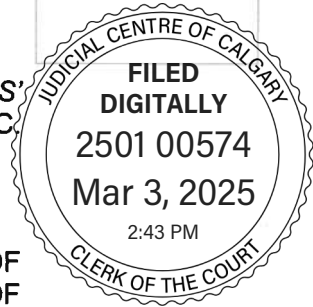


COURT FILE NUMBER 2501-00574
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's stamp

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



AND IN THE MATTER OF THE PLAN OF
COMPROMISE OR ARRANGEMENT OF
WESTPHALIA DEV. CORP.

APPLICANT WESTPHALIA DEV. CORP.

DOCUMENT **Affidavit**

**Third Affidavit of Bryce Tingle, KC
(Re: Meeting Order)**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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Lawyers for the Applicant, Westphalia Dev. Corp.
File no.: 1001326363

THIRD AFFIDAVIT OF BRYCE TINGLE, K.C.

Sworn on March 3, 2025.

I, Bryce Tingle, K.C., of Calgary, Alberta, SWEAR AND SAY THAT:

I. INTRODUCTION

1. I have been an Independent Director on the Board of Directors of Westphalia Dev. Corp. (WDC) since April 2020. I have personal knowledge of the facts and matters hereinafter deposed to, except where otherwise stated. Where I attest to matters that I do not have personal knowledge of, including those that took place before my engagement, I have

done so based on my review and reliance on the records of WDC and my discussions with WDC's management to inform my understanding. Where I have relied upon other sources of information, I believe such information to be true.

2. On January 13, 2025, I swore an Affidavit (the **First Affidavit**) in support of an initial order (the **Initial Order**) pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the **CCAA**). On January 14, 2025, the Initial Order was granted by the Honourable Mister Justice Feasby.

3. On January 21, 2025, I swore an Affidavit (the **Second Affidavit**) in support of an amended and restated initial order (the **Amended and Restated Initial Order**). On January 23, 2025, the Amended and Restated Initial Order was granted by The Honourable Madam Justice Harris. On January 23, 2025, the Honourable Justice Harris also granted an order approving of a claims process in respect of the Applicant (the **Claims Process Order**).

4. This affidavit shall hereinafter be referred to as the "**Third Affidavit**".

5. All capitalized terms used but not defined herein take their meaning from the Applicant's Plan of Compromise and Arrangement (the **Plan**).

6. All references to "dollars" or "\$" herein are references to Canadian dollars unless otherwise specified.

II. RELIEF REQUESTED

7. This Third Affidavit is sworn in support of an application for a meeting order, a form of which is attached to WDC's Application as Schedule "A" (the **Meeting Order**).

8. The Meeting Order seeks Court approval and authorization, among other things, for the Applicant:

- (a) to file the Plan;
- (b) to establish one class of creditors for the purpose of considering and voting on the plan, being the Affected Creditors and Creditors with Convenience Class Claims in relation to the Applicant; and

- (c) to call, hold, and conduct the Meeting of the Affected Creditors and Convenience Class Creditors to vote on the Plan (the **Meeting**).

III. UPDATES ON THE CCAA PROCEEDINGS

9. Since the Amended and Restated Initial Order and Claims Process Orders were granted on January 23, 2025, the Applicant has taken a number of steps to advance these CCAA proceedings. Among other things, the Applicant has:

- (a) Issued a Press Release, dated January 23, 2025, updating stakeholders about recent developments in the proceedings. Attached hereto as **Exhibit "A"** to this my Affidavit is a true copy of the January 23, 2025 Press Release.
- (b) Worked with the Monitor to administer a reverse claims process in accordance with the Claims Process Order.
- (c) Finalized the Restructuring Support Agreement with the Plan Sponsor (a draft of which was appended as Exhibit "B" to my Second Affidavit), and worked to develop further Implementation Documents in relation to the claims of WGIL and WAM, to be entered in conjunction with Plan implementation.
- (d) Developed and finalized the Plan and provided notice to Class B Shareholders of the Plan, the within Application, and the Applicant's intention to return to Court on March 28, 2025 to seek a Sanction Order in respect of the Plan. Attached hereto as **Exhibit "B"** to my Affidavit is a true copy of the Notice to Class B Shareholders, dated February 25, 2025.

10. The Applicant has otherwise continued to operate its business in the normal course.

IV. THE MEETING ORDER

a. The Plan

11. The Applicant, in consultation with the Monitor and the Plan Sponsor, has developed the Plan to enable the business of the Applicant to continue as a going concern on the expectation that a greater benefit will be derived from the continued operation of the Applicant as compared to a forced liquidation of its assets. A copy of the Plan is attached as Schedule "A" to the proposed Meeting Order.

b. The Meeting

12. The Applicant seeks authorization to call and hold the Meeting on March 25, 2025 to allow the Affected Creditors to vote on the Plan.
13. The Meeting Order provides, among other things, that:
- (a) the Meeting be held in a virtual-only format;
 - (b) within two Business Days following the granting of the Meeting Order, the Monitor will serve the Meeting Materials on the Service List and post them on the Monitor's Website;
 - (c) a representative of the Monitor shall preside as Chairperson of the Meeting;
 - (d) the Chairperson of the Meeting may appoint one or more scrutineers for the supervision and tabulation of the attendance at, quorum at, and votes cast at the Meeting (the **Scrutineers**);
 - (e) a person designated by the Chairperson will act as secretary of the Meeting (the **Secretary**);
 - (f) subject to certain exceptions, the only Persons entitled to vote at the Meeting (whether in person or by proxy) are Affected Creditors with Proven Claims against the Applicant as at the Proxy/Election Deadline, with Convenience Class Creditors deemed to vote in favour of the Plan;
 - (g) the quorum required at the Meeting shall be one Affected Creditor with a Voting Claim present at the Meeting (in person or by proxy) and the Convenience Class Creditors shall be deemed to be present;
 - (h) the Applicant may, with the consent of the Monitor, adjourn the Meeting on one or more occasions on notice to the Creditors;
 - (i) the only Persons entitled to attend the Meeting are:
 - (i) the Affected Creditors entitled to vote at the Meeting, or their proxies, and their legal and financial advisors;

- (ii) the Chairperson, one or more Scrutineers, and the Secretary;
 - (iii) one or more representatives of the Monitor, and the Monitor's legal counsel;
 - (iv) one or more representatives of the Applicant, as selected by the Applicant, and the Applicant's legal counsel and financial advisors;
 - (v) counsel to the directors and officers of the Applicant; and
 - (vi) any person invited by the Applicant to the Meeting in consultation with the Monitor;
- (j) Class B Shareholders, whose shares are to be cancelled and extinguished pursuant to the Plan, will not be entitled to vote at the Meeting;
- (k) the key aspects of the voting procedure are as follows:
- (i) the Chairperson will direct a vote in relation to the Plan;
 - (ii) each Affected Creditor that has a Voting Claim against the Applicant shall be entitled to single vote in relation to the Applicant, which vote shall have a value equal to the dollar value of such Affected Creditor's Voting Claim;
 - (iii) as noted at subparagraphs 13(f) and (g) above, the Convenience Class Creditors will be deemed to vote in favour of the Plan in the amount of their respective Voting Claims; and
 - (iv) each Affected Creditor with a Disputed Claim against the Applicant as at the Proxy/Election Deadline will be entitled to attend, and be entitled to one vote at the Meeting, but the Monitor will keep a separate record of votes cast by Affected Creditors with Disputed Claims and will report to the Court regarding those claims at the Sanction Order Hearing; and
 - (v) the Plan must receive an affirmative vote of the Required Majority in order to be approved, and the result shall be binding on all Affected Creditors and Convenience Class Creditors of the Applicants.

14. The Meeting Order provides that the Applicant may, at any time prior to or at the Meeting, amend, restate, modify and/or supplement the Plan (each a **Modification**) with the written consent of the Monitor, provided that:

- (a) prior to the Meeting, notice of the Modification is posted on the Monitor's Website, provided to the Service List and filed with the Court; and
- (b) during the Meeting, notice of the Modification is given to all Affected Creditors present at such meeting in person or by Proxy.

15. The Meeting Order further provides that, after the Meeting (and both prior to and after obtaining the Sanction Order), the Applicant may, with the consent of the Monitor, effect a Modification pursuant to an Order of the Court, or without a Court Order where such a Modification is, in the opinion of the Applicant and the Monitor, of an administrative nature required to give effect to the implementation of the Plan and Sanction Order, or to cure any errors, omissions or ambiguities, and in either case is not materially prejudicial to the financial or economic interests of the Affected Creditors. In either case, the Monitor would be required to forthwith post any such Modification on the Monitor's Website, with notice provided to the Service List.

V. MULTILATERAL INSTRUMENT 61-101

16. I am advised by Norton Rose Fulbright Canada LLP, counsel to the Applicant, and do believe that, as a reporting issuer in each of the provinces and territories of Canada, the Applicant is subject to applicable securities laws of such provinces and territories. The securities regulatory authorities have adopted *Multilateral Instrument 61-101 "Protection of Minority Security Holders in Special Transactions"* (**MI 61-101**). Pursuant to MI 61-101, WGIL, the Plan Sponsor and Interim Lender, is a "related party" of the Applicant and certain aspects of the Plan are therefore "related party transactions" requiring a "formal valuation" and "minority" shareholder approval unless an exemption is available pursuant to MI 61-101.

17. I am further advised that, in accordance with section 5.5(f) of MI 61-101, an exemption is available from the formal valuation requirements under MI 61-101 for related party transactions where: (i) the transaction is subject to court approval, or a court orders that the transaction be effected, under bankruptcy or insolvency law or section 191 of the CBCA, any successor to that section, or equivalent legislation of a jurisdiction; (ii) the court is

advised of the requirements of MI 61-101 regarding the formal valuation for a related party transaction, and of the provisions of section 5.5(f) of MI 61-101, and (iii) the court does not require compliance with the formal valuation requirements for related party transactions under MI 61-101.

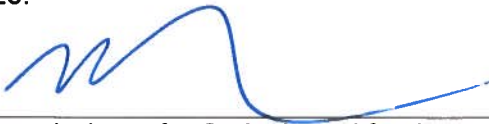
18. Similarly, and in accordance with section 5.7(d) of MI 61-101, an exemption is available from the minority shareholder approval requirements for related party transactions under MI 61-101 where: (i) the transaction is subject to court approval, or a court orders that the transaction be effected, under bankruptcy or insolvency law or section 191 of the CBCA, any successor to that section, or equivalent legislation of a jurisdiction; (ii) the court is advised of the requirements of MI 61-101 regarding the minority shareholder approval of a related party transaction, and of the provisions of section 5.7(d) of MI 61-101, and (iii) the court does not require compliance with the minority shareholder approval requirements for related party transactions under MI 61-101.

19. As no Equity Claims at all are entitled to vote for purposes of the CCAA, it would be inappropriate and unfair to require a vote of minority shareholders. The Applicant is therefore requesting, as part of the Meeting Order, a provision specifically noting that despite the provisions of MI 61-101 no vote of shareholders is required.

VI. CONCLUSION AND RELIEF SOUGHT

20. I swear this Affidavit in support of an application for a Meeting Order, and for no improper purpose.

SWORN BEFORE ME at the City of Calgary, Alberta, this 3 day of March, 2025.



(Commissioner for Oaths in and for the Province of Alberta)



Bryce Tingle, K.C.

Meghan Parker
Barrister and Solicitor

This is **Exhibit "A"** referred to in the Affidavit of
Bryce Tingle, K.C.

Sworn/Affirmed before me at the City of
Calgary, Alberta the 3 day of March, 2025



A Commissioner for Oaths in and for the
Province of Alberta

Meghan Parker
Barrister and Solicitor

Westphalia Dev. Corp. Announces Court Approval of Extension to Stay Period and Interim Financing

CALGARY, Alberta – (January 23, 2025) – Westphalia Dev. Corp. (the “Corporation”) announces that it has obtained an amended and restated initial order (the “Amended and Restated Initial Order”) from the Court of King’s Bench of Alberta (the “Court”) as part of the Corporation’s proceedings under the *Companies’ Creditors Arrangement Act* (“CCAA”). The Amended and Restated Initial Order, among other things, extends the stay of proceedings previously granted by the Court on January 14, 2025 up to and including March 31, 2025 and authorizes the Corporation to obtain interim financing from Walton Global Investments Ltd. (“Walton Global” or the “Manager”).

Walton Global has agreed to provide the Corporation with an interim financing credit facility (the “Interim Facility”) of up to \$750,000 during the period up to and including April 30, 2025. The initial advance under the Interim Facility is expected to be made shortly and is subject to certain conditions, including obtaining the Amended and Restated Initial Order in order to obtain the approval from the Court of an interim financing charge on terms satisfactory to Walton Global, and that it be funded in accordance with cash flow projections from the Monitor. The Interim Facility is secured by a priority charge on all of the property of the Corporation, and interest will accrue on the outstanding principal amount at a rate equal to Royal Bank of Canada’s prime rate plus 4% *per annum*.

The Interim Facility will provide the Corporation with additional funding to address its near term liquidity issues, and the extension of the stay period will provide an opportunity for the Corporation to conduct a creditor claims process and to consider and pursue potential strategic options. The Corporation intends to work toward developing a plan of compromise or arrangement under the CCAA (the “Plan”) to be voted on by its creditors. The Plan is also intended to ensure the Corporation’s funding commitment to ensure completion of its U.S. subsidiary’s development of the “Westphalia” property.

FTI Consulting Canada Inc. is the Court-appointed Monitor in the Corporation’s CCAA proceedings. During the CCAA proceedings, management of the Corporation will remain responsible for managing day-to-day operations under the general oversight of the Monitor. Copies of any filed Court materials and updates will be available on the Monitor’s website:

<http://cfcanada.fticonsulting.com/westphaliadevcorp>

Overview of the Corporation

The Corporation is the shareholder of the largest co-owner of the Westphalia Town Center in Prince George’s County, Maryland. The property includes residential, commercial and industrial land uses.

The Property Master Plan is designed as a pedestrian-oriented, mixed-use community. Westphalia Town Center includes family-friendly neighborhoods, and in the near future community shopping, restaurants, and potentially an elementary school, a veteran’s hospital, and a hotel.

About Walton Global

Walton Global is a privately-owned, leading land asset management and global real estate investment company with more than 88,000 acres of land under ownership, management and administration in the United States and Canada, totaling \$4.5 billion. With more than 45 years of experience, Walton Global has

a proven track record of land investment projects within the path of growth in the fastest-growing metropolitan areas. A total of ~\$2.7 billion has been distributed to investors located in 87 countries. The company works closely with top U.S. home builders, developers and industry partners. Business lines include exit-focused pre-development land investments, builder land financing, development projects, DST offerings, and various fund structures. For more information, visit walton.com.

Media Contact:

waltonglobal@allisonworldwide.com

All amounts in the news release are stated in Canadian dollars unless otherwise specified.


This news release contains forward looking information, and actual future results may differ from what is disclosed in this news release. The use of any of the words "expect", "intend", "will" and similar expressions are intended to identify forward-looking statements. More particularly but without limitation, this news release contains forward-looking statements concerning: expectations regarding the Interim Facility and funding under same; the outcomes and opportunities associated with the Interim Facility and the stay of proceedings; and the Corporation's intended actions during the CCAA proceedings, including the terms of the Plan and the effects thereof.

Forward-looking information is based on the current expectations, estimates and projections of the Corporation at the time the statements are made. They involve a number of known and unknown risks and uncertainties which would cause actual results or events to differ materially from those presently anticipated. The risks, uncertainties and other factors that could cause the Corporation's actual results and performance in future periods to differ materially from the forward looking information contained in this news release include, among other things, the outcome of the CCAA process, including receipt of Court approvals and approvals of the Corporation's creditors of a plan of arrangement and compromise, the ability of the Manager to successfully manage the project under the oversight of the Monitor, the development of Westphalia Town Center, general economic and market factors, including interest rates, a decline in the real estate market, changes in government policies and regulations or in tax laws, changes in municipal planning strategies and whether certain development approvals are obtained and changes in the Canadian/U.S. dollar exchange rate, in addition to those factors discussed or referenced in documents filed with Canadian securities regulatory authorities and available online at www.sedarplus.ca.

The forward-looking statements or information contained in this news release are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise unless required by applicable securities laws. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.

This is **Exhibit "B"** referred to in the Affidavit of
Bryce Tingle, K.C.

Sworn/Affirmed before me at the City of
Calgary, Alberta the 3 day of March, 2025



A Commissioner for Oaths in and for the
Province of Alberta

Meghan Parker
Barrister and Solicitor



February 25, 2025

Dear Class B Shareholders:

RE: Notice of Westphalia Dev. Corp.'s Proposed CCAA Plan of Compromise and Arrangement and Impact on its Class "B" Non-Voting Common Shares

Please read this letter and the attached documents carefully as they contain important information about your shareholdings of Westphalia Dev. Corp. (the "Corporation").

As announced by the Corporation in its press releases dated January 15, 2025 and January 23, 2025, the Corporation has initiated restructuring proceedings (the "CCAA Proceedings") under the *Companies' Creditors Arrangement Act* (the "CCAA"). On January 14, 2025, the Corporation obtained an initial order from the Court of King's Bench of Alberta (the "Court") commencing the CCAA Proceedings and providing for a short-term stay of proceedings. On January 23, 2025, the Corporation obtained an amended and restated initial order from the Court which extended the stay of proceedings up to and including March 31, 2025, and authorized the Corporation to obtain interim financing.

This notice is to inform you that the Corporation will be seeking an order from the Court in connection with the CCAA Proceedings (the "Meeting Order") to, among other things, accept the filing of a Plan of Compromise and Arrangement (as amended from time to time, the "Plan") and authorize the Corporation to hold a meeting of creditors (the "Creditors' Meeting") to vote on a resolution approving the Plan. The hearing to seek approval of the Meeting Order will be held on March 4, 2025 at 2:00 P.M. (Calgary time) in a virtual WebEx hearing, which can be accessed at the following link:

<https://albertacourts.webex.com/meet/virtual.courtroom60>

To view a copy of the Plan, please type in this link in your web browser: bit.ly/4iimubf

To view a copy of the Meeting Order, please type in this link in your web browser: bit.ly/4kbOqz3

The Plan contemplates the compromise of rights and claims of certain creditors of the Corporation (as defined in the Plan, "Affected Creditors"). However, the Plan also contemplates the cancellation and extinguishment of all of the Class "B" Non-Voting Common Shares in the capital of the Corporation (the "Class B Shares") without compensation and for no consideration. The decision to cancel the Class B Shares was made after careful consideration by the Corporation's Board of Directors, including discussions with the Affected Creditors whose cooperation and financial support is required in order for the Corporation to continue to operate. In light of the independent audit and other ongoing costs associated with being a "reporting issuer" under applicable Canadian securities laws, it was determined that in order to receive the financial support from such Affected Creditors necessary for the Corporation to continue to progress its "Westphalia" property development project in Maryland, U.S.A., the Class B Shares must be cancelled in order to allow the Corporation to cease to be a "reporting issuer". The Corporation is insolvent and as such all equity in the Corporation, including the Class B Shares, has no value. The Corporation's insolvency and absence of any value in the Class B Shares has been repeatedly reported to the Corporation's shareholders over the years.

For the purposes of considering and voting on the resolution approving the Plan, only certain Affected Creditors will be entitled to vote at the Creditors' Meeting, either in person or by proxy. Existing shareholders of the Corporation shall not be entitled to attend or vote at the Creditors' Meeting and shall not receive any distribution under the Plan on account of their shares in the Corporation.

WALTON GLOBAL

Walton.com

To become effective, the Plan must be approved by a majority in number of Affected Creditors who represent at least two-thirds in value of the Voting Claims (as defined in the Plan) who are deemed to vote or vote in person or by proxy at the Creditors' Meeting on the resolution approving the Plan. The Plan must also be sanctioned by a final order of the Court under the CCAA (the "Sanction Order").

Please also be advised that, if the requisite majority of Affected Creditors approve the Plan, the Sanction Order will be sought from the Court on March 28, 2025 at 10:00 A.M. (Calgary time) in a virtual WebEx hearing, which can be accessed using the following link:

<https://albertacourts.webex.com/meet/virtual.courtroom60>

At that time, the Corporation will also seek the relief specified in the Plan. Subject to the satisfaction of the conditions to implement the Plan, all Affected Creditors will then receive the treatment set out in the Plan and the Class B Shares will be cancelled and extinguished upon implementation of the Plan, with no distribution or recovery to Class B Shareholders in respect of same.

The two Applications, together with draft forms of Meeting Order and Sanction Order and copies of the Plan, are attached to this correspondence. Supporting materials including Affidavits and Reports will be posted on the Monitor's website set out below as they become available. Prior orders and related materials with respect to the CCAA Proceedings are also available on that website.

Canadian CCAA proceedings require the appointment of a qualified restructuring firm to act as the Court-appointed "Monitor" of the insolvent company. Additional information and materials with respect to the CCAA Proceedings can be found on the website maintained by the Monitor, FTI Consulting Canada Inc., at:

<http://cfcanada.fticonsulting.com/Westphaliadevcorp>

DATED this 25th day of February, 2025.

Westphalia Dev. Corp.