Form 10
Rule 3.25

COURT FILE NO.	1401-02047
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ROYAL BANK OF CANADA
DEFENDANT	1050999 ALBERTA LTD.
DOCUMENT	**STATEMENT OF CLAIM**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McMillan LLP 421 7th Avenue SW, Suite 1700 Calgary, Alberta T2P 4K9 Phone: 403.215.2752 Fax: 403.531.4720 Attention: Adam C. Maerov adam.maerov@mcmillan.ca File No. 223204

Clerk's Stamp

CLERK OF THE COURT
FILED
FEB 24 2014
JUDICIAL CENTRE
OF CALGARY

NOTICE TO DEFENDANT

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.

I. PARTIES

1. The plaintiff, Royal Bank of Canada ("RBC"), is a lender with offices throughout Canada, including an office in the city of Edmonton, in the Province of Alberta.

2. The Defendant, 1050999 Alberta Ltd. ("105"), is a corporation incorporated under the laws of the Province of Alberta.

II. LOAN INDEBTEDNESS

3. RBC made loans to 105 pursuant to a $28,000,000.00 secured credit agreement between RBC and 105 dated September 9, 2010, as amended by agreements dated April 19, 2011, December 2, 2011, and November 2, 2012 (collectively, the "Loan Agreement"). Under the terms of the Loan Agreement, RBC agreed to provide 105 with various credit facilities all on the terms set out in the Loan Agreement.

4. 105 agreed to repay the principal and interest advanced from time to time by RBC by and not later than March 31, 2013.

5. As at January 29, 2014, the total indebtedness owing by 105 to RBC was approximately $6,945,261.42 in principal, plus $246,292.86 in interest, plus associated costs, fees and disbursements with additional interest and other charges accrued and accruing thereon at the rates and on the terms established by the Loan Agreement (the "Indebtedness").

6. 105 failed repay its Indebtedness to RBC. Accordingly, for this and for other reasons, 105 is in default of the Loan Agreement.

III. GRANTING OF SECURITY

7. As security for amounts advanced pursuant to the Loan Agreement, 105 granted various security to RBC, including:
   a. General Security Agreement - Floating Charge on Land dated January 11, 2006 executed by the 105 in favour of RBC (the "Borrower GSA");

   b. General Security Agreement - Floating Charge on Land dated January 11, 2006 executed by Aman Building Corporation ("Aman") in favour of RBC (the "Aman GSA")

   c. Collateral Mortgage dated February 14, 2007 executed by the Borrower in favour of the Bank in the amount of $25,000,000 (the "Mortgage")

d. Mortgage Amending Agreement dated July 15, 2008 between the Borrower and the Bank increasing the amount of the Mortgage from $25,000,000 to $29,000,000 (the "Mortgage Amendment")

(collectively, the "Security").

8. It is an express term of the Loan Agreement and the Security that the Indebtedness owing to RBC was repayable on demand or upon the occurrence of a default by 105.

9. By the terms of the Loan Agreement and the Security, in the event of a default by 105 in the payment to RBC of any of the monies secured thereby, RBC is entitled to exercise various remedies, one of which is the appointment of a receiver and manager.

IV. GUARANTEES

10. RBC obtained the following guarantees in respect of the Loan Agreement:

e. A Guarantee and Postponement of Claim executed by Aman in favour of RBC dated September 9, 2010 in the amount of $5,000,000.00 (the "Aman Guarantee");

f. A Guarantee and Postponement of Claim executed by Shiraz Jiwani in favour of RBC in the amount of $7,500,000.00 dated July 15, 2008 (the "Jiwani Guarantee"); and

V. DEMAND FOR REPAYMENT

11. On January 31, 2014, through its counsel, RBC delivered to 105 a demand letter confirming the existence of outstanding defaults under the Loan Agreement (the "Demand") and a Notice of Intention to Enforce Security (the "Notice") pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("BIA").

12. As at the date hereof, 105 has failed to pay the outstanding Indebtedness in full.

VI. PROCEDURAL ISSUES

13. It is submitted that RBC's claim raises no triable issues and any defence would be without merit. Accordingly, no trial will be necessary and in the event a defence is provided RBC will request an order for summary judgment.

14. In the event that a trial is ordered necessary, RBC proposes that the trial of this action be held at the Courts Centre, in the City of Calgary, in the Province of Alberta.

VII. REMEDY SOUGHT

15. RBC seeks the following remedies against 105:

(a) A declaration that 105 is in default of the Loan Agreement, the Security, and its payment of the Indebtedness to RBC;

(b) A declaration as to the amounts owing to RBC by 105 and judgment in the amount found to be owing;

(c) A declaration that the Security held by RBC against 105 has become enforceable and that the Security constitutes valid and enforceable security in accordance with the terms thereof;

(d) An order for the appointment of a receiver and manager over all of the assets, undertakings and property of 105 or such assets, undertakings and property as RBC may direct and deem appropriate from time to time;

(e) Interest in accordance with the terms of the Loan Agreement and the Security, or, alternately pursuant to the provisions of the *Judgment Interest Act*, RSA 2000, c J-8;

(f) Costs on a solicitor and his own client basis in accordance with the terms of the Loan Agreement and Security, or, alternately, costs; and

(g) Such further and other relief as this Honourable Court may deem just and appropriate.

NOTICE TO THE 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.