FAX
AUG 2 0 2019
FILED
JUDICIAL CENTRE OF EDMONTON
Clerk of the Court

FORM 49
[RULE 13.19]

COURT FILE NUMBER	1703-12327
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF(S)	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED
DEFENDANT(S)	AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF 667402 ALBERTA LTD., 18512398 ALBERTA LTD., 816956 ALBERTA LTD., 1371047 ALBERTA LTD., 1919209 ALBERTA LTD. AND CANADA NORTH GROUP LP HOLDINGS LTD.
DOCUMENT	AFFIDAVIT
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	BENNETT JONES LLP Barristers and Solicitors 4500 Bankers Hall East Calgary, Alberta T2P 4K7 Attention: Ken Lenz Telephone No.: 403-298-3317 Fax No.: 403-265-7219 Client File No.: 86890.1

AFFIDAVIT OF MARK EIKELAND

Sworn on August 16, 2019.

I, Mark Eikeland, of Campbell River, British Columbia, SWEAR AND SAY THAT:

1. I am the director of Northland Mortgage & Investment Corporation (**"Northland"**), and as such have personal knowledge of the matters hereinafter deposed to except where otherwise stated to be on information and belief.

2. Attached hereto and marked as **Exhibit "1"** is an email chain between me and the Monitor with respect to written communications regarding Northland asking the Monitor

to challenge property tax assessments with respect to the Bonnyville Lands and the Opportunity Lands.

3. Attached hereto and marked as **Exhibit "2"** is an email exchange between my counsel and counsel to the Monitor inquiring whether taxes would be paid.

SWORN BEFORE ME at BC
Campbell River, ~~Alberta~~,
this 16th day of August, 2019.

A Commissioner for Oaths
in and for the Province of British Columbia

MARK EIKELAND

ELIZABETH C. HUNT
906 Island Highway
Campbell River, BC V9W 2C3
PH: 250-287-8355 FAX: 250-287-8112
Barrister & Solicitor

EXHIBIT 1

This is EXHIBIT "1" referred to in the
Affidavit of Mark Eikeland sworn before me
this 16 day of August, 2019.

A Commissioner for Oaths in and for the
Province of British Columbia

ELIZABETH C. HUNT
906 Island Highway
Campbell River, BC V9W 2C3
PH: 250-287-8355 FAX: 250-287-8112
Barrister & Solicitor

From: Mark Eikeland <mark@northlandmortgage.ca>
Sent: Monday, August 12, 2019 4:43 PM
To: Ken Lenz <LenzK@bennettjones.com>
Subject: FW: CNC CCAA Bonnyville

From: Mark Eikeland [mailto:mark@netfinance.ca]
Sent: May 28, 2018 3:32 PM
To: 'Mark Eikeland'
Subject: RE: CNC CCAA Bonnyville

Matt

Can you respond to my comments below:

Re: CNC

1. Winterburn
   It's been near a month since the sale closed. Can you tell me when we might be able to expect a disbursement of the sale proceeds?

2. Paul and Shayne Bankruptcy
   The proposal was put forward and voted on in mid April. During the course of the bankruptcy we confirmed with our lawyers and the lawyer for Paul and Shayne that we were a secured creditor against Shane with 1st charge ranking. The lawyer initially excluded our security position, incorrectly, thinking we would be paid out on the Winterburn sale. As a result, we asked the lawyer to amend the proposal which was agreed to and done at our request. As a secured creditor against Shane we were to be paid $57,000 on the proposal. What is happening with this proposal?

3. Bonnyville
   I have advised you previously of the outrageous taxes that are accruing these properties that we hold as security for our first mortgage. We have received a tax sale notice and have received a current year assessment for $8

million on Lot 1 only! This is outrageous and despite previous attempts to bring this to your attention continues to be in the same position as described below. What are you doing as the monitor/receiver to mitigate this significant tax liability? When are you going to file an appeal to the current year and past 2 years assessments that reflect a more reasonable valuation based on its current use? When and what are you doing with regards to the 3rd party that owns the equipment and who should liable for some/or all the property tax arrears since the $8 million assessments reflects equipment value! I also would remind you, that the realtor for the properties has set an unrealistic sales price that would likely not generate any to none interest and we are entering into the best time to market these properties for sale. In any of your allocations you reflect no value coming back to you on sale, so why are sales prices not more reflective of a more reasonable court ordered sale price? Why has this sales price not been addressed? Also, for your information I have called the realtor on many occasions to test his responsiveness for a sales call on Bonnyville...to date, I have received no return calls on any of the 3 messages I left him. Are you getting progress reports on this listing?

Since you are the only one that answer these issues, I would appreciate a response and or phone call at your soonest. Thanks.

Best Regards,

Mark Eikeland, CPA, CGA
Director

Northland Mortgage and Investment Corp.
e-Capital Networks Group Inc.
Phone: 1-250-923-0719
Toll Free: 1-888-282-1699
Fax: 1-250-483-1909
Web Site: http://www.netfinance.ca
Email: mark@netfinance.ca

NORTHLAND
MORTGAGE & INVESTMENT CORP.

From: Mark Eikeland [mailto:mark@netfinance.ca]
Sent: March 22, 2018 10:58 AM
To: 'Matt McCulloch'
Subject: RE: CNC CCAA Bonnyville

Matt

As you know, we hold a mortgage on the Bonnyville properties of $1.5 million. The appraisals show a value of $2.3 million...likely much lower. Though there appears to be equity in the property, there are ppty tax arrears prior to CCAA of $250,000 and current year likely totalling over $400k in arrears. The high property taxes are based on the site being operated as a hotel with trailers, but the site has not operated that way for 2 years now. In the meantime, the trailers and equipment on the site are not owned by CNC but a third party who is a joint venture partner and using the site as storage.

My concerns are:

1. Current year taxes have not been paid out of the DIP financing and quickly eroding any equity.
2. The equipment should be moved off the property immediately and restore back to raw land...to mitigate the high property tax liability from accruing and put the property in a saleable condition. No interested party would be willing to consider a purchased with property taxes so artificially high.
3. CNC/monitor needs to file a property tax appeal to reduce the tax assessments with the city for the last 2 years as basically a site used for equipment storage on raw land.

At this point, the high property tax liability will eventually become yours/our problem. Can you look at the process of contacting the equipment owner and moving the equipment off the land. Thanks.

Best Regards,

Mark Eikeland, CPA, CGA
Director

Northland Mortgage and Investment Corp.
e-Capital Networks Group Inc.
Phone: 1-250-923-0719
Toll Free: 1-888-282-1699
Fax: 1-778-300-0098
Web Site: http://www.netfinance.ca
Email: mark@netfinance.ca

NORTHLAND
MORTGAGE & INVESTMENT CORP.

From: Matt McCulloch [mailto:Matt.McCulloch@ca.ey.com]
Sent: January 30, 2018 10:31 AM
To: Mark Eikeland
Cc: Trina Sorbara
Subject: RE: CNC CCAA extension

Hi Mark – an extension was granted to March 2/18. By copy of this email to my colleague Trina, I will ask her to send you the link to the website – no password is required.

Yours truly,

Matt McCulloch, CPA, CA, CIRP, Licensed InsolvencyTrustee
Partner & Senior Vice President*| Corporate Restructuring & Insolvency
Ernst & Young Inc.
EPCOR Tower, 10423 – 101 Street, Suite 1400, PO Box 44, Edmonton AB T5H 0E7
Direct: 780 638 6642 | Fax: 780 428 8977 | matt.mcculloch@ca.ey.com
Website: http://www.ey.com
Assistant: Sue Mendoza | Phone: 780 638 6659 | sue.mendoza@ca.ey.com
Paraprofessional: Trina Sorbara | Phone 780 412 2393 | trina.m.sorbara@ca.ey.com
* Services provided through Matthew McCulloch Professional Corporation

From: Mark Eikeland [mailto:mark@netfinance.ca]
Sent: Tuesday, January 30, 2018 10:35 AM
To: Matt McCulloch <Matt.McCulloch@ca.ey.com>
Subject: RE: CNC CCAA extension

Matt

Can you send me the link to the website for CNC info/docs along with any password info. Did they get an extension? Thanks.

Best Regards,

Mark Eikeland, CPA, CGA
Director

Northland Mortgage and Investment Corp.
e-Capital Networks Group Inc.
Phone: 1-250-923-0719
Toll Free: 1-888-282-1699
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NORTHLAND
MORTGAGE & INVESTMENT CORP.

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From: Matt McCulloch [mailto:Matt.McCulloch@ca.ey.com]
Sent: January 17, 2018 1:30 PM
To: Mark Eikeland
Subject: RE: CNC CCAA extension

Hi Mark,

I discussed the property taxes with the CNC group the other day as it pertains to the Bonnyville property and the answer is that the taxes billed by the Town prior to the commencement of the CCAA proceedings have not been paid. This includes amounts billed by the town in May of 2017. I believe the total outstanding is just shy of $300,000 from the information I received from CNC recently.

They will be required to pay the taxes assessed in 2018 as part of continued operations provided the CCAA process continues. Sorry for the delay in my response, there are a lot of moving parts on this file, and the folks and CNC have been busy with a number of information requests/demands.

Yours truly,

EY

Matt McCulloch, CPA, CA, CIRP, Licensed InsolvencyTrustee
Partner & Senior Vice President*| Corporate Restructuring & Insolvency
Ernst & Young Inc.
EPCOR Tower, 10423 – 101 Street, Suite 1400, PO Box 44, Edmonton AB T5H 0E7
Direct: 780 638 6642 | Fax: 780 428 8977 | matt.mcculloch@ca.ey.com
Website: http://www.ey.com
Assistant: Sue Mendoza | Phone: 780 638 6659 | sue.mendoza@ca.ey.com
Paraprofessional: Trina Sorbara | Phone 780 412 2393 | trina.m.sorbara@ca.ey.com
* Services provided through Matthew McCulloch Professional Corporation

From: Mark Eikeland [mailto:mark@netfinance.ca]
Sent: Monday, January 8, 2018 11:03 AM
To: Matt McCulloch <Matt.McCulloch@ca.ey.com>
Subject: RE: CNC CCAA extension

Hi Matt

We're you able to confirm #1 below that current year property taxes are being paid as part of the approved operating expenses. Thanks. Mark

From: Matt McCulloch [mailto:Matt.McCulloch@ca.ey.com]
Sent: December 2, 2017 9:27 AM
To: Mark Eikeland
Subject: RE: CNC CCAA extension

Hi Mark, please see below for my responses in RED font.

Yours truly,

Matt McCulloch, CPA, CA, CIRP, Licensed InsolvencyTrustee
Partner & Senior Vice President*| Corporate Restructuring & Insolvency
Ernst & Young Inc.
EPCOR Tower, 10423 – 101 Street, Suite 1400, PO Box 44, Edmonton AB T5H 0E7
Direct: 780 638 6642 | Fax: 780 428 8977 | matt.mcculloch@ca.ey.com
Website: http://www.ey.com
Assistant: Sue Mendoza | Phone: 780 638 6659 | sue.mendoza@ca.ey.com
Paraprofessional: Trina Sorbara | Phone 780 412 2393 | trina.m.sorbara@ca.ey.com
* Services provided through Matthew McCulloch Professional Corporation

---

From: Mark Eikeland [mailto:mark@netfinance.ca]
Sent: Friday, December 1, 2017 3:04 PM
To: Matt McCulloch <Matt.McCulloch@ca.ey.com>
Subject: RE: CNC CCAA extension

Hi Matt

We hold 2 mortgages 1) $1.5 Million secured by Bonnyville 2) $750 secured by St Albert, Edmonton Winterburn and Wabasca

Could you confirm:

1. that current property taxes on the Bonnyville property are being paid as part of the approved operating costs for CNC. I believe so – I have requested confirmation from the Company and will advise as soon as I hear back.
2. That we will not require an affidavit as proof of our outstanding balance but a payout statement from us. As I mentioned on the phone, there will be a claims process and instructions provided – we are proceeding to Court in this regard this week, and if approved, the details of what you need to submit will be sent to you.
3. That the Edmonton Winterburn property has received an offer that is being negotiated. Confirmed – not sure if the offer will ultimately be successfully negotiated, but this is the latest info I have received.

I have to provide my board an update on the CNC issues next and this info would be helpful as part of the update. Much appreciated. Thanks Matt.

Best Regards,

Mark Eikeland, CPA, CGA
Director

Northland Mortgage and Investment Corp.
e-Capital Networks Group Inc.
Phone: 1-250-923-0719
Toll Free: 1-888-282-1699
Fax: 1-778-300-0098
Web Site: http://www.netfinance.ca
Email: mark@netfinance.ca

NORTHLAND
MORTGAGE & INVESTMENT CORP.

From: Matt McCulloch [mailto:Matt.McCulloch@ca.ey.com]
Sent: November 29, 2017 2:48 PM
To: Mark Eikeland
Subject: RE: CNC CCAA extension

Hi Mark – I just left you a message on your land line – I have a meeting to leave for in 15 minutes – if you want to chat now, please call my cell (780) 860-8698

Yours truly,

EY

Matt McCulloch, CPA, CA, CIRP, Licensed InsolvencyTrustee
Partner & Senior Vice President*| Corporate Restructuring & Insolvency
Ernst & Young Inc.
EPCOR Tower, 10423 – 101 Street, Suite 1400, PO Box 44, Edmonton AB T5H 0E7
Direct: 780 638 6642 | Fax: 780 428 8977 | matt.mcculloch@ca.ey.com
Website: http://www.ey.com
Assistant: Sue Mendoza | Phone: 780 638 6659 | sue.mendoza@ca.ey.com
Paraprofessional: Trina Sorbara | Phone 780 412 2393 | trina.m.sorbara@ca.ey.com
* Services provided through Matthew McCulloch Professional Corporation

From: Mark Eikeland [mailto:mark@netfinance.ca]
Sent: Wednesday, November 29, 2017 1:28 PM
To: Matt McCulloch <Matt.McCulloch@ca.ey.com>
Subject: RE: CNC CCAA extension

Matt

Could you call me when you have a moment. Appreciated. Thanks. Mark

Cell 250-287-0373

From: Matt McCulloch [mailto:Matt.McCulloch@ca.ey.com]
Sent: September 28, 2017 11:28 AM
To: Mark Eikeland
Subject: RE: CNC CCAA extension

Hi Again Mark,

I have confirmed with CNG that there is not a new "accepted" offer on the yard at this time, which is in line with what I previously indicated.

Yours truly,

Matt McCulloch, CPA, CA, CIRP, Licensed InsolvencyTrustee
Partner & Senior Vice President*| Corporate Restructuring & Insolvency
Ernst & Young Inc.
EPCOR Tower, 10423 – 101 Street, Suite 1400, PO Box 44, Edmonton AB T5H 0E7
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Website: http://www.ey.com
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Paraprofessional: Trina Sorbara | Phone 780 412 2393 | trina.m.sorbara@ca.ey.com
* Services provided through Matthew McCulloch Professional Corporation

---

From: Mark Eikeland [mailto:mark@netfinance.ca]
Sent: Thursday, September 28, 2017 10:25 AM
To: Matt McCulloch <Matt.McCulloch@ca.ey.com>
Subject: RE: CNC CCAA extension

Matt

We understand that there has been a new offer to purchase on the Winterburn property. Has this been accepted? Thanks. Mark

---

From: Matt McCulloch [mailto:Matt.McCulloch@ca.ey.com]
Sent: September 27, 2017 10:36 AM
To: Mark Eikeland
Subject: RE: CNC CCAA extension

Hi Mark,

Yes, an extension was granted up to January 31, 2018. I expect copies of the Orders granted should be posted to our website in the next day or so.

Yours truly,

Matt McCulloch, CPA, CA, CIRP, Licensed InsolvencyTrustee
Partner & Senior Vice President*| Corporate Restructuring & Insolvency
Ernst & Young Inc.
EPCOR Tower, 10423 – 101 Street, Suite 1400, PO Box 44, Edmonton AB T5H 0E7
Direct: 780 638 6642 | Fax: 780 428 8977 | matt.mcculloch@ca.ey.com
Website: http://www.ey.com
Assistant: Sue Mendoza | Phone: 780 638 6659 | sue.mendoza@ca.ey.com
Paraprofessional: Trina Sorbara | Phone 780 412 2393 | trina.m.sorbara@ca.ey.com
* Services provided through Matthew McCulloch Professional Corporation

From: Mark Eikeland [mailto:mark@netfinance.ca]
Sent: Wednesday, September 27, 2017 11:30 AM
To: Matt McCulloch <Matt.McCulloch@ca.ey.com>
Subject: RE: CNC CCAA extension

Matt

Was an extension granted to CNC yesterday? Thanks.

Best Regards,

Mark Eikeland, CPA, CGA
Director

Northland Mortgage and Investment Corp.
e-Capital Networks Group Inc.
Phone: 1-250-923-0719
Toll Free: 1-888-282-1699
Fax: 1-778-300-0098
Web Site: http://www.netfinance.ca
Email: mark@netfinance.ca

NORTHLAND
MORTGAGE & INVESTMENT CORP.

From: Matt McCulloch [mailto:Matt.McCulloch@ca.ey.com]
Sent: July 13, 2017 1:11 PM
To: mark@netfinance.ca
Subject: Hi Mark - just responding to your voicemail message.....

Did you still have questions? I know you have since spoken with Trina of my office – but let me know...

Yours truly,

Matt McCulloch, CPA, CA, CIRP, Licensed InsolvencyTrustee
Partner & Senior Vice President*| Corporate Restructuring & Insolvency
Ernst & Young Inc.
EPCOR Tower, 10423 - 101 Street, Suite 1400, PO Box 44, Edmonton AB T5H 0E7
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Website: http://www.ey.com
Assistant: Sue Mendoza | Phone: 780 638 6659 | sue.mendoza@ca.ey.com
Paraprofessional: Trina Sorbara | Phone 780 412 2393 | trina.m.sorbara@ca.ey.com
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EXHIBIT 2

This is EXHIBIT "2" referred to in the
Affidavit of Mark Eikeland sworn before me
this 16 day of August, 2019.

A Commissioner for Oaths in and for the
Province of British Columbia

ELIZABETH C. HUNT
906 Island Highway
Campbell River, BC V9W 2C3
PH: 250-287-8355 FAX: 250-287-8112
Barrister & Solicitor

From: Ryan Quinlan <rquinlan@dcllp.com>
Sent: Tuesday, August 13, 2019 11:41 AM
To: Chuck Russell <crussell@mross.com>; Ken Lenz <LenzK@bennettjones.com>
Cc: Darren Bieganek <dbieganek@dcllp.com>; Ryan Trainer <rtrainer@mross.com>; Matt McCulloch <Matt.McCulloch@ca.ey.com>
Subject: RE: Canada North - Town of Bonnyville Tax Claim [BJ-WSLegal.FID4561388]

Hi Ken,

Further to Chuck's points below, which I will not repeat herein, let me provide some further context and explanation. The Monitor appreciates that the Initial Order did make certain directions to the Applicants, not the Monitor, in respect of property taxes. However, that direction did not necessarily pass to the Monitor upon its expanded powers. In the Amended Order Approving the Winterburn Sale et al, dated April 30, 2018 (the "Expanded Powers Order"), the Court did not say that the prior directions given to the Applicants would apply in respect of the Monitor's conduct. Rather, the Expanded Powers Order stated that "In addition to the powers and duties of the Monitor set out in the Initial Order [which did not include the power to make payments in respect of property taxes on behalf of the Applicants], and without altering in any way the limitations and obligations of the Remaining Applicants because of these proceedings, or prior orders of the Court in these proceedings, the Monitor be and is hereby authorized and empowered..." to carry out the powers set out in paragraph 18, which were frankly Receiver-like powers, without actually being appointed as Receiver.

It was at the date of the Expanded Powers Order, or more appropriate May 12, 2018 when the necessary Monitor's Certificate was filed, that these proceedings shifted to liquidating CCAA proceedings, and the whole context of the proceedings changed. Since that time, the various Orders of Approving Sale and Vesting Title in respect of the assets sold by the Monitor under its expanded powers all generally indicate that the sale proceeds will stand in place and stead of the assets in the same priorities as they had against the purchased assets. In other words, the sale proceeds belong to those of the creditors whose assets were sold, subject to various super priority charges to be determined. Additionally, there is a direction in each of these Approval and Vesting Orders that the sale proceeds are "to be held in an interest bearing trust account by the Monitor." The same provisions exist with respect to the holding of sale proceeds in the Order dated January 10, 2019, which granted the Monitor further expanded powers to sell assets without Court approval.

Since the Expanded Powers Order, with at minimum the implicit approval of the Court, which has been kept up to date in respect of the Monitor's actions and activities, the Monitor has only provided distributions of sale proceeds to secured creditors of the Applicants where expressly authorized to do by the Court Order. The DIP charge and the CRA were paid by express authorization. Two mortgagees, Staheli and First Island, received interim distributions once the properties that were subject to their respective first mortgages were sold (albeit with significant holdbacks). Indeed, the taxes on Simonette and Berland, notwithstanding the bulk asset sales camps, have still not been paid, as these applications in respect of the municipal tax issues were contemplated at the time of the sale (a point which you previously noted).

The above explains why the Monitor has dealt with the property taxes in the manner that it has to date.

In terms of going forward, we understand your position. We also understand that CWB has taken the opposite position, namely that the property taxes ought not be paid by the Monitor (or other parties), unless and until the lands are sold, and possibly even not until after the cost allocation occurs.

In light of that dispute, the Monitor believes that it is appropriate to obtain directions and instructions from the Court one way or the other, at least at some point in the near future. However, in the interim, I can confirm that the Monitor does not intend to pay out what will be the remaining property taxes, after these settlements are completed, from the funds generated from the sales of other creditors' assets without the approval of such directly affected creditors or the direction of the Court, for the reasons set out above.

Of course, the Monitor will follow any directions received by the Court.

Ryan

Ryan Quinlan
Associate
Duncan Craig LLP
2800 Scotia Place, 10060 Jasper Ave
Edmonton, Alberta, T5J 3V9

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Toll-free: 1.800.782.9409
Fax: 780.428.9683
Email: rquinlan@dcllp.com
Web: dcllp.com

DUNCANCRAIG LLP
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CELEBRATING 125 YEARS

From: Chuck Russell <crussell@mross.com>
Sent: August-13-19 7:00 AM
To: Ken Lenz <LenzK@bennettjones.com>
Cc: Darren Bieganek <dbieganek@dcllp.com>; Ryan Quinlan <rquinlan@dcllp.com>; Ryan Trainer <rtrainer@mross.com>
Subject: FW: Canada North - Town of Bonnyville Tax Claim [BJ-WSLegal.FID4561388]

Ken, just a couple of comments:

1. I don't believe that Hillier J would entertain an adjournment of this issue, even if there was something to be achieved by doing so. he heard 726 remote argue for more than a day for an adjournment of their $21m priority issue and had no sympathy for their position. I think you would receive the same response.
2. No tax sale would have occurred in 2018, there was a stay of proceedings.
3. The interim financing had been fully used up, there would have had to be an application to borrow more than the $3m or so then outstanding, and BDC had already said no more.

4. The monitor was then out of money, and professional fees which had first priority, were outstanding in the hundreds of thousands of dollars.
5. The only cash the monitor got was out of the sale of simonette and berland assets, and there was and remains no money to pay taxes on the northlands projects, other than from the disposition of collateral of other lenders sold but unrelated to the lands. At the time, no taxes were paid on any of the sold assets even though municipal improvement taxes were then outstanding.

Sorry if my putting this into our brief caught you by surprise, but I had assumed you would be asking for payment in your brief and we needed to respond.

chuck

From: Ken Lenz [mailto:LenzK@bennettjones.com]
Sent: Monday, August 12, 2019 4:49 PM
To: Darren Bieganek (dbieganek@dcllp.com) <dbieganek@dcllp.com>; rquinlan@dcllp.com
Cc: Chuck Russell <crussell@mross.com>
Subject: FW: Canada North - Town of Bonnyville Tax Claim [BJ-WSLegal.FID4561388]

Darren and Ryan

I did not hear back from you on the Monitor's position regarding paying taxes post-filing. Now Chuck Russell has put the point in issue in his brief, though I am not sure how squarely it was raised in an Application. I asked him to leave it for another day, partly because I had not heard your position, but he appears to want to proceed.

Could you confirm that the Monitor's position is that it does not intend to pay property taxes post-filing?

Please let me know as I do not want to prepare a Brief (and possibly an Affidavit) to argue a moot point. This email, but not the chain below, is with prejudice.

As a courtesy, I attach an email chain between the Monitor and our client, which may affect the decision you make.

Ken Lenz Q.C.
***Partner,* Bennett Jones LLP**

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7
T. 403 298 3317 | F. 403 265 7219 | M. 403 830 3317
E. lenzk@bennettjones.com
BennettJones.com

From: Chuck Russell <crussell@mross.com>
Sent: Wednesday, August 7, 2019 3:45 PM
To: Ken Lenz <LenzK@bennettjones.com>; Plester, Greg <gplester@brownleelaw.com>; Ryan Flewelling <ryan.flewelling@regentlaw.ca>; Steven A. Rohatyn <srohatyn@parlee.com>; Jeremy H. Hockin <jhockin@parlee.com>; Darren Bieganek (dbieganek@dcllp.com) <dbieganek@dcllp.com>
Cc: Ryan Trainer <rtrainer@mross.com>; Ryan Quinlan <rquinlan@dcllp.com>; Fuentes, Rhea <rfuentes@brownleelaw.com>
Subject: RE: Canada North - Town of Bonnyville Tax Claim [BJ-WSLegal.FID4561388]

Ken, I will wait to hear from Darren and ryan Quinlan before weighing in on this.

chuck

From: Ken Lenz [mailto:LenzK@bennettjones.com]
Sent: Wednesday, August 07, 2019 3:38 PM
To: Chuck Russell <crussell@mross.com>; Plester, Greg <gplester@brownleelaw.com>; Ryan Flewelling <ryan.flewelling@regentlaw.ca>; Steven A. Rohatyn <srohatyn@parlee.com>; Jeremy H. Hockin <jhockin@parlee.com>; Darren Bieganek (dbieganek@dcllp.com) <dbieganek@dcllp.com>
Cc: Ryan Trainer <rtrainer@mross.com>; Ryan Quinlan <rquinlan@dcllp.com>; Fuentes, Rhea <rfuentes@brownleelaw.com>
Subject: RE: Canada North - Town of Bonnyville Tax Claim [BJ-WSLegal.FID4561388]

Chuck, Darren and Group:

Our position is that post filing obligations should be paid by the Monitor as they accrue, consistent with the Initial CCAA Order. This would include the land taxes since the filing. Can the Monitor also confirm that these will be paid, and that we can also include that as part of the Order? Of course these costs can also be taken into account in the allocation?

Ken Lenz Q.C.
***Partner,* Bennett Jones LLP**

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