

COURT FILE NUMBER 2501-06120
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

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 COMPROMISE OR
ARRANGEMENT OF SUNTERRA FOOD CORPORATION,
TROCHU MEAT PROCESSORS LTD., SUNTERRA QUALITY
FOOD MARKETS INC., SUNTERRA FARMS LTD., SUNWOLD
FARMS LIMITED, SUNTERRA BEEF LTD., LARIAGRA FARMS
LTD., SUNTERRA FARM ENTERPRISES LTD., SUNTERRA
ENTERPRISES INC.

APPLICANT **NATIONAL BANK OF CANADA**

RESPONDENTS **SUNTERRA FOOD CORPORATION, TROCHU MEAT
PROCESSORS LTD., SUNTERRA QUALITY FOOD MARKETS INC.,
SUNTERRA FARMS LTD., SUNWOLD FARMS LIMITED,
SUNTERRA BEEF LTD., LARIAGRA FARMS LTD., SUNTERRA
FARM ENTERPRISES LTD., SUNTERRA ENTERPRISES INC., and
COMPEER FINANCIAL, PCA**

DOCUMENT **APPLICATION**

PARTY FILING THIS DOCUMENT **NATIONAL BANK OF CANADA**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
McCarthy Tétrault LLP
Suite 4000, 421-7th Avenue S.W.
Calgary, Alberta, Canada, T2P 4K9

Sean Collins, KC
scollins@mccarthy.ca
(403) 260-3531

Sean S. Smyth, KC
ssmyth@mccarthy.ca
403-260-3698

Pantelis Kyriakakis
pkiriakakis@mccarthy.ca
(403) 260-3536

Nathan Stewart
nstewart@mccarthy.ca
(403) 260-3534

Samantha Arbor
sarbor@mccarthy.ca
(403) 260-3506

File No.: 065094-580232

NOTICE TO RESPONDENT:

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:	September 5, 2025
Time:	2:00 p.m.
Where:	Edmonton Law Courts (Virtual Courtroom via WebEx – see Schedule “A” hereto)
Before Whom:	The Honourable Justice Lema

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

Remedy claimed or sought: National Bank of Canada (“NBC”) applies for an Order, substantially in the form attached as Schedule “B” hereto:

1. Declaring that the time for service of this application (the “**Application**”) and the materials in support thereof is abridged to the date of actual service, if necessary, that service of the Application and materials in support thereof on the service list maintained by the Monitor in these proceedings (the “**Service List**”) is good and sufficient, and that no persons other than those on the Service List are entitled to service of the Application and materials in support thereof or any orders resulting therefrom;

2. Amending the Definition of Compeer v NBC Claim contained in Schedule “A” of the Consent Order (Scheduling) granted in the within action by the Honourable Justice M.J. Lema on July 24, 2025 to add “Compeer Financial” after “Sunterra US Entities” such that the definition of Compeer v. NBC Claim will read:

“**Compeer v. NBC Claim**” means every claim Compeer has or may have against National Bank of Canada (as amalgamation successor to Canadian Western Bank) that is related to, arises from or is in anyway connected to Canadian Western Bank dishonoring cheques issued by Sunterra Farms Ltd. or Sunwold Farms Limited in favour of the Sunterra US Entities or Compeer Financial, PCA.

3. Requiring Compeer Financial, PCA (“**Compeer**”) to file an election (the “**Compeer Election**”), on or before September 30, 2025 (the “**Compeer Claims Bar Date**”), in which Compeer: (i) indicates whether it intends to advance a claim against NBC in respect of any facts, circumstances or matters that give rise to the Compeer v. National Bank of Canada claim and, if Compeer indicates that it intends to advance a claim, requiring Compeer to: (a) outline the bases of such claim; and (b) provide a range of the quantum of such claim.

4. A declaration that if Compeer does not file the Compeer Election on or before the Compeer Claims Bar Date, that Compeer will, subject to further order of this Court, be forever barred, estopped and enjoined from asserting or enforcing the Compeer v. NBC Claim against NBC.

5. Such further and other relief as counsel for NBC may advise and this Honourable Court may permit.

Grounds for Making this Application:

6. Capitalized terms used herein and not otherwise defined shall have the same meaning(s) as are ascribed to such terms in the Affidavit of Raymond Pai, sworn on August 25, 2025.

7. This Application concerns the information that will be available to the Court at the hearings that have been scheduled for December 4 and 5, 2025 to determine aspects of the claims NBC has against the debtor entities and certain of its officers and directors that are the subject of these CCAA proceedings.

8. Among the claims that the Court will be called upon to determine at the December hearing are the claims of NBC that it is entitled to indemnification from the debtors and certain of its officers and directors in respect of any claims that Compeer may advance against NBC in connection with Canadian Western Bank (NBC's predecessor) dishonoring cheques issued by Sunterra Farms Ltd. or Sunwold Farms Limited in favour of certain Sunterra US entities or to Compeer for deposit/credit to the accounts of those Sunterra US entities or Compeer. This aspect of the December hearings is partly addressed by this Court's orders granted July 24, 2025.¹

9. While the NBC Claims Procedure contemplates that NBC's claims against the Canadian Sunterra Entities for indemnification or contribution "arising out of or in any way connected to the Compeer v. NBC Claim" will be determined as part of the process, there is presently no mechanism by which the Compeer v. NBC Claim may be identified and articulated. The absence of this information is the narrow issue which this Application seeks to remedy.

10. Although it is possible to determine and value the NBC v. Sunterra Claim in the absence of such details, the process would benefit from, and would be significantly more efficient and efficacious following, confirmation regarding the scope of the underlying Compeer v. NBC Claim.

¹ Consent Scheduling Order granted July 24, 2025 (the "**NBC Claims Procedure**")
Consent Scheduling Order granted July 24, 2025 (the "**Compeer Claims Procedure**")

11. Claims procedure orders are designed to create processes under which all of the creditors of an applicant and its directors and officers can submit their claims for recognition and valuation.²
12. The overriding concern of the court at the December application should be to ensure that any claims procedure process is both fair and reasonable.³
13. Granting the order requested herein will promote the efficiency and effectiveness of the CCAA process and in particular assist the Court in making its determinations of the claims of NBC vis-à-vis the debtor Sunterra parties at the application scheduled for December 4 and 5, 2025.
14. At the same time, there is no prejudice to Compeer in requiring it to:
 - (a) confirm whether it intends to advance a claim against NBC in respect of any facts, circumstances or matters that give rise to the Compeer v. NBC claim and, if so;
 - (b) outline the bases of such claim; and
 - (c) provide a range of the quantum of such claim.
15. The relief sought by NBC is narrow in scope, does not require Compeer to *advance* its claims against NBC, nor will it require the Court to *determine* the Compeer v. NBC Claim as part of the Claims Procedure.
16. Conversely, if the order is not granted:
 - (a) The Court will lack important information and be hampered in making its determination at the December;
 - (b) NBC may be prejudiced by the lack of information; and
 - (c) The Sunterra parties may be prejudiced as their ability to restructure may be impeded.

² *Re Toys "R" Us (Canada) Ltd.*, 2018 ONSC 609 at para 8 per Myers J.

³ *Re Toys "R" Us (Canada) Ltd.*, 2018 ONSC 609 at para 14 per Myers J.
Laurentian University of Sudbury, 2021 ONSC 3885 at para. 32 per Morawetz C.J.

Material or evidence to be relied on:

17. The Affidavit of Raymond Pai, sworn on August 25, 2025, filed.
18. Such further and other material as counsel for NBC may advise and this Honourable Court may permit.

Applicable rules:

19. *Alberta Rules of Court*, Alta Reg. 124/2010.
20. Such further and other rules as counsel for NBC may advise and this Honourable Court may permit.

Applicable acts and regulations:

21. *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36, sections 11, 19, and 20.
22. Such further and other acts and regulations as counsel for NBC may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

23. There are no irregularities complained of or objections relied on.

How the application is proposed to be heard or considered:

24. NBC proposes that the Application be heard in person or via WebEx with one, some, or all of the parties present.

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 rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE "A" WEBEX DETAILS

Virtual Courtroom 86 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom86>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the **Open Cisco Webex Meeting**.
4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

1. Please connect to the courtroom **15 minutes prior** to the start of the hearing.
2. Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.
3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.
4. **Note: Recording or rebroadcasting of the video is prohibited.**
5. **Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.**

For more information relating to Webex protocols and procedures, please visit:

<https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>

You can also join the meeting via the "Cisco Webex Meetings" App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

SCHEDULE "B"
FORM OF ORDER

[See attached.]

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FARMS LTD., SUNTERRA FARM ENTERPRISES LTD.,
SUNTERRA ENTERPRISES INC.

DOCUMENT **ORDER (COMPEER CLAIMS PROCESS)**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT
McCarthy Tétrault LLP
Suite 4000, 421 7th Avenue SW
Calgary AB T2P 4K9
Attention: Sean Collins, KC / Sean Smyth, KC / Pantelis
Kyriakakis / Nathan Stewart / Samantha Arbor
Phone: 403-260-3531 / 3698 / 3536 / 3534 / 3506
Fax: 403-260-3501
Email: scollins@mccarthy.ca / ssmyth@mccarthy.ca /
pkyriakakis@mccarthy.ca / nstewart@mccarthy.ca /
sarbor@mccarthy.ca

DATE ON WHICH ORDER WAS PRONOUNCED: September 5, 2025
LOCATION OF HEARING: Edmonton, Alberta
NAME OF JUDGE WHO MADE THIS ORDER: Justice M.J. Lema

UPON the application of National Bank of Canada ("**NBC**"); **AND UPON** reading the Affidavit of Raymond Pai, sworn on August 25, 2025, the Bench Brief of NBC, and the Book of Authorities to the Bench Brief of NBC, all filed; **AND UPON** reading the Claims Procedure Order, Consent Order (Scheduling), and Consent Order (Scheduling Order) all granted by the Honourable Justice M.J. Lema on July 24, 2025; **AND UPON** reading the Affidavit of Service of Katie Hynne, sworn on August •, 2025 (the "**Service Affidavit**"), filed; **AND UPON** hearing counsel for NBC and any other counsel or other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of the Application and all related materials, is hereby abridged, the Application is properly returnable today, service of the Application and all related materials on the service list established in these proceedings (the “**Service List**”), in the manner described in the Service Affidavit, is good and sufficient, and no other persons, other than those listed on the Service List, are entitled to service of the Applications or the supporting materials.
2. The Definition of Compeer v NBC Claim contained in Schedule “A” of the Consent Order (Scheduling) granted in the within action by the Honourable Justice M.J. Lema on July 24, 2025 to add “Compeer Financial” after “Sunterra US Entities” such that the definition of Compeer v. NBC Claim will read:

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3. Compeer Financial, PCA (“**Compeer**”) is required to file an election (the “**Compeer Election**”), on or before September 30, 2025 (the “**Compeer Claims Bar Date**”), in which Compeer: (i) indicates whether it intends to advance a claim against NBC in respect of any facts, circumstances or matters giving rise to a Compeer v. NBC Claim; and, (ii) if Compeer indicates that it intends to advance such a claim, requiring Compeer to: (a) outline the bases of such claim(s); and (b) provide a range of the quantum of such claim(s).
4. if Compeer does not file the Compeer Election on or before the Compeer Claims Bar Date, then Compeer will, subject to further order of this Court, be forever barred, estopped and enjoined from asserting or enforcing the Compeer v. NBC Claim against NBC.
5. Service of this Order on the persons listed on the Service List created in the within proceedings, by email, facsimile, registered mail, courier, or personal delivery, shall constitute good and sufficient service of this Order, and no persons other than the persons listed on the service list are entitled to be served with a copy of this Order. Service is

deemed to be effected the next business day following the transmission or delivery of such documents.

Justice of the Court of King's Bench of Alberta