



COURT FILE NUMBER 1001-03215

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF FIRST CALGARY SAVINGS & CREDIT UNION LTD.

DEFENDANTS PERERA SHAWNEE LTD. AND PERERA DEVELOPMENT CORPORATION, DON L. PERERA AND SHIRANIE M. PERERA

DOCUMENT **SEVENTY-FIFTH REPORT OF THE COURT APPOINTED RECEIVER OF PERERA SHAWNEE LTD. AND PERERA DEVELOPMENT CORPORATION**

DATED OCTOBER 5, 2020

PREPARED BY DELOITTE RESTRUCTURING INC.

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INTRODUCTION

Background

- 1) On March 3, 2010 (the "**Date of Receivership**"), Deloitte Restructuring Inc. ("**Deloitte**"), formerly Deloitte & Touche Inc., was appointed by the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**"), as receiver and manager (the "**Receiver**"), without security, of all the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof of Perera Shawnee Ltd. ("**PSL**") and Perera Development Corporation ("**PDC**") (PSL and PDC are collectively referred to as "**Perera**" or "**PSL**") (the "**Receivership Order**") in Action No. 1001-03215 (the "**Receivership Proceedings**"). The Receivership Order was amended and restated on January 31, 2011.
- 2) The Receivership Order was the result of an application by First Calgary Savings & Credit Union, now Connect First Credit Union ("**Connect**"), a secured creditor of Perera.
- 3) PSL and PDC are bankrupt. Hardie & Kelly Inc. was appointed licensed insolvency trustee of PSL and PDC pursuant to the Bankruptcy Orders granted by this Honourable Court on December 20, 2010 (the "**Bankruptcies**").
- 4) Perera was a condominium real estate developer which had assets that consisted of a three-phase condominium real estate project located at 10 Shawnee Hill SW, Calgary, Alberta known as the "Highbury" (the "**Project**").
- 5) There are 71 residential condominium units in "**Phase I**" of the Project (including the manager suite and sales centre), and 49 of these units were sold and conveyed to purchasers through the Receivership Proceedings. The units were approximately 95% complete at the Date of the Receivership but a large portion of the Phase I interior and exterior common areas and parkade were incomplete at that time.
- 6) "**Phase II**" and "**Phase III**" (collectively, "**Phases II and III**") of the Project were originally contemplated by PSL, the developer, to include 12 stories with 85 condominium units in each of Phases II and III. All three phases of the Project (collectively, the "**Lands**") were under one development plan for which the condominium corporation is Condominium Corporation No. 0915321 (the "**Condo Corporation**").
- 7) When the Receivership Proceedings commenced, the construction of the parking levels in Phases II and III were incomplete. The Receiver completed construction on parking level one and parking level two for Phases II and III to meet the requirements of the City of Calgary (the "**City**") and, with the approval of the Court, sold Phases II and III to The Statesman Group of Companies Ltd. ("**Statesman**") in 2013. As part of the sale transaction, the development of Phases II and III were terminated in accordance with the Phased Disclosure Statement, and Statesman was authorized to and successfully subdivided the Lands in accordance with its proposed development plan (the "**Statesman Development Plan**").
- 8) On June 2, 2010, the Receiver issued a report to provide an update on the Receivership Proceedings and to seek the Court's advice and direction in regards to a lawsuit commenced against Perera by Her Majesty the Queen in Right of Alberta. Since that time, the Receiver has issued a total of seventy-four additional reports, the majority of which relate to the approval of the sale of individual residential, parking and storage

- units in Phase I, and include the related confidential and sealed reports (the "**Unit Sales Reports**").
- 9) The Receiver's reports (collectively, the "**Update Reports**"), other than the Unit Sales Reports, are summarized in the Seventy-Fourth Report of the Receiver dated January 7, 2019 (the "**Seventy-Fourth Report**").
 - 10) The Seventy-Fourth Report provided the Court with, among other things, the following:
 - a) An update on the Receiver's actions since May 16, 2014, the date of the Seventy-Third Report of the Receiver;
 - b) An update on the remaining actions required by the Receiver to complete the Receivership Proceedings, including the settlement of the remaining deposit (the "**Remaining Deposit**") claim for approximately \$24,000 (the "**Remaining Deposit Claim**");
 - c) An update on the Receiver's Statement of Receipts and Disbursements ("**SRD**") for the period from March 3, 2010 to January 4, 2019 (the "**January 2019 SRD**"); and
 - d) An update on the professional fees and disbursements of the Receiver and its counsel from March 3, 2010 to January 4, 2019 (the "**Cumulative Fees to January 2019**").
 - 11) The Seventy-Fourth Report was filed in support of an application heard by this Court on January 16, 2019 (the "**January 2019 Application**"), following the hearing of which this Court granted an order (the "**January 2019 Order**") approving, among other things:
 - a) The Receiver's actions, conduct and activities as set out in the Seventy-Fourth Report, the Unit Sales Reports and the Update Reports;
 - b) The settlement of the Remaining Deposit Claim without the necessity for further Court approval and without the requirements previously imposed on such settlements outlined in Schedule "1" to the Confidential Fifty-Seventh Report of the Receiver dated May 3, 2013 (the "**Settlement Order**");
 - c) The January 2019 SRD; and
 - d) The Cumulative Fees to January 2019.
 - 12) The Receivership Order, together with the reports and other documents filed in the Receivership Proceedings have been posted on the Receiver's website at <http://www.insolvencies.deloitte.ca/en-ca/Pages/perera.aspx>. This seventy-fifth report of the Receiver to Court (the "**Seventy-Fifth Report**" or this "**Report**") will also be posted to the Receiver's website after it has been filed with the Court.
 - 13) Unless otherwise provided, all other capitalized terms not defined in this Report are as defined in the Receivership Order or the other reports.

Purpose of the Report

- 14) The purpose of this Report is to:

- a) Provide the Court with an update on the Receiver's actions since the date of the Seventy-Fourth Report;
- b) Provide the Court with an update on the remaining actions required by the Receiver to complete the Receivership Proceedings; and
- c) Respectfully request that the Court:
 - i) Approve the actions of the Receiver as outlined in this Report;
 - ii) Approve the Receiver's Statement of Receipts and Disbursements for the period from March 3, 2010 to September 29, 2020 (the "**Final SRD**"), a copy of which is attached to this Report as **Appendix A**;
 - iii) Approve the Final Receiver's Fees and Final Osler's Fees (terms that are hereinafter defined);
 - iv) Approve and authorize the release of 100% of the Remaining Deposit to the Receiver;
 - v) Strike the Amended Statement of Claim (the "**Statement of Claim**") filed against the Receiver by Luther Cutts and Jane O'Neil on November 28, 2017 (the "**Remaining Deposit Action**") in Alberta Court of Queen's Bench Action No. 1601-16029;
 - vi) Approve and authorize the Receiver to make the Final Connect Distribution (as that term is hereinafter defined); and
 - vii) Discharge the Receiver.

Terms of Reference

- 15) In preparing this Report, the Receiver has relied upon unaudited financial and other information prepared by various third parties and discussions with various third parties.
- 16) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of this information. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this Report.
- 17) The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of this Report. Any use which any party makes of this Report, or any reliance or decision to be made based on this Report, is the sole responsibility of such party.
- 18) All dollar amounts in this Report are in Canadian dollars, unless otherwise indicated.

ACTIVITIES OF THE RECEIVER SINCE JANUARY 7, 2019

- 19) Significant activities undertaken by the Receiver since the date of the Seventy-Fourth Report are as follows:

- a) Prepared for and attended the January 2019 Application;
- b) Coordinated the completion of the remaining construction and deficiency work, as further detailed in this Report;
- c) Held various discussions and meetings with the City to arrange for final inspections of the remaining construction and release of the outstanding building permit security deposit and letter of credit;
- d) Coordinated the payment of the Wage Earner Protection Program ("**WEPP**") priority claim for \$34,813 as detailed in the Seventy-Fourth Report;
- e) Corresponded with the Canada Revenue Agency ("**CRA**") regarding various statutory claims and issues in pursuit of post-filing Goods and Service Tax ("**GST**") refund claims;
- f) Prepared and filed post-receivership GST returns;
- g) Corresponded with the property manager for the Condo Corporation (the "**Property Manager**") regarding completion of remaining construction and deficiency work;
- h) Corresponded and held various discussions with Connect to provide status and other updates;
- i) Completed ongoing estate accounting, prepared SRD's and completed monthly trust account reconciliations;
- j) Corresponded with the Receiver's counsel, Osler, Haskin & Harcourt LLP ("**Osler**"), on various legal matters relating to the Receivership Proceedings; and
- k) Addressed additional matters as they arose from time to time.

COMPLETION OF REMAINING CONSTRUCTION AND DEFICIENCY WORK

- 20) As outlined in the Seventy-Fourth Report, the Receiver's general contractor, Urban One completed all of the interior and exterior incomplete items detailed in the Updated Urban One Report dated March 8, 2016 and concluded its involvement in the Project on October 12, 2018. The only remaining exterior incomplete work as at January 7, 2019 was in the north section of Phase I and included the curb, gutter, sidewalk, top asphalt coat for the City road and landscaping (the "**City Access Area**").
- 21) The Receiver worked with Statesman to agree on the funding and coordination of the completion of the City Access Area work, with the exception of the landscaping which the Receiver addressed directly with the landscaping company and the City. The City Access Area work was completed during the period from August to October 2019. After completing various inspections, the City issued the Field Final Acceptance Certificate for the Project on November 6, 2019 and the Development Completion Certificate on November 15, 2019. The City also released the remaining \$50,000 letter of credit on November 15, 2019 and released the \$36,336 building permit security deposit to the Receiver in January 2020.
- 22) The Property Manager advised the Receiver of a small deficiency related to the completion of the City sidewalk (as part of the City Access Area) which was subsequently addressed by the Receiver and signed off by the Property Manager. The Receiver is not aware of any

other incomplete items or deficiencies and no concerns have been raised by the Condo Corporation or Property Manager since the date of the Seventy-Fourth Report.

- 23) As discussed further in the Seventy-Fourth Report, during construction in 2017, Urban One discovered an issue with the northwest exterior of Phase I, comprised of a retaining wall, manhole, sidewalk, curb and gutter, among other things (the "**Drive Lane Wall**"). Urban One determined that there was no evidence that the Drive Lane Wall had been built according to a structural design or reviewed or approved by an engineer. Urban One advised that the Drive Lane Wall was failing as a result of ground settling and could pose a safety issue. The Condo Corporation refused to pay any amount or assume any liability for the cost of repairs. As the Receiver was concerned with the safety of its representatives, Urban One and other contractors accessing the Project to complete the outstanding work, the Receiver notified the Condo Corporation on November 22, 2017 that it was proceeding under protest to complete the remedial work on the Drive Lane Wall and that it reserved the right to hold the Condo Corporation liable. The Receiver further advised that it would consider commencing a claim against the Condo Corporation for reimbursement of all costs incurred by the Receiver rectifying the Drive Lane Wall, which costs totalled approximately \$120,000.
- 24) In consultation with Connect and Osler, the Receiver has decided against commencing a claim for recovery of the costs incurred by the Receiver rectifying the Drive Lane Wall because of the expense and delay which such claim would cause in these Receivership Proceedings. In order to partially offset a small portion of such costs, the Receiver has withheld \$6,000 otherwise reimbursable to the Condo Corporation for the cost of installing security cameras. In addition, and as discussed further below: (a) the Receiver and Osler each agreed to forego payment of any professional fees incurred in the Receivership Proceedings after December 2018 to address the funding deficit; and (b) the Receiver paid an outstanding invoice directly to Williams Engineering Ltd. ("**Williams**") for \$11,826 from funds sourced from Deloitte.
- 25) The Receiver confirms, to the best of its knowledge, that it has fully addressed the Acknowledged Incomplete Work (as defined in the Seventy-Fourth Report) and no other deficiencies remain.

STATUTORY CLAIMS AND DUTIES

- 26) Perera's books and records did not indicate that any amounts were owing to CRA as at the Date of Receivership other than GST and corporate income taxes (the "**CRA Claims**"). The statutory priority associated with the CRA Claims was reversed and the claims were both relegated to unsecured claims as a result of the Bankruptcies.
- 27) The only other known statutory claim related to WEPP and the WEPP priority claim for \$34,813 has been paid by the Receiver.
- 28) The Receiver has filed all of the required post-receivership GST returns to September 30, 2020 and has remitted the required amounts post-receivership and also collected post-receivership GST refunds. GST returns will continue to be filed until the Receivership Proceedings are concluded.

CREDITORS

- 29) As outlined in the initial notices of the receiverships of PSL and PDC, Connect was the only known secured creditor of Perera other than various customer deposits on units and the CRA Claims that became unsecured following the Bankruptcies. Connect was

owed approximately \$27.5 million as at the Date of Receivership and has been repaid approximately \$4.5 million of its debt as at the date of this Report.

- 30) The Receiver, in accordance with the Settlement Order, has settled all of the customer deposit claims with the exception of the Remaining Deposit Claim. The Remaining Deposit Claim amount continues to be held in a non-interest bearing trust account with McLeod Law LLP. The Remaining Deposit Claim is discussed further below.
- 31) At the Date of the Receivership, Perera reported unsecured creditors with claims of approximately \$11.5 million, of which approximately \$5.7 million related to trade creditors and the remainder of approximately \$5.8 million was owing to shareholders and related parties.
- 32) Based on the remaining funds available in the Receivership Proceedings, and the significant deficit that will be suffered by Connect, there will be no funds available to any unsecured creditors of Perera.

REMAINING DEPOSIT CLAIM

- 33) Jane O'Neil and Luther Cutts (the "**Purchasers**") were party to an Offer to Purchase and Agreement of Purchase and Sale with PSL, dated June 20, 2007 (the "**Purchase Agreement**"). The Purchase Agreement provided, among other things, that:
 - a) The Purchasers would pay a deposit of 5% of the purchase price upon presentation of their offer to purchase, and a further deposit of 5% of the purchase price within 45 days of acceptance of the offer to purchase by PSL, each in the amount of \$26,795 (together, the "**Deposit**");
 - b) PSL was permitted to use all or part of the Deposit, as it deemed advisable in its sole discretion, in construction of the Project or the Unit;
 - c) The closing date of the purchase of the Unit was the date specified in a notice from PSL to the Purchasers to be provided a minimum of 30 days prior to closing. The Purchasers covenanted to take possession of the Unit on the closing date even though the condominium plan may not be registered and portions of the common property, all exterior work, and landscaping may not be fully completed;
 - d) If the Purchasers canceled or in any way attempted to terminate the Purchase Agreement other than in accordance with section 16(b) or (c) thereof, without limitation to any of the rights of PSL thereunder or at law, the Deposit would be absolutely forfeited to PSL as part of its liquidated damages and not as a penalty and PSL was at liberty to pursue such other claim or action of any nature to which it may be entitled in law against the purchaser; and
 - e) If PSL commenced an action for the judicial interpretation, enforcement, termination, cancellation or rescission of the Purchase Agreement or for damages for breach of the Purchase Agreement, PSL was entitled to its costs on a solicitor-client, full indemnity basis.

A copy of the Purchase Agreement is attached as **Appendix B** hereto.

- 34) As at the date of the Receivership Proceedings, McLeod Law LLP held \$23,590 of the Deposit in its trust account. The Receiver understands that the remainder of the Deposit had been spent by Perera prior to the date of these Receivership Proceedings.

- 35) On July 14, 2010, the Receiver provided the Purchaser with notice pursuant to article 5 of the Purchase Contract that the closing date for the purchase of the Unit would be September 5, 2010.
- 36) On August 13, 2010, the Honourable Mr. Justice R.G. Stevens granted a Vesting Order with respect to the Unit subject to the Purchase Agreement (the "**Vesting Order**") which provided, among other things, that:
- a) The Purchase Agreement was approved;
 - b) The Vesting Order was made for purposes of allowing, but not requiring, the Receiver and the Purchasers to close the Purchase Contract and convey title to the Unit to the Purchasers pursuant to and in accordance with the Purchase Contract;
 - c) In the event the transactions detailed in the Purchase Contract did not close:
 - i) all of the Purchaser's right, title, interest, estate and equity of redemption, if any, and any persons claiming by, through or under the Purchaser, in and to the Unit was extinguished;
 - ii) the Receiver was empowered and authorized, but not obligated, to sell, convey, transfer, lease or assign the Unit to a third-party;
 - iii) McLeod LLP was to hold the Deposit and not disburse the Deposit unless on notice to the Purchaser an Order allowing for a disbursement of the Deposit was issued by this Court; and
 - iv) except for as expressly set out in the Vesting Order, all of the other rights and liabilities of the Receiver (in its capacity as Court-appointed receiver and manager of PSL) and the Purchaser under and pursuant to the Purchase Contract were preserved including: (i) the Receiver's right to claim that the Purchaser had breached the Purchase Contract, that the Deposit was forfeited to the Receiver; (ii) the Purchaser's right to claim that PSL had breached the Purchase Contract, that the Purchaser was entitled to terminate or rescind the Purchase Contract, and that the Purchaser was entitled to a return of the Deposit.

A copy of the Vesting Order is attached as **Appendix C** hereto.

- 37) The Purchasers failed or refused to close the transactions detailed in the Purchase Contract on September 5, 2010 and, as a result, the transaction did not close. By letter dated December 8, 2010, the Receiver advised the Purchasers that it was of the position that the Purchasers were required to close the transaction on the closing date pursuant to the Purchase Contract. The Receiver further advised that it was considering its legal options with respect to pursuing a claim against the Purchasers for damages. A copy of the Receiver's Letter is attached as **Appendix D**.
- 38) The Receiver has been attempting to reach a settlement with the Purchasers in respect of the Deposit since February 2013. Over the past 7.5 years, the Receiver has made numerous settlement proposals to the Purchasers, all of which have been rejected or ignored.
- 39) As noted above, at the January 2019 Application, the Receiver sought an order permitting it the flexibility to settle the Remaining Deposit without the requirements previously imposed on such settlements in Schedule "1" to the Confidential Fifty-

Seventh Report of the Receiver dated May 3, 2013. The Purchasers opposed the relief sought, notwithstanding that it did not affect them. The Purchasers complained that the Receiver had not provided sufficient information in respect of the Deposit. Dismissing the complaint, this Court granted the January 2019 Order and encouraged the Purchasers to make any reasonable information requests to the Receiver.

- 40) Since the hearing of the January 2019 Application: (a) counsel for the Receiver invited the Purchasers' counsel on three separate occasions to advise what information the Purchasers required; and (b) the Receiver reached out directly to the Purchasers to request that they advise of any required information requests. Notwithstanding that it has been almost two years since the hearing of the January 2019 Application, and notwithstanding the multiple invitations to the Purchasers to provide the Receiver with any requests for information, the only correspondence received from the Purchasers was an email dated April 9, 2019 in which counsel advised:

I would be happy to discuss this with you because my client's and I am unclear how the Receiver is entitled to object to trust money standing in Mr. Lokhorst's accounts being released. I also cannot understand what objection the receiver has to Mr. Cutts receiving an accounting of the trust money released being accounted for. I think the receiver may be inadvertently putting Mr. Lokhorst and itself in a difficult position. But perhaps you can enlighten us.

I have said the confidential reports in relation to this property should be unsealed. I am tied up until the middle of May when a trial ends, but if you want to schedule a meeting at the end of a day before then, we can then talk about this. Absent understanding I expect Mr. Cutts will want to have the court adjudicate on the matter with appropriate materials.

- 41) Receiver's counsel responded by email dated April 20, 2019:

I am confused what you mean by the Receiver's "objection" to Mr. Cutts receiving an accounting of the deposit. Following our last appearance in Court, I invited you to let us know what information you required to assess your client's position. You advised you would get back to me. I never heard from you. Justice Romaine invited you to advise the Receiver what reasonable information your client required. I understand from the Receiver that you never contacted them. We have offered on multiple occasions to request an accounting of your client's deposit from Mr. Lokhorst's office. You have never requested that we do so. If your client requires such information, we are happy to make such a request from McLeod Law. The accounting will show that McLeod Law is holding approximately \$23,590 of your client's deposit and that all remaining amounts were distributed by Perera pre-receivership.

There is nothing in the one Confidential Report relating to this property that impacts your client in any way. We have assured you of this on multiple occasions. However, since you seem to think there is something suspicious going on, attached is the Confidential 57th Report of the Receiver. As you know, Justice Romaine lifted the conditions on settlement outlined in the report by Order dated January 16, 2019.

Attached as **Appendix E** is a copy of counsels' April 9 and 20, 2019 correspondence, with without prejudice settlement discussions redacted.

- 42) No response was received from the Purchasers. Accordingly, on August 7, 2019, Receiver's counsel again reached out to the Purchasers:

Frank,

I write further to my email of April 20, 2019. As noted in that email:

- *Following our last appearance in Court in early January, I invited you to let us know what information you required to assess your client's position. You advised you would get back to me. We never heard from you.*
- *During the January hearing, Justice Romaine invited you to advise the Receiver what reasonable information your client required. I understand from the Receiver that you never contacted them.*
- *We have offered on multiple occasions, including as early as 2016 when I became involved in the file and as recently as April 2019 in our last correspondence, to request an accounting of your client's deposit from Mr. Lokhorst's office. You have never requested that we do so.*
- *[Without Prejudice Settlement Discussions]*

As is evident from your clients' continued unwillingness (over a span of more than 3 years) to engage with the Receiver in constructive discussions, your client does not appear to have any intention of working with the Receiver to reach a mutually acceptable resolution to the deposit issue. [Without Prejudice Settlement Discussions], the Receiver intends to address release of 100% of the funds to it within the discharge application. Currently, the Receiver is working to complete the last few outstanding issues in the receivership and then intends to apply for its discharge. If your clients would like to resolve this issue in a cost effective manner which ensures the return of a portion of their deposit, I would encourage them to do so now as the discharge application will likely be filed in the foreseeable future.

No response was received by the Receiver. Attached as **Appendix F** is a copy of counsel's email with without prejudice settlement discussions redacted.

- 43) As advised in the Receiver's December 8, 2010 correspondence, the Receiver's position is that the Purchasers were required to close the transaction on the closing date pursuant to the Purchase Contract. The Purchase Agreement provided that if the Purchasers canceled or in any way attempted to terminate the Purchase Agreement other than in accordance with section 16(b) or (c) thereof, the Deposit would be absolutely forfeited to PSL. Section 16(b) of the Purchase Contract permitted the Purchasers to terminate the Purchase Contract if the Purchaser was arranging, but was not approved, for a CMHC high rate mortgage within 10 days of PSL's acceptance of the offer to purchase. Section 16(c) permitted for termination if the variance between the Actual Area to the Expected Area (as those terms are defined in the Purchase Contract) exceeded plus or minus 10%. Neither of these conditions existed at the time the Purchasers failed or refused to close the Purchase Contract.
- 44) The Purchasers knew by December 2010 that that the Receiver was of the position that the Purchasers had breached the Purchase Agreement and that a return of the Deposit was not forthcoming. If the Purchasers were of the view that PSL had breached the Purchase Agreement entitling them to a return of the Deposit, they could have

commenced an Action for breach of contract. They did not do so until sometime in 2016 (discussed further below) – far outside the applicable limitation period.

- 45) The Receiver is accordingly requesting that the Court approve and authorize McLeod Law LLP to release 100% of the Remaining Deposit to the Receiver.

ACTION AGAINST THE RECEIVER

- 46) Section 7 of the Receivership Order provided that “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.”
- 47) On November 28, 2017, without leave of the Court or the written consent of the Receiver, the Purchasers filed the Statement of Claim against the Receiver as part of the Remaining Deposit Action. The Remaining Deposit Action alleges misrepresentation, breach of fiduciary duty, and breach of the *Condominium Property Act* as against the Receiver. The Purchasers seek damages against the Receiver for the full Deposit, including the portion spent by PSL pre-receivership. Attached as **Appendix G** is a copy of the Remaining Deposit Action.
- 48) The Receiver denies the allegations in the Statement of Claim and that the Purchasers have a cause of action against the Receiver, as alleged in the Statement of Claim. In particular, the Receiver responds that:
- a) In respect of the claim for misrepresentation, the Statement of Claim alleges that “On July 14, 2010 the Receiver represented and declared to the Plaintiffs Cutts and O’Neil that the closing date for the purchase of unit 40 would be September 2, 2010. The Receiver misrepresented to Cutts and O’Neil that they were ‘obligated by the Purchase Contract to purchase the Unit.’” The Receiver’s July 14, 2010 correspondence to the Purchasers did not contain this statement. In any event, it has always been the position of the Receiver, for the reasons discussed above, that the Purchasers were required to close the transactions contemplated by the Purchase Contract. Such position does not constitute misrepresentation. Attached as **Appendix H** is a copy of the Receiver’s July 14, 2010 correspondence;
 - b) In respect of the claim for breach of fiduciary duty, the Receiver is not a fiduciary to the Purchasers and does not owe any fiduciary obligations to the Purchasers;
 - c) In respect of the claim for breach of the *Condominium Property Act*, the Receiver has no information regarding the basis for the allegations as no details are provided in the Statement of Claim; and
 - d) In respect of the whole of the Statement of Claim, the Purchasers have not suffered any damages as a result of any wrongdoing by the Receiver. The entirety of the Deposit which was held by McLeod Law LLP at the time of the Receivership Order remains held by McLeod Law LLP.
- 49) By letter dated December 7, 2017, counsel for the Receiver advised counsel for the Purchasers:

We are in receipt of your Amended Statement of Claim filed on November 28, 2017 (the "Action"). Pursuant to sections 7, 8 and 9 of the Receivership Order, any proceedings against the Receiver, the Debtors or

the property are stayed and suspended except with the written consent of the Receiver or leave of the Court (the "Stay"). The Receiver hereby advises that it does not consent to service of the Action or to your client taking any steps within it as against the Debtors or the Receiver. As such, your client is both unable to serve the Action or to take any steps to continue it as against the Debtors or the Receiver.

Moreover, we can advise that as a result of the Stay, the Receiver is of the view that service of the Action has not been validly effected. If your client intends to bring an application seeking leave of the Court to serve and/or prosecute the Action against the Receiver and the Debtors, such an application will be opposed by the Receiver.

If your client nevertheless intends to proceed with such an application, please coordinate the scheduling of such application with our office, and we look forward to receiving your application materials.

A copy of the December 7, 2017 correspondence from Receiver's counsel is attached hereto as **Appendix I**.

- 50) Notwithstanding that almost three years have passed since the filing of the Statement of Claim against the Receiver, and notwithstanding the serious allegations made against the Receiver, the Purchasers have not taken any steps to seek leave of the Court to sue the Receiver or bring an application for a lifting of the stay of proceedings in the Receivership Order. The Receiver is accordingly seeking that the Remaining Deposit Claim be dismissed against it.

RECEIVER BORROWINGS

- 51) Pursuant to the Receiver Borrowings Order, the Receiver maximized its borrowings from Connect at \$6.5 million in January 2011. The borrowings were required by the Receiver to fund the construction and other costs associated with the Receivership Proceedings and were fully repaid from asset realizations in January 2014.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

- 52) The Final SRD is attached to this Report as **Appendix J** and reflects the administration of the Receivership Proceedings for the period from the Date of Receivership to September 29, 2020. The receipts and disbursements since the January 2019 SRD are also outlined in the Final SRD and include the following amounts:
- a) Receipt of \$36,336 from the City in regards to the release of the building permit security deposit;
 - b) Receipt of \$5,248 in GST refunds;
 - c) Disbursements of \$100,170 to complete the remaining work in the City Access Area and to address the final deficiencies;
 - d) Disbursement of \$34,813 for the WEPP priority claim;
 - e) Disbursement of \$8,280 for Receiver's fees related to the period from November 1 to 30, 2018 (the "**Final Receiver's Fees**");
 - f) Disbursements of \$5,423 in GST; and
 - g) Disbursements of \$45 for bank charges.

- 53) As of September 29, 2020, the Receiver is currently holding approximately \$81 in its trust account. As the Receiver did not have sufficient funds in trust to pay all of the remaining Project construction costs, as outlined in the Seventy-Fourth Report, the Receiver paid an outstanding invoice directly to Williams for \$11,826 (the "**Williams Payment**") from funds sourced from Deloitte. Deloitte will also be paying an outstanding invoice owing to Osler for \$1,057.04 for the period from September 11 to November 20, 2018 (the "**Final Osler's Fees**"). The Receiver is not aware of any other outstanding invoices or costs other than a small remaining invoice owing to Williams for \$696 (the "**Final Williams Invoice**").
- 54) The only potential remaining receipts in the Receivership Proceedings relate to a small GST refund and any recovery from the Remaining Deposit. If funds become available from any of these sources, the Receiver is proposing to first pay the Final Williams Invoice, then reimburse Deloitte for the Williams Payment and Final Osler's Fees, and then distribute any remaining funds to Connect (the "**Final Connect Distribution**").

FEES AND DISBURSEMENTS OF THE RECEIVER AND ITS COUNSEL

- 55) The paid professional fees and disbursements of the Receiver and its counsel to January 3, 2019 were summarized by invoice in a Summary of Fees and Disbursements schedule which was attached to the Seventy-Fourth Report as Appendix C. The Cumulative Fees to January 2019 were approved by the Court in the January 2019 Order.
- 56) Due to the deficiency in the Receivership Proceedings and an agreement by the Receiver and its counsel, Osler, to not charge any fees from December 1, 2018 onwards, the only professional fees paid from the receivership estate since the date of the Seventy-Fourth Report is the Receiver's Final Invoice. The Final Osler's Fees will be paid directly by Deloitte any may be reimbursed by the receivership estate if funds become available.
- 57) The payment of the Receiver's Final Invoice has been added to and included in the Summary of Fees and Disbursements dated September 29, 2020 which is attached to this Report as **Appendix J**.
- 58) In the Receiver's opinion, the services rendered in respect of these fees and disbursements have been duly rendered in response to the required and necessary duties of the Receiver hereunder, and are reasonable in the circumstances. Detailed time records supporting the invoices are available in the offices of the Receiver and its counsel.

CONCLUSIONS AND RECOMMENDATIONS

- 59) Based on the foregoing, the Receiver respectfully requests that the Court grant the relief outlined in paragraph 14 (c) of this Report.

All of which is respectfully submitted at Vancouver, British Columbia, this 5th day of October, 2020.

DELOITTE RESTRUCTURING INC.

In its capacity as Court-Appointed Receiver and Manager of Perera Shawnee Ltd. and Perera Development Corporation, and not in its personal capacity



Per: Jeff Keeble, CA, CPA, CBV, CIRP, LIT
Senior Vice-President

Appendix A

**Perera Shawnee Ltd. and
Perera Development Corporation - In Receivership
Interim Statement of Receipts & Disbursements
For the period March 3, 2010 to September 29, 2020**

Description	Mar 3, 2010 to Jan 3, 2019	Jan 4, 2019 to Sept 29, 2020	Total at Sept 29, 2020
Cash Receipts			
Sales proceeds	\$ 21,369,723	\$ -	\$ 21,369,723
GST collected	893,175	-	893,175
Amenities and manager/guest suite levy holdback	234,531	-	234,531
Presale settlements	122,964	-	122,964
Sale of equipment on site	27,509	-	27,509
Maintenance fees collected	13,025	-	13,025
Accrued interest on presale deposits	11,799	-	11,799
GST Refund	83,269	5,248	88,516
City of Calgary building permit refund	-	36,336	36,336
Miscellaneous asset sales	4,644	-	4,644
Miscellaneous refunds	18,839	-	18,839
Unencumbered vehicle sales	2,619	-	2,619
Key sales	587	-	587
Cash in bank at date of receivership	98	-	98
	<u>22,782,782</u>	<u>41,584</u>	<u>22,824,366</u>
Cash Disbursements			
<i>Operations</i>			
Construction costs	3,472,841	-	3,472,841
Phase II & III Construction	1,921,217	-	1,921,217
Operating costs	1,338,747	-	1,338,747
Construction consultants	1,102,867	-	1,102,867
Final construction of incomplete items	1,241,394	100,170	1,341,564
Equipment & crane rentals	640,883	-	640,883
Payroll	442,563	-	442,563
Property taxes	429,125	-	429,125
Payments to critical suppliers	277,374	-	277,374
Insurance	245,454	-	245,454
Condo fees	223,593	-	223,593
Employee reimbursements	29,058	-	29,058
Perera office expenses	27,813	-	27,813
Common area costs	24,939	-	24,939
Office lease payment	22,757	-	22,757
Security	16,269	-	16,269
Appraisal fees	10,553	-	10,553
Business taxes	2,388	-	2,388
Official Receiver filing fees	140	-	140
Bank charges	120	45	165
WEPP priority	-	34,813	34,813
	<u>11,470,094</u>	<u>135,027</u>	<u>11,605,122</u>
<i>Professional fees</i>			
Receiver's fees and disbursements	2,389,261	8,280	2,397,541
Legal fees and disbursements	1,856,339	-	1,856,339
Pre receivership consulting services	50,438	-	50,438
Urban One consulting fees	5,372	-	5,372
	<u>4,301,409</u>	<u>8,280</u>	<u>4,309,689</u>
<i>Sales expenditures</i>			
Sales commissions	628,842	-	628,842
Sales expenses	339,472	-	339,472
Sales contract services	218,989	-	218,989
	<u>1,187,304</u>	<u>-</u>	<u>1,187,304</u>
<i>GST paid on disbursements</i>			
	765,566	5,423	770,989
<i>Payment of post-receivership GST</i>			
	216,650	-	216,650
	<u>17,941,023</u>	<u>148,730</u>	<u>18,089,754</u>
Less: Interim distribution to First Calgary	(4,500,000)	-	(4,500,000)
Less: Repayment of Amenities Holdback and Guest Levy to Phase I owners	(234,531)	-	(234,531)
Excess of Cash Receipts over Cash Disbursements	\$ 107,228	\$ (107,146)	\$ 81

Appendix B

Rx Date/Time JUN-25-2007(MON) 16:13
JUN-25-2007 16:34 IOL CORP SECURITY

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P 001

Rx Date/Time JUN-20-2007(WED) 14:38
20 Jun 07 02:46p

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403 286 1939

P.002

P.2

THE PURCHASER MAY, WITHOUT INCURRING ANY LIABILITY FOR DOING SO, RESCIND THIS AGREEMENT WITHIN 10 DAYS OF ITS EXECUTION BY THE PARTIES TO IT UNLESS ALL OF THE DOCUMENTS REQUIRED TO BE DELIVERED TO THE PURCHASER UNDER SECTION 12 OF THE CONDOMINIUM PROPERTY ACT HAVE BEEN DELIVERED TO THE PURCHASER NOT LESS THAN 10 DAYS PRIOR TO THE EXECUTION OF THIS AGREEMENT BY THE PARTIES TO IT.

SALESPERSON: AMBER HAEDER

DATE OF OFFER: Jun 20, 2007



HIGHBURY

Offer to Purchase and Agreement of Purchase and Sale

VENDOR:
Perera Shawnee Ltd.
425 78th Ave. S.W.
Calgary, AB T2V 5K5

VENDOR'S SOLICITOR
McLeod & Company LLP
Third Floor, 14505 Banister Road S.E.
Calgary, AB T2X 3J3
Attn: Robin Lokhorst

PURCHASER(S):

JANE O'NEIL
Full Name
 Mr. Miss Ms. Mrs.
Retired
Occupation

LUTHER CUTTS
Full Name
 Mr. Miss Ms. Mrs.
Security Advisor
Occupation

11 PALOMINO BLV
Address

Address

CALGARY
City

SAME
City

AB T32-1B9
Province Postal Code

Province Postal Code

403-286-1989
Telephone Business

Telephone Business

Fax S.I.N.

Fax S.I.N.

janelinder
karel.linder@herman.com
Email Address

Email Address

I/WE THE ABOVE PURCHASER(S) HEREBY OFFER to purchase from the Vendor, a unit of the condominium project Highbury (the "Project") at Suite 406, 14819 Shawnee Gate, S.W., Calgary, Alberta, and is legally described as:

Unit 40, Condominium Plan T13D and T13D undivided one ten thousandth shares in the common property excepting thereout all mines and minerals (the "Unit") and Parking Unit Number(s)

T13D, Condominium Plan T13D and T13D undivided one ten thousandth shares in the common property excepting thereout all mines and minerals (the "Parking Unit") in the manner and on the terms and conditions contained herein.

The purchase price (the "Purchase Price") which includes the price of the Unit and one (1) Parking Unit with a value of \$30,000.00 is

Not including applicable GST
Initials

Including GST net of New Housing Rebate
Initials

Including 6% GST
Initials

\$ 535,900

The Purchase Price includes one storage locker to be assigned.

Highbury O

FAX

AMBER HAEDER
256-5833

LUTHER CUTTS
237-4414

10/3

DATE: 2007-06-25



INITIALS



HIGHBURY

Unit 40 Suite 406

1.1 The Purchaser shall pay to the Vendor the Purchase Price, subject to adjustments as set forth in Clause 6 of the attached Addendum "A" and payable to "McLeod & Company LLP in Trust" by way of cash, bank draft, certified cheque or solicitor's trust cheque, as follows:

- a) A deposit (the "Initial Deposit") of 5% of the Purchase Price upon presentation of this Offer to Vendor \$ 26,795
- b) A further deposit (the "Second Deposit") of 5% of the Purchase Price payable within forty five (45) days of acceptance by the Vendor \$ 26,795
- c) The balance of the Purchase price, subject to adjustments described herein (the "Balance") to be paid on the closing Date (as hereinafter defined) \$ 482,310

1.2 All deposits and payments in excess of \$30,000, other than extras and option payments, interim occupancy fees common expenses and mortgage advances, and security deposits (the "Deposits") paid by the Purchaser under this Agreement shall be held in trust by the Vendor's solicitors, McLeod & Company LLP, until a registerable Transfer of Land for the Unit (the "Transfer") is delivered to the Purchaser and may be dealt with by the Vendor in accordance with the provisions of clauses 1, 13 and 16 of Addendum "A" attached hereto.

1.3 From the Adjustment Date until the first annual general meeting of the condominium corporation is held, the Purchaser agrees to pay monthly to the condominium corporation or its agent or nominee \$ 351.40, being 1/12 of the estimated annual assessments, contributions, or levies for managing and maintaining the Unit and the common property of the Project in proportion to the Unit Factor.

THE TERMS AND CONDITIONS ATTACHED HERETO AS ADDENDUM "A" ARE PART OF THIS AGREEMENT. READ THEM VERY CAREFULLY BEFORE YOU SIGN.

This Offer to Purchase and Agreement of Purchase and Sale will be open for acceptance by the Vendor up to and including Jun 22, 2007 and is irrevocable prior to that time and upon acceptance by the Vendor will be a binding agreement of the purchase and sale of the Unit on the terms and conditions herein contained.

THE PURCHASER HAS EXECUTED THIS AGREEMENT this 20 day of Jun, 2007

[Signature]
WITNESS

[Signature]
PURCHASER

[Signature]
WITNESS

[Signature]
PURCHASER

RECEIPT OF \$ 0 IS HEREBY ACKNOWLEDGED BY THE VENDOR AS DEPOSIT MONIES PAID BY THE PURCHASER.

THIS OFFER TO PURCHASE AND AGREEMENT OF PURCHASE AND SALE is accepted by the Vendor this 21st day of June, 2007.

Perera Shawnee Ltd.

[Signature]
Per. Authorized Signatory

The Purchaser hereby acknowledges having received on the 21 day of Jun, 2007 copies of Addendum "A" and the Schedules referred to therein. This Agreement shall constitute a receipt of the Addendum and the Schedules.

[Signature]
WITNESS

[Signature]
PURCHASER

[Signature]
WITNESS

[Signature]
PURCHASER

Unit 40 Suite 406

HIGHBURY
ADDENDUM "A"

1. DEPOSIT IN TRUST

The Purchaser irrevocably authorizes the Vendor to use all or part of the Deposit, as it deems advisable in its sole discretion of constructing the Project and the Unit. The Vendor represents that the deposits and payments other than extras and options payments, interim occupancy fees, common expenses, mortgage advances and security deposits are held under a plan, agreement or arrangement approved by the Minister of Municipal Affairs, pursuant to Section 14(10) of the *Condominium Property Act, R.S.A. 2000, Chapter C-22 (the "Act")*, and amendments thereto, and it is agreed that for so long as that plan, agreement, scheme or arrangement is in effect, only that portion of the deposits in excess of \$30,000 (the "excess deposits") shall be placed in trust in accordance with Section 14 of the Act; PROVIDED FURTHER THAT all deposits paid by the Purchaser(s) under this Agreement shall be held in trust by the Vendors' solicitors, McLeod & Company, and accounted for and disbursed in accordance with the requirements of Section 14 of the Act until a home warranty program has issued a Certificate or Certificates of Coverage of such deposits at which time the Vendor shall become entitled to use any deposits so certified. All interest earned upon funds held in trust shall accrue to the Vendor's credit.

2. EXTRAS AND OPTIONS

The Purchase Price includes the items to be installed in the Unit as set out in Schedule "D". It is understood and agreed that the Vendor need not make any modification or supply any other items, options or extras to the Unit unless ordered by the Purchaser in writing and confirmed and agreed to by the Vendor through the use of a finishing options order form (the "Finishing Options Order Form") supplied by the Vendor. Subject to any specific method for payment agreed upon by the parties in writing in the Finishing Options Order Form, the Purchaser will pay for any agreed upon modifications and/or extras prior to the time the Vendor issues a work order or purchase order of the work to be done or the supply of the required materials or such earlier date as specified by the Vendor and it is acknowledged and agreed by the Vendor and the Purchaser that such payment does not constitute money paid by a purchaser under this purchase agreement but is a payment under the Finishing Options Order Form.

3. EXCLUSIVE USE AREAS

The Purchaser shall be entitled to use of the common property connected to the Unit and identified as a terrace or patio or balcony (the "Exclusive Use Areas") as shown on the Proposed Condominium Plan attached as Schedule "A", or the final plan as registered, as the case may be.

4. PARKING UNIT

The Purchase Price includes one currently unassigned, underground parking stall unless otherwise specified in the Purchase Agreement. It is understood and agreed that the Vendor retains the right to assign the specific Parking Unit(s) to the Purchaser prior to the Closing Date.

5. CLOSING DATE

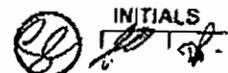
The Closing Date of the purchase of the Unit (the "Closing Date") shall be the date specified in a notice from the Vendor to the Purchaser. The Purchaser shall be provided with the notice a minimum of 30 days prior to the Closing Date. The Vendor estimates, but does not warrant or represent, that the Closing Date shall be on or about April 30, 2009. Subject to Clause 13, the Purchaser covenants to take possession of the unit on the Closing Date even though the Condominium Plan may not be registered and portions of the common property, all exterior work and the landscaping may not at such time be fully completed. The Purchaser acknowledges that the Closing Date may be delayed to a date later than the date specified in the notice as the Closing Date by strikes, weather, inability to obtain goods or labor, acts of god or other occurrences beyond the reasonable control of the Vendor, or if the Sales Test has not been met, and the Purchaser accepts that in the event of delay the closing date shall be deemed to be postponed to the date on which possession is actually granted. "Sales Test" herein shall mean the execution of unconditional purchase agreements for 35 residential units in the First Phase of the Project.

6. G.S.T. AND ADJUSTMENTS

6.1 The Purchaser acknowledges that he is responsible for payment of the applicable G.S.T. to the Vendor on the closing Date.

(a) if the Purchase Price described in the Purchase Agreement is explicitly shown as "including GST net of New Housing Rebate" then the Purchase Price payable by the Purchaser shall be inclusive of the GST payable under the Excise Tax Act (the "GST Legislation") net of the New Housing Rebate (the "Rebate") available under the GST Legislation provided:

(i) the Purchaser is eligible for the Rebate and assigns it to the Vendor pursuant to a form of assignment acceptable to the Vendor delivered on or before the Completion Date;

INITIALS


- (ii) on or before the Completion Date, the Purchaser delivers to the Vendor a properly completed and executed GST New Housing Rebate form in the form prescribed by the GST Legislation from time to time;
- (iii) the Purchaser provides to the Vendor on or before the Completion Date a sworn statutory declaration that on completion of the transaction, the first person to occupy the Unit will be the Purchaser or a "relation" (as defined in section 254 of the GST Legislation) of the Purchaser and the Unit will be used as the primary place of residence of the Purchaser or the relation as the case may be.

Despite the foregoing, the Vendor reserves the right to refuse to credit all or any portion of the Rebate claimed by the Purchaser if the Vendor has reason to believe that the Purchaser is not entitled to the Rebate or that the Rebate amount claimed by the Purchaser exceeds the Rebate to which the Purchaser is entitled. By delivering an executed copy of the GST New Housing Rebate form to the Vendor, the Purchaser warrants that the Purchaser is eligible for the Rebate. If the Purchaser assigns the Rebate to the Vendor and Canada Customs and Revenue Agency disallows all or any part of the Rebate claim, the Purchaser will, upon receiving a written demand from the Vendor, reimburse such disallowed amount to the Vendor together with any interest, penalty or other amount payable by the Vendor as a result of such disallowance.

If the Purchaser is not eligible for the Rebate, fails to provide any of the documents referred to in subparagraphs (i) through (iii) or otherwise fails to assign the Rebate to the Vendor, the Purchase Price shall be adjusted upward by the amount of the Rebate that would have been assignable to the Vendor had the Purchaser been eligible and the Purchase Price as increased by such Rebate amount shall be payable on the Completion Date.

- (b) If the Purchase Price as described in the Purchase Agreement is not expressly shown as "including GST net of New Housing Rebate", then in addition to the Purchase Price, the Purchaser shall on the Completion Date remit to the Vendor the GST payable in respect of his purchase of the Unit. In such circumstances, the Purchaser shall be entitled to remit GST net of the Rebate provided the Purchaser complies with the provisions of subparagraphs (i) through (iii) inclusive referred to in subparagraph 6.1(a) of this provision.

6.2 All taxes, interest and other adjustments shall be adjusted between the Vendor and the Purchaser as at the Closing Date or the Possession Date, whichever date is the earlier (the "Adjustment Date") provided the Purchaser has paid all sums of money owing to the Vendor and has otherwise complied with all his obligations set forth in this agreement. If the adjustments cannot be accurately determined at the Adjustment Date, the Vendor shall have the right to estimate the adjustments made and closing shall take place in accordance with the estimate and there shall be an adjustment at such later date when all of the items to be adjusted can be accurately determined. Adjustments hereunder shall take into account all prepaid and accrued expenses relating to the Unit which, without limiting the generality of the foregoing, shall include the following:

- a) Assessments prepaid or owing for common expenses;
- b) Realty taxes (including local improvement charges, if any) on the Unit and, if taxes are owing for the period when the Project was assessed and taxed as one project and not as individual units, then the adjustment of taxes shall be calculated attributing the portion of taxes owing on the total project by applying the Unit Factor to such total expenses; all such taxes to be estimated as if the unit had been assessed by the relevant taxing authority as fully completed by the Vendor for the calendar year in which the transaction is completed and to be adjusted as if such sum had been levied and paid by the Vendor notwithstanding that the same may not, by the Closing Date, have been levied or paid subject however to re-adjustment upon the actual amount of such taxes being ascertained; and
- c) Any other prepaid or current expenses for utilities such as gas, electricity, water or other utilities which are not included in the common expenses, and which shall be adjusted by applying the Unit Factor to such expenses.

7. CONSTRUCTION

- 7.1. Subject to any reasonable changes or variations as are required by the Vendor, the Unit and the common property are to be constructed in a workmanlike manner, in reasonable conformity with the drawings and specifications deposited at the office of the Vendor and in accordance with all applicable building codes and governmental regulations. The interior and exterior finishing of the common property shall be completed substantially in accordance with the description and/or drawing attached as Schedules "B", "C" and "D" hereto. The Purchaser acknowledges that prior to the signing of this Agreement, the Unit and the common property drawings, specifications and scheduled descriptions have been examined by or on behalf of the Purchaser and approved by him. The Vendor shall have the right to substitute materials and equipment of equal or better quality than the materials and equipment set forth in such drawings and specifications for the Project and its facilities and improvements provided that the changes will not materially alter the value, amenities or appearance of the Unit as determined by the Vendor, acting reasonably. The Purchaser agrees that the Vendor may modify the plans to enhance the marketability of the project as a whole, without obtaining the prior consent of the Purchaser and that such changes may affect the Purchaser and the Unit but may not affect the ownership of the Unit.

Unit 40 Suite 406

7.2. The Purchaser acknowledges that the total expected area of the Unit ("Expected Area") as shown on the Proposed Condominium Plan set out in Schedule "A" (and the room measurements as shown in any advertising material) are approximate only and may vary from the total actual area ("Actual Area") as shown on the final Condominium Plan registered in the applicable land Titles Office. If the proportion by which the Actual Area varies for the Expected Area (the "Variance") is less than 3%, there will be no adjustment to the Purchase Price to reflect same. If the Variance exceeds $\pm 3\%$ the Purchase Price will be increased or decreased, as the case may be, by the "Adjustment Factor" (as hereinafter defined) per square foot in respect of that part of the Variance, which exceeds $\pm 3\%$. If the Variance exceeds $\pm 10\%$, the Purchaser may by written notice cancel this Agreement, whereupon the Purchaser will be entitled to repayment of the Deposit as provided in Clause 16 hereof, unless the Variance is positive by virtue of the Actual Area exceeding the Expected Area and the Vendor waives the adjustment to the Purchase Price, in which event the Purchaser will complete the transaction of purchase and sale on the Closing Date. In this paragraph "Adjustment Factor" means the price per square foot determined by dividing the Purchase Price by the Expected Area.

7.3. The Vendor, its agents, employees, mortgage inspectors and municipal employees shall have the right of entry and access to the Unit and the applicable common property before and after the Closing Date in order to complete any incomplete items, inspect the Unit and make any modifications to the Unit.

7.4. The Purchaser shall not enter onto the Unit or any common property other than the Vendor's sales office without the Vendor's express permission. The Purchaser hereby releases the Vendor, its servants and agents from all liability or claims whatsoever for personal injury or property damage to the Purchaser or anyone accompanying or sent or invited by the Purchaser (hereafter referred to as "the Trespasser") resulting from their entry onto the Unit or common property without the permission of the Vendor, whether arising from the negligence of the Vendor or otherwise. The Purchaser hereby agrees to indemnify and hold harmless the Vendor from and against any and all actions, causes of action, suits, proceedings, fines, costs, expenses and damages whatsoever arising by virtue of the Trespasser's entry onto the Unit or common property without express permission.

8. TITLE TRANSFER

The Transfer, in registerable form, shall be prepared at the expense of the Vendor, and delivered to the Purchaser's solicitor in sufficient time to register prior to the Closing Date. The Purchaser shall not be obligated to pay any interest to the Vendor on the cash to close until the Purchaser has had time in which to register the Transfer, provided the cash to close has been paid to the Vendor's solicitor in trust. The date upon which the Transfer is registered at the south Alberta Land Registration District shall be the "Title Transfer Date". The Purchaser acknowledges that the Purchaser is responsible in any event for the title transfer registration fees and for the payment of all costs relating to any new mortgage financing, and for all mortgage registration charges and disbursements. The Vendor shall discharge any Caveat protecting the Vendor's interest as an unpaid Vendor.

9. PAYMENT AND INTEREST

The Purchaser shall pay daily interest to the Vendor at the Royal Bank Prime Lending rate plus THREE (3%) PERCENT calculated on the Purchase Price or any other payments due by the Purchaser, including deposits, which are not paid to the Vendor by the date prescribed for payment herein, from the date such payments are due until payments are made, PROVIDED HOWEVER that this Clause shall in no way affect or diminish the rights of the Vendor set forth in this Agreement to insist upon all monies being paid on the date due. All monies payable hereunder by the Purchaser to the Vendor shall be paid without condition, stipulation, trust, term or holdback (including Builders' Lien holdback) except as specified herein or in the Act (if applicable). For greater certainty, no holdback may be made by the Purchaser in respect of unfinished work, deficiencies, or defects apparent at the Closing Date except with the agreement in writing of the Vendor.

10. MORTGAGE

The Vendor agrees that if part of the monies payable pursuant to this Agreement are coming from the proceeds of a new first mortgage to be obtained by the Purchaser, the Vendor shall provide a registerable transfer of land to the Purchaser, providing all conditions below are met:

- a) The Purchaser has executed any and all documents required by the mortgagee with respect to the new mortgage;
- b) The Purchaser has executed and delivered to the Vendor an irrevocable direction in writing addressed to the mortgagee, providing that the mortgage proceeds will be paid to the Vendor or its solicitor for the credit of the Vendor;
- c) The Purchaser has executed such other documents as may be required by the Vendor or its solicitor, to ensure that the mortgage proceeds are, in fact paid to the credit of the Vendor; and
- d) The Vendor is advised, by its solicitor, that the Purchaser has paid and the Vendor's solicitors are holding in their trust account on terms acceptable to them, all other money required to be paid by the Purchaser pursuant to Clause 6 hereof.
- e) The Purchaser shall use his best efforts to ensure that all advances under any mortgage financing shall be made without deduction for any interest or charges. In the event that the mortgagee reduces the amount of the loan or payment the Purchaser shall forthwith on demand pay to the Vendor the amount necessary to make up the deficiency.

11. INSPECTION

On or prior to the Possession Date, the Purchaser agrees to meet with a representative of the Vendor, at a mutually convenient time, to conduct a joint inspection of the Unit and to complete a list as to the deficiencies, if any, in the Unit. No holdback shall be allowed with respect to any deficiencies, all deficiencies shall be completed within a reasonable time from the closing Date. Except as to any items specifically listed on such deficiency list, the Purchaser shall be conclusively deemed to have accepted the Unit. The Purchaser further agrees that the Vendor or its agents shall have the right of entry and access to the Unit at all reasonable times upon reasonable notice, before and after the Closing Date, in order to complete any incomplete items or to inspect the Unit.

12. ASSIGNMENT

The Purchaser may only assign the Purchaser's interest in the Unit or in this Agreement or direct the transfer of the Unit to any other or additional party with the written consent of the Vendor and unless the Vendor so consents the Vendor shall not be required to convey the Unit to anyone other than the Purchaser named herein. If, with the consent of the Vendor, the Purchaser assigns the Purchaser's interest in the Unit or this Agreement or directs the transfer of the Unit to any other or additional party, the Purchaser will pay to the Vendor a handling charge in the amount of 2% of Purchase Price to compensate the Vendor for legal and administrative costs in connection with such assignment or direction except that such handling charge will be reduced to \$1,500.00 if the assignee is the Purchaser's spouse, parent, child, grandparent or grandchild. No assignment by the Purchaser of the Purchaser's interest in the Unit or this Agreement or direction of transfer to any other person shall have the effect of releasing the Purchaser from any of the Purchaser's obligations or liabilities hereunder.

13. OCCUPANCY LICENCE

13.1 The Purchaser acknowledges that the title to the Unit cannot be conveyed and final closing will not take place until the Condominium Plan has been registered in accordance with the Act. The Purchase agrees to enter into possession on a date (the "Early Possession Date") earlier than the Closing Date upon the Vendor providing notice to the Purchaser that the Unit is substantially complete, notwithstanding that the Condominium Plan for the Project is not registered. Notwithstanding anything contained in this agreement to the contrary, on or prior to the Early Possession Date, the Purchaser:

- a) Shall pay to the solicitors for the Vendor the full purchase price payable hereunder, (excepting any mortgage proceeds) which sum shall be dealt with in accordance with the terms of this Clause 13;
- b) Shall execute and deliver to the Vendor all documentation relating to the New Home Warranty program of Alberta and assignment of the new housing Goods and Services Tax Rebate;
- c) Shall otherwise comply with all other provisions of this Agreement.

13.2 The Purchaser shall take possession of the Unit pursuant to this Clause 13 as a licensee of the Vendor. In addition, the Purchaser shall, in consideration of the Vendor granting early possession of the subject unit, agree to pay to the Vendor a monthly occupancy fee from the Early Possession Date, to the Title Transfer Date (being the conclusion of the period of occupancy) as follows:

The Purchaser hereby irrevocably assigns to the Vendor the interest to be earned during the said occupancy period on all funds that have been paid to the Vendor on or before the Early Possession Date plus a sum equal to interest which should have been payable under the Purchaser's mortgage financing, if any, which sums shall be deemed to be the monthly occupancy license fee, and as such, shall not be applied against the Purchase Price of the Unit.

13.3 The Purchaser shall execute a registrable Transfer of Land in favor of the Vendor (the "Transfer Back") and the Transfer Back shall be retained by the Vendor's solicitors until the entire purchase price has been paid for unconditional release to the Vendor.

13.4 Should the Purchaser not complete or be unable to complete this transaction or should this transaction be terminated pursuant to the terms of this Agreement the Purchaser agrees to vacate the Unit within 15 days after notice to do so has been served on the Purchaser and to pay to the Vendor reasonable rent for the period of such occupancy, and the Vendor shall be at liberty to immediately restore title to the Vendor's name, all at the Purchaser's expense.

13.5 The Purchaser shall and does hereby indemnify and save harmless the Vendor of, from and against all suits, claims, actions, losses, costs, expenses, and damages of any kind to which the Vendor shall become liable to a party by reason of the use, misuse or occupation of the Unit or the common property by the Purchaser, his family, invitees or agents or by reason of any injury suffered or occasioned by any person or any person for whom the Purchaser is responsible in law.



INITIALS


Unit 40 Suite 406

14. RISK

The Unit shall be at the risk of the Vendor until the earlier of the Closing Date or the Early Possession Date. In any event of substantial or total loss or damage to the Unit or the Project occurring before such time from any cause whatsoever, either the Vendor or the Purchaser may, at their option, cancel this Agreement within thirty day (30) days of the date of the said loss or damage, and thereupon the Purchaser shall be entitled to the return of any monies paid as deposits without interest or deduction and the Vendor shall have no further liability hereunder. In the event the damage is not substantial or total, the Vendor agrees to restore and complete the Unit as soon as reasonably possible. All proceeds of any insurance policies in force shall be payable to the Vendor. The Unit shall be at the risk of the Purchaser after the Closing Date or Early Possession Date.

15. TITLE ENCUMBRANCES AND BY-LAWS

The Unit is sold subject to the Act and the implied easements thereunder and any caveats, charges, restrictive covenants, encumbrances and easements registered or to be registered in favor of utility companies or public authorities, and the proposed restrictive covenant and easement set forth in Schedules "J" and "K" respectively and any charges or encumbrances the source of which is attributable to the Purchaser, and those encumbrances registered or to be registered as may be required to properly service the Unit, the Project, and the common property and as may be required by the City of Calgary in conjunction with its approval of the Project or pursuant to a development agreement. The Vendor will, after receipt of the full sale proceeds cause any of its mortgage encumbrances attributable to the Vendor to be discharged insofar as they are registered against title to the Unit. The Purchaser acknowledges that he is fully aware of the permitted and conditional uses of the Unit and real property within the surrounding area under the land use by-laws of the applicable municipal authority governing the Unit and all applicable statutes, rules and regulations of any competent authority and agrees to accept the Unit subject to the risks incidental to such uses. The Purchaser further acknowledges that he is acquainted with the duties and obligations of an owner of a Unit and will be subject to all the benefits and obligations inherent in such membership. The Purchaser agrees to be bound by the proposed by-laws for the Condominium Corporation, a copy of which is attached as Schedule "H" hereto.

16. TERMINATION

- a) The Vendor is hereby granted the unrestricted right at its option to cancel and terminate this Agreement upon written notice to that effect delivered to the Purchaser in the event any of the following circumstances occur:
 - i. If, where the Purchaser is arranging CMHC high ratio mortgage financing hereunder, the Purchaser has not provided the Vendor with written confirmation within ten (10) days of the Vendor's acceptance of this Offer to Purchase that the Purchaser has been approved for the mortgage applied for;
 - ii. If the Purchaser makes an assignment of this Agreement without first obtaining the written consent of the Vendor;
 - iii. If the Purchaser becomes insolvent or bankrupt or if a receiver is appointed for any or all of the assets of the Purchaser;
 - iv. If the Purchaser fails to deliver any of the deposits or other payments provided for herein within the time prescribed for the payment thereof; or
 - v. If the Purchaser fails to comply with any of the terms of this Agreement or shall fail to complete or execute or deliver any document or instrument herein required or provided for.
- b) If the Purchaser is not approved for the mortgage within the time set forth in sub-clause 16(a)(i) above, then the Purchaser may, upon providing written notice to that effect to the Vendor and providing evidence that reasonable efforts were taken by the Purchaser to obtain such approval, cancel and terminate this Agreement.
- c) If the Variance as calculated in Clause 7.2 exceeds $\pm 10\%$, the Purchaser may by written notice cancel and terminate this Agreement unless the Variance is positive by virtue of the Actual Area exceeding the Expected Area and the Vendor waives the adjustment to the Purchase Price in which event the Purchaser will complete the transaction of purchase and sale on the Closing Date.
- d) If the Purchaser has terminated this Agreement pursuant to sub-clauses 16(b) or (c) hereof, or the Vendor has terminated this Agreement pursuant to sub-clause 16(a)(i) hereof, the Vendor shall promptly refund all Deposits to the Purchaser, without interest or deduction. If the Vendor cancels and terminates this Agreement pursuant to any of sub-clause 16(a)(ii), (iii), (iv) or (v) hereof, all Deposits shall be absolutely forfeited to the Vendor as part of its liquidated damages and not as a penalty and the Vendor shall be at liberty to pursue such other claim or action of any nature to which it may be entitled in law against the Purchaser.
- e) If the Purchaser cancels or in any way attempts to terminate this Agreement other than in accordance with sub-clauses 16(b) or (c) hereof, then, without limitation or prejudice to any of the rights of the Vendor hereunder or at law, all Deposits shall, at the option of the Vendor, be absolutely forfeited to the Vendor as part of its liquidated damages and not as a penalty and the Vendor shall be at liberty to pursue such other claim or action of any nature to which it may be entitled in law against the Purchaser.

INITIALS


Unit 40 Suite 406

- f) In the event of termination or cancellation of this Agreement, the Vendor shall be entitled to be reimbursed for the cost of paying out any lien, execution or encumbrance the source of which is attributable to the Purchaser, or the costs of any extras or improvements requested by the Purchaser and such costs shall include legal costs on a solicitor-and-own-client, full indemnity basis.
- g) If this Agreement is terminated by either party pursuant to this Clause 16, the Vendor shall promptly inspect the Unit and, if in the opinion of the Vendor, any redecoration or repair hereto is required to restore the Unit to its condition at the Early Possession Date or Closing Date, as the case may be, the same may be effected by the Vendor at the expense of the Purchaser and the Vendor may deduct the costs thereof from the Deposits and/or demand payment of such costs from the Purchaser. The Purchaser shall pay interest on such costs as set forth in clause 9 from the date of the demand for payment.
- h) Any sums paid in respect of occupancy license fees or common expenses by the Purchaser hereunder are not refundable in the event of termination.
- i) If the Vendor commences action for the judicial interpretation, enforcement, termination, cancellation or rescission hereof or for damages for the breach of any provision of this Agreement the Vendor shall be entitled to its costs on a solicitor-and-own-client, full indemnity basis.
- j) If the Condominium Plan is not registered by December 31, 2009 or if the Early Possession Date has not occurred by December 31, 2009, then, in either event, this Agreement shall be null and void at the option of either party hereto and the Vendor shall return to the Purchaser, without interest, all purchase monies paid, subject to all proper deductions as provided for in this Agreement.

17. MANAGEMENT

The Purchaser acknowledges that it is the intent of the Vendor that the Condominium Corporation be managed in accordance with the proposed management agreement set out in Schedule "F".

18. UNIT FACTORS

The Unit Factors for the Unit and the Parking Unit are as set out on page one of the Offer to Purchase and have been apportioned and computed substantially on the basis of the area of the Unit in relation to the total area of all the units in the Project. The Parking Unit itself carries a unit factor of 2. Minor adjustments may have been made to the Unit Factor for the Unit and the Parking Unit as may be necessary to make the unit factors for all the units total 10,000 as required by law.

19. COMMON & OCCUPANCY EXPENSES

- a) It is estimated by the Vendor that the monthly common and occupancy expenses contribution for the Unit after the Closing Date or Early Possession Date, as the case may be, will be as set out in Clause 1.4 of the Offer to Purchase. The Purchaser acknowledges that such amount is an estimate only and is subject to change by the Condominium Corporation or its Board of Directors. The said contribution comprises the Purchaser's proportionate share of the estimated monthly property and management expenses of the Project and is determined by applying the Unit Factor for the Unit to the total of such expenses. The estimated budget set out in Schedule "H" is presented to the Purchaser for informational purposes only.
- b) The Purchaser shall be solely responsible for any cost associated with the connection and provision of telephone and cable service arranged by and subscribed to by the Purchaser. The Purchaser agrees to pay for property taxes for the Unit and other utility charges, which are for the sole benefit of the Unit. The Purchaser also agrees and acknowledges that it is his or her or their responsibility to carry personal liability insurance and to insure their personal belongings located in the Unit or in any storage area in the building.

20. VENDOR CONDOMINIUM FEES

- a) Before and during construction of Phase One and any of the Subsequent Phases, and prior to the turnover of each Phase, the Vendor shall be responsible for all common expenses relating to each Phase then under construction or awaiting development, but during such period, the Vendor shall in return be entitled to receive all interim occupancy fee payments made by an occupant or owner of a particular unit. The Vendor shall not be required to pay condominium contributions (based on the estimated condominium fees noted in the Vendor's disclosure package or as may be assessed by the Board of Directors of the Condominium Corporation) for any units in phases which are undeveloped or under construction.
- b) After the first annual general meeting of the Condominium Corporation, the Board of Directors of the Condominium Corporation may adopt a Budget and collect condominium contributions in accordance with the Replacement By-laws, and as set out in those Replacement By-laws, for units which it intends to sell, the Vendor shall contribute to common expenses in respect of the units intended by the Vendor to be sold according to the Proposed By-laws.

Unit 40 Suite 406

21. VENDOR EXEMPTION FROM BYLAWS

In the Proposed By-Laws, Schedule H, By-laws 3(d), 3(i), 3(l), 3(n), 46(a) 61 (b)i), 61(b)iii), 62(c)i), 62(c)ii), 62(c)x), 62(c)iii) 62(c)xv), 62(c)xvii), and 62(c)xviii) shall not apply to the Vendor for one (1) year from the date of registration of the Condominium Plan.

22. DISPLAY UNITS

The Purchaser agrees that, notwithstanding the provisions of the By-laws of the Project, the Vendor shall have the right to maintain and use a reasonable number of units and a portion of the common property for display and sale purposes and to exhibit a sign or signs advertising the location of such display units on or about the display units on the common property until all the units in the Project, and future projects of the Vendor within a two block radius, are sold and occupied and that any provisions of the By-laws which might restrict the Vendor in this respect, if any, are hereby waived by the Purchaser.

23. CONDOMINIUM AND DEVELOPMENT PROVISIONS

The Purchaser is aware that that a Condominium Corporation has been or will be established to operate and maintain the common property of condominium project. The Purchaser agrees to observe and perform the terms and conditions of the Act, by-laws, restrictive covenants, easements, encumbrances and regulations of the Corporation and management agreements entered into by the Corporation, and in particular the Purchaser is aware that the owners of all condominium units must pay monthly assessments imposed by the Corporation to meet encumbrance charges and common expenses, including (amongst others) such things as management fees, reserve fund, insurance premiums and common utilities and services.

24. SCHEDULES

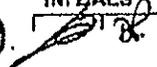
The Schedules referred to in the Offer to Purchase and this Addendum "A" are deemed to be incorporated herein and include the following:

- Schedule A Proposed Condominium Plan
- Schedule B Site Plan and landscaping plan being drawings showing the location of fences, roadways, walkways, parking areas and landscaping
- Schedule C Phased Development Disclosure Statement, and Appendix A, Plans and Specifications for Common Area
- Schedule D Specifications of the Unit
- Schedule E Manager's Residence and Guest Suite
- Schedule F Proposed Management Agreement
- Schedule G Proposed Condominium Operating Budget and the estimated amount of the monthly contributions of each unit in the project
- Schedule H Proposed By-laws
- Schedule I Proposed Restrictive Covenant (Parking)
- Schedule J Registered Easements
- Schedule K Alberta New Home Warranty Program

Schedules "A", "B", "C" and "D" are descriptions and drawings which depict the roadways, walkways, fences, parking areas, interior and exterior finishing and landscaping as they will exist when the Vendor has fulfilled its obligations under this Agreement PROVIDED THAT the Purchaser acknowledges and agrees that the Vendor shall be entitled to make changes thereto and to the Schedules provided that the changes will not materially alter or affect the value, amenities, appearance or marketability of the Unit or the common property as determined by the Vendor acting reasonably AND PROVIDED FURTHER THAT the Purchaser acknowledges and agrees that the Vendor shall be at liberty to make such changes in any Schedules as may be (and to the extent) required by any mortgagee providing interim or permanent financing for the Project or its mortgage insurer or by any government agency, the Vendor represents there are no significant utility installations, major easement areas, retaining walls and other significant features except as identified on the Site Plan and Landscaping Plan.

24. MISCELLANEOUS

24.1 Time of Essence. Time is of the essence of this Agreement and no extension of time permitted or agreed to by the Vendor shall be held or construed to effect a waiver of this provision.

INITIALS
 

Unit 40 Suite 406

- 24.2 Condition Removal. Notwithstanding anything herein contained to the contrary, if the Purchaser's obligation to purchase the Unit is subject to one or more conditions then the conditions shall be set out in an Addendum attached hereto and if such conditions exist then the Vendor may, on written notice delivered to the Purchaser require the Purchaser to either satisfy or waive the satisfaction of all conditions by delivering written notice within twenty-four (24) hours from the time the Vendor gives notice to the Purchaser. If such written waiver is not received within such time, then this Agreement shall terminate and the Deposit shall be promptly refunded to the Purchaser.
- 24.3 Notices and Tender. Any notice provided for herein shall be in writing and shall be effected by delivery or by sending the same in a postage pre-paid envelope addressed to the Purchaser at his address shown on the first page of the Offer to Purchase and to the Vendor at 425-78th Ave. S.W., Calgary, AB, T2V 5K5, and any notice shall be deemed to have been received on the date of delivery or on the fifth business day following the mailing.
- 24.4 Governing Law. This offer, the contract of purchase and sale resulting from the acceptance of this offer and all matters arising hereunder will be construed in accordance with and governed by the laws of the Province of Alberta, which will be deemed to be the proper law hereof, and the Court of Queen's Bench of Alberta will have the exclusive jurisdiction to entertain and determine all claims and disputes arising out of or in any way connected with this offer and the validity, existence and enforceability hereof.
- 24.5 Purchaser Comprising More Than One Party. If the Purchaser is comprised of more than one party, then the obligations of the Purchaser hereunder will be the joint and several obligations of each party comprising the Purchase and any notice given to one of such parties, shall be deemed to have been given, at the same time to each other such party.
- 24.6 Execution of Counterparts and Delivery of Telecopied Agreement. This Agreement may be executed by the parties in counterparts or transmitted by telecopy or other means of electronic communication, or both, and if so executed and delivered, or if so transmitted, or if so executed and transmitted, this Agreement will be for all purposes as effective as if the parties had executed and delivered to one another a single original agreement.
- 24.7 Residency of Vendor. The Vendor represents and warrants to the Purchaser that it is a resident of Canada within the meaning of the Income Tax Act of Canada.
- 24.8 Urea Formaldehyde. To the best of the Vendor's knowledge, the Unit will be or is free of material containing urea formaldehyde foam insulation.
- 24.9 Contractual Rights. This Offer, and the agreement which results from its acceptance, creates contractual rights only and not any interest in land in favor of the Purchaser.
- 24.10 Further Assurances. The parties hereto shall do all further acts and things and execute all such further assurances as may be necessary to give the full effect to the intent and meaning of this contract.
- 24.11 References. All references to any party, whether a party to this contract or not, will be read with such changes in number and gender as the context or reference requires.
- 24.12 Severance. If any provision hereof is contrary to law or is otherwise unenforceable, the same shall be severed and the remainder of this Agreement shall be of full force and effect.
- 24.13 Enurement. Subject to the terms of Clause 12 hereof, the covenants, provisos, powers and licenses herein expressed or implied shall be binding upon and enure to the benefit of, and may be exercised or enjoyed by the heirs, executors, administrators or approved assigns of the Purchaser.
- 24.14 Non-Merger. All the covenants and obligations contained in this Agreement to be performed or observed by the Purchaser shall in no way merge with the Transfer of the Unit hereunder and shall in all respects remain in full force and effect notwithstanding conveyance of the Unit to the Purchaser and the payment of the purchase price.
- 24.15 Entire Agreement. The Parties confirm that the Offer to Purchase, Addendum A, the attached schedules and any other attached Addendums (the "Documents") constitute the entire agreement between the parties hereto and that there are no further or other conditions, representations, warranties, undertakings, guarantees, promises or agreements either express or implied either by law or custom save those mentioned in the Documents and that no oral or written agreements, representations, promises or any warranty made by any person shall be binding upon the Vendor unless made in writing and signed on behalf of the Vendor by its duly authorized officers.
- 24.16 Headings. The headings throughout the Offer to Purchase and this Addendum "A" are inserted for convenience only and shall not affect the construction of or be used in the interpretation of the Offer to Purchase and this Addendum "A" or any provision hereof.

Rx Date/Time JUN-20-2007(WED) 14:38
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Unit 40 Suite 406

25.0 MANAGER'S RESIDENCE & GUEST SUITE

The Purchaser acknowledges that the Condominium Corporation will or has acquired the manager's residence being Suite # L1, Unit # TBD from the Vendor for the purchase price, including 6% GST, of \$530,000 (plus applicable taxes and charges and subject to the customary adjustments) and two residence units to be utilized as a guest suites being proposed Suite #'s G1 and G2, Unit #'s TBD from the Vendor for the purchase price, including 6% GST, of \$190,800 (plus applicable taxes and charges and subject to the customary adjustments) each, to be paid in accordance with the terms set out in Schedule 'E'. The Purchaser acknowledges that each Unit purchaser is to be assessed a special levy of \$975.00 in addition to the Purchase Price to be applied to the purchase of the managers and guest suite and the Purchaser agrees to pay such sum to the Vendor on the Closing Date whether or not such levy is actually assessed by the Condominium Corporation.

26.0 VENDOR'S CONDITIONS PRECEDENT

This Offer is made subject to the following Vendor's Conditions, which are the Vendor's Conditions Precedent to the constituting or creating of any binding obligations hereunder, including the obligation of the Vendor to transfer title to the Unit to the Purchaser or creation of any legal agreement hereunder:

- (a) That if, on or before December 31, 2007, the Vendor gives written notice to the Purchaser that the Vendor has not been issued a released Development Permit and Condominium Approval for the Project from the City of Calgary;
- (b) That if, on or before December 31, 2007, the Vendor gives written notice to the Purchaser that it elects not to commence construction of the Unit due to the number of sales of other units in the building containing the Unit being, in its sole opinion, inadequate or insufficient to justify a construction start on the building containing the Unit;
- (c) That if the Vendor, on or before December 31, 2007 gives notice to the Purchaser that, in its sole discretion, it is not satisfied of the economic viability of the Project, for the phase of the Project in which the Unit is located.

then this Offer to Purchase and any agreement flowing from its acceptance by the Vendor shall thereafter be null and void and the Vendor shall refund any deposits on account of the Purchase Price it holds on the Unit to the Purchaser and the parties shall thereafter be deemed to have mutually released each other from all obligations hereunder.

These Vendor's Conditions Precedent are for the sole benefit of the Vendor and may be waived by the Vendor in whole or in part at any time.

The Vendor may unilaterally extend any or all of the dates referred to in the above Vendor's Conditions Precedent by notice in writing to the Purchaser given at any time on or before the expiry of the Vendor's Conditions Precedent dates.

27.0 Purchaser's Caveat Restriction

The Purchaser agrees that the Purchaser's rights under this Agreement are subordinate to and postponed to any construction mortgage arranged by the Vendor and any advances thereunder from time to time. The Purchaser acknowledges that registration of a caveat or other instrument respecting this Agreement or any related financing may delay registration of the Condominium Plan and effect construction of the Project and interim mortgage advances. Therefore, the Purchaser shall not register any caveat or instrument against title to all or any portion of the Project until such time as the Condominium Plan is registered.

INITIALS



Unit 40 Suite 406

HIGHBURY
ADDENDUM - FINISHING OPTIONS

Offer to Purchase and Agreement of Purchase and Sale
Addendum / Amendment

Re: Highbury
14619 Shawnee Gate, S.W.,
Calgary, Alberta

Date Jun 20, 2007

Further to the Offer to Purchase and Agreement of Purchase and Sale (the "Purchase Agreement") dated Jun 20
2007 made between Perera Shawnee Ltd, as Vendor, and JANE O'NEIL and LUTHER CURTS
as Purchaser, with respect to a unit, identified as Unit 40 Suite 406 14619 Shawnee Gate, S.W., Calgary, Alberta in the
Purchase Agreement, constructed or to be constructed on the above noted property, the undersigned agree as follows:

It is understood that the Purchaser will be meeting with a representative of the Vendor to finalize finishes to be installed in the
Unit. The Vendor agrees to provide at least 30 days notice to the Purchaser as to when the time period for dealing with any
colour scheme choices and finishing options (the "Finishing Finalization Period") is over. The Vendor will be providing the
following colour scheme choices (the "Colour Scheme Choices"), at no additional cost, to the Purchaser in the Strata Lot.

- Scheme - Natural
- Scheme - Urban

The Vendor will also be providing the following finishing options (the "Finishing Options") to the Purchaser, at the Purchaser's
cost, in the Unit:

- > Electric Fireplace

The Vendor reserves the right to make modifications to the Finishing Options

If the Purchaser is unable to select the Color Scheme Choices or Finishing Options before the end of the Finishing Finalization
Period, then the Vendor shall select the Color Scheme Choices on the Purchaser's behalf, and the Finishing Options will not be
available thereafter.

This Addendum forms a part of and is subject to the terms and conditions set out in the Purchase Agreement. The Purchase
Agreement, as amended by this Addendum, remains in full force and effect, and all terms and conditions in the Purchase
Agreement remain the same, except to the extent expressly amended by this Addendum. This Addendum may be executed and
transmitted via fax or other electronic means.

[Signature]
WITNESS

[Signature]
WITNESS

[Signature]
PURCHASER

[Signature]
PURCHASER

Perera Shawnee Ltd.

Per: [Signature]
Authorized Signatory

Unit 40 Suite 406

HIGHBURY

SCHEDULE "K"

The Alberta New Home Warranty Program
Mandatory Clauses
For All Sales Contracts For Condominium Residential Housing

Re: Highbury
14619 Shawnee Gate, S.W.,
Calgary, Alberta

Date Jun 20, 2007

CONDOMINIUM DEPOSIT PROTECTION RECEIPT

The builder confirms to the purchaser(s) that it is a registered member in good standing of The Alberta New Home Warranty Program and that payments made by the purchaser(s) to the builder are protected under the Condominium Deposit Protection of the Alberta New Home Warranty Program, subject to the terms, provisions, conditions, and limits of the Condominium Deposit protection Receipt Certificate. The terms of the Condominium Deposit Protection Receipt certificate are printed on Enclosure I.

CONDOMINIUM BUILDER PERFORMANCE PROTECTION

The builder confirms to the purchaser(s) that it is a Registered Member in Good Standing of The Alberta New Home Warranty Program, and that the home to be constructed under this Agreement will be protected under the Condominium Builder Performance Protection of The Alberta New Home Warranty Program, subject to the terms, provisions, conditions, and limits of the Condominium Builder Performance Protection Certificate. The terms of the Condominium Builder Performance Protection Certificate are printed on Enclosure II.

WARRANTY

The builder agrees to provide the builder Warranty set forth in detail in the sample Condominium Warranty Certificate and the sample Condominium Common Property Warranty Certificate appearing in Enclosures III and IV of this Agreement as the minimum requirement on the part of the builder. The builder may provide warranty coverage in addition to the minimum requirement in the said warranty and in such event, the additional warranty coverage shall be contained in an addendum in writing signed by the builder and attached to this Agreement. Additional coverage is provided solely by the builder and The Alberta New Home Warranty Program does not warrant the home beyond the terms, provisions, conditions, and limits contained in the sample Condominium Warranty Certificates appearing in Enclosures III and IV.

ARBITRATION

If any dispute arises between the builder and the purchaser(s) with respect to any matter in relation to this Agreement, the dispute shall be settled through binding arbitration in accordance with arbitration rules adopted by the Alberta New Home Warranty Program, provided that, where the dispute is in relation to the Builder Warranty, the dispute shall not be referred to arbitration until it has first been referred to and reported on, under the conciliation procedure provided by The Alberta New Home Warranty Program. A copy of the Arbitration rules as adopted by The Alberta New Home Warranty Program shall be furnished to both parties for the commencement of an arbitration, the selection of an agreed single arbitrator and the arbitration hearing. It is expressly agreed that the arbitration by the single arbitrator shall be final and binding on both parties.

PURCHASER ACKNOWLEDGEMENT

The purchaser(s) acknowledge that they have read and understand the terms, provisions, conditions and limits that are specified in the Condominium Deposit protection Receipt Certificate, Builder Performance Protection Certificate, and the sample Condominium Warranty and Common Property Warranty Certificates, as printed on Enclosures I, II, III and IV respectively.

WITNESS [Signature]
WITNESS [Signature]

[Signature]
PURCHASER
[Signature]
PURCHASER

INITIALS

<u>[Initials]</u>	<u>[Initials]</u>	<u>[Initials]</u>
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Unit 40 Suite 406

HIGHBURY

PARKING WAIT LIST REQUEST FORM

The Purchaser has requested to be placed on the Parking Wait List for an additional parking stall (the "Additional Parking Stall").

The Purchaser understands that this request form does **not** form part of the Purchase Agreement, and the purchase of the Additional Parking Stall is subject to availability.

DATE: Jun 20 TIME _____

PURCHASER'S NAME JANE O'NEIL AND LUTHER CUTTS

SUITE # 406 UNIT # 40

COMMENTS: _____

PURCHASER'S SIGNATURE: *Jane O'Neil*

SALES STAFF NAME AND SIGNATURE: Amber Harder *Amber Harder*

For Office Use Only :

Ref : 136 Administrator Name _____

Signed Form Received : Date _____ Time : _____

Appendix C

I hereby certify this to be a true copy of

the original Ordy

Dated this 13 day of Aug 2010

W. P. ...
for Clerk of the Court **ACTION NO. 1001-03215**

**IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY**

BETWEEN:

FIRST CALGARY SAVINGS & CREDIT UNION LTD.

PLAINTIFF

and

**PERERA SHAWNEE LTD., PERERA DEVELOPMENT CORPORATION, DON L.
PERERA and SHIRANIE M. PERERA**

DEFENDANTS

BEFORE THE HONOURABLE
JUSTICE R.G. STEVENS
IN CHAMBERS

) AT THE COURTHOUSE, IN THE CITY
) OF CALGARY, IN THE PROVINCE OF
) ALBERTA, ON FRIDAY, THE 13th
) DAY OF AUGUST, 2010

VESTING ORDER
(Re: Purchase by O'Neil/Cutts)

UPON the application of Deloitte & Touche Inc., in its capacity as Court-appointed receiver and manager of Perera Development Corporation ("**PDC**") and Perera Shawnee Ltd. ("**PSL**", or when reference is being made to PDC and PSL collectively, the "**Debtors**"), and not in its personal capacity (the "**Receiver**"); **AND UPON** noting the Order issued by Madam Justice A. Kent on March 3, 2010 (the "**Receivership Order**"); **AND UPON** noting the Affidavit of Service of Krista Collins, sworn August 12, 2010 (the "**Affidavit of Service**"); **AND UPON** reading the First Report of the Receiver, dated July 30, 2010 (the "**First Receiver's Report**"); **AND UPON** reading the Confidential Report of the Receiver, dated August 11, 2010 (the "**Confidential Receiver's Report**"); **AND UPON** hearing from counsel for the Receiver and counsel for any other persons present: **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of this Notice of Motion, dated July 30, 2010 (the "**Motion**") and the First Receiver's Report is abridged if necessary, the Motion is properly returnable today, service of the Motion and the First Receiver's Report on the persons listed in Schedule "**D**" to the Motion (collectively, the "**Service List**") in the manner described in the Affidavit of Service is good and sufficient and no persons other than the persons on the Service List are entitled to notice of the Motion or service of the First Receiver's Report.

APPROVAL OF THE SALE

2. Without prejudice to any of the rights of Jane O'Neil and Luther Cutts (collectively, the "**Purchaser**") as provided for in paragraph 19(d)(ii) of this Vesting Order, the sale contemplated by the purchase contract between PSL and the Purchaser, dated June 21, 2007, (the "**Purchase Contract**") regarding a unit in Condominium Plan 0915321 (the "**Plan**") for the Purchase Price (as that term is defined in the Purchase Contract) and legally described as follows, is hereby approved:

Condominium Plan 0915321
Unit 41
And 37 undivided one ten thousandth shares in the
common property
Excepting thereout all mines and minerals

(the "**Unit**").

3. The Receiver is authorized and empowered, but not directed, to:
 - (a) make amendments to the Purchase Contract in accordance with the authorization provided in Schedule "**3**" to the Confidential Receiver's Report, provided that the Purchaser agrees to such amendments being made to the Purchase Contract; and
 - (b) close the Purchase Contract and convey title to the Unit to the Purchaser (the "**Transaction**") pursuant to and in accordance with this Vesting Order.

CLOSING OF THE TRANSACTION

4. In the event that the Purchaser intends to close the Transaction, the Purchaser shall provide the Receiver with written notice of the name and address of his/her solicitor for the Transaction (the "**Purchaser's Solicitors**") within 5 days of being served with a copy of this Vesting Order.
5. The closing of the Transaction shall be effected in accordance with the terms of the Purchase Contract and upon such trust conditions as may be agreed upon between the solicitors for the Receiver (the "**Receiver's Solicitors**") and the Purchaser's Solicitors.
6. The closing date for the Transaction shall be September 2, 2010, or such other date as may be agreed upon by the Purchaser and the Receiver (the "**Closing Date**"). The Closing Date may be delayed pursuant to and in accordance with Article 5 of the Purchase Contract. There shall be an adjustment of taxes on the Closing Date.
7. Upon the delivery of a certified copy of this Vesting Order to the Registrar of the South Alberta Land Titles Office (the "**Registrar**") and a written request from the Receiver's Solicitors to do so, the Registrar shall:
 - (a) cancel certificate of title number 091 368 709 +40 to the Unit (the "**Old Title**");
 - (b) issue a new certificate of title to the Unit in the name of the Purchaser or his/her nominee (the "**New Title**"), which shall (subject to paragraphs 7(e) and 7(f) of this Vesting Order) include only the encumbrances listed in Schedule "A" to this Vesting Order (collectively, the "**Permitted Encumbrances**");
 - (c) discharge any and all of the encumbrances from the New Title that are listed in Schedule "B" to this Vesting Order (collectively, the "**Listed Encumbrances**");
 - (d) discharge any and all encumbrances registered on the New Title on or after July 19, 2010 (collectively, the "**Subsequent Encumbrances**" or, when reference is being made to the Listed Encumbrances and the Subsequent Encumbrances collectively, the "**Discharged Encumbrances**");
 - (e) register a copy of this Vesting Order on the New Title; and

- (f) register any mortgage financing obtained by the Purchaser, or any other interests requested by the Purchaser, on the New Title.
8. The Registrar shall perform the steps specified in paragraph 7 of this Vesting Order:
- (a) in the order specified in paragraph 7 of this Vesting Order; and,
 - (b) notwithstanding the requirements of section 191 of the *Land Titles Act*, R.S.A. 2000, c. L - 4 (the "LTA").

VESTING OF TITLE TO THE UNIT

9. Upon the Registrar issuing a certified copy of the New Title in accordance with paragraph 7(b) of this Order all right, title, interest, estate and equity of redemption of PSL, if any, and any persons claiming by, through or under PSL, in and to the Unit shall vest absolutely in the Purchaser free and clear of and from all security interests (whether contractual, statutory or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by the Receivership Order or by any other Order(s) in these or any other proceedings and (b) the Discharged Encumbrances (all of which are collectively referred to as the "**Encumbrances**", which term shall include the Claims but shall not include the Permitted Encumbrances) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Unit are hereby expunged and discharged as against the Unit.

TRANSFER OF MC LLP DEPOSIT FUNDS

10. Upon the Register completing the steps identified in paragraph 7 of this Vesting Order, the Register shall forthwith make available to the Receiver's Solicitors a certified copy of the New Title.
11. Upon receipt of a certified copy of the New Title from the Receiver's Solicitors, the law firm of McLeod and Company LLP ("**MC LLP**") (Attention: Robin Lockhurst) shall

forthwith, and in any event within three days of receipt of the certified copy of the New Title from the Receiver's Solicitors, provide the Receiver's Solicitors with all deposit funds (the "**Deposit Funds**") if any, that are currently held by MC LLP pursuant to the Purchase Contract.

AMENITIES HOLDBACK AMOUNT

12. The Receiver shall deduct from the Deposit Funds and all amounts paid by the Purchaser's Solicitors to the Receiver's Solicitors pursuant to the Purchase Contract (collectively, the "**Total Proceeds**") the sum of \$3,996.00 (the "**Amenities Holdback Amount**"), in accordance with section 14(5) of the *Condominium Property Act*, R.S.A. 2000, c C - 22.
13. The Amenities Holdback Amount shall not be disbursed by the Receiver unless an Order allowing for a disbursement of the Amenities Holdback Amount is issued by this Court.

HOLDING OF THE NET PROCEEDS

14. The Receiver shall hold the Total Proceeds, less the Amenities Holdback Amount (the "**Net Proceeds**") pursuant to and in accordance with the terms of this Vesting Order.
15. Upon the vesting of title to the Unit in the Purchaser pursuant to and in accordance with paragraph 9 of this Vesting Order, the Net Proceeds shall stand in the place and stead of the Unit and all of the Encumbrances shall attach to the Net Proceeds with the same priority that the Encumbrances had to the Unit immediately prior to the sale of the Unit, as if the Unit had not been sold and remained in the possession and control of PSL.
16. The Net Proceeds shall not be disbursed by the Receiver unless an Order allowing for a disbursement of the Net Proceeds is issued by this Court.

FEES ASSOCIATED WITH THE ISSUANCE OF THE NEW TITLE

17. All costs, fees and disbursements associated with the steps outlined in paragraph 7 of this Vesting Order, including the registration of any mortgage against the Unit in favour of the Purchaser's lender, shall be for the Purchaser's account.

FAILURE TO CLOSE ON THE CLOSING DATE

18. This Vesting Order is made for the purposes of allowing the Receiver and the Purchaser to close the Purchase Contract and convey title to the Unit to the Purchaser pursuant to and in accordance with the Purchase Contract. Nothing herein obligates the Purchaser to close the Purchase Contract or proceed with the Transaction.

19. In the event that the Transaction does not close on the Closing Date:
 - (a) all of the Purchaser's right, title, interest, estate and equity of redemption, if any, and any persons claiming by, through or under the Purchaser, in and to the Unit are extinguished;

 - (b) the Receiver is empowered and authorized, but not obligated, to sell, convey, transfer, lease or assign the Unit to a third-party;

 - (c) MC LLP shall hold all of the Deposit Funds and shall not disburse the Deposit Funds unless on notice to the Purchaser an Order allowing for a disbursement of the Deposit Funds is issued by this Court;

 - (d) except for as expressly set out in this Vesting Order, all of the other rights and liabilities of the Receiver (in its capacity as Court-appointed receiver and manager of PSL) and the Purchaser under and pursuant to the Purchase Contract are preserved including, without limiting the generality of the foregoing:
 - (i) the Receiver's right to claim (in its capacity as Court-appointed receiver and manager of PSL) that the Purchaser has breached the Purchase Contract, that all of the Deposit Funds and any other deposits paid by the Purchaser pursuant to the Purchase Contract are forfeited to the Receiver, that the Receiver is entitled to make a claim on any bond issued to secure the Purchaser's obligation under the Purchase Contract (the "**Bond**") and that the Purchaser is liable for all damages sustained, if any, by the Receiver (in its capacity as Court-appointed receiver and manager of PSL) for the Purchaser's breach of the Purchase Contract; and

- (ii) the Purchaser's right to claim that PSL has breached the Purchase Contract, that the Purchaser was entitled to terminate or rescind the Purchase Contract, that the Purchaser is entitled to a return of the Deposit Funds and any other deposits paid by the Purchaser pursuant to the Purchase Contract and that PSL is liable for damages caused, including but not limited to damages caused by PSL's failure to complete amenities facilities and buildings associated with the Plan, to the Purchaser by PSL's breach of the Purchase Contract.

20. In the event that a Bond has been issued to secure the Purchaser's obligations under the Purchase Contract and the Receiver receives any funds pursuant to the Bond (the "**Bond Funds**"), the Receiver shall hold the Bond Funds and the Bond Funds shall not be disbursed by the Receiver unless on notice to the Purchaser an Order allowing for a disbursement of the Bond Funds is issued by this Court.

SERVICE OF THIS ORDER

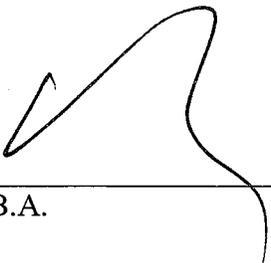
21. This Vesting Order shall be served on the Purchaser or on the person identified as counsel for the Purchaser on the Service List (the "**Purchaser's Counsel of Record**"), and no other persons are entitled to be served with a copy of this Vesting Order. Service of this Vesting Order shall be good and sufficient:
- (a) if being served on the Purchaser's Counsel of Record, by delivery of this Vesting Order on the Purchaser's Counsel of Record by PDF email, facsimile, rush courier or personal delivery to the office of the Purchaser's Counsel of Record; or
 - (b) if being served on the Purchaser directly, by delivery of this Vesting Order by PDF email, or by rush courier or personal delivery to the address provided by the Purchaser in the Purchase Contract or such other address as the Purchaser may provide to the Receiver.

ENCUMBRANCES REGISTERED ON OR AFTER JULY 19, 2010

22. On the day before the Closing Date, the Receiver shall obtain a copy of the Old Title and identify any persons who have registered Subsequent Encumbrances (collectively, the

“Subsequent Registrants”). The Receiver shall contact each of the Subsequent Registrants and:

- (a) advise each of the Subsequent Registrants of the Receivership Order;
- (b) provide each of the Subsequent Registrants with a copy of this Order; and
- (c) add each of the Subsequent Registrants to the Service List.



J.C.Q.B.A.

ENTERED this 13 day of August, 2010



Clerk of the Court



SCHEDULE "A" TO THE VESTING ORDER

PERMITTED ENCUMBRANCES

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
861 205 323	11/12/1986	UTILITY RIGHT OF WAY GRANTEE - THE CITY OF CALGARY. AS TO PORTION OR PLAN:8611330
871 142 214	10/08/1987	CAVEAT RE : SEE CAVEAT CAVEATOR - FRANCES LORRAINE REHMAN
071 476 257	24/09/2007	CAVEAT RE : RESTRICTIVE COVENANT
091 088 418	02/04/2009	UTILITY RIGHT OF WAY GRANTEE - ENMAX POWER CORPORATION.
091 368 708	07/12/2009	CAVEAT RE : RESTRICTIVE COVENANT
091 374 432	10/12/2009	RESTRICTIVE COVENANT
091 374 433	10/12/2009	RESTRICTIVE COVENANT

SCHEDULE "B" TO THE VESTING ORDER

LISTED ENCUMBRANCES

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
071 422 840	23/08/2007	MORTGAGE MORTGAGEE - FIRST CALGARY SAVINGS & CREDIT UNION LTD.
071 422 841	23/08/2007	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - FIRST CALGARY SAVINGS & CREDIT UNION LTD.
101 063 343	03/03/2010	BUILDER'S LIEN LIENOR - EMCO CORPORATION.
101 067 936	08/03/2010	BUILDER'S LIEN LIENOR - 759450 ALBERTA LTD. 0/A INTERIOR FINISHING.
101 067 938	08/03/2010	BUILDER'S LIEN LIENOR - C. & T. REINFORCING STEEL CO. (ALBERTA) LTD..
101 069 174	09/03/2010	BUILDER'S LIEN LIENOR - ADLER FIRESTOPPING LTD..
101 071 142	10/03/2010	BUILDER'S LIEN LIENOR - COAST WHOLESALE APPLIANCES GP INC..
101 071 143	10/03/2010	BUILDER'S LIEN LIENOR - THE FINISHING CENTRE LTD..
101 072 838	11/03/2010	BUILDER'S LIEN LIENOR - MODERN INDUSTRIAL RENTALS (1978) LTD..
101 072 839	11/03/2010	BUILDER'S LIEN LIENOR - UNITED RENTALS OF CANADA, INC..
101 075 229	15/03/2010	BUILDER'S LIEN LIENOR - 1412705 ALBERTA LIMITED.
101 075 230	15/03/2010	BUILDER'S LIEN LIENOR - JMMK PLUMBING & HEATING INC..
101 075 235	15/03/2010	BUILDER'S LIEN LIENOR - GLOBAL STONE INC..
101 075 236	15/03/2010	BUILDER'S LIEN LIENOR - NOVASTONE INC..

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
101 081 785	22/03/2010	BUILDER'S LIEN LIENOR – CANNEX CONTRACTING 2000 INC..
101 085 868	24/03/2010	BUILDER'S LIEN LIENOR – NORDSTAR KITCHENS LTD..
101 088 872	26/03/2010	BUILDER'S LIEN LIENOR – DOMENICO FANELLI
101 099 715	08/04/2010	BUILDER'S LIEN LIENOR – DISTINCTIVE FLOORS LTD..
101 100 273	08/04/2010	BUILDER'S LIEN LIENOR – RIDGELINE SHEET METAL INC..
101 100 274	08/04/2010	ORDER IN FAVOUR OF – DELOITTE & TOUCHE INC..
101 210 310	15/07/2010	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 101069174

ACTION NO: 1001-03215

**IN THE COURT OF QUEEN'S BENCH
OF ALBERTA
JUDICIAL DISTRICT OF CALGARY**

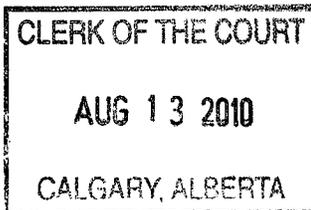
**FIRST CALGARY SAVINGS & CREDIT
UNION LTD.**

PLAINTIFF

and

**PERERA SHAWNEE LTD., PERERA
DEVELOPMENT CORPORATION, DON
L. PERERA and SHIRANIE M. PERERA**

DEFENDANTS



**VESTING ORDER
(Re: Purchase by O'Neil/Cutts)**

OSLER, HOSKIN & HARCOURT LLP
TransCanada Tower
450 - 1st Street, S.W. - Suite 2500,
Calgary, Alberta T2P 5H1

Christa Nicholson/Walker W. MacLeod
Telephone: (403) 260-7043
Facsimile: (403) 260-7024
File: 1112189

Appendix D



December 8, 2010

Jane O'Neil & Luther Cutts
11 Palomino Blvd NW
Calgary, AB
T3Z 1B9

Dear Ms. O'Neil & Mr. Cutts:

Re: Receivership of Perera Development Corporation ("PDC") and Perera Shawnee Ltd. ("PSL", or when reference is being made to PDC and PSL collectively, the "Debtors")

Purchase of suite 406, 10 Shawnee Hill SW, legal unit number 41 in 3 parts (the "Unit") of Condominium Plan Number 0915321 (the "Project") for the sum of \$535,900 plus 6% GST (the "Purchase Price") pursuant to a real estate purchase contract with PSL, dated June 20, 2007 (the "Purchase Contract")

As you are aware, Deloitte & Touche Inc. was appointed as receiver and manager (the "**Receiver**") of all of the assets, properties and undertakings of the Debtors pursuant to an Order issued by the Court of Queen's Bench of Alberta (the "**Court**") on March 3, 2010 (the "**Receivership Order**"). A copy of the Receivership Order is available on the Receiver's website at the following address:

http://www.deloitte.com/view/en_CA/ca/specialsections/insolvencyandstructuringproceedings/perera/index.htm

On October 28, 2010, pursuant to Article 5 of the Purchase Contract, the Receiver provided notice to you that the closing date for the purchase of the Unit was November 29, 2010 (the "**Closing Date**").

The Receiver confirms that you have paid a total deposit of \$53,590 of the Purchase Price to the law firm of McLeod and Company LLP pursuant to the Purchase Contract.

The Receiver obtained a vesting order (the "**Vesting Order**"), which was served upon you on November 9, 2010. In the event that you intended to close the Transaction (as defined in the Vesting Order), the Vesting Order required you to provide the Receiver with written notice of the name and address of your solicitor for the Transaction within 5 days of being served with a copy of the Vesting Order. The Receiver confirms that you did not provide such written notice as required and therefore the Transaction did not close on the Closing Date.

In the event the Transaction did not close on the Closing Date, the Vesting Order preserved the rights and liabilities of you and the Receiver under and pursuant to the Purchase Contract except as expressly set out therein. Specifically, the Vesting Order extinguished, among other things,

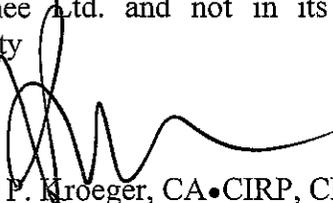
your right or interest in and to the Unit and empowered and authorized the Receiver to, among other things, sell the Unit to a third party.

The Receiver takes the position that you were required to close the Transaction on the Closing Date. Accordingly, the Receiver is considering its legal options with respect to pursuing a lawsuit against you for damages it has or may suffer.

Yours truly,

Deloitte & Touche Inc.,

in its capacity as Court appointed receiver and manager of the Perera Development Corporation and Perera Shawnee Ltd. and not in its personal capacity

A handwritten signature in black ink, appearing to read 'Victor P. Kroeger', written over the printed name below.

Victor P. Kroeger, CA•CIRP, CFE
Senior Vice President

c: Christa Nicholson, *Osler, Hoskin & Harcourt LLP*
Morgan Fowler, *Osler, Hoskin & Harcourt LLP*

Appendix E

From: Paplawski, Emily <EPaplawski@osler.com>
Sent: Saturday, April 20, 2019 7:33 PM
To: FMonaghan@FMonaghanLaw.com
Cc: Poon, Cassie
Subject: RE: Unit 406 Deposit
Attachments: Confidential 57th report.PDF

Hello Frank,

I will request that going forward, Deloitte send communications to Mr. Cutts through your office.

I am confused what you mean by the Receiver's "objection" to Mr. Cutts receiving an accounting of the deposit. Following our last appearance in Court, I invited you to let us know what information you required to assess your client's position. You advised you would get back to me. I never heard from you. Justice Romaine invited you to advise the Receiver what reasonable information your client required. I understand from the Receiver that you never contacted them. We have offered on multiple occasions to request an accounting of your client's deposit from Mr. Lokhorst's office. You have never requested that we do so. If your client requires such information, we are happy to make such a request from McLeod Law. The accounting will show that McLeod Law is holding approximately \$23,590 of your client's deposit and that all remaining amounts were distributed by Perera pre-receivership.

There is nothing in the one Confidential Report relating to this property that impacts your client in any way. We have assured you of this on multiple occasions. However, since you seem to think there is something suspicious going on, attached is the Confidential 57th Report of the Receiver. As you know, Justice Romaine lifted the conditions on settlement outlined in the report by Order dated January 16, 2019.

Regards,

OSLER

Emily Paplawski
Associate
403.260.7071 | EPaplawski@osler.com
Osler, Hoskin & Harcourt LLP | osler.com

From: Frank Monaghan <fmonaghan@fmonaghanlaw.com>
Sent: Tuesday, April 09, 2019 3:15 PM
To: Paplawski, Emily <EPaplawski@osler.com>
Cc: 'Luther Cutts' <mp37332@hotmail.com>
Subject: RE: Unit 406 Deposit

Hello Emily

I have received this out of the blue from Mr. Cutts, who is my client. To avoid any misunderstanding, can we agree that any communications with him will be through you and I?

I would be happy to discuss this with you because my client's and I am unclear how the Receiver is entitled to object to trust money standing in Mr. Lokhorst's accounts being released. I also cannot understand what objection the receiver

has to Mr. Cutts receiving an accounting of the trust money released being accounted for. I think the receiver may be inadvertently putting Mr. Lokhorst and itself in a difficult position. But perhaps you can enlighten us.

I have said the confidential reports in relation to this property should be unsealed. I am tied up until the middle of May when a trial ends, but if you want to schedule a meeting at the end of a day before then, we can then talk about this. Absent understanding I expect Mr. Cutts will want to have the court adjudicate on the matter with appropriate materials.

I assume the Receivership is ongoing and that no final passing of accounts is contemplated?

Best Regards

Frank H. Monaghan
900, 805-8th Ave. S.W..
Calgary, AB T2P 1H7
Phone: (403) 668-0724
Fax: 1-866-619-3624
Email: fmonaghan@fmonaghanlaw.com

From: Luther Cutts [<mailto:mp37332@hotmail.com>]
Sent: April-09-19 1:49 PM
To: Frank Monaghan
Subject: Fw: Unit 406 Deposit

Frank,

This is just in from Deloitte.

Luther

From: Poon, Cassie <caspoon@deloitte.ca>
Sent: April 9, 2019 1:47 PM
To: Luther Cutts
Subject: RE:Unit 406 Deposit

Mr. Cutts,

I am following up with you in regards to our correspondence from January.

As you are aware, Mr. Monaghan attended Court in respect of the Receiver's application on January 16, 2019. Your counsel had requested the Court adjourn the receiver's application for approval of its accounts and activities; however, Mr. Monaghan's request was denied by the Court.

During the Court application, Mr. Monaghan had represented that there was information regarding your deposit that you and Ms. O'Neil wish to review. To date, we have not been contacted by your counsel since the date of the application and have not been provided with an information request.

[REDACTED] Please feel free to contact me to discuss further.

Regards,

Cassie Poon, CIRP, LIT
Senior Manager | Restructuring Services
D: +1 (403) 267 1817 | M: +1 (403) 267 1700
caspoon@deloitte.ca | deloitte.ca

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Please consider the environment before printing.

From: Luther Cutts <mp37332@hotmail.com>
Sent: Wednesday, January 16, 2019 9:40 AM
To: Poon, Cassie (CA - Alberta) <caspoon@deloitte.ca>
Subject: [EXT] Re: Unit 406 Deposit

Hi Cassie,

[REDACTED]

Mr. Monaghan is going to be in court this morning to speak to the Application.

Luther

From: Poon, Cassie (CA - Alberta) <caspoon@deloitte.ca>
Sent: January 14, 2019 4:00 PM
To: mp37332@hotmail.com
Subject: Unit 406 Deposit

Luther,

Further to our discussions, McLeod Law continues to hold a portion of your initial deposit in trust totaling \$23,590. The Receiver is nearing completion of its administration of the receivership and would like to come to an agreement with you and Jane O'Neil regarding the remaining deposit.

[REDACTED]

I understand you will need to discuss the proposal with Ms. O'Neil, should either of you have any questions, do not hesitate to contact me.

Regards,

Cassie Poon, CIRP, LIT
Senior Manager | Restructuring Services
Deloitte Restructuring Inc.



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Appendix F

From: Paplawski, Emily <EPaplawski@osler.com>
Sent: Wednesday, August 07, 2019 10:00 AM
To: FMonaghan@FMonaghanLaw.com
Cc: Poon, Cassie
Subject: Unit #406 Deposit (Perera Receivership)

Frank,

I write further to my email of April 20, 2019. As noted in that email:

- * Following our last appearance in Court in early January, I invited you to let us know what information you required to assess your client's position. You advised you would get back to me. We never heard from you.
- * During the January hearing, Justice Romaine invited you to advise the Receiver what reasonable information your client required. I understand from the Receiver that you never contacted them.
- * We have offered on multiple occasions, including as early as 2016 when I became involved in the file and as recently as April 2019 in our last correspondence, to request an accounting of your client's deposit from Mr. Lokhorst's office. You have never requested that we do so.

- [REDACTED]

As is evident from your clients' continued unwillingness (over a span of more than 3 years) to engage with the Receiver in constructive discussions, your client does not appear to have any intention of working with the Receiver to reach a mutually acceptable resolution to the deposit issue. [REDACTED]

[REDACTED], the Receiver intends to address release of 100% of the funds to it within the discharge application. Currently, the Receiver is working to complete the last few outstanding issues in the receivership and then intends to apply for its discharge. If your clients would like to resolve this issue in a cost effective manner which ensures the return of a portion of their deposit, I would encourage them to do so now as the discharge application will likely be filed in the foreseeable future.

Regards,

OSLER

Emily Paplawski
Associate
403.260.7071 | EPaplawski@osler.com
Osler, Hoskin & Harcourt LLP | osler.com

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Appendix G

Frank H. Monaghan

Barrister & Solicitor

Frank H. Monaghan, B.A., LL.B.*

*Denotes Professional Corporation

900, 805 –8th Avenue S.W.

Calgary, Alberta T2P 1H7

Telephone: (403) 668-0724

Fax No.: 1-866-619-3624

Email: FMonaghan@FMonaghanLaw.com

November 28, 2017

Delivered

Deloitte Restructuring Inc.
Suite 700, 850-2nd Street SW
Calgary, AB T2P 0R8

Perera Shawnee Ltd. & Perera Development Corp
425-78 Avenue SW
Calgary Alberta T2V 5K5

Attn: Mr. Christopher Lee

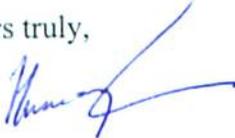
Dear Sirs,

**Re: Receivership of Perera Development Corporation and Perera Shawnee Ltd.
Purchase of suite 406, 10 Shawnee Hill SW/Luther Cutts & Jane O'Neil**

In connection with the foregoing I enclose for service upon you, as the registered office for the respective named Defendants, a copy of a Statement of Claim filed on behalf of Luther Cutts and Jane O'Neil

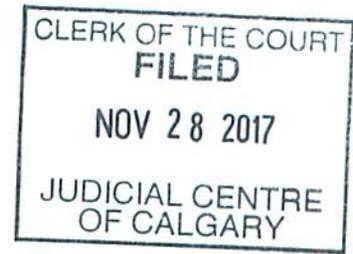
Thank you for your attention to the foregoing.

Yours truly,



FRANK MONAGHAN

Cc: Mr. Luther Cutts



COURT FILE NUMBER 1601 - 16029.

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

AMENDED this 28th day of November 2017 Pursuant to

PLAINTIFF(S) LUTHER CUTTS AND JANE O'NEIL Rule 3.62 Dated the 28th day of November, 2017.

DEFENDANT(S) DELOITTE RESTRUCTURING INC., CLERK OF THE COURT PERERA SHAWNEE LTD., and PERERA DEVELOPMENT CORPORATION

DOCUMENT AMENDED STATEMENT OF CLAIM

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Frank Monaghan Barrister & Solicitor 900, 805-8th Avenue S.W. Calgary, Alberta T2P 1H7 Telephone: (403) 668 - 0724 Fax No.: 1(866) 619 - 3624 Email: FMonaghan@FMonaghanLaw.com

NOTICE TO DEFENDANTS

You are being sued. You are a Defendant.

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

Statement of facts relied on:

- 1. The Plaintiffs, Luther Cutts and Jane O'Neil are residents of the Town of Langdon, in the Province of Alberta.
- 2. The Defendant, Perera Shawnee Ltd. is a corporation pursuant to the laws of Alberta and carries on business in the Province of Alberta with its registered office in the City of Calgary, in the Province of Alberta. Perera Development Corporation is the parent company of Perera

Shawnee Ltd. Perera Shawnee Ltd. and Perera Development Corporation (collectively "Perera") are the developers of Highbury Towers.

3. On June 20, 2007 Jane O'Neil and Luther Cutts jointly entered into an Offer to Purchase and Agreement of Purchase and Sale with the Defendant Perera pursuant to the terms of which they offered to purchase Suite 406, being unit 40, in the Highbury Tower, located at 14619 Shawnee Gate S.W. City of Calgary, Alberta, to be constructed for a total purchase price of \$535,900. Perera variously represented that the home was to be ready for occupancy on March 1, 2009 and April 30, 2009. Pursuant to Addendum "A", article 24.1 time was stated to be of the essence.

4. The Offer to Purchase and Agreement of Sale did not state the condominium plan or the number of undivided 1/10 thousand shares that Cutts and O'Neil were to receive for the purchase of the suite. Further the Offer to Purchase and Agreement of Sale did not state the parking unit number that was to be included, or the condominium plan for the parking space or the number of undivided 1/10 thousand shares that Cutts and O'Neil were to receive for the parking space. The condominium plan and the number of undivided 1/10 thousand shares were material facts which Cutts and O'Neil required confirmation of.

5. The Offer to Purchase and Agreement of Sale referenced additional terms and conditions that were attached in an addendum, referred to as "Addendum "A"". The Addendum "A" referenced schedules said to be incorporated into the agreement. The schedules were:

- a. Schedule A-Proposed Condominium Plan;
- b. Schedule B- Site Plan in Landscaping Plan been drawing showing the location of fences, roadways, walkways, parking areas and landscaping;
- c. Schedule C- Phased Development Disclosure Statement and Appendix A, Plans and Specifications for Common Area;
- d. Schedule D- Specifications of the Unit;
- e. Schedule E- Managers Residence and Guest Suite;
- f. Schedule F-Proposed Management Agreement;

- g. Schedule G-Proposed Condominium Operation Budget and the estimated amount of the monthly contributions of each unit in the project;
- h. Schedule H-Proposed Bylaws;
- i. Schedule I-Proposed restrictive Covenant (parking);
- j. Schedule J-Registered easements; and
- k. Schedule K-Alberta New Home Warranty Program

6. In furtherance of the agreement Cutts and O'Neil delivered two deposits of \$26,795.00 each and a further sum of \$3,978.86 required for finishing options. The monies were tendered in trust on behalf of Cutts and O'Neil and were received into trust and held by Perera's solicitors.

7. Additionally, on October 10, 2007 Cutts and O'Neil were provided with an Alberta New Home Warranty Program receipt evidencing that Perera was covered by the Program's Deposit Protection coverage and that the Condominium had been enrolled with the Program for protection coverage in accordance with the requirements of the *Condominium Property Act*, R.S.A. 2000, c. C-22.

8. In fact, and unknown to the Plaintiffs, Perera was not registered or had obtained any certificates from the Alberta New Home Warranty Program.

9. On November 10, 2009 Perera advised Cutts and O'Neil that the condominium would be available for possession at 12:00 noon on December 16, 2009.

10. On December 16, 2009 Perera was unable to deliver possession of the condominium to Cutts and O'Neil and in fact Perera had failed to perform its obligations pursuant to the Offer to Purchase and Agreement of Purchase and Sale it entered into with Cutts and O'Neil.

11. On March 3, 2010 First Calgary Savings & Credit Union Ltd., as secured creditor, petitioned Perera into receivership. Pursuant to the terms of the Receivership Order all proceedings against Perera and Perera Development Corporation, and others, were stayed. Deloitte & Touche Inc. (now Deloitte Restructuring Inc.) was appointed Perera's Receiver

pursuant to the terms of the Order, and as the Receiver had the obligation to receive the trust funds tendered by the Plaintiffs and trust fund's books of account from Perera's solicitor.

12. By virtue of the March 3, 2010 Order the Receiver and its counsel became fiduciaries and the trustees for the Plaintiffs. As fiduciaries they owed a duty of candor and fair dealing to the Plaintiffs and to the Court, and were obliged to subordinate their own interests to those of the beneficiaries of the trust. The Receiver and its solicitors had an obligation to treat all creditors and beneficiaries in an equal and fair manner. Where the duties conflicted, the Receiver and its solicitors were obliged to seek direction from the Court on a timely basis.

13. On April 6, 2010, and notwithstanding that the condominium was not ready for possession, the Receiver advised Cutts and O'Neil that it was ready willing and able to close the Purchase Contract and convey title to the Unit to them. In the correspondence to Cutts and O'Neil the Receiver did not disclose the serious shortcomings associated with the construction of the Highbury Tower, notwithstanding that some though not all information was disclosed in the July 30, 2010 First Report and subsequent reports of the Receiver to the Court. However, at no time, to the Plaintiffs' knowledge did the Receiver ever disclose to the Court that, as hereinafter detailed, the Plaintiffs sought the return of the monies they had advanced.

14. On July 14, 2010 the Receiver represented and declared to the Plaintiffs Cutts and O'Neil that the closing date for the purchase of unit 40 would be September 2, 2010. The Receiver misrepresented to Cutts and O'Neil that they were "obligated by the Purchase Contract to purchase the Unit" but in the face of the misrepresentation, asked Cutts and O'Neil to sign an Amending Agreement which provided in addition that they would be obliged to sign a "Waiver Agreement".

15. The proposed Waiver Agreement purported to preclude Cutts and O'Neil from terminating or rescinding the Purchase and Sale Agreement or treating it as null and void, and prevented them from claiming a refund of the Initial deposit, the Second deposit or any other deposits paid by the them pursuant to the Purchase and Sale Agreement.

16. In failing to provide the Plaintiffs with a balanced view of the competing issues giving rise to the assertions advanced by the Receiver, and in failing in their ongoing duty to fairly and in a balanced fashion disclose the true facts surrounding the construction of Highbury Tower and Unit 40 in Highbury Tower, the Receiver, its counsel and Perera breached their fiduciary duty of candour and fair dealing owed to the Plaintiffs.

17. Cutts and O'Neil declined to execute either the Amending Agreement or the Waiver Agreement.

18. On August 13, 2010 the Receiver obtained a Vesting Order which allowed the Receiver to enter, inter alia, enter into amending agreements with the Purchasers of Units in Highbury Towers.

19. The Vesting Order, as amended October 27, 2010, specifically provided that the Order was without prejudice to any the rights of Jane O'Neil and Luther Cutts and that the Plaintiff's deposit monies held in trust could not be disposed of without further direction from the Court.

20. On October 27, 2010 in correspondence to Cutts and O'Neil the Receiver confirmed that it could not close the Purchase Contract because the building did not comply with the Alberta Safety Codes Act and thereafter extended the time to close the Agreement of Purchase and Sale to November 29, 2010.

21. On December 8, 2010, the Receiver demanded that Cutts and O'Neil close the Purchase contract saying, "the Receiver is considering its legal options with respect to pursuing a lawsuit against you for damages it has or may suffer". The Plaintiffs were intimidated by the Receiver's statement. In breach of its duty of candour and fair dealing owed to the Plaintiffs, the Receiver failed to present the issues to the Plaintiffs in a balanced and fair fashion and failed to offer the Plaintiffs of make provision for a return of the deposit money held in trust.

22. On April 25, 2011 Cutts and O'Neil demanded a return of their deposits of \$57,566.86 held in trust. The demand for repayment of the deposits held in trust was repeated on May 23rd

2011, and October 9, 2012, but the demand for return of the deposit money went unheeded by the Receiver who by this time had sold the unit to a third party.

23. On April 14, 2013 the Receiver wrote to O'Neil and Cutts "the receiver can only assume from your lack of response to its below letter that you have no interest in settling this matter and we will be advising our legal counsel accordingly." The Plaintiffs were again intimidated by the statement made by the Receiver which had its intended effect.

24. In breach of the fiduciary duties owed to the Plaintiffs, the Receiver, its counsel and Perera breached their duties of candor and fair dealing by failing to present the issues confronting the parties in a fair and balanced fashion, choosing instead to advance an assessment of the rights to return of the deposit in a fashion most favourable to the Defendants and the Receiver.

25. Further, in breach of the duty owed to the Plaintiffs and the Court pursuant to the terms of the Receivership Order, at no time did the Receiver ever make provision for an accounting and a return of the deposit monies or apply for directions from the Court to resolve the impasse between itself and Cutts and O'Neil.

26. On July 12, 2013 Cutts and O'Neil again demanded return of their deposit from the receiver and additionally for an accounting of the trust monies they had tendered. In breach of their duties, and in breach of the terms of the Offer to Purchase and Agreement of Sale, the Receiver and its solicitors have refused and continue to refuse to account for and return or make provision for the accounting and return of the deposits tendered by Cutts and O'Neil with the result that they have sustained damages.

27. On August 20, 2016 the Receiver's counsel acknowledged the deposit money continued to be held in trust and again the Plaintiffs demanded an accounting and requested that the Receiver apply for directions from the Court respecting the return of the deposit monies held in trust, which it has neglected to do. Alternatively, the Receiver's failure to return the deposits

has resulted in the Receiver and Shawnee Perera Ltd. being unjustly enriched at the expense of Cutts and O'Neil.

28. Further alternative, the Receiver's failure to return the deposits as required by law or as statutorily prescribed pursuant to the *Condominium Property Act* has resulted in a breach and damages for which the Defendants and the Receiver are liable.

Relief Requested

29. The Plaintiffs claim against the Receiver and Perrera, jointly and severally, as follows:
- a. a declaration that the Offer to Purchase and Agreement of Sale has been rescinded and is null and void;
 - b. a declaration that the Receiver is obliged to account for the sums advanced by the plaintiffs and to pay the amount of \$57,566.86 plus interest, or such other sums ordered by the court, to the plaintiffs;
 - c. damages in the amount of \$57,566.86;
 - d. interest pursuant to the Judgment Interest Act, R.S.A. 2000, J-1, as amended;
 - e. costs of this action; and
 - f. such further and other relief as this Court may permit.

NOTICE TO DEFENDANT

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada

You can respond by filing a Statement of Defence or a Demand for Notice in the office of the clerk of the Court of Queen's Bench at Calgary, Alberta, AND serving your Statement of Defence or a Demand for Notice on the plaintiff's address for service.

WARNING

If you do not file and serve a Statement of Defence or a Demand for Notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff against you.

Appendix H

July 14, 2010

Jane O'Neil & Luther Cutts
11 Palomino Blvd, NW
Calgary, Alberta
T3Z 1B9

COPY

Dear Ms. O'Neil & Mr. Cutts:

Re: Receivership of Perera Development Corporation ("PDC") and Perera Shawnee Ltd. ("PSL", or when reference is being made to PDC and PSL collectively, the "Debtors")

Purchase of Suite 406, 10 Shawnee Hill, SW, Unit 41 in 3 parts (the "Unit") of Condominium Plan Number 0915321 (the "Project") for the sum of \$535,900 plus 6% GST (the "Purchase Price") pursuant to a real estate purchase contract with PSL, dated June 20, 2007, (the "Purchase Contract")

Deloitte & Touche Inc. (the "**Receiver**") was appointed as receiver and manager of all of the assets, properties and undertakings of the Debtors pursuant to an Order issued by the Court of Queen's Bench of Alberta (the "**Court**") on March 3, 2010 (the "**Receivership Order**"). A copy of the Receivership Order is available on the Receiver's website at the following address:

http://www.deloitte.com/view/en_CA/ca/specialsections/insolvencyandstructuringproceedings/perera/index.htm

The Unit was constructed in the first phase ("**Phase One**") of a condominium development known as the Highbury (the "**Project**"). It was originally PSL's intention to construct a second phase ("**Phase Two**") and a third phase ("**Phase Three**") of the Project. Phase One construction was to include the construction of a podium (the "**Podium**") for the purposes of giving access to parking in the Project. The Receiver has obtained funding pursuant to the Receivership Order in order to complete Phase One and the Podium, and to construct Phase Two and Phase Three of the Project to grade level. Work on the completion of Phase One and the Podium, and on the construction of Phase Two and Phase Three of the Project, has been commenced.

Pursuant to Article 5 of the Purchase Contract, the Receiver hereby provides notice to you that the closing date for the purchase of the Unit shall be **September 2, 2010** (the "**Closing Date**"). Title to the Unit includes title to parking stall number 77 and storage unit number 49.

You have paid a total deposit of \$53,590 of the Purchase Price to the law firm of McLeod and Company LLP pursuant to the Purchase Contract. As such, the balance of the Purchase Price owing on the Closing Date is \$482,310, plus \$3,976.89 as the outstanding owing on the unit upgrades (the "**Balance Owing**"). The Receiver is planning to apply to the Court for a vesting

order that will convey title to the Unit to you upon you paying the Balance Owing to the Receiver (the "**Vesting Order**"). The Receiver is aware that multiple builders' liens have been registered against title to the Unit (collectively, the "**Liens**"). In the event that the Vesting Order is granted by the Court in the form sought by the Receiver the Liens will be discharged from title to the Unit and any financing that you have obtained will be able to be registered as a first mortgage against the Unit. As such, the Unit will be sold to you subject only to the encumbrances permitted by the Purchase Contract which will remain on title to the Unit.

Yours truly,

Deloitte & Touche Inc.,
in its capacity as Court appointed
receiver and manager of the Debtors and
not in its personal capacity

A handwritten signature in black ink, appearing to read 'Greg Stevens', written over a horizontal line.

for Greg Stevens CA • CIRP
Senior Vice-President

c Robin Lockhurst, *McLeod and Company LLP*

Appendix I

Osler, Hoskin & Harcourt LLP
Suite 2500, TransCanada Tower
450 - 1st Street S.W.
Calgary, Alberta, Canada T2P 5H1
403.260.7000 MAIN
403.260.7024 FACSIMILE

OSLER

December 7, 2017

Emily Paplawski
Direct Dial: 403.260.7071
epaplawski@osler.com
Our Matter Number: 1121689

SENT BY SAME DAY COURIER AND EMAIL

1500, 715 – 5 Avenue SW
Calgary, Alberta
T2P 2X6

Attention: Frank H. Monaghan

Dear Frank:

Re: Perera Shawnee Ltd. and Perera Development Corporation

As you are aware, we are counsel to Deloitte Restructuring Inc., formerly Deloitte & Touche Inc., in its capacity as Receiver and Manager (the “Receiver”) of Perera Development Corporation and Perera Shawnee Ltd (the “Debtors”), pursuant to the Order of the Honourable Madam Justice Kent, granted March 3, 2010 (the “Receivership Order”). A copy of the Receivership Order can be found at www.insolvencies.deloitte.ca under the insolvency and restructuring link.

We are in receipt of your Amended Statement of Claim filed on November 28, 2017 (the “Action”). Pursuant to sections 7, 8 and 9 of the Receivership Order, any proceedings against the Receiver, the Debtors or the property are stayed and suspended except with the written consent of the Receiver or leave of the Court (the “Stay”). The Receiver hereby advises that it does not consent to service of the Action or to your client taking any steps within it as against the Debtors or the Receiver. As such, your client is both unable to serve the Action or to take any steps to continue it as against the Debtors or the Receiver. Moreover, we can advise that as a result of the Stay, the Receiver is of the view that service of the Action has not been validly effected. If your client intends to bring an application seeking leave of the Court to serve and/or prosecute the Action against the Receiver and the Debtors, such an application will be opposed by the Receiver.

If your client nevertheless intends to proceed with such an application, please coordinate the scheduling of such application with our office, and we look forward to receiving your application materials.

Please do not take any steps in the Action without providing our office with sufficient notice of your intention to do so.

Yours truly,

A handwritten signature in blue ink, appearing to read "Emily Paplawski". The signature is fluid and cursive, with a large initial "E" and "P".

Emily Paplawski

EP:el

cc: Client

Appendix J

In the Matter of the Receivership of Perera Shawnee Ltd. and Perera Development Corporation
 Summary of Professional Fees and Disbursements
 As at September 29, 2020

Invoice Date	Invoice #	Start Date	End Date	Fees	Disbursements	Subtotal	GST / HST	Total
Receiver								
Deloitte Restructuring Inc.								
10-Jun-10	2655238	2-Mar-10	31-Mar-10	\$ 129,560.63	\$ 1,559.25	\$ 131,119.88	\$ 6,555.99	\$ 137,675.87
29-Oct-10	2723303	1-Apr-10	31-Aug-10	330,646.73	3,424.69	334,071.42	16,703.57	350,774.99
7-Dec-10	2745911	1-Sep-10	30-Sep-10	100,752.80	700.40	101,453.20	5,072.66	106,525.86
7-Dec-10	2745906	1-Oct-10	31-Oct-10	105,999.50	106.83	106,106.33	5,305.32	111,411.65
5-Jan-11	2758434	1-Nov-10	30-Nov-10	89,388.20	565.08	89,953.28	4,497.66	94,450.94
17-Jan-11	2763500	1-Dec-10	31-Dec-10	65,383.30	452.67	65,835.97	3,291.80	69,127.77
4-Mar-11	2790319	1-Jan-10	31-Jan-10	56,703.40	166.35	56,869.75	4,699.74	61,569.49
10-Aug-11	2909352	1-Feb-10	28-Feb-10	58,459.50	-	58,459.50	2,922.98	61,382.48
10-Aug-11	2909356	1-Mar-10	31-Mar-10	53,845.10	-	53,845.10	2,692.26	56,537.36
10-Aug-11	2909358	1-Apr-10	30-Apr-10	47,638.70	-	47,638.70	2,381.94	50,020.64
10-Aug-11	2909360	1-May-10	31-May-10	46,608.00	-	46,608.00	2,330.40	48,938.40
4-Oct-11	2934389	1-Jun-10	30-Jun-10	51,691.50	-	51,691.50	2,584.58	54,276.08
4-Oct-11	2934398	1-Jul-10	31-Jul-10	38,291.50	-	38,291.50	1,914.58	40,206.08
28-Oct-11	2948174	1-Aug-10	31-Aug-10	43,362.50	-	43,362.50	2,168.13	45,530.63
1-Nov-11	2949413	1-Sep-10	30-Sep-10	42,015.50	-	42,015.50	2,100.78	44,116.28
6-Jan-12	2987208	1-Oct-10	31-Oct-10	32,719.10	-	32,719.10	1,635.96	34,355.06
6-Jan-12	2987229	1-Nov-11	30-Nov-11	29,466.00	-	29,466.00	1,473.30	30,939.30
12-Mar-12	3025300	1-Jan-12	31-Jan-12	35,325.30	-	35,325.30	1,766.27	37,091.57
12-Mar-12	3025308	1-Dec-11	31-Dec-11	30,253.40	-	30,253.40	1,512.67	31,766.07
27-Apr-12	3065675	1-Feb-12	29-Feb-12	29,160.20	-	29,160.20	1,458.01	30,618.21
27-Apr-12	3065744	1-Mar-12	30-Mar-12	31,419.70	-	31,419.70	1,570.99	32,990.69
15-Aug-12	3148283	1-Apr-12	30-Apr-12	35,647.70	-	35,647.70	1,782.39	37,430.09
15-Aug-12	3148317	1-May-12	31-May-12	19,917.40	-	19,917.40	995.87	20,913.27
2-Oct-12	3170932	1-Jun-12	30-Jun-12	29,311.70	-	29,311.70	1,465.59	30,777.29
2-Oct-12	3170934	1-Jul-12	31-Jul-12	26,065.50	-	26,065.50	1,303.28	27,368.78
5-Nov-12	3190421	1-Aug-12	31-Aug-12	15,148.50	-	15,148.50	757.43	15,905.93
5-Nov-12	3190422	1-Sep-12	30-Sep-12	19,792.40	-	19,792.40	989.62	20,782.02
13-Dec-12	3219023	1-Oct-12	31-Oct-12	17,613.60	-	17,613.60	880.68	18,494.28
13-Dec-12	3219055	1-Nov-12	30-Nov-12	21,705.50	-	21,705.50	1,085.28	22,790.78
8-Feb-13	3244373	1-Dec-12	31-Dec-12	23,470.90	-	23,470.90	1,173.55	24,644.45
4-Mar-13	3254463	1-Jan-13	31-Jan-13	42,687.90	-	42,687.90	2,134.40	44,822.30
3-May-13	3314336	1-Feb-13	28-Feb-13	39,460.90	-	39,460.90	1,973.05	41,433.95
3-May-13	3314346	1-Mar-13	31-Mar-13	35,806.70	-	35,806.70	1,790.34	37,597.04
17-Jul-13	3377870	1-Apr-13	30-Apr-13	41,530.50	-	41,530.50	2,076.53	43,607.03
1-Aug-13	3387254	1-May-13	31-May-13	39,935.70	-	39,935.70	1,996.79	41,932.49
1-Aug-13	3387259	1-Jun-13	30-Jun-13	28,280.80	-	28,280.80	1,414.04	29,694.84
1-Oct-13	3417022	1-Jul-13	31-Jul-13	36,959.70	-	36,959.70	1,847.99	38,807.69
1-Oct-13	3417044	1-Aug-13	31-Aug-13	46,617.90	-	46,617.90	2,330.90	48,948.80
12-Dec-13	3460816	1-Sep-13	30-Sep-13	56,032.60	-	56,032.60	2,801.63	58,834.23
12-Dec-13	3460839	1-Oct-13	31-Oct-13	21,089.30	-	21,089.30	1,054.47	22,143.77
12-Dec-13	3460861	1-Nov-13	30-Nov-13	11,507.20	-	11,507.20	575.36	12,082.56
7-Jan-14	3467826	1-Dec-13	31-Dec-13	7,171.20	-	7,171.20	358.56	7,529.76
20-Feb-14	3493735	1-Jan-13	31-Jan-14	12,720.50	-	12,720.50	636.03	13,356.53
21-Apr-14	3539025	1-Feb-14	28-Feb-14	10,679.70	-	10,679.70	533.99	11,213.69
21-Apr-14	3539031	1-Mar-14	31-Mar-14	6,958.50	-	6,958.50	347.93	7,306.43
9-May-14	3562148	1-Apr-14	30-Apr-14	8,405.50	-	8,405.50	420.28	8,825.78
11-Sep-14	3648343	1-Jul-14	31-Jul-14	1,947.70	-	1,947.70	97.39	2,045.09
11-Sep-14	3648345	1-Aug-14	31-Aug-14	2,898.40	-	2,898.40	144.92	3,043.32
2-Oct-14	3660720	1-May-14	31-May-14	10,857.80	-	10,857.80	542.89	11,400.69
2-Oct-14	3660747	1-Jun-14	30-Jun-14	4,000.20	-	4,000.20	200.01	4,200.21
12-Dec-14	3708762	1-Sep-14	30-Sep-14	4,136.80	-	4,136.80	206.84	4,343.64
12-Dec-14	3708766	1-Oct-14	31-Oct-14	2,473.30	-	2,473.30	123.67	2,596.97
12-Dec-14	3708770	1-Nov-14	30-Nov-14	2,986.90	-	2,986.90	149.35	3,136.25
16-Apr-15	3782735	1-Feb-15	28-Feb-15	1,659.50	-	1,659.50	82.98	1,742.48
16-Apr-15	3782744	1-Jan-15	31-Jan-15	4,762.00	-	4,762.00	238.10	5,000.10
16-Apr-15	3782749	1-Dec-14	31-Dec-14	4,143.30	-	4,143.30	207.17	4,350.47

Invoice Date	Invoice #	Start Date	End Date	Fees	Disbursements	Subtotal	GST / HST	Total
10-Jun-15	3852156	1-Mar-15	31-Mar-15	5,523.80	-	5,523.80	276.19	5,799.99
10-Jun-15	3852166	1-Apr-15	30-Apr-15	2,615.50	-	2,615.50	130.78	2,746.28
31-Mar-16	4026743	11-May-15	15-Mar-16	17,813.50	-	17,813.50	890.68	18,704.18
25-Jul-16	4140013	28-Mar-16	20-Jun-16	9,498.90	-	9,498.90	474.95	9,973.85
10-May-17	4365637	4-Jul-16	10-Mar-17	12,226.00	-	12,226.00	611.30	12,837.30
29-Aug-17	4471088	15-Mar-17	17-Aug-17	13,470.60	-	13,470.60	673.53	14,144.13
20-Oct-17	4511590	21-Aug-17	30-Sep-17	16,480.00	-	16,480.00	824.00	17,304.00
15-Nov-17	4531849	1-Oct-17	31-Oct-17	18,063.20	-	18,063.20	903.16	18,966.36
1-Feb-18	8000013468	1-Nov-17	30-Nov-17	21,895.70	-	21,895.70	1,094.79	22,990.49
1-Feb-18	8000014087	1-Dec-17	31-Dec-17	16,003.20	-	16,003.20	800.16	16,803.36
25-Feb-18	8000030979	1-Jan-18	31-Jan-18	9,908.30	-	9,908.30	495.42	10,403.72
10-Apr-18	8000074329	1-Feb-18	28-Feb-18	6,428.60	-	6,428.60	321.43	6,750.03
10-Apr-18	8000074330	1-Mar-18	31-Mar-18	8,939.30	-	8,939.30	446.97	9,386.27
28-May-18	8000131996	1-Apr-18	30-Apr-18	17,964.00	-	17,964.00	898.20	18,862.20
29-Jun-18	8000167095	1-May-18	31-May-18	11,452.90	-	11,452.90	572.65	12,025.55
21-Sep-18	8000239383	1-Jun-18	30-Jun-18	13,683.30	-	13,683.30	684.17	14,367.47
21-Sep-18	8000239384	1-Aug-18	31-Aug-18	6,849.60	-	6,849.60	342.48	7,192.08
21-Sep-18	8000239385	1-Jul-18	31-Jul-18	5,885.80	-	5,885.80	294.29	6,180.09
11-Oct-18	8000256772	1-Sep-18	30-Sep-18	6,069.60	-	6,069.60	303.48	6,373.08
22-Nov-18	8000290676	1-Oct-18	31-Oct-18	18,439.20	-	18,439.20	921.96	19,361.16
20-Dec-18	8000349515	1-Nov-18	30-Nov-18	8,280.40	-	8,280.40	414.07	8,694.47
Total Receiver				\$2,390,565.66	\$ 6,975.27	\$2,397,540.93	\$121,733.55	\$2,519,274.48

Legal Counsel

Osler, Hoskin & Harcourt LLP - Receiver's insolvency counsel

31-May-10	11230565	1-Apr-10	30-Apr-10	\$ 95,709.00	\$ 1,231.95	\$ 96,940.95	\$ 4,847.05	\$ 101,788.00
31-May-10	11238285	25-Feb-10	31-Mar-10	118,081.00	2,555.79	120,636.79	6,024.94	126,661.73
13-Aug-10	11261122	1-May-10	31-Jul-10	178,076.00	6,126.25	184,202.25	9,169.12	193,371.37
30-Sep-10	11269454	3-Aug-10	31-Aug-10	112,330.00	3,002.14	115,332.14	5,766.71	121,098.85
30-Sep-10	11275721	1-Sep-10	30-Sep-10	92,252.50	2,111.97	94,364.47	4,718.23	99,082.70
23-Dec-10	11292220	1-Nov-10	30-Nov-10	97,260.00	4,321.41	101,581.41	5,076.82	106,658.23
23-Dec-10	11298999	1-Oct-10	31-Oct-10	177,180.50	12,231.30	189,411.80	9,470.59	198,882.39
23-Dec-10	11299000	1-Dec-10	15-Dec-10	41,205.00	660.76	41,865.76	2,093.29	43,959.05
15-Feb-11	11316633	16-Dec-10	31-Dec-10	17,445.00	371.73	17,816.73	889.96	18,706.69
31-Mar-11	11323695	1-Feb-11	28-Feb-11	48,502.50	2,067.46	50,569.96	2,528.50	53,098.46
31-May-11	11340277	1-Mar-11	29-Apr-11	42,062.50	399.28	42,461.78	2,123.10	44,584.88
31-Jul-11	11351034	1-Jun-11	30-Jun-11	16,715.00	1,137.53	17,852.53	857.13	18,709.66
30-Jun-11	11357123	2-May-11	31-May-11	19,097.50	493.00	19,590.50	979.53	20,570.03
31-Aug-11	11358061	4-Jul-11	29-Jul-11	13,292.50	755.80	14,048.30	702.43	14,750.73
30-Sep-11	11366565	2-Aug-11	31-Aug-11	19,990.00	1,222.70	21,212.70	1,060.64	22,273.34
1-Mar-11	11379852	1-Jan-11	31-Jan-11	100,000.00	7,994.48	107,994.48	5,399.72	113,394.20
23-Dec-11	11388513	1-Sep-11	28-Nov-11	85,245.00	2,473.72	87,718.72	4,385.94	92,104.66
1-Mar-12	11404387	5-Dec-11	31-Jan-12	30,501.50	3,185.74	33,687.24	1,683.87	35,371.11
20-Mar-12	11412151	1-Feb-12	27-Feb-12	4,542.50	123.45	4,665.95	233.30	4,899.25
30-Apr-12	11421404	1-Mar-12	30-Mar-12	10,209.00	629.87	10,838.87	541.44	11,380.31
13-Jun-12	11431944	2-Apr-12	25-Apr-12	5,748.50	629.82	6,378.32	318.92	6,697.24
20-Jul-12	11454342	1-May-12	29-Jun-12	47,925.50	1,298.36	49,223.86	2,461.20	51,685.06
27-Aug-12	11462186	3-Jul-12	31-Jul-12	15,288.00	1,792.65	17,080.65	854.03	17,934.68
2-Oct-12	11470079	31-Jul-12	29-Aug-12	6,052.00	323.30	6,375.30	317.27	6,692.57
14-Nov-12	11482593	4-Sep-12	27-Sep-12	10,578.00	304.55	10,882.55	544.13	11,426.68
3-Dec-12	11490538	1-Oct-12	31-Oct-12	9,304.50	786.17	10,090.67	498.11	10,588.78
10-Jan-13	11499649	1-Nov-12	26-Nov-12	7,447.00	182.45	7,629.45	381.47	8,010.92
31-Jan-13	11508282	27-Nov-12	27-Dec-12	6,743.00	193.15	6,936.15	346.81	7,282.96
25-Feb-13	11515852	14-Jan-13	25-Jan-13	14,975.00	428.17	15,403.17	768.66	16,171.83
22-Mar-13	11529085	1-Feb-13	28-Feb-13	19,115.50	287.61	19,403.11	970.16	20,373.27
29-Apr-13	11537445	1-Mar-13	28-Mar-13	7,422.50	173.60	7,596.10	379.81	7,975.91
31-May-13	11546150	28-Mar-13	30-Apr-13	29,248.00	431.86	29,679.86	1,482.79	31,162.65
30-Jun-13	11554110	1-May-13	31-May-13	13,624.00	575.90	14,199.90	709.99	14,909.89
31-Jul-13	11562952	3-Jun-13	27-Jun-13	3,867.50	160.15	4,027.65	201.39	4,229.04
3-Sep-13	11572413	20-Jun-13	31-Jul-13	20,488.00	363.86	20,851.86	1,042.59	21,894.45
30-Sep-13	11579535	1-Aug-13	30-Aug-13	49,402.50	1,263.69	50,666.19	2,533.31	53,199.50
4-Dec-13	11596386	1-Oct-13	31-Oct-13	13,254.50	819.51	14,074.01	700.71	14,774.72
5-Nov-13	11601620	30-Aug-13	30-Sep-13	54,191.00	1,924.20	56,115.20	2,804.76	58,919.96

Invoice Date	Invoice #	Start Date	End Date	Fees	Disbursements	Subtotal	GST / HST	Total
31-Jan-14	11617322	4-Nov-13	19-Dec-13	12,636.00	1,062.23	13,698.23	684.41	14,382.64
28-Apr-14	11644881	13-Jan-14	21-Mar-14	2,989.00	282.34	3,271.34	163.57	3,434.91
30-Jun-14	11664275	17-Apr-14	28-May-14	10,514.50	742.17	11,256.67	559.84	11,816.51
26-Mar-15	11762938	17-Jun-14	14-Jan-15	4,522.50	1,076.87	5,599.37	279.97	5,879.34
29-Nov-17	12083572	11-May-16	31-Oct-17	21,757.00	113.65	21,870.65	1,092.53	22,963.18
6-Mar-18	12104020	6-Nov-17	23-Dec-17	4,638.00	68.35	4,706.35	235.32	4,941.67
23-Apr-18	12133254	2-Jan-18	8-Mar-18	1,402.50	45.80	1,448.30	72.42	1,520.72
26-Jun-18	12161390	4-Apr-18	28-May-18	4,207.50	0.15	4,207.65	210.39	4,418.04
10-Aug-18	12171388	15-Jun-18	26-Jun-18	3,740.00	5.85	3,745.85	187.29	3,933.14
17-Oct-18	12192459	3-Jul-18	30-Aug-18	2,040.00	-	2,040.00	102.00	2,142.00
Total Osler				\$1,722,819.00	\$ 68,432.74	\$1,791,251.74	\$ 89,456.16	\$1,880,707.90

Kathleen S. Davis Professional Corp. ("KSDPC") - Receiver's conveyancing counsel

11-Nov-10	5076			\$ 666.67	\$ -	\$ 666.67	\$ 33.33	\$ 700.00
25-Nov-10	5117			666.67	-	666.67	33.33	700.00
17-Jun-11	5694			714.29	-	714.29	35.71	750.00
18-Aug-11	5925			714.29	-	714.29	35.71	750.00
18-Aug-11	5926			714.29	-	714.29	35.71	750.00
29-Aug-11	5732			714.29	-	714.29	50.00	764.29
1-Sep-11	5994			714.29	-	714.29	35.71	750.00
21-Jul-11	5838			714.29	-	714.29	35.71	750.00
18-Oct-11	6101			714.29	-	714.29	35.71	750.00
18-Oct-11	6102			714.29	-	714.29	35.71	750.00
6-Dec-11	6247			714.29	-	714.29	35.71	750.00
6-Dec-11	6249					714.29		714.29
7-Dec-11	6250			714.29	-	714.29	35.71	750.00
22-Dec-11	6282			714.29	-	714.29	35.71	750.00
16-Mar-12	6477			714.29	-	714.29	35.71	750.00
4-Apr-12	6540			714.29	-	714.29	35.71	750.00
4-Apr-12	6541			714.29	-	714.29	35.71	750.00
9-May-12	6635			714.29	-	714.29	35.71	750.00
15-May-12	6673			714.29	-	714.29	35.71	750.00
5-Nov-12	7217			714.29	168.00	882.29	44.11	926.40
5-Nov-12	7218			714.29	168.00	882.29	44.11	926.40
5-Nov-12	7219			714.29	168.00	882.29	44.11	926.40
5-Nov-12	7220			714.29	168.00	882.29	44.11	926.40
24-Jan-13	7354			714.29	-	714.29	35.71	750.00
24-Jan-13	7383			714.29	-	714.29	35.71	750.00
16-Apr-13	7567			714.29	35.00	749.29	35.71	785.00
23-May-13	7645			714.29	-	714.29	35.71	750.00
30-May-13	7674			714.29	-	714.29	35.71	750.00
7-Nov-13	8216			714.29	-	714.29	35.71	750.00
8-Aug-13	7914			714.29	35.00	749.29	35.71	785.00
22-Aug-13	7935			714.29	-	714.29	35.71	750.00
12-Sep-13	8025			714.29	-	714.29	35.71	750.00
16-Sep-13	8028			714.29	-	714.29	35.71	750.00
28-Oct-13	8172			714.29	-	714.29	35.71	750.00
29-Oct-13	8175			714.29	-	714.29	35.71	750.00
30-Oct-13	8184			714.29	-	714.29	35.71	750.00
20-Dec-13	8363			5,000.00	1,027.50	6,027.50	250.75	6,278.25
13-Jun-14	8726			500.00	-	500.00	25.00	525.00
30-Jun-14	8800			500.00	-	500.00	25.00	525.00
4-Jul-14	8866			500.00	-	500.00	25.00	525.00
10-Jul-14	8872			500.00	-	500.00	25.00	525.00
25-Jul-14	8928			500.00	-	500.00	25.00	525.00
Total KSDPC				\$ 32,404.91	\$ 1,769.50	\$ 34,888.70	\$ 1,668.83	\$ 36,557.53

McLeod & Company LLP - Receiver's condominium law counsel

28-Jul-10	134186	1-Jun-10	28-Jul-10	\$ 3,055.00	\$ 133.90	\$ 3,188.90	\$ 159.45	\$ 3,348.35
31-Aug-10	135057	13-Aug-10	31-Aug-10	1,275.00	17.20	1,292.20	64.61	1,356.81
20-Jan-11	139168	1-Sep-10	20-Jan-11	1,305.00	10.10	1,315.10	65.76	1,380.86
2-Mar-11	140307	29-Sep-10	28-Feb-11	3,128.00	28.89	3,156.89	157.84	3,314.73
2-Mar-11	140309	16-Dec-10	28-Feb-11	858.00	5.95	863.95	43.20	907.15

Invoice Date	Invoice #	Start Date	End Date	Fees	Disbursements	Subtotal	GST / HST	Total
31-May-11	142663	26-Apr-11	31-May-11	1,187.50	0.85	1,188.35	59.42	1,247.77
28-Jun-11	143347	-	-	2,625.00	745.48	3,370.48	168.52	3,539.00
23-Sep-11	145477	11-Aug-11	22-Sep-11	1,757.50	42.70	1,800.20	90.01	1,890.21
20-Jan-12	148643	1-Dec-11	20-Jan-12	142.50	10.48	152.98	7.65	160.63
31-Jul-12	153438	5-Jun-12	31-Jul-12	902.50	12.25	914.75	45.74	960.49
28-Mar-13	160062	19-Mar-13	28-Mar-13	1,746.00	23.20	1,769.20	88.46	1,857.66
30-May-13	161931	-	-	685.00	185.84	870.84	43.54	914.38
31-May-13	162189	24-Apr-13	31-May-13	1,455.00	18.40	1,473.40	73.67	1,547.07
30-Jul-13	163659	9-Jul-13	30-Jul-13	4,025.50	35.99	4,061.49	203.07	4,264.56
30-Sep-13	165413	1-Aug-13	30-Sep-13	2,958.50	96.24	3,054.74	152.74	3,207.48
Total McLeod				\$ 27,106.00	\$ 1,367.47	\$ 28,473.47	\$ 1,423.68	\$ 29,897.15

Farris, Vaughan, Wills & Murphy LLP

10-May-11 802284 \$ 1,092.30 \$ - \$ 1,092.30 \$ 131.08 \$ 1,223.38

Thornborough Smeltz LLP

27-Jun-14 - \$ - \$ 165.00 \$ 165.00 \$ - \$ 165.00

Field Law LLP

21-Aug-14 329,534.00 \$ 467.90 \$ - \$ 467.90 \$ 5.64 \$ 473.54

Total Legal Fees

\$1,783,890.11 **\$ 71,734.71** **\$1,856,339.11** **\$ 92,685.39** **\$1,949,024.50**