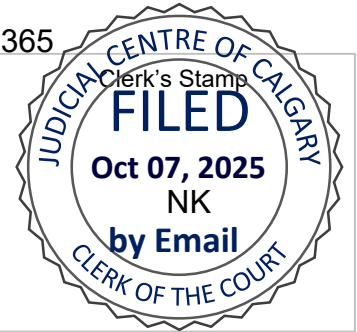


C100365



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

\$100.00
JS
Oct. 15, 2025
J. Lema

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., RAY
PRICE, DEBBIE UFFELMAN and CRAIG THOMPSON**

DOCUMENT **APPLICATION TO COMPEL PRODUCTION OF AUDITOR
(KPMG LLP) AS WITNESS (RULE 5.17(1)(E); RULE 6.8)**

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

ADDRESS FOR SERVICE AND CONTACT
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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:	October 15, 2025
Time:	10:00 a.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, which if granted would:

1. Declare that the lead audit partner at KPMG LLP (“KPMG”) responsible for, or such other KPMG partner or employee who KPMG determines has detailed knowledge of (the “**Sunterra Auditor**”):

(a) the audit of the consolidated financial statements of:

- (i) Sunterra Farms Ltd. (“**Sunterra Canada**”), Sunwold Farms Limited (“**Sunwold Canada**”), Sunterra Food Corporation (“**Sunterra Food**”), Trochu Meat Processors Ltd. (“**Trochu Meat**”), Sunterra Quality Food Markets Inc. (“**Sunterra Markets**”) (collectively, the “**Borrowers**”);
- (ii) the Borrowers, Sunterra Beef Ltd. (“**Sunterra Beef**”), Sunterra Enterprises Inc. (“**Sunterra Enterprises**”), Sunterra Farm Enterprises Ltd. (“**Sunterra Farm Enterprises**”), and Lariagra Farms Ltd. (“**Lariagra Canada**”) (collectively and alternatively the “**Guarantors**” or the “**Canadian Sunterra Entities**” or the “**corporate Respondents**” as the context requires); and
- (iii) Sunterra Farms Greenhouse Ltd., Sunterra Wine Markets Inc., Sunwold Farms Inc. (“**Sunwold US**”), Sunterra Farms Iowa Ltd. (“**Sunterra Iowa**”) and Lariagra Farms South Inc.;

(collectively, the “**Sunterra Group of Companies**”);

- (b) the compilation and review engagements, as applicable, of the consolidated financial statements of:
 - (i) Sunterra Farm Enterprises (a Guarantor), including of its affiliates Sunterra Canada (a Borrower), Sunwold Canada (a Borrower), and Sunterra Farms Greenhouse Ltd.;
 - (ii) Sunterra Food (a Borrower), including of its affiliates Sunterra Markets (a Borrower), Sunterra Wine Markets Inc., and Trochu Meat (a Borrower); and
 - (iii) Sunterra Enterprises (a Guarantor), including of its affiliates, Sunwold Farms Inc. ("**Sunwold US**"), Sunterra Farms Iowa Ltd. ("**Sunterra Iowa**"), Lariagra Farms South Inc. and Sunterra Beef (a Guarantor); and
- (c) the compilation engagements relating to the consolidated financial statements of the Borrowers and the unconsolidated financial statements of Sunterra Canada, Sunwold Canada, Trochu Meat and Sunterra Markets;

is compellable to be questioned as a witness by NBC in connection with the NBC v. Sunterra Claims pursuant to the Consent Order (Scheduling) granted by the Honourable Justice Lema herein on July 24, 2025 (the "**Consent Order (Scheduling)**"), filed September 12, 2025, and pursuant to Rule 5.17(1)(e) which is expressly incorporated into that Order;

- 2. Order the attendance of the Sunterra Auditor to be questioned under Rule 6.8 pursuant to the declaration sought above.
- 3. Direct that the corporate Respondents to deliver such written instructions and waivers reasonably required by KPMG, within five (5) days of the date of the Order, and to cooperate in scheduling KPMG's questioning on or before a date to be determined by the Court and provide such other directions regarding the timetable in Schedule "A" to the Consent Order (Scheduling).
- 4. Provide for the confidentiality and limited use of the evidence to be obtained from the Sunterra Auditor at questioning and any workpapers produced such that it may be used only in these proceedings (including related appeals and the NBC Action), subject to appropriate undertakings and privilege claims.

5. Order 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 have the same meaning(s) as ascribed to such terms in the Affidavit #4 of Raymond Pai, sworn on October 6, 2025.

7. KPMG was the auditor of the consolidated financial statements for the fiscal year 2022 of the Sunterra Group of Companies that were required to be delivered to NBC and were delivered to NBC. The consolidated financial statements of the Sunterra Group of Companies for the fiscal year 2023 were also required to be delivered to NBC, but the corporate Respondents failed to do so.

8. KPMG was also the professional accounting firm that undertook review engagements and compilation engagements in connection with several other financial statements of the corporate Respondents that were delivered to NBC. Other financial statements were required to be delivered to NBC but the corporate Respondents failed to deliver those financial statements.

9. KPMG has first-hand knowledge of:

- (a) the referenced financial statements;
- (b) the scope of the audit of the consolidated financial statements for the Sunterra Group of Companies, for the 2022 fiscal year, audited by KPMG;
- (c) the scope, planning, interim findings, communications with Sunterra's management and board, and the reasons for cessation of the audit of the consolidated financial statements for the Sunterra Group of Companies for the 2023 fiscal year and the timing of when this determination was made.

10. This evidence is relevant and material to NBC's claim and the efficient summary determination directed by the Court. In particular, the aforementioned financial statements provide point-in-time information regarding the financial circumstances of the Sunterra Group of Companies, and in particular the corporate Respondents, that is relevant and material to NBC's claims. It is expected that KPMG would be able to fill a material evidentiary gap that is not

available without KPMG's evidence, as KPMG would have reviewed the relevant accounts and materials in the course of their work.

11. Pursuant to the Consent Order (Scheduling), NBC was permitted to, and did, identify two additional witnesses associated with the Respondents that NBC wished to question in connection with the NBC v. Sunterra Claim including the Sunterra Auditor.

12. The Sunterra Entities refused to produce the Sunterra Auditor without any rationale.

13. Rule 5.17(e) of the *Alberta Rules of Court*, Alta Reg. 124/2010, is expressly incorporated into the Consent Order (Scheduling). Rule 5.17(1) entitles a party such as NBC to ask particular categories of persons questions under oath about material records and relevant and material information. Among these categories are "an auditor or former auditor engaged by a party adverse in interest":

5.17(1) A party is entitled to ask the following persons questions under oath about relevant and material records and relevant and material information:

...

(e) an auditor or former auditor engaged by a party adverse in interest, but not an auditor or former auditor engaged solely for the purpose of the action;

14. KPMG is an auditor or former auditor.

15. In addition, the term "auditor" as used in Rule 5.17(e) has been judicially interpreted to include an accountant that performs a review engagement. KPMG also satisfies this broader definition of auditor.

16. The terms of the proposed order are compliant with Rule 6.8, which governs questioning of witnesses.

17. The requested relief is proportionate and necessary to ensure a fair, efficient determination of NBC's claim on the Commercial List.

Material or evidence to be relied on:

18. The Affidavit #4 of Raymond Pai, sworn on October 6, 2025, filed.

19. Such further and other material as counsel for NBC may advise and this Honourable Court may permit.

Applicable rules:

20. *Alberta Rules of Court*, Alta Reg. 124/2010, rr. 5.17(1)(e), 6.8.

21. Such further and other rules as counsel for NBC may advise and this Honourable Court may permit.

Applicable acts and regulations:

22. *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36, sections 11, 19, and 20.

23. 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:

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

How the application is proposed to be heard or considered:

25. 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 10 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom10>

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.]

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.

DOCUMENT **ORDER (ORDER TO COMPEL PRODUCTION OF AUDITOR
 (KPMG LLP) AS WITNESS)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
 McCarthy Tétrault LLP
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 Calgary AB T2P 4K9
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 Kyriakakis / Nathan Stewart / Samantha Arbor
 Phone: 403-260-3531 / 3698 / 3536 / 3534 / 3506
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 pkyriakakis@mccarthy.ca / nstewart@mccarthy.ca /
 sarbor@mccarthy.ca

DATE ON WHICH ORDER WAS PRONOUNCED: October 15, 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 #4 of Raymond Pai, sworn on October 6, 2025 (the "**Pai #4 Affidavit**"), the Bench Brief of NBC, and the Book of Authorities to the Bench Brief of NBC, all filed; **AND UPON** reading the Consent Order (Scheduling), granted by the Honourable Justice M.J. Lema on July 24, 2025 (the "**Consent Order**"); **AND UPON** reading the Affidavit of Service of Katie Hynne, sworn on ●, 2025 (the "**Service Affidavit**"), filed; **AND UPON** hearing counsel for NBC and counsel for the Respondents, and any other counsel or other interested parties present; **AND UPON** noting that, pursuant to the Consent Order (Scheduling) that was granted on July 24, 2025, a process was established for the determination the NBC v. Sunterra Claim (the "**NBC v. Sunterra Claim**");

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of the Application, the Pai #4 Affidavit, and all related materials, is hereby abridged, the Application is properly returnable today, service of the Application, the Pai #4 Affidavit, 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, the Pai #4 Affidavit, or the supporting materials.
2. The lead audit partner at KPMG LLP (“**KPMG**”) responsible for, or such other KPMG partner or employee who KPMG determines has detailed knowledge of, the audit of the consolidated financial statements the “Sunterra Group of Companies” (as defined in the Pai #4 Affidavit), and the various financial statements appended to the Pai #4 Affidavit that were the subject of review engagements and compilation engagements is declared to be a witness that may be compelled to be questioned by NBC under the Consent Order and Rule 5.17(1)(e) of the *Alberta Rules of Court*.
3. Within 5 days of being shown a copy of this Order and a copy of the Pai #4 Affidavit, KPMG shall forthwith identify to counsel for NBC and counsel for the Respondents either:
 - (a) the lead audit partner responsible for, or
 - (b) such other KPMG partner or employee who KPMG determines has detailed knowledge of,the audit of the consolidated financial statements the “Sunterra Group of Companies” (as defined in the Pai #4 Affidavit), and the various financial statements appended to the Pai #4 Affidavit that were the subject of review engagements and compilation engagements. Such person identified by KPMG shall be the person who may be questioned by NBC in connection with the NBC v. Sunterra Claim (the “**Sunterra Auditor**”).
4. Within five (5) days from the date on which KPMG identifies the Sunterra Auditor, the Respondents shall deliver to KPMG any authorizations, waivers, and instructions reasonably required by KPMG to permit the Sunterra Auditor to attend and answer at questioning by NBC and shall co-operate to schedule the Sunterra Auditor’s questioning on or before October 24, 2025.

5. NBC may question KPMG under Rule 6.8 for up to 2.5 hours.
6. Evidence obtained from KPMG's questioning and any audit workpapers produced shall be used only in these proceedings (including appeals and the NBC Action), designated confidential, and disclosed only to counsel of record, parties, retained experts, and the Monitor (as such term is defined in the Amended and Restated Initial Order, granted on April 28, 2025 in the within proceedings), each first providing a written undertaking in like terms; any assertion of privilege may be made question-by-question; any disputed materials may be delivered under seal for determination by this Court with respect to any applicable objection.
7. The parties shall coordinate to ensure compliance with Schedule "A" to the Consent Order (including, without limitation, the requirement that all questioning shall be completed by October 24, 2025) and the filing of briefs by November 10 and 24, 2025.
8. 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