

**Form 6-5**  
(Subrule 6.5(1))

COURT FILE NUMBER Q.B. No. 61 of 2018

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE SWIFT CURRENT

PLAINTIFF / APPLICANT **INNOVATION CREDIT UNION**

DEFENDANTS /  
RESPONDENTS **SWIFT HOTELS GROUP LTD., BRIAN OSTRANDER,  
OSTRANDER FAMILY HOLDINGS LTD., PHILIP KRAUN,  
PRIMEWEST MORTGAGE INVESTMENT CORPORATION,  
SWIFT MOTEL LTD., and BRUNSDON LAWREK &  
ASSOCIATES**

**IN THE MATTER OF THE INTERIM RECEIVERSHIP OF SWIFT HOTELS GROUP LTD.**

**NOTICE OF APPLICATION**  
**(First Extension)**

**NOTICE TO RESPONDENTS: All parties listed on the Service List for these proceedings attached as Schedule "A" hereto.**

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

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

Where	BY TELEPHONE CONFERENCE Court of Queen's Bench 121 Lorne Street West Swift Current, SK S9H 0J4
Date	October 18, 2019
Time	9:00 AM, or such other time as may be directed by the Local Registrar

*(Read the Notice at the end of this document to see what else you can do and when you must do it.)*

**Remedy claimed or sought:**

1. An order that the appointment of Deloitte Restructuring Inc. as the interim receiver over Swift Hotels Group Ltd. ("Swift Hotels") on the terms and conditions of the Interim Receivership Order granted by the Honourable Mr. Justice R.S. Smith on September 20, 2019, be extended and continue to apply until 11:59 p.m. on Friday, November 29, 2019, or until further Order of this Court extending such appointment.
2. Such further and other relief as counsel may request and this Honourable Court may allow.

**Grounds for making this application:**

3. On September 20, 2019, the Honourable Mr. Justice R.S. Smith granted an Interim Receivership Order (the "Interim Receivership Order") appointing Deloitte Restructuring Inc. as the interim receiver for the assets, undertakings, and properties of Swift Hotels Group Ltd., acquired for, or used in relation to the business carried on by Swift Hotels Group Ltd., including all proceeds thereof, pursuant to section 47 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "BIA") and section 65(1) of *The Queen's Bench Act, 1998*, SS 1998, c Q-1.01.
4. Section 47(1)(c) of the BIA gives the Court jurisdiction to appoint an interim receiver until the expiry of 30 days after the day on which the interim receiver was appointed or of any period specified by the Court.
5. According to section 2A of the Interim Receivership Order, the appointment of the Interim Receiver shall continue in full force and effect until 11:59 p.m. on October 19, 2019 or further order of the Court extending such appointment.
6. The grounds for making the Interim Receivership Order were canvassed in detail in the Notice of Application dated September 11, 2019 and the Affidavit of Bradley Appel sworn August 20, 2019. The Applicant relies on the facts and grounds pled in these previous materials, unless modified by the additional affidavit material filed with this application.
7. Since the granting of the Interim Receivership Order on September 20, 2019, Swift Hotels has continued to carry on business in the ordinary course, except as affected by the Interim Receivership Order.

8. The Interim Receiver made a preliminary information request to Swift Hotels on September 23, 2019. The Interim Receiver has received some of the information requested, but there is still information that must be submitted to the Interim Receiver to analyse the financial status of Swift Hotels.

9. On or about September 13, 2019, Canada Revenue Agency issued an enhanced requirement to pay to Swift Hotels, which requires that Swift Hotels make payment of \$188,825.95 for unremitted GST under the *Excise Tax Act*. Canada Revenue Agency has also issued a Statement of account for current source deductions on or about September 9, 2019 which requires that Swift Hotels make payment of \$554,760.99 for unremitted employee source deductions.

10. An extension of the Interim Receivership Order to November 29, 2019 is necessary to enable the Interim Receiver to receive and analyse the information requested from Swift Hotels and provide a fulsome report on the financial status of Swift Hotels.

11. If the requested extension is granted, the Interim Receiver will continue to operate under the terms and conditions of the Interim Receivership Order and report to the Court with regard to its findings which will benefit the creditors of Swift Hotels.

12. By reason of the facts and matters described above, the First Report by the Interim Receiver, Deloitte Restructuring Inc., and the additional facts and matters set forth in the Supplementary Affidavit of Bradley Appel sworn on October 9, 2019, the extension of Deloitte Restructuring Inc.'s appointment as Interim Receiver of the property and assets of Swift Hotels to and including November 29, 2019 is necessary for the protection of both the interests of Innovation and the estate of Swift Hotels.

13. All secured creditors that have served a Demand for Notice since being served with the Order have been given notice of this application.

**Material or evidence to be relied on:**

14. This Notice of Application;
15. Supplementary Affidavit of Bradley Appel, sworn October 9, 2019;
16. A proposed form of draft Order;
17. The Interim Receivership Order of the Honourable Mr. Justice R.S. Smith issued in these proceedings and dated September 20, 2019;
18. The First Report by the Interim Receiver, Deloitte Restructuring Inc., to be filed;  
and
19. The pleadings and proceedings herein.

**Applicable Rules:**

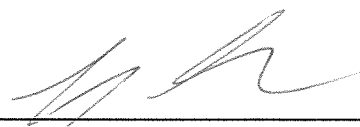
20. N/A

**Applicable Acts and regulations:**

21. Section 47 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3;

DATED at Regina, Saskatchewan, this 10<sup>th</sup> day of October, 2019.

OLIVE WALLER ZINKHAN & WALLER LLP

Per:   
Lawyers of Record for the Applicant,  
Innovation Credit Union

**NOTICE**

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

**CONTACT INFORMATION AND ADDRESS FOR SERVICE**

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Schedule "A"

Service List

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PRIMEWEST MORTGAGE INVESTMENT CORPORATION,  
SWIFT MOTEL LTD., and BRUNSDON LAWREK &  
ASSOCIATES

**IN THE MATTER OF THE APPOINTMENT OF AN INTERIM RECEIVER UNDER  
SECTION 47 OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3**

**SERVICE LIST**

Updated October 10, 2019

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