Form 27
Alberta Rules of Court
Rules 6.3 and 10.52(1)

Clerk's Stamp:

JUDICIAL CENTRE OF EDMONTON
FILED
AUG 21 2019
Clerk of the Court of Queen's Bench

COURT FILE NO.	1703-12327
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 667402 ALBERTA LTD., 18512398 ALBERTA LTD., 816956 ALBERTA LTD., 1371047 ALBERTA LTD., 1919209 ALBERTA LTD. and CANADA NORTH GROUP LP HOLDINGS LTD.

DOCUMENT **APPLICATION BY CANADIAN WESTERN BANK**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McLENNAN ROSS LLP #600 McLennan Ross Building 12220 Stony Plain Road Edmonton, AB T5N 3Y4	Lawyer: Charles P. Russell, Q.C. Telephone: (780) 482-9115 Fax: (780) 733-9757 Email: crussell@mross.com File No.: 165813

NOTICE TO THE SERVICE LIST:

This application is made against you. You are a Respondent.

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

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

Date:	August 22, 2019
Time:	10:00 a.m.
Where:	Law Courts, 1A Sir Winston Churchill Square, Edmonton, AB T5J 0R2
Before Whom:	Justice S.D. Hillier

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. An order abridging the time for notice of this application and deeming service good and sufficient.

2. An order substantially in the form appended hereto and marked as Schedule A (the "**Proposed Order**").

3. An order giving such further directions as this Honourable Court may deem fit.

Grounds for making this application:

4. August 22 and 23, 2019 are set aside for the hearing of various issues involving municipal tax claims in these proceedings (the "**Tax Claims**").

5. The majority of the Tax Claims have been settled as between the interested lenders and the municipalities.

6. There may be an argument by Northland Mortgage & Investment Corp. to the effect that the property taxes on Wabasca and Bonnyville camps must be paid, but the Proposed Order does not address that argument.

7. Such further and other grounds as appear at the motion.

Material or evidence to be relied on:

8. The materials referenced in the Proposed Order.

9. Affidavit #8 of Jessie Taha.

10. Such further and other evidence as counsel may advise and this Honourable Court may permit.

Applicable rules:

11. Alberta Rules of Court rules 1.3, 1.4, and 3.68;

12. Such further and other statutes and rules as counsel may advise.

Applicable Acts and Regulations:

13. The *Municipal Government Act*, R.S.A. 2000, c. M-26 as amended;

14. The *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

15. The *Personal Property Security Act*, R.S.A. 2000, c. P-7;

16. Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

17. None.

How the application is proposed to be heard or considered:

18. Affidavit evidence and oral argument made in person.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the Applicant 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 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 a reasonable time before the application is to be heard or considered.

SCHEDULE A

COURT FILE NO.	1703 12327	Clerk's Stamp
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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 667402 ALBERTA LTD., 18512398 ALBERTA LTD., 816956 ALBERTA LTD., 1371047 ALBERTA LTD., 1919209 ALBERTA LTD. and CANADA NORTH GROUP LP HOLDINGS LTD.

DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McLENNAN ROSS LLP #600 McLennan Ross Building 12220 Stony Plain Road Edmonton, AB T5N 3Y4	Lawyer: Charles P. Russell, Q.C. Telephone: (780) 482-9115 Fax: (780) 733-9757 Email: crussell@mross.com File No.: 165813

DATE ON WHICH ORDER WAS PRONOUNCED: August 22, 2019

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF MASTER/JUSTICE WHO MADE THIS ORDER: Mr. Justice H.D. Hillier

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UPON THE APPLICATION of Canadian Western Bank ("**CWB**") for approval of the Bonnyville Settlement, the Wabasca Settlement and the Wandering River Settlement, as those terms are defined in Affidavit #8 of Jessie Taha ("**Taha Affidavit #8**); AND UPON having made reference to the applications of CWB, Ernst & Young Inc. as Monitor (the "**Monitor**") of Canada North Camps Inc., now 18512398 Alberta Ltd. ("CNC") et al. (, Aurora Lodging Inc. ("**Aurora**"), the Town of Bonnyville ("**Bonnyville**"), the Municipality of Opportunity No. 17 ("**Opportunity**") and the County of Athabasca ("**Athabasca**"); AND UPON having made reference to the Affidavits of Marilyn Jensen on behalf of the Municipal District of Greenview No. 16 ("**Greenview**"), Janice Wetzstein on behalf of Bonnyville, Brian Pysyk on behalf of Athabasca, William Kostiw on behalf of Opportunity, Barry Roman on behalf of 726 Remote Accommodations Ltd., 726 Modular Finance Ltd. and Reliant Asset Management, LLC (collectively, "**726**"), and Mark Eikland on behalf of Northland Mortgage & Investment Corp. ("Northland"); AND UPON having made reference to the written briefs of CWB, 726, Greenview, Jeff and Jackie Hadfield (the "**Hadfields**"), the Monitor, Northlands and the collective brief of Bonnyville, Athabasca and Opportunity, the collective reply brief of Bonnyville, Athabasca and Opportunity, and the rebuttal brief of Northland; AND UPON having made reference to the Monitor's Confidential 24th Report; AND upon having heard counsel for CWB, the Monitor, Opportunity, Athabasca, 726, the Hadfields, Great White Sand Tiger Lodging Ltd. ("**Sand Tiger**"), Aurora, ECN Capital Corp. ("**ECN**"), VersaBank and Northland, counsel for Greenview not appearing in light of the adjournment *sine die* of Greenview's application;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of the notice of application for this Order is hereby abridged and deemed good and sufficient and these applications are properly returnable as of the date of this Order.

2. The Bonnyville Settlement, the Wabasca Settlement and the Wandering River Settlement are each approved.

3. With respect to the Bonnyville Settlement:

   (a) The Monitor shall disburse the funds held on behalf of Aurora as follows:

      (i) the first $55,000 to Bonnyville in satisfaction of Aurora's obligations for its Improvement Payment, as that term is defined in Exhibit "A" to Taha Affidavit #8; and

      (ii) the balance of such funds, to Aurora in care of its counsel Parlee McLaws LLP;

   (b) The Monitor shall disburse to Bonnyville's counsel Brownlee LLP, from the funds held on behalf of CWB, the sum of $110,000 in satisfaction of the Improvement Payment due from CWB, and the Monitor is hereby directed to account for such payment as being an interim distribution to CWB of its ultimate entitlement to proceeds derived in these proceedings;

   (c) Sand Tiger shall, forthwith upon the granting of this Order, pay to Bonnyville the sum of $55,000;

   (d) After crediting the tax liability owed to Bonnyville for the foregoing amounts (the "**Bonnyville Improvement Payments**"), the difference between the compromised claim of Bonnyville and the Bonnyville Improvement Payments, being $282, 454.96, shall remain a tax liability recoverable against the Bonnyville lands to be paid in accordance with the Bonnyville Settlement;

   (e) Bonnyville is hereby relieved of any liability for an allocation of costs in these proceedings;

   (f) Bonnyville shall have no further entitlement to payment from CWB, Aurora or Sand Tiger other than for the payment to be made directly by Sand Tiger in the amount of $40,000 attributable to its Improvement Payment.

4. With respect to the Wabasca Settlement:

   (a) From the funds held by the Monitor, or expected to be shortly held by the Monitor, on behalf of CWB and VersaBank as follows:

      (i) The Monitor shall disburse to counsel for Opportunity the sum of $19,197.24 on behalf of CWB;

(ii) The Monitor shall disburse to counsel for Opportunity the sum of $19,197.24 on behalf of VersaBank, provided that in the event the claim for insurance coverage with respect to damage to units charged in favour of VersaBank has not been finalized as at the date of this Order, the Monitor shall disburse VersaBank's $19,197.24 to Opportunity upon receipt of such insurance proceeds;

(b) The Monitor is hereby directed to account for the payments referenced in subparagraph (a) above, as being an interim distribution to CWB and Versa Bank of their ultimate entitlement to proceeds derived in these proceedings;

(c) Opportunity shall have no further claim as against CWB or VersaBank with respect to Improvements on the Wabasca camp lands (as that term is defined in Exhibit B to Taha Affidavit #8);

(d) After crediting the tax liability owed to Opportunity for the foregoing amounts (the "**Opportunity Improvement Payments**"), the difference between the compromised claim of Opportunity for the Wabasca Camp Taxes (as that term is defined in Exhibit B to Taha Affidavit #8) and the Opportunity Improvement Payments, being $38,39447, shall remain a tax liability recoverable against the Wabasca Camp Lands (as that term is defined in Exhibit B to Taha Affidavit #8) to be paid in accordance with the Opportunity Settlement;

(e) the compromised Unimproved Land Taxes (as that term is defined in Exhibit B to Taha Affidavit #8), being $11,878.94, shall remain a tax liability recoverable against the Unimproved Lands (as that term is defined in Exhibit B to Taha Affidavit #8) to be paid in accordance with the Opportunity Settlement;

(f) Opportunity is hereby relieved of any liability for an allocation of costs in these proceedings;

(g) Opportunity shall have no further entitlement to payment from CWB or VersaBank other than is contemplated in subparagraph (a) above.

5. With respect to the Wandering River Settlement:

(a) From the sale of improvements owned by CNC and charged in favour of CWB and ECN, the Monitor shall distribute to Athabasca the sum of $144,951, representing 30% of the proceeds realized on the CWB and ECN charged improvements;

(b) From the proceeds of sale of the assets owned by CNC and charged in favour of CWB which have not yet been sold, the Monitor shall remit to Athabasca 50% of the sale proceeds up to $208,000, provided that in the event smaller tranches from the sale of such improvements are recovered from time to time by the Monitor, the Monitor shall be and is hereby authorized to make interim distributions from time to time to Athabasca as the professional time in making such payments is economic in the discretion of the Monitor. ; ;

(c) From the sale of improvements claimed by 726 but found to be charged in favour of CNC, and as a result, CWB, the Monitor shall remit to Athabasca the sum of $79,561.73, as the Monitor receives payment from the sale of such improvements to satisfy the $159,123.46 owed by Wandering River Limited Partnership to CNC, as contemplated in paragraph 3(b)(i) of the Order of the Honourable Mr. Justice S.D. Hillier granted May 14, 2019, provided that in the event smaller tranches from the sale of such improvements are recovered from time to time by the Monitor, the Monitor shall be and is hereby authorized to make interim distributions from time to time to Athabasca as the professional time in making such payments is economic in the discretion of the Monitor;

(d) 726 shall, forthwith upon the granting of this Order, pay to Athabasca the sum of $40,000;

(e) The Monitor is hereby directed to account for the foregoing payments in subparagraphs (a), (b) and (c) as being interim distributions to CWB and ECN of their respective ultimate entitlement to proceeds derived in these proceedings;

(f) Athabasca shall have no further entitlement to payment from CWB, ECN or 726 (other than as aforesaid), attributable to taxes on the improvements at the Wandering River camp;

(g) After crediting the tax liability owed to Athabasca for the foregoing amounts (the "**Improvement Payments**"), the difference between the compromised claim of Athabasca in the amount of $650,000 and the Improvement Payments, being $385,487.27, shall remain a tax liability recoverable against the Wandering River lands to be paid in accordance with the Wandering River Settlement;

(h) Athabasca is hereby relieved of any liability for an allocation of costs incurred in these proceedings.

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JUSTICE OF THE COURT OF QUEEN'S BENCH OF ALBERTA