

COURT FILE NUMBER

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF CANADA NORTH GROUP INC., CANADA NORTH CAMPS INC., CAMPCORP STRUCTURES LTD., D.J. CATERING LTD., 816956 ALBERTA LTD. and 1371047 ALBERTA LTD.

DOCUMENT

ORIGINATING APPLICATION

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

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NOTICE TO THE RESPONDENT(S)

Among other reliefs, the Applicants wish to apply for an order restricting access to court proceedings or records.

You have the right to state your side of this matter before the justice.

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

Date:	Wednesday, July 5, 2017
Time:	11:00 am
Where:	Edmonton Law Courts 1A Sir Winston Churchill Square Edmonton, AB T5J 0R2
Before Whom:	The Honourable Justice K.G. Nielsen

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

Remedy claimed or sought:

1. Abridging the time for service of the Originating Application and materials filed herewith to the time actually given and declaring service good and sufficient.
2. An order:

- a. pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 as amended (the "**CCAA**") on the terms substantially as set out in the form of Initial Order attached hereto as Schedule "**A**";
 - b. effective for a period of 30 days:
 - i. staying all proceedings taken or that might be taken against the Applicants, Paul McCracken, Shayne McCracken, and each of their affiliates (as defined in the *Alberta Business Corporations Act*, RSA 2000 c B-9) (the "**Stay Parties**");
 - ii. restraining any further proceedings in any action, suit or proceedings against the Stay Parties; and
 - iii. prohibiting the commencement of or proceeding with any other action, suit or proceeding against the Stay Parties;

arising out of or in connection with any right, remedy or claim of any person against the Applicants in connection with any indebtedness, indemnity, liability or obligation of any kind whatsoever of the Applicants;
 - c. appointing Ernst & Young, Inc. as Monitor of the Applicants on such terms described in the attached form of Initial Order;
 - d. appointing a Chief Restructuring Officer of the Applicants as the Applicants may advise and this Honourable Court may approve on such terms as may be directed;
 - e. providing for an Administration Charge protecting the fees and disbursements of the Applicant's counsel, the Monitor, the Monitor's counsel and the Chief Restructuring Officer to a maximum of \$1,000,000;
 - f. providing for a Director's Charge protecting the directors and officers of the Applicants against obligations and liabilities incurred after the commencement of the within proceedings to a maximum of \$150,000;
 - g. granting Interim Financing of up to \$1,000,000 and an Interim Financing Charge up to the same amount;
 - h. declaring that each of the foregoing shall be protected by a charge on the property of the Applicants in the following order:
 - i. Administration Charge;
 - ii. Interim Financing Charge; and
 - iii. Directors' Charge.
 - i. A sealing order of the Confidential Supplemental Affidavit of Shayne McCracken sworn June 28, 2017;
 - j. Granting such further other relief as this Honourable Court deems just.
3. An Order directing CWB to release funds seized by CWB held in a Bigstone Tansi Development Ltd. account.

Grounds for making this application:

4. The Applicants are insolvent entities that require the opportunity to restructure their financial and business affairs pursuant to the CCAA for the general benefit of their creditors and other stakeholders.
5. A process under the CCAA will return significant greater value to the creditors and other stakeholders of the Applicants as a whole than a receivership or other enforcement proceeding.
6. The Applicants meet the statutory requirements to be eligible for relief under the CCAA.
7. The Applicants are “debtor companies” or “affiliated debtor companies” within the meaning of those phrases used in the CCAA.
8. The total amount of claims against the Applicants exceed \$5,000,000.
9. A stay of proceedings for the Stay Parties is just and reasonable in these circumstances.
10. A stay of proceedings for the Stay Parties is necessary to determine an orderly determination of obligations and to maintain the status quo of the Applicants’ businesses.
11. The Administration Charge, Interim Financing Charge and Directors’ charge are necessary and reasonable in these circumstances.
12. The Applicants are entitled to the benefit of the provisions of the CCAA and the circumstances are appropriate for the Court to exercise its equitable jurisdiction.
13. Canada North Group Inc., Canada North Camps Inc., Campcorp Structures Ltd., and D.J. Catering Ltd. have all filed Notices of Intention to Make a Proposal on June 26, 2017 under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (“*BIA*”) but have not yet filed any proposal in those proceedings.
14. Each of Canada North Group Inc., Canada North Camps Inc., Campcorp Structures Ltd., and D.J. Catering Ltd. have filed concurrent applications in their proposal proceedings for such proceedings to be taken up and continued under the CCAA.
15. Given that creditors of Applicants are presently stayed under the *BIA* converting the proposal process to a CCAA proceedings will not materially prejudice any party.
16. The multitude and complexity of the Applicants’ corporate structure and as well as what will be required to restructure the Applicants is more appropriate for proceedings under the CCAA than the *BIA*.
17. The Confidential Supplemental Affidavit of Shayne McCracken is confidential and contains commercially sensitive information and if made a part of the public record of this Action would be detrimental to the Applicants’ restructuring in these CCAA proceedings.
18. Circumstances exist that make the Order sought appropriate.
19. Such further and other grounds as counsel may advise and this Court may permit.

Material or evidence to be relied on:

20. Affidavit of Shayne McCracken, filed with this application.
21. Confidential Supplemental Affidavit of Shayne McCracken, filed with this application.
22. Affidavit of Service Lynnette Goodwin, unfiled.

23. Brief of the Applicants, filed herewith.

24. Pre-filing Report of the proposed Monitor, to be filed.

Applicable rules:

25. *Alberta Rules of Court* AR 124/2010, including Rule 13.5.

Applicable Acts and regulations:

26. *Judicature Act*, RSA 2000 c J-2, as amended.

27. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended, including sections 2, 3, 9, 10, 11 and 11.6.

28. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.

29. Such further other provisions and Statutes as counsel may advise.

Any irregularity complained of or objection relied on:

30. Abridgement of time for service.

WARNING

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 give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.