

Form 7
[Rule 3.8]

Clerk's stamp:

COURT FILE NUMBER

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 THE WINDING UP OF
SHEPHERD'S VILLAGE MINISTRIES LTD.**

APPLICANT

SHEPHERD'S VILLAGE MINISTRIES LTD.

DOCUMENT

ORIGINATING APPLICATION

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

Rose LLP

810, 333 - 5th Avenue S.W.

Calgary, Alberta T2P 3B6

Telephone: (403) 776-0525

Attention: Matthew R. Lindsay Q.C.

File No.: 10546-001

NOTICE TO THE RESPONDENT(S)

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

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

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

Date June 8, 2017, Commercial List

Time 2:00 pm

Where	Calgary Courts Centre, 601, 5 th Street SW
Before	The Honourable Justice G. A. Campbell

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

Basis for this claim:

1. Shepherd's Village Ministries Ltd. (the "**Company**") is a company organized pursuant to Part 9 of the *Companies Act*, RSA 2000, c C-21, as amended (the "**CA**").
2. The Company's primary object was to build housing accommodations for mature adults, senior citizens or the elderly, and the Company built a Senior's Independent Living Facility 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 lands in Valleyview, Alberta which are comprised of raw land and a condominium project, including Shepherd's Village (collectively the "Lands").
4. A portion of the Lands are subject to life lease interests which have proven to be difficult and unwieldy legal structures. Those arrangements will need to be appropriately addressed before the Lands can be sold or otherwise realized.
5. The Company is 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 the life leases referred to above; and
 - (e) construction/structural issues are arising with a portion of the Lands which the Company 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 the Company going forward including determining the identity, nature and extent of all of its stakeholders.
7. The Company has been named in a number of related class actions that are ongoing.
8. In order to properly address the interests of the Company, its creditors, and any other interested parties, it is appropriate that the Company be wound up under the control of this Honourable Court.

9. The Board of Directors of the Company has unanimously approved the Company's winding up, including the commencement of these proceedings and an application for the appointment of a liquidator with the powers of a receiver-manager, as being in the best interest of the Company and its stakeholders.
10. Furthermore, given the nature of the Lands and the CCAA Proceedings it is appropriate that the liquidator appointed by the Court have the powers of a receiver-manager in order for an orderly liquidation to take place and to ultimately convey title through a vesting order granted by this Honourable Court.
11. The winding up of the Company is just, equitable, convenient and necessary in all of the circumstances. The appointment of the Liquidator (defined below) is just, equitable, convenient and necessary to wind-up the Company in an orderly fashion.
12. The Liquidator has consented to act.

Remedy sought:

13. An Order winding up the Company;
14. An ex parte Order appointing KPMG Inc. ("**KPMG**") as liquidator with the powers of a receiver-manager (the "**Liquidator**") over the property, undertaking and assets of the Company for the purpose of winding up the Company pursuant to sections 215 and 241 of the *Companies Act*, RSA 2000, c C-21, as amended and section 13(2) of the *Judicature Act*, RSA 2000, c J-2, as amended;
15. An Order directing the Liquidator and any interested parties to return before this Honourable Court on or before a date to be set by this Honourable Court should it decide to do so (the "**Return Date**"), at which time:
 - (a) the final order for winding up may be addressed or otherwise dealt with by this Honourable Court;
 - (b) any interested party may apply to this Court to vary, amend or set aside the Order appointing the Liquidator; and
 - (c) the Liquidator shall concurrently be at liberty to apply for additional advice and directions.
16. Such further and other relief as counsel may advise and this Honourable Court may see fit to grant.

Affidavit or other evidence to be used in support of this application:

17. Affidavit of Kurt Robinson, sworn May 1, 2017, to be filed.

Applicable Acts and Regulations:

18. Rule 3.2(1) and 13.13(1) of the *Alberta Rules of Court*;
19. Part 10 of the *Companies Act*, RSA 2000, c C-21, as amended;

20. Section 13(2) of the *Judicature Act*, RSA 2000, c J-2, as amended;
21. Such further and other grounds as counsel may advise and this Honourable Court may consider.

WARNING

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.