



This is the 1st Affidavit of Cecil Cheveldave
made on January 14, 2022

NO. KEL-S-S-122417
KELOWNA REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

SATHER RANCH LTD.

PLAINTIFF

AND:

JOSEPH WAYNE PALMER SATHER

DEFENDANT

AFFIDAVIT

I, Cecil Cheveldave, of Suite 600 – I, 235 – First Avenue, Kamloops BC, V2C 3J4, MAKE
OATH AND SAY THAT:

1. I am the President of C. Cheveldave & Associates Ltd. and as such have personal knowledge of the matters and facts herein deposed to except where stated to be on information and belief and where so stated do verily believe the same to be true.
2. The Plaintiff Sather Ranch Ltd. (the “**Company**”) has been in receivership since September 17, 2018. The Court initially appointed G. Moroso & Associates Inc. (“**Moroso**”) as receiver. As a result of a number of ongoing and unresolved objections from the Defendant, the applicants applied to have C. Cheveldave & Associates Ltd. (the “**Receiver**”) appointed as receiver, effectively substituting Moroso as receiver.
3. Attached hereto and marked as **Exhibit “1”** is a true copy of the Receivership Order made on September 17, 2018 in Supreme Court of British Columbia Action No. KEL-S-S-120281 (Kelowna Registry) appointing Moroso as receiver of the Company.

4. The Notice of Civil Claim herein was filed by Moroso in his capacity as receiver of the Plaintiff Company.
5. Attached hereto and marked as **Exhibit “2”** is a true copy of the Receivership Order made on November 21, 2019 in Supreme Court of British Columbia Action No. S 1913131 (Vancouver Registry) by which my firm was appointed receiver of the Company.
6. Attached hereto and marked as **Exhibit “3”** is a true copy of an Order made on October 28, 2020 in Supreme Court of British Columbia Action No. S 1913131 (Vancouver Registry) discharging Moroso.
7. Attached hereto and marked as **Exhibit “4”** is a true copy of an Order made June 7, 2021 in Supreme Court of British Columbia Action No. KEL-S-S-120281 (Kelowna Registry) approving the fees of Moroso and finalizing Moroso’s discharge.
8. After being appointed as receiver I met with both Mike Street (and his counsel) and had a teleconference with Joseph Sather (and his counsel) to, among other matters, assess the claim advanced herein and whether it should be advanced further.
9. Attached hereto and marked as **Exhibit “5”** is a true copy of an email dated December 28, 2019 from Scott Andersen to Colin Flannigan.
10. Attached hereto and marked as **Exhibit “6”** is a true copy of an email dated February 5, 2020 from Scott Andersen to Colin Flannigan.
11. Attached hereto and marked as **Exhibit “7”** is a true copy of an email dated September 18, 2020 from Scott Andersen to Colin Flannigan.
12. Attached hereto and marked as **Exhibit “8”** is a true copy of a letter dated September 21, 2020 from Scott Andersen to Colin Flannigan.
13. Attached hereto and marked as **Exhibit “9”** is a true copy of an email dated October 15, 2020 from Scott Andersen to Colin Flannigan. I am informed by Scott Andersen and verily believe that the Defendant provided his list of document to us on or about October 22, 2020.
14. After considering the information supplied through counsel for both directors of the Company, and after reviewing the defence filed by the Defendant and the documents he has

produced, it is my opinion that the claim has merit and that Sather Ranch Ltd. had clearly formed the intention to acquire the subject lands, had taken a number of steps to advance that purpose and that the lands were integral to the ranching operations. Based on this assessment, the receiver has filed the subject motion for judgment.

15. Rather than debate the value of the subject lands, respectfully I think it would be more efficient and fair to have those lands vest in the name of the Company so that they can be sold by the Receiver for the benefit of the stakeholders in the Company and accordingly we seek that remedy.

SWORN BEFORE ME at the City of
Kamloops, in the Province of British
Columbia, this 14 day of January, 2022.



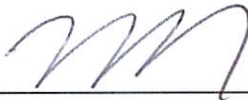
A Commissioner for taking Affidavits for
British Columbia.

Hal Hicks
Barrister & Solicitor
FULTON & COMPANY LLP
3662 - 350 LANSDOWNE STREET
KAMLOOPS, BC V2C 1Y1



CECIL CHEVELDAVE

This is **Exhibit "1"** referred to in the Affidavit of
Cecil Cheveldave made before me on
January 14, 2022



A Commissioner for taking Affidavits for
British Columbia

No. KEL-S-S-120281
Kelowna Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

MICHEAL STREET, MARIELLE BRULE, BOUNDARY MACHINE LTD. AND
PROFECTUS FINANCIAL INC.

Plaintiffs

- and -

SATHER RANCH LTD.

Defendant

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
)
MR. JUSTICE WALKER) 17/09/2018
)

ON THE APPLICATION of the Plaintiffs for an Order pursuant to Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "LEA") appointing G. Moroso & Associates Inc. as Receiver and Manager (in such capacity, the "Receiver") without security, of all of the assets, undertakings and property of Sather Ranch Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at Kelowna, British Columbia.

AND ON READING the Affidavit #1 of Michael Street sworn September 14, 2018, the Affidavit #1 of Stacey Otto sworn September 14, 2018, and the consent of G. Moroso & Associates Inc. to act as the Receiver; AND ON HEARING Steven D. Dvorak, Counsel for the Plaintiffs, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 39 of the LEA, G. Moroso & Associates Inc. is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtor, including all proceeds (the "Property").

RECEIVER'S POWERS

2. The Receiver is 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 Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all 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, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtor, 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 of the business, or cease to perform any contracts of the Debtor;
 - (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 Receiver's powers and duties, including, without limitation, those conferred by this Order;
 - (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
 - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;
 - (g) to settle, extend or compromise any indebtedness owing to the Debtor;
 - (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

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- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
 - (j) subject to paragraph 3 hereof, to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
 - (k) to market any or all of 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 Receiver considers 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 a single transaction for consideration up to \$25,000, provided that the aggregate consideration for all such transactions does not exceed \$75,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,
- and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 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, free and clear of any liens or encumbrances;
 - (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
 - (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
 - (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 considered necessary or appropriate by the Receiver, in the name of the Debtor,

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- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have;
- (s) to undertake and complete a process for the adjudication of any claims by creditors against the Debtor, in accordance with any Claims Process Order that may be pronounced in this proceeding; and
- (t) 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 Receiver 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 Debtor, and without interference from any other Person.

3. Subject to further order of this Court, the Receiver shall not have the authority to defend or adjudicate any claims of the Plaintiffs or AMX Real Estate Inc. ("AMX") against the Debtor. The Plaintiffs and AMX agree that their respective claims in relation to the Debtor shall be determined as follows:

- (a) AMX will provide a demand for specific documents to be produced in connection with the Plaintiffs' claims by September 24, 2018;
- (b) The Plaintiffs will provide the documents requested by AMX by September 27, 2018;
- (c) AMX will provide particulars as to any specific amounts claimed by the Plaintiffs in respect of which AMX disputes the validity or quantum (the "Plaintiffs' Disputed Claims"), by October 9, 2018;
- (d) The Plaintiffs will provide a demand for specific documents to be produced in connection with the AMX claims by September 24, 2018;
- (e) AMX will provide the documents requested by the Plaintiffs by September 27, 2018;
- (f) The Plaintiffs will provide particulars as to any specific amounts claimed by AMX in respect of which the Plaintiffs dispute the validity or quantum (the "AMX Disputed Claims"), by October 9, 2018;
- (g) Any claims that are not Plaintiffs' Disputed Claims or AMX Disputed Claims will be deemed as valid and enforceable for all purposes as against the Debtor;

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- (h) Subject to sub-paragraph (i) hereof, the Plaintiffs and AMX will, from and after October 5, 2018, seek to negotiate the Plaintiffs' Disputed Claims and the AMX Disputed Claims;
- (i) The Plaintiffs, the Receiver and AMX are each at liberty to apply to this Court, on two days' notice, for directions concerning the process for the determination of the Plaintiffs' Disputed Claims or the AMX Disputed Claims.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. Each of (i) the Debtor; (ii) all of the Debtor's 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 (collectively, "Persons" and each a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
5. All Persons, other than governmental authorities, shall forthwith advise the Receiver 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 Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "Records") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
6. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 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 Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
7. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records

without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver 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 RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall 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 and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

10. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

11. 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 Debtor, including without limitation that certain Grazing Licence No. RAN077332 and any renewals, replacements or assignments thereof, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial

contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

12. All Persons having oral or written agreements with the Debtor 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 Debtor are 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 Receiver, and the Receiver shall be entitled to the continued use of the Debtor'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 Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver 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 Receiver (the "Post-Receivership Accounts") and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

14. Subject to the employees' right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts

relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

15. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may 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 Receiver, 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
17. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
18. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,

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- (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- 19. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the 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.

LIMITATION ON THE RECEIVER'S LIABILITY

- 20. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - (a) any gross negligence or wilful misconduct on its part; or
 - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

- 21. The Receiver and its legal counsel, if any, are granted a charge (the "Receiver's Charge") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver'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 Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
- 22. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
- 23. Prior to the passing of its accounts, the Receiver 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 legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

24. The Receiver is authorized and 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 \$75,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver 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 Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver'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 security interest of the Bank of Montreal pursuant to a General Security Agreement registered in the Personal Property Security Registry under Base Registration No. 8780951, a Mortgage registered in the Kamloops Land Title Office under No. CA5807665, and an Assignment of Rents registered in the Kamloops Land Title Office under No. CA5807666, the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
25. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
26. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
27. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver'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 Receiver's Certificates.

ALLOCATION

28. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B (the "**Demand for Notice**"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to

Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.

30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "Service List").
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.
32. Notwithstanding paragraph 30 of this Order, service of the Notice of Application and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor, and the Receiver is hereby authorized and empowered to assign the Debtor into bankruptcy.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give

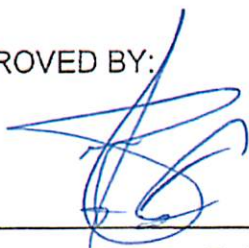
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effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver 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.
39. The Plaintiffs shall have their costs of this motion.
40. Endorsement of this Order by counsel appearing on this application other than counsel for the Plaintiffs is dispensed with.
41. The time for service of this Notice of Application and supporting materials is hereby abridged so that the application is properly returnable today, and the need for further service of the Notice of Application and supporting materials is hereby dispensed with;

THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

APPROVED BY:



Signature of Steven D. Dvorak
lawyer for Plaintiffs

BY THE COURT

DISTRICT REGISTRAR

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT _____

\$ _____

1. THIS IS TO CERTIFY that G. Moroso & Associates Inc., the Receiver and Manager (the "Receiver") of all of the assets, undertakings and properties of Sather Ranch Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (the "Court") dated the ~~15th~~ day of ~~September, 2013~~ (the "Order") made in SCBC Action No. ~~13-0000000~~ has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ ~~75,000.00~~ being part of the total principal sum of \$75,000.00 which the Receiver 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 monthly, not in advance on the first day of each month after the date hereof at a notional rate per annum equal to the rate of three per cent above the prime commercial lending rate of Bank of Montreal 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 Receiver 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 in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the 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 1335 Commercial Way, Penticton, BC, V2A 3H4.
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 Receiver 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 to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

- 2 -

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

DATED the 15 day of February, 2015.

G. Moroso & Associates Inc., solely in its
capacity as Receiver of the Property, and
not in its personal capacity

Per:
Name: Greg Moroso
Title: President

- 3 -

Schedule "B"**Demand for Notice**

TO: Mike Street
c/o
Rush Ihas Hardwick LLP
Attention: Steven Dvorak
Email: sdvorak@rihlaw.com

AND TO: G. Moroso & Associates Inc.
Attention: Greg Moroso
Email: gmoroso@hotmail.com

Re: In the matter of the Receivership of Sather Ranch Ltd.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

OR

2. By mail, at the following address:

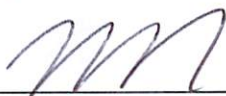
Name of Creditor: _____

Name of Counsel (if any): _____

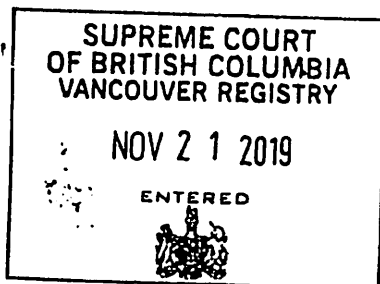
Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

This is **Exhibit "2"** referred to in the Affidavit of
Cecil Cheveldave made before me on
January 14, 2022



A Commissioner for taking Affidavits for
British Columbia



No. S 1913131
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

**MICHAEL NEIL STREET and
MARIELLE JACQUELINE ANGELLA BRULE**

PLAINTIFFS

AND:

**SATHER RANCH LTD. by its Court Appointed Receiver and Manager,
G. MOROSO & ASSOCIATES INC.**

DEFENDANT

ORDER

BEFORE THE HONOURABLE

MR. JUSTICE WALKER

)
)
) 21/11/2019
)

ON THE APPLICATION of the Plaintiffs for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "**LEA**") appointing C. Cheveldave & Associates Ltd. as Receiver and Manager (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and property of Sather Ranch Ltd. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Michael Street sworn November 18, 2019, and the consent of C. Cheveldave & Associates Ltd. to act as the Receiver; AND ON HEARING Steven D. Dvorak, Counsel for the Plaintiffs, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA, C. Cheveldave & Associates Ltd. is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtor, including all proceeds, (the "**Property**").

RECEIVER'S POWERS

2. The Receiver is 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 Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all 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, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtor, 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 of the business, or cease to perform any contracts of the Debtor;
 - (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 Receiver's powers and duties, including, without limitation, those conferred by this Order;
 - (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
 - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;
 - (g) to settle, extend or compromise any indebtedness owing to the Debtor;
 - (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) to market any or all of 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 Receiver considers 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 a single transaction for consideration up to \$50,000.00 , provided that the aggregate consideration for all such transactions does not exceed \$200,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 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, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (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 considered necessary or appropriate by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor 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 Receiver 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtor; (ii) all of the Debtor's 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 (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver 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 Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 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 Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner

of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver 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 RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall 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 and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. 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 Debtor, including without limitation that certain Grazing Licence No. RAN077332 and any renewals, replacements or assignments thereof, without written consent of the Receiver or leave of this Court. Nothing in

this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtor 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 Debtor are 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 Receiver, and the Receiver shall be entitled to the continued use of the Debtor'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 Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver 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 Receiver (the "**Post-Receivership Accounts**") and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to the employees' right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may 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 Receiver, 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,
 - (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver

to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the 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.

LIMITATION ON THE RECEIVER'S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:

- (a) any gross negligence or wilful misconduct on its part; or
- (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver'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 Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. Prior to the passing of its accounts, the Receiver 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 legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. The Receiver is authorized and 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 \$75,000.00 (or such greater amount as this Court may by further Order authorize)

at any time, at such rate or rates of interest as the Receiver 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 Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver'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 Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver'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 Receiver's Certificates.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall serve a copy of this Order upon all creditors of the Debtor, as disclosed in the Debtor's books and records.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B (the "**Demand for Notice**"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.

30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.
32. Notwithstanding paragraph 31 of this Order, service of the Notice of Application and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

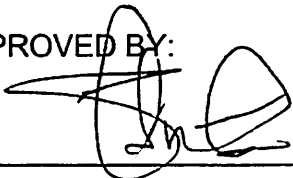
33. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
34. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
35. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor, and the Receiver shall have the authority to assign the Debtor into bankruptcy, in its sole discretion.
36. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or

desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

37. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver 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.
38. The Plaintiffs shall have their costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiffs' security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
39. This Order be entered on an expedited basis.
40. Following service of a copy of this Order upon G. Moroso & Associates Inc., by email to gmoroso@hotmail.com, G. Moroso & Associates Inc. shall assist and cooperate with the Receiver in transitioning from the administration of the Receivership pursuant to the Order pronounced on September 17, 2018, in Kelowna Registry Action No. 120281, shall otherwise cease to perform its duties under that Order (but shall retain the benefit of all protections contained in that Order), and shall apply for its discharge in that proceeding.
41. Endorsement of this Order by counsel appearing on this application other than the Plaintiffs is dispensed with.

THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

APPROVED BY:

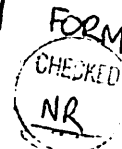


Signature of Steven D. Dvorak
Lawyer for Plaintiffs

BY THE COURT



DISTRICT REGISTRAR



SCHEDULE "A" - RECEIVER CERTIFICATE

1. THIS IS TO CERTIFY that C. CHEVELDAVE & ASSOCIATES LTD. , the Receiver and Manager (the "**Receiver**") of all of the assets, undertakings and properties of Sather Ranch Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "**Court**") dated the 21st day of November, 2019 (the "**Order**") made in SCBC Action No. [REDACTED] has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ [REDACTED], being part of the total principal sum of \$75,000.00 which the Receiver 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 [REDACTED] day of each month after the date hereof at a notional rate per annum equal to the rate of [REDACTED] per cent above the prime commercial lending rate of [REDACTED] 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 Receiver 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 in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the 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 [REDACTED].
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 Receiver 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 to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the [REDACTED] day of [REDACTED], 20__.

C. Cheveldave & Associates Ltd., solely in its
capacity as Receiver of the Property, and not in its
personal capacity

Per:
Name:
Title:

Schedule "B"

Demand for Notice

TO: [Name of Applicant]
c/o [Name of Counsel to the Applicant]
Attention:
Email:

AND TO: C. Cheveldave & Associates Ltd.
c/o [Name of Counsel to the Receiver]
Attention:
Email:

Re: In the matter of the Receivership of Sather Ranch Ltd.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

OR

2. By facsimile, at the following facsimile number (or numbers):

OR

3. By mail, at the following address:

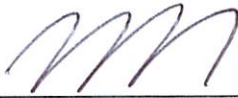
Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

This is **Exhibit "3"** referred to in the Affidavit of
Cecil Cheveldave made before me on
January 14, 2022



A Commissioner for taking Affidavits for
British Columbia



NO. S1913131
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MICHAEL NEIL STREET and
MARIELLE JACQUELINE ANGELLA BRULE

PLAINTIFFS

AND:

SATHER RANCH LTD. by its
Court Appointed Receiver and Manager,
G. Moroso & Associates Inc.

DEFENDANT

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE

JUSTICE WALKER

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)

WEDNESDAY, THE 28TH

DAY OF OCTOBER, 2020

The Notice of Application dated October 21, 2020 (the “**Application**”) of C. Cheveldave & Associates Ltd., in its capacity as Court-appointed Receiver and Manager (the “**Receiver**”) of the assets, undertakings and properties of Sather Ranch Ltd., and coming on for hearing by telephone on Wednesday, October 28, 2020, at Vancouver, British Columbia; and on hearing Scott R. Andersen, counsel for the Receiver, Steve Dvorak, counsel for the Plaintiffs, Colin Flannigan, counsel for Joe Sather; and Ryan R.W. Sookorukoff, counsel for G. Moroso & Associates Inc., and upon reading the materials filed in support of the Application:

THIS COURT ORDERS that:

1. G. Moroso & Associates Inc. (the “**Prior Receiver**”) appointed as receiver of all the assets, undertaking and property of Sather Ranch Ltd. pursuant to the Receivership Order made September 17, 2018 (the “**First Receivership Order**”) be and is hereby discharged as receiver.

2. Notwithstanding the discharge provided for herein, the Charge provided for in section 21 of the Receivership Order will be unaffected by this Order and will continue to form a first charge on the Property as provided for in the First Receivership Order and will remain in place until such time as the Prior Receiver's application to have its actions and fees approved is heard and disposed of by this Court.
3. The Style of Cause herein be updated to refer to the Defendant as "Sather Ranch Ltd., by its Court Appointed Receiver and Manager, C. Cheveldave & Associates Ltd.".
4. This Order is without prejudice to and will not impact the arguments or issues that can be raised by Joe Sather and AMX Real Estate Inc. in regard to the Prior Receiver's Notice of Application filed October 9, 2020 and presently set for hearing on November 16, 2020, nor any claim that Joe Sather and/or AMX Real Estate Inc. could make against the Prior Receiver.
5. Approval as to the form of this Order by counsel other than the Receiver be and is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Scott R. Andersen
Counsel for the Court Appointed Receiver

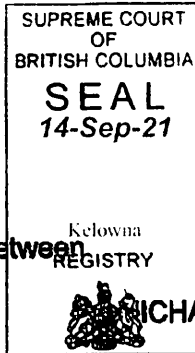
BY THE COURT

REGISTRAR

This is **Exhibit "4"** referred to in the Affidavit of
Cecil Chevelldave made before me on
January 14, 2022



A Commissioner for taking Affidavits for
British Columbia



No. 120281
Kelowna Registry

In the Supreme Court of British Columbia

Between

Kelowna
REGISTRY



**MICHAEL STREET, MARIELLE BRULE, BOUNDARY MACHINE LTD.
and PROPECTUS FINANCIAL INC.**

PLAINTIFF

And

SATHER RANCH LTD.

DEFENDANT

ORDER MADE AFTER APPLICATION

BEFORE MR. JUSTICE HORI

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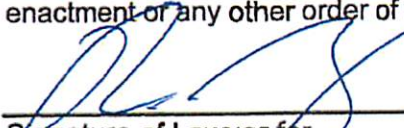
Monday, June 7, 2021

THE APPLICATION of G. Moroso & Associates Inc. in its capacity as Court-appointed Receiver and Manager (the "Receiver") of the assets, undertakings and properties of Sather Ranch Ltd. coming on for hearing via telephone at Kelowna, British Columbia on January 22 and April 23, 2021 and judgment being reserved to this date; AND ON HEARING Ryan Sookorukoff, counsel for the Receiver, Steve Dvorak, counsel for the Plaintiffs, and Colin Flannigan, counsel for Joseph Sather and AMX Real Estate Inc.; AND UPON READING the material filed.

THIS COURT ORDERS AND DECLARES THAT:


- 1. The activities of the Receiver in this proceeding are hereby approved;**
- 2. The fees and disbursements of the Receiver in the amount of \$28,194.65 and its counsel in the amount of \$1,194.76, as set out in the affidavit #1 of G. Moroso and affidavit #1 of R. Sookorukoff, are hereby approved;**
- 3. After payment of the fees and disbursements of the Receiver as hereby approved, the Receiver will pay all funds remaining in its hands to C. Cheveldave & Associates Ltd.;**
- 4. Upon payment of the amounts required by this order, the Receiver will be discharged as Receiver of the assets, undertaking and property of Sather Ranch Ltd., provided that notwithstanding its discharge the Receiver will:**

- a) remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and
 - b) continue to have the benefit of the provisions of all orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of G. Moroso & Associates Inc. in its capacity as Receiver;
5. The Receiver is hereby released and discharged from any and all liability that it has by reason of, or in any way arising out of, its acts or omissions while acting in its capacity as Receiver herein, save and except any liability arising out of gross negligence or wilful misconduct; and
6. Notwithstanding any provision herein, this order will not affect any person to whom notice of these proceedings was not delivered as required by the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 and regulations thereto, any other applicable enactment or any other order of this court.



Signature of Lawyer for
G. Moroso & Associates Inc.
Ryan Sookorukoff

Signature of Lawyer for Plaintiffs
Steve Dvorak



Signature of Lawyer for Joseph
Sather and AMX Real Estate Inc.
Colin Flannigan

BY THE COURT

- a) remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and
 - b) continue to have the benefit of the provisions of all orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of G. Moroso & Associates Inc. in its capacity as Receiver;
5. The Receiver is hereby released and discharged from any and all liability that it has by reason of, or in any way arising out of, its acts or omissions while acting in its capacity as Receiver herein, save and except any liability arising out of gross negligence or wilful misconduct; and
6. Notwithstanding any provision herein, this order will not affect any person to whom notice of these proceedings was not delivered as required by the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 and regulations thereto, any other applicable enactment or any other order of this court.

Signature of Lawyer for
G. Moroso & Associates Inc.
Ryan Sookorukoff



Signature of Lawyer for Plaintiffs
Steve Dvorak

Signature of Lawyer for Joseph
Sather and AMX Real Estate Inc.
Colin Flannigan

BY THE COURT

This is **Exhibit "5"** referred to in the Affidavit of
Cecil Cheveldave made before me on
January 14, 2022



A Commissioner for taking Affidavits for
British Columbia

Scott Andersen (2546) - 4Flr

From: Scott Andersen (2546) - 4Flr <scott.andersen@lawsonlundell.com>
Sent: Wednesday, December 18, 2019 10:42 AM
To: Colin Flannigan (CFlannigan@fhplawyers.com)
Cc: Cecil Cheveldave (ctcheveldave@telus.net)
Subject: Sather Ranching Ltd.

Colin,

Thank you for speaking with me yesterday.


As discussed, I think it is important for the receiver to meet with your client to get his input on various decisions that need to be made. I appreciate we are approaching the holidays so would like to canvass yours and his availability for a meeting the week of January 7th. My preference would be to meet in person, but perhaps your client could attend by conference call if he cannot travel to Kelowna for the meeting. Please let me know what day and time would be convenient.

Thank you for your call and email regarding the pending sale of certain assets to Mike Street. You indicated that you would be sending the receiver an email with your client's position. I would appreciate you doing that today. On the phone you indicated that your client was of the view that the Landini tractor was not an asset of the company and that it belonged to Palmer Sather. We will need more information about that as it appears the contribution of the tractor forms part of your client's shareholder loan claim and the tractor has been listed on the company's equipment schedule at all material times.

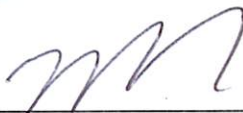
As I mentioned when we spoke, the litigation by the company against your client (BCSC Action No. KEL-S-S-122417) in regard to his acquisition of the "Grazing Lands" is an asset that has vested in the receiver and which the Receiver will need to decide whether to advance, discontinue, settle or assign. Before that decision is made, the Receiver will need to investigate the merits of the claim, which obviously would include speaking to your client about it. We can discuss this in early January when we meet. No defence has been filed. It would assist matters to understand what defence, if any, your client would assert. Can you please prepare and file a defence if your client intends to defend that claim. I don't wish to impose a deadline so would you appreciate your confirming a date by which a defence can be filed and delivered to us.

I look forward to hearing from you regarding the above.

Regards,

 **SCOTT R. ANDERSEN** | Partner
 D 250.979.8546 | F 604.641.2801 | E scott.andersen@lawsonlundell.com
LAWSON LUNDELL LLP Suite 403, 460 Doyle Avenue, Kelowna, BC V1Y 0C2
 Vancouver | Calgary | Yellowknife | Kelowna

This is **Exhibit "6"** referred to in the Affidavit of
Cecil Cheveldave made before me on
January 14, 2022



A Commissioner for taking Affidavits for
British Columbia

Scott Andersen (2546) - 4Flr

From: Scott Andersen (2546) - 4Flr <scott.andersen@lawsonlundell.com>
Sent: Wednesday, February 5, 2020 9:18 AM
To: Colin Flannigan (CFlannigan@fhplawyers.com)
Cc: Cecil Cheveldave (ctcheveldave@telus.net)
Subject: FW: Sather Ranching Ltd.

Colin,

On December 18, 2019, I requested your client to file and deliver to us a Statement of Defence in BCSC Action No. KEL-S-122417 (assuming of course that your client wishes to defend that proceeding). I had hoped to not impose a deadline, but we are now approaching two months since our request and your client has not delivered any defence. Now, unfortunately, I must fix a deadline. Accordingly, if your client plans to defend that proceeding, then please file and deliver a Statement of Defence to us on or before February 12, 2020 failing which we will seek instructions to apply for default judgment against your client without further notice. Time is of the essence. Please govern yourself accordingly.

Regards,

Scott R. Andersen | Partner
 Lawson Lundell LLP
 D 250.979.8546 | F 604.641.2801

From: Scott Andersen (2546) - 4Flr <scott.andersen@lawsonlundell.com>
Sent: Wednesday, January 15, 2020 3:08 PM
To: 'Colin Flannigan (CFlannigan@fhplawyers.com)' <CFlannigan@fhplawyers.com>
Cc: 'Cecil Cheveldave (ctcheveldave@telus.net)' <ctcheveldave@telus.net>
Subject: RE: Sather Ranching Ltd.

Colin,

I write to follow up on the below. Could you please reply to the questions and issues raised below. Thank you.

Regards,

Scott R. Andersen | Partner
 Lawson Lundell LLP
 D 250.979.8546 | F 604.641.2801

From: Scott Andersen (2546) - 4Flr <scott.andersen@lawsonlundell.com>
Sent: Wednesday, December 18, 2019 10:42 AM
To: Colin Flannigan (CFlannigan@fhplawyers.com) <CFlannigan@fhplawyers.com>
Cc: Cecil Cheveldave (ctcheveldave@telus.net) <ctcheveldave@telus.net>
Subject: Sather Ranching Ltd.

Colin,

Thank you for speaking with me yesterday.

As discussed, I think it is important for the receiver to meet with your client to get his input on various decisions that need to be made. I appreciate we are approaching the holidays so would like to canvass yours and his availability for a meeting the week of January 7th. My preference would be to meet in person, but perhaps your client could attend by conference call if he cannot travel to Kelowna for the meeting. Please let me know what day and time would be convenient.

Thank you for your call and email regarding the pending sale of certain assets to Mike Street. You indicated that you would be sending the receiver an email with your client's position. I would appreciate you doing that today. On the phone you indicated that your client was of the view that the Landini tractor was not an asset of the company and that it belonged to Palmer Sather. We will need more information about that as it appears the contribution of the tractor forms part of your client's shareholder loan claim and the tractor has been listed on the company's equipment schedule at all material times.

As I mentioned when we spoke, the litigation by the company against your client (BCSC Action No. KEL-S-S-122417) in regard to his acquisition of the "Grazing Lands" is an asset that has vested in the receiver and which the Receiver will need to decide whether to advance, discontinue, settle or assign. Before that decision is made, the Receiver will need to investigate the merits of the claim, which obviously would include speaking to your client about it. We can discuss this in early January when we meet. No defence has been filed. It would assist matters to understand what defence, if any, your client would assert. Can you please prepare and file a defence if your client intends to defend that claim. I don't wish to impose a deadline so would you appreciate your confirming a date by which a defence can be filed and delivered to us.

I look forward to hearing from you regarding the above.

Regards,



SCOTT R. ANDERSEN | Partner
D 250.979.8546 | F 604.641.2801 | E scott.andersen@lawsonlundell.com
LAWSON LUNDELL LLP Suite 403, 460 Doyle Avenue, Kelowna, BC V1Y 0C2
Vancouver | Calgary | Yellowknife | Kelowna

This is **Exhibit "7"** referred to in the Affidavit of
Cecil Chevelave made before me on
January 14, 2022



A Commissioner for taking Affidavits for
British Columbia

Scott Andersen (2546) - 4Flr

From: Scott Andersen (2546) - 4Flr <scott.andersen@lawsonlundell.com>
Sent: Friday, September 18, 2020 10:00 AM
To: Colin Flannigan (CFlannigan@fhplawyers.com)
Cc: Cecil Cheveldave (ctcheveldave@telus.net)
Subject: 160 Acres

Colin,

When we had the conference call with the Receiver, your client and each of us, you had indicated you would be preparing and sending us material that you wanted the Receiver to consider in relation to the claim in regard to the 160 acres. I write to follow on that statement. We have received nothing from you after our call. Is it still your client's intention to send materials for the Receiver to consider?

Regards,



SCOTT R. ANDERSEN | Partner
D 250.979.8546 | M 250.300.7720 | F 604.641.2801 | E scott.andersen@lawsonlundell.com
LAWSON LUNDELL LLP Suite 403, 460 Doyle Avenue, Kelowna, BC V1Y 0C2
Vancouver | Calgary | Yellowknife | Kelowna

[*Navigate the legal implications of COVID-19*](#)

This is **Exhibit "8"** referred to in the Affidavit of
Cecil Cheveldave made before me on
January 14, 2022



A Commissioner for taking Affidavits for
British Columbia



Suite 403
460 Doyle Avenue
Kelowna, BC
Canada V1Y 0C2
T: 778.738.2610

September 21, 2020

VIA EMAIL: cflannigan@fhplawyers.com

Scott R. Andersen
D: 250.979.8546
F: 604.641.2801
scott.andersen@lawsonlundell.com

FH&P Lawyers LLP
Barristers & Solicitors
400 – 275 Lawrence Avenue
Kelowna, BC V1Y 6L2

Attention: Colin Flannigan

Dear Sirs and Mesdames:

Re: Sather Ranch Ltd. v. Joe Sather
BCSC Action No KEL-S-S-122417 (Kelowna Registry)

We enclose the Plaintiff's List of Documents dated September 21, 2020.

We confirm the Defendant filed its Response to Civil Claim in this matter on February 11, 2020.
May we please have the Defendant's List of Document on or before October 12, 2020 (i.e. 21 days from the attached letter).

Yours very truly,

LAWSON LUNDELL LLP

Scott R. Andersen

cc. Cecil Cheveldave

This is **Exhibit "9"** referred to in the Affidavit of
Cecil Chevelave made before me on
January 14, 2022



A Commissioner for taking Affidavits for
British Columbia

Scott Andersen (2546) - 4Flr

From: Scott Andersen (2546) - 4Flr <scott.andersen@lawsonlundell.com>
Sent: Thursday, October 15, 2020 10:45 AM
To: Colin Flannigan (CFlannigan@fhplawyers.com)
Subject: FW: Sather Ranch Ltd. v. Joe Sather - Plaintiff's LOD
Attachments: LT Flannign (Sept 21, 2020) re LOD.PDF; List of Documents of Plaintiff (Sept 21, 2020).pdf

Colin,

I write to follow up on the attached letter sent September 21st in which we requested that your client provide a copy of his list of documents on or before October 12th. We haven't received your client's list of documents as requested. Can you please send that to us or confirm the date by which you will be able to do so.

Thank you,

Scott R. Andersen | Partner
 Lawson Lundell LLP
 D 250.979.8546 | M 250.300.7720 | F 604.641.2801

[*Navigate the legal implications of COVID-19*](#)

From: Scott Andersen (2546) - 4Flr
Sent: Monday, September 21, 2020 11:52 AM
To: Colin Flannigan (CFlannigan@fhplawyers.com) <CFlannigan@fhplawyers.com>
Cc: Cecil Cheveldave (ctcheveldave@telus.net) <ctcheveldave@telus.net>
Subject: Sather Ranch Ltd. v. Joe Sather - Plaintiff's LOD

Colin,

Please find attached our letter of today's date together with its enclosure, being our client's list of documents.

Regards,



SCOTT R. ANDERSEN | Partner
 D 250.979.8546 | M 250.300.7720 | F 604.641.2801 | E scott.andersen@lawsonlundell.com
 LAWSON LUNDELL LLP Suite 403, 460 Doyle Avenue, Kelowna, BC V1Y 0C2
 Vancouver | Calgary | Yellowknife | Kelowna

[*Navigate the legal implications of COVID-19*](#)