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COURT FILE NUMBER 1901-01772

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFFS AMX REAL ESTATE INC. and JOSEPH SATHER

DEFENDANTS MICHAEL STREET, 0882126 B.C. LTD., BOUNDARY MACHINE LTD., MARIELLE BRULE, PROPECTUS FINANCIAL INC. and SATHER RANCH LTD.

DOCUMENT **APPLICATION OF C. CHEVELDAVE & ASSOCIATES LTD., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF SATHER RANCH LTD.**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Lawson Lundell LLP
1100, 225 – 6th Avenue SW
Calgary, AB T2P 1N2
Lawyer: Alexis Teasdale
Phone Number: (403) 218-7564
Fax Number: (403) 269-9494
E-mail Address: ateasdale@lawsonlundell.com

AFFIDAVIT OF CECIL CHEVELDAVE

Sworn on March __, 2021

I, Cecil Cheveldave, of Kamloops, British Columbia, SWEAR AND SAY THAT:


1. I am President of C. Cheveldave & Associates Ltd., the Court-appointed Receiver (in such capacity, the **Receiver**) of the Defendant, Sather Ranch Ltd. I have personal knowledge of the matters sworn to in this affidavit unless I indicate that my evidence is based on some other source, in which case I believe that evidence to be true.
2. I make this affidavit in support of the Receiver's application for the relief set out in the Notice of Application filed and served concurrently with this affidavit.
3. The Receiver was appointed as receiver and manager over all of the assets, undertakings, and property of Sather Ranch Ltd. (**Sather Ranch**) pursuant to the order of the Honourable Mr. Justice Walker of the British Columbia Supreme Court dated November 21, 2019 (the **Receivership Order**), in British Columbia Supreme Court Action No. S 1913131 (the **Receivership Proceedings**).
4. A true copy of the Receivership Order is attached to this affidavit and marked as **Exhibit "A"**.

5. Paragraph 2(j) of the Receivership Order states that the Receiver is empowered to initiate, manage, and direct all legal proceedings now pending or hereafter pending in respect of Sather Ranch and its Property.
6. The Receivership Order was preceded by an order of the British Columbia Supreme Court pronounced on July 17, 2018 (the **First Receivership Order**), by which G. Moroso & Associates Inc. (Moroso) was appointed as receiver and manager of Sather Ranch. A true copy of the First Receivership Order is attached hereto and marked as **Exhibit "B"**. Moroso was directed pursuant to paragraph 40 of the Receivership Order to seek its discharge, and accordingly, obtained an order for its discharge on October 28, 2020.
7. I understand, based on information from counsel who obtained the First Receivership Order, that the Statement of Claim in the within action (**this Action**) was filed in breach of the stay of proceedings in place under the First Receivership Order and without notice to or consent of Moroso, as receiver. I further understand that this Action was commenced in that manner in order to avoid a limitations issue, and that the Plaintiffs have agreed no defences are required in light of the stay of proceedings in place under the First Receivership Order, which was continued under the Receivership Order.
8. Now shown to me and marked as **Exhibits "C"** and **"D"**, respectively, are an Alberta Corporate Registration System (**CORES**) Corporation Search for Sather Ranch dated January 19, 2021, and a BC Registry Services Extraprovincial Company Summary for Sather Ranch dated November 26, 2019.
9. Based on my review of the searches at Exhibits "C" and "D" to this affidavit, I believe that:
 - (a) Sather Ranch is an Alberta corporation that is extra-provincially registered in British Columbia;
 - (b) Sather Ranch was incorporated in Alberta on March 21, 2013;
 - (c) the directors of Sather Ranch are Joseph Sather and Michael Street, each of whom are parties to this Action; and
 - (d) the shareholders of Sather Ranch are 0882126 B.C. Ltd. and AMX Real Estate Inc., each of which own 50% of the shares of Sather Ranch, and are parties to this Action.
10. Pursuant to an order of the Honourable Mr. Justice Walker dated January 19, 2021 (the **Claims Process Order**), a claims process was approved in the Receivership Proceedings, which, among other things, deals with claims by the parties to this Action against Sather Ranch. The Claims Bar Date under the Claims Process Order is March 31, 2021.
11. A true copy of the Claims Process Order is attached hereto and marked as **Exhibit "E"**.

- 12. The claims of Michael Street, 0882126 BC Ltd., Boundary Machine Ltd, Marielle Brule and Profectus Financial Inc. that are to be proved as Related Party Claims in the Claims Process Order are expected to overlap with allegations regarding those debt claims raised in the Action.
- 13. I am informed by Scott Andersen of Lawson Lundell LLP, legal counsel to the Receiver, that the interaction between the Claim Process and this Action was the subject of discussion by counsel and the Court during three court appearances on October 30, 2020, December 4, 2020 and January 14, 2021. In particular, I am advised by Mr. Andersen that the Honourable Mr. Justice Walker expressed concerns about: (a) the potential for inconsistent factual findings in the claims process and this Action in regard to aforementioned debt claims, and (b) the potential of those factual matters being litigated more than once. For these reasons, His Lordship made the Claims Process Order subject to being recognized by the Alberta Court of Queen’s Bench.
- 14. I swear this affidavit in support of the Receiver’s application for the relief set out in its Notice of Application filed and served concurrently with this Affidavit, and for no other or improper purpose.

The Deponent, Cecil Cheveldave, was not physically present before the Commissioner, but was linked with the Commissioner utilizing video technology. The process described for remote commissioning of affidavits as provided by the Court of Queen’s Bench of Alberta Notice to the Profession and Public dated March 25, 2020 (NPP#2020-02) was utilized.

SWORN BEFORE ME)
at the City of Calgary, in the Province of)
Alberta, this ___ day of March, 2021.)
)
)
)
)
)
_____)
A Commissioner for Oaths)
in and for the Province of Alberta)



CECIL CHEVELDAVE

This is **Exhibit A** to the Affidavit of **Cecil Cheveldave**, sworn before me at the City of Calgary, in the Province of Alberta, this ____ day of March, 2021.

A Commissioner for Oaths in and for the Province of
Alberta





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

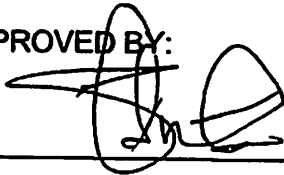
33. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
34. The Receiver 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 [REDACTED].

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: _____

Vancouver Registry
No. S1913131

IN THE SUPREME COURT OF BRITISH
COLUMBIA

BETWEEN:

MICHAEL NEIL STREET and MARIELLE BRULE
Plaintiffs

- and -

SATHER RANCH LTD.
Defendant

RECEIVERSHIP ORDER

Davidson Lawyers LLP
3009 28th Street, Vernon, BC, V1T 4Z7
(250) 542-1177
Attention: Steven Dvorak
Counsel to the Plaintiffs



This is **Exhibit B** to the Affidavit of **Cecil Cheveldave**,
sworn before me at the City of Calgary, in the Province of
Alberta, this ____ day of March, 2021.

A Commissioner for Oaths in and for the Province of
Alberta



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;

- (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;

- (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;



- (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,



- (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

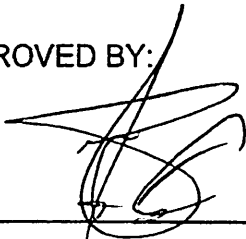


effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may 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 ~~5~~ day of ~~September, 2017~~ (the "Order") made in SCBC Action No. ~~17-0010~~ has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ ~~25,000.00~~ 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.

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 day of , 201 .

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



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: _____

Action No. KEL-S-S-
120281

IN THE SUPREME COURT OF BRITISH
COLUMBIA

BETWEEN:

Michael Street, Marielle Brule, Boundary Machine
Ltd. and Profectus Financial Inc.
Plaintiffs

- and -

Sather Ranch Ltd.
Defendant

B.C. MODEL RECEIVERSHIP ORDER



This is **Exhibit C** to the Affidavit of **Cecil Cheveldave**,
sworn before me at the City of Calgary, in the Province of
Alberta, this ____ day of March, 2021.

A Commissioner for Oaths in and for the Province of
Alberta

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2021/01/19
Time of Search: 09:16 AM
Search provided by: LAWSON LUNDELL LLP
Service Request Number: 34706064
Customer Reference Number: 36622-148976

Corporate Access Number: 2017375300
Business Number: 822029534
Legal Entity Name: SATHER RANCH LTD.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2013/03/21 YYYY/MM/DD

Registered Office:

Street: 10635 OAKMOOR WAY S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2W2L1

Email Address: JOESATHER_REALTOR@YAHOO.CA

Directors:

Last Name: SATHER
First Name: JOSEPH
Middle Name: W.P.
Street/Box Number: 10635 OAKMOOR WAY SW
City: CALGARY
Province: ALBERTA
Postal Code: T2W2L1

Last Name: STREET
First Name: MICHAEL
Middle Name: N.

Street/Box Number: 1335 COMMERCIAL WAY
City: PENTICTON
Province: BRITISH COLUMBIA
Postal Code: V2A3H4

Voting Shareholders:

Last Name: 0882126 B.C. LTD.
Street: 1335 COMMERCIAL WAY
City: PENTICTON
Province: BRITISH COLUMBIA
Postal Code: V2A3H4
Percent Of Voting Shares: 50

Legal Entity Name: AMX REAL ESTATE INC.
Corporate Access Number: 209706837
Street: #11, 4412 MANILLA ROAD SE
City: CALGARY
Province: ALBERTA
Postal Code: T2G4B7
Percent Of Voting Shares: 50

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED
Share Transfers Restrictions: SEE ATTACHED
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED

Other Information:

Last Annual Return Filed:



File Year	Date Filed (YYYY/MM/DD)
2020	2020/03/12

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2013/03/21	Incorporate Alberta Corporation
2020/02/21	Update BN
2020/03/12	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2013/03/21
Restrictions on Share Transfers	ELECTRONIC	2013/03/21
Other Rules or Provisions	ELECTRONIC	2013/03/21

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit D** to the Affidavit of **Cecil Cheveldave**, sworn before me at the City of Calgary, in the Province of Alberta, this ____ day of March, 2021.

A Commissioner for Oaths in and for the Province of
Alberta





Extraprovincial Company Summary
For
SATHER RANCH LTD.

Date and Time of Search: November 26, 2019 09:37 AM Pacific Time
Currency Date: August 22, 2019

ACTIVE

Registration Number in BC: A0088770
Name of Extraprovincial Company: SATHER RANCH LTD.
Registration Date and Time: Registered in British Columbia on March 27, 2013 10:58 AM Pacific Time
Last Annual Report Filed: Not Required Receiver: No

FOREIGN JURISDICTION INFORMATION

Identifying Number in Foreign Jurisdiction: 2017375300 Name in Foreign Jurisdiction: SATHER RANCH LTD.
Date of Incorporation, Continuation or Amalgamation in Foreign Jurisdiction: March 21, 2013 Foreign Jurisdiction: ALBERTA

HEAD OFFICE INFORMATION

Mailing Address: 10635 OAKMOOR WAY S.W.
CALGARY AB T2W 2L1
CANADA
Delivery Address: 10635 OAKMOOR WAY S.W.
CALGARY AB T2W 2L1
CANADA

ATTORNEY INFORMATION

Last Name, First Name, Middle Name: STREET, MICHAEL N.
Mailing Address: 1335 COMMERCIAL WAY
PENTICTON BC V2A 3H4
CANADA
Delivery Address: 1335 COMMERCIAL WAY
PENTICTON BC V2A 3H4
CANADA

DIRECTOR INFORMATION

Directors are not recorded for extraprovincial registration types. Go to the incorporating jurisdiction for director information.



This is **Exhibit E** to the Affidavit of **Cecil Cheveldave**, sworn before me at the City of Calgary, in the Province of Alberta, this ____ day of March, 2021.

A Commissioner for Oaths in and for the Province of
Alberta





NO. S1913131
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MICHAEL NEIL STREET and
MARIELLE JACQUEILINE ANGELLA BRULE

PLAINTIFFS

AND:

SATHER RANCH LTD. by its Court Appointed Receiver and
Manager, C. Cheveldave & Associates Ltd.

DEFENDANT

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE) THURSDAY THE 14TH DAY
)
JUSTICE WALKER) OF JANUARY, 2021

THE APPLICATION of C. Cheveldave & Associates Ltd., in its capacity as Court-appointed Receiver (the “Receiver”) of the assets, undertakings and properties of Sather Ranch Ltd., and, coming on for hearing by telephone on October 28, 2020, October 30, 2020, December 4, 2020 and January 14, 2021 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 AMX Real Estate Inc.; and upon reading the material filed:

DEFINITIONS

1. For purposes of this Order the following terms shall have the following meanings:
 - (a) “Arm’s Length Creditor” means a Creditor who is not a Related Party Creditor;
 - (b) “BIA” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - (c) “Business Day” means a day, other than a Saturday or a Sunday on which banks are generally open for business in Vancouver, British Columbia;



- (d) **“Claim”** shall exclude an Excluded Claim but shall include any other right or claim of any Person against Sather Ranch, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind owed by Sather Ranch to such Person, and any interest accrued thereon or costs payable in respect thereof, including any indebtedness, liability or obligation owed to such Person as a result of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) by Sather Ranch, any right of ownership of or title to property or assets or to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise) against any property or assets, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, not matured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim of contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part upon facts existing prior to the Filing Date, and any indebtedness, liability or obligation of any kind arising out of the repudiation, restructuring or termination of any contract, lease, employment agreement, or other agreement after the Filing Date. Notwithstanding the foregoing, “Claim” also means any indebtedness, liability or obligation of any kind that, if unsecured, would be a claim provable in bankruptcy within the meaning of the BIA;
- (e) **“Claims Bar Date”** means 4:00 p.m. (Pacific Time) on March 31, 2021;
- (f) **“Claims Package”** means the document package which shall consist of a copy of this Order (without schedules), the Instruction Letter, a form of Proof of Claim, and such other materials as the Receiver considers necessary or appropriate;
- (g) **“Claims Process”** means the procedures outlined in this Order in connection with the assertion of Claims against Sather Ranch;
- (h) **“Court”** means the Supreme Court of British Columbia;
- (i) **“Creditor”** means any Person asserting a Claim other than an Excluded Claim against Sather Ranch;
- (j) **“Equity Claim”** means a claim, right or interest that is in respect of an Equity Interest, including a claim for, among others,
- (i) a dividend or similar payment,

- (ii) a return of capital,
 - (iii) a redemption or retraction obligation,
 - (iv) a monetary loss resulting from the ownership, purchase or sale of an equity interest or from the rescission, or, in Quebec, the annulment, of a purchase or sale of an equity interest, or
 - (v) contribution or indemnity in respect of a claim referred to in any of paragraphs (i) to (iv)
- (k) **“Equity Interest”** means a share in the stock of Sather Ranch as reflected in its records as at the Filing Date.
- (l) **“Excluded Claim”** means the following:
- (i) Receiver’s Charge and the Receiver’s Borrowings Charge created and approved by the Court in the Receivership Order made herein on September 17, 2018;
 - (ii) Receiver’s Charge and the Receiver’s Borrowings Charge created and approved by the Court in the Receivership Order made herein on November 21, 2019; and
 - (iii) An Equity Claim.
- (m) **“Filing Date”** means November 21, 2019;
- (n) **“Instruction Letter”** means the letter to Creditors, which letter shall be substantially in the form attached hereto as **Schedule “A”**;
- (o) **“Known Creditors”** includes all Creditors shown on the books and records of the Sather Ranch as having a Claim against Sather Ranch in excess of \$250 as at the Filing Date;
- (p) **“Notice to Creditors”** means the notice substantially in the form attached hereto as **Schedule “B”**;
- (q) **“Person”** has the meaning as defined in the BIA;
- (r) **“Proof of Claim”** means the form completed and filed by a Creditor setting forth its Claim (if necessary) with supporting documentation, which proof of claim shall be substantially in the form attached hereto as **Schedule “C”**;
- (s) **“Sather Ranch”** means Sather Ranch Ltd.;

- (t) **"Receiver"** means C. Cheveldave & Associates Ltd., in its capacity as court-appointed receiver of Sather Ranch;
- (u) **"Related Party Creditor"** includes the following persons: Joe Sather, AMX Real Estate Inc., Mike Street, 0882126 BC Ltd., Boundary Machine Inc., Marielle Brule, and Profectus Financial Inc. and any party that is an executor, administrator, successor, assign, or heir of any of the persons listed herein.

APPROVAL OF CLAIMS PROCESS

2. The Claims Process is hereby approved.

NOTICE OF CLAIMS PACKAGE

3. On or before the day which is seven (7) days after the date of this Order, the Receiver shall cause a Claims Package to be sent to:
 - (a) all Known Creditors of Sather Ranch, except for Creditors with an Excluded Claim, by ordinary mail, facsimile transmission, email message, or personal delivery, with such mode of delivery being in the Receiver's discretion based upon a reasonable belief that delivery in such mode will come to the notice of the recipient;
 - (b) to the Federal Crown by delivery to the Department of Justice at 900- 840 Howe Street, Vancouver, BC V6Z 2S9; and
 - (c) to the Provincial Crown by delivery to the Ministry of the Attorney General, Legal Services Branch 400, 1675 Douglas Street, Victoria, BC V8W 917.
4. The Receiver shall cause the Notice to Creditors to be placed in the Penticton Herald and on or before ten (10) days after the date of this Order.
5. The Receiver shall cause the Notice to Creditors, the Claims Package and a list of creditors to be posted on the Receiver's website address <https://cheveldave.ca/engagements> on or before seven (7) days after the date of this Order, and such posting shall remain in effect until the Claims Bar Date.
6. The Receiver shall cause a copy of the Claims Package to be sent to any person requesting such material as soon as practicable.
7. If the Receiver becomes aware of further Claims of Persons not included in the initial mailing to Known Creditors after the date of initial distribution, the Receiver shall forthwith distribute copies of the Claims Package to such Persons, but the entitlement of



each Person to receive notice is abridged to the date the Claims Package is distributed to each such Person, subject to further Order of this Court.

8. The delivery of the Claims Package and publication of the Notice to Creditors, in accordance with the foregoing terms of this Order, shall constitute good and sufficient service of such materials and no further notice or service need be given or made and no other document or material need be served.

CLAIMS BAR DATE

9. The process for proving Claims and resolving disputed Claims differs depending upon whether the Claim is from a Related Party or whether it is from an Arm's Length Party. A Related Party must prove its claim through a court application on notice to other Related Parties, who will each have standing to oppose any such Claim in whole or in part. An Arm's Length Creditor must prove its claim to the Receiver by way of Proof of Claim. Both processes are set out in more detail in the sections that follow.
10. An Arm's Length Creditor, other than a Creditor with an Excluded Claim, shall deliver to the Receiver a Proof of Claim on or before the Claims Bar Date, in default of which the Creditor shall be forever barred from advancing any Claim against Sather Ranch and shall not be entitled to receive any payment from the Receiver.
11. A Related Party Creditor having any Claim(s) shall deliver unfiled copies of a Notice of Application seeking approval of such Claim(s), together with Affidavits supporting its Claim(s), to the Receiver and to all other Related Party Creditors on or before the Claims Bar Date, in default of which such Related Party Creditor shall be forever barred from advancing such Claim(s) against Sather Ranch and shall not be entitled to receive any payment in respect of such Claim(s) from the Receiver. A Related Party is at liberty to rely upon as evidence herein any affidavits or documents delivered in response to paragraph 3 of the Receivership Order made on September 17, 2018 in Supreme Court of British Columbia Action No. KEL-S-S-120281 (Kelowna Registry).

ARM'S LENGTH CLAIMS

12. The Receiver shall review each Proof of Claim received by the Claims Bar Date and, thereafter, the Receiver may dispute a Claim in whole or in part by sending the Creditor a Notice of Disallowance in the form attached as **Schedule "D"** ("**Notice of Disallowance**") within fourteen (14) days of receipt of Proof of Claim, by delivering the Notice of Disallowance to the address noted in the subject Proof of Claim, and where an email or facsimile address is provided in the Proof of Claim, delivery in that mode shall be sufficient.

13. Any Creditor who disputes a Notice of Disallowance may appeal that decision and seek a determination of the Court of the validity and value of and particulars of its Claim by filing and serving upon counsel for the Receiver, an application, supported by Affidavit material by 4:00 p.m. on the date that is within twenty one (21) days of receipt of Notice of Disallowance. The hearing of the appeal shall be determined as a true appeal, and not as a trial *de novo*. The appeal must be set for hearing no later than fifteen (15) days after receipt of the Notice of Disallowance, or such other date as the Petitioners' and Receiver's counsel may advise they are available.
14. Any Creditor who fails to file and serve the applicable Notice of Application and Affidavit material by the deadline set forth in paragraph 13 of this Order shall be deemed to accept the amount of its Claim as set forth in the Notice of Disallowance and such amounts set forth in the Notice of Disallowance shall constitute a proven Claim.

RELATED PARTY CLAIMS

15. Any Related Party that opposes another Related Party Claim must, within twenty one (21) days after the Claims Bar Date, deliver to the Receiver and to the applicant an Application Response and any supporting affidavits in regard to that opposition. The Application Response must:
 - (a) specify all the claims that are agreed to and all the claims that are disputed;
 - (b) provide particulars in accordance with the *Supreme Court Civil Rules* identifying the basis of its objection for each itemized component of the claim it disputes;
 - (c) identify which affiants, if any, it wishes to cross examine at the hearing and provide a time estimate for any such cross examinations.
16. If a Related Party applicant wishes to tender a reply affidavit, it must within thirty (30) days after the Claims Bar Date, deliver to the Receiver and to the application respondent a copy of any such reply affidavits.
17. Any Related Party Claims that are agreed to, unopposed or in respect of which no Application Response is delivered, will be deemed to be accepted.
18. Following receipt of the Application Responses referred to above, the Receiver will prepare a Report to the Court summarizing the Claims herein and will schedule a hearing on notice before the Honourable Justice Walker for directions and to address any procedural issues for the hearing of the Notices of Application filed by the Related Parties herein.
19. Following or at the hearing referred to above in paragraph 18 of this Order and subject to any directions or orders made at the hearing contemplated in paragraph 18 above, counsel

for the Receiver will use best efforts to schedule a hearing of all Related Party Applications on the first available date on which the Court and all counsel and parties involved are available. The applications are to be scheduled to be heard by the same judge and will be conducted as a Summary Trial pursuant to Rule 9-7 of the *Rules of Court* with a right of cross-examination on Affidavits in front of the presiding judge.

20. With the agreement of all participants, instead of proceeding through a Summary Trial, the Related Party Creditors may instead submit their claims to be determined by an Arbitrator of their choosing.
21. The right of appeal from a decision of the judge or arbitrator will be governed by the *Court of Appeal Act* and the *Court of Appeal Rules*.
22. For greater certainty and subject to this Order and the Receivership Order made herein on November 19, 2019 both being recognized by the Alberta Court of Queen's Bench, the Claims Process herein does not affect any claims that any Related Party may wish to advance against another Related Party in Alberta Court of Queen's Bench Action No. 1901-01772 (Judicial Centre of Calgary), except to the extent that any damages, compensation, indemnity or contribution is sought against Sather Ranch. All Claims brought against Sather Ranch are subject to and governed by this Order, must be proved in the Claims Process hereby established, failing which they shall be forever barred and the Related Party shall not be entitled to pursue such claims against Sather Ranch or the Receiver, or recover or receive any payment or other compensation or relief in respect thereof, whether from Sather Ranch or the Receiver.

GENERAL PROVISIONS

23. In the event that the day on which any notice or communication required to be delivered pursuant to this Claims Process is not a Business Day then such notice or communication shall be required to be delivered on the next Business Day.
24. In the event of any strike, lock-out or other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be delivered by personal delivery, courier, electronic mail or such other method which the Court on application may specify, and any notice or other communication given or made by prepaid mail within the five (5) Business Day period immediately preceding the commencement of such interruption, unless actually received, shall be deemed not to have been delivered. All such notices and communications shall be deemed to have been received, in the case of notice by personal delivery, courier or electronic mail prior to 5:00 p.m. (local time) on a Business Day, when received, if received after 5:00p.m. (local time) on a Business Day or at any time on a non-Business Day, on the next following Business Day, and in the case of a notice mailed as aforesaid, on the fourth Business Day



following the date on which such notice or other communication is mailed.

- 25. References in this Order to the singular shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender.
- 26. Any interested party may apply to this Court for advice or directions in regard to the Claims Process established hereby on not less than two (2) clear business day's notice to the Service List herein and to any other party who may be affected by the advice or direction to be sought.
- 27. 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.
- 28. Approval as to the form of the Order herein by counsel appearing, other than counsel for 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
Solicitor for the Receiver

BY THE COURT

REGISTRAR

SCHEDULE "A"
INSTRUCTION LETTER FOR THE CLAIMS AGAINST SATHER RANCH LTD.

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MICHAEL NEIL STREET and
MARIELLE JACQUEILINE ANGELLA BRULE

PLAINTIFFS

AND:

SATHER RANCH LTD. by its Court Appointed Receiver and
Manager, C. Cheveldave & Associates Ltd.

DEFENDANT

Dear Creditor:

PLEASE REVIEW THE FOLLOWING CAREFULLY AS YOUR LEGAL RIGHTS AND CLAIMS IN THE FOREGOING COMPANIES MAY BE IMPACTED.

By Order of the British Columbia Supreme Court pronounced January 14, 2021 (the "**Claims Process Order**") C. Cheveldave & Associates Ltd. (the "**Receiver**") has been authorized to conduct a claims process for the determination of any and all claims ("**Claims**") against Sather Ranch Ltd. (the "**Claims Process**").

A copy of the Claims Process Order can be obtained from the website of Receiver at <https://cheveldave.ca/engagements>

Under the Claims Process Order, all Known Creditors are to receive the attached "**Claims Package**", that being:

1. This instruction letter;
2. A form of Proof of Claim; and
3. Such other material as the Receiver considers necessary or appropriate.

In addition, the Receiver is required to publish a Notice to Creditors in the Penticton Herald. Subsequently, any other creditors who request a Claims Package will receive one as soon as practicable.

Under the terms of the Claims Process Order, you must file a Proof of Claim, with supporting documentation, in the form attached with the Receiver on or before the claims bar date of 4:00 p.m. (Pacific time) on March 31, 2021 (the “**Claims Bar Date**”) by delivering to the Receiver at its address shown below and preferably by email. Proofs of Claim must be received by the Receiver by 4:00 p.m. on the Claims Bar Date.

If you do NOT file a Proof of Claim on or before the by the Claims Bar Date of MARCH 31, 2021 your rights and recoveries against Sather Ranch Ltd. will be forever compromised, without any further notice.

In particular, a person who does not file a Proof of Claim with supporting documentation on or before the Claims Bar Date shall be forever barred from received any payment from the Receiver and its claim may not be enforced against Sather Ranch Ltd., unless otherwise ordered by the Court.

All enquiries and notices to the Receiver with respect to the Claims Process should be addressed to:

C. Cheveldave & Associates Ltd.
 Suite 600-1
 235 1st Avenue
 Kamloops, BC, V2C 3J4
 Telephone: 1-250-819-8614

Attention: Cecil Cheveldave
 Email: ctcheveldave@telus.net

SCHEDULE "B"
NOTICE TO CREDITORS

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MICHAEL NEIL STREET and
MARIELLE JACQUEILINE ANGELLA BRULE

PLAINTIFFS

AND:

SATHER RANCH LTD. by its Court Appointed Receiver and
Manager, C. Cheveldave & Associates Ltd.

DEFENDANT

By Order of the British Columbia Supreme Court pronounced January 14, 2021 (the "**Claims Process Order**") C. Cheveldave & Associates Ltd. (the "**Receiver**") has been authorized to conduct a claims process for the determination of any and all claims ("**Claims**") against Sather Ranch Ltd. (the "**Claims Process**").

In order to participate in distribution from the Receiver, any creditor, having a claim against Sather Ranch Ltd., must file a Proof of Claim on or before March 31, 2021, that being the Claims Bar Date.

If a creditor does not file a Proof of Claim by the Claims Bar Date of MARCH 31, 2021 its claim will be forever barred and it will not be entitled to participate in any way in any distribution or payment from the Receiver.

A Proof of Claim form may be obtained from the Receiver's website at <https://cheveldave.ca/engagements> or by sending a written request (preferably by email) to:

C. Cheveldave & Associates Ltd.
Suite 600-I
235 1st Avenue
Kamloops, BC, V2C 3J4
Telephone: 1-250-819-8614

Attention: Cecil Cheveldave
Email: ctcheveldave@telus.net

SCHEDULE "C"
PROOF OF CLAIM

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, C. Cheveldave & Associates Ltd.

DEFENDANT

Please read the Instruction Letter carefully prior to completing this Proof of Claim. Please print legibly.

1. Full Legal Name of Creditor _____ (the "Creditor").
2. Full Mailing Address of the Creditor (*All notices and correspondence regarding your Claim will be forwarded to this address or to the e-mail address or facsimile address below if appropriate and applicable*):

3. Telephone Number: _____
4. E-mail: _____
5. Facsimile Number: _____
6. Attention: _____

CLAIM DETAILS

Amount of Claim (Canadian Dollars): _____

THE UNDERSIGNED HEREBY CERTIFIES AS FOLLOWS:

- 1. I am a Creditor of Sather Ranch Ltd.
- 2. I have knowledge of all the circumstances concerning the Claim hereafter referred to.
- 3. Attached as Schedules to this Proof of Claim are:
 - (a) documents which establish the validity, amount and particulars of the Claim in Canadian Dollars;
 - (b) a description of the transaction or agreement giving rise or relating to the Claim; and
 - (c) copies of any documents evidencing security held for the Claim.

DATED at _____ this _____ day of _____, 2021.

Per: _____

 [Name of Creditor- please print]

Signature of Creditor

Note: all relevant documentation on which you rely in making your claim must be attached to this Proof of Claim, as the validity of your claim will be determined solely on this Proof of Claim and attachments thereto. If the claim is disallowed for any reason, and you file an appeal of that disallowance, the appeal will be heard as a true appeal and your ability to introduce fresh or new evidence in support of your claim will be limited accordingly.



**Schedules:
(to be attached to Proof of Claim)**

Schedule "A"

A description of the basis on which the Claim arose is as follows (attach separate sheet if necessary):

Schedule "B"

The following documents are attached and support the basis for the Claim as described above, including any claim for interest or other charges:

- (i)
- (ii)
- (iii)
- (iv)
- (v)
- (vi)
- (vii)

Schedule "C"

The following documents are attached and support the basis for my claim that I hold security in respect of this Claim:

- (i)
- (ii)
- (iii)
- (iv)
- (v)
- (vi)
- (vii)



INSTRUCTIONS FOR COMPLETION OF PROOF OF CLAIM

- **Address:** Please ensure that you complete the full name and delivery address, including fax number and email address of the creditor making the claim, as all future notices and correspondence regarding your Claim will be forwarded to this address, or to the e-mail address or facsimile address below if appropriate.
- **Amount of the Claim:** The amount of the Claim must be calculated as of and cannot include any charges or interest incurred thereafter. If your claim is in currency other than Canadian Dollars, you must convert to Canadian Dollars using the conversion rate in effect on .
- **Proper Completion:** The Proof of Claim is incomplete and may not be accepted unless:
 - (a) You have included a statement and description of the Claim,
 - (b) You have attached all supporting documents including statements of accounts and/or invoices in support, showing the dates and values of the claim, in conformance with the amount of the Claim, and all relevant security as required in the Schedules; and
 - (c) It is signed and dated by you.

Failure to properly complete or return your Proof of Claim on or before 4:00pm on , 2021 will result in your Claim being barred and extinguished, without any further entitlement to recover your Claim from the Petitioner.

- **Delivery:** The duly completed Proof of Claim, together with all schedules and accompanying documents, must be delivered to the Receiver (addresses below and preferably by email) on or before the Claims Bar Date of :

C. Cheveldave & Associates Ltd.
 Suite 600-I
 235 1st Avenue
 Kamloops, BC, V2C 3J4
 Telephone: 1-250-819-8614

Attention: Cecil Cheveldave
Email: ctcheveldave@telus.net

- **Disallowance:** The Receiver is entitled to disallow your Proof of Claim in whole or in part. If your Claim is disputed in whole or in part, by the Receiver, the Receiver will send you a Notice of Disallowance along with particulars as to how you may dispute the

Notice of Disallowance. If you do not receive a Notice of Disallowance by that deadline, the Receiver has accepted your Claim for the purpose of receiving a distribution.



SCHEDULE "D"
NOTICE OF DISALLOWANCE

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

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

PLAINTIFFS

AND:

**SATHER RANCH LTD. by its Court Appointed Receiver and
Manager, C. Cheveldave & Associates Ltd.**

DEFENDANT

To: Name of Creditor: _____

Pursuant to the Claims Process, C. Cheveldave & Associates Ltd. (the "Receiver"), in its capacity of court appointed receiver of Sather Ranch Ltd., hereby gives you notice that your Proof of Claim dated _____, 2020 has been reviewed and the Receiver has disallowed, either partially or in full, your Claim for the following reasons:

Subject only to an appeal of this disallowance being successfully brought by you in full compliance with the provisions of the Claims Process Order, including the prescribed time for any appeal to be filed, your claim will be allowed as follows:

Name of Creditor	Amount Claimed	Amount Allowed

DATED at _____, British Columbia, this ____ day of _____, 2021.

The Receiver.

Per:

Authorized Signatory

If you wish to appeal this Notice of Disallowance you must file a Notice of Application and supporting Affidavit by the deadline provided for in the Claims Process Order, A copy of which is available on the Receiver's website at <https://cheveldave.ca/engagements>.



IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MICHAEL NEIL STREET and
MARIELLE JACQUEILINE
ANGELLA BRULE

PLAINTIFFS

AND:

SATHER RANCH LTD. by its
Court Appointed Receiver and
Manager, C. Cheveldave &
Associates Ltd.

DEFENDANT

CLAIMS PROCESS ORDER



Barristers & Solicitors
1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2

Phone: (604) 685-3456

Attention: Scott R. Andersen

File No. 36622-148976

A handwritten signature in black ink, appearing to be 'S. Andersen', located at the bottom left of the page.