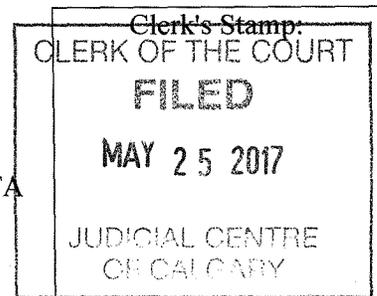


COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE CALGARY
APPLICANT **LUTHERAN CHURCH – CANADA, THE ALBERTA – BRITISH
COLUMBIA DISTRICT, ENCHARIS COMMUNITY HOUSING AND
SERVICES, ENCHARIS MANAGEMENT AND SUPPORT
SERVICES, AND LUTHERAN CHURCH – CANADA, THE
ALBERTA – BRITISH COLUMBIA DISTRICT INVESTMENTS
LTD.**
DOCUMENT **AFFIDAVIT**



ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Burnet, Duckworth & Palmer LLP
2400, 525 – 8 Avenue SW
Calgary, AB T2P 1G1
Lawyer: Jeffrey E. Sharpe
Phone Number: (403) 260-0176
Fax Number: (403) 260-0332
Email Address: jes@bdplaw.com
File No. 74569-5

AFFIDAVIT OF LAURA HRISTOW

Sworn on May 25, 2017

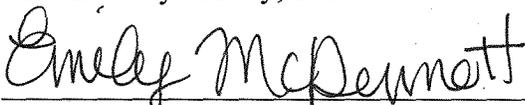
I, Laura Hristow, of Calgary Alberta, an employee of Sage Properties Corp. MAKE OATH AND SAY THAT:

1. I am an employee of Sage Properties Corp. (**Sage**). I have personal knowledge of the matters set out in my Affidavit except where stated to be based upon information and belief, in which case I believe such matters to be true.
2. I make this Affidavit in respect of an application brought in this action by the Monitor in order to provide, on behalf of Sage, additional documents and information which the Court may find pertinent to the Application.
3. I have reviewed Sage's files and have spoken with Sandra Jory, Chairman of Sage. Based on my discussions with Ms. Jory and from my review of the file material, it is my information and belief that the exhibits attached to this Affidavit are all communications received or sent by or on behalf of Sage and/or its counsel concerning matters which appear potentially relevant in respect of the Monitor's Application returnable before the Court on May 25, 2017.

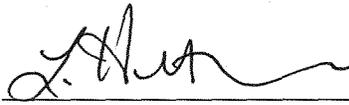
4. Attached and marked as **Exhibit A** is an email chain from March 1 between Sandra Jory (**Jory**) and Georg Beinert (**Beinert**) in which Jory responds to questions from Beinert about financial statements and suggests that if Beinert wants resolutions brought up at the shareholders meeting to contact her and/or get appropriate legal advice.
5. Attached and marked as **Exhibit B** is an email chain provided by a shareholder of Sage from May 5 showing Allan Garber (**Garber**) sent out dissident documents to shareholders of Sage.
6. Attached and marked as **Exhibit C** is a record of phone conversation with Karen Bell, a shareholder of Sage, reporting that someone from Beinert's phone number called her claiming to be a representative of Sage and wondering how they got her contact information. The Sandra referred to in the exhibit is Jory.
7. Attached and marked as **Exhibit D** is an email chain from May 14 provided by a shareholder of Sage to Jory attaching the May 12 letter from Beinert, which is attached as Appendix G of the Twenty-Eighth Report of the Monitor.
8. Attached and marked as **Exhibit E** is an email chain from May 12 from a shareholder of Sage complaining about dissident communication and wondering how they got her contact information.
9. Attached and marked as **Exhibit F** is an email chain from May 15 from a shareholder of Sage forwarding Beinert's previous communication.
10. Attached and marked as **Exhibit G** is an email chain from May 17 from a shareholder of Sage showing continued solicitation by Beinert.
11. Attached and marked as **Exhibit H** is an email chain from May 18 from a shareholder of Sage showing continued proxy related correspondence by Beinert and/or others.
12. Attached and marked as **Exhibit I** is an email chain from May 17 between Jory and Beinert related to continued solicitation.
13. Attached and marked as **Exhibit J** is an email from May 21, from a shareholder of Sage, forwarding on Memo to Legal Defence Fund Members.
14. Attached and marked as **Exhibit K** is the Memo to Legal Defence Fund Members.

- 15. Attached and marked as **Exhibit L** is an email from May 22 from a shareholder of Sage forwarding on Beinert Response to Frequently Asked Questions, which is attached as Appendix I of the Twenty-Eighth Report of the Monitor.
- 16. Attached and marked as **Exhibit M** is an email from a shareholder of Sage from May 23 expressing frustration and confusion with dissident's actions.
- 17. Attached and marked as **Exhibit N** is a letter from a shareholder from May 23 indicating that they are disturbed and distressed by dissident's actions.
- 18. Attached and marked as **Exhibit O** is an email from a shareholder from May 24 expressing concern from a number of shareholders about dissident actions.
- 19. Attached and marked as **Exhibit P** is a letter from Sage to Randy Kellen and Don Specht, demanding they cease and desist further solicitation of proxies.
- 20. The references to certain persons as shareholders of Sage in 5, 6, 7, 8, 9, 10, 11, 13, 15, 16, 17 and 18 are each based entirely on the shareholder registry of Sage
- 21. In Exhibits A, D, F, J and L the contact information of certain individuals has been redacted for privacy reasons.
- 22. In Exhibits B, D, G, H, J and L the name and contact information of a shareholder of Sage was redacted as the consent of the individual was limited to the disclosure of the documents and did not include consent to disclose the name or contact information of the individual.
- 23. Exhibits A, B, D, G, H, J and M in addition to the redactions noted above, have been redacted to remove certain non-relevant and / or privileged information.
- 24. I make this Affidavit in respect of the matters before the Court in respect of the Monitor's Application on May 25, 2017 and for no improper purpose.

SWORN/AFFIRMED BEFORE ME at the)
 City of Calgary, in the Province of Alberta,)
 this 25th day of May, 2017.)



A Commissioner for Oaths in and for the Province of Alberta.



Laura Hristow

Emily Claire McDermott
 A Commissioner for Oaths/Notary Public
 In and for the Province of Alberta

Emily Claire McDermott
 Student-at-Law

Exhibit A

Ted Brown

From: Sandra Jory [sandra.jory@sageproperties.ca]
Sent: Tuesday, May 23, 2017 1:13 PM
To: Ted Brown
Subject: Fw: February 16 Phone Call Inquiry

Redacted privileged and not relevant

From: Sandra Jory
Sent: March 1, 2017 5:03 PM
To: Georg _
Subject: Re: February 16 Phone Call Inquiry

Hi Georg

There were no assets or activities prior to October 31, when the assets of POP were transferred into SAGE.

Therefore the first quarter with activity was Nov 1 to January 31 and these statements are currently being reviewed by the Board. If/When a decision is made by the board to release this quarterly statement to the shareholders, it will be provided to all shareholder at the the same time.

Thanks

Sandra

Get [Outlook for iOS](#)

From: Georg _ <alternate1517@gmail.com>
Sent: Wednesday, March 1, 2017 1:40 PM
Subject: Re: February 16 Phone Call Inquiry
To: Sandra Jory <sandra.jory@sageproperties.ca>

THIS IS EXHIBIT " A "
referred to in the Affidavit of
Laura Hristow
Sworn before me this 25
day of may A.D. 2017
Emily MacBennett
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Hi Sandra,

Please provide me with a copy of each of Sage Properties Corp. quarterly financial statements, to date. This includes the 'first quarter' quarterly financial statement ending November 30, 2016 and the 'second quarter' quarterly financial statement ending February 28, 2017.

Please send the first quarter (Nov 20, 2016) statement now.

Please send the second quarter (Feb 28, 2016) statement as soon as it is ready.

I anticipate your prompt forwarding of these statements to me according to the FINAL First Report of the Monitor to District Creditors, March 28, 2016, paragraph 39.

Thank you.
Georg

On Thu, Feb 23, 2017 at 9:34 AM, Sandra Jory <sandra.jory@sageproperties.ca> wrote:
Hi Georg

In response to your phone inquiries on February 16, 2017. I have discussed these with our legal counsel and respond as requested below:

1. Request for financial statements - we are required to provide annual audited financial statements. As SAGE's year end is March 31, 2017, audited financial statements will be provided to shareholder at the AGM to be held subsequent to this date.
2. Request to submit resolutions - SAGE cannot provide legal advice to its shareholders. That said I would encourage you to discuss any desired resolutions with me. While I make no promises, I am open to discussing ideas regarding SAGE with you. And while I cannot provide you with legal advice I would make mention that the Alberta Business Corporation Act is available online at <http://www.qp.alberta.ca/documents/Acts/B09.pdf>

I hope I have answered the questions put forward. If I have missed anything or if you require something further please let me know.

Sandra Jory, CPA, CA
Interim Chair
SAGE Properties Corp.

 Redacted Personal
Contact Information

Exhibit B

Ted Brown

From: scjory@telus.net
Sent: Tuesday, May 09, 2017 3:03 PM
To: Ted Brown; Myron Yurko; Scott McCorquodale; Stephen Nielsen; Murray & Debbie
Cc: Paul Mereau
Subject: Fwd: SAGE DISSIDENT PROXY CIRCULAR
Attachments: img-170505151303-0001.pdf

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Redacted privileged and not relevant

[Redacted]

From: [Redacted] [Redacted Personal Information]
To: scjory@telus.net
Sent: Tuesday, May 9, 2017 2:21:49 PM
Subject: FW: SAGE DISSIDENT PROXY CIRCULAR

From: altermod [mailto:altermod@telusplanet.net]
Sent: Friday, May 05, 2017 6:16 PM
To: altermod@telusplanet.net
Subject: Fwd: SAGE DISSIDENT PROXY CIRCULAR

THIS IS EXHIBIT " B "
referred to in the Affidavit of
Laura Hristow
Sworn before me this 25
day of may A.D. 2017
Emily McDermott
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Please remove the above email when circulating.

This affects most ABC District churches, many families and individuals. Please circulate to any one that has contact with Sage shareholder's interests.

This email below and attachment was sent by Alan Garber. It explains some of the concerns with the proxy form prepared by Sage. There are many that don't use email so they can contact him at the phone # below if they need to get more info.

" Please circulate far and wide in order to defeat the shareholder resolutions proposed by Sage Management. They have made no effort to market or sell Sage's assets, and now want to diminish the powers of the Shareholders. "

Allan Garber

Barrister & Solicitor

108, 17707 – 105 Avenue NW

Edmonton, AB T5S 1T1

Telephone (587) 400-9310

Fax (587) 400-9313

Email allan@garberlaw.ca

Note: This email address is not a valid address for service pursuant to Rule 11.21 of the Alberta Rules of Court. If you need to serve legal documents on Allan A. Garber, as lawyer of record, please do so by courier, recorded mail or fax.

From: donotreply@garberlaw.ca [mailto:donotreply@garberlaw.ca]

Sent: May 5, 2017 4:14 PM

To: Allan Garber <allan@garberlaw.ca>

Subject: Scan Data from [XRX9C934E55BFD3]

Exhibit C

Paul Mereau

From: Laura Hristow [laura.hristow@sageproperties.ca]
Sent: Thursday, May 11, 2017 2:30 PM
To: Paul Mereau
Cc: Ted Brown; Sandra Jory; Scott McCorquodale
Subject: Sage Shareholders Recieving Phone Calls from George Beinert's Number

Hi Paul,

As promised, here are the details of the conversation I had with a Shareholder this morning:

Shareholder Name: Karen Bell – contacted me 10:28am May 11, 2017

- phoned me this morning to tell me she received a call at 10:00pm last night from someone in our office by the name of Richard
- I informed her there wasn't anyone by the name of Richard who works with Sage or is on the Board.
- Asked her for Richard's last name, but he didn't leave her one.
- She gave me the phone number, to which Sandra informed me is George Beinerts
- Karen also told me "Richard" informed her to ignore the original Sage package and proxy and that another one was in the mail that she is required to fill out.
- She was upset and curious as to how her information was shared with someone if they aren't a Sage Board member or employee.

Let me know if you have further questions.

Laura Hristow
Sage Properties Corp.
Email: laura.hristow@sageproperties.ca
P: (403) 478-9661
Suite 410
505 – 8th Avenue SW
Calgary, AB T2P 1G2

THIS IS EXHIBIT " C "
referred to in the Affidavit of
Laura Hristow
Sworn before me this 25
day of May **A.D.** 2017
Emily Moberloff
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Exhibit D

Ted Brown

From: Sandra Jory [scjory@telus.net]
Sent: Monday, May 15, 2017 10:04 AM
To: Ted Brown; Paul Mereau; Stephen Neilsen; Myron Yurko; Murray Warnke; Scott.McCorquodale@sageproperties.ca; Tony Chin; laura.hristow@sageproperties.ca
Subject: Fwd: URGENT Letter re: SAGE DISSIDENT PROXY
Attachments: GB Letter to fellow shareholders May 12 2017 unsigned.pdf; ATT00001.htm

FYI

Sandra Jory

Redacted Personal Contact Information

Sent from my iPhone, please forgive any typos.

Begin forwarded message:

From: [Redacted Personal Information]
Date: May 15, 2017 at 9:58:47 AM MDT
To: <scjory@telus.net>
Subject: FW: URGENT Letter re: SAGE DISSIDENT PROXY

Hi

Redacted Not Relevant

Redacted Personal Information

From: altermod [mailto:altermod@telusplanet.net]
Sent: Sunday, May 14, 2017 4:14 PM
To: altermod@telusplanet.net
Subject: Fwd: URGENT Letter re: SAGE DISSIDENT PROXY

Please remove the email above when forwarding.

Please consider that SAGE board did not provide any rules of order or formal agenda for the meeting. Mr. Beinert's numerous Shareholders interests and over 50% of the Churches in gaining the best return as soon as possible had taken the Dissident Sage Proxy action.

Attached is an unsigned copy of the letter that was mailed to the shareholders late this afternoon.

Blessings to you.
Georg

THIS IS EXHIBIT " D "
referred to in the Affidavit of
Laura Hristow

Sworn before me this 25
day of may **A.D.** 2017

Emilio McDermott
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Exhibit E

Ted Brown

From: Sandra Jory [sandra.jory@sageproperties.ca]
Sent: Tuesday, May 23, 2017 1:19 PM
To: Ted Brown
Subject: Fw: Dissident Proxy Circular

THIS IS EXHIBIT " E "
referred to in the Affidavit of
Laura Hirstow

Sworn before me this 27
day of May **A.D.** 2017

Emily Moberg

**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

From: Karen <kbroughton@xplornet.com>
Sent: May 12, 2017 8:04 AM
To: Sandra Jory
Subject: Re: Dissident Proxy Circular

Hello Ms. Jory,

Thank you for sending this! We have already burned what we received, to help heat our house. 8^)

They (Randy Kellen) used to communicate through our church email account, but our church council has given instruction not to forward anything from them.

How were they able to get our addresses? Or find out our names? Is there a public listing of shareholders? We really do not want to have to deal with their mailings -- they haven't even the decency to put a return address on the envelopes.

Our proxies are already on the way to you, in support of the proposed resolutions.

Thank you for the work you're doing -- it cannot be easy.

Karen Broughton

On 2017-05-11 8:50 pm, Sandra Jory wrote:

Dear Shareholder

Please see the attached letter. You will also be receiving a copy by mail.

In summary, it has come to the attention of the board of directors of Sage Properties Corp, that two documents, one purporting to be a "dissident proxy circular" and one purporting to be a "dissident proxy" have been circulated by Georg Bienert and Bill Mulder (shareholders of Sage) and their legal Counsel Allan Garber.

You should be aware that is the view of the board, based on the advise of Sage's legal counsel, that the "dissident proxy circular" and the "dissident proxy" have been prepared and solicited in a manner that is **wholly non-compliant with applicable laws**. Sage **will NOT accept** any of the "dissident proxies" solicited by Messrs. Beinert, Mulder and Garber at the meeting of the shareholders of Sage to be held on May 26, 2017.

Please complete the proxy provided by Sage only. If you have any questions please contact Sage at 403-478-9661 or by responding to this email.

Sincerely yours,

Sandra Jory, CPA, CA
Chairman of the Board
Sage Properties Corp.

Exhibit F

Ted Brown

From: Sandra Jory [scjory@telus.net]
Sent: Wednesday, May 24, 2017 11:05 AM
To: Ted Brown
Subject: Fwd: URGENT Letter re: SAGE DISSIDENT PROXY
Attachments: GB Letter to fellow shareholders May 12 2017 unsigned.pdf; ATT00001.htm

Sandra Jory
[REDACTED]

Redacted Personal Contact Information

Sent from my iPhone, please forgive any typos.

Begin forwarded message:

From: "St. Peter's Lutheran Church" <stpeterslutheran@shaw.ca>
Date: May 24, 2017 at 10:40:02 AM MDT
To: "Sandra Jory" <scjory@telus.net>
Subject: FW: URGENT Letter re: SAGE DISSIDENT PROXY

From: Randy Kellen [mailto:kellen@telus.net]
Sent: May-15-17 8:50 PM
To: kellen@telus.net
Subject: FW: URGENT Letter re: SAGE DISSIDENT PROXY

Pastor's,

If you passed on any information to existing Sage shareholders last week, sent out by myself or anyone else, would please pass on this bit of unfortunate news regarding the dissident proxy.

To Sage Shareholders,

I have been informed that the "dissident Proxy" form sent out last week will not be accepted at the upcoming Sage meeting being held in Edmonton, Alberta. Sage has commented that the "dissident proxy" has been prepared and solicited in a manner that is wholly non-compliant with applicable laws.

Please review Georg Beinert's attached letter to fellow Sage shareholders.

Thanks,
Randy Kellen

It appears there may be important changes this week re: Proxies, so if you are NOT planning on attending in person, perhaps it is best to wait until early next week to fax in your proxy. If mailing it you will have to allow more time. The proxy is due no later than NOON on Wed. May 24, 2017.

In the meantime, please read the important information attached and notify anyone who does not have a computer who is affected. Also, if you have not listed your email as a

THIS IS EXHIBIT " F "
referred to in the Affidavit of
Laura Hirstaw

Sworn before me this 25
day of May **A.D.** 2017

Ernie Moberg
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

contact for the elderly with no PC or need more timely info please contact the copied emails above or phone e Georg Beinert 780 835-8722 or Bill Mulder at 604-536 3169. Thank you.

FROM Mr. Georg Beinert attached and below;

Attached is an unsigned copy of the letter that was mailed to the shareholders late this afternoon.

Blessings to you.
Georg

Exhibit G

Ted Brown

From: scjory@telus.net
Sent: Friday, May 19, 2017 6:00 AM
To: Ted Brown
Cc: Stephen Neilsen; Myron Yurko; Murray Warnke
Subject: Fwd: Voting by Proxy KEY iinfo

[Redacted] Redacted Privileged and Not Relevant

From: [Redacted] > Redacted Personal Information
To: scjory@telus.net
Sent: Thursday, May 18, 2017 10:50:34 PM
Subject: FW: Voting by Proxy KEY iinfo

Hi .Sandra

Here we go a a again.

[Redacted] Redacted Personal Information

THIS IS EXHIBIT " G "
referred to in the Affidavit of
Laura Hirston
Sworn before me this 25
day of May A.D. 2017
Suzey McDemott
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

From: altermod [mailto:altermod@telusplanet.net]
Sent: Thursday, May 18, 2017 10:20 AM
To: altermod@telusplanet.net
Subject: Fwd: Voting by Proxy KEY iinfo

Please remove above email when forwarding or printing. There is key voting information below.

It has been recommended that

- a) the SAGE proxy have the earliest date on it &
- b) also send/bring in the DISSIDENT proxy with a later date on it along with the SAGE proxy
- c) and keep COPIES of both completed proxies.

IF SENDING BY MAIL: Monday is a holiday, so **mail must go out by Friday** to be received by noon Wed. depending upon your location.

FAX: best option for guaranteed receipt, but don't wait till the last hour, the line may be busy.

From: "Georg"
Sent: Wednesday, May 17, 2017 3:34:40 PM
Subject: Voting by Proxy

Dear Fellow Shareholders and Friends,

I am being asked to be the proxy on an increasing number of SAGE's proxy forms. Many people are wanting me to make choices for them after discussions have been heard at the meeting. I would like clarification on the proxy process. I am still awaiting for a reply from SAGE on the following:

Please explain how SAGE intends to match proxies to the named proxy holder if SAGE is requiring all proxies to be delivered to Alliance Trust Company.

Please advise and explain that when shareholders designate me as their proxy, that I may (or may not) carry such proxies to the meeting and hold them throughout the voting process.

Please explain how SAGE can ensure that it will NOT fill in any areas that are left blank, upon receipt, so that the named proxy (other than Sandra and Scott) can be ensured the freedom of the vote as per the wishes expressed to the named proxy holder.

Please explain how the proxy holder will be able to vote on their proxies held, if there happen to be amendments, especially if their entrusted proxies are not held 'in hand'.

Please explain if/how the proxies will be given to those named proxy holders (other than Sandra and Scott) at the meeting so that those named proxy holders can be confident that their duty as proxy holders is being respectfully fulfilled.

Others have raised these same questions to me. Please let others know about these questions, as it may affect if/how they wish to participate in the meeting. Some shareholders are seeing this process as a logistical nightmare and are expressing their great concern. It has been highly recommended that you send a reference copy of your proxy to your trusted named proxy holder if you plan to vote by proxy.

Please give these things your due consideration.

Thank you.

Georg

Exhibit H

Ted Brown

From: scjory@telus.net
Sent: Friday, May 19, 2017 6:55 AM
To: Ted Brown; Stephen Neilsen; Myron Yurko; Murray Warnke; Scott McCorquodale
Cc: Laura Hristow; Tony Chin
Subject: FAQs
Attachments: 2017-05-19 Frequently asked questions.docx

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Redacted Privileged and Not Relevant

[Redacted]

From: [Redacted] Redacted Personal Information
To: scjory@telus.net
Sent: Thursday, May 18, 2017 10:54:01 PM
Subject: FW: Sage Shareholder Concerns L1st

Hi Sandra

[Redacted] Redacted Personal Information

THIS IS EXHIBIT " H "
referred to in the Affidavit of
Laura Hristow
Sworn before me this 25
day of May A.D. 2017
Emily McDermott
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

From: altermod [mailto:altermod@telusplanet.net]
Sent: Thursday, May 18, 2017 9:29 AM
To: altermod@telusplanet.net
Subject: Sage Shareholder Concerns L1st

Please remove the email above when passing on or printing this for the shareholders who do not have a computer before the SAGE voter's meeting on May 26, 2017 in Leduc.

This is an updated list of concerns:

If you need updates please give your email to Georg Beinert: beinert2017@gmail.com directly to add to his contact database for timely info.

This Dissident Proxy Plan is a concerned Shareholder group who wants

a) an elected Board voted in by Shareholders and

b) put POP on the real estate market to see what buyers are available at the best offer. The shareholders will vote on what is the best OPTION once they have tested the buyer market. c) ensure there is no opportunity of acting beyond what is voted on: The SAGE proxy allows the Board to do anything they see fit beyond the PROPOSED OPTION .

Here are a list of grave concerns that have been expressed:

1. The shareholders are to vote to elect a Board of Directors at the first shareholder meeting, but SAGE states that it won't be doing so (see page 7, paragraph 4). This is contrary to SAGE Bylaw 3.5 and *Business Corporations Act* s. 106
2. The Options presented will be 'advisory only', giving the unelected Directors the ability to free themselves from the direction of the shareholder's vote.
3. Option B (to pursue subdivision) is recommended by SAGE management, but if you read carefully you will note that they say that there is no assurance that SAGE will be able to subdivide. (They are making a recommendation to which they have no suitable detail, and they are providing management advice that is contradictory - i.e. to subdivide while also saying that they may not be able to subdivide. Why promote subdivision if it is not known whether such is possible.)
4. Option C requests the shareholders to give permission to borrow money beyond the 10% court ordered cap. There is no information that suitably provides 'how much' money would be required. Nor is there any information about how the value of the shares would be realistically affected.
5. Option A is painted in an extremely negative way, giving the impression that 'it can't be sold'. Yet this is in contrast to the fact that a number of real estate interests have approached SAGE yet SAGE management has firmly dismissed these possible opportunities without exploring them and presenting them as part of "all reasonable commercial options".
6. SAGE has entertained a distressed asset buyer but makes no accurate mention of this in their circular. Instead, there appears to be a suggestion that these activities were done to test the market. It is unthinkable that one would engage a distressed asset buyer to achieve "maximum value".

7. SAGE, in resolution 3, would be removing power of the shareholder by removing the mandatory redemption provision that grants shareholders ability in court to address any dis-satisfactions that they might encounter regarding this matter.
8. SAGE, in resolution 4, would reduce the quorum from 50% to 25%. Reducing quorum to only 25% can produce a dangerous scenario where a few well-positioned and active shareholder interests can control the direction. This is unwise, especially in light of the elderly demographic of this shareholder group. There are other and better ways to achieve successful shareholder response.
9. SAGE, in resolution 5, would remove the transparency that is currently available to shareholders. If the database is removed, then it will not be possible for the shareholders to monitor what is taking place at the share purchase level. The database is a protection mechanism that should not be removed.
10. SAGE, in resolution 6, would remove the very protection that the court placed into the Plan to protect the shareholders from becoming over-leveraged in borrowing. When you read SAGE's statement (page 25) "No assurance can be given that we will be successful in raising the required capital at a reasonable cost" it becomes apparent that such borrowing could then come from a venture capital pool - which could potentially then 'take' the property assets as repayment for any failure in that venture. (Way too high of a risk!)
11. There is insufficient information in any of the option discussions which shareholders can use to make a reasoned and informed decision. The numbers provided are very broad-ranged and vague and completely unsupported with sample data.
12. This is the first meeting of the shareholders, and all SAGE's resolutions will remove certain elements of shareholder power that was built into the Plan that the majority of the Depositors voted for. Removing these powers (and doing so as the first order of business) is especially undesirable in view of the appearance of a distressed asset buyer of whom SAGE management remains silent about.

The Depositor/Shareholders who have spoken to me are expressing great dissatisfaction with what they have encountered with SAGE, and they want to see things turned in their favor. Therefore, we have provided our Dissident Proxy Circular and Form in an effort to protect the shareholder's interests.

Please let me know if you have any questions about these or other related concerns. Georg Beinert 780-835 8722

Exhibit I

Ted Brown

From: Sandra Jory [sandra.jory@sageproperties.ca]
Sent: Thursday, May 18, 2017 8:13 PM
To: Georg_
Subject: Re: Voting by proxy

THIS IS EXHIBIT I
referred to in the Affidavit of
Laura Hirstow
Sworn before me this 25
day of May **A.D.** 2017
Emilee Mademott
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Georg,

I am sorry, I certainly did not intend my email as a threat. I wanted to make sure you understood that contacting shareholders and requesting to be named as their proxy holders is in fact soliciting proxies. Soliciting proxies in this manner is not allowed (as per the ABCA).

I am sorry I am unable to travel to Fairview to meet with you. I also fear that any meeting between us at this point would be unproductive and not in the best interests of Sage or its shareholders. While I detest saying these words, I think it would be best that any further communication at this stage be through legal counsel, so if you have any further questions please have your legal counsel contact Ted Brown at Burnet, Duckworth & Palmer LLP, Suite 2400, 525-8th Ave SW Calgary, AB T2P 1G1, Telephone 403.260.0298, Fax 403.260.0332.

Georg I do care about you and I am concerned about the stress this is causing for you. I hope that you will consider talking things over with your Pastor and praying about whether your plan of action is in the best interests of our fellow brothers and sisters in Christ. I urge you to listen to how the Holy Spirit is guiding you.

Sincerely,

Sandra

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From: Georg_ <alternate1517@gmail.com>
Sent: Wednesday, May 17, 2017 10:41:17 PM
To: Sandra Jory
Subject: Re: Voting by proxy

Hi Sandra,

I am not soliciting any proxies. Please stop threatening me. Please answer my questions.

Sincerely,
Georg.

On Wed, May 17, 2017 at 10:12 PM, Sandra Jory <sandra.jory@sageproperties.ca> wrote:
Georg,

Shareholders have been told that the dissident proxy circular will not be accepted as was communicated in SAGEs letter to you last week, no other message has been communicated.

I would add that it appears from your below correspondence that you are still soliciting proxies. As noted in our letter to you dated May 11, 2017, it is a violation of the provisions of the *Business Corporations Act* (Alberta) to solicit proxies unless you have provided an information circular and form of proxy that is compliant with the

requirements of the *Business Corporations Act* (Alberta). We recommend that you keep the provisions of the *Business Corporations Act* (Alberta) in mind and govern yourself accordingly. The provisions of the *Business Corporations Act* (Alberta) are in place to protect the interests of shareholders.

Instructions on how to complete and submit a proxy have been included on both the form of proxy and the management information circular provided by Sage. Proxies properly completed and submitted in accordance with those instructions will be accepted by Alliance Trust Company as valid.

Representatives of Alliance Trust Company, an independent party and a reputable trust company, who acts in this capacity for a variety of companies both public and private, (or such other independent party as may be appointed in accordance with the by-laws of Sage) will act as scrutineers for the meeting.

In accordance with applicable laws and the by-laws of Sage, the Board is responsible for the management or the supervision of the management of the business and affairs of Sage.

Respectfully,
Sandra

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From: Georg _ <alternate1517@gmail.com>
Sent: Wednesday, May 17, 2017 9:44 PM
Subject: Re: Voting by proxy
To: Sandra Jory <sandra.jory@sageproperties.ca>

Hi Sandra,

It is the end of the day and I have not heard from you.

Georg

On Wed, May 17, 2017 at 3:27 PM, Sandra Jory <sandra.jory@sageproperties.ca> wrote:
Hi Georg

I'm just out of my office. I will respond before the end of the day.

Thanks for your patience.

Sandra

Get [Outlook for iOS](#)

From: Georg _ <alternate1517@gmail.com>
Sent: Wednesday, May 17, 2017 1:15:43 PM
To: Sandra Jory
Subject: Re: Voting by proxy

Hello Sandra,

Please advise promptly, preferably immediately,

Will SAGE allow me to hand-deliver proxies to the meeting? (I have a growing list of people who are appointing me as their proxy, but who may not vote at all if they have no assurance that I have full effect on their proxies.)

If all proxies must be submitted to Alliance Trust Company, how will these proxies be associated with the named proxy-holder in the event of votes on any amendments?

How will these votes be scrutinized to ensure that votes are registered according to the proxy named to someone other than Sandra and Scott?

If proxies must be submitted 'at the door' how are people to vote after listening to discussions at the meeting?

Please reply promptly. This is a very urgent issue.

Thank you.
Georg

On Wed, May 17, 2017 at 10:19 AM, Georg _ <alternate1517@gmail.com> wrote:
Hello Sandra,

It has been brought to my attention that you were in conversation with a SAGE shareholder. That shareholder indicated to me that you told them that SAGE will not be accepting any proxies with my name on the form.

- Please confirm if this is true.
- Otherwise, please advise me if this is a misunderstanding of that shareholder, and please describe the context of the comment that you had supposedly made.

I am being asked to be the proxy on an increasing number of SAGE's proxy forms. Many people are wanting me to make choices for them after discussions have been heard at the meeting.

Please explain how SAGE intends to match proxies to the named proxy if SAGE is requiring all proxies to be delivered to Alliance Trust Company.

Please advise and explain that when shareholders designate me as their proxy, that I may (or may not) carry such proxies to the meeting and hold them throughout the voting process.

Please explain how SAGE can ensure that it will NOT fill in any areas that are left blank, upon receipt, so that the named proxy (other than Sandra and Scott) can be ensured the freedom of the vote as per the wishes expressed to the named proxy holder.

Please explain how the proxy holder will be able to vote on their proxies held, if there happen to be amendments, especially if their entrusted proxies are not held 'in hand'.

Please explain if/how the proxies will be given to those named proxy holders (other than Sandra and Scott) at the meeting so that those named proxy holders can be confident that their duty as proxy holders is being respectfully fulfilled.

Shareholders are seeing this process as a logistical nightmare and are expressing their mistrust.

Also, as of yesterday evening, it has been learned that SAGE's management pair (Scott and Tony) salaries amount to a collective \$432,000 per year. (Scott = \$20K/mo = \$240,000 per year, Tony = \$16K/mo = \$192,000 per year). Sandra, this is **OUTRAGEOUS!** It is no wonder that you and SAGE have not wanted to disclose this information. Please justify these outrageous salaries. Mr. McCorquodale is a former real estate agent. What experience does he have in leading this kind of corporation? If he has such experience, please name that experience. According to his LinkedIn profile, Mr. Chin's experience is in the accounting department of an aerial photography firm, and his 'independent consulting' coincides with his association with Kluane Financial Services (i.e. the CRO's company). Does Mr. Chin have suitable experience for this job? Please explain.

Please explain who it was that set these salaries. Was it SAGE's Board of Directors that set these salaries? When did Mr. McCorquodale and Mr. Chin BEGIN receiving these salaries?

I am a shareholder. I hold a significant amount of shares. I believe that I am entitled to know this kind of information and to receive it without delay.

Your prompt reply is anticipated.

Thank you.
Georg

Exhibit J

THIS IS EXHIBIT I
referred to in the Affidavit of
Laura Hirstew
Sworn before me this 25
day of May AD 2017
Emily McDemott
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF YUKON
Murray

Ted Brown

From: Sandra Jory [scjory@telus.net]
Sent: Sunday, May 21, 2017 6:49 PM
To: Ted Brown; Scott.McCorquodale@sageproperties.ca; Stephen Neilson; Murray Warnke
Subject: Fwd: Sage Property Shareholder Meeting
Attachments: SAGE Proxy Form - MAY 2017.pdf; ATT00001.htm; Memo to Legal Defence Fund Members and Friends re Sage 20-May-2017.pdf; ATT00002.htm

[Redacted]

Redacted Privileged and Not Relevant

Sandra Jory

[Redacted]

Redacted Personal Contact Information

Sent from my iPhone, please forgive any typos.

Begin forwarded message:

From: [Redacted] Redacted Personal Information
Date: May 21, 2017 at 5:18:36 PM MDT
To: <scjory@telus.net>
Subject: FW: Sage Property Shareholder Meeting

Hi Sandra

[Redacted]

Redacted Not Relevant

From: Randy Kellen [mailto:kellen@telus.net]
Sent: Saturday, May 20, 2017 9:28 AM
To: kellen@telus.net
Subject: FW: Sage Property Shareholder Meeting

To Sage Properties share holders,

Just a reminder that the May 24th, noon deadline, for faxing in your Sage Form Of Proxy is fast approaching. Do not wait for the last minute as this is a single line which will no doubt be busy.

If you do choose to appoint a proxy other than those provided please ensure that you cross out the names of Sandra Jory and Scott McCorquodale and add your chosen proxy holder to the blank space provided.

Your "FORM OF PROXY" should be faxed to Alliance Trust Company at 403-237-6181 before the above mentioned deadline to be counted.

Thanks,

Randy Kellen

Exhibit K

THIS IS EXHIBIT " K " referred to in the Affidavit of Laura Hirstaw

Sworn before me this 21 day of May A.D. 2017

Ender McDerott

LEGAL DEFENCE FUND MESSAGE RE: CONCERN ABOUT RECOVERY PROSPECTS WITH SAGE PROPERTIES CORP

Dear CEF Defense Fund Supporters and Friends,

A lot has happened since we last communicated, some of it good and, by the look of things at Sage Properties Corp, some not at all good for those stuck with illiquid Sage stock.

The Good News

- A group of the victim CEF depositors were duly appointed as the Representative Action Subcommittee ("RA Subcommittee") to direct the litigation to recover the part of the CEF losses that have not been converted into shares of Sage Properties Corp ("Sage"). The RA Subcommittee appointed Representative Action lawyer, Allan Garber, contingency (paid only if he wins) counsel. Mr. Garber has worked effectively to prepare and file claims in Alberta and British Columbia to pursue the legal action shares of Sage.

The Bad News

- At the urging of ABC District, pursuit of the Representative Action has been indefinitely "stayed" by the Court in the CCAA proceedings, though the District Plan was essentially complete when all **assets of the POP Development were transferred to Sage last October 31, 2016 at an appraised value of \$52 million**, which was paid by the issue of restricted, essentially unsaleable Sage shares at the arbitrarily set value of \$1.00 per share.
- The appraisal on which the POP assets value was based was obtained from Colliers International, a firm with which Sage President, Scott McCorquodale, was employed and is perhaps still associated.
- Though mandated to "maximize the value of the [POP] assets for shareholders", it appears Sage management have, sometime in 2016 allowed access to confidential POP information by Sandton Capital, a foreign investor group who deal in under-performing assets and distressed companies. As a result, a representative of Sandton made an offer to buy the Sage shares held by one large CEF depositor at 33 cents per share. **The deal never closed, but it indicated the true market value of the POP assets is only one-third of the appraised value or \$17 million.**
- The Sandton offer seemed to indicate the Colliers International appraisal was either highly inflated, out-of-date or out-of-tune with the Alberta market or both, so your RA Subcommittee arranged for another reputable appraiser to independently examine the POP properties and review the Colliers information, but McCorquodale adamantly refused the independent appraiser access the property to conduct an on-site examination.

The Worse News

- The Sandton offer indicates that the Colliers appraisal may be unreasonably or grossly inflated, which impairs the Representative Action by reducing the recoverable part of CEF

depositors' outstanding CEF claims by about **\$35 million**. The effect would be to eliminate about one-third of the total CEF losses from the prospect of recovery.

- Sage is run by people most of whom have no financial investment in it, except the salaries they plan to draw, and which will be payable whether or not there is a profit for the shareholders.
- Sage has other operational problems that now need to be addressed. Management touted Monica Kohlhammer ICD.D, MSA, BScN, RN as Vice President Operations “having a broad spectrum of experience in board governance, strategy and planning in the public and private service”, who would “focus on the operations of the senior care facilities”. That lady appears to have taken a look at the POP mess and decided she did not want **THAT** on her resume and resigned or refused to be involved, though she was the only member of Sage’s highly touted ‘team’ (in **Schedule 4 to the March 28, 2016 FIRST REPORT TO CREDITORS OF ABC DISTRICT**) as having any real experience and expertise in managing retirement operations

The Worse Yet News

- Before Sage’s 70 page MANAGEMENT INFORMATION CIRCULAR was issued, one of the CEF’s 900 largest depositors had a call from the Sage President, McCorquodale, asking whether he was interested in making a further investment in Sage to renovate and redevelop the POP retirement building and was told “no way”. McCorquodale probably called other large shareholders and received the same answer. With shareholders shying away from putting any more into the POP sinkhole, McCorquodale and his Sage “team” had to find ways to finance redevelopment of the money-losing POP assets, For them it turned out to be a **proposal to remove the limitation on borrowing**, so that they can again start piling up uncontrolled debt.

In her letter to shareholders in the front of the Sage booklet on page III, Ms. Jory recommends Commercial Option B, saying, “**This recommendation reflects [management’s] opinion that the [POP] properties in their current state are not liquid ...without incurring debt above the Debt Limit.**” *[emphasis added]* There you have it: Sage management confirms it wants to open the debt floodgates in order, to use a great American idea, ‘**make the POP great again!**’

The Worst Possible News

- Supposedly a ‘for profit’ company, Sage’s future is pretty much promising to be profitless if the Sage 4-month financial statement to February 28, 2017 is any indication to go by. That financial statement appears to be in breach of the Alberta Business Corporation Act which requires that it to be for the 6 months from incorporation of the company on August 26, 2016.
- Most of us remember **the bright blue, ‘sort of’ prospectus** suggesting what earning one might reasonably expect to be earned in the **NewCo [Sage] Summary** that appeared as **Section V. Financial Highlights of Schedule 4 of the Monitor’s March 28, 2016 FIRST REPORT TO DISTRICT CREDITORS** in which it is indicated that the 10 months operation of the POP assets for the period ended January 31, 2016 had shown a **net cash flow (gross profit) of \$1,638,000** or about \$163,800 per month.

- On that operating basis, by October 31, 2016, at \$163,800 per month there **should have been** another \$1,146,600 added to the POP operating account to bring its cash in hand to **a total of \$3,112,200** when Sage took over operations, **but there appears to have been only \$930,159** in the account (see Note 1 of the 4-month Sage Financial Statements to February 28, 2017). One must wonder whether the NewCo (Sage) 'sort of' prospectus was misleading or just incompetently done. In that context one must also wonder if the two chartered accountants involved in Sage management (Sandra Jory and Tony Chin) reviewed that information before they lent their names to the issue of that document.

- But that is not all. On the basis of the represented 10 month net cash flow of \$1,638,000 set out **in the bright blue, NewCo (Sage) 'sort of' prospectus**, prospective annualized earnings of the POP operation should have been **\$1,965,600**. However, if the 4-month earnings from operations reported by Sage are annualized, **the prospective earnings for a year will be only \$1,079,628, less than 55% of what was represented to the CEF investors**. Another question must also be asked: After management cost and more "extraordinary costs", what will be left to be paid shareholders as dividends? 'Probably not a good idea to hold one's breath waiting for dividends.

We have recently heard that Sage plans to pay President Scott McCorquodale \$240,000 per year and CFO Tony Chin \$192,000 per year, but none of that was disclosed in the Information Circular. If one adds those salaries to those set out on pages 21 and 22 of the Sage 70 page Information Circular as being planned to be paid to the directors and Chairman Jory, **the total comes to \$542,000 per year**.

It appears that those salaries and fees are not **just planned to be paid, they are already being paid to Sage management group**. **In the STATEMENT OF EARNINGS in Sage's 4-month financial statements to February 28, 2017, the Management and Board remuneration are already being paid at an annualized rate of \$500,442**. **The only difference is in a proposed increase of the non-management directors' fees**. **This appears to be a deliberate attempt to avoid proper disclosure of management compensation**.

In the result, Sage management's calling of the shareholder meeting is probably defective and the meeting not properly called, since disclosure of information required to make informed decisions about both the Commercial Options and the Special Resolutions and other proposed business should have been in the Information Circular, not made late at the meeting after shareholders may already have completed and filed proxies.

Conclusion

In view of the above and the aggressive posturing of Sage management, I have advised my sister, a CEF depositor stuck with Sage shares, to vote against the special resolutions and give her proxy to Georg Beinert without marking any Commercial Option, so that he can decide between Options A and B or some amendment thereto that may come before the meeting.

If you have already signed and sent in the **SAGE FORM OF PROXY** and would now like to

change your mind about any choice you have made, you are entitled to do that just by signing a later proxy. I have attached a clean copy of the Sage proxy, in which you can name anyone you wish as your proxy, including Georg Beinert, whom I believe to be most trustworthy. However, if you decide to appoint someone other than the two listed you should strike out both names, Sandra Jory and Scott McCorquodale, and add your chosen proxy holders name in the space provided.

Fax your Proxy or completed Form Of Proxy to Alliance Trust Company (with a copy if you wish, to your appointee).

Fax number 403-237-6181 no later than noon May 24th, 2017.

This may be your last opportunity to have a voice in how the POP mess finally plays out.

Don Specht

May 18, 2017

Exhibit L

Ted Brown

From: Sandra Jory [scjory@telus.net]
Sent: Monday, May 22, 2017 8:21 PM
To: Ted Brown; Stephen Neilsen; Scott.McCorquodale@sageproperties.ca; Myron Yurko; Murray Warnke; Paul Mereau
Subject: Fwd: RESPONSE to Sage's Frequently Asked Question 's
Attachments: Beinert response to SAGE May 20 2017 FAQs.pdf; ATT00001.htm; Sage Properties Bylaws.pdf; ATT00002.htm; Sage 2017-05-20 Special meeting FAQs Sandra Jory.pdf; ATT00003.htm

Sandra Jory [Redacted Personal Contact Information]

Sent from my iPhone, please forgive any typos.

Begin forwarded message:

From: [Redacted Personal Information]
Date: May 22, 2017 at 8:07:52 PM MDT
To: <scjory@telus.net>
Subject: FW: RESPONSE to Sage's Frequently Asked Question 's

Hi Sandra
Got more Email today

[Redacted Personal Information]

From: Randy Kellen [mailto:kellen@telus.net]
Sent: Monday, May 22, 2017 5:32 PM
To: kellen@telus.net
Cc: 'DON SHERON SPECHT'; EPoyner@smrlaw.ca; allan@garberlaw.ca
Subject: RESPONSE to Sage's Frequently Asked Question 's

To Sage Properties Share Holders,

Just a reminder that the May 24th, noon deadline, for faxing in your Sage Form Of Proxy is fast approaching. Do not wait for the last minute as this is a single line which will no doubt be busy.

If you do choose to appoint a proxy other than those provided please ensure that you cross out the names of Sandra Jory and Scott McCorquodale and add your chosen proxy holder to the blank space provided.

Your "FORM OF PROXY" should be faxed to Alliance Trust Company at 403-237-6181 before the above mentioned deadline to be counted.

THIS IS EXHIBIT " L "
referred to in the Affidavit of
Sandra Jory
Sworn before me this *25*
day of *May* **A.D. 2017**
Ernie McPherson
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

ALSO, attached is a response by Georg Beinert to Sandra Jory's email regarding Sage's "Special Meeting of Share Holders Frequently Asked Questions" along with Sage's original By-Laws.

If you would be so kind as to forward this important information on to those in your congregation that where unfortunately caught up in the financial crises of LCC-ABC and the CEF by email or by hard copy.

Randy Kellen

Exhibit M

Ted Brown

From: Sandra Jory [sandra.jory@sageproperties.ca]
Sent: Tuesday, May 23, 2017 8:39 PM
To: Ted Brown
Cc: Myron Yurko; dfarmurr@xplornet.com; Stephen Nielsen; Scott McCorquodale
Subject: Fwd: SAGE



Redacted Privileged and Not Relevant

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From: Allan Wronko <allan.doreen.wronko@gmail.com>
Sent: Tuesday, May 23, 2017 8:37 PM
Subject: SAGE
To: Sandra Jory <sandra.jory@sageproperties.ca>

THIS IS EXHIBIT " M "
referred to in the Affidavit of
Laura Hristaw
Sworn before me this 25
day of may A.D. 2017
Evelyn McDermott
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Sandra Jory
Chairman
SAGE Properties Corp. (SAGE)

Dear Sandra,

As shareholders, we are concerned about the *Dissident Proxy Circular* and correspondence from Georg Beinert and Bill Mulder. It is very difficult for us seniors to understand the behavior of these men regarding this matter, and we along with other shareholders, are extremely confused and frustrated.

We have complete confidence in you as Chairman, and in your Directors, Stephen Nielsen, Scott McCorquodale, Myron Yurko and Murray Warnke.

May God grant each of you wisdom, strength and guidance as you navigate the difficult road with SAGE's affairs.

Sincerely,

Allan D. Wronko and Doreen B. Wronko

Exhibit N

Reeduc A.B.
May 23-17

To whom it may concern;

re: Letters we received from Mr Beinert.

To us these letters are disturbing and disruptive.

This should be a time to work together - not to bring dissention and unrest.

We have great confidence in Sandra's abilities to do proper research and to lead SHGE.

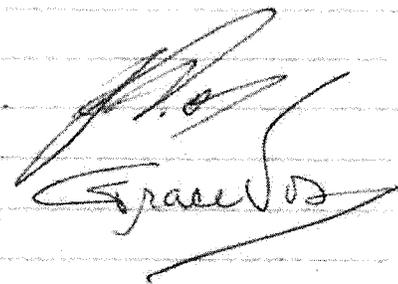
Sandra, Myron and Murray are quite capable people, and as such trust them completely to work to the benefit of all Share holders.

This interference from Mr Beinert creates more uncertainty and should not continue.

Yours truly:

Jacob Vos.

Grace Vos.



THIS IS EXHIBIT " N "
referred to in the Affidavit of
Laura Hirstow

Sworn before me this 25
day of May A.D. 2017

Emily MacDemott

A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Exhibit O

Ted Brown

From: Sandra Jory [sandra.jory@sageproperties.ca]
Sent: Wednesday, May 24, 2017 10:13 AM
To: Ted Brown
Cc: Scott McCorquodale; Stephen Nielsen; Myron Yurko; dfarmurr@xplornet.com
Subject: Fwd: George Beinert Allan Garber and Dissidents

Get Outlook for iOS

From: DOUG GOEBEL <dagoebel@shaw.ca>
Sent: Wednesday, May 24, 2017 10:08:44 AM
To: Sandra Jory
Subject: George Beinert Allan Garber and Dissidents

I have great concern of the damage Mr Beinert and Mr Garber and the Dissidents are doing to many of our very senior people by sending out incorrect misleading bad information to seniors and all shareholders these actions are causing confusion, fear and stress and must be rectified.

Since Cef went into CCAA I have followed the account closely I have 35 years working for a financial institution and have a good understanding of the whole situation and was able to honestly explain things to people who called for help and there many.

Just recently I was contacted by a person from Grande Prairie who was asking questions on behalf of a number of Seniors who had received the proxy from Mr Beinert they were confused and seemed to think the Officers and Board of Sage were no good done nothing and done improper things and wanted to take all control away from shareholders I explained the in accuracy of these statements. I also received calls from people from Stony Plain, Edmonton, and Leduc concerning the same fears and confusion caused by Mr. Beinert.

The allegations against the Officers and Directors are incorrect and appear to Slander them the value of Sage is being eroded and Integrity of Officers and Directors hurt. Please find a way to stop this

I am a shareholder but not a participant in the RA how did Beinert get my name and address. I want no further contact from these people.

I have also been advised Beinert phones people and is very persuasive and pushy.

This interference must be stopped or Sage will be badly hurt.

God's Blessings

Doug Goebel

THIS IS EXHIBIT " 0 "
referred to in the Affidavit of
Laura Hristow
Sworn before me this 25
day of May **A.D.** 2017
Emile M. Bennett
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Exhibit P



Sage Properties Corp.
410, 505-8th Ave. S.W.
Calgary, AB
T2P-IG2

E-mail

May 24, 2017

Don Specht
Randy Kellen

Dear Sirs:

Re: Solicitation of Proxies

THIS IS EXHIBIT " P "
referred to in the Affidavit of
Laura Hirstaw

Sworn before me this 25
day of May A.D. 2017

Emily McBurnett

A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

We have received the document entitled "Legal Defence Fund Message Re: Concern about Recovery Prospects with Sage Properties Corp" that we understand you have been providing to shareholders ("Shareholders") of Sage Properties Corp. ("Sage" or the "Corporation") in an effort to solicit proxies in respect of the special meeting of Shareholders to be held on May 26, 2017 (the "Special Meeting").

In our review of the documents that we understand you have been providing to Shareholders, we believe that you have violated the provisions of the *Business Corporation Act* (Alberta) (the "ABCA") in respect of the solicitation of proxies. Both the method of your solicitation and the documents that you have circulated are non-compliant with the requirements of the ABCA. **As such we demand that you cease and desist any further efforts to solicit proxies in respect of the Special Meeting.** The actions you are taking are not in the best interests of the Corporation or the Shareholders and are potentially jeopardizing the ability of the Corporation to maximize the value of the assets comprising the Prince of Peace Development for the benefit of the Shareholders. As such in accordance with our fiduciary duties we will take all such actions as are necessary to prevent you from taking any further actions that we view as being contrary to applicable laws and/or that are not in the best interests of the Corporation or Shareholders.

In addition, the document you have circulated to the Shareholders contains fundamental misrepresentations, which constitute a further breach of applicable laws and harm both the Corporation and the Shareholders. In addition to other misrepresentations in your document, page 2 of your document notes:

"In her letter to shareholders in the front of the Sage booklet on page III, Ms. Jory recommends Commercial Option B, saying, "This recommendation reflects [management's] opinion that the [POP] properties in their current state are not liquid ...without incurring debt above the Debt Limit."

That is a blatant attempt to mislead shareholders by selectively reproducing the text of Sage's management information circular.

You should be aware that Sage reserves all claims against you and any others improperly working with you in furtherance of your illegal and harmful actions and that Sage will hold all such persons personally accountable for any and all losses sustained by Sage, including recovery of Sage's legal fees on a solicitor-client basis.

As members of the Board and as Shareholders or representatives of Shareholders, we urge you carefully consider the cost and impact of your actions as they threaten to confuse the matters to be presented to the Shareholders at the Special Meeting, harm the ability of Shareholders to make an informed choice on the commercial options, erode Sage's financial resources and threaten the ability of Sage to provide a meaningful financial recovery for the District Depositors.

ON BEHALF OF THE BOARD OF DIRECTORS
OF SAGE PROPERTIES CORP.

Sandra Jory
Chairman