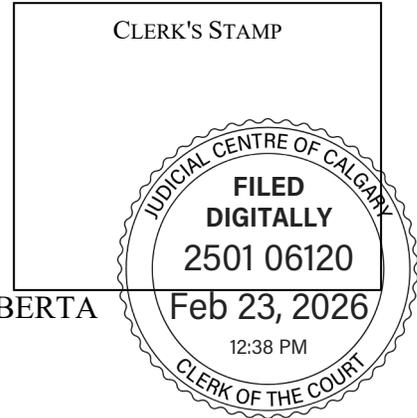


FORM 27
[RULE 6.3]



COURT FILE NO. 2501 – 06120
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE OF 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

NOTICE OF RESPONDING APPLICATION OF COMPEER FINANCIAL, PCA

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, AB T2P 4K7

Attention:
Lincoln Caylor/Keely Cameron/Nathan J. Shaheen
Mathieu LaFleche

Telephone No.: 403-298-3100
Fax No.: 403-265-7219

NOTICE TO 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., DAVID PRICE, ARTHUR PRICE, GLEN PRICE, RAY PRICE

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

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

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

Date:	February 24, 2026
Time:	2:00 PM
Where:	Edmonton Court's Centre
	Virtually:
Before Whom:	Justice Lema presiding on the Commercial List

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. The Applicant, Compeer Financial, PCA ("**Compeer**"), seeks an Order substantially in the form attached as Schedule "A":
 - (a) Abridging the time for, and validating service of this application such that the application is properly returnable;
 - (b) Extending the stay of proceedings;
 - (c) Granting FTI Consulting Canada Inc. (the "**Monitor**") certain enhanced powers to, among other things, oversee and facilitate the sale of the Debtors property, carrying on the Debtors' business and operations, and provide the Monitor with additional protections;
 - (d) Approving a sale and investment solicitation process ("**SISP**");
 - (e) Lifting the stay of proceedings, if necessary, to permit Compeer to pursue its claims against David Price, Arthur Price and Glen Price (the "**Directors**"), in respect of their conduct as directors of Sunterra Farms Ltd. and Sunwold Farms Limited ; and
 - (f) Such further and other relief as counsel may advise and this Honourable Court may deem just.

Grounds for making this application:

1. On April 22, 2025, various Canadian members of the Sunterra group of companies (the "**Sunterra Group**") sought and obtained protection under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("**CCAA**").
2. The Sunterra Group is comprised of a related group of companies that are owned and controlled by members of the Price family.

Stay Extension

3. Compeer agrees with the Sunterra Group that an extension of the stay is required to enable a SISP to be carried out for the benefit of stakeholders.

Enhanced Monitors Powers

4. Since at least as early as July 2025, the Monitor has advised that the Sunterra Group should be advancing the development of a SISP, yet no process has been proposed or brought to the Court for approval.
5. The Monitor and U.S. Receiver have both raised concerns regarding the lack of cooperation by the Sunterra Group. Concerns include:
 - (a) On August 26, 2025, Hannah Walkes, on behalf of the US Receiver, swore an affidavit advising that on March 31, 2025, the US Receiver began experiencing difficulty getting the Sunterra Group to cooperate with the US Receiver. As of August 2025, the Sunterra Group still had not complied with or otherwise responded to information requests described therein; and
 - (b) In the Fourth Report of the Monitor, the Monitor referenced that it sent a letter in July 2025 proposing steps to be taken to advance a sale and investment solicitation process. No response was received and following a further letter from the Monitor, it took approximately 2.5 months before the Sunterra Group agreed to set up a meeting between the Monitor and their Financial Advisor.

- (c) In October, the Monitor raised concerns with regard to the data room and provided a list of missing documents that as of December 2025 still had not been provided.
6. The Monitor reported in its Fifth Report that the Sunterra Group does not appear to have the confidence of its major creditors. This is true of Compeer, which is the Sunterra Group's largest creditor. In March 2025, NBC had advised this court that it had lost confidence in the Sunterra Group.
7. This Honourable Court has discretion under section 11 and subsection 23(1)(k) of the *CCAA* to expand the powers and duties of the Monitor where the circumstances warrant it.
8. Extraordinary circumstances exist that support enhancing the Monitor's powers, including but not limited to:
- (a) Fraudulent conduct of certain of the Sunterra Group entities (ie. Sunterra Farms Ltd., Sunwold Farms Limited, and Sunterra Enterprises Inc.) and Ray Price, the President and one of the Directors for the entities which has resulted in losses to Compeer in an amount of \$35,330,968.94 USD. As a result of the misconduct, there is a need for independent oversight;
 - (b) Litigation against the other Directors by Compeer, a significant creditor;
 - (c) Lack of advancement of the proceedings by the Sunterra Group despite having initiated these proceedings almost a year ago;
 - (d) Loss of stakeholder confidence in the Sunterra Group's ability to operate the business in good faith and for the benefit of the stakeholders including Compeer, which is the Sunterra Group's largest creditor;
 - (e) Concerns by both the Monitor and US Receiver regarding the lack of cooperation and transparency by the Sunterra Group;
 - (f) Need to ensure efficiencies in the process given the risk of recovery for stakeholders given the significant fees and lack of progress to date;

- (g) risk of dissipation of assets through the incurring of unnecessary fees, if the Sunterra Group continues to maintain control of the process;
 - (h) the inability to advance a proposal without the consent of Compeer given the Court's findings under section 19(2)(d) of the CCAA;
 - (i) The enhanced powers sought are consistent with those granted in similar proceedings;
 - (j) The Sunterra Group itself seems to recognize that some additional oversight is required;
 - (k) The Monitor consents to the enhanced powers and no stakeholders will be materially prejudiced; and
 - (l) The Monitor has both the expertise and familiarity with the entities to assume an enhanced role.
9. In addition, and importantly, the cost efficiencies associated with an enhanced Monitor as opposed to an alternative, such as a Chief Restructuring Advisor. An enhanced Monitor would avoid the Sunterra Group incurring substantial and unnecessary additional fees and costs associated with getting another professional familiar with their operations. Incurring such additional fees would put at risk recovery by Compeer and other stakeholders while also needlessly duplicating the role of the Monitor.

SISP

10. Discussion regarding the need to advance a SISP has been ongoing since at least as early as July 25, 2025, wherein the Monitor advised in its Second Report, the need to advance these proceedings with due diligence through taking active steps to advance a recapitalization or refinancing process including through prepare a SISP.
11. Any further delay in advancing a SISP will be to the detriment of stakeholders.

12. As no SISP has been advanced, to avoid further delays, Compeer proposes a SISP that will provide the Monitor with significant flexibility to advance a process with the assistance of one or more sales advisors and enables engagement with key stakeholders as is necessary.

Lifting of the Stay If Required

13. In November 2025, Compeer filed an amended Statement of Claim to add the Directors. Pursuant to the Consent Order of Justice Lema filed November 20, 2025, the Defendants to Compeer's action now include, among others, the Directors, namely David Price, Arthur Price, and Glen Price, who were at relevant times directors of Sunterra Farms Ltd. and Sunwold Farms Limited.
14. In its amended Statement of Claim, Compeer pleads oppression claims against the Directors arising from their conduct that permitted the perpetration of the cheque kiting scheme against Compeer, and that such claims are contingent on this Court finding that Sunterra Farms Ltd. and Sunwold Farms Limited perpetrated the cheque kiting scheme.
15. In consenting to the amendments to the Statement of Claim and filing a Defence, Compeer asserts that the Directors consented to the lifting of the stay.
16. On January 27, 2026, this Court issued its decision finding that Sunterra Farms Ltd., Sunwold Farms Limited and Ray Price, a director and the principal officer of the Sunterra Group entities, perpetrated the cheque kiting scheme against Compeer, resulting in net losses to Compeer of approximately \$35 million USD.
17. In the alternative, if the Directors have not consented to the lifting of the stay, then the Directors are not *CCAA* Parties but are currently protected by the stay of proceedings provided by paragraph 19 of the Initial Order of Justice Lema, filed April 29, 2025, which states:

During the Stay Period, and except as permitted by subsection 11.03(2) of the *CCAA* and paragraph 15 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants, or any of them, with respect to any claim against the directors or officers that arose before the date of the Initial Order and that relates to any obligations of the Applicants, or any of them,

whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, or any of them as applicable, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants, as relevant, or this Court.

18. The extension of a *CCAA* stay for directors is discretionary.
19. The types of claims to be advanced against the Directors by Compeer cannot be released in the *CCAA* proceedings pursuant to section 5 of the *CCAA*, which prevents the compromise of claims that are based on allegations of wrongful or oppressive conduct by the Directors.
20. Compeer has advised the Directors that it intends to advance an application for summary judgment on its claims against the Directors.
21. The requirement for the Directors to respond will not prejudice the advancement of the *CCAA* proceedings.
22. It is in the interest of justice to permit Compeer to advance its claims. Among other things, the Sunterra Group may benefit from Compeer's claims against the Directors, since any recovery that Compeer achieves from the Directors would reduce the funds recoverable from the Sunterra Group, and Compeer will be prejudiced if it cannot advance its claim against the Directors.
23. Such further and other grounds as counsel may advise and as this Honourable Court may permit.

Material or evidence to be relied on:

24. Reports of the Monitor filed in these proceedings;
25. Affidavit of Hannah Walkes, filed August 27, 2025;
26. Affidavit of Whitney Collister, filed February 23, 2026;
27. Affidavit of Arthur Price sworn on July 15, 2025;

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

Applicable Rules:

29. Part 6, Rule 6.11 and Rule 7.3 of the *Alberta Rules of Court*.
30. Such further and other Rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

31. *Business Corporations Act*, RSA 2000, c B-9, section 242.
32. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, s. 19.

Any irregularity complained of or objection relied on:

33. Not applicable.

How the application is proposed to be heard or considered:

34. Before Justice Lema in commercial chambers or in such other manner as the Honourable Court may direct.

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 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(s) a reasonable time before the application is to be heard or considered.