance of this Court to wind-up its  
affairs and to address the interests of all the Company's stakeholders, preserve and gather in all of the  
Company's assets, undertakings and property (the "**Property**"), realize or otherwise deal with all of the  
Property, and hold or distribute the net proceeds as directed by this Honourable Court; **AND UPON** it  
appearing just, equitable and convenient that the Company be wound-up and a liquidator be appointed to  
manage and liquidate the Property (the "**Liquidator**"); **AND UPON** it appearing that KPMG Inc., has  
consented to Act as the Liquidator; **AND UPON** hearing counsel for the Company;



**IT IS HEREBY ORDERED AND DECLARED THAT:**

**APPOINTMENT**

1. Pursuant to sections 214, 215(1), 216(1) and 240(1) of the *Companies Act*, R.S.A. 2000, c. C-21 ("CA"), and section 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, KPMG Inc. ("KPMG") is hereby appointed Liquidator, without security, of the Company and its Property.

**LIQUIDATOR'S POWERS**

2. In addition to the powers set forth in s. 243 of the CA, the Liquidator is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Liquidator is hereby expressly empowered and authorized to do any of the following where the Liquidator considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate and carry on the business of the Company, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part other business, or cease to perform any contracts of the Company;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Liquidator's powers and duties, including without limitation those conferred by this Order;
  - (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Company or any part or parts thereof;
  - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Company and to exercise all remedies of the Company in collecting such monies, including, without limitation, to enforce any security held by the Company;

- (g) to settle, extend or compromise any indebtedness owing to or by the Company;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Liquidator's name or in the name and on behalf of the Company, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Company;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Company, the Property or the Liquidator, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Liquidator to defend or settle the action in which this Order is made unless otherwise directed by this Court.
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Liquidator in its discretion may deem appropriate.
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$10,000.00, provided that the aggregate consideration for all such transactions does not exceed \$50,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

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

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Liquidator deems appropriate all matters relating to the Property and the liquidation, and

to share information, subject to such terms as to confidentiality as the Liquidator deems advisable;

- (o) to direct the Registrar of Land Titles of Alberta, or any other applicable government authority, to register a copy of this Order in respect of the Property against title to any of the Property notwithstanding Section 191 of the *Land Titles Act* (Alberta);
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Liquidator, in the name of the Company;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Company, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Company;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Company may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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

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

3. (i) The Company, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Liquidator of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Liquidator, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Liquidator upon the Liquidator's request.
4. All Persons shall forthwith advise the Liquidator of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Company, and any computer

programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Liquidator or permit the Liquidator to make, retain and take away copies thereof and grant to the Liquidator unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Liquidator due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

5. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Liquidator for the purpose of allowing the Liquidator to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Liquidator in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Liquidator. Further, for the purposes of this paragraph, all Persons shall provide the Liquidator with all such assistance in gaining immediate access to the information in the Records as the Liquidator may in its discretion require including providing the Liquidator with instructions on the use of any computer or other system and providing the Liquidator with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE LIQUIDATOR**

6. No proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Liquidator except with the written consent of the Liquidator or with leave of this Court.

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

7. No Proceeding against or in respect of the Company or the Property shall be commenced or continued except with the written consent of the Liquidator or with leave of this Court and any and all Proceedings currently under way against or in respect of the Company or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a

Regulatory Body's investigation in respect of the Company or an action, suit or proceeding that is taken in respect of the Company by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

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

8. All rights and remedies (including, without limitation, set-off rights) against the Company, the Liquidator, or affecting the Property, are hereby stayed and suspended except with the written consent of the Liquidator or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Liquidator or the Company to carry on any business which the Company is not lawfully entitled to carry on, (ii) exempt the Liquidator or the Company from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH THE LIQUIDATOR**

9. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Company, without written consent of the Liquidator or leave of this Court.

#### **CONTINUATION OF SERVICES**

10. All Persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Company are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Liquidator, and this Court directs that the Liquidator shall be entitled to the continued use of the Company's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Liquidator in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and the Liquidator, or as may be ordered by this Court.

## LIQUIDATOR TO HOLD FUNDS

11. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Liquidator from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Liquidator (the "Post Liquidation Accounts") and the monies standing to the credit of such Post Liquidation Accounts from time to time, net of any disbursements provided for herein, shall be held by the Liquidator to be paid in accordance with the terms of this Order or any further order of this Court. The Liquidator shall not be required to pay interest on funds so deposited beyond any interest earned by the Liquidator, and upon so doing the Liquidator shall be deemed to have complied with Section 246 of the CA.

## EMPLOYEES

12. Subject to employees' rights to terminate their employment, all employees of the Company shall remain the employees of the Company until such time as the Liquidator, on the Company's behalf, may terminate the employment of such employees. The Liquidator shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the *Bankruptcy and Insolvency Act*, RSC 1985, C b-3 (the "**BIA**"), other than such amounts as the Liquidator may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("**WEPPA**").
13. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Liquidator shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Liquidator, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Company, and shall return all other personal information to the Liquidator, or ensure that all other personal information is destroyed.

## LIMITATION ON ENVIRONMENTAL LIABILITIES

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

- B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Liquidator had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

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

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

#### **LIQUIDATOR'S ACCOUNTS**

- 16. The Liquidator, counsel to the Liquidator, and counsel to the Company shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges, calculated by multiplying the time spent on the matter by their standard hourly rates. The Liquidator, counsel to the Liquidator, and counsel to the Company shall be entitled to and are hereby granted a charge (the "**Liquidator's Charge**") on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Liquidator's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA. The Liquidator's Charge with respect to counsel for the Company only secures reasonable fees and disbursements with respect to, or in preparation for, this Application.
- 17. The Liquidator, its legal counsel, and counsel for the Company on this Application shall pass their accounts from time to time, but in any event, not less than once in each year.
- 18. Prior to the passing of its accounts, the Liquidator shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Liquidator or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.



## FUNDING OF THE LIQUIDATION


19. The Liquidator be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Liquidator by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Liquidator's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Liquidator's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
20. Neither the Liquidator's Borrowings Charge nor any other security granted by the Liquidator in connection with its borrowings under this Order shall be enforced without leave of this Court.
21. The Liquidator is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Liquidator's Certificates") for any amount borrowed by it pursuant to this Order.
22. The monies from time to time borrowed by the Liquidator pursuant to this Order or any further order of this Court and any and all Liquidator's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Liquidator's Certificates.

## ALLOCATION

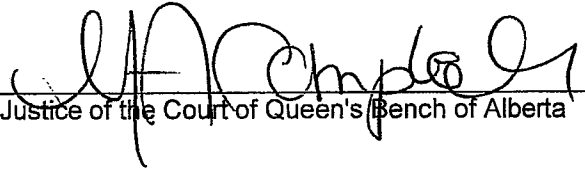
23. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Liquidator's Charge and Liquidator's Borrowings Charge amongst the various assets comprising the Property.

## GENERAL

24. The Liquidator's accounts shall be dealt with in accordance with paragraphs 16-18 of this Order and compliance therewith shall be deemed to be compliance with Section 247 of the CA.
25. The Liquidator may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

26. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Liquidator will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The filing of such reports shall be deemed to comply with Section 248 of the CA.
27. Nothing in this Order shall prevent the Liquidator from acting as a trustee in bankruptcy of the Company.
28. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Liquidator and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Liquidator and its agents in carrying out the terms of this Order.
29. The Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Liquidator is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
30. The Liquidator shall establish and maintain a website in respect of these proceedings at [www.kpmg.ca/shepherds-village](http://www.kpmg.ca/shepherds-village) and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Liquidator, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for for a sealing order.
31. The parties shall return before this Honourable Court on August 9, 2017 at 10:00 am and any interested party may apply to this Court to vary, amend or set aside this Order at that time.
- 

32. In addition to Paragraph 31 of this Order, any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Liquidator and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

  
Justice of the Court of Queen's Bench of Alberta

## SCHEDULE "A"

### LIQUIDATOR CERTIFICATE

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

AMOUNT

\$ \_\_\_\_\_  
\_\_\_\_\_

1. THIS IS TO CERTIFY that **[LIQUIDATOR'S NAME]**, the Liquidator (the "Liquidator") of all of the assets, undertakings and properties of **[COMPANY'S NAME]** appointed by Order of the Court of Queen's Bench of Alberta (the "Court") dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Order") made in action number \_\_\_\_\_, has received as such Liquidator from the holder of this certificate (the "Lender") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Liquidator is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded **[daily] [monthly not in advance on the \_\_\_\_\_ day of each month]** after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Liquidator pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Liquidator to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at ●.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Liquidator to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Liquidator to deal with the Property) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Liquidator does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

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

**[LIQUIDATOR'S NAME]**, solely in its capacity as  
Liquidator of the Property (as defined in the  
Order), and not in its personal capacity

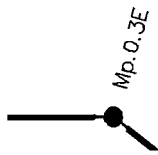
Per: \_\_\_\_\_

Name:

Title:

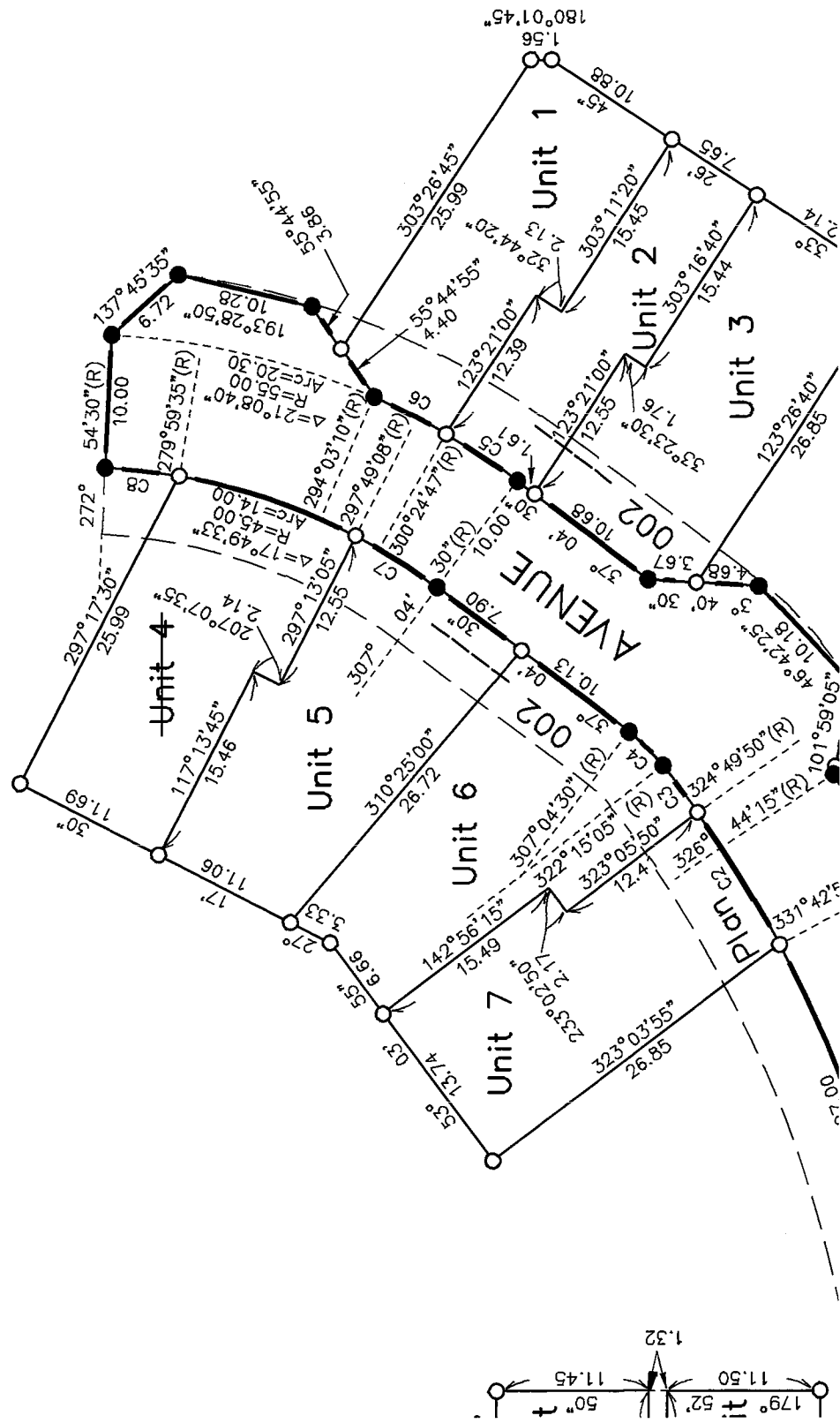
APPENDIX B

Condominium Plan No. 0020672



Lot 19  
Block 31  
Plan 002 0670

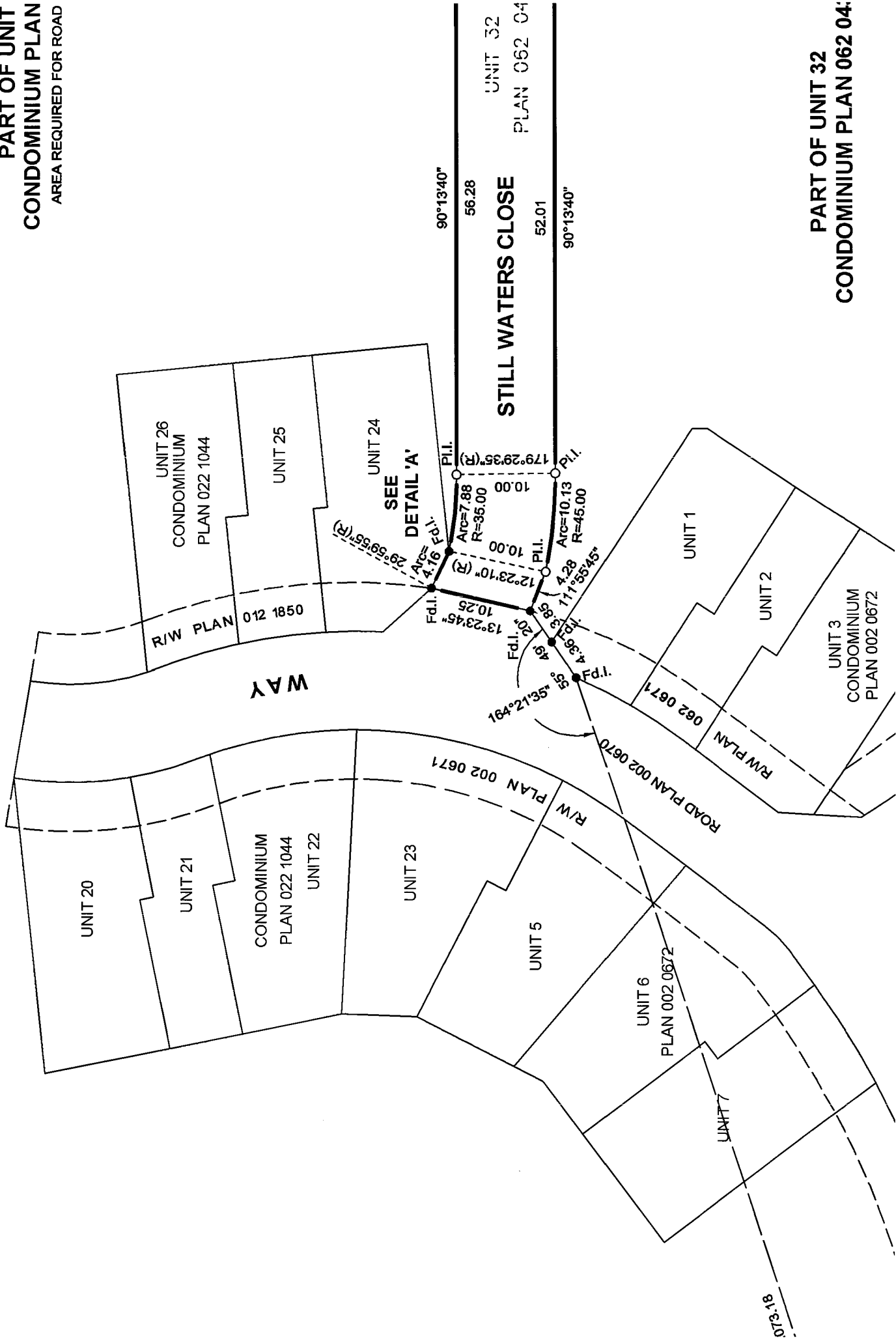
Unit 16





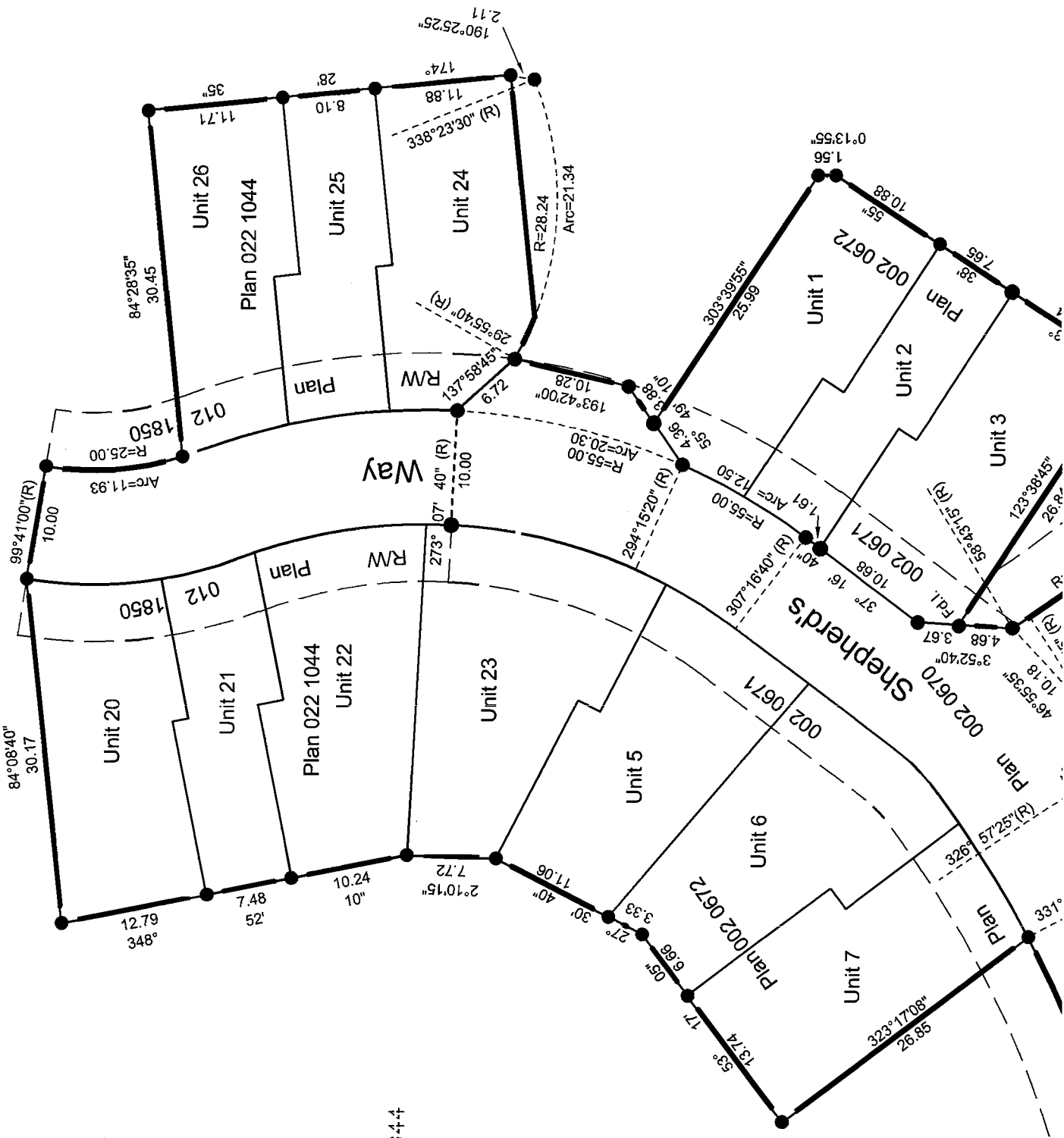


PART OF UNIT  
CONDOMINIUM PLAN  
AREA REQUIRED FOR ROAD



UNIT 32  
PLAN 062 04

PART OF UNIT 32  
CONDOMINIUM PLAN 062 04

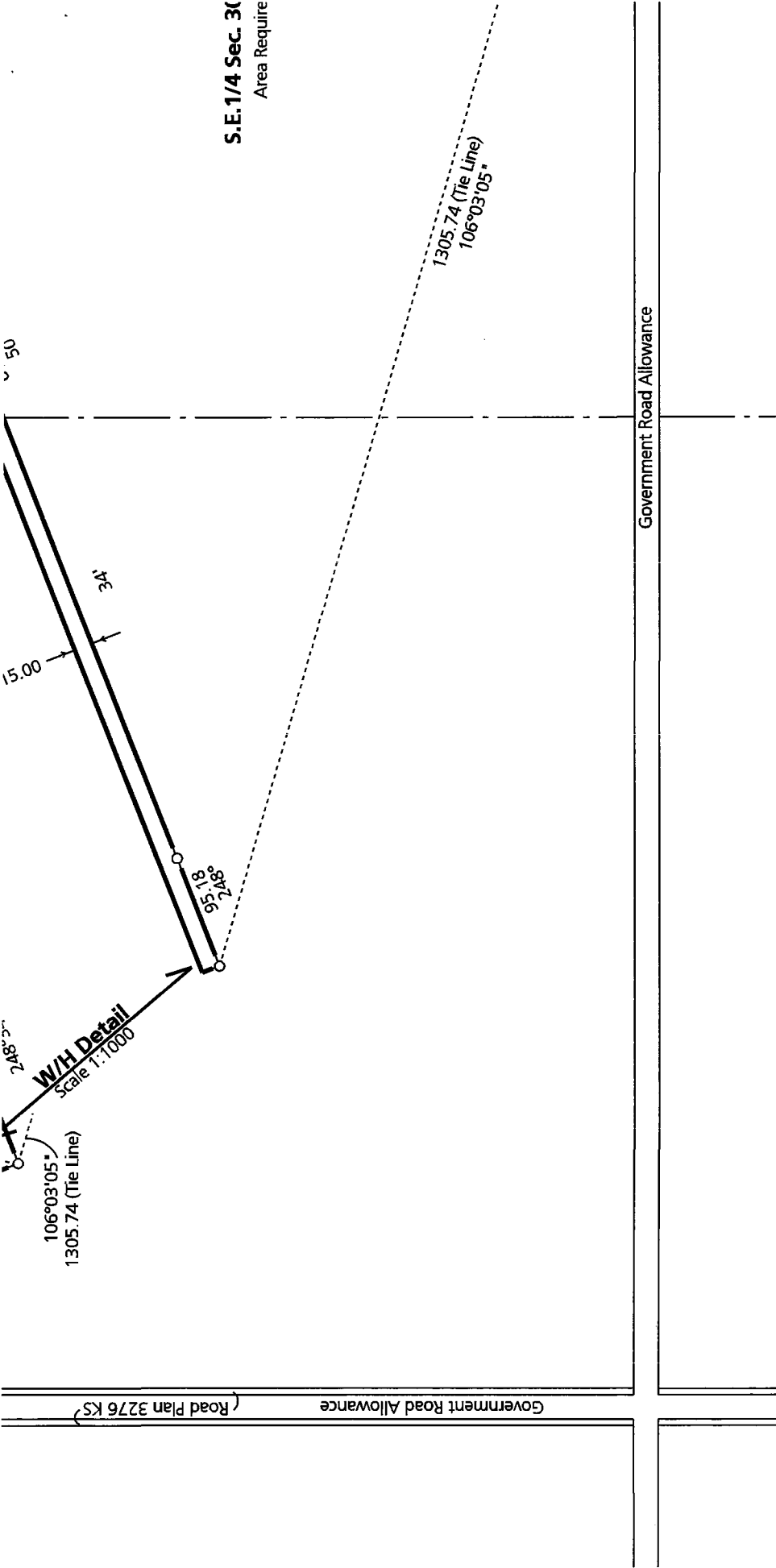


SEE REDIVISION  
092 5762

Unit 32

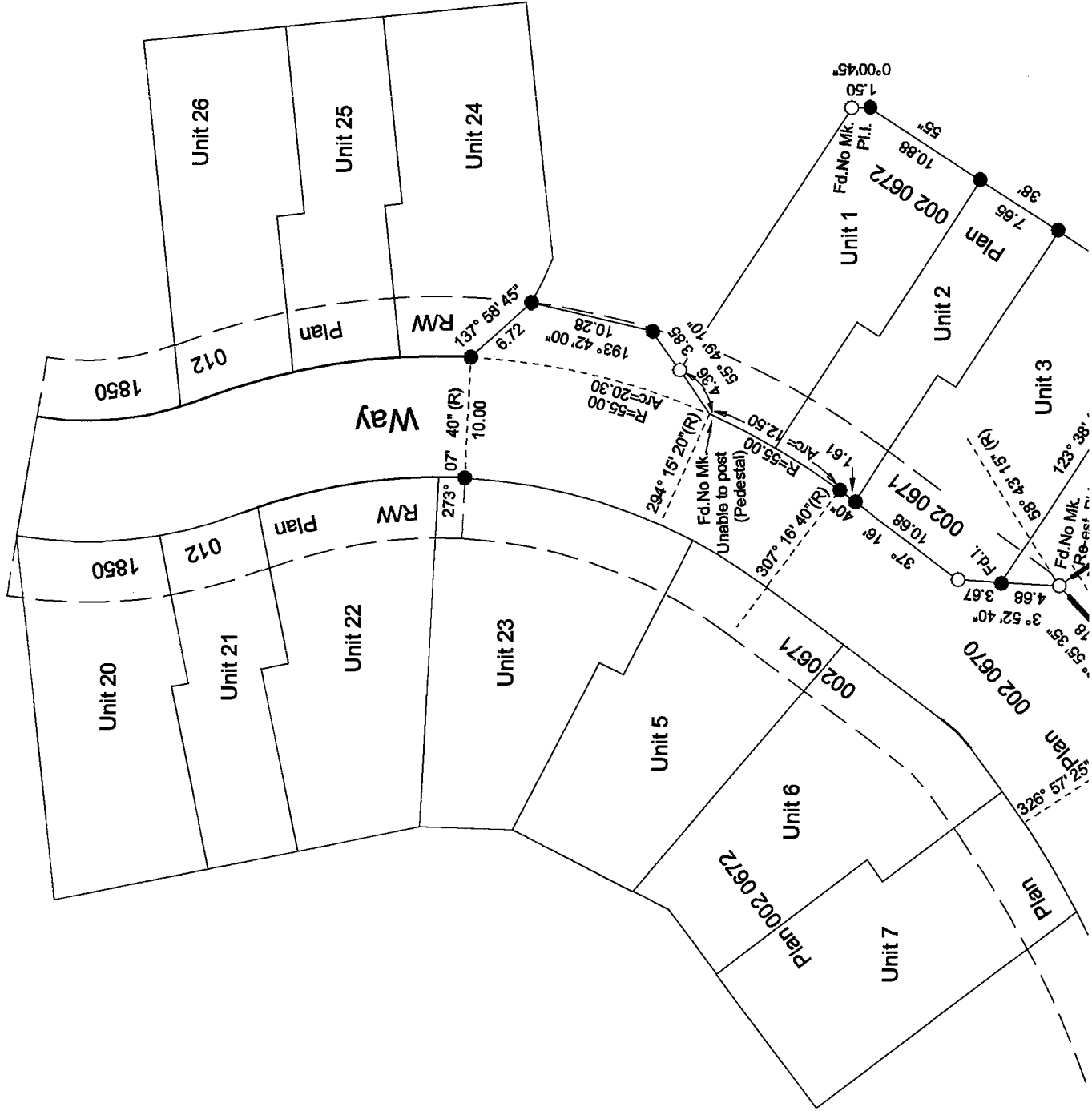
Unit 27  
Plan 022 1044

: 27  
22 1044



15m P/L RW  
309°  
289.96  
Plan 062 0473

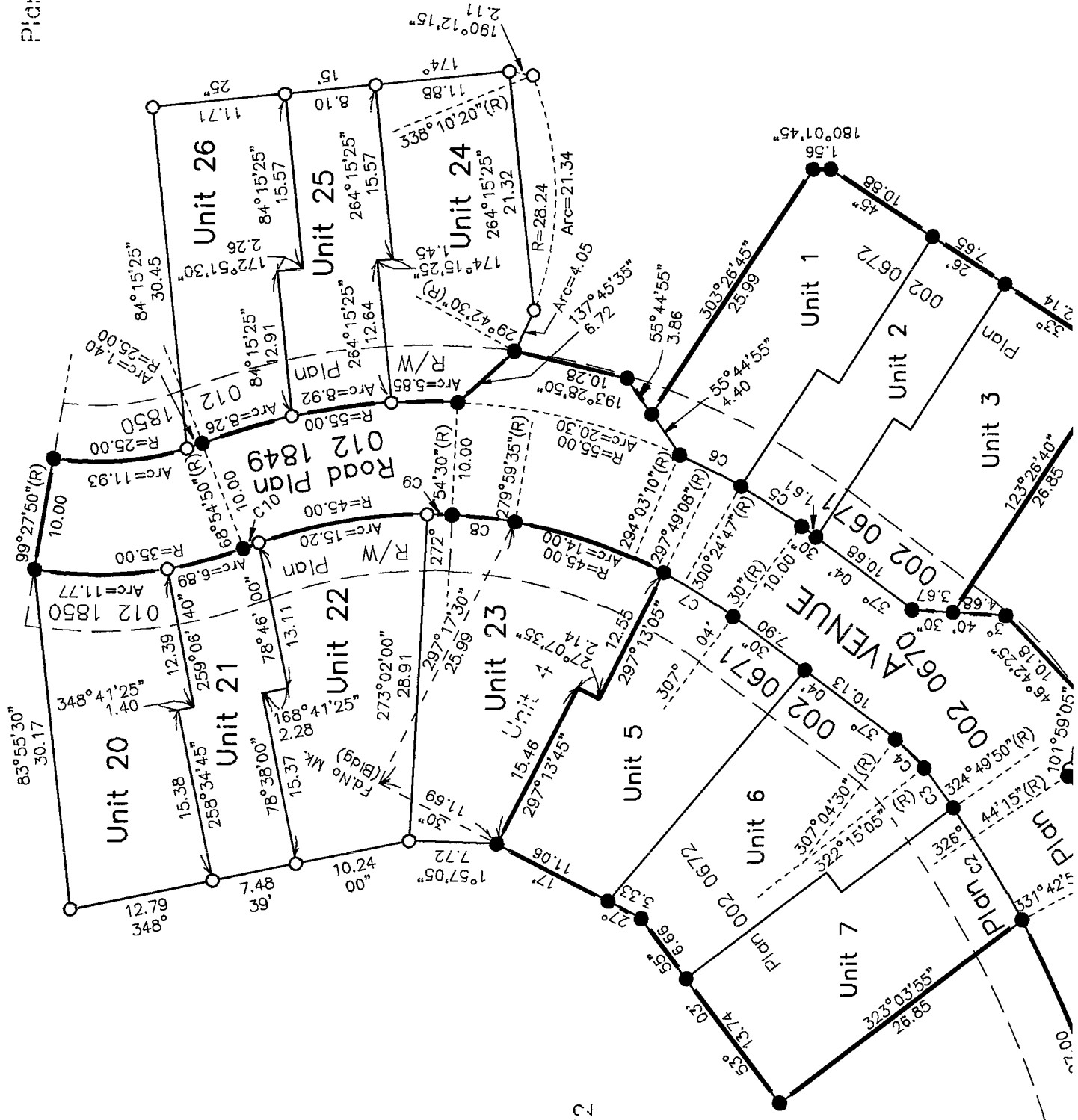
**Area Required for Road= 0.114 ha**



Unit 16  
Plan 002 0672

~~Unit 27~~

*Unit 27 is Redivided  
See Plan 0620433*



## APPENDIX C

### Liquidator's Notice and Statement

## **COMPANIES ACT**

### **Notice and Statement of the Liquidator** (Part 10 *Companies Act* subsection 240(3))

#### **IN THE MATTER OF THE LIQUIDATION OF THE PROPERTY OF SHEPHERD'S VILLAGE MINISTRIES LTD.**

#### **The Liquidator gives notice and declares that:**

1. On the 8<sup>th</sup> day of June, 2017, the undersigned, KPMG Inc., became the liquidator (the "Liquidator") in respect of the property of Shepherd's Village Ministries Ltd. (the "Company") (the "Property"). The Property is described below:

The Property as at June 8, 2017 can be summarized as follows<sup>1</sup>:

|  | <b><u>Estimated Book Value</u></b> |
|--|------------------------------------|
| Accounts Receivable                                      | 79,972.00                          |
| GST Receivable   | 19,450.45                          |
| Prepaid expenses   | 43,825.41                          |
| Property and Equipment (net of accumulated amortization) | 4,758,596.28                       |
| <b>Total</b>   | <b>4,901,844.14</b>                |

2. The undersigned became a Liquidator in respect of the assets, undertakings and properties described above by virtue of being appointed by Court of Queen's Bench of Alberta File No. 1701-07807, Calgary Judicial Centre, dated June 8, 2017. A copy of the appointing order is attached.
3. The undersigned became Liquidator of the Company on the 8<sup>th</sup> day of June, 2017.
4. The following information relates to the Receivership:
  - (a) Address of the company: Box 2025  
Valleyview, Alberta T0H 3N0
  - (b) Principal line of business: Senior Community Living
  - (c) Location of business: Box 2025  
Valleyview, Alberta T0H 3N0

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<sup>1</sup> The above summary of estimated assets has been prepared based on certain available information.

*Notice and Statement of the Receiver (Subsections 245(1) and 246 (1))*

- (e) Estimated amount owed by the Company to each creditor who holds security on the property described above:

|                |                       |
|----------------|-----------------------|
| Encharis Group | (2,423,174.96)        |
| Life lease     | (4,428,846.58)        |
| <b>Total</b>   | <b>(6,852,021.54)</b> |

- (f) The intended plan of action of the Liquidator during the liquidation, to the extent that such a plan has been determined, is to preserve the property and eventually realize on that property, subject to various considerations, including a review of the "life-lease" relationship with various occupants.

- (g) Contact Person for Liquidator: Cameron Browning  
KPMG Inc.  
Suite 3100, 205-5<sup>th</sup> Avenue SW  
Calgary, AB, T2P 4B9  
Telephone: (403) 691-8413  
Facsimile: (403) 691-8009  
Email: cbrowning@kpmg.ca

Dated at Calgary, Alberta, this 15<sup>th</sup> day of June, 2017.

**KPMG Inc.**, in its capacity as liquidator of Shepherd's Village Ministries Ltd.  
and not in its personal capacity



Per: Neil Honess  
Senior Vice President  
(403-691-8014)



## Shepherd's Village Ministries Ltd. - in Liquidation

| Name                                    | Balance Owning |
|---|----------------|
| AL'S PLUMBING & GAS FITTING             | 0.00           |
| AL YOUNG                                | 0.00           |
| ALL-STAR MASONARY LTD.                  | 0.00           |
| APPLIANCE DOCTOR                        | 0.00           |
| ATCO ELECTRIC                           | 1,377.06       |
| BARTONS BOBCAT SERVICES 2002            | 0.00           |
| BDO CANADA LLP                          | 0.00           |
| BISHOP & MCKENZIE LLP                   | 0.00           |
| DAN NAPIER EXPENSES                     | 0.00           |
| DELMAR SCHARTNER                        | 0.00           |
| DF TECHNICAL & CONSULTING SERVICES      | 0.00           |
| DIRECT ENERGY                           | 6,776.10       |
| EAST LINK                               | 9,673.44       |
| ENCHARIS COMMUNITY HOUSING & SERVICES   | 0.00           |
| ENCHARIS MANAGEMENT & SUPPORT SERVICES  | 0.00           |
| GERRY STEINKE                           | 0.00           |
| GOOD SHEPHERD LUTHERAN CHURCH           | 0.00           |
| J WIRTH BOBCAT SERVICES LTD.            | -10.50         |
| J. BURKE                                | 0.00           |
| J.R. PAINE & ASSOCIATES LTD.            | 0.00           |
| JOCELYN PROULX                          | 0.00           |
| JOYCE BERLING - EXPENSES                | 0.00           |
| MARTFELD HOLDINGS                       | 0.00           |
| MATHIEU HRYNIUK LLP                     | 0.00           |
| MAURICE HUET                            | 0.00           |
| MEL APPLIANCE & REFRIG REPAIRS          | 0.00           |
| MILESTONE SURFACING LTD.                | 0.00           |
| PC ESOLUTIONS CORPORATION               | 0.00           |
| PVG POMEROY VALUATION GROUP             | 0.00           |
| REIMER FOUNDATIONS LTD.                 | 0.00           |
| RICHARD CLOUTIER                        | 0.00           |
| RIDGEVALLEY PLUMBING & GAS              | 638.76         |
| ROB B'S SPORTS & INDUSTRIAL EQUIP. LTD. | 0.00           |
| ROGER CAUCHIE CONTRACTING SERVCIES LTD. | 0.00           |
| RON'S TRENCHING LTD.                    | 0.00           |
| SOUTH EAGLE TRANSPORT LTD.              | 0.00           |
| TELUS COMMUNICATIONS                    | 2,471.35       |
| TERRY GALANDIE                          | 0.00           |
| THE OWNERS CONDOMINIUM PLAN NO. 0020672 | 45,460.25      |
| TOLLEFSON - SNOW REMOVAL                | 0.00           |
| TOWN OF VALLEYVIEW                      | 3,571.17       |
| UFA                                     | 0.00           |
| VALLEYVIEW BUILDING SUPPLIES LTD.       | -34.49         |
| VALLEYVIEW HOME HARDWARE                | 0.00           |
| WARREN - SNOW REMOVAL                   | 0.00           |
| WCB                                     | 0.00           |
| CANADA REVENUE AGENCY                   | 0.00           |

COURT FILE NUMBER

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

APPLICANT(S)

1701-07807

Clerk's stamp:



CALGARY

IN THE MATTER OF THE COMPANIES ACT, R.S.A.  
2000, c. C-21.

AND

IN THE MATTER OF THE JUDICATURE ACT, R.S.A.  
2000, c. J-2.

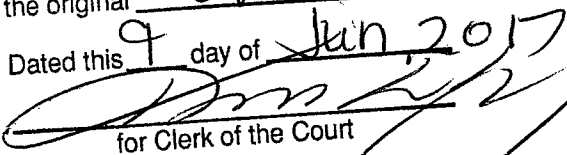
AND

IN THE MATTER OF SHEPHERD'S VILLAGE  
MINISTRIES LTD.

**ORDER APPOINTING LIQUIDATOR**

Rose LLP  
810, 333 - 5th Avenue S.W.  
Calgary, Alberta T2P 3B6  
Attention: Matthew R. Lindsay Q.C.  
Telephone: (403) 776-0525  
File No.: 10546-001

I hereby certify this to be a true copy of  
the original Order

Dated this 9 day of Jun, 2017  
  
for Clerk of the Court

DOCUMENT

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

DATE ON WHICH ORDER WAS PRONOUNCED: June 8, 2017

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice G.A. Campbell

LOCATION OF HEARING: Calgary, Alberta

**UPON THE EX PARTE APPLICATION** of Shepherd's Village Ministries Ltd. (the "**Company**");  
**AND UPON** having read the Originating Application, the Affidavit of Mr. Kurt Robinson sworn, May 1,  
2017; **AND UPON** it appearing that the Company requires the assistance of this Court to wind-up its  
affairs and to address the interests of all the Company's stakeholders, preserve and gather in all of the  
Company's assets, undertakings and property (the "**Property**"), realize or otherwise deal with all of the  
Property, and hold or distribute the net proceeds as directed by this Honourable Court; **AND UPON** it  
appearing just, equitable and convenient that the Company be wound-up and a liquidator be appointed to  
manage and liquidate the Property (the "**Liquidator**"); **AND UPON** it appearing that KPMG Inc., has  
consented to Act as the Liquidator; **AND UPON** hearing counsel for the Company;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**APPOINTMENT**

1. Pursuant to sections 214, 215(1), 216(1) and 240(1) of the *Companies Act*, R.S.A. 2000, c. C-21 ("CA"), and section 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, KPMG Inc. ("KPMG") is hereby appointed Liquidator, without security, of the Company and its Property.

**LIQUIDATOR'S POWERS**

2. In addition to the powers set forth in s. 243 of the CA, the Liquidator is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Liquidator is hereby expressly empowered and authorized to do any of the following where the Liquidator considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate and carry on the business of the Company, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part other business, or cease to perform any contracts of the Company;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Liquidator's powers and duties, including without limitation those conferred by this Order;
  - (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Company or any part or parts thereof;
  - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Company and to exercise all remedies of the Company in collecting such monies, including, without limitation, to enforce any security held by the Company;

- (g) to settle, extend or compromise any indebtedness owing to or by the Company;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Liquidator's name or in the name and on behalf of the Company, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Company;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Company, the Property or the Liquidator, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Liquidator to defend or settle the action in which this Order is made unless otherwise directed by this Court.
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Liquidator in its discretion may deem appropriate.
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$10,000.00, provided that the aggregate consideration for all such transactions does not exceed \$50,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

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

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Liquidator deems appropriate all matters relating to the Property and the liquidation, and

to share information, subject to such terms as to confidentiality as the Liquidator deems advisable;

- (o) to direct the Registrar of Land Titles of Alberta, or any other applicable government authority, to register a copy of this Order in respect of the Property against title to any of the Property notwithstanding Section 191 of the *Land Titles Act* (Alberta);
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Liquidator, in the name of the Company;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Company, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Company;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Company may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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

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

3. (i) The Company, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Liquidator of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Liquidator, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Liquidator upon the Liquidator's request.
4. All Persons shall forthwith advise the Liquidator of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Company, and any computer

programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Liquidator or permit the Liquidator to make, retain and take away copies thereof and grant to the Liquidator unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Liquidator due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

5. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Liquidator for the purpose of allowing the Liquidator to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Liquidator in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Liquidator. Further, for the purposes of this paragraph, all Persons shall provide the Liquidator with all such assistance in gaining immediate access to the information in the Records as the Liquidator may in its discretion require including providing the Liquidator with instructions on the use of any computer or other system and providing the Liquidator with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE LIQUIDATOR**

6. No proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Liquidator except with the written consent of the Liquidator or with leave of this Court.

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

7. No Proceeding against or in respect of the Company or the Property shall be commenced or continued except with the written consent of the Liquidator or with leave of this Court and any and all Proceedings currently under way against or in respect of the Company or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a

Regulatory Body's investigation in respect of the Company or an action, suit or proceeding that is taken in respect of the Company by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

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

8. All rights and remedies (including, without limitation, set-off rights) against the Company, the Liquidator, or affecting the Property, are hereby stayed and suspended except with the written consent of the Liquidator or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Liquidator or the Company to carry on any business which the Company is not lawfully entitled to carry on, (ii) exempt the Liquidator or the Company from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH THE LIQUIDATOR**

9. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Company, without written consent of the Liquidator or leave of this Court.

#### **CONTINUATION OF SERVICES**

10. All Persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Company are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Liquidator, and this Court directs that the Liquidator shall be entitled to the continued use of the Company's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Liquidator in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and the Liquidator, or as may be ordered by this Court.

## LIQUIDATOR TO HOLD FUNDS

11. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Liquidator from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Liquidator (the "Post Liquidation Accounts") and the monies standing to the credit of such Post Liquidation Accounts from time to time, net of any disbursements provided for herein, shall be held by the Liquidator to be paid in accordance with the terms of this Order or any further order of this Court. The Liquidator shall not be required to pay interest on funds so deposited beyond any interest earned by the Liquidator, and upon so doing the Liquidator shall be deemed to have complied with Section 246 of the CA.

## EMPLOYEES

12. Subject to employees' rights to terminate their employment, all employees of the Company shall remain the employees of the Company until such time as the Liquidator, on the Company's behalf, may terminate the employment of such employees. The Liquidator shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the *Bankruptcy and Insolvency Act*, RSC 1985, C b-3 (the "**BIA**"), other than such amounts as the Liquidator may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("**WEPPA**").
13. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Liquidator shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Liquidator, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Company, and shall return all other personal information to the Liquidator, or ensure that all other personal information is destroyed.



## LIMITATION ON ENVIRONMENTAL LIABILITIES

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

- B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Liquidator had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

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

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

#### **LIQUIDATOR'S ACCOUNTS**

- 16. The Liquidator, counsel to the Liquidator, and counsel to the Company shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges, calculated by multiplying the time spent on the matter by their standard hourly rates. The Liquidator, counsel to the Liquidator, and counsel to the Company shall be entitled to and are hereby granted a charge (the "**Liquidator's Charge**") on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Liquidator's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA. The Liquidator's Charge with respect to counsel for the Company only secures reasonable fees and disbursements with respect to, or in preparation for, this Application.
- 17. The Liquidator, its legal counsel, and counsel for the Company on this Application shall pass their accounts from time to time, but in any event, not less than once in each year.
- 18. Prior to the passing of its accounts, the Liquidator shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Liquidator or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## FUNDING OF THE LIQUIDATION

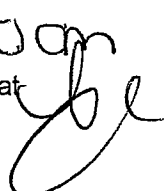
19. The Liquidator be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Liquidator by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Liquidator's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Liquidator's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
20. Neither the Liquidator's Borrowings Charge nor any other security granted by the Liquidator in connection with its borrowings under this Order shall be enforced without leave of this Court.
21. The Liquidator is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Liquidator's Certificates") for any amount borrowed by it pursuant to this Order.
22. The monies from time to time borrowed by the Liquidator pursuant to this Order or any further order of this Court and any and all Liquidator's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Liquidator's Certificates.

## ALLOCATION

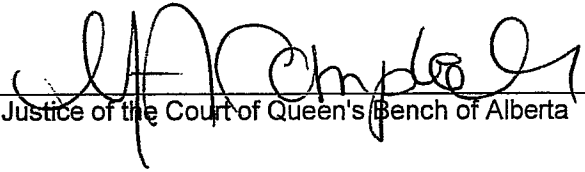
23. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Liquidator's Charge and Liquidator's Borrowings Charge amongst the various assets comprising the Property.

## GENERAL

24. The Liquidator's accounts shall be dealt with in accordance with paragraphs 16-18 of this Order and compliance therewith shall be deemed to be compliance with Section 247 of the CA.
25. The Liquidator may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

26. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Liquidator will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The filing of such reports shall be deemed to comply with Section 248 of the CA.
27. Nothing in this Order shall prevent the Liquidator from acting as a trustee in bankruptcy of the Company.
28. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Liquidator and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Liquidator and its agents in carrying out the terms of this Order.
29. The Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Liquidator is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
30. The Liquidator shall establish and maintain a website in respect of these proceedings at [www.kpmg.ca/shepherds-village](http://www.kpmg.ca/shepherds-village) and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Liquidator, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for for a sealing order.
31. The parties shall return before this Honourable Court on August 9, 2017 at 10:00 am and any interested party may apply to this Court to vary, amend or set aside this Order at that time.
- 

32. In addition to Paragraph 31 of this Order, any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Liquidator and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

  
Justice of the Court of Queen's Bench of Alberta

## SCHEDULE "A"

### LIQUIDATOR CERTIFICATE

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

AMOUNT

\$ \_\_\_\_\_  
\_\_\_\_\_

1. THIS IS TO CERTIFY that **[LIQUIDATOR'S NAME]**, the Liquidator (the "Liquidator") of all of the assets, undertakings and properties of **[COMPANY'S NAME]** appointed by Order of the Court of Queen's Bench of Alberta (the "Court") dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Order") made in action number \_\_\_\_\_, has received as such Liquidator from the holder of this certificate (the "Lender") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Liquidator is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded **[daily] [monthly not in advance on the \_\_\_\_\_ day of each month]** after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Liquidator pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Liquidator to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at ●.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Liquidator to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Liquidator to deal with the Property) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Liquidator does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

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

**[LIQUIDATOR'S NAME]**, solely in its capacity as Liquidator of the Property (as defined in the Order), and not in its personal capacity

Per: \_\_\_\_\_

Name:

Title:

## APPENDIX D

### Notice of Proceedings and Liquidation Order



July 5, 2017

File No.: 533650-8

VIA E-MAIL OR REGISTERED MAIL

TO WHOM IT MAY CONCERN

Dear Sirs/Mesdames:

**RE: In the Matter of the Companies Act, R.S.A. 2000, c. C-21 and In the Matter of the Judicature Act, R.S.A. 2000, c. J-2 and In the Matter of Shepherd's Village Ministries Ltd. (Court of Queen's Bench of Alberta Action No. 1701-07807)**

We are counsel to KPMG Inc. who was appointed the liquidator ("**Liquidator**") over all of the assets, undertakings and property of Shepherd's Village Ministries Ltd. (the "**Company**") pursuant to an *ex parte* Order granted by the Honourable Madam Justice G.A. Campbell on June 8, 2017 (the "**Liquidation Order**").

At the time the Liquidation Order was obtained, the Court was advised that identifiable interested parties would be served with the Liquidation Order. Accordingly, you are receiving this letter and attached Liquidation Order because you fall into one or more of the following categories:

1. Land Titles – you have registered an interest in land or are the holder of a Life Lease registered against title to lands owned by the Company;
2. Creditor – you are a creditor of the Company as identified by the Alberta Personal Property Security Registry;
3. *Companies Creditors' Arrangement Act* (Canada) proceedings against the Lutheran Church in Alberta Court of Queen's Bench Action No. 1501-00955 (the "**CCAA Proceedings**") – you appear on the service list for the CCAA Proceeding; or
4. Class Action proceedings – you have commenced class action proceedings against the Company in either Alberta or British Columbia in Action No's. 1603-03142 and S1611798, respectively.

With respect to interested parties falling under category 1 and 2, you are automatically entitled to receive notice of all subsequent proceedings with respect to the Company. However, in order to enable us to provide you with prompt notification of subsequent Court applications we would appreciate you confirming the following details to the writer as soon as possible: contact name, best address for service, telephone number, email, and name of counsel, if any.

With respect to parties falling under category 3 and 4, please advise the writer as to whether you wish to be added to the service list for this matter or not, if yes, please provide the following details: party/contact name, address, telephone number, email, and name of counsel, if any.

Please confirm your contact details and inclusion on the service list by email to the writer at [afshan.naveed@dentons.com](mailto:afshan.naveed@dentons.com) or to my assistant, Gail Wheatley, at [gail.wheatley@dentons.com](mailto:gail.wheatley@dentons.com) no later than July 24, 2017.

Please note the Liquidator has set up a website with respect to these proceedings at [www.kpmg.ca/shepherdsillage](http://www.kpmg.ca/shepherdsillage) which will be maintained and updated in accordance with the Liquidation Order.

Pursuant to paragraph 31 of the Liquidation Order, the Liquidator will be returning to Court on **August 9, 2017 at 10:00 a.m.** before Madam Justice G.A. Campbell at the Alberta Court of Queen's Bench in Calgary (the "**Return Application**") in order to provide an update on the liquidation of the Company.

Any interested party is entitled to attend the Return Application. Please advise the writer if you plan to attend the Return Application.

Should you have any questions, please do not hesitate to contact the writer at 403-268-7015.

Yours truly,  
**Dentons Canada LLP**



Afshan Naveed

AN/gw

Enclosure

c.c. Neil Honess, KPMG Inc. (by email w/enclosure)  
David Mann, Dentons Canada LLP (by email w/enclosure)

COURT FILE NUMBER

1701-07807

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT(S)

IN THE MATTER OF THE COMPANIES ACT, R.S.A.  
2000, c. C-21.

AND

IN THE MATTER OF THE JUDICATURE ACT, R.S.A.  
2000, c. J-2.

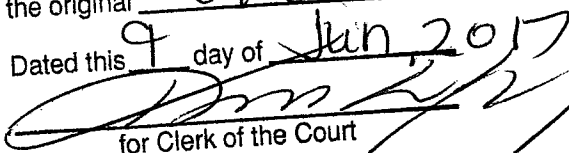
AND

IN THE MATTER OF SHEPHERD'S VILLAGE  
MINISTRIES LTD.

**ORDER APPOINTING LIQUIDATOR**

Rose LLP  
810, 333 - 5th Avenue S.W.  
Calgary, Alberta T2P 3B6  
Attention: Matthew R. Lindsay Q.C.  
Telephone: (403) 776-0525  
File No.: 10546-001

I hereby certify this to be a true copy of  
the original Order

Dated this 9 day of Jun, 2017  
  
for Clerk of the Court

DOCUMENT

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

DATE ON WHICH ORDER WAS PRONOUNCED: June 8, 2017

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice G.A. Campbell

LOCATION OF HEARING: Calgary, Alberta

**UPON THE EX PARTE APPLICATION** of Shepherd's Village Ministries Ltd. (the "**Company**");  
**AND UPON** having read the Originating Application, the Affidavit of Mr. Kurt Robinson sworn, May 1,  
2017; **AND UPON** it appearing that the Company requires the assistance of this Court to wind-up its  
affairs and to address the interests of all the Company's stakeholders, preserve and gather in all of the  
Company's assets, undertakings and property (the "**Property**"), realize or otherwise deal with all of the  
Property, and hold or distribute the net proceeds as directed by this Honourable Court; **AND UPON** it  
appearing just, equitable and convenient that the Company be wound-up and a liquidator be appointed to  
manage and liquidate the Property (the "**Liquidator**"); **AND UPON** it appearing that KPMG Inc., has  
consented to Act as the Liquidator; **AND UPON** hearing counsel for the Company;

Clerk's stamp:



**IT IS HEREBY ORDERED AND DECLARED THAT:**

**APPOINTMENT**

1. Pursuant to sections 214, 215(1), 216(1) and 240(1) of the *Companies Act*, R.S.A. 2000, c. C-21 ("CA"), and section 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, KPMG Inc. ("KPMG") is hereby appointed Liquidator, without security, of the Company and its Property.

**LIQUIDATOR'S POWERS**

2. In addition to the powers set forth in s. 243 of the CA, the Liquidator is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Liquidator is hereby expressly empowered and authorized to do any of the following where the Liquidator considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate and carry on the business of the Company, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part other business, or cease to perform any contracts of the Company;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Liquidator's powers and duties, including without limitation those conferred by this Order;
  - (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Company or any part or parts thereof;
  - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Company and to exercise all remedies of the Company in collecting such monies, including, without limitation, to enforce any security held by the Company;

- (g) to settle, extend or compromise any indebtedness owing to or by the Company;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Liquidator's name or in the name and on behalf of the Company, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Company;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Company, the Property or the Liquidator, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Liquidator to defend or settle the action in which this Order is made unless otherwise directed by this Court.
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Liquidator in its discretion may deem appropriate.
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$10,000.00, provided that the aggregate consideration for all such transactions does not exceed \$50,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 shall not be required.
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Liquidator deems appropriate all matters relating to the Property and the liquidation, and

to share information, subject to such terms as to confidentiality as the Liquidator deems advisable;

- (o) to direct the Registrar of Land Titles of Alberta, or any other applicable government authority, to register a copy of this Order in respect of the Property against title to any of the Property notwithstanding Section 191 of the *Land Titles Act* (Alberta);
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Liquidator, in the name of the Company;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Company, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Company;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Company may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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

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

3. (i) The Company, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Liquidator of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Liquidator, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Liquidator upon the Liquidator's request.
4. All Persons shall forthwith advise the Liquidator of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Company, and any computer

programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Liquidator or permit the Liquidator to make, retain and take away copies thereof and grant to the Liquidator unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Liquidator due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

5. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Liquidator for the purpose of allowing the Liquidator to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Liquidator in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Liquidator. Further, for the purposes of this paragraph, all Persons shall provide the Liquidator with all such assistance in gaining immediate access to the information in the Records as the Liquidator may in its discretion require including providing the Liquidator with instructions on the use of any computer or other system and providing the Liquidator with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE LIQUIDATOR**

6. No proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Liquidator except with the written consent of the Liquidator or with leave of this Court.

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

7. No Proceeding against or in respect of the Company or the Property shall be commenced or continued except with the written consent of the Liquidator or with leave of this Court and any and all Proceedings currently under way against or in respect of the Company or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a

Regulatory Body's investigation in respect of the Company or an action, suit or proceeding that is taken in respect of the Company by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

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

8. All rights and remedies (including, without limitation, set-off rights) against the Company, the Liquidator, or affecting the Property, are hereby stayed and suspended except with the written consent of the Liquidator or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Liquidator or the Company to carry on any business which the Company is not lawfully entitled to carry on, (ii) exempt the Liquidator or the Company from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH THE LIQUIDATOR**

9. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Company, without written consent of the Liquidator or leave of this Court.

#### **CONTINUATION OF SERVICES**

10. All Persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Company are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Liquidator, and this Court directs that the Liquidator shall be entitled to the continued use of the Company's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Liquidator in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and the Liquidator, or as may be ordered by this Court.



## LIQUIDATOR TO HOLD FUNDS

11. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Liquidator from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Liquidator (the "Post Liquidation Accounts") and the monies standing to the credit of such Post Liquidation Accounts from time to time, net of any disbursements provided for herein, shall be held by the Liquidator to be paid in accordance with the terms of this Order or any further order of this Court. The Liquidator shall not be required to pay interest on funds so deposited beyond any interest earned by the Liquidator, and upon so doing the Liquidator shall be deemed to have complied with Section 246 of the CA.

## EMPLOYEES

12. Subject to employees' rights to terminate their employment, all employees of the Company shall remain the employees of the Company until such time as the Liquidator, on the Company's behalf, may terminate the employment of such employees. The Liquidator shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the *Bankruptcy and Insolvency Act*, RSC 1985, C b-3 (the "BIA"), other than such amounts as the Liquidator may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("WEPPA").
13. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Liquidator shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Liquidator, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Company, and shall return all other personal information to the Liquidator, or ensure that all other personal information is destroyed.

## LIMITATION ON ENVIRONMENTAL LIABILITIES

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

- B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Liquidator had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

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

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

#### **LIQUIDATOR'S ACCOUNTS**

- 16. The Liquidator, counsel to the Liquidator, and counsel to the Company shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges, calculated by multiplying the time spent on the matter by their standard hourly rates. The Liquidator, counsel to the Liquidator, and counsel to the Company shall be entitled to and are hereby granted a charge (the "**Liquidator's Charge**") on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Liquidator's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA. The Liquidator's Charge with respect to counsel for the Company only secures reasonable fees and disbursements with respect to, or in preparation for, this Application.
- 17. The Liquidator, its legal counsel, and counsel for the Company on this Application shall pass their accounts from time to time, but in any event, not less than once in each year.
- 18. Prior to the passing of its accounts, the Liquidator shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Liquidator or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## FUNDING OF THE LIQUIDATION

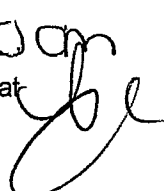
19. The Liquidator be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Liquidator by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Liquidator's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Liquidator's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
20. Neither the Liquidator's Borrowings Charge nor any other security granted by the Liquidator in connection with its borrowings under this Order shall be enforced without leave of this Court.
21. The Liquidator is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Liquidator's Certificates") for any amount borrowed by it pursuant to this Order.
22. The monies from time to time borrowed by the Liquidator pursuant to this Order or any further order of this Court and any and all Liquidator's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Liquidator's Certificates.

## ALLOCATION

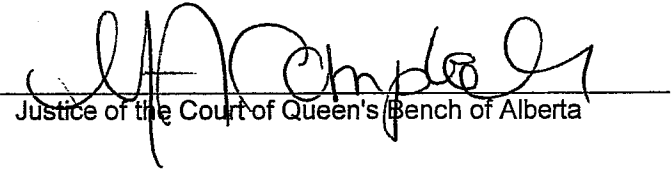
23. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Liquidator's Charge and Liquidator's Borrowings Charge amongst the various assets comprising the Property.

## GENERAL

24. The Liquidator's accounts shall be dealt with in accordance with paragraphs 16-18 of this Order and compliance therewith shall be deemed to be compliance with Section 247 of the CA.
25. The Liquidator may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

26. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Liquidator will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The filing of such reports shall be deemed to comply with Section 248 of the CA.
27. Nothing in this Order shall prevent the Liquidator from acting as a trustee in bankruptcy of the Company.
28. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Liquidator and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Liquidator and its agents in carrying out the terms of this Order.
29. The Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Liquidator is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
30. The Liquidator shall establish and maintain a website in respect of these proceedings at [www.kpmg.ca/shepherds-village](http://www.kpmg.ca/shepherds-village) and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Liquidator, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for for a sealing order.
31. The parties shall return before this Honourable Court on August 9, 2017 at 10:00 am and any interested party may apply to this Court to vary, amend or set aside this Order at that time.
- 

32. In addition to Paragraph 31 of this Order, any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Liquidator and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

  
Justice of the Court of Queen's Bench of Alberta

## SCHEDULE "A"

### LIQUIDATOR CERTIFICATE

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

AMOUNT

\$ \_\_\_\_\_

1. THIS IS TO CERTIFY that **[LIQUIDATOR'S NAME]**, the Liquidator (the "Liquidator") of all of the assets, undertakings and properties of **[COMPANY'S NAME]** appointed by Order of the Court of Queen's Bench of Alberta (the "Court") dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Order") made in action number \_\_\_\_\_, has received as such Liquidator from the holder of this certificate (the "Lender") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Liquidator is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded **[daily]** **[monthly not in advance on the \_\_\_\_\_ day of each month]** after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Liquidator pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Liquidator to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at ●.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Liquidator to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Liquidator to deal with the Property) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Liquidator does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

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

**[LIQUIDATOR'S NAME]**, solely in its capacity as Liquidator of the Property (as defined in the Order), and not in its personal capacity

Per: \_\_\_\_\_

Name:

Title:



## APPENDIX E

### Service List

IN THE MATTER OF THE *COMPANIES ACT*, RSA  
2000, c C-21

AND

IN THE MATTER OF THE *JUDICATURE ACT*, RSA  
2000, c J-2

AND

IN THE MATTER OF THE WINDING UP OF  
SHEPHERD'S VILLAGES MINISTRIES LTD.

Action No. 1701-07807

File: 533650-8

(as at July 31, 2017)

| <i>Service Recipient</i>   | <i>Recipient Status</i>             |
|--|-------------------------------------|
| Dentons Canada LLP<br>15 Flr-850 2 Street SW<br>Calgary AB T2P 0R8<br><br>Attention: David Mann / Afshan Naveed<br>Email: <a href="mailto:david.mann@dentons.com">david.mann@dentons.com</a><br><a href="mailto:afshan.naveed@dentons.com">afshan.naveed@dentons.com</a> | Counsel to KPMG                     |
| Mathieu Hryniuk LLP<br>10012 – 101 Street<br>P.O. Box 6210<br>Peace River, AB T8S 1S2<br><br>Attention: Robin D. Erickson, Q.C.<br>Email: <a href="mailto:reickson@mhllp.ca">reickson@mhllp.ca</a>   | Counsel for some Life Lease holders |
| Town of Valleyview<br>c/o Brownlee LLP<br>2200, 10155 -102 Street<br>Edmonton, AB T5J 4G9<br><br>Attention: Michael Coombs<br>Email: <a href="mailto:mcoombs@brownleelaw.com">mcoombs@brownleelaw.com</a>  | Caveat                              |

| <b><i>Service Recipient</i></b>   | <b><i>Recipient Status</i></b> |
|---|--------------------------------|
| James A. Joelson & Fjola A. Joelson<br>Box 450<br>111 Shepherds Way<br>Valleyview, AB T0H 3N0<br><br>Email: <a href="mailto:james6@telus.net">james6@telus.net</a>                                | Life Lease Holder              |
| Rose Mary Tollefson<br>Box 1252<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| Laurel Robert Hyatt &<br>Maxine Ruth Hyatt<br>304 Still Water Close<br>Box 141<br>Valleyview, AB T0H 3N0<br><br>Email: <a href="mailto:lmhyatt@telus.net">lmhyatt@telus.net</a>                   | Life Lease Holder              |
| Douglas John Webb<br>Box 73, 118 Shepherds Way<br>Valleyview, AB T0H 3N0  | Life Lease Holder              |
| Daniel Frederick Napier &<br>Bernadette Della Napier<br>302 Still Waters Close<br>P.O. Box 785<br>Valleyview, AB T0H 3N0<br><br>Email: <a href="mailto:dbnapier@telus.net">dbnapier@telus.net</a> | Life Lease Holder              |
| Samuel Edward Eeeles & Joyce Alberta Eeeles<br>Box 2303<br>108 Shepherds Way<br>Valleyview, AB T0H 3N0<br><br>Email: <a href="mailto:joyeeles7@telus.net">joyeeles7@telus.net</a>                 | Life Lease Holder              |
| Russell J. & Gladys Cote<br>Box 832, 102 Shepherds Way<br>Valleyview, AB T0H 3N0  | Life Lease Holder              |

| <b><i>Service Recipient</i></b>   | <b><i>Recipient Status</i></b>                                    |
|---|---|
| Donna May Seward<br>Box 878<br>Valleyview, AB T0H 3N0   | Life Lease Holder   |
| Harley William Clapperton<br>Box 836<br>Valleyview, AB T0H 3N0<br><br>Email: <a href="mailto:theclappertons@gmail.com">theclappertons@gmail.com</a>                                   | Life Lease Holder   |
| James Edgar Warren &<br>Elizabeth Warren<br>Box 233<br>211 Meadows Lane<br>Valleyview, AB T0H 3N0   | Life Lease Holder   |
| Catherine Marie Comeau<br>Box 2253<br>Valleyview, AB T0H 3N0  | Life Lease Holder   |
| Lynne Reichert<br>Box 2317<br>Valleyview, AB T0H 3N0<br><br>Email: <a href="mailto:lynnegb21@hotmail.com">lynnegb21@hotmail.com</a>   | Life Lease Holder   |
| Executrixes for Myrna Lloyd<br>Valerie Lloyd/Audrey Maron<br>7028 – 190 Street<br>Edmonton, AB T5T 5E5<br><br>Email: <a href="mailto:valloyd1114@gmail.com">valloyd1114@gmail.com</a> | Life Lease Holders  |
| Viola Evelyn Gliege & Edward Richard Gliege<br>Box 2251<br>Valleyview, AB T0H 3N0   | Life Lease Holders  |
| Ella Martha Steinke<br>c/o Apartment 11<br>10102 – 103 Avenue<br>Grande Prairie, AB T8V 1C1   | Life Lease Holder for 203 Meadows Lane,<br>Valleyview, AB T0H 3N0 |

| <b><i>Service Recipient</i></b>  | <b><i>Recipient Status</i></b> |
|--|--------------------------------|
| Lyle Moore & Lucille Moore<br>Box 85<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| Clara Emma Neilson<br>Box 476<br>Valleyview, AB T0H 3N0<br><br>Email: <a href="mailto:ohgee@telus.net">ohgee@telus.net</a><br><a href="mailto:catspaw84@gmail.com">catspaw84@gmail.com</a> | Life Lease Holder              |
| Doris Lillian Chabot<br>Antonie Girard Chabot<br>Box 1749<br>103 Shepherds Way<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| Geneva Arlene Hick<br>Box 125, 112 Shepherds Way<br>Valleyview, AB, T0H 3N0  | Life Lease Holder              |
| Louise Celestine Doucette<br>Box 96, 110 Shepherds Way<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| June Anne Hardman<br>Box 812, 107 Shepherds Way<br>Valleyview, AB T0H 3N0  | Life Lease Holder              |
| Jessie Burke<br>Box 425, #1, 101 Shepherds Way<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| Clara Emma Neilson<br>Box 476<br>Valleyview, AB T0H 3N0  | Life Lease Holder              |
| Irene Ruth Riding<br>Box 2481, 106 Shepherds Way<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| David Wesley Popp<br>Box 1358<br>Valleyview, AB T0H 3N0  | Life Lease Holder              |

| <b><i>Service Recipient</i></b>  | <b><i>Recipient Status</i></b> |
|--|--------------------------------|
| Catherine Marie Comeau<br>Box 2253<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| Joan Druessalla Klassen<br>Box 2273<br>109 Shepherds Way<br>Valleyview, AB T0H 3N0                             | Life Lease Holder              |
| Charles Roy Witty &<br>Laurina Angeline Louise Witty<br>Box 904<br>114 Shepherds Way<br>Valleyview, AB T0H 3N0 | Life Lease Holder              |
| Emma Juanita Knight<br>Box 461, 202 Meadows Lane<br>Valleyview, AB T0H 3N0                                     | Life Lease Holder              |
| Elsie Iris Tollefson<br>Box 1539<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| Hulda Valborg Perron<br>Box 1899<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| John Vincent Adams &<br>Esther Ruth Adams<br>Box 2335<br>201 Meadows Lane<br>Valleyview, AB T0H 3N0            | Life Lease Holder              |
| Francis John Kramps &<br>Betty Maxine Kramps<br>Box 1109<br>207 Meadows Lane<br>Valleyview, AB T0H 3N0         | Life Lease Holder              |
| Norman Henry Adolphson &<br>Yutta Rita Adolphson<br>Box 6<br>216 Meadows Lane<br>Valleyview, AB T0H 3N0        | Life Lease Holder              |

| <b><i>Service Recipient</i></b>   | <b><i>Recipient Status</i></b> |
|---|--------------------------------|
| Ruby Lorane Dumont &<br>John Lucien Dumont<br>Box 2554<br>212 Meadows Lane<br>Valleyview, AB T0H 3N0  | Life Lease Holder              |
| William Alfred Young &<br>Beverly Lynn Young<br>Box 1052<br>210 Meadows Lane<br>Valleyview, AB T0H 3N0  | Life Lease Holder              |
| Laurel Robert Hyatt &<br>Maxine Ruth Hyatt<br>Box 141<br>Valleyview, AB T0H 3N0   | Life Lease Holder              |
| Irene Stasow<br>Box 2224<br>306 Still Waters Close<br>Valleyview, AB T0H 3N0  | Life Lease Holder              |
| Donald Charles McDonald &<br>Marlene Beverly McDonald<br>Box 505<br>308 Still Waters Close<br>Valleyview, AB T0H 3N0  | Life Lease Holder              |
| <b>INTERESTED PARTIES</b>   |                                |
| Marvin Mutschler<br>438 Prospect Drive S.W.<br>Medicine Hat, AB T1A 4C1<br><br>Email: <a href="mailto:mlmutschler@shaw.ca">mlmutschler@shaw.ca</a>  | Re: CCAA Proceedings           |
| ClaimsPro Special Risk Division<br>101, 5083 Windermere Blvd. S.W.<br>Edmonton, AB T6W 0J5<br><br>Attention: Myron Zaharia<br>Email: <a href="mailto:myron.zaharia@scm.ca">myron.zaharia@scm.ca</a> | Adjustor for Insurer           |

| <b><i>Service Recipient</i></b>   | <b><i>Recipient Status</i></b>   |
|---|--|
| Jensen Shawa Solomon Duguid Hawkes LLP<br>800, 304 – 8 Avenue S.W.<br>Calgary, AB T2P 1C2<br><br>Attention: Christa Nicholson<br>Email: <a href="mailto:nicholsonc@jssbarristers.ca">nicholsonc@jssbarristers.ca</a>  | Counsel for Francis Taman and Bishop & McKenzie LLP  |
| Alan Garber Professional Corporation<br>Suite 108, 17707 – 105 Avenue N.W.<br>Edmonton, AB T5S 1T1<br><br>Attention : Allan Garber<br>Email: <a href="mailto:allan@garberlaw.ca">allan@garberlaw.ca</a>   | Counsel in Class Action Proceedings in Alberta & British Columbia                          |
| Cassels Brock & Blackwell LLP<br>Suite 1250, 440 – 2 <sup>nd</sup> Avenue S.W.<br>Calgary, AB T2P 5E9<br><br>Attention: Jeffrey Oliver<br>Email: <a href="mailto:joliver@casselsbrock.com">joliver@casselsbrock.com</a><br><br>Attention: Vanessa Allen, Deloitte Restructuring Inc.<br>Email: <a href="mailto:vanallen@deloitte.ca">vanallen@deloitte.ca</a> | Counsel to Deloitte Restructuring Inc. (Monitor)   |
| Lutheran Church-Canada, The Alberta-British Columbia District<br>7040 Ada Blvd.<br>Edmonton, AB T5B 4E3<br><br>Attention: Janice Ruf<br>Email: <a href="mailto:jruf@lccabc.ca">jruf@lccabc.ca</a><br><br>Attention: Rev. Dr. Glenn Schaeffer<br>Email: <a href="mailto:gschaeffer@lccabc.ca">gschaeffer@lccabc.ca</a>   | On behalf of the Directors and Officers named in the Action (List to be kept Confidential) |