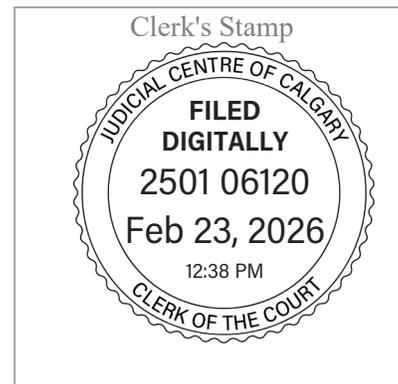


COURT FILE NO. 2501-06120
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY



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

BRIEF OF COMPEER FINANCIAL, PCA

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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Commercial List Application Scheduled for February 24, 2026 before The Honourable Justice Lema

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I. INTRODUCTION

1. The Applicant, Compeer Financial, PCA ("**Compeer**"), is the victim of cheque kiting on an astonishing scale, carried out under the direction of Ray Price, a director and ultimate owner, and the President, of the Sunterra group of companies (the "**Sunterra Group**").¹

2. Rather than seek to remedy the wrongdoing and advance a restructuring for the benefit of its creditors, the Sunterra Group has continuously sought to blame the victim. Even after this Honourable Court confirmed the fraud, rather than seek to resolve matters and advance a sale and investment solicitation process ("**SISP**"), the Sunterra Group seeks further delay and to incur additional, unnecessary professional fees, increasing the cost of these proceedings and further reducing the chance that Compeer and other stakeholders will obtain recovery.

3. Further delays should not be permitted and the Sunterra Group should no longer be in control of these proceedings. Given the quantum of claims against the Sunterra Group amounting to over \$1.4 billion (according to the Monitor's Report) and this Honourable Court's findings of significant and longstanding findings of fraud, the prospect of a restructuring is unrealistic.²

4. As such, in order to advance the proceedings in an efficient and cost-effective manner, Compeer asks that the Court grant the following relief:

- (a) Granting FTI Consulting Canada Inc. (the "**Monitor**") certain enhanced powers to, among other things, oversee and facilitate the sale of the Debtors' property, carry on the Debtors' business and operations, and provide the Monitor with additional protections (colloquially referred to as the appointment of a super-monitor), all of which would require an extension of the stay of proceedings;
- (b) Approving the SISP; and
- (c) Lifting the stay of proceedings, if necessary, to permit Compeer to pursue its claims against brothers of Ray Price (and other ultimate owners of the Sunterra Group, David Price, Arthur Price, and Glen Price (the "**Directors**"), in respect

¹ *Compeer Financial PCA v Sunterra Farms Ltd*, 2026 ABKB 57 [*Compeer Decision*] at paras 2-3 [TAB 1]

² Fourth Report of the Monitor dated December 8, 2025 at para 31 [TAB A]

of their conduct as directors of Sunterra Farms Ltd. ("**Sunterra Farms**") and Sunwold Farms Ltd. ("**Sunwold Farms**").

II. STATEMENT OF FACTS

5. On March 20, 2025, National Bank of Canada ("**NBC**") sought the appointment of an interim receiver over the Sunterra Group, noting a lack of confidence in Management and concerns regarding the lack of cooperation from the Sunterra Group in terms of providing information. In denying the application, the Court noted in part that there was no evidence that NBC's right to recover was at risk or that it otherwise required assistance in that regard.³ In contrast, Compeer's right to recover its losses resulting from the fraud is at risk.

6. On April 22, 2025, various Canadian members of the Sunterra Group sought and obtained protection under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("**CCAA**"). Prior to the commencement of the CCAA proceedings, Harris & Partners Inc. had been appointed as Proposal Trustee. The Monitor was ultimately put forward as Monitor of the Sunterra Group and appointed by the Court. The Monitor's current powers are set out at paragraph 24 of the Amended and Restated Initial Order and include monitoring, reporting and advising the Sunterra Group.

7. On May 30, 2025, the U.S. court appointed a Receiver over all of the Sunterra Group entities located in the United States, finding that extraordinary circumstances existed as it "appears that fraudulent conduct has probably occurred and that conduct has and can continue to impact Compeer's ability to recover their outstanding loans."⁴

8. Since at least as early as July 2025, the Monitor has advised that the Sunterra Group should be advancing the development of a SISF, yet no process has been proposed or brought to the Court for approval despite the Sunterra Group having retained a financial advisor to assist in that regard.⁵

³ *National Bank of Canada v Precision Livestock Diagnostics Ltd.*, [2025 ABKB 175](#) at para [113](#) [**TAB 2**]

⁴ Affidavit of Whitney Collister sworn February 23, 2026 [Collister Affidavit] at Exhibit "L" - Opinion & Order Granting Plaintiff's Motion to Avoid Mandatory Mediation and Motion to Appoint a Receiver [**TAB B**]

⁵ Second Report of the Monitor dated July 18, 2025 [**TAB C**]; Affidavit of Arthur Price sworn on July 15, 2025 at para. 38 [**TAB D**]

9. In November 2025, pursuant to the Consent Order of Justice Lema filed on November 20, 2025,⁶ Compeer filed an amended Statement of Claim to add the Directors as additional defendants and plead oppression remedy claims against the Directors arising from their failures as directors of Sunterra Farms and Sunwold farms that permitted the cheque kiting scheme undertaken by their brother, Ray Price, and that resulted in losses to Compeer in the amount of more than USD \$35 million (the "**Amended Claim**").

10. In response to the Amended Claim, the Directors did not seek to rely on the stay of proceedings in place in respect of directors of Sunterra Farms and Sunwold Farms but rather filed an amended Statement of Defence and thereby accepted that Compeer could advance those claims.⁷

11. Throughout these proceedings, including in the amended Statement of Defence, in response to allegations of cheque kiting, the Sunterra Group and its management, including the Directors, have taken no accountability. They have instead blamed the victim of the cheque kiting scheme, Compeer, and alleged misconduct by Compeer because Compeer refused to agree to the Sunterra Group's proposal in the US proceedings made after the cheque kiting scheme collapsed. That proposal did not involve immediate repayment of Compeer's USD \$35 million loss and has been described by the U.S. Court as speculative, and requiring Compeer to fund the Sunterra Group indefinitely, which the U.S. Court rightly concluded was inappropriate.⁸

12. On January 27, 2026, having reviewed the extensive evidentiary record, this Honourable Court issued its decision finding that Sunterra Farms, Sunwold Farms, and Ray Price had engaged in cheque kiting on an astonishing scale. This Court also rejected the Sunterra Group's complaints about Compeer's failure to accept its proposal:

⁶ Consent Order of Justice Lema pronounced on November 13, 2025 and filed November 20, 2025 [TAB E]

⁷ Collister Affidavit at Exhibit "H" – Amended Statement of Defence [TAB B]

⁸ Collister Affidavit at Exhibit "N" – Transcript of Motion Hearing Court Ruling, dated May 30, 2025 at page 21 [TAB B]

[166] Given the massive shortfalls to Compeer and the cheque-kiting i.e. fraud-featuring circumstances giving rise to them, Compeer had no obligation to enter into any kind of repayment plan with Sunterra i.e. it was entitled to initiate and pursue the US receivership proceedings and to pursue its claim (under review here) in the Canadian *CCAA* proceedings.⁹

13. Since that decision was rendered, the Sunterra Group has continued to take no steps to advance recovery for stakeholders. Rather it appears that the Sunterra Group's only plan is to incur more expenses by hiring even more professionals, including additional legal counsel (Goodmans LLP in addition to Blue Rock LLP) and seeking to engage another restructuring advisor (Neil Narfason in addition to Hawco Peters and Associates Inc.).

III. DISCUSSION

A. A Super-Monitor is Necessary to Ensure a Timely and Just Conclusion to this CCAA Proceeding

14. In the particular circumstances of this *CCAA* proceeding, it is appropriate and necessary to appoint a super-monitor to ensure a timely and just conclusion to this *CCAA* proceeding.

15. The expansion of the Monitor's duties and powers has been held to be authorized by the broad discretion afforded to the Court under section 11 and subsection 23(1)(k) of the *CCAA*.¹⁰

16. Section 11 of the *CCAA* grants courts broad discretion to make any order they consider appropriate, including the power to appoint a super-monitor if it is necessary to ensure the integrity and fairness of the restructuring process. The court's role in a *CCAA* proceeding is to balance the interests of stakeholders, including creditors, employees, and the debtor company while promoting the overarching goal of restructuring the company as a going concern. This role can be achieved by appointing a super-monitor.

17. Section 23(1)(k) of the *CCAA* provides that the monitor shall carry out any other functions in relation to the company that the court may direct.¹¹

⁹ *Compeer decision* at para. 166 [TAB 1]

¹⁰ *Ted Leroy Trucking [Century services] Ltd., Re*, 2010 SCC 60 at para 70 [TAB 3]; *Arrangement relatif à Bloom Lake General*, 2021 QCCS 2946 at paras 94-95 and 98-101 [TAB 4]

¹¹ *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36 ss 11, 23 [CCAA] [TAB 5]

18. Among other reasons, courts have appointed super-monitors in circumstances where there has been a loss of confidence in management.

19. Compeer – the largest creditor of the Sunterra Group – has lost faith in management of the Sunterra Group (Ray Price and the other Directors) and does not believe that they have effectively run the *CCAA* process or have shown any indication they will do so in the future. Management has failed or neglected its fiduciary duties as follows:

- (a) Fraudulent conduct of Sunterra Farms, Sunwold Farms, and Ray Price as has been confirmed by this Court. As a result of such misconduct, there is a need for independent oversight;
- (b) Lack of advancement of the proceedings by the Sunterra Group despite having initiated these proceedings almost a year ago;
- (c) 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;
- (d) Concerns have been raised by both the Monitor and U.S. Receiver regarding the lack of cooperation and transparency by the Sunterra Group; and
- (e) Need to ensure efficiencies in the process given the risk of recovery for stakeholders.

20. Throughout these proceedings the Sunterra Group has delayed the initiation of a sales process and only sought to advance a single sale that would have benefited the Prices. Specifically, the proposed purchaser was Douglas Price who holds a 10% interest in the Sunterra Group and Arthur Price's sons company listed the property.¹²

21. Despite ongoing requests from the Monitor that the Sunterra Group proceed in parallel with the claims process and the development of a *SISP*, none has been advanced to a point that

¹² Second Report of the Monitor, dated July 18, 2025 at para 41 [TAB C]

approval could be sought and issues with the proposed data room continue to exist (a typically straightforward process).¹³

22. Although acting in good faith and with due diligence is a requirement, the Sunterra Group acted in bad faith prior to these proceedings by perpetrating the cheque kiting scheme and has not acted with the diligence required, seemingly acting in its own self-interest and not for the benefit of stakeholders.

23. Given the Sunterra Group's unwillingness to take accountability for their action (including making only one, unreasonable proposal to Compeer upon the discovery of the cheque kiting scheme), Compeer has no confidence that the Sunterra Group can effectively advance a process in the interest of all stakeholders as required. Rather, Compeer is concerned that the Sunterra Group will continue to delay the advancement of these proceedings in order to maintain control and incur significant costs, thereby impeding the recovery for stakeholders, including through incurring additional, unnecessary professional fees.

24. The Sunterra Group has been unable to demonstrate why such additional fees are necessary. The Sunterra Group already has experienced insolvency counsel and access to experienced insolvency professionals. No evidence has been provided as to why incurring further costs would generate additional value for the stakeholders of the Sunterra Group. Instead, it will only drive down the ultimate recovery for the estate.

25. In contrast to the Sunterra Group's proposal, the enhancement of the Monitor's power would reduce costs and provide efficiencies through avoiding duplication of roles. The Monitor is a court officer and a neutral party with significant restructuring experience, including experience acting as a super monitor. The Monitor has familiarity with the business necessary to advance the SISF and while doing so, there is nothing that would prevent the Prices from providing input to the process or seeking to advance a proposal. Removing control of the business from those in control at the time of the fraud, it is also reasonably expected to increase stakeholder confidence and further recovery in the circumstances.

¹³ Fourth Report of the Monitor dated December 8, 2025 at paras 21-22 [TAB A]

26. Compeer agrees with the Sunterra Group that the stay should be extended but disagrees in respect of the terms of that extension. As a condition of supporting the extension, Compeer requires that the Monitor obtain super-monitor powers and the SISP be advanced immediately for the reasons described herein.

B. SISP

27. In the absence of the Sunterra Group acting with diligence in advancing a SISP, Compeer has stepped in to advance the proceeding in the interest of all stakeholders through preparing a form of SISP that would enable the Monitor to immediately advance a SISP.

28. The proposed SISP is standard and provides the Monitor with flexibility to engage with key stakeholders in the marketing process and provides for the appointment of one or more sales advisors, recognizing the different streams of assets.

29. In reviewing a proposed SISP, the Court should have regard for the following factors¹⁴:

- (a) the fairness, transparency, and integrity of the proposed process;
- (b) the commercial efficacy of the proposed process in light of the specific circumstances facing the receiver; and,
- (c) whether the sales process will optimize the chances, in the particular circumstances, of securing the best possible price for the assets up for sale.

30. There is no requirement that a SISP be perfect. In the circumstances, the proposed SISP provides the Monitor with the ability to commence a process and work with one or more expert advisors to advance a process for the benefit of all stakeholders. It is consistent with other SISPs that are routinely granted.

C. Compeer should be permitted to continue its claim against the Directors

31. Compeer has already proven it was defrauded in a cheque kiting scheme in the amount of more than USD \$35 million by among others, Ray Price, acting in his capacity as a director

¹⁴ *Walter Energy Canada Holdings, Inc. (Re)*, [2016 BCSC 107](#) at para 20 [TAB 6]

and officer of Sunterra Farms and Sunwold Farms.¹⁵ Compeer now seeks to advance other claims in its existing action against the other Directors.

32. In its Amended Claim, Compeer pleads oppression claims against the Directors arising from their conduct that permitted the perpetration of the cheque kiting scheme against Compeer. Compeer's position is that these Directors, at the very least, abdicated their duties in a manner that permitted the fraud and was oppressive to Compeer, both of which are circumstances in which liability of directors for oppressive conduct is well supported at law.

33. Compeer intends to advance its claims against the Directors by way of summary judgment, which would not only minimize costs, but enable a determination and recovery sooner. Given the factual findings in respect of the cheque kiting scheme, and the admissions already obtained from and in respect of the Directors, Compeer's claims are straightforward and can largely be decided by applying established law to the existing evidentiary record.

34. Such a decision would benefit these proceedings. It would confirm that no releases are available for the Directors and potentially reduce the quantum of Compeer's claim in these proceedings, to the extent there is recovery from the Directors.

1. The Stay has Already been Lifted

35. Compeer's position is that the stay of proceedings has already been lifted such that it is currently permitted to advance its claims against the Directors.

36. In June 2025, Compeer filed an application seeking to lift the stay of proceedings to permit it to pursue its claims. In response, the parties agreed to a litigation plan. The litigation plan was amended in November 2025.

37. Under the litigation plan to which the Sunterra Group agreed, Compeer was entitled to add parties. It did so by amending its application and filing its Amended Claim, the only purpose of which was to add claims against the Directors.

¹⁵ *Compeer Decision* [2026 ABKB 57](#) at para [192](#) [TAB 1]

38. Consistent with the agreement in respect of the litigation plan and in response to the Amended Claim, the Directors did not seek to rely on the stay of proceedings. Rather, they conceded that Compeer could advance its claims by filing an amended Statement of Defence.

39. Independent of the litigation plan, this court has previously found that the stay of proceedings does not apply to claims that cannot be compromised.¹⁶ The oppression claims that Compeer seeks to advance against the Directors are among the types of claims that cannot be compromised.

40. The claims against Directors are caught with the exception in section 5.1(2) of the *CCAA* which provides:

5.1(2) A provision for the compromise of claims against directors may not include claims that

(a) relate to contractual rights of one or more creditors; or

(b) are based on allegations of misrepresentations made by directors to creditors or of wrongful or oppressive conduct by directors.

41. Accordingly, the prior conduct of this *CCAA* proceeding and the operation of law provide that the stay of proceedings is currently no impediment to Compeer pursuing its claims against the Directors. Compeer requests that this Court confirm this state of affairs.

2. Alternatively, the Stay should be Lifted

42. Alternatively, if the stay of proceedings has not been lifted against the Directors, then it should either be lifted or not extended beyond the current stay period.

43. Courts have lifted or otherwise found that the stay does not apply to fraud-based claims. The rationale behind this is usually that such claims are either against directors in their personal capacity, or are included in the exceptions in section 5.1(2) of the *CCAA*. The same applies to oppression claims which are similarly included under the exceptions in section 5.1.

44. In *Philip's Manufacturing*¹⁷ the Court shed light on the considerations at play with respect to lifting a stay against directors. In that case the debtor argued the director stay was

¹⁶ *Liberty Oil & Gas Ltd. (Companies' Creditors Arrangement Act)*, 2002 ABQB 949 at paras 5 and 9 [TAB 7]

¹⁷ *Philip's Manufacturing Ltd. Estate*, 1991 CanLII 226 (BC SC) [*Philip's Manufacturing*] [TAB 8]

necessary because creditors would try to attack it indirectly through its directors and officers. The debtor posited that lifting the stay would be detrimental as the directors and officers would have to focus on defending misrepresentation claims against them instead of focusing on the development of a *CCAA* plan.¹⁸ Similar issues were considered in *Puratone*. In that case claimants sought a lift of the stay against both the debtor and the directors and officers. The claimants were suppliers of the debtor and argued that the company defrauded them because it purchased goods from them in the weeks before a *CCAA* filing, knowing that such a filing was imminent. The claimants alleged that the directors were vicariously and personally liable because fraud was committed with knowledge of the directors and officers.¹⁹ The Court lifted the debtor stay and the director stay reasoning that the prejudice to the debtor and other stakeholders was limited because this was a liquidating *CCAA*.²⁰

45. In this case, prejudice would similarly be limited here because the ability to restructure is unlikely given that Compeer's claim cannot be compromised. Further where the Monitor's powers are enhanced, there will be a limited role for the Directors.

46. Since the cheque kiting scheme collapsed, two of the Directors – David Price and Glen Price – are no longer directors of Sunterra Farms or Sunwold Farms.²¹ The remaining Director – Arthur Price – has readily participated in the litigation arising in this proceeding, including swearing multiple affidavits. In these circumstances, the advancement of the Director claims would not impede the advancement of the *CCAA* proceedings. The SISF could proceed in parallel and the only potential effects would be to assist the advancement of the proceedings through determining whether (1) the Directors could seek releases; and (2) to the extent Compeer is successful and obtains recovery from the Directors, reducing the quantum of its claim, such that recovery for other stakeholders would be increased.

IV. RELIEF SOUGHT

47. Compeer requests that the relief set out in its application filed on February 23, 2026 be granted.

¹⁸ *Philip's Manufacturing*, [supra](#) [TAB 8]

¹⁹ *Re Puratone et al*, [2013 MBQB 171](#) at para [36](#) [*Puratone*] [TAB 9], leave to appeal granted but not on this issue see [2014 MBCA 13](#) at [para 48](#)

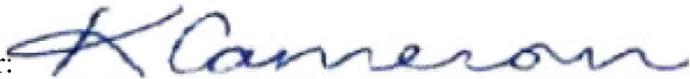
²⁰ *Puratone* at paras [17-37](#) [TAB 9]

²¹ Collister Affidavit at Exhibits "D" – "F" [TAB B]

ALL OF WHICH IS RESPECTFULLY SUBMITTED at Calgary, Alberta this 23 day of February, 2026.

Estimated Time for
Argument: 45

BENNETT JONES LLP

Per: 

Keely Cameron, Lincoln Caylor, Nathan
Sheehan, Mathieu LaFleche
Counsel for the Applicant,
Compeer Financial, PCA

V. TABLE OF AUTHORITIES

TAB

1. *Compeer Financial PCA v Sunterra Farms Ltd*, [2026 ABKB 57](#)
2. *National Bank of Canada v Precision Livestock Diagnostics Ltd.*, [2025 ABKB 175](#)
3. *Ted Leroy Trucking [Century services] Ltd., Re*, [2010 SCC 60](#)
4. *Arrangement relatif à Bloom Lake General*, [2021 QCCS 2946](#)
5. *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36
6. *Walter Energy Canada Holdings, Inc. (Re)*, [2016 BCSC 107](#)
7. *Liberty Oil & Gas Ltd.(Companies' Creditors Arrangement Act)*, [2002 ABQB 949](#)
8. *Philip's Manufacturing Ltd. Estate*, [1991 CanLII 226 \(BC SC\)](#)
9. *Re Puratone et al*, [2013 MBQB 171](#)

VI. COMPENDIUM OF EVIDENCE

- A. Fourth Report of the Monitor dated December 8, 2025
- B. Affidavit of Whitney Collister sworn February 23, 2026
- C. Second Report of the Monitor dated July 18, 2025
- D. Affidavit of Arthur Price sworn on July 15, 2025
- E. Consent Order of Justice Lema pronounced on November 13, 2025 and filed November 20, 2025

COURT FILE NUMBER

2501 - 06120

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

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
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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

FOURTH REPORT OF FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR 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.

December 8, 2025

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FOURTH REPORT OF THE MONITOR

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Appendix A – Monitor’s July Letter to the Applicants

Appendix B – Monitor’s August Letter to the Applicants

Appendix C – Third Cash Flow Statement

INTRODUCTION

1. On March 24, 2025 (the “**NOI Filing Date**”) Sunterra Farms Ltd. (“**Sunterra Farms**”), Sunterra Food Corporation (“**Sunterra Food**”), Sunterra Quality Food Markets Inc. (“**Sunterra Markets**”), Sunwold Farms Limited (“**Sunwold**”) and Trochu Meat Processors Ltd. (“**Trochu**” and with Sunterra Farms, Sunterra Food, Sunterra Markets and Sunwold collectively, the “**BIA Applicants**”) each filed a Notice of Intention to Make a Proposal (“**NOI**”) under Section 50.4 of the Bankruptcy and Insolvency Act, R.S.C 1985, c. B-3, as amended (the “**BIA**”). Harris & Partners Inc. (“**HPI**”) consented to act as proposal trustee of the BIA Applicants under the NOI (the “**Proposal Trustee**”).
2. On April 15, 2025, the BIA Applicants and four additional applicants, Sunterra Beef Ltd. (“**Sunterra Beef**”), Lariagra Farms Ltd. (“**Lariagra**”), Sunterra Farm Enterprises Ltd. (“**Sunterra Farm Enterprises**”) and Sunterra Enterprises Inc. (“**Sunterra Enterprises**”) and collectively with the BIA Applicants, Sunterra Beef, Lariagra, Sunterra Farm Enterprises and Sunterra Enterprises, the “**Applicants**”), applied to the Court of King’s Bench of Alberta (the “**Court**”) for an initial order (the “**Initial Order**”) to commence proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”). The Initial Order was granted by the Court on April 22, 2025.
3. The Initial Order established a stay of proceedings (the “**Stay of Proceedings**”) in favour of the Applicants until April 28, 2025, appointed FTI Consulting Canada Inc. as Monitor (the “**Monitor**”) and granted, among other things, the following relief:
 - a. converting the NOI proceedings and continuing the BIA Applicants’ restructuring, and the restructuring of the Applicants as a whole, under the CCAA (the “**CCAA Proceedings**”); and
 - b. granted certain court ordered priority charges in favour of certain parties identified as critical to the success of these CCAA Proceedings, which charges were:

- i. an Administration Charge of \$1,000,000; and
 - ii. a D&O Charge of \$900,000.
4. On April 28, 2025, this Court granted an amended and restated Initial Order (the “**ARIO**”) which provided for, among other things:
 - a. an extension of the stay of proceedings until July 31, 2025; and
 - b. request the ability to make payments for pre-filing inventory and other goods or services essential to the Applicants business or delivered by critical suppliers with the consent of the Monitor.
5. On July 24, 2025 (the “**July Application**”), the Court granted the following:
 - a. an order (the “**Claims Procedure Order**”) which provided for:
 - i. a process for: (i) the identification, quantification and resolution of pre-filing and restructuring period claims, wherever situated, against the Applicants and their respective current and former directors and officers; and (ii) inter-company claims between the Applicants and its subsidiaries located in the United States (collectively the “**Claims Process**”); and (iii) establishing the process for the adjudication of the claims of two of the Applicants’ major stakeholders Compeer Financial, PCA (“**Compeer**”) and the National Bank of Canada (“**NBC**”) related to an alleged cheque kiting scheme involving certain of the Applicants (the “**Litigation Process**”); and
 - ii. an extension of the stay of proceedings up to and including December 15, 2025 (the “**Stay Period**”); and
 - b. orders which described the litigation timeline to determine the claims of NBC (the “**NBC Scheduling Order**”) and the claim of Compeer (the “**Compeer Scheduling**”)

Order” and collectively with the NBC Scheduling Order, the “**Scheduling Orders”**) against the Applicants.

6. The Monitor understands that the Applicants intend to file a notice of application on December 8, 2025, returnable December 11, 2025 (the “**December 11 Application**”), seeking an order (the “**Stay Extension Order**”) extending the stay of proceedings up to and including February 28, 2026.

PURPOSE

7. The purpose of this report (this “**Report**” or the “**Fourth Report**”) is to provide an informational update and the Monitor’s comments to the Court and the Applicants’ stakeholders with respect to the following:
 - a. the progress of these CCAA Proceedings since the Monitor’s report dated July 18, 2025 (the “**Second Report**”) was issued;
 - b. actual cash flow for the period of July 5, 2025 to November 28, 2025, as compared to the cash flow forecast filed in these CCAA Proceedings on July 18, 2025 (the “**Second Cash Flow Statement**”);
 - c. the Applicants’ third CCAA cash flow statement (the “**Third Cash Flow Statement**”) for the period commencing November 29, 2025 and ending March 6, 2026; and
 - d. the Monitor’s recommendations in respect of the Applicants’ application to extend the stay of proceedings.
8. The Applicants have advised that they may make an emergency request for interim financing and an interim financing charge, the Monitor’s is not privy to the specific details of this request. If/when details are provided to the Monitor it will address the request in a supplement to this Fourth Monitor’s Report to be filed as soon as practicable.

TERMS OF REFERENCE

9. In preparing this report, the Monitor has relied upon certain information (the “**Information**”), including the Applicants’ unaudited financial information, books and records, and discussions with the Applicants’ senior management (“**Management**”).
10. Except as described in this Report, the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*.
11. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
12. Future-oriented financial information reported to be relied on in preparing this Report is based on Management’s assumptions regarding future events. Actual results may vary from forecast and such variations may be material.
13. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

UPDATE ON THESE CCAA PROCEEDINGS

14. The Monitor’s activities since the date of the Second Report have included the following:
 - a. ongoing discussions with Management and Blue Rock Law LLP (the “**Applicants’ Counsel**”), regarding the Applicants’ business and financial affairs;
 - b. reviewing and consulting with the Applicants in respect of the cash flow reporting including weekly budget to actual reporting to the Second Cash Flow Statement;

- c. assisting the Applicants in preparing the Third Cash Flow Statement;
 - d. holding discussions with key stakeholders, including:
 - i. the Applicants' senior lenders NBC and its counsel, FCC's counsel; and
 - ii. Compeer, a senior secured lender of the US Subsidiaries (as defined below), and an interested party in the Applicants' restructuring proceedings;
 - e. monitoring the Litigation Process;
 - f. commencing administration of the Claims Process, including sending notices to potential claimants, receiving and recording the claims which were submitted;
 - g. monitoring the Applicants' restructuring efforts and holding weekly update calls with the Applicants' counsel to discuss the progress of the Applicants' preparations for a future sales and investment solicitation process (the "**Future SISP**");
 - h. responding to inquiries from the Applicants' creditors, suppliers and stakeholders; and
 - i. preparing this Report.
15. The Applicants' farming business (the "**Farming Operations**") and retail grocery markets (the "**Markets Operations**") have continued their activities since the date of the Second Report without any material adverse changes to operations. As described in further detail in the cash flow reporting section of this Report, the Applicants' consolidated cash flows have outperformed the Second Cash Flow Statement; this variance is mostly driven by the Farming Operations through strong realized hog pricing and increased hog production.

LITIGATION ACTIVITY

16. Pursuant to the Litigation Process, the Applicants, Compeer and NBC conducted examinations of various witnesses in preparation for hearings scheduled to be heard on December 4th and 5th, 2025. The Monitor did not attend those examinations but has obtained and reviewed transcripts of the parties' evidence.
17. On December 4th and 5th, 2025, the Applicants, Compeer, and NBC appeared before the Court to address the merits of:
 - a. Compeer's application for summary judgment against the Applicants and certain individuals alleged to be jointly and severally liable with the Applicants in respect of Compeer's claims; and
 - b. NBC's application for recognition by the Court of its contingent indemnity claim against the Applicants.
18. Subject to supplemental written argument from the Applicants and Compeer on a narrow issue directed by the Court, the parties concluded their arguments on the Compeer and NBC applications. The Court has reserved its judgment.

RESTRUCTURING EFFORTS

19. In the Second Report and at the July Application, the Monitor expressed its view that "the Applicants should, in parallel with a Claims Process, be taking active steps to advance a recapitalization or refinancing process of the Applicants' business including making preparations for a sale and investment solicitation process to ensure they are prepared for a refinancing and or sale that will likely be undertaken once a Claims Process has been completed".
20. Subsequent to the July Application, the Monitor sent a letter dated July 31, 2025 (the "**July Letter to the Applicants**") to the Applicants' counsel suggesting a number of steps be

taken by the Applicants to make preparations for the Future SISP. A copy of the July Letter to the Applicants is attached at Appendix A.

21. In the July Letter to the Applicants, the Monitor reiterated its view that the Applicants should be taking steps to prepare for the Future SISP in order to ensure that once the Claims Process and Litigation Plan are completed, the Applicants can immediately move into the next phase of their restructuring. The Monitor suggested that the Future SISP Preparations would be completed prior to the next application which was expected to occur shortly prior to the expiry of the Stay Period.
22. The July Letter to the Applicants included the following proposed steps to prepare for the Future SISP:
 - a. engaging a financial advisor;
 - b. compiling documents for a data room;
 - c. preparing marketing materials; and
 - d. preparing an interested party listcollectively the “**Future SISP Preparations**”).
23. Upon receiving no meaningful response to the July Letter to the Applicants, the Monitor sent a second letter dated August 15, 2025 (the “**August Letter to the Applicants**”) wherein the Monitor asked to be informed on the status of the Future SISP Preparations and to be granted the ability to speak directly with the Applicants’ financial advisor Hawkco Peters & Associates Inc. (the “**Applicants’ Financial Advisor**”).
24. After sending the August Letter to the Applicants the Monitor followed up weekly with the Applicants counsel requesting a meeting with the Applicants’ Financial Advisor. Approximately 2.5 months later, on October 2, 2025, the Applicants agreed to set up an

initial meeting (the “**Initial Future SISP Meeting**”) between the Applicants’ counsel, the Applicants’ Financial Advisor and the Monitor and its counsel. At the Initial Future SISP Meeting, the Monitor was introduced to the Applicants’ Financial Advisor and was advised of the following:

- a. the Applicants’ Financial Advisor has been formally engaged;
 - b. a virtual data room (the “**Data Room**”) had been opened by the Applicants’ Financial Advisor;
 - c. preliminary corporate overview documents had been uploaded to the Data Room. These preliminary documents did not contain any recent financial statements or information relating to the assets owned by the Applicants with respect to the Farming Operations or the Markets Operations;
 - d. uploads to the Data Room did not include any marketing materials and no template Future SISP timeline had been prepared;
 - e. the Applicants’ Financial Advisor had not prepared an interested parties listing that was available to be shared with the Monitor; and
 - f. the Monitor would be granted access to the Data Room in the following days.
25. The Monitor was provided access to the Data Room on October 30, 2025. Upon being granted access, the Monitor reviewed the information contained in the Data Room. It was the Monitor’s view that the Data Room as then populated would not provide sufficient information to inform potentially interested parties about the operations and businesses of the Applicants in the Future SISP.
26. The Monitor advised the Applicants’ counsel of its view that the information in the Data Room was currently insufficient and offered to assist the Applicants and the Applicants’

Financial Advisor by providing a list of data room items which (in the Monitor’s experience), were commonly requested by lenders and investors in a sales or investor solicitation process. Additionally, the Monitor advised that it would undertake to prepare a separate interested parties list to ensure a full canvassing of the market once the Future SISP is launched.

27. On October 31, 2025, the Monitor provided the Applicants’ Counsel with a detailed listing of documents to be added to the Data Room. The Monitor focused its listing on documents that should be readily available to the Applicants and would be integral in the review that would be completed by potential investors or lenders in the Future SISP.
28. As at the date of this Fourth Report, the Monitor notes that the Data Room still does not contain a level of documentation which would be expected for a robust sales and investment solicitation process to be run. In the Monitor’s view, to date, the Applicants’ Future SISP Preparations have not progressed with sufficient diligence, and the Monitor believes more progress and more diligent efforts in relation to the Future SISP are required.

CLAIMS PROCESS

29. The Claims Procedure Order as granted by this Court, provided for the following timeline for the submission of pre-filing and restructuring period claims:

<u>Timeframe</u>	<u>Activity</u>
August 8, 2025	Monitor to send out General Claims Package in accordance with Claims Procedure Order
September 4, 2025	Pre-Filing Claims Bar Date and Pre-Filing D&O Claims Bar Date
September 4, 2025	Restructuring Period Claims Bar Date and Restructuring Period D&O Claims Bar Date

30. The Monitor completed the following with respect to noticing of the Claims Process:
- a. posted a notice of the Claims Process (the “**Notice of Claims Process**”) to the Monitor’s website on August 5, 2025;
 - b. emailed the Notice of Claims Process to all persons on the Service List on August 5, 2025;
 - c. on or around August 5, 2025, mailed a Notice of Claims Process to all known creditors of the Applicants; and
 - d. published advertisements in the National Post and Wall Street Journal on August 7, 2025 and August 8, 2025, respectively.
31. The Monitor has prepared the below tables which present the total dollars of claims received (categorized by the entity they are filed against), and noting the claimed priority of the pre-filing and restructuring period claims.

Pre-Filing Claims				
	Secured	Unsecured	Equity	Total
CCAA Applicants				
Sunterra Farms	\$ 176,078,824	\$ 2,665,672	\$ 1,364,746	\$ 180,109,243
Sunwold Farms	17,624,661	1,348,819	-	18,973,480
Sunterra Food	174,544,725	3,253,661	1,544,324	179,342,710
Trochu	174,544,725	653,222	-	175,197,946
Markets	174,544,725	1,125,293	-	175,670,018
Sunterra Beef	174,544,725	389,961	-	174,934,686
Lariagra Farms	176,078,824	43,326	-	176,122,150
Sunterra Farm Enterprises	174,544,725	3,060,000	6,034,460	183,639,184
Sunterra Enterprises	174,722,911	4,000,000	963,040	179,685,951
All Applicant Entities	-	9	983,791	983,800
US Entities				
Sunterra Farms Iowa	16,090,561	-	-	16,090,561
Sunwold Farms Inc	16,090,561	-	-	16,090,561
Total	\$ 1,449,409,966	\$ 16,539,964	\$ 10,890,361	\$ 1,476,840,291

Restructuring Period Claims

	Secured	Unsecured	Equity	Total
CCAA Applicants				
Sunterra Farms	\$ -	\$ 542,521	\$ -	\$ 542,521
Sunwold Farms	-	912,927	-	912,927
Markets	-	124,817	-	124,817
Total	\$ -	\$ 1,580,265	\$ -	\$ 1,580,265

32. As at the date of this Fourth Report, the Monitor has received pre-filing claims totaling \$1.5 billion (the “**Pre-Filing Claims**”) and restructuring period claims of \$1.6 million (the “**Restructuring Period Claims**”) and collectively with the Pre-Filing Claims the “**Filed Claims**”). Included in these claims are the claims filed by the Applicants’ subsidiaries located in the United States.
33. The Claims Process also called for claims against the Applicants’ directors and officers. A summary of the claims received is shown in the below table:

D&O Claims

	Pre-Filing	Total
Ray Price	\$ 172,733,723	\$ 172,733,723
Joyce Lord	160,183,948	160,183,948
David Price	160,183,948	160,183,948
Allan Price	160,183,948	160,183,948
Glen Price	160,183,948	160,183,948
Arthur Price	160,183,948	160,183,948
Total D&O Claims	\$ 973,653,464	\$ 973,653,464

34. The Monitor notes the following with respect to the claims which have been filed:
- the claims have been reviewed by the Monitor and the Applicants but have not yet been adjudicated;
 - a number of claims have been filed against multiple Applicants and as such the total dollar value of claims filed may not be indicative of the total exposure of the Applicants on a total dollar value basis; and

c. the above summaries exclude any claims which may arise from NBC or Compeer during the Litigation Process.

35. The Monitor will work with the Applicants to complete an adjudication of the claims received once the Litigation Process is completed and the Applicants are further along in their restructuring efforts.

SECOND CASH FLOW STATEMENT

36. The Applicants' actual cash flow in comparison to the Second Cash Flow Statement for the period of July 5, 2025 to November 28, 2025 is summarized below:

21-Week Period Ending November 28, 2025			Variance
	Actual	Forecast	\$
<i>(CAD's)</i>			
Receipts			
Farms receipts	\$ 12,941,178	\$ 11,651,539	\$ 1,289,640
Markets receipts	21,593,043	23,240,000	(1,646,957)
Total Receipts	\$ 34,534,221	\$ 34,891,539	\$ (357,318)
Disbursements			
<u>Farms</u>			
Feed purchases	(3,791,355)	(3,525,900)	(265,455)
Barn utilities	(294,970)	(372,930)	77,960
Medication/vaccines	(766,879)	(984,250)	217,371
Transportation	(829,835)	(804,120)	(25,715)
Other opex	(1,531,430)	(1,626,898)	95,468
Employee expenses	(2,461,882)	(2,522,400)	60,518
<u>Markets</u>			
Opex	(15,501,235)	(16,607,992)	1,106,757
Employee expenses	(6,410,378)	(6,525,000)	114,622
<u>Other Entity Operating Expenses</u>	<u>(127,033)</u>	<u>(274,440)</u>	<u>147,407</u>
Total Disbursements	(31,714,997)	(33,243,930)	1,528,932
Operational Cash Flow	\$ 2,819,224	\$ 1,647,609	\$ 1,171,615
<u>Non-Operational Items</u>			
Interest expense	(679,619)	(784,678)	105,059
Professional Fees	(1,158,863)	(1,368,664)	209,801
Inter-company bank transfers	-	-	-
Non-operational receipts	4,218	5,398,700	(5,394,482)
Dedicated Loan Repayment	(4,218)	(5,398,700)	5,394,482
Total Non-Operational Items	(1,838,482)	(2,153,342)	314,860
Total Net Cash flow	\$ 980,742	\$ (505,733)	\$ 1,486,475
Opening Cash	\$ 1,172,891	\$ 1,172,891	\$ -
Net Cash flow	980,742	(505,733)	1,486,475
Ending Balance	\$ 2,153,633	\$ 667,158	\$ 1,486,475

37. The Applicants' Farm Operations have had strong results and had receipts which outperformed the forecast by approximately \$1.3 million, driven by realized pricing and sales volumes. Farms Operations disbursements were slightly lower than forecast as run rates for medication and other operating expenses more than offsetting the higher feed and transportation expenses associated with higher sales volumes.
38. Market Operations have performed worse than forecast by approximately \$425,000, with lower vendor purchases and employee expenses only partially offsetting receipts that were \$1.6 million lower than forecast.
39. The Applicants' non-operating entities (Trochu, Sunterra Food, Sunterra Enterprises and Sunterra Farm Enterprises) have performed slightly better than forecast due to permanent positive variances in run rates of operating expenses.
40. Professional fees have a positive variance of approximately \$210,000, which is timing related and is partly owing to the fact that certain professional fees have been incurred and invoiced to the Applicants and the Applicants have delayed payment of some invoices. Accordingly, this positive variance is expected to reverse in future periods as the Applicants make payment on professional fees invoiced in prior months and further professional fees are incurred through December of 2025.
41. Forecasted non-operational receipts included insurance proceeds of \$3.0 million from an insurance claim with AgriStability related to low hog prices in prior years (the "**AgriStability Claim**") and a land sale for \$600,000. Neither of these receipts were collected, as the AgriStability Claim is still being negotiated with the insurance provider and the land sale has not yet been presented to or approved by this Court. The reduction in non-operational receipts has also reduced dedicated loan repayments by the same negative variance of \$5.4 million, as the Applicants had intended to utilize these proceeds to repay portions of their secured debts once received.

42. The Monitor has been making persistent inquiries of the Applicants with respect to the status of the \$3.0 million AgriStability Claim. The receipt related to the AgriStability Claim was initially forecast to be collected in August 2025. As this is a material forecasted receipt, the Monitor, as part of its duty to review the reasonableness of the cash flow forecast, has been asking for updates on the timing and quantum of the forecast insurance receipt. The Monitor has requested to speak to the Applicants advisor Meyers Norris and Penny LLP (“MNP”) who has been assisting the Applicants with the AgriStability Claim to obtain a further understanding of the claim status, to date the Applicants have not agreed to coordinate a discussion between the Monitor and MNP.
43. The Monitor has the following additional comments with respect to material variances in actual receipts and disbursements as compared to the Second Cash Flow Statement:
- a. receipts are lower than forecast by approximately \$357,000 due to:
 - i. Farms Operations receipts being ahead of forecast by approximately \$1.3 million due to increased sales volumes and realized hog pricing; and
 - ii. Markets Operations receipts being below forecast by approximately \$1.6 million due to lower than forecast weekly sales;
 - b. disbursements were lower than forecast by approximately \$1.5 million, as:
 - i. Farms Operations disbursements were lower than forecast by approximately \$160,000 due to a combination of: medication costs and other operating expenses being lower than expected and run rates and employee expenses being lower than forecast due to lower hourly employee staffing needs. Utilities were also lower than forecast; however, this is partially attributable to timing and is expected to reverse in future periods. These positive variances were offset by feed and transportation costs being permanently higher than expected as a result of higher than expected pig production;

- ii. Markets Operations disbursements are lower than forecast by approximately \$1.2 million, due to a reduction in food purchasing costs and employee costs correlated to lower than forecast sales; and
 - iii. other entity operating expenses were approximately \$147,000 lower than forecast with the majority relating to Trochu whose operating expenses relating to the closed facility were less than expected;
- c. interest expense was lower than forecast by approximately \$105,000 due to variance in prevailing interest rates, resulting in interest charged on indebtedness being lower than forecast;
 - d. Non-operational receipts were lower than forecast by approximately \$3.6 million due a vacant land sale for \$600,000 not yet being completed and \$3.0 million in AgriStability insurance proceeds for not being collected as the Applicants were required to provide additional documentation to support their AgriStability insurance claim; and
 - e. dedicated loan repayments were approximately \$5.4 million lower than forecast, as they were forecast to be directly tied to collection of non-operational receipts.
44. As at November 28, 2025, the Applicants have an ending cash balance of approximately \$2.2 million, higher than the forecasted ending cash balance by approximately \$1.5 million.

THIRD CASH FLOW STATEMENT

45. Management has prepared the Third Cash Flow Statement to set out the Applicants' liquidity requirements for the 14-week period ending March 6, 2026 (the "**Forecast Period**"). A copy of the Third Cash Flow Statement is attached as Appendix B.

46. The Third Cash Flow Statement is summarized as follows:

Week Ending (Friday)	14-Week Forecast
<i>(CAD's)</i>	Total
Receipts	
Farms receipts	\$ 9,641,250
Markets receipts	15,607,795
Total Receipts	\$ 25,249,045
Disbursements	
<u>Farms</u>	
Feed purchases	(2,464,000)
Barn utilities	(177,000)
Medication/vaccines	(538,500)
Transportation	(564,200)
Other opex	(995,400)
Employee expenses	(1,631,000)
<u>Markets</u>	
Cost of goods sold	(11,745,945)
Employee expenses	(4,345,122)
<u>Other Entity Operating Expenses</u>	(130,020)
Total Disbursements	(22,591,187)
Operational Cash Flow	2,657,858
<u>Non-Operational Items</u>	
Interest expense	(649,865)
Professional fees	(732,500)
Inter-company bank transfers	-
Non-operational receipts	3,000,000
Dedicated Loan Repayment	(3,000,000)
Total Non-Operational Items	(1,382,365)
Total Net Cash flow	\$ 1,275,494
Opening Cash	\$ 2,153,633
Net Cash flow	1,275,494
Ending Balance	\$ 3,429,126

47. As set out in the Third Cash Flow Statement, during the Forecast Period, the Applicants estimate:

- a. operating cash receipts of approximately \$25.2 million;
- b. operating disbursements of approximately \$22.6 million;
- c. interest payments of approximately \$650,000 with respect to the Applicants' secured lenders, NBC, FCC and ATB;

- d. professional fees of approximately \$733,000;
 - e. further Non-operational Receipts of \$3.0 million which (consistent with the Preliminary Cash Flow Statement) are contemplated to be used to repay the Applicants' secured creditors in the same amount; and
 - f. positive operating cash flow of approximately \$2.7 million, and positive net cash flow of approximately \$1.3 million (after interest expense and professional fees), resulting in an ending cash balance of approximately \$3.4 million.
48. Detailed notes to the Third Cash Flow Statement are included as an attachment to the Third Cash Flow Statement; however, the Monitor notes the following key assumptions:
- a. farms receipts are generated through the Farm Operations and are based on lean hog futures pricing published by the CME Group, with consideration for estimated feed and other costs related to raising pigs, and the estimated number of pigs to be sold each week;
 - b. Markets Operations receipts are generated from Sunterra Markets' eight food markets, three Starbucks locations and catering sales;
 - c. farms disbursements relate to the operations of the Applicants' nine barns and include employee expenses for barn and head office staff required to support the barns;
 - d. Markets Operations disbursements include cost of goods to be sold at each of the Markets' retail locations and employee expenses for retail staff and head office staff to support the Markets;
 - e. interest and fees related to borrowing costs paid to NBC, FCC and West Market Square Inc. ("WMSI") on a monthly basis. Sunterra Enterprises holds 50% of the

shares in WMSI, which in turn owns a retail location that one of the Sunterra Markets stores operates out of. Interest payments due to WMSI relate to a loan from WMSI to Sunterra Enterprises;

- f. professional fees for the Applicants' legal counsel, the Monitor, and the Monitor's legal counsel;
- g. Non-operational Receipts relating to insurance proceeds are expected to be completed and received during the forecast period; and
- h. the Third Cash Flow Statement contemplates that the Non-operational Receipts from the AgriStability Claim will be used to repay amounts owed by the Applicants' secured lenders. The repayments are indicative only and sourced from proceeds generated by third parties and, as such, are subject to variances in timing and other factors beyond the control of the Applicants. Any such variations shall not be considered a material adverse event and will be made available as and when received by the Applicants. The repayments as set out in the Second Cash Flow Statement are to be made to secured lenders provided the Monitor consents to such payments being made as contemplated in paragraph 5(d) of the ARIO.

MONITOR'S COMMENTS ON THE THIRD CASH FLOW STATEMENT

- 49. Section 23(1)(b) of the CCAA states that the Monitor shall, "review the company's cash-flow statement as to its reasonableness and file a report with the court on the Monitor's findings".
- 50. Pursuant to section 23(1)(b) of the CCAA, and in accordance with the Canadian Association of Insolvency and Restructuring Professionals Standard of Practice 09-1, the Monitor hereby reports as follows:

- a. the Third Cash Flow Statement has been prepared by Management for the purpose described in the notes to the Third Cash Flow Statement, using the probable assumptions and the hypothetical assumptions set out therein;
- b. the Monitor's review consisted of inquiries, analytical procedures and discussion related to information supplied by certain of Management and employees of the Applicants. Since hypothetical assumptions need not be supported, the Monitor's procedures with respect to those assumptions were limited to evaluating whether they were consistent with the purpose of the Third Cash Flow Statement. The Monitor has also reviewed the information provided by Management in support of the probable assumptions and the preparation and presentation of the Third Cash Flow Statement;
- c. based on its review, and as at the date of this Report, nothing has come to the attention of the Monitor that causes it to believe that, in all material respects:
 - i. the hypothetical assumptions are not consistent with the purpose of the Third Cash Flow Statement;
 - ii. the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Third Cash Flow Statement, given the hypothetical assumptions; or
 - iii. the Third Cash Flow Statement does not reflect the probable and hypothetical assumptions;
- d. since the Third Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the Third Cash Flow Statement

will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information present in this Report, or relied upon by the Monitor in preparing this Report; and

- e. the Third Cash Flow Statement has been prepared solely for the purpose of estimating liquidity requirements of the Applicants during the Forecast Period. The Third Cash Flow Statement should not be relied upon for any other purpose.

EXTENSION OF THE STAY OF PROCEEDINGS

51. The Monitor has considered the Applicants' application for the extension of the Stay of Proceedings to February 28, 2026, and has the following comments:

- a. the Applicants are projected to have sufficient available liquidity to fund their ongoing obligations and the costs of the CCAA Proceedings during the term of the proposed extension of the Stay of Proceedings;
- b. the proposed extension of the Stay of Proceedings will allow for the Court to issue a decision (the "**Litigation Decision**") with respect to the ongoing dispute between NBC, Compeer and the Applicants, and then, once the outcome of the Litigation Decision is known, allow sufficient time for the Applicants and other key stakeholders to consider and prepare for next steps;
- c. the Monitor is of the view that the Applicant's creditors and other stakeholders will not be materially prejudiced as a result of the proposed extension of the Stay of Proceedings.

52. As described in the Second Report, the Monitor supported the extension of the Stay of Proceedings at the July Application contingent on what became the Litigation Process and the Applicants commencing preparation steps for a Future SISF. As described above, the Monitor is of the view that the steps taken by the Applicants with respect to Future SISF Preparations have not progressed with due diligence. Despite this, the Monitor is of the

view that the extension of the Stay of Proceedings is necessary to allow for the Litigation Decision to be issued as it is in the best interest of all stakeholders to have clarity with respect to the alleged cheque kiting and the resulting claims from NBC and Compeer. In the meantime, the Monitor urges more diligent efforts and collaboration from the Applicants with respect to the Future SISP Preparations. The Monitor also requests more open and transparent communication on the AgriStability Claim from the Applicants.

CONCLUSIONS

53. The Monitor is of the view that the extension of the Stay of Proceedings to February 28, 2026 is necessary, reasonable and justified in the circumstances and the Monitor respectfully recommends that this Court grant the Stay Extension Order.

All of which is respectfully submitted this 8th day of December 2025.

FTI Consulting Canada Inc., in its capacity as
the Monitor of the Applicants
and not in its personal or corporate capacity



Dustin Oliver, CA, CPA, CIRP, LIT
Senior Managing Director
FTI Consulting Canada Inc.

Appendix A

Monitor's July Letter to the Applicants

July 31, 2025

Sent By Email

Blue Rock Law LLP
700, 215 - 9th Avenue SW,
Calgary, AB T2P 1K3

Attention: David Mann, K.C.

Norton Rose Fulbright Canada LLP
400 3rd Avenue SW, Suite 3700
Calgary, Alberta T2P 4H2 Canada

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Our reference
1001338711

Your reference

Dear Mr. Mann:

ITMO 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. (collectively, the Sunterra Group CCAA Entities)

We write on behalf of FTI Consulting Ltd. (**FTI**, or the **Monitor**) in its capacity as Court-appointed Monitor of the Sunterra Group CCAA entities, and further to the Monitor's prior letter to you of June 16th, 2025 (the **June 16th Letter**), copied to counsel for National Bank of Canada (**NBC**) and Compeer Financial, PCA (**Compeer**).

The Monitor's June 16th Letter expressed the Monitor's recommendation that the Sunterra Group CCAA entities take at least initial steps toward the establishment of a sales and investment solicitation process (a **SISP**), and do so concurrently with any claims process to determine the NBC and Compeer Claims.

The Monitor repeated this comment in its Second Report dated July 18th, 2025 (at paragraph 35):

"In order to ensure the Applicants are advancing their CCAA restructuring with due diligence, the Monitor is of the view that the Applicants should, in parallel with a Claims Process, be taking active steps to advance a recapitalization or refinancing process of the Applicants' business including by making preparations for a sale and investment solicitation process to ensure they are prepared for a refinancing and or sale that will likely be undertaken once a Claims Process has been completed (the "**Future SISP**"). Such a Future SISP should include milestones and deadlines in order to ensure timely reporting to the Monitor is fully informed with respect to the Applicants' progress."

The Monitor went on to suggest the following interim steps (Monitor's Second Report at paragraph 37) as potential initial milestones for a SISP:

- engaging a Financial Advisor;
- compiling documents for a date room;
- preparing marketing materials (such as a teaser or invitation to submit proposals; and

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- preparing an interested party list (refinancing lenders, investors and potential strategic purchasers).

(the **Proposed SISP Milestones**)

Since the June 16th Letter, the Monitor has heard from counsel for NBC, Compeer and FCC; all of these lenders have expressed agreement with the Monitor's position as set out in the June 16th Letter.

On Friday, June 25th, the parties appeared in Court on the matter of the Claims Process; the Court noted the Monitor's position and NBC's comments in that regard but did not make an order on the subject of a SISP, but left that matter for further discussion by the parties.

We write in the interest of resuming that discussion, and to propose that the parties and creditors agree that the Sunterra Group Companies take steps toward the Proposed SISP Milestones, and that these be intended to occur by certain specified dates such that all of the Proposed SISP Milestones are completed during the stay extension period.

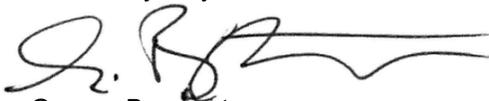
Completion of the Proposed SISP Milestones during that period should be manageable. We understand the companies have already engaged Hawco Peters as a Financial Advisor; that milestone could be satisfied by providing the Monitor with the terms of Hawco Peters' engagement to confirm it includes assistance with a marketing or sales solicitation process. The other Proposed SISP Milestones are not intended to limit the options of the Sunterra Group Companies in any way; rather, the intention is to use the intervening months of this stay extension period to conduct preparatory work for a SISP, such that in the eventuality a refinancing or recapitalization of Sunterra's business is required, the ensuing process will be more efficient and will reduce further delay and cost.

In the Monitor's view, the length and complexity of the upcoming Claims process are reasons that the Sunterra Group Companies should be taking steps now to ensure that (if it is ultimately required) a SISP can be commenced quickly and efficiently. The best way to achieve that is to ensure the completion of at least the Proposed SISP Milestones during the next stay extension period, in order to allow the companies to better consider their options at the end of the Claims process.

Accordingly, the Monitor proposes that the parties engage in discussions intended to lead to a letter agreement whereby the Sunterra Group Companies will take diligent steps toward the Proposed SISP Milestones, with the aim of completing those steps prior to the next stay extension application.

We look forward to your reply. Should you have questions or concerns regarding the foregoing, kindly contact the writer.

Yours very truly,



Gunnar Benediktsson
Partner

GB/cj

Cop(y/ies) to: Howard Gorman, K.C. (Norton Rose Fulbright Canada LLP)
 Dustin Olver and Robert Kleebaum (FTI Consulting)

Appendix B

Monitor's August Letter to the Applicants

August 15, 2025

Sent By Email

Blue Rock Law LLP
700, 215 – 9th Avenue SW
Calgary, AB T2P 1K3

Norton Rose Fulbright Canada LLP
400 3rd Avenue SW, Suite 3700
Calgary, Alberta T2P 4H2 Canada

F: +1 403.264.5973

nortonrosefulbright.com

Attention: David Mann, K.C., and Scott Chimuk

Gunnar Benediktsson

+1 403.267.8256

gunnar.benediktsson@nortonrosefulbright.com

Our reference
1001338711

Your reference

Dear Mr. Mann and Mr. Chimuk:

ITMO SUNTERRA FOOD CORPORATION, TROCHU MEAT PROCESSORS LTD., SUNTERRA QUALITY FOOD MARKETS INCO., SUNTERRA FARMS LTD., SUNWOLD FARMS LIMITED, SUNTERRA BEEF LTD., LARIAGRA FARMS LTD., SUNTERRA FARM ENTERPRISES LTD., SUNTERRA ENTERPRISES INC. (collectively, the Sunterra Group CCAA Entities)

We write further to our letters of July 16th and 31st, in which we raised the Monitor's recommendation regarding the taking of initial steps relating to a SISP.

Since then, we have had a discussion with the Company in which we were advised that a further retainer payment was made in early August to Hawco Peters, presumably further to instructions to commence work on the initial SISP steps set out in our July 31st letter. We assume Hawco Peters is now fully engaged and working on some of the initial steps we recommended.

In that regard, we write to request a further progress update. In addition, we had previously requested that FTI be authorized to communicate directly with Hawco Peters regarding its work for Sunterra. Please confirm that we may do so and we will reach out on behalf of our client.

Yours very truly,



Gunnar Benediktsson

GB/cj

Copy to: Howard Gorman, K.C. (Norton Rose Fulbright Canada LLP)

Appendix C

Third Cash Flow Statement

Sunterra Group
Consolidated Cash Flow Statement

Week Ending (Friday)	5-Dec-25 Forecast	12-Dec-25 Forecast	19-Dec-25 Forecast	26-Dec-25 Forecast	2-Jan-26 Forecast	9-Jan-26 Forecast	16-Jan-26 Forecast	23-Jan-26 Forecast	30-Jan-26 Forecast	6-Feb-26 Forecast	13-Feb-26 Forecast	20-Feb-26 Forecast	27-Feb-26 Forecast	6-Mar-26 Forecast	14-Week Forecast
(CAD's)	Wk 1	Wk 2	Wk 3	Wk 4	Wk 5	Wk 6	Wk 7	Wk 8	Wk 9	Wk 10	Wk 11	Wk 12	Wk 13	Wk 14	Total
Receipts															
Farms receipts	\$ 787,020	\$ 646,316	\$ 478,783	\$ 401,000	\$ 857,549	\$ 659,171	\$ 951,193	\$ 563,148	\$ 836,627	\$ 515,156	\$ 863,435	\$ 606,649	\$ 663,609	\$ 811,595	\$ 9,641,250
Markets receipts	1,078,795	1,139,000	1,500,000	1,500,000	1,039,000	1,039,000	1,039,000	1,039,000	1,039,000	1,039,000	1,039,000	1,039,000	1,039,000	1,039,000	15,607,795
Total Receipts	\$ 1,865,815	\$ 1,785,316	\$ 1,978,783	\$ 1,901,000	\$ 1,896,549	\$ 1,698,171	\$ 1,990,193	\$ 1,602,148	\$ 1,875,627	\$ 1,554,156	\$ 1,902,435	\$ 1,645,649	\$ 1,702,609	\$ 1,850,595	\$ 25,249,045
Disbursements															
<u>Farms</u>															
Feed purchases	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(176,000)	(2,464,000)
Barn utilities	-	-	-	(59,000)	-	-	-	(36,000)	(23,000)	-	-	(36,000)	(23,000)	-	(177,000)
Medication/vaccines	(80,000)	(29,500)	(20,000)	(13,500)	(80,000)	(29,500)	(20,000)	(13,500)	(80,000)	(29,500)	(20,000)	(13,500)	(80,000)	(29,500)	(538,500)
Transportation	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(40,300)	(564,200)
Other opex	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(71,100)	(995,400)
Employee expenses	(48,000)	(185,000)	(48,000)	(185,000)	(48,000)	(185,000)	(48,000)	(185,000)	(48,000)	(185,000)	(48,000)	(185,000)	(48,000)	(185,000)	(1,631,000)
<u>Markets</u>															
Cost of goods sold	(1,058,898)	(832,000)	(1,170,047)	(1,095,000)	(759,000)	(759,000)	(759,000)	(759,000)	(759,000)	(759,000)	(759,000)	(759,000)	(759,000)	(759,000)	(11,745,945)
Employee expenses	(320,122)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(4,345,122)
Other Entity Operating Expenses	(28,500)	(5,300)	-	(40)	(15,900)	(17,900)	-	-	(40)	(28,500)	(5,300)	-	-	(28,500)	(130,020)
Total Disbursements	(1,822,920)	(1,614,200)	(1,875,447)	(1,914,940)	(1,540,300)	(1,553,800)	(1,464,400)	(1,555,900)	(1,547,440)	(1,564,400)	(1,469,700)	(1,555,900)	(1,547,400)	(1,564,440)	(22,591,187)
Operational Cash Flow	42,896	171,116	103,336	(13,940)	356,249	144,371	525,793	46,248	328,187	(10,244)	432,735	89,749	155,209	286,155	2,657,858
<u>Non-Operational Items</u>															
Interest expense	(162,466)	-	-	-	(94,420)	(68,047)	-	-	-	(162,466)	-	-	-	(162,466)	(649,865)
Professional fees	(52,500)	(15,000)	(162,500)	-	(52,500)	-	(132,500)	-	(52,500)	-	(212,500)	-	(52,500)	-	(732,500)
Inter-company bank transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-operational receipts	-	-	-	-	-	-	-	-	3,000,000	-	-	-	-	-	3,000,000
Dedicated Loan Repayment	-	-	-	-	-	-	-	-	(3,000,000)	-	-	-	-	-	(3,000,000)
Total Non-Operational Items	(214,966)	(15,000)	(162,500)	-	(146,920)	(68,047)	(132,500)	-	(52,500)	(162,466)	(212,500)	-	(52,500)	(162,466)	(1,382,365)
Total Net Cash flow	\$ (172,071)	\$ 156,116	\$ (59,164)	\$ (13,940)	\$ 209,329	\$ 76,325	\$ 393,293	\$ 46,248	\$ 275,687	\$ (172,711)	\$ 220,235	\$ 89,749	\$ 102,709	\$ 123,688	\$ 1,275,494
Opening Cash	\$ 2,153,633	\$ 1,981,562	\$ 2,137,678	\$ 2,078,514	\$ 2,064,574	\$ 2,273,903	\$ 2,350,228	\$ 2,743,521	\$ 2,789,769	\$ 3,065,455	\$ 2,892,745	\$ 3,112,980	\$ 3,202,729	\$ 3,305,438	\$ 2,153,633
Net Cash flow	(172,071)	156,116	(59,164)	(13,940)	209,329	76,325	393,293	46,248	275,687	(172,711)	220,235	89,749	102,709	123,688	1,275,494
Ending Balance	\$ 1,981,562	\$ 2,137,678	\$ 2,078,514	\$ 2,064,574	\$ 2,273,903	\$ 2,350,228	\$ 2,743,521	\$ 2,789,769	\$ 3,065,455	\$ 2,892,745	\$ 3,112,980	\$ 3,202,729	\$ 3,305,438	\$ 3,429,126	\$ 3,429,126

Sunterra Group
Art Price

Consolidated Cash Flow of the Sunterra Group

Notes to the Third Statement of Cash Flow for the 14-Week period ending March 6, 2026

Purpose and General Assumptions of the Cash Flow Statement

Sunterra Farms Ltd. (“**Sunterra Farms**”), Sunterra Food Corporation (“**Sunterra Food**”), Sunterra Quality Food Markets Inc. (“**Sunterra Markets**”), Sunwold Farms Limited (“**Sunwold**”), Trochu Meat Processors Ltd. (“**Trochu**”), Sunterra Beef Ltd. (“**Sunterra Beef**”), Lariagra Farms Ltd. (“**Lariagra**”), Sunterra Farm Enterprises Ltd. (“**Sunterra Farm Enterprises**”) and Sunterra Enterprises Inc. (“**Sunterra Enterprises**” and collectively, the “**Sunterra Group**” or the “**Applicants**”) have prepared this cash flow statement and the accompanying notes (collectively, the “**Third Cash Flow Statement**”). The Applicants have prepared the Third Cash Flow Statement on a consolidated basis based on probable and hypothetical assumptions that reflect the Applicants’ planned course of action for the period from November 29, 2025, to March 6, 2026 (the “**Forecast Period**”). The Applicant’s management (“**Management**”) is of the opinion that, as at the date of filing the Third Cash Flow Statement, the assumptions used to develop the projection represent the most probable set of economic conditions facing the Applicants and that the assumptions used proved a reasonable basis for and are consistent with the purpose of the Third Cash Flow Statement. This Third Cash Flow Statement should not be used for any other purpose, and creditors are cautioned that the information provided in the Third Cash Flow Statement could vary based on changing future circumstances.

It is assumed that all amounts owing prior to the NOI proceedings are stayed. Post-filing payments are to be made in normal course.

Disbursements are based on historical run-rates and input from Management.

The projected Third Cash Flow Statement is prepared in Canadian dollars.

Hypothetical and Probably Assumptions of the Third Cash Flow Statement

1. Farm receipts are generated by the Sunterra Group’s farming operations from Sunterra Farms, Sunwold and Lariagra and relate to (i) the revenues generated from the sale of isowean and feeder pigs which are transported to the USA to be marketed and sold each week. The weekly pricing and corresponding receipts are estimated based on lean hog futures pricing published by the CME Group, with consideration for estimated feed and other costs related to raising pigs; and (ii) the revenues from the sale of herd culls and

other fully grown pigs sold within Canada. The pricing for the sale of these pigs is based off current market prices in Canada.

2. Markets receipts are generated by Sunterra Markets and relate to: (i) estimated weekly sales from 8 retail markets locations and 3 licensed Starbucks locations and are based on historical results and input from Management for sale trends consistent with the current business operations; and (ii) sales for catering services based on historical results and input from Management.
3. Feed purchases are weekly purchases required to feed the pigs.
4. Utilities include estimated monthly internet, water, natural gas, heat and electricity.
5. Livestock medications related to monthly costs for vaccinations and medical supplies for the welfare of the pigs.
6. Transportation costs relate to the transport of livestock from the Sunterra Groups barns located in and around Acme, AB to the location of the purchasers barns which is most commonly in the Mid-West United States. Total transportation costs are based on Management's estimate for the number of livestock being transported and the estimated distance of each shipment.
7. Other operating costs include all other expenses incurred for the operations of the farm.
8. Salaries, wages, remittances and all employee benefits for salaries and hourly employees paid on a bi-weekly basis. In the Third Cash Flow Statement, employee expenses are separated between farming operations and the operations of the Sunterra Markets. The employee expenses for farming operations also support the other operating entities, which currently have limited operations.
9. Cost of Goods Sold are estimated based on current inventory levels at each of the Sunterra Markets' locations and information provided through the inventory management system. Weekly disbursements are estimated by Management based on their knowledge of the supplies turnover and payment terms of individual vendors.
10. Operating expenses for other operating entities include the miscellaneous expenses for the operations of Trochu to Sunterra Food, Sunterra Farm Enterprises, Sunterra Enterprises and Sunterra Beef.
11. Interest and fees related to borrowing costs paid on a monthly basis. The interest payments include amounts due to NBC from Sunterra Food, Farm Credit Canada from Sunterra Farms and Lariagra, and West Market Square Inc. ("WMSI") from Sunterra Enterprises. WMSI is a subsidiary of Sunterra Enterprises, but is not a CCAA Applicant.
12. Includes the estimated payments to the Applicants' legal counsel, the Monitor and the Monitor's legal counsel. These are forecast costs that may vary depending on the complexity and uncertainty of these CCAA proceedings.
13. Inter-company bank transfers net to nil in the consolidated Third Cash Flow Statement, include payments via inter-company loan between the Sunterra Group. The majority of transfers originate from Sunwold as the entity which is forecast to generate the most excess cash flow over the Forecast Period. Markets and Sunterra Food are forecast to be

the recipient of inter-company transfers due to operational losses and interest charges, respectively.

14. Non-operational receipts relate to insurance proceeds of \$3.0 million due to Sunwold payable through AgriStability, a federal/provincial program, from a claim relating to previous years operating results are anticipated to be received in Week 9;
15. The Third Cash Flow Statement contemplates that the non-operational receipts from insurance proceeds will be used to repay amounts owed by the Sunterra Group's secured lenders. The repayments are indicative only and sourced from proceeds generated by third parties and, as such, are subject to variances in timing and other factors beyond the control of the Applicants. Any such variations shall not be considered a material adverse event and will be made available as and when received by the Applicants. The repayments as set out in the Third Cash Flow Statement are to be made to secured lenders provided the Monitor consents to such payments being made as contemplated in paragraph 5(d) of the ARIO.
16. Opening cash is expected to be \$2,153,633 for the Sunterra Group as a whole as at November 29, 2025.

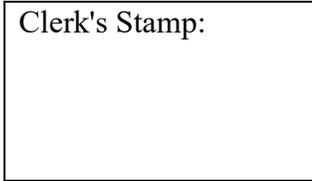
UNAUDITED CASH FLOW FORECAST PREPARED BY MANAGEMENT, MUST BE READ IN CONJUNCTION WITH THE NOTES AND ASSUMPTIONS

Sunterra Group



Art Price

Director



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 **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: **BENNETT JONES LLP**
 Barristers and Solicitors
 4500, 855 – 2nd Street S.W.
 Calgary, Alberta T2P 4K7

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

Telephone No.: 403-298-3100
 Fax No.: 403-265-7219
 Client File No.: 99329.1

AFFIDAVIT OF WHITNEY COLLISTER

Affirmed on February 23, 2026

I, **Whitney Collister**, of **Calgary**, Alberta, **AFFIRM AND SAY THAT:**

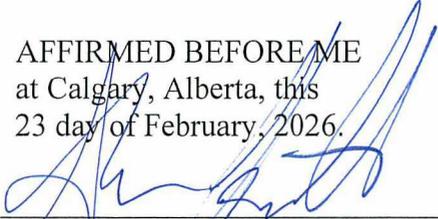
- I am employed by Bennett Jones Services Limited Partnership, a services limited partnership for Bennett Jones LLP, Barristers and Solicitors, solicitors for Compeer

Financial, PCA ("**Compeer**") and have personal knowledge of the matters deposed to here except where otherwise stated to be based on information and belief.

2. Attached and marked as **Exhibits "A", "B" and "C"** respectively, are copies of corporate searches for Sunterra Farms Ltd., Sunwold Farms Limited, and Sunterra Enterprises Inc. each dated February 19, 2025.
3. Changes were made to the directors in March 2025. Attached and marked as **Exhibits "D", "E" and "F"** respectively, are copies of corporate searches for Sunterra Farms Ltd., Sunwold Farms Limited, and Sunterra Enterprises Inc. each dated February 17, 2026.
4. Attached and marked as **Exhibit "G"** is a copy of the Amended Statement of Claim of Compeer filed in Court of King's Bench Action No. 2501-19283 on November 28, 2025 which added Craig Thomspson, David Price, Arthur Price and Glen Price as defendants.
5. Attached and marked as **Exhibit "H"** is a copy of the Amended Statement of Defence filed in Court of King's Bench Action No. 2501-19283.
6. Attached and marked as **Exhibits "I", "J", and "K"** are copies of enhanced monitor orders containing similar terms to what is being sought by Compeer.
7. Attached and marked as **Exhibit "L"** is a true copy of the Opinion & Order Granting Plaintiff's Motion to Avoid Mandatory Mediation and Motion to Appoint a Receiver issued by the United States District Court for the District of South Dakota on March 28, 2025 in Case No. 4:25-cv-04044-ECS.
8. Attached and marked as **Exhibit "M"** is a true copy of the transcript recording the oral ruling issued by the United States District Court for the District of South Dakota on May 30, 2025 in Case No. 4:25-cv-04044-ECS.
9. On February 13, 2026, Keely Cameron, counsel for Compeer, provided a draft form of order arising from the application heard on December 4 and 5, 2025 and a bill of costs, setting out its solicitor client fees in the amount of \$1,717,274.12. Attached hereto as

Exhibit "N" is a copy of the email and attachments, excluding Appendix "A" to Compeer's bill of costs.

AFFIRMED BEFORE ME
at Calgary, Alberta, this
23 day of February, 2026.

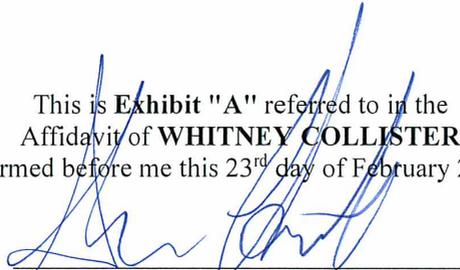

A Commissioner for Oaths
in and for Alberta



WHITNEY COLLISTER

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3 2028

This is **Exhibit "A"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2028

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2025/02/19
 Time of Search: 02:59 PM
 Search provided by: MCCARTHY TETRAULT LLP
 Service Request Number: 43997619
 Customer Reference Number: 143423-580232

Corporate Access Number: 208599100
Business Number: 891989998
Legal Entity Name: SUNTERRA FARMS LTD.
Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Method of Registration: Amalgamation
Registration Date: 2000/01/01 YYYY/MM/DD
Date of Last Status Change: 2007/07/31 YYYY/MM/DD

Revival/Restoration Date: 2007/07/31 YYYY/MM/DD
Registered Office:
Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9
Records Address:
Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Email Address: GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
MULLINS	JASON		GOWLING WLG (CANADA) LLP/GOWLING WLG (CANADA) S.E.N.C.R.L., S.R.L.	1600, 421 - 7TH AVENUE SW	CALGARY	ALBERTA	T2P4K9	GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Directors:

Last Name: PRICE
First Name: DAVID
Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Last Name: PRICE
First Name: GLEN
Street/Box Number: 251251 WELLAND DRIVE
City: CALGARY

2/19/25, 2:59 PM

3415

Province: ALBERTA
Postal Code: T3R1L3

Last Name: PRICE
First Name: ARTHUR
Street/Box Number: 242161 RR 34
City: CALGARY
Province: ALBERTA
Postal Code: T3Z2G2

Last Name: PRICE
First Name: RAY
Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Voting Shareholders:

Legal Entity Name: SUNTERRA FARM ENTERPRISES LTD.
Corporate Access Number: 200549673
Street: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE 'A' ATTACHED HERETO.
Share Transfers Restrictions: SEE SCHEDULE 'B' ATTACHED HERETO.
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE 'C' ATTACHED HERETO.

Holding Shares In:

Legal Entity Name
WEST LAND LIVESTOCK INC.
RANCHER'S BEEF LTD.
GENETIC ALLIANCE LTD.
SUNWOLD FARMS LIMITED
LARIAGRA FARMS LTD.

Other Information:

Amalgamation Predecessors:

Corporate Access Number	Legal Entity Name
200724334	AVID ENTERPRISES LTD
206745317	MOUNTAIN VISTA FARMS LTD.
206379562	SUNTERRA FARMS LTD.

208596916	SUNTERRA FARMS ONTARIO LTD.
203563317	WESTCAN FARMS LTD.

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2024	2024/05/01

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2000/01/01	Amalgamate Alberta Corporation
2007/03/02	Status Changed to Start for Failure to File Annual Returns
2007/07/02	Status Changed to Struck for Failure to File Annual Returns
2007/07/31	Initiate Revival of Alberta Corporation
2007/07/31	Complete Revival of Alberta Corporation
2010/12/20	Change Director / Shareholder
2013/11/24	Change Address
2020/02/17	Update BN
2024/05/01	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2024/09/06	Change Agent for Service

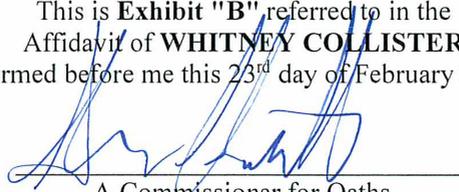
Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Statutory Declaration	10000898000737441	2000/01/01
Amalgamation Agreement	10000698000737442	2000/01/01
Restrictions on Share Transfers	ELECTRONIC	2000/01/01
Other Rules or Provisions	ELECTRONIC	2000/01/01
Share Structure	ELECTRONIC	2000/01/01

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit "B"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2028

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2025/02/19
 Time of Search: 03:00 PM
 Search provided by: MCCARTHY TETRAULT LLP
 Service Request Number: 43997615
 Customer Reference Number: 143423-5802323

Corporate Access Number: 2018573952
Business Number: 862034238
Legal Entity Name: SUNWOLD FARMS LIMITED

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Method of Registration: Amalgamation
Registration Date: 2014/11/01 YYYY/MM/DD

Registered Office:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Records Address:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Email Address: GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
MULLINS	JASON		GOWLING WLG (CANADA) LLP/GOWLING WLG (CANADA) S.E.N.C.R.L., S.R.L.	1600, 421 - 7TH AVENUE SW	CALGARY	ALBERTA	T2P4K9	GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Directors:

Last Name: PRICE
First Name: GLEN
Street/Box Number: 251251 WELLAND DRIVE
City: CALGARY
Province: ALBERTA
Postal Code: T3R1L3

Last Name: PRICE
First Name: RAY
Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Voting Shareholders:

Legal Entity Name: SUNTERRA FARMS LTD.
Corporate Access Number: 208599100
Street: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED HERETO.
Share Transfers Restrictions: NO SHARES IN THE CAPITAL STOCK OF THE CORPORATION SHALL BE TRANSFERRED TO ANY PERSON WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS.
Min Number Of Directors: 1
Max Number Of Directors: 15
Business Restricted To: NO RESTRICTIONS.
Business Restricted From: NO RESTRICTIONS.
Other Provisions: NO SECURITIES OF THE CORPORATION, OTHER THAN NON-CONVERTIBLE DEBT SECURITIES, SHALL BE TRANSFERRED TO ANY PERSON WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS.

Other Information:

Amalgamation Predecessors:

Corporate Access Number	Legal Entity Name
2018435459	QUAD AGRA LTD.
2011394372	SUNWOLD FARMS LIMITED

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2023	2024/02/29

Outstanding Returns:

Annual returns are outstanding for the 2024 file year(s).

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2014/11/01	Amalgamate Alberta Corporation
2019/07/18	Name/Structure Change Alberta Corporation
2020/01/30	Change Director / Shareholder
2020/02/22	Update BN
2024/02/29	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2024/09/06	Change Agent for Service

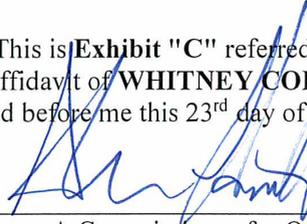
Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2014/11/01
Statutory Declaration	10000307115353240	2014/11/01
Share Structure	ELECTRONIC	2019/07/18

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit "C"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2028

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2025/02/19
 Time of Search: 02:58 PM
 Search provided by: MCCARTHY TETRAULT LLP
 Service Request Number: 43997597
 Customer Reference Number: 143423-580232

Corporate Access Number: 207658741
Business Number: 882714520
Legal Entity Name: SUNTERRA ENTERPRISES INC.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
765874 ALBERTA INC.	1999/10/27

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 1997/12/05 YYYY/MM/DD
Date of Last Status Change: 2000/03/02 YYYY/MM/DD

Registered Office:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Records Address:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Email Address: GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
MULLINS	JASON		GOWLING WLG (CANADA) LLP/GOWLING WLG (CANADA) S.E.N.C.R.L., S.R.L.	1600, 421 - 7TH AVENUE SW	CALGARY	ALBERTA	T2P4K9	GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Directors:

Last Name: PRICE
First Name: GLEN
Street/Box Number: 251251 WELLAND DRIVE
City: CALGARY
Province: ALBERTA
Postal Code: T3R1L3

Last Name: PRICE

First Name: RAY
Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Last Name: PRICE
First Name: ARTHUR
Middle Name: R.
Street/Box Number: 242161 RR 34
City: CALGARY
Province: ALBERTA
Postal Code: T3Z2G2

Last Name: PRICE
First Name: DAVID
Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Voting Shareholders:

Last Name: PRICE
First Name: DAVID
Street: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0
Percent Of Voting Shares: 37.45

Last Name: PRICE
First Name: ARTHUR
Street: 242161 RR 34
City: CALGARY
Province: ALBERTA
Postal Code: T3Z2G2
Percent Of Voting Shares: 29.63

Last Name: PRICE
First Name: DOUGLAS
Street: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0
Percent Of Voting Shares: 3.7

Last Name: PRICE
First Name: GLEN
Street: 251251 WELLAND DRIVE
City: CALGARY
Province: ALBERTA
Postal Code: T3R1L3
Percent Of Voting Shares: 10.12

Last Name: PRICE
First Name: RAY
Street: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA

Postal Code: T0M0A0
Percent Of Voting Shares: 19.11

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED HERETO
Share Transfers NO SHARES OF THE CORP. SHALL BE TRANSFERRED TO ANY PERSON WITHOUT THE APPROVAL OF THE
Restrictions: BOARD OF DIRECTORS
Min Number Of Directors: 1
Max Number Of Directors: 15
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE "B" ATTACHED HERETO

Holding Shares In:

Legal Entity Name
WEST MARKET SQUARE INC.
SUNWOLD FARMS LIMITED
SUNTERRA BEEF LTD.
SUNTERRA KEYNOTE MARKET INC.
PRECISION LIVESTOCK DIAGNOSTICS LTD.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2023	2024/02/29

Outstanding Returns:

Annual returns are outstanding for the 2024 file year(s).

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
1997/12/05	Incorporate Alberta Corporation
2000/02/01	Status Changed to Start for Failure to File Annual Returns
2013/11/24	Change Address
2015/10/22	Name/Structure Change Alberta Corporation
2019/12/09	Change Director / Shareholder
2020/02/17	Update BN
2024/02/29	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2024/09/06	Change Agent for Service

Attachments:

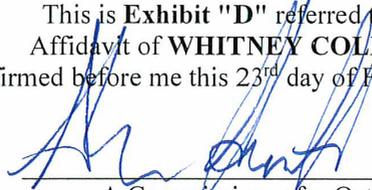
Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	1999/10/27

Share Structure	ELECTRONIC	2015/10/22
Other Rules or Provisions	ELECTRONIC	2015/10/22

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit "D"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2028

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2026/02/17
Time of Search: 12:06 PM
Search provided by: BENNETT JONES LLP (CALGARY)
Service Request Number: 46515034
Customer Reference Number: 99329-1/KC/aar

Corporate Access Number: 208599100
Business Number: 891989998
Legal Entity Name: SUNTERRA FARMS LTD.
Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Method of Registration: Amalgamation
Registration Date: 2000/01/01 YYYY/MM/DD
Date of Last Status Change: 2007/07/31 YYYY/MM/DD

Revival/Restoration Date: 2007/07/31 YYYY/MM/DD

Registered Office:
Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Records Address:
Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Email Address: GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
WILL	STEVE		GOWLING WLG (CANADA) LLP/GOWLING WLG (CANADA) S.E.N.C.R.L., S.R.L.	1600, 421 - 7TH AVENUE SW	CALGARY	ALBERTA	T2P4K9	GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Directors:

Last Name: PRICE
First Name: ARTHUR
Street/Box Number: 242161 RR 34
City: CALGARY
Province: ALBERTA
Postal Code: T3Z2G2

Last Name: PRICE
First Name: RAY

Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Voting Shareholders:

Legal Entity Name: SUNTERRA FARM ENTERPRISES LTD.
Corporate Access Number: 200549673
Street: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE 'A' ATTACHED HERETO.
Share Transfers Restrictions: SEE SCHEDULE 'B' ATTACHED HERETO.
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE 'C' ATTACHED HERETO.

Holding Shares In:

Legal Entity Name
WEST LAND LIVESTOCK INC.
RANCHER'S BEEF LTD.
GENETIC ALLIANCE LTD.
SUNWOLD FARMS LIMITED
LARIAGRA FARMS LTD.

Other Information:

Amalgamation Predecessors:

Corporate Access Number	Legal Entity Name
200724334	AVID ENTERPRISES LTD
206745317	MOUNTAIN VISTA FARMS LTD.
206379562	SUNTERRA FARMS LTD.
208596916	SUNTERRA FARMS ONTARIO LTD.
203563317	WESTCAN FARMS LTD.

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2025	2025/03/04

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2000/01/01	Amalgamate Alberta Corporation
2007/03/02	Status Changed to Start for Failure to File Annual Returns
2007/07/02	Status Changed to Struck for Failure to File Annual Returns
2007/07/31	Initiate Revival of Alberta Corporation
2007/07/31	Complete Revival of Alberta Corporation
2013/11/24	Change Address
2020/02/17	Update BN
2025/03/04	Change Director / Shareholder
2025/03/04	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2025/05/07	Change Agent for Service

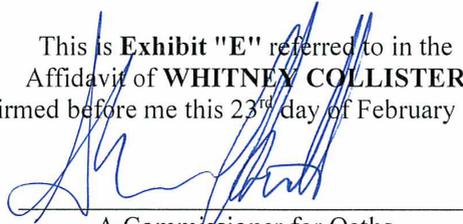
Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Statutory Declaration	10000898000737441	2000/01/01
Amalgamation Agreement	10000698000737442	2000/01/01
Restrictions on Share Transfers	ELECTRONIC	2000/01/01
Other Rules or Provisions	ELECTRONIC	2000/01/01
Share Structure	ELECTRONIC	2000/01/01

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit "E"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2028

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2026/02/17
Time of Search: 12:07 PM
Search provided by: BENNETT JONES LLP (CALGARY)
Service Request Number: 46515042
Customer Reference Number: 99329-1/KC/aar

Corporate Access Number: 2018573952
Business Number: 862034238
Legal Entity Name: SUNWOLD FARMS LIMITED

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Method of Registration: Amalgamation
Registration Date: 2014/11/01 YYYY/MM/DD

Registered Office:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Records Address:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Email Address: GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
WILL	STEVE		GOWLING WLG (CANADA) LLP/GOWLING WLG (CANADA) S.E.N.C.R.L., S.R.L.	1600, 421 - 7TH AVENUE SW	CALGARY	ALBERTA	T2P4K9	GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Directors:

Last Name: PRICE
First Name: ARTHUR
Middle Name: R.
Street/Box Number: 242161 RR 34
City: CALGARY
Province: ALBERTA
Postal Code: T3Z2G2

Last Name: PRICE
First Name: RAY
Street/Box Number: BOX 266, 294009 RANGE ROAD 260

City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Voting Shareholders:

Legal Entity Name: SUNTERRA FARMS LTD.
Corporate Access Number: 208599100
Street: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED HERETO.
Share Transfers: NO SHARES IN THE CAPITAL STOCK OF THE CORPORATION SHALL BE TRANSFERRED TO ANY PERSON
Restrictions: WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS.
Min Number Of Directors: 1
Max Number Of Directors: 15
Business Restricted To: NO RESTRICTIONS.
Business Restricted From: NO RESTRICTIONS.
Other Provisions: NO SECURITIES OF THE CORPORATION, OTHER THAN NON-CONVERTIBLE DEBT SECURITIES, SHALL BE TRANSFERRED TO ANY PERSON WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS.

Other Information:

Amalgamation Predecessors:

Corporate Access Number	Legal Entity Name
2018435459	QUAD AGRA LTD.
2011394372	SUNWOLD FARMS LIMITED

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2024	2025/03/04

Outstanding Returns:

Annual returns are outstanding for the 2025 file year(s).

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2014/11/01	Amalgamate Alberta Corporation
2019/07/18	Name/Structure Change Alberta Corporation
2020/02/22	Update BN
2025/03/04	Enter Annual Returns for Alberta and Extra-Provincial Corp.

2025/03/04	Change Director / Shareholder
2025/05/07	Change Agent for Service

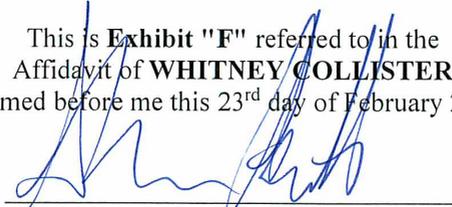
Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2014/11/01
Statutory Declaration	10000307115353240	2014/11/01
Share Structure	ELECTRONIC	2019/07/18

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit "F"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2028

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2026/02/17
Time of Search: 12:08 PM
Search provided by: BENNETT JONES LLP (CALGARY)
Service Request Number: 46515056
Customer Reference Number: 99329-1/KC/aar

Corporate Access Number: 207658741
Business Number: 882714520
Legal Entity Name: SUNTERRA ENTERPRISES INC.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
765874 ALBERTA INC.	1999/10/27

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 1997/12/05 YYYY/MM/DD
Date of Last Status Change: 2000/03/02 YYYY/MM/DD

Registered Office:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Records Address:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Email Address: GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
WILL	STEVE		GOWLING WLG (CANADA) LLP/GOWLING WLG (CANADA) S.E.N.C.R.L., S.R.L.	1600, 421 - 7TH AVENUE SW	CALGARY	ALBERTA	T2P4K9	GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Directors:

Last Name: LORD
First Name: JOYCE
Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Last Name: PRICE
First Name: DAVID
Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Last Name: PRICE
First Name: RAY
Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Last Name: PRICE
First Name: ALLAN
Street/Box Number: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0

Last Name: PRICE
First Name: GLEN
Street/Box Number: 251251 WELLAND DRIVE
City: CALGARY
Province: ALBERTA
Postal Code: T3R1L3

Last Name: PRICE
First Name: ARTHUR
Middle Name: R.
Street/Box Number: 242161 RR 34
City: CALGARY
Province: ALBERTA
Postal Code: T3Z2G2

Voting Shareholders:

Last Name: PRICE
First Name: DAVID
Street: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0
Percent Of Voting Shares: 37.45

Last Name: PRICE
First Name: ARTHUR
Street: 242161 RR 34
City: CALGARY
Province: ALBERTA
Postal Code: T3Z2G2
Percent Of Voting Shares: 29.63

Last Name: PRICE
First Name: DOUGLAS
Street: BOX 266, 294009 RANGE ROAD 260

City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0
Percent Of Voting Shares: 3.7

Last Name: PRICE
First Name: GLEN
Street: 251251 WELLAND DRIVE
City: CALGARY
Province: ALBERTA
Postal Code: T3R1L3
Percent Of Voting Shares: 10.12

Last Name: PRICE
First Name: RAY
Street: BOX 266, 294009 RANGE ROAD 260
City: KNEEHILL COUNTY
Province: ALBERTA
Postal Code: T0M0A0
Percent Of Voting Shares: 19.11

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED HERETO
Share Transfers Restrictions: NO SHARES OF THE CORP. SHALL BE TRANSFERRED TO ANY PERSON WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS
Min Number Of Directors: 1
Max Number Of Directors: 15
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE "B" ATTACHED HERETO

Holding Shares In:

Legal Entity Name
WEST MARKET SQUARE INC.
SUNWOLD FARMS LIMITED
SUNTERRA BEEF LTD.
SUNTERRA KEYNOTE MARKET INC.
PRECISION LIVESTOCK DIAGNOSTICS LTD.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2024	2025/03/04

Outstanding Returns:

Annual returns are outstanding for the 2025 file year(s).

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
1997/12/05	Incorporate Alberta Corporation
2000/02/01	Status Changed to Start for Failure to File Annual Returns
2013/11/24	Change Address
2015/10/22	Name/Structure Change Alberta Corporation
2020/02/17	Update BN
2025/03/04	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2025/03/05	Change Director / Shareholder
2025/05/13	Change Agent for Service

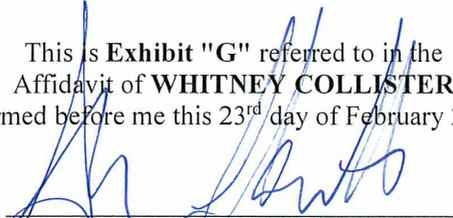
Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	1999/10/27
Share Structure	ELECTRONIC	2015/10/22
Other Rules or Provisions	ELECTRONIC	2015/10/22

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



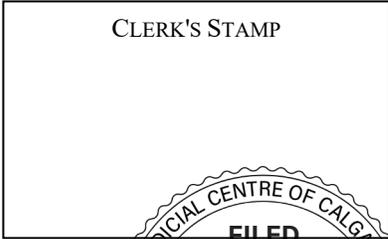
This is **Exhibit "G"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
Commission Expires November 3, 2028

FORM 10
[RULE 3.25]



COURT FILE NUMBER

2501-19283

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF

COMPEER FINANCIAL, PCA

DEFENDANT

SUNTERRA FARMS LTD.,
FARMS LIMITED,
ENTERPRISES INC., RAY PRICE ^,
DEBBIE UFFELMAN, CRAIG
THOMPSON, DAVID PRICE,
ARTHUR PRICE and GLEN PRICE

AMENDED *E. Wheaton*
on Nov 28, 2025
by order dated Nov 13, 2025
SUNWOLD
SUNTERRA

DOCUMENT

AMENDED STATEMENT OF CLAIM

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7
Attention:
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NOTICE TO DEFENDANTS

You are being sued. You are a defendant.

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

Statement of facts relied on:

Overview of Claim

1. This Action arises from the perpetration of a sophisticated international fraudulent Cheque Kiting Scheme (as detailed and defined herein) perpetrated against the plaintiff, Compeer Financial, PCA (“**Compeer**”), the result of which is that Compeer is currently facing losses of more than USD \$36,500,000.
2. The perpetrators of the Cheque Kiting Scheme include Sunterra Farms Ltd. (“**Sunterra Canada**”) and Sunwold Farms Limited (“**Sunwold Canada**” and, together, the “**Canadian Sunterra Entities**”), which are members of the Alberta-based “**Sunterra Group**” that is ultimately owned by the Price family.
3. The fraudulent and oppressive conduct of the Canadian Sunterra Entities, and the United States-based members of the Sunterra Group that were Compeer’s customers, was undertaken by Ray Price (“**Price**”) [^], Debbie Uffelman (“**Uffelman**”) and Craig Thompson (“**Thompson**”), who were directors and ^ officers, and/or otherwise authorized to act on behalf, of corporations in the Sunterra Group, including the Canadian Sunterra Entities.
4. Price[^], Uffelman and Thompson were directly and personally involved with the tracking, preparing, signing and delivery of cheques ^ to Compeer, and at least Price and Thompson were so involved with preparing, signing and delivery of lending and financing documents to Compeer, all of which was in furtherance of the Cheque Kiting Scheme.
5. Through their direct and personal involvement, Price[^], Uffelman and Thompson not only caused the Canadian Sunterra Entities to perpetrate the Cheque Kiting Scheme, but sought to conceal the Cheque Kiting Scheme from Compeer. Their fraudulent conduct gives rise to the liability of the Canadian Sunterra Entities, as well as their personal liability.
6. In addition, Sunterra Enterprises Inc. (“**Sunterra Enterprises**”), which is another member of the Sunterra Group and the holding company of Compeer’s customers, provided contractual guarantees for amounts owing to Compeer. It has failed to satisfy those guarantees despite Compeer’s demands made in April 2025. Sunterra Enterprises is therefore also liable for Compeer’s losses.

7. By way of this Action, Compeer seeks a declaration that the Cheque Kiting Scheme constitutes fraud and judgment in the amount of its losses and related expenses, plus related relief, including an award of punitive damages reflecting its status as the victim of the fraudulent Cheque Kiting Scheme and the egregiously wrongful conduct of the defendants.

The Parties

8. Compeer is an instrumentality under the laws of the United States, with its headquarters in Sun Prairie, Wisconsin. It is a member-owned, Farm Credit cooperative serving and supporting agriculture and rural communities. Compeer provides loans, leases, risk management, and other financial services throughout 144 counties in Illinois, Minnesota and Wisconsin.
9. The Canadian Sunterra Entities are incorporated under the laws of the Province of Alberta. They carry on the business of owning and operating Alberta livestock facilities at which sows give birth to piglets, which are then sold to the U.S. Sunterra Entities (defined below).
10. Sunterra Enterprises is incorporated under the laws of the Province of Alberta. It is a holding company that holds the shares of, among other entities:
- (a) Sunterra Farms Iowa, Inc. (“**Sunterra U.S.**”), a corporation incorporated under the laws of the State of Iowa; and
 - (b) Sunwold Farms, Inc. (“**Sunwold U.S.**”), a corporation incorporated under the laws of the State of South Dakota
- (together, the “**U.S. Sunterra Entities**”).
11. The U.S. Sunterra Entities, along with another member of the Sunterra Group, Lariagra Farms South, Inc. (“**Lariagra U.S.**”), a corporation incorporated pursuant to the State of South Dakota, were at relevant times customers of Compeer. The U.S. Sunterra Entities and Lariagra U.S. are now in receivership in the jurisdiction of the U.S. Federal Court located in the State of South Dakota, as described herein.

12. The Canadian Sunterra Entities, Sunterra Enterprises, the U.S. Sunterra Entities, and Lariagra U.S. are various of the members of the Sunterra Group, a group of related entities ultimately owned and controlled by the Price family. The business of the Sunterra Group includes a multifaceted, and fully integrated, farm to market enterprise across multiple sectors of the agricultural and food distribution industries.
13. Price is a member of the Price family who resides primarily in the Province of Alberta. At relevant times, he was the President of the Sunterra Group. Price was among the officers and/or directors, and the ultimate beneficial owners, of each of the Canadian Sunterra Entities and Sunterra Enterprises. He was also an officer and/or director, and an ultimate beneficial owner, of each of the U.S. Sunterra Entities and Lariagra U.S.
14. Uffelman is an individual who resides primarily in the Province of Alberta. At relevant times, she was the Vice President, Corporate Finance and/or Chief Financial Officer of the Sunterra Group, with knowledge and oversight of, and responsibility for, the finances of the Sunterra Group at large, including each of the Canadian Sunterra Entities, Sunterra Enterprises, the U.S. Sunterra Entities and Lariagra U.S.
15. Thompson is an individual who resides primarily in the Province of Alberta. At relevant times, his job title was "Accounting" or "Controller" and, in any event, he carried out accounting functions for the Canadian Sunterra Entities and Lariagra Farms Ltd. Thompson also had knowledge and oversight of, and responsibility for, the finances of the Canadian Sunterra Entities, the U.S. Sunterra Entities and Lariagra U.S.
16. David Price, Athur Price and Glen Price are members of the Price family and brothers of Price (collectively, the "Price Directors"). They are each individuals who reside primarily in the Province of Alberta. At relevant times, the Price Directors were directors of one or more of the Canadian Sunterra Entities and/or Sunterra Enterprises, and were among the ultimate beneficial owners of those entities and the other members of the Sunterra Group.

Compeer's Provision of Products and Services to the Sunterra Group

17. Since in or around 2005, Compeer provided revolving lines of credit ("RLOCs") to the U.S. Sunterra Entities and Lariagra U.S. At relevant times, Compeer extended the RLOCs

pursuant to a “Promissory Note/Loan Agreement” that was respectively entered into from time-to-time by each of the U.S. Sunterra Entities.

18. The purpose of the RLOCs was to fund the operations of the U.S. Sunterra Entities and Lariagra U.S. At relevant times, those operations consisted of:

- (a) Sunterra U.S. is a pig management company. It managed approximately 500,000 pig spaces, of which approximately 110,000 were in South Dakota and housed pigs owned by Sunwold U.S. or Lariagra U.S. Sunterra U.S.’s revenues were generated by management fees it charged for managing pigs; and
- (b) Sunwold U.S. and Lariagra U.S. are “wean-to-finish” operations. They purchased weaned pigs (from Canadian members of the Sunterra Group), and then raised those pigs to market weight in contract nursery and finishing barns in South Dakota.

19. Consistent with their prior arrangements, on October 7, 2024, Compeer entered into Promissory Note/Loan Agreements with the U.S. Sunterra Entities and Lariagra U.S. for the purpose of establishing RLOCs with each of those entities.

20. The three RLOCs established by Compeer on October 7, 2024 allowed for borrowing up to a combined USD \$11,500,000, as follows:

- (a) Sunterra U.S. established a USD \$500,000 RLOC;
- (b) Sunwold U.S. established a USD \$7,000,000 RLOC; and
- (c) Lariagra U.S. established a USD \$4,000,000 RLOC.

21. Each Promissory Note/Loan Agreement provided a Maturity Date of May 1, 2025, and was executed by Price in his capacity as President/Secretary, and by Uffelman in her capacity as Chief Financial Officer.

22. Each of the foregoing RLOCs was secured by a “Security Agreement” under which the U.S. Sunterra Entities and Lariagra U.S. granted Compeer a senior, perfected security interest in various items of personal property, including the 110,000 pigs in South Dakota.

23. The Security Agreement of Sunterra U.S. was executed by Price in his capacity as President, and by Uffelman in her capacity as Chief Financial Officer, on September 26, 2023. The combined Security Agreement of Sunwold U.S. and Lariagra U.S. was executed by Price in his capacity as President/Secretary, and by Uffelman in her capacity as Chief Financial Officer, on October 7, 2024.
24. The RLOCs were also coupled with financial products called “Farm Cash Management” accounts (“**FCM Accounts**” and, together with the RLOCs, the “**Compeer Accounts**”). The FCM Accounts allowed the U.S. Sunterra Entities and Lariagra U.S. to deposit excess funds and earn interest on those funds, similar to a money market account.
25. When the Compeer Accounts were in a net borrowing or “draw” position, Compeer was owed funds under the Promissory Note/Loan Agreements, as secured by the collateral under the Security Agreements. When the Compeer Accounts were in a net positive or “balance” position, interest would be earned and paid to the U.S. Sunterra Entities and Lariagra U.S. on the positive balance.
26. Importantly, the Compeer Accounts included cheque writing privileges. More specifically, the RLOCs and FCM Accounts worked together, allowing the U.S. Sunterra Entities and Lariagra U.S. to write cheques in amounts equal to the combined total of their credit limit (USD \$11,500,000) and any positive balance in their FCM Accounts.
27. In this way, for example, if Sunwold U.S. was in a net “draw” position of USD \$5,000,000 (on a RLOC of USD \$7,000,000), it could write cheques up to USD \$2,000,000 against its Compeer Accounts. By contrast, if Sunwold U.S. had a net “balance” of USD \$5,000,000, they could write cheques up to USD \$12,000,000 against their Compeer Accounts.
28. Each of the foregoing lending arrangements were the subject of a “Continuing Guaranty Agreement” between Compeer and Sunterra Enterprises, as follows:
- (a) On September 26, 2023, Sunterra Enterprises guaranteed the indebtedness of Sunterra U.S. owing to Compeer in an unlimited amount;

- (b) On August 28, 2023, Sunterra Enterprises guaranteed the indebtedness of Sunwold U.S. owing to Compeer in the amount of USD \$3,000,000; and
 - (c) On August 28, 2023, Sunterra Enterprises guaranteed the indebtedness of Lariagra U.S. owing to Compeer in the amount of USD \$3,000,000
- (together, the “**Guarantees**”).

29. Compeer relied on the Guarantees, which expressly acknowledged that they were being provided to induce Compeer to extend or continue the provision of credit through “future loans and advances” to the U.S. Sunterra Entities and Lariagra U.S. Each Continuing Guaranty Agreement that gave rise to the Guarantees was executed by Price in his capacity as “President” of Sunterra Enterprises.

The Canadian Sunterra Group Members’ Arrangements with National Bank of Canada

30. During the period that Compeer provided the Compeer Accounts, Canadian Western Bank (which has since amalgamated and continued under the name “National Bank of Canada” (“**National Bank**”)) extended secured credit and provided commercial banking services, including the operation of bank accounts (the “**National Bank Accounts**”), to Canadian members of the Sunterra Group, including the Canadian Sunterra Entities.

31. Like how the Compeer Accounts provided the U.S. Sunterra Entities (and Lariagra U.S.) with cheque writing privileges, the National Bank Accounts also provided the Canadian Sunterra Entities with cheque writing privileges.

The Historical Operation of the Compeer Accounts

32. Over the years, Compeer’s relationship with the U.S. Sunterra Entities and Lariagra U.S. became longstanding and one that Compeer reasonably afforded considerable respect and trust. The reasons included what Compeer understood to be its regular, open and transparent engagement with Price and Uffelmann, in their roles as officers and/or directors of the U.S. Sunterra Entities, Lariagra U.S., and other Sunterra Group members.

33. In engaging with Compeer, Price and Uffelman had – and made clear to Compeer that they had – deep, firsthand knowledge of the Sunterra Group’s affairs, including the integrated financial affairs of the Sunterra Group’s members. At the same time, Compeer understood Price to be well-known and reputable in the industries in which the Sunterra Group operated, and understood Uffelman to have long been Price’s trusted second-in-command.
34. Price and Uffelman consistently signed and/or delivered to Compeer the financial records required by the Promissory Note/Loan Agreements. Such financial records related to, among other things, the creditworthiness of the U.S. Sunterra Entities and Lariagra U.S., and compliance of Sunwold U.S. and Lariagra U.S. with their covenants under the Promissory Note/Loan Agreements (the “**Covenants**”).¹
35. Having received such financial information and records, Compeer applied its usual processes and, by doing so, consistently understood that Sunwold U.S. and Lariagra U.S. were generally in compliance with the Covenants, as required by the Promissory Note/Loan Agreements. When there was non-compliance with the Covenants, such non-compliance was addressed to Compeer’s satisfaction.

The Sunterra Group’s Use of Cheques for Intercompany Transactions

36. Over the years, and increasingly so in recent years, Compeer raised with Price and Uffelman the manner in which the U.S. Sunterra Entities’ Compeer Accounts were used in connection with the Sunterra Group’s approach to intercompany transactions between its U.S. and Canadian operations.
37. In particular, the U.S. Sunterra Entities regularly used cheques drawn on the National Bank Accounts of the Canadian Sunterra Entities to make deposits into their Compeer Accounts. Similarly, the Canadian Sunterra Entities regularly used cheques drawn on the U.S. Sunterra Entities’ Compeer Accounts to make deposits into their National Bank Accounts. Most or all such cheques flowing in both directions were signed by Uffelman, with the knowledge of and at the direction of Price, who oversaw the Sunterra Group’s affairs, and

¹ The Covenants did not apply to Sunterra U.S. because it primarily operated a swine management company with limited assets that consisted almost entirely of the accounts receivable for the management fees it received.

in coordination with Thompson, who among other things determined the amounts of the cheques that were signed by Uffelman.

38. Compeer was required to undertake a time-consuming, manual, and broadly inefficient process to verify, clear, and settle cheques presented by the U.S. Sunterra Entities and drawn on the National Bank Accounts. This was particularly the case compared to alternative methods of cross-border intercompany transactions such as wire transfers.
39. In addition, the underlying funds from a cheque drawn on the National Bank Accounts were not available to Compeer until the cheque was verified, cleared, and settled by Compeer in the Compeer Accounts. Such a delay from when a cheque was deposited until the funds were made available is referred to as the “float” and could take up to a few days.
40. Like many commercial banking customers at Compeer and elsewhere, the U.S. Sunterra Entities were not subject to holds on funds deposited via cheque during the float. Accordingly, the cheques deposited by the U.S. Sunterra Entities and drawn on the Canadian Sunterra Entities’ National Bank Accounts resulted in funds being immediately available for use, in the amount of the face value of the cheques, by way of conditional credit, before the underlying funds were cleared and settled by Compeer.
41. Similarly, Canadian Sunterra Entities were not subject to holds on funds deposited into their National Bank Accounts during the float, including on any cheques drawn on the U.S. Sunterra Entities’ Compeer Accounts.
42. Prior to 2025, Compeer understood that the float and corresponding conditional credit resulting from the use of cheques drawn on the Canadian Sunterra Entities’ National Bank Accounts, as well as the inefficiencies that resulted from relying on cross-border cheques, was the cause of overdraft positions that at times occurred on the RLOCs, particularly as the Sunterra Group’s business appeared to grow over time.
43. Compeer retained discretion regarding how to respond to any such overdraft. Prior to February 2025, overdrafts on the RLOCs were promptly remedied through the deposit of further amounts via cheque by the U.S. Sunterra Entities. With that being the case – and given Compeer’s longstanding relationship with the Sunterra Group, and its understanding

that the overdraft resulted from the Sunterra Group's typical use of cheques being sent from Canada to the United States – Compeer exercised its discretion to take no further action in response to the overdrafts at that time.

44. Compeer nonetheless raised with Price and Uffelman the manner in which the U.S. Sunterra Entities' Compeer Accounts were used in connection with the Sunterra Group's approach to cross-border intercompany transactions, including potential alternatives that would see the U.S. Sunterra Entities move away from reliance on cheques for such transactions, to achieve a more efficient process that was less likely to result in overdrafts.
45. Although Price and Uffelman advised in response that there were legitimate business reasons for the Sunterra Group's approach and use of cheques, and that they were pursuing alternatives to using cheques, at all relevant times the U.S. Sunterra Entities continued to rely on cheques drawn on, and deposited to, their Compeer Accounts.
46. Ultimately, at Compeer's insistence, Price and Uffelman committed that the Sunterra Group would implement an alternative to undertaking intercompany transactions by cheques by the end of 2024. By that agreed-upon deadline, however, the Sunterra Group remained reliant on cheques for such transactions, and Price and Uffelman requested a brief extension to implement an alternative to the use of cheques for cross-border intercompany transactions. Given the history of the relationship, Compeer permitted that brief extension.

The Events of Early 2025

47. In the early weeks of 2025, despite Price and Uffelman having committed that the Sunterra Group would imminently implement an alternative to undertaking cross-border intercompany transactions by cheques, the Sunterra Group's use of cheques drawn on and deposited to the U.S. Sunterra Entities' Compeer Accounts accelerated. In this regard:

 - (a) Between January 1, 2025 and February 10, 2025, 474 cheques were drawn on the U.S. Sunterra Entities' Compeer Accounts, in the total amount of USD \$431,301,200, all for deposit into the Canada Sunterra Entities' National Bank Accounts; and

- (b) During the same period, the U.S. Sunterra Entities deposited 472 cheques in the total amount of USD \$432,359,712.35 into their Compeer Accounts, all drawn on the Canadian Sunterra Entities' National Bank Accounts.
48. These simultaneous transfers occurred nearly daily throughout this period, and averaged approximately 18 cheques for a total amount of USD \$16,588,508 out of the U.S. Sunterra Entities' Compeer Accounts *each day*. In total, in just over the first month of 2025, USD \$863,660,912 was deposited into the Compeer Accounts and the National Bank Accounts, which greatly exceeded the total revenue of the entire Sunterra Group for the fiscal year ending December 31, 2024, which was CAD \$143,968,018.
49. As a result, by February 10, 2025, Compeer was aware that, contrary to the commitments of Price and Uffelman to implement an alternative approach, the U.S. Sunterra Entities:
- (a) Used the cheque-writing features on their Compeer Accounts to write even more cheques each day, which were being deposited the same day (apparently reflecting that the cheques were being signed in Alberta, primarily by Uffelman) into the Canadian Sunterra Entities' National Bank Accounts;
 - (b) Simultaneously sent Compeer even more cheques each day drawn against those same National Bank Accounts to pay down its RLOCS and/or increase the balance in their FCM Accounts with Compeer;
 - (c) Transacted funds through the Compeer Accounts in the January 1, 2025 to February 10, 2025 period in a volume that outpaced the annual reported and projected revenues and other financial metrics of the Sunterra Group; and
 - (d) Issued cheques in denominations generally ranging between USD \$800,000 and USD \$990,000, and no single cheque exceeded USD \$1,000,000.
50. The denominations of the cheques was significant because a cheque deposited across international lines for USD \$1,000,000 or more would have triggered additional scrutiny or delays (whether caused by the United States Bulk Exchange or otherwise), which Price [^], Uffelman and Thompson sought to avoid.

51. As a result, on February 11, 2025, Compeer personnel spoke with Price by videoconference in an effort to better understand the Sunterra Group's cheque-writing activity.
52. During that conversation, despite his direct, personal involvement with the Sunterra Group and the U.S. Sunterra Entities' Compeer Accounts (and his active coordination with Uffelman), Price stated that he was unsure of the reason for the activity other than to say that it was a "timing" issue. He further advised that he would have to consult with other Sunterra Group personnel to further advise Compeer about the reason for the activity.
53. Compeer was not satisfied with, and was concerned by, Price's statements made during the February 11, 2025 videoconference. As a result, later that day, Compeer notified Price in writing that it was exercising its right to terminate cheque-writing privileges for the Compeer Accounts, while also stating that it would consider permitting cheques to be written for necessary operational expenses, such as to feed animals.
54. In accordance with its written notice, on February 11, 2025, Compeer took action to ensure that cheques written on the Compeer Accounts would need to be manually approved by Compeer, so that Compeer could actively monitor all cheque-writing activity.
55. Despite its written notice, later on February 11, 2025, Compeer learned that 18 cheques had been drawn on the U.S. Sunterra Entities' Compeer Accounts for intercompany transfers to the Canadian Sunterra Entities' National Bank Accounts totaling USD \$16,302,000. Compeer relied on its written notice to dishonour those 18 cheques.
56. On the morning of February 12, 2025, Compeer received another batch of cheques totaling approximately USD \$9,000,000 drawn on the Canadian Sunterra Entities' National Bank Accounts to pay down the U.S. Sunterra Entities' RLOCS and/or increase the balance in their FCM Accounts with Compeer.
57. Later on February 12, 2025, having received that batch of cheques, Compeer personnel had another videoconference with Price. During that call, Price admitted:

- (a) The U.S. Sunterra Entities were moving funds back and forth between Compeer and National Bank to ensure that the U.S. Sunterra Entities had sufficient funds to avoid causing their RLOCs at Compeer to go into an overdraft position;
 - (b) The U.S. Sunterra Entities should not have done what they did;
 - (c) The practice of sending cheques back and forth between the same accounts was “wrong”;
 - (d) If Compeer deposited the USD \$9,000,000 in cheques received earlier that day but did not permit new cheques to be drawn on the Compeer Accounts to be immediately deposited in the Canadian Sunterra Entities’ National Bank Accounts, those National Bank Accounts would go into overdraft;
 - (e) If Compeer did not allow the U.S. Sunterra Entities to move money from Compeer to National Bank, then they would not have enough money to cover their operational expenses;
 - (f) That he felt “badly” that Compeer had been paying interest to the U.S. Sunterra Entities for the positive FCM Account balances; and
 - (g) That he believed that Compeer was holding more than USD \$20 million in positive FCM Account balances that he wanted sent back to the National Bank Accounts, at least in part, to cover the overdraft position of the Canadian Sunterra Entities at National Bank.
58. Price’s request amounted to seeking to have Compeer to continue the conduct that he knew, and had admitted to Compeer, constituted a fraudulent cheque kiting scheme, the particulars of which are pleaded further below.
59. After the February 12, 2025 videoconference, Compeer confirmed to Price that it would not deposit the USD \$9,000,000 in cheques that had been presented to Compeer for deposit drawn on the Canadian Sunterra Entities’ National Bank Accounts.

60. On February 13, 2025, Compeer personnel spoke again with Price. At that time, Price advised that the Canadian Sunterra Entities' National Bank Accounts were overdrawn by approximately USD \$21 million, and those entities needed money sent back from Compeer to cover those overdraft positions.
61. In response, Compeer advised Price that it could not release any funds unless it could verify that there were good and valid funds in the National Bank Accounts from which the cheques delivered to Compeer would be drawn. Compeer requested that Price consent to Compeer communicating directly with National Bank to verify the existence of such funds, but Price would not provide that consent.
62. Similarly, since Compeer was restricted from sharing information about the U.S. Sunterra Entities with National Bank, Compeer repeatedly requested consent from Price and from other principals of the Sunterra Group, namely Price's brothers Arthur Price ^ or Glen Price, to communicate directly with National Bank, but those requests were refused.
63. On February 10, 2025, the Compeer Accounts of the U.S. Sunterra Entities and Lariagra U.S. had a combined positive balance of approximately USD \$21,000,000 in funds payable to the U.S. Sunterra Entities and Lariagra U.S., comprised of:
- (a) A positive FMC Account balance of approximately USD \$14 million in favour Sunterra U.S.;
 - (b) A positive FMC Account balance of approximately USD \$10 million in favour of Sunwold U.S.; and
 - (c) A draw of approximately USD \$3 million on the RLOC of Lariagra U.S.
64. However, during the week of February 24, 2025, Compeer determined that National Bank had dishonoured 65 cheques totaling USD \$59,900,000 that had been previously credited by Compeer to the U.S. Sunterra Entities' Compeer Accounts.
65. As a result, the approximately USD \$21,000,000 positive cash balance that was showing as owed to the U.S. Sunterra Entities and Lariagra U.S. was immediately wiped out and, instead, there was more than USD \$30,000,000 of debt owing from the U.S. Sunterra

Entities and Lariagra U.S. This was the case despite their combined credit limit of only USD \$11,500,000 with Compeer.

66. After accounting for additional deposits and withdrawals from the U.S. Sunterra Entities' Compeer Accounts, the total indebtedness of the U.S. Sunterra Entities and Lariagra U.S. to Compeer at the time of this statement of claim is over USD \$36,500,000.
67. Compeer repeatedly requested additional information from Price and Arthur Price about the Sunterra Group's finances in Canada and its financial position with National Bank, but Price and Arthur Price continued to refuse to permit Compeer to communicate substantively with National Bank and refused to provide transparency about the Sunterra Group's financial condition or Compeer's exposure to additional losses. Such refusals impeded Compeer's ability to understand the true use of the Compeer Accounts.

The Fraudulent Cheque Kiting Scheme

68. The foregoing circumstances, and the steps taken by Compeer to pursue this action, have resulted in disclosure of the fact that at least Price ^, Uffelman and Thompson caused at least the U.S. Sunterra Entities and the Canadian Sunterra Entities to perpetrate a highly-sophisticated and fraudulent cheque kiting scheme against Compeer (the "Cheque Kiting Scheme"). The same conclusion has been reached by National Bank, which was the other victim of the Cheque Kiting Scheme.
69. The time at which the Cheque Kiting Scheme commenced is not currently known to Compeer, but with the information now known to Compeer, it appears likely to have been going on for years. The evidence of Price, Uffelman and Thompson, delivered in their personal capacities and on behalf of the Canadian Sunterra Entities, includes admissions of conduct amounting to the perpetration of the Cheque Kiting Scheme that they admit to having undertaken "always" and at least back to 2011.
70. In summary, the Cheque Kiting Scheme consisted of fraudulent conduct that took advantage of the float and the corresponding conditional credit that was provided by Compeer and National Bank in connection with the deposit of cheques by the U.S. Sunterra Entities (in the case of Compeer) and the Canadian Sunterra Entities (in the case of National

Bank). It required the continuous issuance of additional cheques, as between the U.S. Sunterra Entities on one hand, and the Canadian Sunterra Entities on the other hand, to satisfy amounts drawn by existing cheques with new conditional credit accrued with the issuance and deposit of new cheques.

71. The Cheque Kiting Scheme was undertaken, and could only have been undertaken, deliberately and with sufficient knowledge of the manner in which Compeer and National Bank respectively verified, cleared, and settled cheques, including regarding the extension of conditional credit and the lack of holds on cheques during the float. Only Price [^], Uffelman and Thompson (and potentially others from the Sunterra Group with whom they coordinated) had such knowledge, which resulted from the manner in which they caused cross-border intercompany transactions to be conducted by cheque using the Compeer Accounts and the National Bank Accounts.

72. More specifically, the Cheque Kiting Scheme was undertaken as follows:

- (a) The Canadian Sunterra Entities would issue a first set of cheques payable to the U.S. Sunterra Entities from their National Bank Accounts knowing that those cheques could not be satisfied by the balances in their accounts;
- (b) For the reasons described above, the denominations of those cheques ultimately would be in amounts close to – but not exceeding – USD \$1,000,0000, which was a deliberate tactic to transact significant funds while evading detection of the fraud;
- (c) Once the first set of cheques was deposited to the U.S. Sunterra Entities' Compeer Accounts, those entities would immediately issue a second set of cheques payable to the Canadian Sunterra Entities knowing that [^] sufficient funds were only available in their Compeer Accounts to clear the cheques by virtue of the conditional credit from depositing the first set of cheques from the Canadian Sunterra Entities;
- (d) The second set of cheques from the U.S. Sunterra Entities would then be immediately deposited into the Canadian Sunterra Entities' National Bank Accounts so that [^] sufficient funds available by virtue of the conditional credit from

that second set of cheques would be available to backstop the amounts required to satisfy the first set of cheques payable from the National Bank Accounts; and

- (e) In this way, the fact that the Canadian Sunterra Entities' National Bank Accounts did not have sufficient funds to satisfy the first set of cheques payable to the U.S. Sunterra Entities was concealed from both Compeer and from National Bank.

73. Unbeknownst to Compeer until February 2025, the foregoing fraudulent process appears to have been undertaken at least hundreds of times, resulting in thousands of cheques amounting to billions of dollars being issued over the course of the Cheque Kiting Scheme.

74. Consistent with the foregoing, intercompany transactions described above had no legitimate commercial purpose. Rather, the purpose of those transactions was fraudulent and undertaken to illegitimately access credit and misappropriate funds from Compeer (and National Bank), and to fraudulently conceal that the Cheque Kiting Scheme was ongoing.

75. Accordingly, at least each of the U.S. Sunterra Entities and the Canadian Sunterra Entities knowingly and deliberately participated in the Cheque Kiting Scheme. They did so with the knowledge and at the direction of at least Price ^, Uffelman and Thompson. In response to Compeer's action, Price, Uffelman and Thompson have admitted to conduct that amounts to the coordinated and sustained perpetration of the Cheque Kiting Scheme.

76. Given the nature of the Cheque Kiting Scheme, each and every time the Canadian Sunterra Entities issued a cheque to the U.S. Sunterra Entities, the issuing entity made a representation that it had the capacity to honour the cheque that was being issued.

77. Such representations were false and were known to be false at all relevant times by Price, who exercised control and influence over the affairs and finances of the U.S. Sunterra Entities and the Canadian Sunterra Entities. Price also repeatedly engaged with Compeer regarding the Sunterra Group's use of cheques to undertake intercompany transactions, knowing (but omitting to advise Compeer) that such transactions had no legitimate purpose but were instead being undertaken in furtherance of the Cheque Kiting Scheme.

78. Such representations were also known to be false at all relevant times by Uffelman, who also exercised control and influence over the affairs and finances of the U.S. Sunterra Entities and the Canadian Sunterra Entities, and who personally signed the cheques used to perpetrate the Cheque Kiting Scheme. Uffelman also repeatedly engaged with Compeer regarding the Sunterra Group's use of cheques to undertake intercompany transactions, knowing (but omitting to advise Compeer) that such transactions had no legitimate purpose but were instead being undertaken in furtherance of the Cheque Kiting Scheme.
79. Such representations were also known to be false at all relevant times by Thompson, who also exercised control and influence over the affairs of the U.S. Sunterra Entities and the Canadian Sunterra Entities, and who personally determined the amounts of, and caused to be prepared, the cheques used to perpetrate the Cheque Kiting Scheme.
80. In addition, given the nature of the Cheque Kiting Scheme, each and every time Price ^, Uffelman and Thompson knowingly caused or permitted the Canadian Sunterra Entities to deposit a cheque drawn on the U.S. Sunterra Entities' Compeer Accounts, they did so knowing that there were inadequate funds in those accounts and that they were defrauding Compeer. They have now admitted that the Canadian and U.S. Sunterra Entities never had adequate funds and, in the case of Price, admitted to undertaking the conduct that amounted to the Cheque Kiting Scheme, including the reliance on conditional credit extended by Compeer and National Bank, in hopes that the Sunterra Group may at some point in the future generate sufficient funds through legitimate commercial activity to cover the amount of the cheques, but that such time never came.
81. The knowledge and direct personal involvement of Price ^, Uffelman and Thompson, all of which is binding on the Canadian Sunterra Entities, also includes:
- (a) The Sunterra Group utilized a unified accounting system that integrated all financial activities, including the activities of the U.S. Sunterra Entities and the Canadian Sunterra Entities. As a result, those with access to, knowledge of and responsibility for the financial activities of the Sunterra Group – including Price ^, Uffelman and Thompson – knew that there were insufficient funds at Compeer and National Bank

to cover the cheques used to perpetrate the Cheque Kiting Scheme, consistent with all such cheques being fraudulent misrepresentations;

- (b) Price and Uffelman executed the Promissory Note/Loan Agreements with Compeer on behalf of the U.S. Sunterra Entities and Lariagra U.S. on October 7, 2024 (and previously). They did so knowing they were perpetrating the Cheque Kiting Scheme, in coordination with Thompson, and intending to use the RLOCs provided pursuant to those Promissory Note/Loan Agreements to continue to perpetrate and conceal the Cheque Kiting Scheme;
- (c) Price and Uffelman executed the Security Agreements on behalf of Sunterra U.S. on September 26, 2023, and Sunwold U.S. and Lariagra U.S. on October 7, 2024 (and previously). They did so knowing they were perpetrating the Cheque Kiting Scheme, in coordination with Thompson, and intending to use the Security Agreements to purport to provide security in connection with the RLOCs, and thereby continue to perpetrate and conceal the Cheque Kiting Scheme;
- (d) Price executed the Continuing Guaranty Agreements on behalf of Sunwold U.S. and Lariagra U.S. on August 28, 2023, and Sunterra U.S. on September 26, 2023 (and previously). He did so knowing that he [^], Uffelman and Thompson were perpetrating the Cheque Kiting Scheme and intending to use the Guarantees to purport to provide further security or financial backing in connection with the RLOCs to thereby continue to perpetrate and conceal the Cheque Kiting Scheme;
- (e) Price and Uffelman repeatedly provided (or caused to be provided) financial information and records to Compeer. They did so knowing that they were actively perpetrating the Cheque Kiting Scheme, in coordination with Thompson, doing so was a means of maintaining and concealing their perpetration of the Cheque Kiting Scheme using the Compeer Accounts, and at least certain such financial information and records were false due to the Cheque Kiting Scheme; and

- (f) Misrepresentations and omissions by Price ^, Uffelman and Thompson to actively conceal the approach to cross-border intercompany transactions and the role of cheques in undertaking those transactions.

82. The funds misappropriated from Compeer by way of the Cheque Kiting Scheme were received or applied for the ultimate benefit of at least the U.S. Sunterra Entities and the Canadian Sunterra Entities. In addition, prior to discovery of the Cheque Kiting Scheme, the U.S. Sunterra Entities generated profits derived from the misappropriated funds, including interest payments on the fraudulent positive balances in the FCM Accounts, all of which was known by Price and Uffelman as it occurred.
83. Further particulars of the manner in which the Cheque Kiting Scheme was undertaken is within the knowledge of those individuals who undertook such fraudulent conduct, including Price ^, Uffelman and Thompson, including others who participated with them.

Compeer's Response to the Cheque Kiting Scheme To Date

84. On March 10, 2025, Compeer issued notices of default and demands for accelerated payment to the U.S. Sunterra Entities and Lariagra U.S. However, the U.S. Sunterra Entities and Lariagra U.S have failed to respond to or satisfy those demands, in whole or in part.
85. On March 18, 2025, Compeer filed a complaint in South Dakota State Court against the U.S. Sunterra Entities and Lariagra U.S. It did so out of concern about the well-being of the pigs under those entities' control, which formed Compeer's collateral. Compeer understood that the pigs lacked feed and veterinary care, and were potentially not being kept warm. Compeer alleged that its claims against the U.S. Sunterra Entities and Lariagra U.S. arose from "a check kiting scheme involving billions of dollars fraudulently transferred by the Defendants and their principals between Canada and the United States." The case was later removed to the U.S. District Court, District of South Dakota.
86. On March 28, 2025, the U.S. District Court granted Compeer's motion and appointed Pipestone Management II, LLC as the receiver of the U.S. Sunterra Entities and Lariagra U.S. (the "**U.S. Receiver**") with duties that include investigating the Cheque Kiting

Scheme. In its Opinion and Order appointing the U.S. Receiver, the U.S. District Court recited the facts put forward by Compeer in respect of the Cheque Kiting Scheme and concluded: “The evidence at the hearing supports the facts from the pleadings [of cheque kiting] cited above and is hereby incorporated by reference into this Opinion and Order.”

87. Compeer has continued to advance funds to the U.S. Sunterra Entities and Lariagra U.S. necessary to advance the mandate of the U.S. Receiver, including caring for the pigs. Although the U.S. Receiver is also mandated to investigate the Cheque Kiting Scheme and help maintain the value of the relevant personal property that is to secure any indebtedness to Compeer, the realizable value of that property is significantly less than the USD \$36,500,000 currently owing to Compeer.

88. In addition, on April 11, 2025, Compeer made a demand of Sunterra Enterprises on the Guarantees in the amount of USD \$25,729,079.66, which was the amount for which Sunterra Enterprises was liable at that time (accounting for the limits on the Guarantees and accumulated interest, which is now greater). In breach of the Guarantees, Sunterra Enterprises has neglected or refused to pay any amounts under the Guarantees.

89. Separately, National Bank brought an application in Alberta for the appointment of a receiver over all members of the Sunterra Group. In that application, National Bank’s position, and its evidence, was that the “members of the Sunterra Group appear to have conducted a highly sophisticated cheque kiting scheme...involving bank accounts in Canada and the United States”, and described Compeer as a victim of that scheme.

90. National Bank’s application was initially dismissed and its appeal of that dismissal was adjourned after the Canadian members of the Sunterra Group – including the Canadian Sunterra Entities and Sunterra Enterprises – successfully applied for protections under the *Companies’ Creditors Arrangement Act*. The initial order rendered in that proceeding permits the issuance of this statement of claim without leave of the Alberta court.

91. The affidavit filed by National Bank in support of its application includes as an exhibit an email dated February 14, 2025 from Price to National Bank personnel with the subject line “Sunterra Overdraft Situation”. In that email, Price again admits to the Cheque Kiting

Scheme: “We then would pay from the U.S. to Canada, but in order to keep the U.S. entities with appropriate cash, we would move money back down on an ‘advance’ basis. It obviously grew beyond what it was meant to be as we continued to make sure that both entities had the money they needed. I apologize for what ended up happening.”

Fraud, Deceit, and Fraudulent Misrepresentation

92. As a result of their perpetration of the Cheque Kiting Scheme, the currently-known particulars of which are pleaded herein, the Canadian Sunterra Entities, Price ^, Uffelman and Thompson are liable to Compeer in fraud, deceit, and fraudulent misrepresentation.

93. The conduct of the Canadian Sunterra Entities, Price ^, Uffelman and Thompson pleaded herein amount to representations and omissions made to Compeer that constitute fraud, dishonest dealings, knowingly false representations, including by the non-disclosure of facts, and deprivation by deceit. All such conduct was undertaken with knowledge of its falsehood, or recklessly, without belief in its truth, with intention that it should be acted on by Compeer, which is what occurred.

94. Compeer relied on the false representations to its detriment by permitting the U.S. Sunterra Entities and Lariagra U.S. to access their respective RLOCs and the conditional credit that resulted from the Sunterra Group’s use of cheques to further the Cheque Kiting Scheme.

95. The result of Compeer’s detrimental reliance on such fraudulent and deceitful conduct is that Compeer suffered losses for which the Canadian Sunterra Entities, Price ^, Uffelman and Thompson are jointly and severally liable.

Civil Conspiracy

96. As a result of their perpetration of the Cheque Kiting Scheme, the currently-known particulars of which are pleaded herein, the Canadian Sunterra Entities, Price ^, Uffelman and Thompson are liable to Compeer for unlawful conduct conspiracy.

97. The Canadian Sunterra Entities, Price, Uffelman and Thompson agreed to engage in unlawful conduct that they knew (and in fact intended) or should have known would likely cause injury to Compeer. Their unlawful conduct, namely the Cheque Kiting Scheme, is

actionable. It amounts to fraud, deceit, and fraudulent misrepresentation, and all such conduct was directed towards Compeer.

98. The Canadian Sunterra Entities, Price ^, Uffelman and Thompson acted in concert with a common design in pursuing the Cheque Kiting Scheme with the intention of inducing Compeer to advance funds based on false and misleading representations, knowing that there were insufficient funds in the accounts from which the cheques were to be drawn. In doing so, they engaged in unlawful conduct, specifically the Cheque Kiting Scheme.
99. By engaging in their conspiracy, the Canadian Sunterra Entities, Price ^, Uffelman and Thompson caused Compeer to suffer losses for which they are jointly and severally liable.

Oppression

100. As a result of their perpetration of the Cheque Kiting Scheme, the currently-known particulars of which are pleaded herein, the Canadian Sunterra Entities, Price ^, Uffelman and Thompson engaged in oppressive conduct that entitles Compeer as a creditor of the Canadian Sunterra Entities, and their affiliates, including Sunterra Enterprises, the U.S. Sunterra Entities, and Lariagra U.S., to compensation as an aggrieved person pursuant to section 242 of Alberta's *Business Corporations Act*.
101. The conduct of the Price Directors amounts to additional oppressive conduct that entitles Compeer as a creditor of the Canadian Sunterra Entities, and their affiliates, including Sunterra Enterprises, the U.S. Sunterra Entities, and Lariagra U.S., to compensation as an aggrieved person pursuant to section 242 of Alberta's *Business Corporations Act*.
102. Through their conduct, the Price Directors permitted the Cheque Kiting Scheme, which was longstanding, sustained, coordinated (including by one of the Price Directors, namely Price) and used to conceal the fact that those entities lacked the legitimate funds required to satisfy their obligations or otherwise undertake their respective business and affairs. The Price Directors did so notwithstanding their duties, obligations, knowledge and access to information that they reviewed or ought to have reviewed. The Price Directors thereby became liable to Compeer for its losses caused by the Cheque Kiting Scheme and as otherwise pleaded herein. This claim in oppression against the Price Directors (pleaded at

paragraphs 101-102) is derivative of Compeer's other claims pleaded herein and Compeer intends to advance its derivative oppression claim only after those other claims have been proven.

^ Compeer's Losses

103. Due to the Cheque Kiting Scheme, Compeer has uniquely suffered losses of at least USD \$36,500,103.19. The other victim, National Bank, has no losses arising from the Cheque Kiting Scheme. This amount is the total indebtedness to Compeer of the U.S. Sunterra Entities and Lariagra U.S., the latter of which would not have been extended credit if not for the conduct of undertaking and concealing the Cheque Kiting Scheme. The Canadian Sunterra Entities, Price ^, Uffelman and Thompson are jointly and severally liable for such losses.

104. Compeer has also incurred compensable and ever-increasing expenses arising out of its investigation of the Cheque Kiting Scheme, and its funding of the appointment and activities of the U.S. Receiver. The Canadian Sunterra Entities, Price ^, Uffelman and Thompson are jointly and severally liable for such losses.

105. As a result of the fraudulent and high-handed conduct of the Canadian Sunterra Entities, Price, and Uffelman, Compeer is entitled to recover punitive and/or exemplary damages.

Breach of the Guarantees

106. Sunterra Enterprises provided the Guarantees to induce Compeer to extend or continue to extend credit to the U.S. Sunterra Entities and Lariagra U.S. Pursuant to the Guarantees, Sunterra Enterprises unconditionally, absolutely, and irrevocably covenanted and agreed to, among other things, pay and punctually perform the obligations of the U.S. Sunterra Entities and Lariagra U.S. subject to certain caps in liability contained therein.

107. Despite Compeer having demanded payment under the Guarantees on April 11, 2025, Sunterra Enterprises has neglected or refused to pay any amounts to Compeer. Sunterra Enterprises is therefore liable to Compeer under the Guarantees in the amount of at least

USD \$25,729,079.66, plus additional accumulated interest. Compeer is therefore entitled to judgment against Sunterra Enterprises.

Remedy sought:

108. Compeer seeks the following relief:

- (a) A declaration that at least Sunterra Canada, Sunwold Canada, Price [^], Uffelman and Thompson have committed fraud;
- (b) Damages in the amount of at least USD \$36,500,103.19 and such further or other amount as may be determined (plus contractual interest of [^]11% and expenses under the Promissory Note/Loan Agreements) from the Canadian Sunterra Entities, Price, Uffelman and Thompson arising from their fraudulent and oppressive conduct, namely their perpetration of the Cheque Kiting Scheme, and in respect of Compeer's resulting expenses;
- (c) Damages in the amount of at least USD \$25,729,079.67 and such further or other amounts as may yet determined (plus additional contractual interest of [^]11% and expenses under the Promissory Note/Loan Agreements) from Sunterra Enterprises for its breach of the Guarantees or, alternatively, amounts owing under the Guarantees;
- (d) Punitive damages in the amount of at least CAD \$1,000,000;
- (e) A declaration that Compeer is entitled to trace the funds advanced as a result of the Cheque Kiting Scheme and a declaration that those funds are held in trust as a constructive trustee for Compeer;
- (f) An order for an accounting of any profits or benefits realized by the Canadian Sunterra Entities, Price [^]Uffelman or Thompson from the funds obtained as a result of the Cheque Kiting Scheme and the disgorgement of same;

- (g) An order, to the extent necessary, declaring that Compeer is entitled to pierce the corporate veil of the Canadian Sunterra Entities to enforce their claims and seek damages against Price ^, Uffelman and/or Thompson;
- (h) Damages in an amount to be particularized (plus contractual interest of 11% under the Promissory Note/Loan Agreements) from the Price Directors arising from their derivative oppressive conduct pleaded at paragraphs 101 and 102 above;
- (i) In the alternative to the contractual interest stated above, interest pursuant to the *Judgment Interest Act*, R.S.A. 2000, c. J-1;
- (j) Costs on a solicitor-client basis; and
- (k) Such further and other relief as counsel may advise and this Honourable Court shall permit.

NOTICE TO THE DEFENDANTS

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a Statement of Defence or a Demand for Notice in the office of the clerk of the Court of King's Bench at Calgary, Alberta, and serving your Statement of Defence or a Demand for Notice on the Plaintiff's address for service.

WARNING

If you do not file and serve a Statement of Defence or a Demand for Notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the Plaintiff against you.

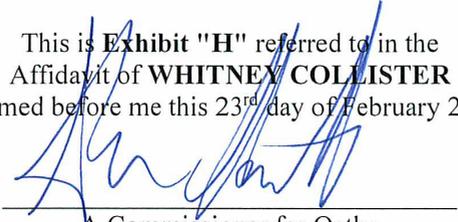
Schedule "B"
Amended Litigation Plan

Schedule "A"
Litigation Plan

1. This litigation plan may be amended only by written agreement between the parties to Court of King's Bench Action No. 2503-10998 (the "**Action**"), or by Court Order.
2. The Defendants in the Action shall file and serve their defences to the Statement of Claim filed in the Action and any affidavits in response to Compeer's application for declaratory relief and summary judgment in the Action filed on June 23, 2025 in these proceedings (the "**Application**") by September 5 2025 and shall advise Compeer Financial, PCA ("**Compeer**") what two additional current employees of Compeer, if any, it wishes to examine. Such examinations shall occur pursuant to Rule 6.8 of the Alberta *Rules of Court* unless the additional witnesses file Affidavits.
3. Each of Ray Price, Art Price, Debbie Uffelman and Craig Thompson (collectively, the "**Sunterra Witnesses**") shall attend for examination, by no later than October 24, 2025. Such examination shall be limited to 3 days to be apportioned by Compeer unless the parties otherwise agree or the Court directs. Such examinations shall occur pursuant to Rule 6.6 if they file affidavits or Rule 6.8 if they do not of the Alberta *Rules of Court*.
4. The Defendants shall conduct any examination of Nicholas Rue, Steve Grosland and the additional witness(es) identified in accordance with paragraph 2, if any, by no later than November 13, 2025. Such examination shall be limited to 3 days to be apportioned by counsel for the Defendants unless the parties otherwise agree or the Court directs.
5. Any amendments to the parties to the Application, shall be made by October 27, 2025.
6. Any undertaking responses shall be provided by November 3, 2025.
7. Compeer shall file its brief by November 19, 2025 and the Defendants shall file their briefs by November 28, 2025.
8. The Application shall proceed to judgement on December 4 and 5, 2025.
9. The parties to the Action are at liberty and are hereby authorized and empowered to apply

to the Court for assistance in carrying out the terms of this plan and may seek to vary this plan on not less than seven day's notice.

This is **Exhibit "H"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2026

COURT FILE NUMBER 2501 19283

COURT COURT OF KING'S BENCH OF ALBERTA

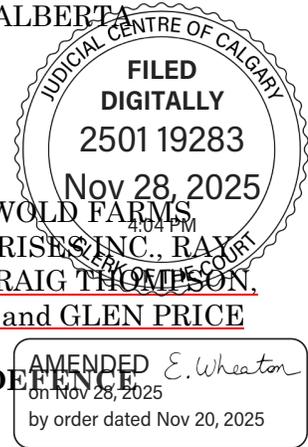
JUDICIAL CENTRE CALGARY

PLAINTIFF COMPEER FINANCIAL, PCA

DEFENDANTS SUNTERRA FARMS LTD., SUNWOLD FARMS LIMITED, SUNTERRA ENTERPRISES INC., RAY PRICE, DEBBIE UFFELMAN, CRAIG THOMPSON, DAVID PRICE, ARTHUR PRICE and GLEN PRICE

DOCUMENT AMENDED STATEMENT OF DEFENCE

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Blue Rock Law LLP
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Calgary, AB
T2P 1K3



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david.mann@bluerocklaw.com
File: 1375-00001

Note: State below only facts and not evidence (Rule 13.6)

Statement of facts relied on:

General denial and overview of Defence

1. The Defendants, Sunterra Farms Ltd. (“Sunterra Canada”), Sunwold Farms Limited (“Sunwold Canada”) (together, the “Canadian Hog Farm Entities”), Sunterra Enterprises Inc. (“SEI”) (collectively the “Corporate Defendants”), Ray Price (“Ray Price”), Debbie Uffelman (“Uffelman”), Craig Thompson (“Thompson”), David Price, Arther Price (“Art Price”) and Glen Price, deny every allegation of fact unless expressly admitted herein.
2. The Defendants admit the facts as alleged at paragraph 18 of the within Amended Statement of Claim, as sent to the Court on October 27, 2025 (“Statement of Claim”), save to say that Sunterra U.S. also housed pigs for unrelated parties including The Pork Group Inc..

Key facts

3. The Corporate Defendants are private corporations incorporated in Alberta and are members of the Sunterra Group – a series of companies ultimately owned and operated by members of the Price family. The Sunterra Group has operations dating back over 50 years, spanning multiple sectors of the agricultural and food distribution industries.
4. The Defendants do not bank with and have never banked with Compeer Financial, PCA (“Compeer” or the ‘Plaintiff’).
5. 3 US Sunterra entities banked with Compeer: Sunwold Farms Inc. (“Sunwold US”), Sunterra Farms Iowa Inc. (“Sunterra US”) and Lariagra Farms South Inc. (Lariagra US”) (collectively the “US Hog Farm Entities”).
6. The US Hog Farm Entities worked with Canadian Hog Farm Entities of the Sunterra Group, namely the Corporate Defendants, in a large pig farming business. Piglets are born in Canada and were sold to the US Hog Farm Entities. These piglets are and were produced to No Antibiotics Ever or NAE standards, and as such attract and attracted a premium price once they mature into hogs and are sold in USD in the US. But to achieve that premium, significant time and resources are required.
7. Compeer, wrongfully and without warning cancelled all the credit facilities of the US Hog Entities in February 2025. This cancellation of credit caused the US Hog Farm Entities to experience liquidity issues which ultimately resulted in an insolvency (“**US Insolvency**”). After the cancellation of the credit facilities but prior to the US Insolvency, Art Price of the Sunterra Group met with Compeer and presented them with a proposal that would have solved any issues relating to the repayment of the Compeer debt (“**Price Proposal**”). The Price Proposal included defined participation in positive cash flows arising from the continued business operation of the Hog business and taking advantage of certain premiums which were attainable through the continued operation of the US entities in conjunction with pig purchases from the Canadian entities.

Specific Responses

8. The Defendants deny that they owe the Plaintiff any duties as alleged or at all, or alternatively that to the extent that they owed any duties that they breached any duties as alleged or at all.
9. The Defendants deny that they caused any losses as alleged or at all.
10. In specific response to paragraph 1 of the Statement of Claim the Defendants deny that the Plaintiff suffered any losses as alleged or at all.
11. In the alternative if any losses were suffered, which is not admitted but denied, then those losses are exorbitant and exaggerated and the Defendants are not liable for them.
12. In the further alternative, if any losses were suffered, which is not admitted but denied, then there is a failure to mitigate, including by the failure of the Compeer to work with the US Receiver and Sunterra to realize the true value of the assets of the US Hog Farm Entities for the benefit of all stakeholders.
13. In the further alternative, if any losses were suffered, which is not admitted but denied, then those losses were not caused by the Defendants but were solely or partially caused by the Plaintiff such that it is contributorily negligent, or were all or partially caused by third parties including but not limited to the National Bank of Canada.
14. The Defendants deny that they, or any of them, participated in any fraudulent scheme as alleged. Further, or in the alternative, the Defendants state that to the extent that there was any such scheme as alleged or at all, which is denied, that Compeer was a knowing participant and cooperated in the scheme. At all material times hereto Compeer consented to, endorsed, and/or tacitly or expressly endorsed the actions of the Defendants. Specifically, Compeer knew about and authorized the financial practices of the Defendants including any intercompany loans or transfers.
15. In response to paragraphs 4 and 5 of the Statement of Claim, deny that any actions undertaken by them were done in furtherance of the alleged "Cheque Kiting Scheme".

16. In response to paragraph 5 of the Statement of Claim, Price, Uffelman and Thompson did not cause or conceal anything as alleged.
17. In response to paragraph 6 of the Statement of Claim, SEI denies that it was a guarantor of any loans as alleged. In the alternative, to the extent that it was a guarantor of any loans as alleged, SEI claims set off and alleges that the refusal to accept the Price Proposal or to otherwise realize the true value of the assets of the US Hog Farm Entities constituted a breach of Compeer's contractual duty of good faith and both caused any losses that Compeer may have suffered as well as caused additional loss and damage to SEI, as well as to the other Sunterra Defendants.
18. In response to paragraph 13 of the Statement of Claim, Ray Price denies that he is the beneficial owner of the Sunterra Entities as alleged and further states that at all times he exercised reasonable diligence when acting as an officer and director of any of the entities as alleged. Ray further denies wrongful conduct and denies that he owes the Plaintiff any duty as alleged or at all.
19. In response to paragraph 14 of the Statement of Claim, Uffelman states that she exercised reasonable diligence when acting as an officer of any of the entities at all times, and denies that she had knowledge and oversight of and responsibility for the finances of the Sunterra companies as alleged. She further denies wrongful conduct and denies that she owes the Plaintiff any duty as alleged or at all.
20. In response to paragraph 15 of the Statement of Claim, Thompson denies that he had knowledge and oversight of and responsibility for the finances of the Sunterra companies as alleged.
21. In specific response to paragraph 16 of the Statement of Claim, David Price and Glen Price were directors of only Sunterra Enterprises Inc and not the Canadian Hog Farm Entities.
22. In specific response to paragraphs 28 and 29 of the Statement of Claim, Sunterra Enterprises denies the guarantees as alleged or at all, and in the alternative denies that the guarantees as alleged to have been granted on September 23, 2023, were continuing guarantees which applied after the granting of the three RLOCs by

Compeer on October 7, 2024, and in the alternative deny any liability to Compeer for any losses or damages, which are denied, as alleged or at all, given Compeer's participation in the activities of the U.S Hog Farm Entities as alleged, including by the ongoing grant of conditional credit to those entities resulting in the alleged loss or damages which were thereby caused by Compeer and were not contemplated by the alleged guarantees. Sunterra Enterprises further states that if in the alternative the guarantees alleged to have been granted on September 23, 2023 are deemed to apply to the liabilities of the US Hog Farm Entities to Compeer, then the liability under the alleged guarantee(s) for the debts owing by Sunwold Canada and Lariagra Canada are capped at a total of USD \$3,000,000 including any applicable interest.

23. In specific response to paragraphs 36-46, of the Statement of Claim, the Defendants deny that the intercompany transactions occurred as alleged. In the alternative, to the extent that intercompany transactions occurred, they occurred with full transparency to and with the tacit and/or express consent and knowledge of Compeer.

24. In specific response to paragraph 54, say that Compeer undertook no new action as alleged because it was already manually approving each cheque written.

25. In specific responses to paragraphs 58, and 68-83, the Defendants say that the corporate veil of the Canadian Hog Farm Entities has not been pierced to allow Compeer to enforce its claims and seek damages against any of the individual defendants and specifically:

a. deny that Ray Price, Uffelman and Thompson caused at least the US. Sunterra Entities and the Canadian Sunterra Entities to perpetuate a highly-sophisticated and fraudulent cheque kiting Scheme (the “**Cheque Kiting Scheme**”) as alleged or at all, or any fraud as against Compeer.

b. state that all actions and conduct (including omissions) alleged to have been taken by the Ray Price, Uffelman and Thompson is denied, but in the alternative say that:

- i. any such actions and conduct were not tortious and identified no separate identity of interest from that of the corporation so as to make the impugned actions or conduct their own;
 - ii. neither the Canadian Hog Farm Entities nor the U.S. Hog Farm Entities were dominated and controlled and being used by Ray Price, Uffelman and Thompson or any of them as a shield for fraudulent or improper conduct;
 - iii. there is no factual underpinning pleaded by the Plaintiff to support allegations that any of Ray Price, Uffelman and Thompson acted outside of their capacity as officers, directors or employees of the relevant entities, there was no separate identity of interest and the none of the actions or conduct alleged were carried out for the benefit of any of the Individual Defendants.
- c. In further specific response to paragraph 68 to 83 of the Statement of Claim:
- i. say that for each and every time the Canadian Sunterra Entities issued a cheque to the U.S Sunterra Entities, the Defendants deny that any of them made a representation that the Canadian Hog Farm Entities had the capacity to honor the cheques and in the alternative say that the relevant Defendants made honest representations and made no intentional concealment of the truth;
 - ii. deny that the evidence of Price, Uffelman and Thompson includes admissions of conduct amounting to the perpetration of the alleged Cheque Kiting Scheme;
 - iii. deny that they knowingly took advantage of any float or conditional credit provided by Compeer and NBC, deliberately and with sufficient knowledge of the manner in which Compeer and NBC respectively verified, cleared and settled cheques, regarding the extension of conditional credit and the lack of holds on cheques to commit the fraud as alleged, and say that it was Compeer and NBC that had the superior

knowledge, expertise and experience, as well as their clearing banks, to understand the extent of conditional credit being granted and further that they turned their minds to and indeed scrutinized the relevant transactions;

- iv. deny that the denominations of the cheques in amounts less than USD \$1,000,000 was a deliberate tactic to transact significant funds while evading detections of fraud and say that the choice of those amounts was to allow for quicker processes for business efficiency, in a context where there were already significant inefficiencies and delays on the banks' part in the clearing of funds from the transactions through the accounts with Compeer and NBC respectively;
- v. deny that the intercompany transactions described had no legitimate purpose and say that they arose from the needs of business operations arising from the difference in cash and accrual accounting for taxation purposes between Canada and the United States, and in the context of the lack of real time transparency in the transaction records of and account statements issued by Compeer and NBC respectively, and the inefficiencies and problems with their respective account netting systems, and continued and grew without subjective knowledge of the extent of conditional credit being created and without intent to make any misrepresentation to or to otherwise deceive Compeer;
- vi. the Defendants say that Ray Price honestly represented to the Compeer the reason for the use of cheque for intercompany transfers and contrary to paragraph 36 of the Statement of Claim, Compeer never questioned Ray Price nor any of the Defendants about the manner in which the U.S Sunterra Entities Compeer Accounts were used in connection the Sunterra Group's approach to intercompany transactions between its U.S. and Canadian operations *per se*, but only questioned the use of cheques between the U.S. Hog Farm Entities and the Canadian Hog Farm Entities for that purpose.

- vii. say that there is no contractual relationship between, nor any fiduciary or other duty owing by of the Defendants to Compeer;
 - viii. say that in respect of any representation as alleged or at all (which are denied), there was no subjective knowledge, nor reckless or willful blindness, on the part of any of the Defendants that any representations made as alleged were false; and
 - ix. deny that Ray Price, Uffelman and/or Thompson have made any of the admissions as alleged in paragraphs 69, 75 and 80 of the Statement of Claim.
- d. In specific and further response to paragraph 80 of the Statement of Claim, say that there was no intention of the part of any of the Defendants to deceive Compeer nor to induce Compeer to act, and further that Compeer chose to grant conditional credit to the U.S Hog Farm Entities regardless of any representations made by or on behalf of any of the Defendants and continued to do so with knowledge and full transparency of the transactions undertaken between the Canadian Hog Farm Entities and the US Hog Farm Entities, and the conditional credit being granted by Compeer for that purpose. Further, Compeer had superior knowledge, experience and expertise of the system of conditional credit and clearing bank operations such that it could not have been deceived by any representations by any of the Defendants as alleged or at all. In these circumstances, it cannot be said that Compeer would not have granted the conditional credit for the intercompany transactions as alleged but for the actions and conduct (including omissions) of the Defendants or any of them.

26. In specific response to paragraph 81 of the Statement of Claim, the Defendants:

- a. refer to and repeat paragraph 24 and 25 above and deny that any of the Defendants were perpetuating a Cheque Kiting Scheme as alleged or at all, or knowingly undertook the actions and conduct alleged to conceal the continued perpetuation of any such scheme.

b. deny that the Sunterra Group utilized a unified accounting system that integrated all financial activities, including the activities of the U.S. Hog Farm Entities and the Canadian Hog Farm Entities and further, or in the alternative, deny that Price, Uffelman and Thompson knew that there were insufficient funds at Compeer and National Bank to cover the cheques written for the Canadian Hog Farm Entities and the U.S. Hog Farm Entities. In particular, and without limitation, the Defendants point to the combined positive balance of approximately USD \$21,000,000 in funds payable to the U.S Sunterra Entities and Lariagra U.S. as pleaded in paragraph 63 of the Statement of Claim, and say that Ray Price held an honest belief in the availability of those funds as a positive balance that could be used to pay off funds owing in the accounts of the Canadian Hog Farm Entities with NBC, as per paragraph 57(g) and 60 of the Statement of Claim.

27. In specific response to paragraph 82, repeat paragraph 26(b) above and deny that any funds were misappropriated and further, or in the alternative, deny that Ray Price and Uffelman had knowledge as alleged or at all regarding the alleged false positive balance on the relevant accounts giving rise to interest payments in favor of the U.S. Hog Farm Entities or any of them.

Allegation of Fraud, Deceit and Fraudulent Misrepresentation and of Civil Conspiracy

28. In specific response to paragraphs 92-95 and 96-99 of the Statement of Claim, the Defendants say that:

a. in the context of the above, the allegations in paragraphs 92-95 and 96-99 are an artifice and fabrication designed by the Plaintiffs to try and get around the consequences of their failure to join the US Hog Farm Entities as Defendants to the Compeer claim as identified in the orders of this Court in these CCAA proceedings dated July 24, 2025 (“Compeer Claim”);

29. In specific response to paragraph 92-95, and in the alternative to paragraph 28 above

a. the Defendants repeat paragraph 28 above, and deny that there was any deceit, fraud, or fraudulent misrepresentations for which they, or any of them, are liable to Compeer; and

b. Further or in the alternative say that the Plaintiff's loss and damages as alleged were caused by Compeer's own actions and omissions, or by those of NBC.

30. In specific response to paragraphs 96-99 of the Statement of Claim, the Defendants deny that there was any conspiracy and in particular repeat paragraph 28 (iv) above and:

a. deny that they carried out any the alleged unlawful conduct, namely the Cheque Kiting Scheme, (the "Alleged Unlawful Conduct");

b. further, or in the alternative, deny that any two or more of them entered into an agreement to carry out the Alleged Unlawful Conduct pursuant to that agreement;

c. further, or in the alternative, deny:

i. that the Alleged Unlawful Conduct was directed toward the Plaintiff,

ii. that the Defendants (or any relevant combination of them) should have known that injury to the Plaintiff was likely to result; and

iii. that the loss and damages to the Plaintiff did in fact occur as alleged, in respect of which the Defendants refer to and repeat paragraphs ... above in relation to causation.

31. Alternatively, even if there was any unlawful conduct conspiracy committed by any two of more of the Defendants as alleged, which is vehemently denied, Compeer was either a participant in, or willfully blind [^] to the conduct in question and/or its effects.

32. In response to paragraph 100-102 and the Plaintiff's claims for compensation pursuant to s 242 of the Business Corporations Act, R.S.A., c B-9, the Defendants:

- a. deny that there was any conduct that was oppressive ^, unfairly prejudicial, or which unfairly disregards the interests of security holders, creditors, directors or officers for which the Plaintiff seeks relief, including the alleged Cheque Kiting Scheme, which is denied, and the Defendants refer to and repeat paragraphs .28-30 above;
 - b. further and in the alternative, state that Compeer is not a creditor or complainant within the meaning of the Alberta *Business Corporations Act* as it was not a lender to any of the Defendants;
 - c. further or in the alternative state that the Plaintiff cannot be said to have been oppressed or unfairly dealt with by the Defendants or any of them, nor to have been unfairly prejudiced, by any conduct as alleged, or at all, because the Plaintiff had full visibility of that conduct, which it examined and scrutinized from a position of superior knowledge, experience and and had the power to stop it but did not do so prior to February 2025, and in that context acquiesced to the alleged conduct over an extended period of time;
 - d. further or in the alternative, any loss and damages suffered by Compeer was caused by the US Hog Farm Entities as the customers of the Plaintiff and/or NBC, and not by the Defendants or any of them.
33. In further specific response to paragraphs 101 and 102 of the Statement of Claim, these paragraphs ought to be struck out with respect to David Price, Art Price and Glen Price, because no conduct has been pleaded on their behalf and the Defendants therefore cannot know the case they have to answer. Further, David Price and Glen Price were not and are not directors of the Canadian Hog Farm Entities, or either of them, and it has not been alleged by the Plaintiff that Sunterra Enterprises took part in the alleged Cheque Kiting Scheme on which the oppression claims as pleaded by the Plaintiff is based.
34. In further specific response to paragraphs 101 and 102, Art Price denies any knowledge of the alleged conduct comprising the alleged Cheque Kiting Scheme prior to on or around February 11, 2025

35. There is no justification for delay in the bringing of any and all actions against the Defendants within this Compeer Claim and in particular as against David Price, Art Price, Glen Price and Ray Price in relation to the subject matter of the Compeer Claim. The derivative action anticipated by the Plaintiff in paragraph 102 of the Statement of Claim is, ipso facto, related to the same subject matter as the Compeer Claim and the same parties who are now Defendants without breach of the within claim, and cannot and/or ought not be allowed to proceed after the hearing of the Compeer Claim pursuant to the doctrines of res judicata, issue estoppel and/or abuse of process.

No knowledge and no profit

36. In specific reply to paragraphs 71 and 72 of the Statement of Claim, the Defendants specifically deny that they had any such knowledge with respect to the cheque verification, clearing, and settlement process of Compeer, nor did any Defendant have knowledge of insufficient funds in any account. The fact is that the accounts were in such a state of flux that the knowledge alleged to be had by the Defendants is impossible to have at any one point in time.

37. Further, the fact is that Compeer and NBCs back-office operations automatically, and without input from the Defendants, applied or removed funds and thereby varied amounts in various accounts – therefore any overdraft or default is due to their systems and processes, and not the Defendants. As well, in respect of paragraph 68(b) of the Statement of Claim, the Defendants specifically deny that the sub \$1 Million cheques were sent for the purposes of ^ avoiding scrutiny or for any purpose amounting to wrongful conduct.

38. In further reply to the allegations at paragraphs 68 – 83 and the entirety of the Statement of Claim generally, the fact is that none of the Defendants profited because of the alleged impugned conduct.

Any matters that defeat the Plaintiff's Claim

Waiver, Acquiescence, Laches, Estoppel

39. In reply to the Statement of Claim generally, even if the alleged facts were true, which is denied, in the alternative these facts would all have been known and consented to by Compeer for years and were not in issue. In this regard, the Defendants refer to and rely on paragraphs 30-31 above. The Defendants plead and rely upon the doctrines of waiver, acquiescence, laches, and estoppel. Compeer acquiesced to the conduct it now complains of, and seeks redress for, years prior to advancing this claim. Compeer waived its rights to demand strict performance with the loan agreements and terms of the FCM Accounts and/or other relevant obligations among the U.S. Hog Farm Entities, and is estopped from enforcing the express terms of its loan agreements or account terms or seeking recovery from the Defendants herein.

^

Any alleged loss caused by National Bank of Canada

40. If damages were suffered, which is denied, the damages alleged to be caused by these Defendants are more properly attributable to the freezing actions of NBC, not any of the Defendants. The Defendants seek contribution and indemnity from NBC pursuant to a third-party claim that will be filed by the Defendants.

Limitations

41. In the alternative, all the foregoing facts were known by Compeer more than two years prior to filing the Statement of Claim. The fact is that the U.S. Hog Farm Entities have been in an overdraft position with Compeer many times in the past because their business necessarily relies on credit, and that credit varies from day to day. While the merits of the causes of action are denied, the fact is that the Plaintiff knew or ought to have known of the facts giving rise to the within causes of action, and that such causes of action would have warranted a proceeding seeking a remedial order, more than two years prior to the filing of the within Statement of Claim, and the Defendants plead and rely on the Alberta *Limitations Act*, RSA 2000, c L-12 as a complete defence.

Set-Off

42. The actions of the Plaintiff have caused the Defendants loss and damage as particularized in the Counterclaim. Accordingly the Defendants plead set off.

Declarations of exemption sought by Compeer

43. State that the claims made by Compeer do not relate to property or services obtained by false pretenses or fraudulent misrepresentation, in respect of which the Defendants are liable. Further and in the alternative say that section 19(2) of the CCAA does not operate in all cases to exempt any such claims from a plan of compromise or arrangement, but rather such exemption depends upon whether the compromise or arrangement explicitly provides for the claim's compromise and the creditor in question in relation to that debt votes for the acceptance of the compromise or arrangement. To make a declaration to the effect sought by Compeer in paragraph 1(c) of its Amended Notice of Application now, would be peremptory in circumstances where the assets and liabilities of the Corporate Defendants have not yet been determined and a plan has not yet been prepared or proposed, and would undermine the purposes of the CCAA.
44. In respect of the declaration sought in paragraph 1(d) of the Amended Notice of Application, the Defendants state that the exemption sought therein cannot extend to Uffelman nor Thompson on any basis because Section 5.1(2)(b) of the CCAA applies only in respect of directors and neither Uffelman nor Thompson were directors of any of the Corporate Defendants at any time. In respect of Ray Price, the Defendants deny that he made any misrepresentations to creditors of any of the Defendants, Compeer not being a creditor of any of the Corporate Defendants, nor to Compeer, and deny that he undertook wrongful or oppressive conduct as a director of one of more of the Corporate Defendants such that the exception in section 5.1(2) could apply in respect of any release in connection with a compromise or arrangement of one or more of the Corporate Defendants pursuant to that section.

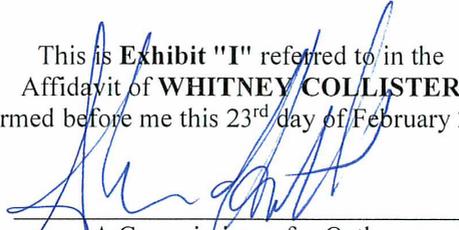
Tracing funds granted by conditional credit

45. The Defendants deny that Compeer is entitled to trace any funds granted by conditional credit to any of the US Hog Farm Entities, including pursuant to the alleged Cheque Kiting Scheme, which is denied, and say that any such funds are not held in trust by any of the defendants as constructive trustee for Compeer and or in the alternative such funds have been dissipated or have been transformed and can no longer be identified because they have been mixed with other funds and Compeer has not and cannot provide sufficient certainty as to the traceable connection between the original funds and any substitute assets.

Remedy sought:

46. The Defendants, Sunterra Farms Ltd., Sunwold Farms Limited, Sunterra Enterprises Inc., Ray Price, Debbie Uffelman, Craig Thompson, David Price, Arthur Price and Glen Price respectively request this Honourable Court to dismiss the within Claim with solicitor and his own client (full-indemnity) costs payable to the Defendants, and such further and other relief as this Honourable Court deems just and equitable in the circumstances.

This is **Exhibit "I"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2026



COURT FILE NUMBER

2401-09247

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE OF

CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, as amended

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF LONG RUN EXPLORATION LTD. AND CALGARY SINOENERGY INVESTMENT CORP.

DOCUMENT

AMENDED AND RESTATED INITIAL ORDER

CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:

BLAKE, CASSELS & GRAYDON LLP

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Calgary, Alberta T2P 4J8

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christopher.keliher@blakes.com

File: 14438/2

DATE ON WHICH ORDER WAS PRONOUNCED: July 12, 2024

NAME OF JUSTICE WHO MADE THIS ORDER: Honourable Justice P.R. Jeffrey

LOCATION OF HEARING: Calgary Courts Centre

UPON the application of China Construction Bank Toronto Branch (the "**Applicant**" or "**CCBT**"); **AND UPON** having read the Application, the Affidavit of Ziqing (Eddie) Zou affirmed July 2, 2024; and the Affidavit of Service of Olivia Valks affirmed July 9, 2024, filed; **AND UPON** reviewing the CCAA Initial Order granted by the Honourable Justice K.M. Horner in these proceedings on July 4, 2024 (the "**Initial Order**"); **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application; **AND UPON** hearing counsel for CCBT and counsel for FTI Consulting Canada Inc. ("**FTI**" or the "**Monitor**") to; **AND UPON** reading the Pre-filing report of the proposed Monitor and the First Report the Monitor of Long Run Exploration Ltd. and Calgary Sinoenergy Investment Corp. (the "**Debtors**");

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

APPLICATION

2. The Debtors are companies to which the *Companies' Creditors Arrangement Act* of Canada (the "**CCAA**") applies.

PLAN OF ARRANGEMENT

3. The Debtors shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (a "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

4. The Debtors shall:
 - (a) remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**");
 - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property;
 - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants with the consent of the Monitor as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order; and
 - (d) be entitled to continue to utilize the central cash management system currently in place

or, with the consent of the Monitor, replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Debtors of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Debtors, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

5. To the extent permitted by law, the Debtors shall, with the consent of the Monitor, be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after this Order:
 - (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
 - (b) the reasonable fees and disbursements of any Assistants retained or employed by the Debtors in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order.

6. Except as otherwise provided to the contrary herein, the Debtors shall, with the consent of the Monitor, be entitled but not required to pay all reasonable expenses incurred by the Debtors in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
 - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
 - (b) payment for goods or services actually supplied to the Debtors following the date of this Order.

7. The Debtors shall remit, in accordance with legal requirements, or pay:
- (a) any payroll remittances in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be remitted in respect of employee wages, including, without limitation, amounts in respect of:
 - (i) employment insurance,
 - (ii) Canada Pension Plan, and
 - (iii) income taxes,but only where such remittance obligations arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;
 - (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Debtors in connection with the sale of goods and services by the Debtors, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
 - (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by the Debtors.
8. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Debtors may, with the consent of the Monitor, pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Debtors from time to time for the period commencing from and including the date of this Order ("**Rent**"), but shall not pay any rent in arrears.
9. Except as specifically permitted in this Order, the Debtors are hereby directed, until further order of this Court:
- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Debtors to any of its creditors as of the date of this Order;
 - (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and

- (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

10. The Debtors shall, subject to such requirements as are imposed by the CCAA have the right to:
- (a) permanently or temporarily cease, downsize or shut down any portion of its business or operations and to dispose of redundant or non-material assets not exceeding \$500,000 in any one transaction or \$1,000,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Debtors (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;
 - (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the Debtors and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;
 - (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor (as defined below) or further Order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Debtors deem appropriate, in accordance with section 32 of the CCAA; and
 - (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Debtors to proceed with an orderly restructuring of the Business (the "**Restructuring**").

11. The Debtors shall provide each of the relevant landlords with notice of the Debtors' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Debtors' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Debtors, or by further order of this Court upon application by the Debtors on at least two (2) days' notice to such landlord and any such secured creditors. If the Debtors disclaim or resiliate the lease governing such leased premises in accordance with section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any such dispute other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the Debtors' claim to the fixtures in dispute.
12. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:

- (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Debtors and the Monitor 24 hours' prior written notice; and
- (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Debtors in respect of such lease or leased premises and such landlord shall be entitled to notify the Debtors of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

13. Until and including July 31, 2024, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Debtors or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Debtors or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**"), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Debtors or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:
- (a) empower the Debtors to carry on any business that the Debtors are not lawfully entitled to carry on;
 - (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
 - (c) prevent the filing of any registration to preserve or perfect a security interest;
 - (d) prevent the registration of a claim for lien; or
 - (e) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.

15. Nothing in this Order shall prevent any party from taking an action against the Debtors where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

NO INTERFERENCE WITH RIGHTS

16. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, except with the written consent of the Debtors and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. During the Stay Period, all persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the Debtors, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Debtors

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Debtors shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtors in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtors and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Debtors.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. 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 Debtors with respect to any claim against the directors or officers that arose before the date of this Order and that relates to any obligations of the Debtors 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 Debtors, if one is filed, is sanctioned by this Court or is refused by the creditors of the Debtors or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. The Debtors shall indemnify its directors and officers against obligations and liabilities that they may incur as directors and or officers of the Debtors after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
21. The directors and officers of the Debtors shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$250,000, as security for the indemnity provided in paragraph 20 of this Order. The Directors' Charge shall have the priority set out in paragraphs 34 and 36 herein.
22. Notwithstanding any language in any applicable insurance policy to the contrary:
 - (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
 - (b) the Debtors' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 20 of this Order.

APPOINTMENT OF MONITOR

23. FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs and the Debtors with the powers and obligations set out in the CCAA or set forth herein and that the Debtors and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Debtors pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.
24. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
 - (a) monitor the Debtors' receipts and disbursements, Business and dealings with the Property;

- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Debtors;
- (c) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Debtors to the extent that it is necessary to adequately assess the Property, Business, and financial affairs of the Debtors or to perform its duties arising under this Order;
- (d) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (e) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Debtors and any other Person; and
- (f) perform such other duties as are required by this Order or by this Court from time to time.

25. Without in any way limiting the powers and duties of the Monitor otherwise set out herein or in the CCAA, the Monitor is hereby empowered and authorized, but not obligated, to do any of the following in the name of and on behalf of the Debtors, where the Monitor considers it necessary or desirable:

- (a) take any and all actions and steps to manage, operate and carry on the Business, including, without in any way limiting the generality of the foregoing:
 - (i) any actions or steps the Monitor considers necessary or desirable to proceed with an orderly restructuring or liquidation of the Business;
 - (ii) any and all steps of the Debtors authorized by this Order and any other Order made in these proceedings, including making distributions or payments;
 - (iii) permanently or temporarily ceasing, downsizing or shutting down any of the Debtors' operations;
 - (iv) terminating the employment of or temporarily laying off employees of the Debtors;
 - (v) preparing a Plan on behalf of the Debtors;
 - (vi) entering into any agreements;

- (vii) settling, extending or compromising any indebtedness owing to or by the Debtors;
 - (viii) engaging and instructing Assistants from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Monitor's powers and duties, including those conferred by this Order;
 - (ix) purchasing or leasing machinery, equipment, inventories, supplies, premises or other assets to continue the Business, or any part or parts thereof;
 - (x) initiating, prosecuting and continuing the prosecution of any and all proceedings and defending all proceedings now pending or hereafter instituted with respect to the Debtors, the Business, the Property or the Monitor and to settle or compromise any such proceeding;
 - (xi) exercising any rights of the Debtors;
 - (xii) applying for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and in the name of the Debtors;
 - (xiii) taking any and all corporate governance actions for the Debtors; and
 - (xiv) providing instruction and direction to the Assistants of the Debtors.
- (b) preserve, protect and exercise control over the Property, or any parts thereof, including, without in any way limiting the generality of the foregoing to:
- (i) receive, collect and exercise control over all monies and accounts held by or owing to the Debtors, including any proceeds of the sale of any of the Property;
 - (ii) exercise all remedies of the Debtors in collecting monies owed or hereafter owing to the Debtors and to enforce any security held by the Debtors; and
 - (iii) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property for any purpose pursuant to this Order;
 - (iv) market, sell, convey, transfer, lease or assign the Property or any part or parts of the Property out of the ordinary course of business, including running a sales solicitation process without the approval of this Court, in respect of any one transaction not exceeding \$500,000 or \$1,000,000 in the aggregate and with the approval of this Court in respect of any other transaction;

- (c) to report to, meet with and discuss with such affected persons as the Monitor deems appropriate on all matters relating to the Business and the Property, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable;
 - (d) oversee and direct the preparation and dissemination of financial and other information of the Debtors in these proceedings, including cash flow statements; and
 - (e) perform such other duties or take any steps reasonably incidental to the exercise of these powers and in each case where the Monitor takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other persons, including the Debtors and without interference from any other person.
26. The Monitor is not and shall not, for any purposes, be deemed to be a director, officer, employee, receiver, receiver-manager, or liquidator of the Debtors.
27. The Monitor is not and shall not for the purposes of the *Income Tax Act* (Canada) be deemed to be a legal representative or person to whom s. 150(3) of that Act applies.
28. The Monitor shall not take possession of the Property and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order be deemed to be in possession of any of the Property within the meaning of any federal or provincial environmental legislation.
29. The Monitor shall provide the Applicant and any creditor of the Debtors with information provided by the Debtors in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Debtors is confidential, the Monitor shall not provide such

information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Debtors may agree.

30. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
31. The Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), in each case at their standard rates and charges, by the Debtors as part of the costs of these proceedings. The Debtors are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and the Applicant's counsel on a bi-weekly basis unless otherwise agreed by the parties.
32. The Monitor and its legal counsel shall pass their accounts from time to time.
33. The Monitor, counsel to the Monitor, and the Applicant's counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000 as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 34 and 36 hereof.

VALIDITY AND PRIORITY OF CHARGES

34. The priorities of the Directors' Charge and the Administration Charge (together, the "**Charges**") shall be as follows:
 - First – Administration Charge (to the maximum amount of \$500,000); and
 - Second – Directors' Charge (to the maximum amount of \$250,000).
35. The filing, registration or perfection of the Charges shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
36. The Charges (as constituted and defined herein) shall constitute a charge on the Property and subject always to section 34(11) of the CCAA such Charges shall rank in priority to all other security

interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

37. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Debtors shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges unless the Debtors also obtain the prior written consent of the Monitor, and the beneficiaries of the Charges, or further order of this Court.
38. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") shall not otherwise be limited or impaired in any way by:
- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
 - (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
 - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
 - (d) the provisions of any federal or provincial statutes; or
 - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") that binds the Debtors, and notwithstanding any provision to the contrary in any Agreement:
 - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof shall create or be deemed to constitute a new breach by the Debtors of any Agreement to which it is a party;
 - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
 - (iii) the payments made by the Debtors pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

ALLOCATION

39. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Charges amongst the various assets comprising the Property.

SERVICE AND NOTICE

40. The Monitor shall (i) without delay, publish in the Daily Oil Bulletin a notice containing the information prescribed under the CCAA; (ii) within five (5) days after the date of this Order (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Debtors of more than \$1,000 and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.
41. The Monitor shall establish a case website in respect of the within proceedings at <http://cfcanada.fticonsulting.com/longrun>.

GENERAL

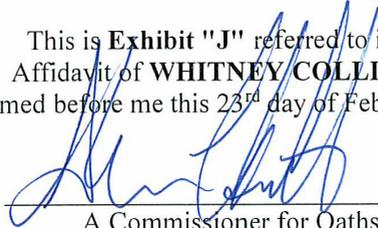
42. The Debtors or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
43. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
44. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of the Debtors, the Business or the Property.
45. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Debtors, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant, the Debtors and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant, the Debtors, the Monitor and their respective agents in carrying out the terms of this Order.
46. Each of the Applicant, the Debtors and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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47. Any interested party (including the Applicant, the Debtors and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
48. The Initial Order is hereby amended and restated pursuant to this Order, and this Order and all of its provisions are effective as of 12:01 a.m. Mountain Time on July 12, 2024.


Justice of the Court of King's Bench of Alberta

This is **Exhibit "J"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
Commission Expires November 3, 2028

Clerk's Stamp:



COURT FILE NUMBER
COURT
JUDICIAL CENTRE OF

2301-
COURT OF KING'S BENCH OF ALBERTA
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 FREE REIN
RESOURCES LTD.

APPLICANT:

INVICO DIVERSIFIED INCOME LIMITED
PARTNERSHIP, by its general partner INVICO
DIVERSIFIED INCOME MANAGING GP INC.

RESPONDENT(S):

FREE REIN RESOURCES LTD.

DOCUMENT

AMENDED AND RESTATED INITIAL ORDER

CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT:

FASKEN MARTINEAU DUMOULIN LLP
#3400 – 350 7th Ave SW
Calgary, AB T2P 3N9

Solicitor: Robyn Gurofsky / Anthony Mersich
Telephone: (403) 261 9469 / (587) 233 4124
Email: rgurofsky@fasken.com / amersich@fasken.com
File Number : 324505.00011

**DATE ON WHICH ORDER WAS
PRONOUNCED:**

December 7, 2023

**NAME OF JUDGE WHO MADE
THIS ORDER:**

The Honourable Justice J.T. Neilson

LOCATION OF HEARING:

Calgary Courts Centre, Calgary, Alberta

UPON the application of Invico Diversified Income Limited Partnership, secured creditor (the "Applicant") pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "CCAA"); AND UPON having read the Application, the Affidavit of Chris Wutzke; and the Affidavit of Service of Kim Picard, filed; AND UPON noting that the secured creditor affected by the charges created herein, is the Applicant; AND UPON being advised that Free Rein Resources Ltd. ("Free Rein") had previously commenced proceedings (the "NOI Proceedings") under Part

III of the *Bankruptcy and Insolvency Act* (the “**BIA**”) having Court File Number 25-2954304 and Estate Number B201954304, with such proceedings scheduled to expire on December 12, 2023; **AND UPON** hearing counsel for the Applicant, counsel for the Proposal Trustee/proposed Monitor and counsel for Free Rein; **AND UPON** reading the Pre-Filing Report of the Monitor, dated December 6, 2023;

AND UPON HAVING GRANTED the Initial Order commencing the within CCAA proceedings;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

APPLICATION

2. Free Rein is a company to which the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36 (the “**CCAA**”) applies.
3. The NOI Proceedings are hereby taken up and continued under the CCAA and the provisions of Part III of the BIA shall have no further application to Free Rein. The NOI Proceedings shall have no further force and effect, and are hereby terminated, save that any and all acts, steps, agreements and procedures validly taken, done or entered into by Free Rein during the NOI Proceedings shall remain valid, binding and actionable within these proceedings. For certainty, approval of the Monitor’s and its counsel’s fees and disbursements and approval of the Monitor’s activities in this proceeding shall be deemed approval of the fees and disbursements and activities of FTI, in its capacity as proposal trustee of Free Rein (in such capacity, the “**Proposal Trustee**”) and the fees and disbursements of the Proposal Trustee’s counsel in the NOI Proceeding. The Applicant is hereby directed and authorized to file a copy of this Order in the NOI Proceedings.

APPOINTMENT OF MONITOR AND ENHANCED POWERS

4. FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor:

- (a) the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”) of Free Rein; and
- (b) Free Rein’s business (the “**Business**”) and financial affairs,

with the powers and obligations set out in the CCAA and the additional powers as set forth herein. Free Rein and its shareholders, officers, directors, employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) shall advise the Monitor of all material steps taken by Free Rein pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor’s functions.

5. The Monitor is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and Business and, without in any way limiting the generality of the foregoing, the Monitor is hereby expressly empowered and authorized to do any of the following where the Monitor considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property, and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Monitor’s ability to abandon, dispose of, or otherwise release any interest in any of the Debtor’s real or personal property, or any right in any immovable;
- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking

of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate and carry on the Business, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of Free Rein;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Monitor's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of Free Rein or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to Free Rein and to exercise all remedies of Free Rein in collecting such monies, including, without limitation, to enforce any security held by Free Rein;
- (g) to settle, extend or compromise any indebtedness owing to or by Free Rein;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property or the Business, whether in the Monitor's name or in the name and on behalf of Free Rein, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of Free Rein;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to Free Rein, the Property or the Monitor, and to settle or compromise any such

proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Monitor to defend or settle the action in which this Order is made unless otherwise directed by this Court;

- (k) to sell, convey, transfer, lease or assign the Property or the Business or any part or parts thereof out of the ordinary course of business with approval of this Court, and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required;
- (l) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or Business or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property or the Business;
- (m) to report, meet with and discuss with such affected Persons (as defined below) as the Monitor deems appropriate all matters relating to the Property, the Business and these CCAA proceedings, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable;
- (n) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Monitor for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Monitor in its capacity as Monitor of Free Rein and not in its personal capacity;

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Monitor, in the name of Free Rein;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of Free Rein, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by Free Rein;
- (q) to exercise any shareholder, partnership, joint venture or other rights which Free Rein may have;
- (r) to exercise any power which may be properly exercised by an officer or the board of directors of Free Rein;
- (s) to issue and/or cancel share certificates in Free Rein;
- (t) monitor Free Rein's receipts and disbursements, Business and dealings with the Property;
- (u) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of Free Rein;
- (v) report to the Applicant and its counsel as requested with financial and other information as agreed to between the Monitor and the Applicant which may be used in these proceedings, including reporting on a basis as reasonably required by the Applicant;
- (w) prepare Free Rein's cash flow statements and reporting as reasonably required by the Applicant, on a periodic basis, as agreed to by the Applicant;
- (x) have full and complete access to the Property, including taking possession of the leased premises, books, records, data, including data in electronic form and other financial documents of Free Rein to the extent that is necessary to adequately

assess the Property, Business, and financial affairs of Free Rein or to perform its duties arising under this Order;

- (y) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (z) hold funds in trust or in escrow, to the extent required, to facilitate settlements between Free Rein and any other Person; and
- (aa) perform such other duties as are required by this Order or by this Court from time to time and take any steps reasonably incidental to the exercise of these powers or performance of any statutory obligations;

and in each case where the Monitor takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including Free Rein and its officers and directors and without interference from any other Person (as defined below).

6. Notwithstanding anything contained in this Order, the Monitor is not and shall not be deemed:
 - (a) a principal, director, officer, or employee of Free Rein;
 - (b) an employer, successor employer, or related employer of the employees of Free Rein or any employee caused to be hired by Free Rein by the Monitor within the meaning of any relevant legislation, regulation, common law, or rule of law or equity governing employment, pensions, or labour standards for any purpose whatsoever or expose the Monitor to any liability to any individual arising from or relating to their employment or previous employment Free Rein; and
 - (c) the receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors or legal representative of Free Rein within the meaning of any relevant legislation, regulation, common law, or rule of law or equity.

7. Free Rein and its officers, directors and Assistants shall cooperate fully with the Monitor and any directions it may provide pursuant to this Order and shall provide such assistance as the Monitor may reasonably request from time to time to enable the Monitor to carry out its duties and powers as set out in this Order, any other order of this Court under the CCAA or applicable law generally.
8. The power and authority granted to the Monitor by virtue of this Order shall, if exercised in any case, be paramount to the power and authority of Free Rein with respect to such matters.
9. (a) Notwithstanding anything in any federal or provincial law, the Monitor is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - (i) before the Monitor's appointment; or
 - (ii) after the Monitor's appointment unless it is established that the condition arose or the damage occurred as a result of the Monitor's gross negligence or wilful misconduct.
- (b) Nothing in subparagraph 9(a) exempts the Monitor from any duty to report or make disclosure imposed by a law referred to in that paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to this order, where an order is made which has the effect of requiring the Monitor to remedy any environmental condition or environmental damage affecting the Property, the Monitor is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
 - (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Monitor, if the order is in effect when the Monitor is

appointed, or during the Stay Period, the Monitor

- (A) complies with the order; or
 - (B) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
- (ii) during the Stay Period, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Monitor, if the order is in effect when the Monitor is appointed by,
- (A) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Monitor to contest the order; or
 - (B) the court having jurisdiction in these proceedings for the purposes of assessing the economic viability of complying with the order or,
- (iii) if the Monitor had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.
10. The Monitor shall provide the Applicant and any creditor of Free Rein with information provided by Free Rein in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by Free Rein is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor may determine.

11. In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, and the protections afforded to the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
12. Nothing in this Order shall derogate from the protections from liability provided under the BIA or under any Orders issued by this Court regarding FTI in its capacity as Proposal Trustee in the NOI Proceedings.
13. To the extent permitted by law, the Monitor shall be entitled but not required to make the following advances or payments, on Free Rein's behalf and from Free Rein's accounts, of the following expenses, incurred prior to or after this Order:
 - (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
 - (b) the reasonable fees and disbursements of any Assistants retained or employed by Free Rein in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order.
14. Except as otherwise provided to the contrary herein, the Monitor shall be entitled but not required to pay, on Free Rein's behalf and from Free Rein's accounts, all reasonable expenses incurred by Free Rein in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
 - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

- (b) payment for goods or services actually supplied to Free Rein following the date of this Order.
15. The Monitor shall remit on Free Rein's behalf and from Free Rein's accounts, in accordance with legal requirements, or pay:
- (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
 - (i) employment insurance,
 - (ii) Canada Pension Plan, and
 - (iv) income taxes,but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;
 - (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by Free Rein in connection with the sale of goods and services by Free Rein, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
 - (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by Free Rein.
16. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Monitor may pay, on Free Rein's behalf and from Free Rein's accounts, all

amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Monitor from time to time for the period commencing from and including the date of this Order ("**Rent**"), but shall not pay any rent in arrears.

17. Except as specifically permitted in this Order, the Monitor is hereby directed, until further order of this Court:
 - (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by Free Rein to any of its creditors as of the date of this Order;
 - (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and
 - (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

18. The Monitor shall, subject to such requirements as are imposed by the CCAA, have the right to:
 - (a) permanently or temporarily cease, downsize or shut down any portion of the Business or operations and to dispose of redundant or non-material assets not exceeding \$25,000 in any one transaction or \$100,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to Free Rein (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;
 - (b) terminate the employment of such of Free Rein's employees or temporarily lay off such of its employees as it deems appropriate whether by agreement or otherwise;
 - (c) disclaim or resiliate, in whole or in part, Free Rein's arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Monitor deems appropriate, in accordance with section 32 of the CCAA; and

- (d) pursue all avenues of refinancing or restructuring of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or restructuring,

all of the foregoing to permit Free Rein to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

19. The Monitor shall provide each of the relevant landlords with notice of its intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Monitor’s or Free Rein’s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Monitor, or by further order of this Court upon application by the Monitor on at least two (2) days’ notice to such landlord and any such secured creditors. If the Monitor disclaims or resiliates the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to Free Rein’s claim to the fixtures in dispute.
20. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:
 - (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving Free Rein and the Monitor 24 hours’ prior written notice; and
 - (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against Free Rein in respect of such lease or leased premises and such landlord shall be entitled to notify Free Rein and the Monitor of the basis on which it is taking possession and to gain

possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST FREE REIN OR THE PROPERTY

21. Until and including **January 31, 2024**, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court (each, a “**Proceeding**”) shall be commenced or continued against or in respect of Free Rein or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of Free Rein or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

22. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of Free Rein or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:
- (a) empower Free Rein to carry on any business that Free Rein is not lawfully entitled to carry on;
 - (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
 - (c) prevent the filing of any registration to preserve or perfect a security interest;
 - (d) prevent the registration of a claim for lien; or
 - (e) exempt Free Rein from compliance with statutory or regulatory provisions relating to health, safety or the environment.

23. Nothing in this Order shall prevent any party from taking an action against Free Rein where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

NO INTERFERENCE WITH RIGHTS

24. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by Free Rein, except with the written consent of Free Rein and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

25. During the Stay Period, all persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
 - (b) oral or written agreements or arrangements with Free Rein, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or Free Rein

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by Free Rein or exercising any other remedy provided under such agreements or arrangements. Free Rein shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by Free Rein in accordance with the payment practices of Free Rein, or such other practices as may be agreed upon by the supplier or service provider and each of Free Rein and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

26. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to Free Rein.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

27. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 22 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of Free Rein with respect to any claim against the directors or officers that arose before the date of this Order and that relates to any obligations of Free Rein 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 Free Rein, if one is filed, is sanctioned by this Court or is refused by the creditors of Free Rein or this Court.

PROFESSIONAL FEES

28. The Monitor and counsel to the Monitor, and counsel to the Applicant shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), in each case at their standard rates and charges, by Free Rein as part of the costs of these proceedings. Free Rein's counsel, the Proposal Trustee and counsel to the Proposal Trustee and the Applicant, shall be paid its reasonable fees and disbursements incurred during the NOI Proceeding, to the extent they have not been paid. Free Rein is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, counsel for the Applicant and any outstanding accounts of Free Rein's counsel as of the date of this Order.
29. The Monitor and its legal counsel shall pass their accounts from time to time.

30. The Monitor, counsel to the Monitor, counsel to the Applicant and counsel to Free Rein, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge is a continuation of the Administration Charge granted in the NOI Proceedings, and shall not exceed an aggregate amount of \$200,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings and in respect of the NOI Proceedings.
31. The filing, registration or perfection of the Administration Charge shall not be required, and the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.
32. The Administration Charge shall constitute a charge on the Property and subject always to section 34(11) of the CCAA such Administration Charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.
33. The Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge (the "**Chargees**") shall not otherwise be limited or impaired in any way by:
 - (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
 - (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
 - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
 - (d) the provisions of any federal or provincial statutes; or

- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) that binds Free Rein, and notwithstanding any provision to the contrary in any Agreement:
 - (i) neither the creation of the Administration Charge nor the execution, delivery, perfection, registration or performance of any documents in respect thereof shall create or be deemed to constitute a new breach by Free Rein of any Agreement to which it is a party;
 - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and
 - (iii) the payments made by Free Rein pursuant to this Order and the granting of the Administration Charge, does not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

ALLOCATION

- 34. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Administration Charge amongst the various assets comprising the Property.

SERVICE AND NOTICE

- 35. The Monitor shall (i) without delay, publish in the *BOE Report* a notice containing the information prescribed under the CCAA; (ii) within five (5) days after the date of this Order (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against Free Rein of more than \$1,000 and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the

prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.

36. The Monitor shall establish or continue a case website in respect of the within proceedings at <http://cfcanada.fticonsulting.com/freerein/> (the "**Monitor's Website**")
37. The Applicant and the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, recorded mail, courier, personal delivery or electronic transmission to Free Rein's creditors or other interested parties at their respective addresses as last shown on the records of Free Rein and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail or recorded mail, on the seventh day after mailing. Any person that wishes to be served with any application and other materials in these proceedings must deliver to the Applicant or the Monitor by way of ordinary mail, courier, or electronic transmission, a request to be added to the service list (the "**Service List**") to be maintained by the Monitor.
38. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsel's email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on the Monitor's website.
39. The Applicant, Free Rein, and, where applicable, the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by sending true copies thereof by prepaid ordinary mail, recorded mail, courier, personal delivery or electronic transmission to Free Rein's creditors or other interested parties at their respective addresses last shown on the records of Free Rein, or as otherwise updated on the Service List.

GENERAL

40. The Monitor and the Applicant may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

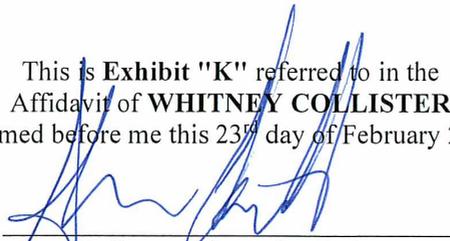
41. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
42. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of Free Rein, the Business or the Property.
43. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicant, Free Rein and the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant, Free Rein and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant, Free Rein and the Monitor and their respective agents in carrying out the terms of this Order.
44. Each of the Applicant, Free Rein and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
45. Any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

46. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

James P. Nelson

Justice of the Court of Queen's Bench of Alberta

This is Exhibit "K" referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2026

CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of the
document digitally filed on Apr 15, 2024

Clerk's Stamp

COURT FILE NUMBER 2401-01422

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 THE COMPROMISE OR
ARRANGEMENT OF GRIFFON PARTNERS OPERATION
CORPORATION, GRIFFON PARTNERS HOLDING
CORPORATION, GRIFFON PARTNERS CAPITAL
MANAGEMENT LTD., STELLION LIMITED, 2437801
ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA
LTD., and SPICELO LIMITED

DOCUMENT **AMENDED ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **OSLER, HOSKIN & HARCOURT LLP**
Barristers & Solicitors
Brookfield Place, Suite 2700
225 6 Ave SW
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Julie Treleaven
Telephone: (403) 260-7000 / 7048
Email: RVandemosselaer@osler.com / JTreleaven@osler.com
File Number: 1246361

DATE ON WHICH ORDER WAS PRONOUNCED: April 10, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

JUSTICE WHO MADE THIS ORDER: The Honourable Justice Gill

UPON the application of Griffon Partners Operation Corporation, Griffon Partners Holding Corporation, Griffon Partners Capital Management Ltd., Spicelo Limited (“**Spicelo**”), Stellion Limited, 2437801 Alberta Ltd., 2437799 Alberta Ltd., and 2437815 Alberta Ltd. (collectively, the “**Applicants**”); **AND UPON** reading the Affidavit of Daryl Stepanic, sworn March 15, 2024; **AND UPON** reading the Second Report of Alvarez & Marsal Canada Inc. (the “**Monitor**”) filed March 21, 2024; **AND UPON reading the Third Report of the**

Monitor filed April 4, 2024; **AND UPON** hearing from counsel for the Applicants, counsel for the Monitor, counsel for Trafigura Canada Limited (“**Trafigura**”) and Signal Alpha C4 Limited (“**Signal**” and together with Trafigura, the “**Lenders**”), counsel for Tamarack Valley Energy Ltd. (“**TVE**”), counsel for Greenfire Resources Ltd. (“**GFR**”), and any other interested party; **AND UPON** being satisfied that the Applicants have acted and continue to act in good faith and with due diligence and that circumstances exist that make this Order appropriate;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of this application is hereby abridged and deemed good and sufficient and this application is properly returnable today, and no other person other than those persons served is entitled to service of this application.

EXTENSION OF THE STAY PERIOD

2. The Stay Period, as defined in paragraph 14 of the Amended and Restated Initial Order granted in these proceedings by the Honourable Justice B. Johnston on February 7, 2024 (the “**ARIO**”) is hereby extended for Spicelo up to and including April 17, 2024.

ENHANCED MONITOR POWERS

3. Notwithstanding any other provision of the ARIO, in addition to other rights and obligations of the Monitor under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”), the Monitor is hereby empowered and authorized, but not obligated, to act at once in respect of the property and business of Spicelo and, without in any way limiting the generality of the foregoing, the Monitor is hereby expressly empowered and authorized to do any of the following where the Monitor considers it necessary or desirable (collectively, the “**Monitor’s Enhanced Powers**”):
 - (a) to take possession of and exercise control over all of Spicelo’s present and after-acquired assets, property and undertakings (the “**Spicelo Property**”), and any and all proceeds, receipts and disbursements arising out of or from the property, which shall include the Monitor’s ability to abandon, dispose of, or otherwise release any

interest in any of Spicelo's real or personal property, or any right in any immoveable;

- (b) to receive, preserve and protect Spicelo's Property, or any part or parts thereof;
- (c) to manage, operate and carry on the business of Spicelo, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of Spicelo;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel, financial advisors, investment dealers, and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Monitor's Enhanced Powers conferred by the ARIO;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of Spicelo or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to Spicelo and to exercise all remedies of Spicelo in collecting such monies, including, without limitation, to enforce any security held by Spicelo;
- (g) to settle, extend or compromise any indebtedness owing to or by Spicelo;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of Spicelo's Property or business, whether in the Monitor's name or in the name and on behalf of Spicelo, for any purpose pursuant to the ARIO;
- (i) to undertake environmental or workers' health and safety assessments of the property and operations of Spicelo;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to Spicelo, the property or the Monitor (in relation to the exercise by the Monitor of the Monitor's Enhanced Powers), and to settle or compromise any such

proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in the ARIO shall authorize the Monitor to defend or settle the action in which the ARIO was made unless otherwise directed by this Court;

- (k) to market any or all of Spicelo's Property, including advertising and soliciting offers in respect of the property or any part or parts thereof and negotiating such terms and conditions of sale as the Monitor in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign or otherwise enter into transactions respecting Spicelo's Property or any part or parts thereof out of the ordinary course of business, either:

- (i) with the written prior approval of Spicelo shareholder, the Lenders, and TVE, and after consulting with GFR, which written prior approval may be provided by way of a written agreement entered into between Spicelo shareholder, the Lenders and TVE (and after consultation with GFR) which provides the Monitor with direction and authority to accept an offer or bid for the Spicelo Property immediately without requiring pre-approval from the Court and without requiring specific approval from Spicelo shareholder, the Lenders and TVE for each bid as it is received;
- (ii) in accordance with the terms of any sale process which may be granted by this Court on subsequent application by the Monitor; or
- (iii) with the approval of this Court on application by the Monitor,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c P-7 or any other similar legislation in any other province or territory shall not be required;

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey Spicelo's Property or any part

or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such property;

- (n) to report to, meet with and discuss with such affected persons as the Monitor deems appropriate all matters relating to Spicelo's Property, business, and these proceedings, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable;
- (o) to register a copy of the ARIO and any other orders in respect of Spicelo's Property against title to any of the property of Spicelo;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Monitor, in the name of Spicelo;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of Spicelo, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by Spicelo;
- (r) to exercise any shareholder, partnership, joint venture or other rights which Spicelo may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Monitor takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other persons, including the Applicants, and without interference from any other person.

4. Notwithstanding anything contained in this Order, the Monitor is not and shall not be deemed:

- (a) a principal, director, officer, or employee of the Applicants;
- (b) an employer, successor employer, or related employer of the employees of the Applicants or any employee caused to be hired by the Applicants by the Monitor

within the meaning of any relevant legislation, regulation, common law, or rule of law or equity governing employment, pensions, or labour standards for any purpose whatsoever or expose the Monitor to any liability to any individual arising from or relating to their employment or previous employment Applicants; and

- (c) the receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors or legal representative of Spicelo or any of the Applicants within the meaning of any relevant legislation, regulation, common law, or rule of law or equity.

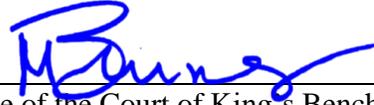
MONITOR PROTECTIONS

- 5. The enhancement of the Monitor's powers as set for in this Order, the exercise by the Monitor of any of its powers, the performance by the Monitor of any of its duties, or the employment by the Monitor of any person in connection with its appointment and the performance of its powers and duties shall not constitute the Monitor as an employer, successor employer, or related employer of the employees of the Applicants or any employee caused to be hired by the Applicants or by the Monitor within the meaning of any provincial, federal or municipal legislation, other relevant legislation, regulation, common law, or rule of law or equity governing employment, pensions, or labour standards for any purpose whatsoever or expose the Monitor to any liability to any individual arising from or relating to their employment or previous employment Applicants.
- 6. Without limiting the provisions of the ARIIO, all employees and consultants of the Applicants shall remain employees or consultants of the Applicants, until such time as the Monitor, on the Applicants' behalf, may terminate the employment of such employees or other contractual or consulting agreements. Nothing in this Order shall, in and of itself, cause the Monitor to be liable for any employee-related liabilities or duties, including, without limitations, wages, severance pay, termination pay, vacation pay and pension or benefit amounts.
- 7. The Monitor is not and shall not be or be deemed to be a principal, director, officer, or employee of the Applicants.

8. The Monitor shall continue to have the benefits of all of the indemnities, charges, protections and priorities as set out in the ARIO and any other Order of this Court and all such indemnities, charges, protections and priorities shall apply and extend to the Monitor and the fulfillment of its duties or the carrying out of the provisions of this Order.
9. The Applicants (including Spicelo) shall cooperate fully with the Monitor and any directions it may provide pursuant to this Order and shall provide such assistance as the Monitor may reasonably request from time to time to enable the Monitor to carry out its duties and powers as set out in the ARIO, this Order, or any other Order of this court under the CCAA or applicable law, generally.
10. Nothing in this Order shall constitute or be deemed to constitute the Monitor as receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors or legal representative of Spicelo or any of the Applicants within the meaning of any relevant legislation, regulation, common law, or rule of law or equity. For greater clarity, any distribution to creditors of Spicelo or any of the Applicants administered by the Monitor on behalf of Spicelo or any of the Applicants will be deemed to have been made by Spicelo or any of the Applicants, respectively, themselves.
11. In addition to the rights and protections afforded to the Monitor under the CCAA, the ARIO, this Order, or any other Order granted by this Honourable Court or as an officer of this Court, the Monitor shall incur no liability or obligation, in its personal or corporate capacity, as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislations.
12. The power and authority granted to the Monitor by virtue of this Order shall, if exercised in any case, be paramount to the power and authority of the Applicants with respect to such matters and in the even of a conflict, the terms of this Order and those of the ARIO or any other Order of this Court, the provisions of this Order shall govern.

MISCELLANEOUS

13. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



Justice of the Court of King's Bench of Alberta

STIKEMAN ELLIOT LLP

Karen Fellowes

Counsel for Trafigura Canada Limited and
Signal Alpha C4 Limited

STIKEMAN ELLIOT LLP

Matti Lemmens

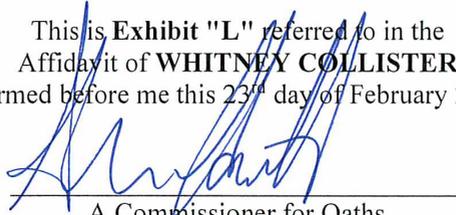
Counsel for Tamarack Valley Energy Ltd.

TORYS LLP

Kyle Kashuba

Counsel for Alvarez & Marsal Canada Inc.,
in its capacity as Monitor

This is **Exhibit "L"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2028

UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH DAKOTA
SOUTHERN DIVISION

<p>COMPEER FINANCIAL, PCA;</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">vs.</p> <p>SUNWOLD FARMS, INC., SUNTERRA FARMS IOWA, INC.; and LARIAGRA FARMS SOUTH, INC.,</p> <p style="text-align: center;">Defendants,</p> <p>THE PORK GROUP, INC.; and TYSON FRESH MEATS, INC.;</p> <p style="text-align: center;">Intervenors.</p>	<p style="text-align: right;">4:25-CV-04044-ECS</p> <p style="text-align: center;">OPINION & ORDER GRANTING PLAINTIFF’S MOTION TO AVOID MANDATORY MEDIATION AND MOTION TO APPOINT A RECEIVER</p>
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On March 18, 2025, Compeer Financial, PCA (“Compeer”) filed a verified complaint¹ in South Dakota state court against Sunwold Farms, Inc.; Sunterra Farms Iowa, Inc.; and Lariagra Farms South, Inc. (collectively “Defendants”). Doc. 1-2. On March 24, 2025, the case was removed to this Court. Doc. 1. Compeer’s Complaint alleges breach of contract and fraud claims, among others, against Defendants stemming from Defendants’ alleged check-kiting scheme² and subsequent default on their line of credit with Compeer. Doc. 1-2.

Presently before the Court are Compeer’s motions to avoid mandatory mediation and appoint a receiver. Docs. 2, 3. An expedited evidentiary hearing was set for Compeer’s motions

¹ Steve Grosland, Compeer’s representative, signed the pleading in accordance with 28 U.S.C. § 1746. See Doc. 1-2 at 30.

² A check-kiting scheme is a systematic depositing of checks without funds into one or more accounts, which causes the bank balance to appear inflated.

because it alleges its collateral on Defendants' loans, largely Defendants' 110,000 head of swine, are in danger of diminishing in value given Defendants' insolvent position. Before the hearing, The Pork Group, Inc., and Tyson Fresh Meats, Inc., who both have an interest in Defendants' operations and also seek the appointment of a receiver, intervened. Doc. 12. Because Compeer is threatened with irreparable harm, this Court grants both of its motions.

I. Background

Compeer is a member of the Farm Credit System, providing lending and other financial services to its member-owners, who are producers, processors, and marketers of agricultural products. Doc. 1-2 ¶ 17.³ Compeer has regularly provided lending services to Defendants over the years. *Id.* ¶ 18. Defendant Sunterra is a hog management company that manages around 500,000 pig spaces for Sunwold, Lariagra, and various other entities. *Id.* Defendant Sunwold is a “wean-to-finish” operation that purchases weaned pigs and then raises those pigs to market weight in contract nurseries and finishing barns in South Dakota. *Id.* ¶ 14. Defendant Lariagra is also a “wean-to-finish” operation that raises pigs to market weight in contract nurseries and finishing barns in South Dakota. *Id.* ¶ 16. All Defendants have the same parent company, Sunterra Enterprises, Inc., a Canadian corporation allegedly directed by Ray Price, Art Price, and Glen Price. *Id.* ¶ 8; Doc. 11.

On October 7, 2024, all three Defendants executed and delivered promissory note agreements to Compeer establishing revolving lines of credit. Doc. 1-2 ¶¶ 41, 46, 51. Through these agreements, Sunwold, Sunterra, and Lariagra received \$7,000,000, \$500,000, and \$4,000,000 lines of credit, respectively. *Id.* Collectively, Defendants had a \$11,500,000 line of

³ The background information recited in this section is taken primarily from Compeer's verified Complaint.

credit with Compeer. Id. Defendants' lines of credit were secured by security agreements granting Compeer a senior, perfected security interest in various items of personal property, including but not limited to 110,000 pigs Defendants owned in South Dakota. Id. ¶ 21.

On February 10, 2025, Compeer's Farm Cash Management ("FCM") accounts, which allow Defendants to deposit excess cash to earn interest on those funds, similar to a money market account, showed Defendants had a combined positive balance of approximately \$21,000,000 in funds payable to Defendants. Id. ¶¶ 22–23. At this time, Compeer's in-house counsel learned of significant recent activity involving Defendants' accounts. Id. ¶ 24. Defendants were: (i) writing multiple checks each day, which were being sent via next-day mail to be deposited into an account with National Bank of Canada, previously Canadian Western Bank ("CWB"), and (ii) simultaneously sending Compeer multiple checks each day drawn against that CWB account to pay down its lines of credit or increase the balance in its FCM accounts with Compeer. Id. In other words, Defendants were sending nearly identical amounts and numbers of checks back and forth between CWB and Compeer daily. Id. The checks were issued in amounts ranging between \$800,000 and \$990,000, and no single check exceeded \$1,000,000. Id. Compeer alleges these international checks did not exceed \$1,000,000 to avoid scrutiny by the United States Bulk Exchange. Id.

Compeer subsequently investigated this matter and believes Defendants were engaged in a sophisticated check-kiting scheme. Id. ¶ 25. Between January 1, 2025, and February 10, 2025, alone, Defendants allegedly issued 474 checks out of their Compeer accounts (for deposit with CWB) for a total of \$431,301,200, while during that same time, they deposited 472 checks into their Compeer accounts (out of CWB) for a total of \$432,359,712.35. Id. This averages out to approximately 18 checks and \$16,588,508 out of the Compeer accounts each day. Id. Compeer

claims Defendants used Compeer's and CWB's financial account "floats" to falsely create the illusion of positive cash balances at Compeer and CWB. Id. ¶ 26.

In response to these revelations, Compeer personnel spoke with Defendants' CEO, Ray Price, on February 11, 2025, to better understand Defendants' check-writing activity. Id. ¶ 27. Following, Compeer's communications with Price, it terminated Defendants' drafting privileges out of Compeer's accounts but stated it would consider permitting checks written for necessary operational expenses. Id. On February 11, 2025, Compeer was notified that 18 drafts had been drawn on the Compeer accounts for intercompany transfers to CWB, totaling \$16,302,000. Id. Pursuant to its written notice to Ray Price, Compeer dishonored all 18 drafts. Id. On February 12, 2025, Compeer received another batch of approximately \$9,000,000 in checks drawn on the CWB account for deposit into the Defendants' accounts with Compeer. Id. ¶ 29. Compeer personnel then had another video conference with Ray Price. Id. ¶ 30. During the call, Ray Price admitted that Defendants should not have been sending checks back and forth between the same accounts as this was "wrong." Id. Ray Price believed Compeer was holding a \$20,000,000 in positive FCM balances that he wanted sent back to the accounts at CWB to cover their overdraft position there. Id. Compeer refused Price's request. Id. ¶ 31.

On February 13, 2025, Compeer personnel had another call with Ray Price. At that time, Price advised that the CWB accounts were overdrawn by approximately \$21,000,000 and that they needed money sent back from Compeer to cover the overdrafts. Id. ¶ 32.⁴ Compeer advised Price that it would not release any funds until it could verify that there were sufficient funds in

⁴ On March 17, 2025, CWB filed an application in the Court of King's Bench of Alberta, Canada, requesting the appointment of an interim receiver. Id. ¶ 36.

the account and requested consent to communicate directly with CWB to verify funds. Id. Price refused. Id. ¶¶ 32–33.

During the week of February 24, 2025, Compeer determined that CWB had dishonored 65 checks totaling \$59,900,000, which had been credited to Defendants' accounts with Compeer. Id. ¶ 34. As a result, the approximately \$21,000,000 positive cash balance that was showing in Defendants' accounts as owed by Compeer to Defendants was immediately wiped out, and instead there was more than \$30 million of debt owing from Defendants to Compeer, despite Compeer only providing Defendants with a combined credit limit of \$11,500,000. Id.

Given Defendants' financial woes, Compeer claims Defendants Sunwold and Lariagra are not paying barn rent for the barns that are housing some, if not all, of the approximately 110,000 head of swine that Compeer has a security interest in. Id. ¶ 97. Although Compeer has no contractual obligation to continue advancing funds to Defendants, it alleges that it has continued to provide funds to care for and feed the pigs. Id. ¶ 37. Compeer, however, seeks a receiver, in part, because they have trust issues with the parties who they allege perpetrated this fraud against them and CWB. Id. ¶ 38.

As of March 7, 2025, Sunwold owed Compeer approximately \$14,001,385. Id. ¶ 64. As of March 7, 2025, Sunterra owed Compeer approximately \$18,943,468. Id. ¶ 65. As of March 7, 2025, Lariagra owed Compeer approximately \$2,314,842. Id. ¶ 67. Ultimately, Compeer claims that, as of March 7, 2025, Defendants are collectively in debt to Compeer in the approximate amount of \$35,259,796. Id. ¶ 68.

Compeer estimates Sunwold's assets are worth \$8,955,347. Id. ¶ 45. It estimates Sunterra's assets are worth approximately \$3,007,769. Id. ¶ 50. It estimates Lariagra's assets

are worth approximately \$7,054,608. Id. ¶ 56. Compeer estimates that the value of all collateral is \$19,017,724.

On March 26, 2025, The Pork Group, Inc., (“TPG”) and Tyson Fresh Meats, Inc., (“TFM”) intervened in this matter. Doc. 12. TPG has a management agreement with Defendant Sunterra in which Sunterra manages hogs owned by TPG for a monthly fee. Doc. 12-1 ¶ 10. Sunterra is responsible for the day-to-day care of the hogs. Id. TFM has a contract with Defendant Sunwold to deliver finished hogs to be processed by TFM at its packing facilities. Id. ¶ 11. TFM pays for these hogs upon delivery pursuant to terms in their contract. Id. TPG and TFM intervened because they were concerned about the continued well-being and care of some additional 300,000 hogs, which are not subject to the security agreements between Compeer and Defendants, in the possession of Defendants. Id. ¶¶ 12–24. Ultimately, TPG and TFM seek a receiver to manage and care for the hogs Defendants’ possession. Id.

This Court held an evidentiary hearing on March 27, 2025, where all parties to this matter appeared through counsel. The only witness called at the hearing was Steve Grosland, a risk assessment officer for Compeer. Defendants did not present any witnesses. The evidence at the hearing supports the facts from the pleadings cited above and is hereby incorporated by reference in this Opinion and Order. During the hearing, Compeer, TPG, and TFM all agreed that they would not object to Pipestone Management II, LLC serving as a receiver, if the Court was inclined to grant Compeer’s motion.

II. Discussion

A. Mandatory Mediation

Compeer first moves to avoid mandatory mediation, Doc. 3. Mandatory mediation is governed by SDCL § 54-13-10, which states:

A creditor desiring to commence an action or a proceeding in this state to enforce a debt totaling fifty thousand dollars or greater against agricultural land or agricultural property of the borrower or to foreclose a contract to sell agricultural land or agricultural property or to enforce a secured interest in agricultural land or agricultural property or pursue any other action, proceeding or remedy relating to agricultural land or agricultural property of the borrower shall file a request for mandatory mediation with the director of the agricultural mediation program. No creditor may commence any such action or proceeding until the creditor receives a mediation release as described in this chapter, or the debtor waives mediation *or until a court determines after notice and hearing, that the time delay required for mediation would cause the creditor to suffer irreparable harm* because there are reasonable grounds to believe that the borrower may waste, dissipate, or divert agricultural property or that the agricultural property is in imminent danger of deterioration.

(emphasis added). Compeer maintains “the time delay required for the mandatory mediation under SDCL § 54-13-10 would cause Compeer to suffer irreparable harm.” Doc 3 at 2.

Compeer alleges that “reasonable grounds [exist] to believe that [Defendants will] waste, dissipate, or divert agricultural property or that . . . agricultural property is in imminent danger of deterioration.” Doc 8 at 2 (quoting SDCL § 54-13-10). Compeer claims that, because of Defendants’ alleged check-kiting scheme, “Defendants are heavily indebted to Compeer, CWB, and likely other financial institutions” and fear their security interest in “approximately 110,000 head of swine located in barns across South Dakota” is in imminent danger. *Id.* at 2–3.

Compeer argues in the alternative that, even if this Court finds there is no irreparable harm, mandatory mediation in this case is impractical because SDCL § 54-13-11 requires that mandatory mediation include “all creditors.”⁵

Defendants, on the other hand, maintain that Compeer has not met its burden to avoid mediation. Doc. 16. Mainly, Defendants claim Compeer has not demonstrated the required showing of “irreparable harm.” *Id.* Defendants allege Compeer’s harm is self-inflicted because

⁵ For purposes of this chapter, a “creditor,” is “any individual, organization, cooperative, partnership, trust, or state or federally chartered corporation to whom is owed agricultural debt by a borrower.” SDCL § 54-13-1(5).

it controls the “purse strings,” so Defendants cannot pay expenditures without Compeer’s permission. Id. Defendants maintain this self-inflicted injury cannot satisfy the “irreparable harm” standard of SDCL § 54-13-10.

“SDCL § 54-13-10 is not jurisdictional in nature and a creditor’s failure to file a mediation request does not warrant dismissal.” LOL Fin. Co. v. Enger, No. 20-CV-04158, 2021 WL 2477657, at *3 (D.S.D. June 17, 2021) (citing Walsh v. Larsen, 705 N.W.2d 638, 641–43 (S.D. 2005)). Thus, this Court retains jurisdiction to determine whether Compeer is excused from mandatory mediation.

Grosland testified that Defendants’ pigs (Compeer’s collateral) lack feed and veterinary care. Grosland added that propane was running low, which is used to heat the barns that house Defendants’ pigs. Grosland mentioned that pigs must be sheltered in an area with a temperature of 80°F and indicated concern about Defendants’ ability to achieve this given the lack of propane. Grosland also had hesitation on whether paychecks for employees that work the pigs, absent this Court’s intervention, would be issued.

The Court disagrees with Defendants’ argument that Compeer’s harm was self-inflicted. At the hearing, Defense counsel argued that Compeer was trying to wrongfully “turn off the taps” on Defendants to cause an emergency. He further stated Compeer could instead protect its interest in the pigs by continuing to funnel money to Defendants. Asking for Compeer to “keep the taps flowing” while Defendants’ accounts are overdrawn tens of millions of dollars due to Defendants’ alleged fraud is an untenable argument.

After reviewing all the evidence here, the Court determines that “the time delay required for mediation would cause [Compeer and other creditors of Defendants] to suffer irreparable

harm⁶ because there are reasonable grounds to believe that [Defendants] may waste, dissipate, or divert agricultural property or that the agricultural property is in imminent danger of deterioration.” SDCL § 54-13-10. Thus, this Court grant’s Compeer’s motion to avoid mandatory mediation, Doc. 3.

B. Receiver

Compeer asks this Court to appoint a receiver to protect its interest in the 110,000 head of swine that Defendants currently possess. Doc. 2. Compeer first claims that, because Defendants are in default, a receiver needs to be appointed as they all expressly consented to a receiver in the event of a default. Doc. 7 at 4–5. Compeer maintains that a receiver needs to be appointed given the lack of trust they have given Defendants alleged check-kiting scheme and insolvency. *Id.* at 5–7.

Defendants, on the other hand, contend Compeer’s lawsuit is premature since they have not been given 45 days from the notice of their right to restructure their loans under the Agricultural Credit Act. Doc. 18 at 1–2. Given that Compeer sent Defendants a notice of their rights to apply to restructure their loan, Defendants maintain Compeer may not proceed with a foreclosure proceeding until April 11, 2025. *Id.* at 3. Defendants further contend a receiver is an extreme remedy that is unwarranted at this time. *Id.* at 5–9.

This Court will first address Defendants’ argument that the Agricultural Credit Act prohibits Compeer from proceeding with their request for a receiver. Defendants maintain that because Compeer sent them a notice of restructuring pursuant to 12 U.S.C. § 2202a(b)(2) it is

⁶ Defense counsel argued that Compeer’s injury was not irreparable because it could be fixed with “money.” Irreparable harm, however, “may lie in connection with an action for money damages where the claim involves an obligation owed by an insolvent or a party on the brink of insolvency.” *Five Star Bank v. Mott*, No. 24-CV-6153, 2024 WL 5399075, at *7 (W.D.N.Y. Apr. 4, 2024) (collecting cases).

prohibited from “foreclose[ing] or continu[ing] any foreclosure proceeding with respect to any distressed loan before the lender has completed any pending consideration of the loan for restructuring under this section.” 12 U.S.C. § 2202a(b)(3). Defendants argument, however, falters for two reasons.

First, the statute Defendants cite for the authority that Compeer cannot proceed with this action also states:

This section shall not be construed to prevent any qualified lender from enforcing any contractual provision that allows the lender to foreclose a loan, or from taking such other lawful action as the lender deems appropriate, if the lender has reasonable grounds to believe that the loan collateral will be destroyed, dissipated, consumed, concealed, or permanently removed from the State in which the collateral is located.

12 U.S.C. § 2202a(i). Defendants expressly consented to a receiver in the event of a default. Doc. 1-2 ¶ 59. Additionally, the “reasonable grounds” standard in § 2202a(i) is exceedingly similar to the exception in South Dakota’s mandatory mediation statute, SDCL § 54-13-10. This Court made this reasonable grounds determination above and does so in this context as well.

Second, “there is no implied private right of action available to enforce the [Agricultural Credit Act]” because “‘Congress intended administrative review to be the exclusive remedy’ for violations of the Act.” Zajac v. Fed. Land Bank of St. Paul, 909 F.2d 1181, 1183 (8th Cir. 1990) (quoting Harper v. Fed. Land Bank of Spokane, 878 F.2d 1172, 1178 (9th Cir. 1989)). “The prevailing view of the federal courts is that by enacting a comprehensive scheme with the integrated system of procedures for enforcement Congress clearly intended administrative review to be the exclusive remedy available to borrowers for alleged violations of the Agricultural Credit Act. The result is that the state courts are precluded from creating additional legal or equitable remedies.” Speck v. Fed. Land Bank of Omaha, 494 N.W.2d 628, 631 (S.D. 1993) (citing Zajac, 909 F.2d 1181 (additional citations omitted)). The South Dakota Supreme Court in

Speck ultimately held that there are “no provisions of South Dakota law that would allow or require importation of the requirements of a federal statute directed at a federal agency into state foreclosure actions.” Id. at 632. Thus, because “Congress intended administrative review to be the exclusive remedy,” this Court cannot enforce the provisions of the Agricultural Credit Act.

This Court now turns to the parties arguments over the receiver. “The appointment of a receiver in a diversity case is a procedural matter governed by federal law and federal equitable principles.” Aviation Supply Corp. v. R.S.B.I. Aerospace, Inc., 999 F.2d 314, 316 (8th Cir. 1993). “A receiver is an extraordinary equitable remedy that is only justified in extreme situations.” Id. “Although there is no precise formula for determining when a receiver may be appointed, factors typically warranting appointment are a valid claim by the party seeking the appointment; the probability that fraudulent conduct has occurred or will occur to frustrate that claim; imminent danger that property will be concealed, lost, or diminished in value; inadequacy of legal remedies; lack of a less drastic equitable remedy; and likelihood that appointing the receiver will do more good than harm.” Id. at 316–17. “It is well settled that proof of fraud is not required to support a district court’s discretionary decision to appoint a receiver.” Id. at 317. However, courts often consider the “fraudulent conduct on the part of defendant.” See 12 Charles Alan Wright et al., Federal Practice and Procedure § 2983 (3d ed.), Westlaw (database updated June 2024). Additionally, “[t]he existence of a contractual provision consenting to the appointment of a receiver weighs in favor of appointing one.” Deutsche Bank Tr. Co. Americas v. Greenfield of Perkiomen Valley, LLC, No. CV 23-1439, 2024 WL 38040, at *2 (E.D. Pa. Jan. 3, 2024).

Although “appointing a receiver is a matter of federal law,” courts may also “look to state law for guidance.” Morgan Stanley Smith Barney LLC v. Johnson, 952 F.3d 978, 983 (8th Cir.

2020) (cleaned up). Accordingly, this Court will also consider South Dakota receiver law for additional guidance.

SDCL § 21-21-1 provides:

A receiver may be appointed by the court in which an action is pending, or by the judge thereof, on the application of the plaintiff or of any party whose right to or interest in the property, funds, or proceeds thereof is probable, and where it is shown that the property or fund is in danger of being lost, removed, or materially injured, in any of the following actions: . . . By a creditor to subject any property or fund to his claim.

SDCL § 21-21-3 similarly states:

A receiver may be appointed by the court in which an action is pending, or by the judge thereof, in the cases where a corporation has been dissolved, or is insolvent, or is in imminent danger of insolvency, or has forfeited its corporate rights; or is unable to exercise its corporate functions because of continued dissension between or neglect by its stockholders, directors and officers.

“Receiverships are intended to protect ‘property, funds, or proceeds . . . where it is shown that the property or fund is in danger of being lost, removed, or materially injured.’” Case v. Murdock, 528 N.W.2d 386, 388 (S.D. 1995) (quoting SDCL § 21-21-1), aff’d on reh., 544 N.W.2d 205 (S.D. 1996); see also SDCL §§ 21-21-5, 47-26-29. It has been longstanding South Dakota precedent that receivers can be appointed when creditors bring actions against insolvent corporations. See, e.g., State ex rel. Gates v. McGee, 88 N.W. 115, 116 (1901) (citing Comp. Laws, § 5015); Glover v. Manila Gold Min. & Mill. Co., 104 N.W. 261, 265 (1905) (holding that a receiver was necessary when “the allegations of the complaint show that insolvency is imminent” and that “the entire loss of the property of the corporation is likely to result from the illegal acts of the directors”); C.C. Wyman & Co. v. Farmers’ Elevator Co., 232 N.W. 259, 262 (1930).

The present situation meets the criteria of an “extreme case.” Compeer has presented evidence of a potential fraud and that “there is ‘imminent danger that property will be concealed,

lost, or diminished in value.” Crabar/GBF, Inc. v. Wright, No. 16-CV-537, 2023 WL 8110737, at *3 (D. Neb. Nov. 22, 2023) (quoting Morgan Stanley Smith Barney, 952 F.3d at 981).

Looking first to the factors annunciated in Aviation Supply, this Court finds that they are all met here. First, Compeer appears to assert valid claims against Defendants. Collectively, Defendants are tens of millions of dollars over their lines of credit. Second, given the alleged check-kiting scheme, the Canadian case brought against Defendants, and the overdrawn balance Defendants have with Compeer, it appears that fraudulent conduct has probably occurred and that conduct has and can continue to impact Compeer’s ability to recover their outstanding loans. Third, given Defendants’ insolvent position, Compeer’s collateral for the loans—mainly the approximate 110,000 swine—are in imminent danger of diminishing in value. Fourth, considering that Defendants’ outstanding loan obligations to Compeer exceed their estimated assets, this Court determines that Compeer lacks an adequate legal remedy. For this same reason, the appointment of a receiver appears to be the least drastic equitable remedy especially given the intervenors’ interest in some additional 300,000 hogs. In light of the above, this Court also finds the likelihood that appointing the receiver will do more good than harm. Furthermore, Defendants each expressly consented to the appointment of a receiver in the event of a default pursuant to the terms of their security agreement to take possession of all Defendants’ collateral. Doc. 1-2 ¶ 59. Thus, this Court grants Compeer’s motion to appoint a receiver. Doc. 2.

III. Order

For the above reasons, and the record as it now exists before this Court, it is hereby ORDERED that Compeer’s motion to avoid mediation, Doc. 3, is granted. It is further ORDERED that Compeer’s motion to appoint a receiver, Doc. 2, is granted.⁷

⁷ The Court will address the receiver and their powers in a separate order.

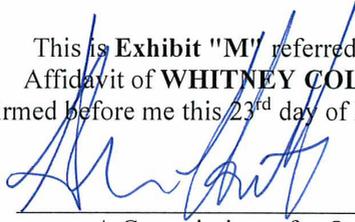
DATED this 28th day of March, 2025.

BY THE COURT:



ERIC C. SCHULTE
UNITED STATES DISTRICT JUDGE

This is **Exhibit "M"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2028

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UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH DAKOTA
SOUTHERN DIVISION

* * * * *

COMPEER FINANCIAL, PCA,)	DOCKET NO.
)	4:25-CV-04044-ECS
Plaintiff,)	
)	
-vs-)	Sioux Falls, South Dakota
)	Courtroom 2
SUNWOLD FARMS, INC;)	
SUNTERRA FARMS IOWA, INC.;)	May 30, 2025
and LARIAGRA FARMS)	10:59 a.m.
SOUTH, INC.,)	
)	
Defendants,)	
)	
PVC MANAGEMENT II, LLC,)	
d/b/a) PIPESTONE)	
MANAGEMENT,)	
)	
Receiver,)	
)	
THE PORK GROUP, INC.; and)	
TYSON FRESH MEATS, INC.,)	
)	
Intervenors.)	

* * * * *

TRANSCRIPT OF MOTION HEARING
COURT RULING

BEFORE THE HONORABLE ERIC C. SCHULTE
UNITED STATES DISTRICT JUDGE

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APPEARANCES:

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For the Intervenor
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and Tyson Fresh
Meats, Inc.: May, Adam, Gerdes & Thompson LLP
BY: JUSTIN L. BELL
PO Box 160
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(Via videoconference)

1 (Proceedings in open court at 10:59 a.m.)

2 THE COURT: Good morning, everyone. We are on
3 the record in the matter of Compeer Financial PCA v. Sunwold
4 Farms Inc, et al. File 25-cv-04044. This is the time and place
5 I announced yesterday to issue my ruling on the pending
6 motion filed by the receiver to approve a private sale.

7 I can tell that counsel for the receiver is present.
8 Counsel for the defendants is present.

9 Can the counsel representing other parties that are
10 appearing in this transaction that are on line right now please
11 note their appearances for the record as well.

12 MS. LURKEN: Your Honor, Jennifer Lurken and
13 Rick Halbur on behalf of Compeer Financial.

14 THE COURT: And --

15 MR. BELL: Your Honor, Justin Bell on behalf of The
16 Pork Group is on line, as well as some other counsel, if they
17 want to note their appearance.

18 THE COURT: That's fine, Mr. Bell. You've noted
19 your appearance.

20 All the parties are here today that are a part of this
21 lawsuit. And I will now issue my ruling.

22 By way of background, this case that we are here on
23 today was removed from state court to federal court. I went
24 through some of this history yesterday, but I'm going to
25 expand a bit on it today on the record.

1 During the week of March 24, 2025, a request was
2 received, after this case was removed, from my chambers to
3 schedule an emergency hearing. This request was made by
4 the plaintiff, Compeer. Specifically the request was to issue
5 an order, ex parte, appointing a receiving in this particular
6 case; and also, ex parte, to waive a request for a mandatory
7 mediation under South Dakota law. I denied the request to
8 issue this ex parte and instead instructed that service be
9 made on the defendants.

10 Service was then made on the defendants. And later
11 that week I ordered a status conference so all of the parties
12 could discuss with me their respective positions and what was
13 going on with this case.

14 At that status conference it was referenced -- I
15 should say represented to me by Compeer that 110,000 pigs
16 were held by Compeer in collateral that were under the care of
17 the defendants. It was represented that these pigs were in
18 danger of dying or being otherwise injured because the
19 defendants had no money to pay for feed or propane to heat
20 the facilities the pigs were housed in or to pay for veterinarian
21 expenses. It was represented to me that the Court needed to
22 move fast to appoint a receiver so that the pigs could be
23 adequately cared for; and, in addition, it was represented to
24 the Court that the employees that worked for the defendants
25 were in danger of not being paid the following week.

1 Compeer has been described in its complaint as a,
2 quote-unquote, "instrumentality." It is a financial institution
3 or lender that had lended money to the defendants. It was
4 represented that there was an \$11 million lending limit that
5 was established between Compeer and the defendants, and
6 that due to a, quote-unquote, "check-kiting scheme" this \$11
7 million limit had been exceeded and that now the defendants
8 were indebted to Compeer in the amount of approximately \$36
9 million and the defendants were insolvent. Compeer was not
10 willing, under these circumstances, to lend additional money.
11 There were allegations that were represented to the Court,
12 referenced in paragraph 30 of the complaint, that Mr. Ray
13 Price from the defendants had made admissions that the,
14 quote-unquote, "check-kiting scheme" had occurred. That he
15 said, as alleged, at least, in paragraph 30 of the complaint,
16 that that was wrong.

17 During a status hearing the defendants' counsel
18 denied this allegations and requested an evidentiary hearing
19 to occur later that week so these allegations could be
20 addressed and that I could hear evidence to challenge these
21 particular motions. I indicated that an evidentiary hearing
22 would be appropriate and ordered one to occur.

23 And it did occur later that week, on March 27th of
24 2025. At that hearing the parties were present. In addition,
25 by that time there was a motion to intervene that I granted by

1 The Pork Group Inc. and Tyson Fresh Meats, Inc. They were
2 represented at that hearing by Mr. Bell, who is on --
3 participating and listening today. It was represented to the
4 Court that an additional 300,000-plus pigs were owned by
5 Tyson and were also at risk in this situation, and Tyson also
6 concurred that the appointment of a receiver was necessary.

7 At the status hearing, again, I ordered an
8 evidentiary hearing, which took place on March 27th. At that
9 hearing I heard evidence from Compeer that supported the
10 allegations I had stated before about the defendants'
11 insolvency. I did not hear any evidence from the defendants.
12 Arguments were made from the defendants' counsel, but there
13 were no witnesses called in response to the evidentiary
14 hearing that was requested.

15 As the parties know, at the end of that hearing I
16 granted the motion to appoint the receiver, and I also granted
17 the motion to avoid mandatory mediation. It was represented
18 at that hearing that time was of the essence. The Court
19 needed to act fast. It was a Thursday. That was the day that
20 we had the evidentiary hearing. The upcoming weather for the
21 weekend was going to be cold. It was represented to the Court
22 the employees were due to be paid on the following week,
23 perhaps Monday, and that the Court needed to act fast,
24 because time was of the essence. So I issued my oral ruling
25 on a Thursday.

1 The following day, on Friday, I issued the order
2 approving the receivership with its various terms and
3 conditions. I would note that there was negotiation among
4 counsel for the terms and conditions of the receivership, but
5 in paragraph 11 of the receivership order, it authorized the
6 receiver that was appointed to have the power with a court
7 order to sell property that was held in the estate. And in the
8 Court's review of this file, that was a term that was not in the
9 red-line version given to me. It was a term, as the Court
10 understands it, that was not objected to by the defendants.
11 But in any event, I included it in the receivership order. And,
12 again, that authorizes, with court approval, the defendants to
13 sell property that is held in the estate.

14 I believe it's also important to note that the
15 defendants stipulated to the use of Pipestone Management
16 Company as a receiver. That's acknowledged. There's a
17 reference to that in Document 78 on page 2, which is a brief
18 filed by the receivers -- or excuse me -- by the defendants.
19 They were appointed due to their expertise in the swine
20 industry.

21 That brings us to the motion that is at hand today.
22 Yesterday the Court heard extensive evidence for a large
23 portion of the day. I listened to that testimony. I've read all of
24 the briefs submitted by the parties. I've reviewed the evidence
25 prior to the hearing yesterday overnight last night, performed

1 independent legal research. And after giving this careful
2 consideration and my best judgment, I am granting, pursuant
3 to 28 U.S.C. §§ 2001 and 2004, the receiver's motion to
4 authorize a private sale as requested at Document 66.

5 Following this hearing, I would direct the receiver's
6 counsel to email to me a proposed order for my consideration
7 to sign following this hearing. One was previously proposed
8 as part of your filings. It has some blanks in it that needs to
9 be addressed.

10 One issue to be addressed would be the objections
11 filed by Mr. Heber's clients yesterday. There was six different
12 objections that were raised. Mr. Heber made it clear that he
13 did not wish to prevent this hearing from going forward, and it
14 was taken -- from this Court's perspective, he was not saying
15 an order couldn't be entered. He wanted his clients' rights
16 preserved, however. And it was represented to this Court that
17 there were ongoing negotiations with some of his clients to
18 resolve issues. So I would like the order to reflect that
19 Mr. Heber's clients' rights are being protected. And I will
20 further direct the receiver to give me an update next week as
21 to how those negotiations are proceeding with respect to
22 Mr. Heber's clients. Again, it was made clear to me by
23 Mr. Heber yesterday that his clients are not seeking to impede
24 this hearing. I think he described it as a placeholder, a
25 motion that he made. And that's how I would like to proceed

1 with respect to his clients.

2 I want to now address the rationale for granting the
3 receiver's motion and have that put on the record.

4 As the parties know and as the law provides, the
5 standard for judicial sales is outlined in 28 U.S.C. §§ 2001
6 and 2004. I researched various authorities for the standard to
7 be used by the Court in considering motions under these
8 statutes. The Court has wide discretion to set the terms and
9 procedures used to sell personal property so as to maximize
10 the proceeds from such sales. I would cite *United States v.*
11 *Stonehill*, 83 F.3d 1156 at 1160, a Ninth Circuit case from
12 1996, for that proposition. In that case there was a holding
13 that the district court has discretion under 28 U.S.C. § 2004
14 to tailor requirements for selling personal property.

15 In determining whether to approve a sale, the court
16 may take into account the unique facts and circumstances
17 surrounding the proposed sale, including the precarious
18 financial condition of the assets being sold. The cite for that
19 proposition, *Tanzer v. Huffines*, H-U-F-F-I-N-E-S. This is a
20 Third Circuit decision at 412 F.2d 221 at 222 through 223.
21 It's a Third Circuit, 1969. In that case the Court was
22 approving an expedited sale in absence of financial appraisals
23 and limited notice in light of the corporation's deteriorating
24 financial condition.

25 It's been at issue in this case whether the Court has

1 the authority to waive certain requirements under § 2001(b).
2 It was urged by the defendants that I should not do that.
3 Receiver's counsel has indicated that I have the authority to
4 do that. And in granting the motion, I believe I do have the
5 authority to do that. The standard for that is codified at
6 § 2004, which provides any personalty sold under any order
7 or decree of any court of the United States shall be -- shall be
8 sold in accordance with § 2001 of this title unless the Court
9 orders otherwise. Although § 2001 generally states that
10 property should be sold at a public sale, upon such terms and
11 conditions as the Court directs, the Court may order a private
12 sale after a hearing if it finds that the best interests of the
13 state -- of the estate will be conserved thereby. I'm citing 28
14 U.S.C. § 2001(a) through (b) for that proposition.

15 § 2001 provides certain options for the sale of real
16 property. One, the property may be sold in a public auction
17 sale; or, two, the property may be sold in a private sale. But
18 there must be three separate appraisals conducted. The
19 terms must be published in a circulated newspaper 10 days
20 prior to sale, and the sale price must be no less than
21 two-thirds of the value price, citing *CFTC v. Alexandre*, 2022
22 U.S. District Court decision from LEXIS 244439 at pages 5
23 through 6. This is from the Southern District of New York in
24 2022 and citing 28 U.S.C. § 2001.

25 The Court may, however, under 28 U.S.C. § 2004

1 exercise discretion and approve a private sale of property that
2 does not comply with § 2001. That's citing the same case and
3 also citing § 2004. Courts have routinely exercised their
4 discretion in relieving receivers from the judicial sale
5 requirements of 28 U.S.C. § 2001. That's provided for in the
6 case of the *FTC v. EM Systems & Services, LLC*, 2016 WL
7 11110381 at 3, a Florida District Court decision from 2016,
8 which collects various cases supporting that proposition.

9 So that is the backdrop. I've reviewed the statute
10 and laws interpreting the statutes, and I find in this particular
11 situation that the judicial sale contemplated here is in the
12 best interest of the estate, is commercially reasonable, and I
13 find that with the discretion afforded to me under 28 U.S.C.
14 § 2004, that the three appraisals are not necessary, the
15 10-day publication requirement is waived, and providing the
16 additional time for 10 percent for a higher offer is waived as
17 well.

18 What is the Court's analysis for this and why that
19 should be done?

20 There are a number of reasons. First, addressing
21 the appraisal. The primary item at issue here -- "item" isn't
22 the right word. What's at issue here would be the value of the
23 pigs, primarily. There was testimony received yesterday that
24 the, quote-unquote, "industry standard" for pigs is \$100 per
25 pig. This is based on numbers from the USDA that were

1 publicly recorded. Here, however, in the Asset Purchase
2 Agreement at page 11, the dollar for each pig is described at
3 \$143.66. This makes the Court believe the sale is
4 commercially reasonable and appropriate.

5 There was also comment and testimony yesterday
6 about the value of vehicles. It was described that there were a
7 number of vehicles that would be sold. They were described
8 as being vehicles with in excess of 200,000 miles on them, and
9 I believe the language was they had a, quote-unquote, "a lot of
10 love" given to them to keep them from working -- or to keep
11 them working, and that, if anything, there would be salvage
12 value and something easily decided by looking at a Blue Book.
13 I believe that's reasonable. I found that testimony to be
14 persuasive for assessing the value of the vehicles.

15 So I believe under these situations no appraisal is
16 necessary.

17 With respect to publications, Mr. Simko argued in
18 his closing argument yesterday -- he used the phrase "We
19 come close." I wrote that down in my notes. It's clear to me
20 that due diligence has been done by the receiver here to notify
21 interested parties. I'm taking judicial notice, which I said
22 yesterday, of Document 72, a Certificate of Service dated May
23 15 of 2025, sent out by Priority Mail, notifying numerous
24 entities. In addition, I'm taking notice of Document 80, which
25 was referenced yesterday, the Certificate of Service, which

1 documents publication dates in multiple newspapers.

2 I believe, in my judgment, that due diligence has
3 been demonstrated by the receiver in providing proper notice.
4 I'm not going to require, however, strict compliance with the
5 statute under the discretion afforded to me by § 2004. Part of
6 my thinking for waiving these requirements is that time is
7 indeed of the essence here. I believe that to be true, and that
8 is what I am finding in this reasoning. Why is that? The
9 buyer in this particular situation, TPG, which has made the
10 offer -- I need to give consideration to that. And in the Asset
11 Purchase Agreement, Article 9 on page 24, it requires court
12 approval of the proposed sale by June 1 of 2025. Today is
13 Friday. June 1 is Sunday. The time is of the essence here,
14 because if it would not be ordered, as Mr. Simko argued
15 yesterday, there would be a chance that there could be a
16 walk-away under the agreement. And I am cognizant of that.

17 My thinking along this line, I believe, is supported
18 by the *Tanzer* case that I cited earlier from the Third Circuit.
19 In that particular case at page 223, the Court noted "We think
20 the district court was justified in expediting the hearing in this
21 case, primarily because of the financial condition of the
22 corporation and the deadline fixed by the offerer." In that
23 particular case, the Third Circuit took that into account, the
24 financial position of the defendant and the deadline imposed,
25 and I'm taking that into account here. So I do believe time is

1 of the essence.

2 In addition to that, there was testimony yesterday
3 about the pig supply increasing. There was extensive
4 testimony about NAE pigs, no-antibiotics-ever pigs, being a
5 pig that is not commonly available. There was testimony
6 about an inability to backfill 5,000 pigs per week, which
7 translated up to a \$100,000 loss. That's the current situation.
8 I found that testimony to be persuasive.

9 In addition, there was a concern about barns being
10 available for pigs to have spots in. Without a barn to place
11 pigs in, the operation is in jeopardy. And I find it persuasive
12 that, for continuity of the operation and stability, the Court
13 needs to act now and enter this order.

14 There was also statements in the affidavit of
15 Ms. Walkes and in the testimony yesterday about labor
16 concerns, concerns of employees quitting unless there was
17 stability afforded by the Court in entering this order. I found
18 that to be persuasive. It's part of my thinking as well.

19 There was also testimony about the uncertainty of
20 packer contracts going forward for NAE pigs. I found that to
21 be persuasive.

22 And then, finally, there was extensive discussion
23 about disease risk to pigs. Exhibit 5 offered yesterday
24 demonstrates the PRRS disease, P-R-R-S, and there was
25 testimony about the economic sensitivity of the pig market.

1 The pig market can be volatile. Pig health is something it was
2 urged for the Court to be cognizant of. And I am -- and I
3 found that to be persuasive. So I believe time is of the
4 essence.

5 I also believe that the sale at issue is commercially
6 reasonable and appropriate. Why is that? I think it's
7 important to note that the receiver did not exclusively talk to
8 Tyson about this particular transaction. There was testimony
9 yesterday about the receiver visiting with 18 other potentially
10 interested parties. It's a significant number. Ms. Walkes also
11 testified about this being a small universe of potential buyers.
12 I found that testimony to be interesting, but at the end of the
13 day, there were 18 other potentially interested parties. No
14 other offer came, under the testimony that I heard, that was
15 close to the offer made by Tyson in this matter. That
16 demonstrates to me that the receiver performed due diligence.

17 There was also a reference to Tyson having the,
18 quote-unquote, "bandwidth" to take this on -- that was the
19 term that was used -- to operate this organization. And I
20 found that to be persuasive.

21 I also found it notable that this was actually a
22 negotiation. It was explained during testimony yesterday that
23 at the beginning of negotiations Tyson wanted \$11 million to
24 be the price for purchase; Compeer wanted \$17 million. The
25 receiver was involved in negotiations, and the \$15 million

1 amount was arrived at. This demonstrates to me good-faith
2 and a diligent effort by the receiver. And I believe the
3 testimony was this was \$1.1 million off of the perfect scenario.
4 It's close to that. I find that due diligence was used, and this
5 is a commercially reasonable transaction.

6 There was also testimony about a value methodology
7 that Ms. Walkes used as well. I do not believe it's random. I
8 believe that this sale is in the best interests of the estate. And
9 I remember Ms. Walkes' testimony that she believes it in her
10 bones that this is to be true. I think objectively looking at the
11 facts, this is something that is commercially reasonable and in
12 the best interests of the estate.

13 I also find that the receiver's representative,
14 Ms. Walkes, was a credible witness who has the best interest
15 of the estate in mind in making this recommendation through
16 the motion. It appeared to me, in reviewing this, that she has
17 worked hard to maximize the estate value but also to stabilize
18 a business that was in peril when I was requested to conduct
19 an emergency hearing back in March. I found her to be a
20 credible witness.

21 Because the role of the receiver was talked about
22 frequently in briefing and in argument yesterday, I believe it's
23 important to make a note of that receiver's role under the law
24 as well too. The receiver is an officer and representative of the
25 Court, as provided for in the U.S. Supreme Court's ruling of

1 *Alexander v. Hillman*, 296 U.S. 222 at 237 through 38, 1935.
2 And the Court defers to reasonable judgments thereof. That's
3 provided for in *Wells Fargo Bank v. Beacon Hospital*
4 *Corporation*, 2013 WL 12324286 at page 2, a District of
5 Massachusetts decision from December 16, 2013. All the
6 receiver is required to established is that there are sound
7 business reasons for selling assets and for accepting the offer
8 he or she selected. Once he or she makes such a showing, the
9 receiver's determination that accepting the offer is in the best
10 interest of the parties is owed deference under the business
11 judgment rule, citing *Lawsky v. Condor Capital Corporation*,
12 154 F.Supp.3d 9 at page 22, Southern District of New York,
13 2015.

14 That said, the deference owed is not unfettered. I
15 acknowledge that. For the Courts to approve a sale, the
16 receiver needs to justify it. A receiver has the burden of
17 establishing there are sound business reasons for approving
18 the proposed sale. Once the receiver has done so, the
19 business judgment rule mandates that her decision be given
20 proper deference. I would cite *Equity Security Holders v.*
21 *Lionell Corporation*, 722 F.2d at 1063, a Tenth Circuit case, at
22 1983. That proposition is also referenced in the *Lawsky* case
23 that I referenced earlier from the Southern District of New
24 York.

25 In exercising business judgment, receivers may

1 properly consider factors aside from the total dollar amount
2 offered, and the courts approve sales as long as the receiver
3 used reasonable business judgment in weighing different
4 courses of action. The receiver's determination that the
5 purchase agreement constitutes the highest and best offer for
6 the property constitutes a valid and sound exercises of the
7 receiver's business judgment, as provided for in *Bank of*
8 *America v. Rashid Holdings*, 2018 WL 6604264 at page 2 from
9 the Eastern District of Michigan on December 17, 2018.

10 I believe that applying the business judgment rule
11 here, this is the appropriate path forward. That it's in the best
12 interest of the estate. It is the right thing to do.

13 What are the objections? I carefully considered the
14 arguments made by the defendants in their brief and made in
15 closing argument yesterday.

16 One, there was a reference that the defendants were
17 kept in the dark. They did not know that this was happening.
18 I would note that the only evidence in the record on this was
19 Ms. Walkes's testimony yesterday where she indicated that
20 she advised Mr. Ray Price about the letter of intent in this
21 matter in a phone conversation in April. His response, as I
22 took it from the testimony, was positive, with Ms. Walkes
23 stating he wanted his, quote, "teams and barns," quote, to be
24 taken care of. He wanted the teams kept intact and the barns
25 taken care of. There's been no evidence provided to the

1 contrary that that was Mr. Price's sentiment. I find
2 Ms. Walkes to be credible.

3 This deal, at the end of the day, is the best path
4 forward for keeping the team, the employees, intact. I've given
5 my analysis on that earlier. And it's done to provide stability
6 to the barns and to keep additional barns from bleeding off or
7 not being part of this, which was part of the argument that
8 was made to me by the receiver.

9 I would also further note that it was contemplated at
10 the very beginning, when the receivership was entered, that
11 assets could be sold with court approval.

12 So I think it's notable that the evidence in the record
13 indicates that Mr. Price was advised in April.

14 There's also been strong argument made on conflict
15 of interest. Is there conflict of interest with the receiver? This
16 argument was met head on through the testimony yesterday
17 by Ms. Walkes. This is not a situation where the receiver, it's
18 been represented to the Court -- where the receiver would stay
19 on forever after a sale would be done. It's for a period of
20 transition. Ms. Walkes testified about 30 days yesterday. The
21 reason given for that I found to be compelling. The employees
22 of the defendants have what is known as a TN visa, and if the
23 receiver terminates right away, there is the risk that these
24 employees could lose that visa overnight. And there is a
25 concern, in that situation, about the legal status of these

1 workers to continue employment. I find that to be a
2 compelling reason, and I don't find a conflict of interest there.
3 In fact, I find it to be something that is appropriate and
4 reasonable for the best interests of the company. This is
5 something that would be done to keep the teams and the
6 barns intact. It also provides stability to the operation.

7 There was testimony yesterday from Ms. Walkes that
8 she didn't set out to do this or pick her opportunity or
9 advocate to do this, words to the effect of she wanted to do
10 this position to do the right thing. I found that testimony to
11 be persuasive; that her motivations are not to enrich herself or
12 her company, but to do the right thing.

13 She also testified that if the order is not approved,
14 there is the risk of straight liquidation in the future. We
15 should try to avoid that.

16 Finally, what are the other alternatives? There was
17 cross-examination about that yesterday. I would first state
18 that there was no evidence given by the defendants of other
19 alternatives. That was not presented at all. There was no
20 counter-valuation given in evidence by the defendants. But
21 there was an idea that was floated through cross-examination
22 of having the defendants go back to being in charge of the
23 entity, and there would be a payoff within eight years. "If we
24 would be funded, there would be a payoff within eight years."
25 And it was suggested that that option should be pursued.

1 I'm concerned about that option for a couple of
2 reasons.

3 Number one, I find that it's speculative as to
4 whether that could ever happen or to be paid off.

5 Number two, there was no concrete evidence for the
6 Court to consider regarding that operation -- or that proposal,
7 I should say.

8 Number three, Compeer's counsel made it clear in
9 closing argument yesterday that they would not intend to fund
10 that. Indeed, that's why we're here with this lawsuit in the
11 first place. And that led to my question of defense counsel
12 during closing argument yesterday about who would pay for
13 this and do I have to order Compeer to pay for it? I was
14 reluctant to do that, and that argument was made back in
15 March when the argument was made to me that, "Judge, you
16 should order Compeer to pay us additional money." And I did
17 not find that persuasive at that time; and at this time, at this
18 juncture, it doesn't seem to me that that would be appropriate
19 to enter into some type of eight-year plan funded by Compeer.

20 And, again, I would close and say that the only
21 witness that I heard from, the only evidence, was Ms. Walkes
22 yesterday. And she said that if this deal is not done,
23 liquidation is the probable next alternative going forward in
24 the future.

25 So I believe this is what the best thing to do is under

1 the facts and circumstances presented for me here. Applying
2 the business judgment rule, I believe it's the best path
3 forward. I do not do this lightly. I've given this considerable
4 thought, reviewed everything the parties have submitted. I
5 appreciate the good work of all the parties in this matter. But
6 this is my ruling. And I would request that the receiver's
7 counsel send me a proposed order after this hearing today for
8 me to consider.

9 Anything further from the receiver's counsel at this
10 time?

11 MR. SIMKO: No, Your Honor.

12 THE COURT: Ms. Limoges, anything further?

13 MS. LIMOGES: No, Judge. Thank you.

14 THE COURT: Anything further from the parties that
15 are online?

16 MR. HALBUR: No, Your Honor.

17 MR. BELL: This is Justin Bell. No, Your Honor.

18 THE COURT: In light of that, we will be in recess on
19 this matter, and the Court will enter its order in the near
20 future.

21 (Proceedings concluded at 11:38 a.m.)
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UNITED STATES DISTRICT COURT)
DISTRICT OF SOUTH DAKOTA : SS CERTIFICATE OF REPORTER
SOUTHERN DIVISION)

I, Carla Dedula, Official United States District Court Reporter, Registered Professional Reporter, Certified Realtime Reporter, and Notary Public, hereby certify that the above and foregoing transcript is the true, full, and complete transcript of the above-entitled case, consisting of pages 1 - 22.

I further certify that I am not a relative or employee or attorney or counsel of any of the parties hereto, nor a relative or employee of such attorney or counsel, nor do I have any interest in the outcome or events of the action.

IN TESTIMONY WHEREOF, I have hereto set my hand this 19th day of September, 2025.



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My Commission Expires: May 24, 2026

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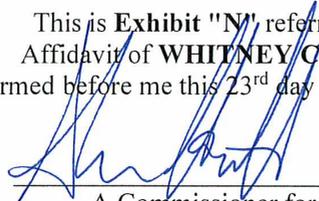
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This is **Exhibit "N"** referred to in the
Affidavit of **WHITNEY COLLISTER**
affirmed before me this 23rd day of February 2026.



A Commissioner for Oaths
in and for Alberta

Amara C. Hewitt
A Commissioner for Oaths
in and for Alberta
My Commission Expires November 3, 2026

Whitney Collister

From: Keely Cameron
Sent: Friday, February 13, 2026 2:16 PM
To: Scott Chimuk; David Mann
Cc: Gunnar Benediktsson (he/him); Lincoln Caylor; Olver, Dustin
Subject: Compeer v. Sunterra Farms Ltd. et al
Attachments: Bill of Costs (Solicitor and Client) of Compeer Financial, PCA.pdf; Draft Form of Order (Dec 4 and 5_ 2025).docx

Scott and Dave,

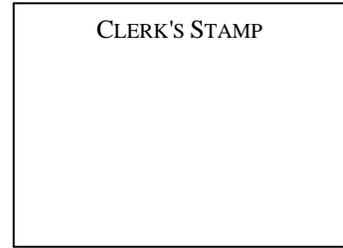
Please find attached for your review our proposed form of order and Bill of Costs. Please advise of any amendments, questions or concerns next week. We want to have these matters resolved in advance of the upcoming application. I have copied the Monitor on this email and would request that Compeer's costs be considered when preparing the cash flow statements.

Keely Cameron

Partner, Bennett Jones LLP
4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7
T. 403 298 3324 | F. 403 265 7219
BennettJones.com



FORM 44
[RULE 10.35(1)]



COURT FILE NUMBER 2501-19283

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

PLAINTIFF COMPEER FINANCIAL, PCA

DEFENDANTS SUNTERRA FARMS LTD., SUNWOLD FARMS
 LIMITED, SUNTERRA ENTERPRISES INC., RAY
 PRICE, DEBBIE UFFELMAN, CRAIG THOMPSON,
 DAVID PRICE, ARTHUR PRICE and GLEN PRICE

DOCUMENT **BILL OF COSTS – SOLICITOR CLIENT**

ADDRESS FOR SERVICE **BENNETT JONES LLP**
AND Barristers and Solicitors
CONTACT INFORMATION 4500, 855 – 2nd Street S.W.
OF Calgary, Alberta T2P 4K7
PARTY FILING THIS Attention:
DOCUMENT Lincoln Caylor,
 Nathan J. Shaheen,
 Keely Cameron and
 Mathieu J. LaFleche
 Telephone No.: 403-298-3100
 Fax No.: 403-265-7219

BILL OF COSTS OF COMPEER FINANCIAL, PCA

Fees claimed:

ITEM	AMOUNT
Claimed legal fees with respect to CCAA proceedings and the prosecution of action no. 2501-19283	\$1,607,911.05
Total Fees:	\$1,607,911.05

Taxable Disbursements (subject to GST):

Description	AMOUNT
Taxable disbursements incurred with respect to CCAA proceedings and the prosecution of action no. 2501-19283	\$19,086.91
Total Disbursements:	\$19,086.91

Non-Taxable Disbursements (not subject to GST):

Description	AMOUNT
Non-taxable disbursements incurred with respect to CCAA proceedings and the prosecution of action no. 2501-19283	\$778.00
Total Disbursements:	\$778.00

Other Charges:

ITEM	AMOUNT
Other charges incurred with respect to CCAA Proceedings and the prosecution of action no. 2501-19283	\$7,760.25
Total Other Charges:	\$7,760.25

GST:

(a) Amount claimed on fees	\$ <u>80,395.55</u>
(b) Amount claimed on disbursements	\$ <u>954.35</u>
(c) Amount claimed on other charges	\$ <u>388.01</u>
TOTAL GST	\$ <u>81,737.91</u>

By making the above claim for an additional amount on account of goods and services tax, the party entitled to the costs award warrants that it is not entitled under the Excise Tax Act (Canada) to a refund or rebate of any goods and services tax paid.

Total amount claimed:

Fees:	\$	<u>1,607,911.05</u>
Taxable Disbursements:	\$	<u>19,086.91</u>
Non-Taxable Disbursements:	\$	<u>778.00</u>
Other Charges	\$	<u>7,760.25</u>
GST:	\$	<u>81,737.91</u>
TOTAL:	\$	<u>1,717,274.12</u>

Person responsible for preparation of this Bill of Costs:

Mathieu LaFleche

AMOUNT ALLOWED BY ASSESSMENT OFFICER:

Fees:	\$	_____
Taxable Disbursements:	\$	_____
Non-Taxable Disbursements:	\$	_____
Other Charges	\$	_____
GST:	\$	_____
TOTAL:	\$	_____

CERTIFICATE OF ASSESSMENT OFFICER:

I, _____, certify the following amount(s) that is (are) to be paid

By Plaintiff: \$ _____

By Defendant: \$ _____

to the Plaintiff, COMPEER FINANCIAL, PCA.

I also certify the following special circumstance(s) and the amount to be paid by each party with respect to the special circumstance(s):

SPECIAL CIRCUMSTANCE	AMOUNT TO BE PAID RE SPECIAL CIRCUMSTANCE

Dated: _____

Name and signature of Assessment Officer: _____

Clerk's Stamp:

COURT FILE NUMBER
COURT
JUDICIAL CENTRE OF
PLAINTIFF

2501 – 19283
COURT OF KING'S BENCH OF ALBERTA
CALGARY
COMPEER FINANCIAL, PCA

DEFENDANTS

SUNTERRA FARMS LTD., SUNWOLD FARMS LIMITED, SUNTERRA ENTERPRISES INC., RAY PRICE, DEBBIE UFFELMAN, CRAIG THOMPSON, DAVID PRICE, ARTHUR PRICE and GLEN PRICE

COURT FILE NUMBER
COURT
JUDICIAL CENTRE

2501-06120
COURT OF KING'S BENCH OF ALBERTA
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 FOR SUMMARY JUDGMENT AND
DECLARATORY RELIEF**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT:

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

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

Telephone No.: 403-298-3100
Fax No.: 403-265-7219
Client File No.: 99329.1

DATE ON WHICH ORDER WAS PRONOUNCED: January 27, 2026

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice M. J. Lema

LOCATION OF HEARING: Calgary Courts Centre

UPON the application of Compeer Financial, PCA ("**Compeer**"); **AND UPON** hearing counsel for the Defendants, and any other interested parties appearing at the application; **IT IS HEREBY ORDERED, ADJUDGED AND DECLARED THAT:**

1. Compeer is granted judgment against Sunterra Farms Ltd., Sunwold Farms Limited and Ray Price in the amount of Canadian dollars sufficient to purchase the sum of USD \$35,330,968.94 at a bank in Alberta listed in Schedule I of the *Bank Act* at the close of business on February 28, 2025, plus pre-judgment and post-judgment interest in accordance with the *Judgment Interest Act*, RSA 2000, c J-1 (the "**Fraud Judgment**")
2. Compeer is granted judgment against Sunterra Enterprises, Inc. in the amount of Canadian dollars sufficient to purchase the sum of USD \$29,132,187.91 at a bank in Alberta listed in Schedule I of the *Bank Act* at the close of business on February 28, 2025, plus post-judgment interest in accordance with the applicable contractual rate of interest, being 11% per annum.
3. The Fraud Judgment as against Sunterra Farms Ltd. and Sunwold Farms Limited, is a debt or liability resulting from obtaining property or services by false pretenses or fraudulent misrepresentations made by Sunterra Farms Ltd. and Sunwold Farms Limited, and is therefore exempt from any compromise or arrangement pursuant to Section 19(2) of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c C-36, as amended ("**CCAA**") unless Compeer votes for the acceptance of any such compromise or arrangement.
4. The Fraud Judgment as against Ray Price is a debt or liability resulting from fraudulent misrepresentations made by Ray Price, and is therefore exempt from being compromised or released in connection with any compromise or arrangement pursuant to Section 5.1(2)(b) of the *CCAA*.
5. Compeer and Ray Price may make further submissions on whether a declaration should be granted in respect of the "wrongful and oppressive conduct of directors" branch of Section 5.1(2)(b) of the *CCAA*, in which case the Honourable Justice M.J. Lema will be seized.

6. Compeer is granted leave to submit an affidavit should it seek to provide an update of its judgment calculations and, if Compeer submits such affidavit, Sunterra Farms Ltd., Sunwold Farms Limited, Ray Price and Sunterra Enterprises, Inc. may, within one week of Compeer's submission of any affidavit, provide their position on those calculations.
7. The balance of Compeer's application is dismissed.
8. Compeer is awarded costs on a solicitor-client basis.

Justice of the Court of King's Bench of Alberta

COURT FILE NUMBER

2501 - 06120

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

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

SECOND REPORT OF FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR 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.

July 18, 2025

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

MONITOR

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Telephone: (403) 454-6032
Fax: (403) 232-6116
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Telephone: (403) 267-8222 / (403) 267-8256
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gunnar.benediktsson@nortonrosefulbright.com



SECOND REPORT OF THE MONITOR

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Appendix A – Monitor’s Letter to Key Stakeholders

Appendix B – NBC’s Response to Monitor’s Letter to Key Stakeholders

Appendix C – Second Cash Flow Statement

INTRODUCTION

1. On March 24, 2025 (the “**NOI Filing Date**”) Sunterra Farms Ltd. (“**Sunterra Farms**”), Sunterra Food Corporation (“**Sunterra Food**”), Sunterra Quality Food Markets Inc. (“**Sunterra Markets**”), Sunwold Farms Limited (“**Sunwold**”) and Trochu Meat Processors Ltd. (“**Trochu**” and with Sunterra Farms, Sunterra Food, Sunterra Markets and Sunwold collectively, the “**BIA Applicants**”) each filed a Notice of Intention to Make a Proposal (“**NOI**”) under Section 50.4 of the Bankruptcy and Insolvency Act, R.S.C 1985, c. B-3, as amended (the “**BIA**”). Harris & Partners Inc. (“**HPI**”) consented to act as proposal trustee of the BIA Applicants under the NOI (the “**Proposal Trustee**”).
2. On April 15, 2025, the BIA Applicants and four additional applicants, Sunterra Beef Ltd. (“**Sunterra Beef**”), Lariagra Farms Ltd. (“**Lariagra**”), Sunterra Farm Enterprises Ltd. (“**Sunterra Farm Enterprises**”) and Sunterra Enterprises Inc. (“**Sunterra Enterprises**”) and collectively with the BIA Applicants, Sunterra Beef, Lariagra, Sunterra Farm Enterprises and Sunterra Enterprise, the “**Applicants**”), applied to the Court of King’s Bench of Alberta (the “**Court**”) for an initial order (the “**Initial Order**”) to commence proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”). The Initial Order was granted by the Court on April 22, 2025.
3. The Initial Order, established a stay of proceedings (the “**Stay of Proceedings**”) in favour of the Applicants until April 28, 2025, appointed FTI Consulting Canada Inc. as Monitor (the “**Monitor**”) and granted, among other things, the following relief:
 - a. converting the NOI proceedings and continuing the BIA Applicants’ restructuring, and the restructuring of the Applicants as a whole, under the CCAA (the “**CCAA Proceedings**”); and

- b. granted certain court ordered priority charges for individuals identified as critical to the operations and success of these CCAA Proceedings namely:
 - i. first, an Administration Charge of \$1,000,000;
 - ii. second, a D&O Charge of \$900,000.

- 4. At the Comeback hearing held on April 28, 2025, this Court granted an amended and restated Initial Order (the “**ARIO**”) which provided for, among other things:
 - a. an extension of the stay of proceedings until July 31, 2025; and
 - b. request the ability to make payments for pre-filing inventory and other goods or services essential to the Applicants business or delivered by critical suppliers with the consent of the Monitor.

- 5. On July 15, 2025, the Applicants filed a notice of application returnable on July 24 and July 25, 2025 (the “**July Application**”), seeking the following:
 - a. an order (the “**Claims Procedure Order**”) requesting, among other things:
 - i. approval of a process for: (i) the identification, quantification and resolution of pre-filing and restructuring period claims, wherever situated, against the Applicants and their respective current and former directors and officers; and (ii) inter-company claims between the Applicants and its subsidiaries located in the United States; and (iii) establishing the process for the adjudication of the claims of two of the Applicants’ major stakeholders Compeer Financial, PCA (“**Compeer**”) and the National Bank of Canada (“**NBC**”); and

- ii. extension of the Stay of Proceedings up to and including November 30, 2025; and
- b. an order (the “**Vesting Order**”) approving a sale agreement (the “**Dorothy Lands PSA**”) between Sunterra as vendor and Douglas Price and Evan Hegedys as purchasers (collectively, the “**Purchasers**”) for two quarters of vacant land located in Dorothy, Alberta (the “**Dorothy Lands**”).

PURPOSE

- 6. The purpose of this report (this “**Report**” or the “**Second Report**”) is to provide an informational update and the Monitor’s comments to the Court and the Applicants’ stakeholders with respect to the following:
 - a. the activities of the Monitor since the report dated April 25, 2025 (the “**First Report**”);
 - b. the restructuring activities undertaken by the Applicants during the CCAA Proceedings;
 - c. actual cash flow for the period of April 12, 2025 to July 4, 2025, as compared to the cash flow forecast filed these CCAA Proceedings with the Court on April 25, 2025 (the “**Preliminary Cash Flow Statement**”);
 - d. the Applicants’ second CCAA cash flow statement (the “**Second CCAA Cash Flow Statement**”) for the period commencing July 5, 2025 and ending December 5, 2025; and
 - e. the Monitor’s recommendations in respect of the Applicants’ requested relief at the July Application.

7. This Report should be read in conjunction with the affidavit of Arthur Price sworn on April 15, 2025 (the “**First Price Affidavit**”) and the affidavit of Arthur Price sworn on July 14, 2025 (the “**Second Price Affidavit**”), in support of the July Application.

TERMS OF REFERENCE

8. In preparing this report, the Monitor has relied upon certain information (the “**Information**”), including the Applicants’ unaudited financial information, books and records, and discussions with the Applicants’ senior management (“**Management**”).
9. Except as described in this Report, the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*.
10. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
11. Future-oriented financial information reported to be relied on in preparing this Report is based on Management’s assumptions regarding future events. Actual results may vary from forecast and such variations may be material.
12. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.
13. Capitalized terms used but not defined herein are given the meaning ascribed to them in the First Price Affidavit, the Second Price Affidavit and the proposed Claims Procedure Order.

ACTIVITIES OF THE MONITOR

14. The Monitor’s activities since the date of the First Report have included the following:
- a. ongoing discussions with Management and Blue Rock Law LLP (the “**Applicants’ Counsel**”), regarding the Applicants’ business and financial affairs;
 - b. reviewing the Applicants’ cash flow including weekly budget to actual reporting;
 - c. consulting with the Applicants in respect of the Second CCAA Cash Flow Statement;
 - d. holding discussions with key stakeholders, including:
 - i. the Applicants and their counsel;
 - ii. the Applicants’ senior lenders NBC and Farm Credit Canada (“**FCC**”) and their respective counsels; and
 - iii. Compeer, a senior secured lender of the US Subsidiaries (as defined below), and an interested party in the Applicants’ restructuring proceedings.
 - e. monitoring the Applicants’ restructuring efforts;
 - f. engaging with Applicants’ Counsel and other stakeholders (including NBC and Compeer) regarding appropriate terms to govern a process to identify and adjudicate claims against the Applicants (a “**Claims Process**”);
 - g. responding to inquiries from the Applicants’ creditors, suppliers and stakeholders;
and

- h. preparing this Report.

ACTIVITIES OF THE APPLICANTS

FARMING OPERATIONS

15. The Applicants have continued to operate and manage their hog farming operations, which include the operations of Sunterra Farms, Sunwold and Lariagra (the “**Canadian Farming Entities**”). Prior to the commencement of these CCAA proceedings, the Canadian Farming Entities would sell the majority of their pigs to the Applicants’ subsidiaries located in the United States, namely Sunterra Farms Iowa Inc. (“**Sunterra Farms US**”) and Sunwold Farms Inc. (“**Sunwold US**”, and collectively the “**US Hog Farm Entities**”). The U.S. subsidiaries also include Lariagra Farms South Inc. (“**Lariagra US**”, and collectively with the US Hog Farm Entities, the “**US Subsidiaries**”).
16. On March 28, 2025, the US Subsidiaries were placed in receivership (the “**US Receivership**”) pursuant to an order (the “**US Receivership Order**”) granted by the United States District Court in the District of South Dakota, Southern Division. The US Receivership Order appointed Pipestone Management II, LLC as Receiver of the US Subsidiaries (the “**US Receiver**”).
17. According to the materials filed by Compeer in the application for the US Receivership, as at March 7, 2025 Compeer was owed approximately US \$35.3 million (plus interest and legal expenses) by the US Subsidiaries under various loan and security agreements.
18. After the US Receivership Order was granted, the US Receiver ran a sales process to market the assets of the US Subsidiaries. On May 30, 2025, an order (the “**US Sale Order**”) was granted approving the sale of the assets of the US Subsidiaries.
19. After the sale of the Sunterra Group’s US Farming Operations, the Applicants began using third party brokers to assist in finding new buyers for their pigs. With the assistance of these third-party brokers, the Applicants have found buyers for the Canadian Farming

Entities' pigs, thus diversifying away from their historical practice of selling mainly to the US Hog Farm Entities.

MARKETS OPERATIONS

20. The Applicants' eight retail grocery market businesses (the "**Markets Operations**"), owned by Sunterra Markets, have continued operations through these CCAA Proceedings; all of Sunterra Markets' retail locations remain open and operational during the course of these CCAA Proceedings.

TROCHU PROPERTY

21. In the First Report, the Monitor advised this Court of a June 2024 fire that damaged the meat processing plant owed by Trochu (the "**Trochu Property**"). The Applicants were in the process of finalizing an insurance claim (the "**Trochu Insurance Claim**") relating to this fire, and the Preliminary Cash Flow Statement included the collection of \$5.0 million of insurance proceeds (the "**Trochu Insurance Proceeds**"). As at the date of this Report, substantially all of the Trochu Insurance Proceeds have been collected.
22. As was confirmed in a security opinion provided by the Monitor's counsel, NBC had valid first-ranking security over the Trochu Property and was the loss payee under the Trochu Property insurance policy. Accordingly, when the Trochu Insurance Proceeds were collected, those funds were applied to NBC's pre-filing secured debt.

RESTRUCTURING EFFORTS

23. The initial restructuring plans of the Applicants were set out in the First Price Affidavit, in which Mr. Price advised that the proposed initial Stay of proceedings would "preserve the status quo and afford the Applicants the space and stability that they need in order to advance their refinancing and restructuring efforts in consultation with the Financial

Advisors.”¹ Mr. Price confirmed the Applicants’ intention after the granting of the ARIO to pay the outstanding obligations owed to NBC within 90 days using a combination of cash proceeds generated by operations, insurance recoveries, other receivables, and (if necessary) some non-core asset divestitures.²

24. The Preliminary Cash Flow Statement of the Applicants forecasted non-operational receipts of approximately \$10.4 million (the “**Non-operational Receipts**”), and repayment of secured indebtedness totalling approximately \$11.2 million. The forecasted Non-operational Receipts included the Trochu Insurance Proceeds, along with a further \$3.0 million in insurance proceeds (relating to a separate insurance claim by the Farming Entities (the “**AgriStability Claim**”), \$1.3 million from the sale of shares in a private trucking company owned by the Applicants, \$500,000 from the sale of four condominium properties, and \$600,000 from the sale of the Dorothy Lands.
25. The Preliminary Cash Flow Statement contemplated that the Non-operational Receipts, once collected, would be used to repay the amounts owed to the Applicants’ secured lenders NBC and FCC, after the Monitor provided consent to such repayments (following the completion of its security review of the Applicants’ assets).

COMPLETED EFFORTS

26. As at the date of this Report, the Trochu Insurance Proceeds have substantially been collected, with a minor receipt (\$5,000) expected in mid-July of 2025; however, the remainder of the Non-operational Receipts remain outstanding.

¹ First Price Affidavit, para 90.

² First Price Affidavit, para 102.

27. The Monitor has been advised of the following with respect to Non-operational Receipts which were included in the Preliminary Cash Flow Statement, but have not yet been collected:
- a. the Applicants are seeking approval to sell the Dorothy Lands at the July Application;
 - b. the insurance proceeds from the AgriStability Claim are still under review by Agriculture Financial Services Corporation, and as a result the Second Cash Flow Statement projects insurance proceeds from the AgriStability Claim will be received by the end of August, 2025; and
 - c. the Monitor understands that the Applicants are still in the process of determining their realization plans for the other non-core assets.
28. Ultimately, the Applicants have collected Non-operational Receipts of \$5.0 million and made loan repayments to NBC in the amount of \$5.8 million, which is materially less than the \$11.2 million in loan repayments that were projected to have occurred by this time in the Preliminary Cash Flow Statement.

COMPLICATING FACTORS

29. The Applicants, along with some of their officers, are facing serious allegations (hereafter, the “**Banking Dispute**”) by their senior secured lenders relating to an alleged cheque kiting scheme as outlined in various materials filed by NBC (as the Applicants’ Canadian banking lender) and Compeer (as the US Subsidiaries’ banking lender). The Applicants deny and dispute these allegations.
30. The Applicants’ Counsel has been consulting with the Monitor, Compeer and NBC in an effort to negotiate and agree to an efficient and fair Claims Process to allow the parties to adjudicate the Banking Dispute and determine any claims arising therefrom. Further details

with respect to the details of the proposed Claims Procedure Order are provided below. The Monitor notes that these are complex claims and that the current proposed process anticipates approximately 4 months to determine the claims.

31. The Monitor is supportive of a fair and efficient Claims Process, and notes that as of the date of this report the Applicants, NBC and Compeer continue to negotiate the terms of the Claims Procedure Order. The Monitor has provided its limited comments to the Applicants regarding the proposed Claims Procedure Order and expects that the document to continue to evolve in the days leading up to the July Application.

MONITOR'S VIEWS ON ADVANCING THE RESTRUCTURING

32. The Applicants' restructuring commenced with the filing of a NOI in March 2025. That process was subsequently converted into these CCAA Proceedings, on the understanding that the Applicants would pursue a refinancing or restructuring of the Applicants' Canadian operations within 90 days. The Monitor has not been provided with evidence of substantial progress toward a refinancing or restructuring of the Applicants' operations in the interim.
33. NBC has expressed dissatisfaction with respect to Applicants' progress to date and has communicated that to the Monitor.
34. The current application is for a Claims Procedure Order. The Monitor agrees with the Applicants that a Claims Process to adjudicate claims against the Applicants, especially the Banking Dispute, is a necessary step that needs to be completed in order to implement a restructuring/refinancing. Accordingly, the Monitor supports, in concept, a fair and efficient Claims Process.
35. The Banking Dispute is complex, and the Monitor does not expect a final resolution for at least 4 months, and perhaps longer. In order to ensure the Applicants are advancing their CCAA restructuring with due diligence, the Monitor is of the view that the Applicants should, in parallel with a Claims Process, be taking active steps to advance a

recapitalization or refinancing process of the Applicants' business including by making preparations for a sale and investment solicitation process to ensure they are prepared for a refinancing and or sale that will likely be undertaken once a Claims Process has been completed (the "**Future SISP**"). Such a Future SISP should include milestones and deadlines in order to ensure timely reporting to the Monitor is fully informed with respect to the Applicants' progress.

36. Given the status of negotiations between key stakeholders in these CCAA Proceedings with respect to the relief being sought at the July Application (and in an effort to avoid a contested application), on June 16, 2025, the Monitor sent a letter to the Applicants, Compeer and NBC to advise of its views on how to progress these CCAA Proceedings (the "**Monitor's Letter to Key Stakeholders**"). A copy of this the Monitor's Letter to Key Stakeholders is attached hereto as Appendix A.

37. The Monitor understands that there are contentious issues as between the Applicants, NBC and Compeer that may significantly influence the restructuring options of the Applicants. Nevertheless, and as set out in the Monitor's Letter to Key Stakeholders, the Monitor believes the Applicants should (in tandem with a Claims Process) be taking steps to advance the restructuring of the Applicants' business by preparing for the Future SISP. In particular, such steps could include:
 - a. engaging a Financial Advisor;

 - b. compiling documents for a data room;

 - c. preparing marketing materials (such as a teaser or invitation to submit proposals);
and

 - d. preparing an interested party list (refinancing lenders, investors and potential strategic purchasers).

38. The Monitor has spoken with key stakeholders and received a formal response from NBC to the Monitor's Letter to Key Stakeholders. NBC's letter to the Monitor dated July 7, 2025, as attached hereto as Appendix B. In addition, Compeer and the Applicants have provided informal responses to the Monitor. The Applicants have advised the Monitor that they do not believe a Future SISP should occur until after the process described in the Claims Procedure Order has run its course and any claims against the Applicants resolved.
39. The Monitor continues to consult with the Applicants with respect to the nature and timing of the next steps in these CCAA Proceedings and is hopeful a consensus can be reached. As at the date of this Report, key issues relating to the terms of a Claims Process and the appropriateness of a Future SISP remain unresolved.
40. The Monitor is of view that the Applicants should be advancing all aspects of their restructuring in tandem and with due diligence to ensure these CCAA Proceedings are completed in a manner that is as efficient as is possible. This includes preparing for a Future SISP in parallel with a Claims Process so that once claims are known and determined a formal marketing process can, if necessary, be launched without further delay.

PROPOSED DOROTHY LANDS SALE

41. As described in the Second Price Affidavit, the Applicants are seeking approval for the Dorothy Lands PSA. The Second Price Affidavit provides the following information with respect to the Dorothy Lands PSA and the marketing process undertaken:
 - a. the Dorothy Lands were listed for sale with Bode Canada ("**Bode**"), a real estate technology company which connects buyers and sellers of primarily residential homes who wish to engage in real estate transactions without engaging a real estate agent. Properties listed on Bode are cross listed on various other real estate sites such as MLS and Zillow;
 - b. the Dorothy Lands were listed with Bode for 73 days beginning in early 2025; and

- c. the offers contained in the Dorothy Lands PSA reflected the highest purchase price and are conditional only on approval of this Court. Other offers (“**Other Offers**”) were received; however, as noted in the Second Price Affidavit, the Other Offers were for lower value and contained closing conditions other than just being subject to Court approval.

MONITOR’S COMMENTS

- 42. The Monitor’s comments with respect to the Dorothy Lands PSA are as follows:
 - a. Douglas Price, one of the Purchasers is a related party, and holds a 10% ownership interest in the Applicants;
 - b. the Monitor understands that the Founder and CEO of Bode is Arthur Price’s son;
 - c. the Monitor has requested the following from the Applicants with respect to the marketing process undertaken for the Dorothy Lands: (i) the price at which the Dorothy Lands were listed for sale on Bode, (ii) the period for which the Dorothy Lands sale listing was active on Bode, (iii) details on any tours of interested parties to view the Dorothy Lands and (iv) copies of the Other Offers. However, at the date of this Report none of these pieces of information have been provided to the Monitor; and
 - d. the Applicants have advised that the sale is supported by FCC who is the first secured lender on the Dorothy Lands;
- 43. As at the date of this Report, the Monitor cannot provide its support for the Dorothy Lands PSA. Once the requested information is received the Monitor will review and provide a supplemental report to this Court with respect to its view on the Dorothy Lands PSA.

CLAIMS PROCESS

44. The Applicants' proposed Claims Procedure Order provides for a mechanism to determine the nature, status, quantum, validity and enforceability of all claims against the Applicants and its current or former Directors or Officers (collectively, the "**Claims**"), including:
- a. pre-filing Claims;
 - b. restructuring period Claims;
 - c. inter-company Claims; and
 - d. Claims related to the Banking Dispute.
45. The terms of the Claims Procedure Order continue to be the subject of consultation and discussion between the Applicants, Compeer and NBC. The Applicants' current proposed Claims Procedure Order provides for two different processes for the determination and resolution of Claims:
- a. a traditional creditor claims process for trade and secured Claims;
 - b. a compressed litigation plan process for Compeer's claims against the Applicants that form part of the Banking Dispute, as set out in the litigation process attached as Schedule "H" to Claims Procedure Order (the "**Litigation Plan**").
 - i. the Litigation Plan was negotiated by the Applicants and Compeer in order to create firm deadlines for the exchange of pleadings, oral examinations, undertaking responses and filing of written briefs in advance of a hearing to have all evidence presented to this Court.

46. A full summary of the Claims Procedure Order and the Litigation Plan can be found in the Second Price Affidavit. A summary of the Monitor’s initial tasks with respect to the Claims Procedure Order is below:
- a. sending the Claims Package to each known creditor as set out in the Claims Procedure Order;
 - b. publish the Notice to Creditors as soon as reasonably possible in the National Post and Wall Street Journal;
 - c. post electronic copies of the Claims Package on the Monitor’s Website as soon as practically possible but no later than 10 business days after the date of the Claims Procedure Order; and
 - d. if appropriate, to prepare a report (the “**Monitor’s Intercompany Claims Report**”) detailing its review of any claims which may be asserted by a related party of any of the Applicants (the “**Intercompany Claims**”), including information and such particulars and analysis as are made available to the Monitor of the amount and classification of such Intercompany Claims;
47. The key dates within the Claims Procedure Order are set out below, on the assumption that the Claims Procedure Order is granted on July 24th in substantially the form proposed by the Applicants:

<u>Timeframe</u>	<u>Activity</u>
July 24 and July 25, 2025	Application for approval of Claims Procedure Order
~ August 8, 2025	Monitor to send out General Claims Package in accordance with Claims Procedure Order
~ September 4, 2025	Pre-Filing Claims Bar Date and Pre-Filing D&O Claims Bar Date
~ September 4, 2025	Restructuring Period Claims Bar Date and Restructuring Period D&O Claims Bar Date
30 days after any Claimant receives a Notice of Revision or Disallowance relating to a Claim	Claimants' deadline to respond to a Notice of Revision or Disallowance

48. The key dates within the Litigation Plan for addressing the Compeer Claims related to the Banking Dispute are as follows:

<u>Timeframe</u>	<u>Activity</u>
August 15, 2025	Defendants (Applicants) to file and serve defenses to Statement of Claim filed by Compeer
September 12, 2025	Sunterra and Compeer witnesses to be examined (Examinations limited to 3 days per side)
September 16, 2025	Amendments to the parties in the litigation
September 19, 2025	Undertaking responses to be provided
September 26, 2025	Compeer to file Court brief
October 3, 2025	Defendants to file Court brief
Date fixed by Court	Application to proceed to judgement

MONITOR'S VIEW ON THE CLAIMS PROCESS

49. The Monitor is supportive of an efficient and fair Claims Process and supports the continued efforts of the Applicants, Compeer and NBC to reach agreement on the terms of the Claims Procedure Order. The Monitor notes that:

- a. the Applicants are in consultation with their key stakeholders, including Compeer and NBC, with respect to the Claims Procedure Order and that further revisions may be forthcoming to incorporate comments from NBC. The comments from NBC are critical as NBC is a key stakeholder in the Banking Dispute;
 - b. the proposed notices to Creditors will provide adequate opportunity to known creditors and unknown creditors file Claims if they so choose;
 - c. the Claims proposed to be addressed by the Litigation Plan appear to be complex, and diligent efforts by all parties will be required to ensure the timely and fair resolution of those Claims;
 - d. the proposed Claims Procedure Order provides a means to identify the validity and enforceability of Claims in these CCAA Proceedings;
 - e. the Claims Procedure Order is necessary to identify and determine Claims and potential Claims against the Applicants and their Directors and Officers in order for the Applicants to advance their restructuring.
50. As noted above, the Monitor supports a Claims Process that is efficient, fair and agreeable to the key affected stakeholders. The Monitor understands negotiations between NBC and the Applicants to be ongoing with respect to whether NBC's Claims can be included and dealt with in the Litigation Plan. Provided any Claims by NBC are addressed in a manner that is fair and agreeable to the parties, the Monitor is supportive.

SECURITY REVIEW

51. The Monitor's counsel has reviewed the security registered by NBC and FCC over the property of the Applicants and has provided an opinion, subject to the customary assumptions and qualifications, with respect to the validity and enforceability of each secured party's security over the property and assets of the Applicants.

52. NBC’s security (the “**NBC Credit Documents**”), includes among other documents:
- a. a mortgage (“**Trochu Mortgage**”) dated January 23, 2023, registered by NBC over the Trochu Property;
 - b. general security agreements dated granted by each of Sunterra Food, Sunterra Markets, Trochu, Sunterra Beef, Sunwold and Sunterra Farms in favour of NBC (collectively, the “**NBC GSAs**”).
53. FCC’s security (the “**FCC Credit Documents**”) includes among other documents:
- a. a mortgage (the “**Sunterra Mortgage**”), registered by FCC over seven properties located in Kneehill County and Special Area 2 (the “**Sunterra Lands**”);
 - b. a mortgage (the “**Ponoka Mortgage**”), registered by FCC over the lands located in Ponoka County (the “**Ponoka Lands**”);
 - c. a mortgage (the “**Mountain View Mortgage**”), registered by FCC over the lands located in Mountain View County (the “**Mountain View Lands**”); and
 - d. security agreements granted by Sunterra Farm, Sunwold, Sunterra Markets, Sunterra Food, Sunterra Beef and Sunterra Enterprises in favour of FCC (collectively, the “**FCC GSAs**”).
54. The relationship between the various mortgages and GSAs is described in the priorities agreement (the “**Subordination Agreement**”) dated February 17, 2023 among NBC, FCC, Sunterra Food, Trochu, Sunterra Markets, Sunterra Beef, Sunterra Farms and Sunwold.
55. The Monitor’s counsel has opined as follows with respect to the priority of the security held by NBC and FCC over the assets and Property of the Applicants:

- a. the Trochu Mortgage has been determined to hold a first-ranking security over the Trochu Property;
 - b. the Sunterra Mortgage has been determined to hold a first-ranking security over the Sunterra Lands;
 - c. the Ponoka Mortgage has been determined to hold a first-ranking security over the Ponoka Lands;
 - d. the Mountain View Mortgage has been determined to hold a first-ranking security over the Mountain View Lands; and
 - e. pursuant to the Subordination Agreement, the NBC GSAs hold a first-ranking security over all of the assets of the Applicants except for the Trochu Property, Sunterra Lands, Ponoka Lands and Mountain View Lands where the NBC GSAs hold a second-ranking security.
56. The Monitor notes that the Dorothy Lands make up part of the Sunterra Lands and therefore FCC has a first-ranking security over them.
57. Pursuant to paragraph 5(d) of the ARIO and as described in the notes to the Preliminary Cash Flow Statement, the Applicants are entitled to payments made to secured creditors with consent of the Monitor. The Monitor has provided its consent for the payments made to NBC based on the opinion prepared by the Monitor's legal counsel and as described in the prior paragraphs of this Report.

CASH FLOW STATEMENT

58. The Applicants' actual cash flow in comparison to the Preliminary Cash Flow Statement for the period of April 12, 2025 to July 4, 2025 is summarized below:

12-Week Period Ending July 4, 2025			Variance
	Actual	Forecast	\$
<i>(CAD's)</i>			
Receipts			
Farms receipts	\$ 6,229,922	\$ 5,677,800	\$ 552,122
Markets receipts	12,736,739	16,306,100	(3,569,361)
Total Receipts	\$ 18,966,661	\$ 21,983,900	\$ (3,017,239)
Disbursements			
<u>Farms</u>			
Feed purchases	(1,963,882)	(1,894,800)	(69,082)
Barn utilities	(171,258)	(171,100)	(158)
Medication/vaccines	(404,234)	(465,000)	60,766
Transportation	(491,453)	(352,600)	(138,853)
Other opex	(849,019)	(675,405)	(173,614)
Employee expenses	(1,314,928)	(1,414,800)	99,872
<u>Markets</u>			
Opex	(9,448,965)	(11,985,850)	2,536,885
Employee expenses	(3,729,685)	(3,803,000)	73,315
<u>Other</u>			
Other Entity Operating Expenses	(138,825)	(207,330)	68,505
Total Disbursements	(18,512,248)	(20,969,885)	2,457,637
Operational Cash Flow	454,412	1,014,015	(559,603)
<u>Non-Operational Items</u>			
Interest expense	(503,907)	(550,261)	46,354
Professional Fees	(787,948)	(780,000)	(7,948)
Inter-company bank transfers	-	-	-
Non-operational receipts	4,948,770	10,355,000	(5,406,230)
Dedicated Loan Repayment	(5,800,927)	(11,205,000)	5,404,073
Total Non-Operational Items	(2,144,013)	(2,180,261)	36,248
Total Net Cash flow	\$ (1,689,601)	\$ (1,166,246)	\$ (523,355)
Opening Cash	\$ 2,862,492	\$ 2,862,492	\$ -
Net Cash flow	(1,689,601)	(1,166,246)	(523,355)
Ending Balance	\$ 1,172,891	\$ 1,696,246	\$ (523,355)

59. The Applicants' operational cash flows for its Farm Operations and non-operating entities (Trochu, Sunterra Food, Sunterra Enterprises and Sunterra Farm Enterprises) have preformed at or slightly below forecasted levels. The Farms Operation's positive receipt variances driven by isowean realized pricing being higher than forecast more than offset the higher than forecast disbursements.
60. The actual results for the Applicants' Market Operations resulted in an operating cash flow loss of approximately \$1.0 million over the 12-week period. This operating loss was driven by significantly lower receipts than forecast (by \$3.6 million). The Applicants were able to mitigate some of the impact of these lower sales receipts by reducing employee expenses as well as reducing operating expenses, mostly relating to food stock purchases for the Applicants' retail locations.

61. The most significant deviation from the Preliminary Cash Flow Statement was with respect to Non-operational Receipts which were to be collected and used to pay down the Applicants' secured lenders. The Applicants were able to collect approximately \$5.0 million in Trochu Insurance Proceeds but did not complete any of the asset sales contemplated in the Preliminary Cash Flow Statement. As a result, dedicated loan repayments were only approximately 50% of the forecasted \$11.2 million by the end of June 2025, representing a \$5.4 million negative variance.
62. A more detailed summary of material variances in actual receipts and disbursements as compared to the Preliminary Cash Flow Statement is below:
- a. receipts are lower than forecast by approximately \$3.0 million due to:
 - i. Market Operations short of forecast by approximately \$3.6 million (a negative variance of 22%) due to forecasted receipts having been overly optimistic based on early results in 2025 not continuing into the forecast period; and
 - ii. this has been offset by receipts in the Farms Operations being ahead of forecast by approximately \$550,000 which is attributed to miscellaneous receipts including crop insurance recoveries, mini-market sales receipts of approximately \$260,000 which were not considered in the forecast. The sales of pigs within the Farm Operations exceeded forecast by approximately \$300,000 (a positive variance of 5%) due to realized pricing being better than expected;
 - b. disbursements were lower than forecast by approximately \$2.5 million due to:
 - i. Farms Operations disbursements were higher than forecast by approximately \$220,000 due to: (i) transportation costs exceeding forecasts as the shipment distances were longer causing transportation costs to be

higher, (ii) other operating expenses were higher than forecast by approximately \$174,000 due to certain expenses such as operating insurance premiums and manure disposal being incurred up front rather than amortized over the calendar year as forecast; and (iii) employee expenses were lower than forecast by approximately \$100,000 due to lower costs for hourly employees;

ii. Markets Operations disbursements being ahead of forecast by \$2.6 million with lower food purchasing costs due to cost saving measures and less product turnover following lower sales receipts; and

iii. other entity operating expenses were approximately \$69,000 lower than forecast; however, the forecast had mistakenly included \$132,000 of interest expense. Excluding this \$132,000, other entity operating expenses were higher than forecast by approximately \$63,000 due to employee expenses and utilities being higher than forecast;

c. interest expense was lower than forecast by approximately \$46,000 as shown in the variance reporting line, however, once accounting for the interest expense of \$132,000 which was mistakenly misallocated, the interest paid by the Applicants was lower than forecast by a total of approximately \$178,000. The interest expense on NBC's indebtedness was lower than forecast by approximately \$224,000 as the forecast did not consider reduced interest expenses following the anticipated loan repayments during the forecast period. Interest expense on FCC's indebtedness was higher than forecast by approximately \$46,000 as the interest rates included in the forecast were lower than actual rates over the period. Interest payments made to ATB Financial ("ATB") were materially the same as the forecast;

d. Non-operational Receipts were lower than forecast by approximately \$5.4 million due to asset sales totaling \$2.4 million (condos, vacant land and private company

share sale) not being completed and \$3.0 million in crop insurance proceeds not being collected within the forecasted time frame; and

- e. dedicated loan repayments were \$5.4 million lower than forecast due to the reduction in Non-operational Receipts.

- 63. As at July 4, 2025, the Applicants have an ending cash balance of approximately \$1.2 million, lower than the forecasted ending cash balance of \$1.7 million by approximately \$523,000.

SECOND CASH FLOW STATEMENT

- 64. Management has prepared the Second Cash Flow Statement to set out the Applicants' liquidity requirements for the 22-week period ending December 2025 (the "**Forecast Period**"). A copy of the Second Cash Flow Statement is attached as Appendix C.
- 65. The Second Cash Flow Statement is summarized as follows:

Week Ending (Friday)	22-Week Forecast
<i>(CAD's)</i>	Total
Receipts	
Farms receipts	\$ 12,353,726
Markets receipts	24,360,000
Total Receipts	\$ 36,713,726
Disbursements	
<u>Farms</u>	
Feed purchases	(3,693,800)
Barn utilities	(372,930)
Medication/vaccines	(1,027,000)
Transportation	(841,840)
Other opex	(1,720,798)
Employee expenses	(2,589,400)
<u>Markets</u>	
Cost of goods sold	(17,367,992)
Employee expenses	(6,875,000)
<u>Other Entity Operating Expenses</u>	(281,440)
Total Disbursements	(34,770,200)
Operational Cash Flow	1,943,526
<u>Non-Operational Items</u>	
Interest expense	(864,478)
Professional fees	(1,368,664)
Inter-company bank transfers	(0)
Non-operational receipts	5,398,700
Dedicated Loan Repayment	(5,398,700)
Total Non-Operational Items	(2,233,142)
Total Net Cash flow	\$ (289,616)
Opening Cash	\$ 1,172,891
Net Cash flow	(289,616)
Ending Balance	\$ 883,275

66. As set out in the Second Cash Flow Statement, during the Forecast Period, the Applicants estimate:

- a. operating cash receipts of approximately \$36.7 million;

- b. operating disbursements of approximately \$34.8 million;
 - c. interest payments of approximately \$865,000 with respect to the Applicants' secured lenders, NBC, FCC and ATB;
 - d. professional fees of approximately \$1.4 million;
 - e. further Non-operational Receipts of \$5.4 million which (consistent with the Preliminary Cash Flow Statement) are contemplated to be used to repay the Applicants' secured creditors in the same amount; and
 - f. positive operating cash flow of approximately \$1.9 million, and negative net cash flow of approximately \$290,000 (after interest expense and professional fees), resulting in an ending cash balance of approximately \$880,000.
67. Detailed notes to the Second Cash Flow Statement are included as an attachment to the Second Cash Flow Statement; however, the Monitor notes the following key assumptions:
- a. farms receipts are generated through the Farm Operations and are based on lean hog futures pricing published by the CME Group, with consideration for estimated feed and other costs related to raising pigs, and the estimated number of pigs to be sold each week;
 - b. Markets Operations receipts are generated from Sunterra Markets' eight food markets, three Starbucks locations and catering sales;
 - c. farms disbursements relate to the operations of the Applicants' nine barns and include employee expenses for barn and head office staff required to support the barns;

- d. Markets Operations disbursements include cost of goods to be sold at each of the Markets' retail locations and employee expenses for retail staff and head office staff to support the Markets;
- e. interest and fees related to borrowing costs paid to NBC, FCC and West Market Square Inc. ("WMSI") on a monthly basis. Sunterra Enterprises holds 50% of the shares in WMSI, which in turn owns retail location that one of the Sunterra Markets stores operates out of. Interest payments due to WMSI relate to a loan from WMSI to Sunterra Enterprises;
- f. professional fees for the Applicants' legal counsel, the Monitor and the Monitor's legal counsel;
- g. Non-operational Receipts relating to insurance proceeds and assets sales which are expected to be completed and received during the forecast period. The sale of the Dorothy Lands are included in the Non-operational Receipts and are forecast to be collected in the last week of August 2025; and
- h. the Second Cash Flow Statement contemplates that the Non-operational Receipts from insurance proceeds and asset sales will be used to repay amounts owed by the Applicants' secured lenders. The repayments are indicative only and sourced from proceeds generated by third parties and, as such, are subject to variances in timing and other factors beyond the control of the Applicants. Any such variations shall not be considered a material adverse event and will be made available as and when received by the Applicants. The repayments as set out in the Second Cash Flow Statement are to be made to secured lenders provided the Monitor consents to such payments being made as contemplated in paragraph 5(d) of the ARIO.

MONITOR'S COMMENTS ON THE CASH FLOW STATEMENT

68. Section 23(1)(b) of the CCAA states that the Monitor shall, “review the company’s cash-flow statement as to its reasonableness and file a report with the court on the Monitor’s findings”.
69. Pursuant to section 23(1)(b) of the CCAA, and in accordance with the Canadian Association of Insolvency and Restructuring Professionals Standard of Practice 09-1, the Monitor hereby reports as follows:
- a. the Second Cash Flow Statement has been prepared by Management for the purpose described in the notes to the Second Cash Flow Statement, using the probable assumptions and the hypothetical assumptions set out therein;
 - b. the Monitor’s review consisted of inquiries, analytical procedures and discussion related to information supplied by certain of Management and employees of the Applicants. Since hypothetical assumptions need not be supported, the Monitor’s procedures with respect to those assumptions were limited to evaluating whether they were consistent with the purpose of the Second Cash Flow Statement. The Monitor has also reviewed the information in provided by Management in support of the probable assumptions and the preparation and presentation of the Second Cash Flow Statement;
 - c. based on its review, and as at the date of this Report, nothing has come to the attention of the Monitor that causes it to believe that, in all material respects:
 - i. the hypothetical assumptions are not consistent with the purpose of the Second Cash Flow Statement;
 - ii. the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide

a reasonable basis for the Second Cash Flow Statement, given the hypothetical assumptions; or

- iii. the Second Cash Flow Statement does not reflect the probable and hypothetical assumptions;
- d. since the Second Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the Second Cash Flow Statement will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information present in this Report, or relied upon by the Monitor in preparing this Report; and
- e. the Second Cash Flow Statement has been prepared solely for the purpose of estimating liquidity requirements of the Applicants during the Forecast Period. The Second Cash Flow Statement should not be relied upon for any other purpose.

EXTENSION OF THE STAY OF PROCEEDINGS

70. The Monitor has considered the Applicants' application for the extension of the Stay of Proceedings to November 30, 2025, and has the following comments:
- a. the Applicants are projected to have sufficient available liquidity to fund their ongoing obligations and the costs of the CCAA Proceedings during the term of the proposed extension of the Stay of Proceedings;
 - b. the overall prospects of the Applicants effecting a viable restructuring and furthering their restructuring efforts will be enhanced through the establishment and running of a Claims Process. Further, as recommended by the Monitor, taking

initial steps with respect to a refinancing or Future SISP will assist in reducing the overall timeframe needed to complete these CCAA Proceedings;

- c. assuming the advancement of a Claims Process and timely progress toward a refinancing or restructuring of the Applicants, the Monitor is of the view that the Applicant's creditors and other stakeholders will not be materially prejudiced as a result of the proposed extension of the Stay of Proceedings;
 - d. the proposed extension of the Stay of Proceedings is reasonable given the timeline laid out in the Claims Procedure Order and the time required for the Applicants to further advance their restructuring.
71. The Monitor's support for the proposed extension to the Stay of Proceedings is contingent on the Applicants, Compeer and NBC coming to an agreement on a Claims Process that includes all three key stakeholders and the Applicants' willingness to commence preparation steps for a Future SISP, as outlined above.

CONCLUSIONS

72. Subject to the comments and views noted above, the Monitor recommends the Court approve the Claims Procedure Order provided that the Applicants and NBC reach agreement as to an appropriate Claim Process which includes NBC's claims.

All of which is respectfully submitted this 18th day of July 2025.

FTI Consulting Canada Inc., in its capacity as
the Monitor of the Applicants
and not in its personal or corporate capacity



Dustin Oliver, CA, CPA, CIRP, LIT
Senior Managing Director
FTI Consulting Canada Inc.

Appendix A

Monitor's Letter to Key Stakeholders

June 16, 2025

Sent By Email: CameronK@bennettjones.com;
CaylorL@bennettjones.com;
scollins@mccarthy.ca;
pkiriakakis@mccarthy.ca;
david.mann@bluerocklaw.com;
scott.chimuk@bluerocklaw.com.

BENNETT JONES LLP
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855 - 2nd Street SW
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MCCARTHY TÉTRAULT
LLP
4000, 421 – 7th Avenue SW
Calgary, AB T2P 4K9

**Attention: Keely Cameron
& Lincoln
Caylor**

**Attention: Sean Collins &
Pantelis
Kyriakakis**

Norton Rose Fulbright Canada LLP
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Our reference
1001338711

Your reference

BLUE ROCK LAW LLP
700, 215 – 9th Avenue SW
Calgary, AB T2P 1K3

**Attention: David Mann,
KC & Scott
Chimuk**

Dear Sirs/Madames:

**ITMO 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. (collectively, the Sunterra Group
CCAA Entities)**

As you are aware, we represent FTI Consulting Canada Inc. (FTI) in its capacity as Monitor of the Sunterra Group CCAA Entities in the above-captioned matter.

We have been in discussions with counsel for various stakeholders of the Sunterra Group CCAA Entities over the past week, including Sunterra, National Bank of Canada (NBC), and Compeer Financial, PCA (Compeer), to discuss the matters to be addressed at an upcoming hearing before Justice Lema scheduled for a day and a half on July 24th and 25th.

As we understand it, the matters to be addressed currently include the Sunterra Group's application for a court-ordered process to determine the quantum and validity of claims against the Sunterra Group, and Compeer's request to lift the stay of proceedings to permit an application for judgment on certain claims advanced by Compeer.

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In the Monitor's view, the time between now and the hearing date should be used to ensure that the parties are aligned so far as is possible as to the logical next steps in this process, including how to meaningfully progress a restructuring of the Sunterra Group CCAA Entities, and determine the relevant claims, including that of Compeer.

In particular, with respect to potential claims against the Sunterra Group CCAA Entities, the Monitor notes that the nature and complexity of certain anticipated claims is not conducive to a typical CCAA claims process where standard-form claims are submitted by a creditor, reviewed by the debtor and Monitor and approved or disputed within a short period of time (with recourse to appeal that determination limited to a typically straightforward Chambers application on affidavit evidence).

As such, the Monitor proposes the following:

- that the parties target the hearing dates to construct a SISF (including a third-party investment firm to be engaged, with the Monitor's oversight) to be approved by the Court and permit the Sunterra Group to refinance, or to market some or all of its assets for sale;
- that the first day Claims Order direct only the filing of Claims with a 30-45 day Claims Bar Date, and that once Claims are filed and reviewed each of the disputed claimants, the Sunterra Group CCAA Entities, and the Monitor, may reapply for directions as to the most efficient manner and timing for resolution of the most complex disputed claims.
- that in the meantime, the Sunterra Group CCAA Entities agree to update the Monitor in advance of the hearing dates as to any meaningful progress that has been made in respect of either a refinancing of balance-sheet debts or a realistic plan of compromise and arrangement under the CCAA that stands a reasonable chance of success and preserves the Sunterra Group's business as a going concern, failing which the parties will proceed with the SISF to assess whether the salable value of the entities' assets can support a restructuring.

In the Monitor's view, this would assist in resolving the existing uncertainty about the length and outcome of the CCAA claim and restructuring process and avoid expending resources on issues that may not ultimately be relevant. In the Monitor's view, a SISF is a logical first step, as its results will provide a strong indication of whether the enterprise value of the Sunterra Group exceeds the value of its balance-sheet debts, and whether a going-concern restructuring is realistic. In addition, the results of the SISF will allow the parties make an informed judgment as to whether a lengthy (and potentially expensive) claims or litigation process makes sense in these circumstances.

We trust the above to be in order and invite your comments.

Yours very truly,



Gunnar Benediktsson
Partner

GB/cj

Appendix B

NBC's Response to Monitor's Letter to Key Stakeholders



McCarthy Tétrault LLP
Suite 4000
421-7th Avenue S.W.
Calgary AB T2P 4K9
Canada
Tel: 403-260-3500
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Sean Collins, KC
Partner
Direct Line: 403-260-3531
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July 7, 2025

Via Email (gunnar.benediktsson@nortonrosefulbright.com)

Norton Rose Fulbright Canada LLP
400 3rd Avenue SW, Suite 3700
Calgary AB T2P 4H2

Attention: Gunnar Benediktsson

Dear Gunnar:

Re: ITMO 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., and Sunterra Enterprises Inc. (collectively, the "Sunterra Group")

As you are aware, McCarthy Tétrault LLP is counsel to National Bank of Canada ("**NBC**"). We write further to Norton Rose Fulbright Canada LLP's letter of June 16, 2025 (the "**June 16th Letter**") concerning the upcoming hearing before Justice Lema, scheduled for a day and a half on July 24, 2025 and July 25, 2025 (the "**July Hearing**").

NBC agrees with the Monitor's position, as set out in the June 16th Letter, that: (i) the nature and complexity of the claims (particularly those of Compeer Financial, PCA ("**Compeer**"), NBC, and any other claims associated with the Sunterra Group's cheque kiting and related activities) is not conducive to a typical CCAA claims process; and, (ii) prior to incurring the time, cost, and expense associated with the determination of such claims, a SISP is the logical first step, to provide an indication of the Sunterra Group's enterprise value including whether a restructuring transaction is feasible and whether a lengthy, complex, and expensive claims process is warranted or practical at this time.

As at the date of this correspondence, beyond receipt of a draft claims process on June 17, 2025 and a follow-up conversation with Blue Rock's Mr. Mann on June 19, 2025, there has been no communication from the Sunterra Group in relation to the relief that will be sought by the Sunterra Group the July Hearing.

NBC proposes that the July Hearing be utilized to seek:

- i) approval of a public and transparent SISP (as set out in the June 16th Letter), to be run with the assistance of a third party advisor under the Monitor's oversight; and,
- ii) approval of a bifurcated claims process which contemplates:

- a. a general claims process, limited and tailored for the resolution of standard-form claims, such as trade creditors and other unsecured creditor claims, which are customarily determined through a straightforward and summary claims process; and,
- b. a preliminary claims process (the "**First Day Claims Process**") which contemplates the identification of any and all claims of NBC, Compeer, and any other parties who may have claims (including claims against third parties which may give rise to indemnification claims against the Sunterra Group) in connection with or otherwise related to, the Sunterra Group's cheque kiting and related activities, as described in the Affidavit of Raymond Pai, sworn on March 14, 2025, the Affidavit of Nicholas Rue, sworn on June 19, 2025, and the Affidavit of Steve Grosland, sworn June 20, 2025 (collectively, the "**First Day Affected Claims**").

With respect to the First Day Claims Process, once the number of potential claimants and scope of their First Day Affected Claims is determined, such affected claimants, the Monitor, and the Sunterra Group would then be in a position to craft and seek approval of an appropriate and reasonable process for the determination of the First Day Affected Claims; if appropriate and warranted in light of the results of the SISP.

For clarity, while NBC does not object, in concept, to the approval of the First Day Claims Process, NBC's position remains that any further steps concerning the determination of the First Day Affected Claims and incurring the resulting costs and expenses, must first be supported by the Sunterra Group's ability to complete a going concern restructuring and evidence that the Sunterra Group's enterprise value is sufficient to repay current debts and obligations. As a result, anything beyond the implementation of a First Day Claims Process, absent the implementation and completion of a SISP marketing/refinancing process, at this time, appears to be premature and may only give rise to unnecessary costs and expenses, which the cash flows as reviewed by NBC do not support.

Yours truly,

McCarthy Tétrault LLP

Sean Collins, KC

SC/kh

cc: Client

Blue Rock Law LLP
Attention: David Mann, KC and Scott Chimuk
Via Email: david.mann@bluerocklaw.com and scott.chimul@bluerocklaw.com

Bennett Jones LLP
Attention: Keely Cameron and Lincoln Caylor
Via Email: cameronk@bennettjones.com and caylorl@bennettjones.com

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Appendix C

Second Cash Flow Statement

Sunterra Group
Consolidated Cash Flow Statement

Week Ending (Friday)	11-Jul-25	18-Jul-25	25-Jul-25	1-Aug-25	8-Aug-25	15-Aug-25	22-Aug-25	29-Aug-25	5-Sep-25	12-Sep-25	19-Sep-25	26-Sep-25	3-Oct-25	10-Oct-25	17-Oct-25	24-Oct-25	31-Oct-25	7-Nov-25	14-Nov-25	21-Nov-25	28-Nov-25	5-Dec-25	22-Week Forecast	
	Forecast	Total																						
(CAD's)	Wk 1	Wk 2	Wk 3	Wk 4	Wk 5	Wk 6	Wk 7	Wk 8	Wk 9	Wk 10	Wk 11	Wk 12	Wk 13	Wk 14	Wk 15	Wk 16	Wk 17	Wk 18	Wk 19	Wk 20	Wk 21	Wk 22		
Receipts																								
Farms receipts	\$ 561,880	\$ 558,120	\$ 448,910	\$ 602,303	\$ 478,989	\$ 579,803	\$ 577,303	\$ 503,989	\$ 390,389	\$ 601,312	\$ 478,156	\$ 578,812	\$ 624,677	\$ 365,784	\$ 705,177	\$ 752,677	\$ 625,786	\$ 626,507	\$ 442,340	\$ 547,116	\$ 601,507	\$ 702,187	\$ 12,353,726	
Markets receipts	1,030,000	1,030,000	1,030,000	1,030,000	1,010,000	1,010,000	1,010,000	1,010,000	1,070,000	1,070,000	1,070,000	1,070,000	1,200,000	1,400,000	1,400,000	1,200,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	24,360,000
Total Receipts	\$ 1,591,880	\$ 1,588,120	\$ 1,478,910	\$ 1,632,303	\$ 1,488,989	\$ 1,589,803	\$ 1,587,303	\$ 1,513,989	\$ 1,460,389	\$ 1,671,312	\$ 1,548,156	\$ 1,648,812	\$ 1,824,677	\$ 1,765,784	\$ 2,105,177	\$ 1,952,677	\$ 1,745,786	\$ 1,746,507	\$ 1,562,340	\$ 1,667,116	\$ 1,721,507	\$ 1,822,187	\$ 36,713,726	
Disbursements																								
Farms																								
Feed purchases	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(167,900)	(3,693,800)
Barn utilities	(9,300)	(22,000)	-	-	(49,300)	-	-	(62,000)	(9,300)	-	-	(62,000)	(9,300)	-	-	(65,100)	(9,765)	-	(65,100)	(9,765)	(65,100)	(9,765)	-	(372,930)
Medication/vaccines	(129,250)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(42,750)	(1,027,000)
Transportation	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(41,720)	(41,720)	(41,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(37,720)	(841,840)
Other opex	(15,000)	(93,900)	(15,000)	(272,196)	(15,000)	(93,900)	(15,000)	(149,335)	(137,861)	(93,900)	(15,000)	(149,335)	(15,000)	(93,900)	(15,000)	(149,335)	(15,000)	(93,900)	(15,000)	(149,335)	(15,000)	(93,900)	(93,900)	(1,720,798)
Employee expenses	(168,400)	(67,000)	(168,400)	(67,000)	(168,400)	(67,000)	(168,400)	(67,000)	(168,400)	(67,000)	(168,400)	(67,000)	(168,400)	(67,000)	(168,400)	(67,000)	(168,400)	(67,000)	(168,400)	(67,000)	(168,400)	(67,000)	(67,000)	(2,589,400)
Markets																								
Cost of goods sold	(827,664)	(705,000)	(780,000)	(752,664)	(770,000)	(695,000)	(770,000)	(695,000)	(822,664)	(700,000)	(775,000)	(700,000)	(895,000)	(900,000)	(975,000)	(820,000)	(835,000)	(760,000)	(835,000)	(760,000)	(835,000)	(760,000)	(760,000)	(17,367,992)
Employee expenses	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(275,000)	(350,000)	(350,000)	(6,875,000)
Other Entity Operating Expenses	(46,540)	(7,000)	(5,000)	(10,040)	(16,540)	(42,000)	(5,000)	(10,040)	(16,540)	(7,000)	(5,000)	(10,040)	(16,540)	(7,000)	(5,000)	(10,040)	(16,540)	(7,000)	(5,000)	(10,040)	(16,540)	(7,000)	(7,000)	(281,440)
Total Disbursements	(1,676,774)	(1,493,270)	(1,491,770)	(1,700,270)	(1,542,610)	(1,496,270)	(1,481,770)	(1,581,745)	(1,678,135)	(1,466,270)	(1,486,770)	(1,586,745)	(1,627,610)	(1,666,270)	(1,690,770)	(1,713,845)	(1,572,075)	(1,526,270)	(1,546,770)	(1,649,845)	(1,568,075)	(1,526,270)	(1,526,270)	(34,770,200)
Operational Cash Flow	(84,894)	94,850	(12,860)	(67,967)	(53,621)	93,533	105,533	(67,756)	(217,746)	205,042	61,386	62,067	197,067	99,514	414,407	238,832	173,711	220,237	15,570	17,271	153,432	295,917	1,943,526	
Non-Operational Items																								
Interest expense	(49,547)	(79,800)	-	(77,200)	-	(79,800)	-	(77,200)	-	(79,800)	-	(60,577)	-	(79,800)	-	(60,577)	-	(79,800)	-	(60,577)	-	(79,800)	(79,800)	(864,478)
Professional fees	(198,664)	-	(85,000)	-	(50,000)	(205,000)	-	(50,000)	-	(50,000)	-	-	(210,000)	-	(210,000)	-	(50,000)	-	(50,000)	(160,000)	(50,000)	-	-	(1,368,664)
Inter-company bank transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0)
Non-operational receipts	-	5,000	-	-	-	-	-	-	3,593,700	-	-	-	-	-	-	-	-	-	-	-	-	1,800,000	-	5,398,700
Dedicated Loan Repayment	-	(5,000)	-	-	-	-	-	(3,593,700)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,800,000)	-	(5,398,700)
Total Non-Operational Items	(248,210)	(79,800)	(85,000)	(77,200)	(50,000)	(284,800)	-	(127,200)	-	(129,800)	-	(60,577)	(210,000)	(79,800)	(210,000)	(60,577)	(50,000)	(79,800)	(50,000)	(220,577)	(50,000)	(79,800)	(2,233,142)	
Total Net Cash flow	\$ (333,104)	\$ 15,050	\$ (97,860)	\$ (145,167)	\$ (103,621)	\$ (191,267)	\$ 105,533	\$ (194,956)	\$ (217,746)	\$ 75,242	\$ 61,386	\$ 1,489	\$ (12,933)	\$ 19,714	\$ 204,407	\$ 178,254	\$ 123,711	\$ 140,437	\$ (34,430)	\$ (203,306)	\$ 103,432	\$ 216,117	\$ (289,616)	
Opening Cash	\$ 1,172,891	\$ 839,787	\$ 854,837	\$ 756,977	\$ 611,811	\$ 508,190	\$ 316,923	\$ 422,456	\$ 227,500	\$ 9,754	\$ 84,996	\$ 146,382	\$ 147,871	\$ 134,938	\$ 154,652	\$ 359,059	\$ 537,313	\$ 661,024	\$ 801,461	\$ 767,032	\$ 563,726	\$ 667,158	\$ 1,172,891	
Net Cash flow	(333,104)	15,050	(97,860)	(145,167)	(103,621)	(191,267)	105,533	(194,956)	(217,746)	75,242	61,386	1,489	(12,933)	19,714	204,407	178,254	123,711	140,437	(34,430)	(203,306)	103,432	216,117	(289,616)	
Ending Balance	\$ 839,787	\$ 854,837	\$ 756,977	\$ 611,811	\$ 508,190	\$ 316,923	\$ 422,456	\$ 227,500	\$ 9,754	\$ 84,996	\$ 146,382	\$ 147,871	\$ 134,938	\$ 154,652	\$ 359,059	\$ 537,313	\$ 661,024	\$ 801,461	\$ 767,032	\$ 563,726	\$ 667,158	\$ 883,275	\$ 883,275	


Sunterra Group
Art Price

Consolidated Cash Flow of the Sunterra Group

Notes to the Second Statement of Cash Flow for the 22-Week period ending December 5, 2025

Purpose and General Assumptions of the Cash Flow Statement

Sunterra Farms Ltd. (“**Sunterra Farms**”), Sunterra Food Corporation (“**Sunterra Food**”), Sunterra Quality Food Markets Inc. (“**Sunterra Markets**”), Sunwold Farms Limited (“**Sunwold**”), Trochu Meat Processors Ltd. (“**Trochu**”), Sunterra Beef Ltd. (“**Sunterra Beef**”), Lariagra Farms Ltd. (“**Lariagra**”), Sunterra Farm Enterprises Ltd. (“**Sunterra Farm Enterprises**”) and Sunterra Enterprises Inc. (“**Sunterra Enterprises**” and collectively, the “**Sunterra Group**” or the “**Applicants**”) have prepared this cash flow statement and the accompanying notes (collectively, the “**Second Cash Flow Statement**”). The Applicants have prepared the Second Cash Flow Statement on a consolidated basis based on probable and hypothetical assumptions that reflect the Applicants’ planned course of action for the period from July 5, 2025, to December 5, 2025 (the “**Forecast Period**”). The Applicant’s management (“**Management**”) is of the opinion that, as at the date of filing the Second Cash Flow Statement, the assumptions used to develop the projection represent the most probable set of economic conditions facing the Applicants and that the assumptions used proved a reasonable basis for and are consistent with the purpose of the Second Cash Flow Statement. This Second Cash Flow Statement should not be used for any other purpose, and creditors are cautioned that the information provided in the Second Cash Flow Statement could vary based on changing future circumstances.

It is assumed that all amounts owing prior to the NOI proceedings are stayed. Post-filing payments are to be made in normal course.

Disbursements are based on historical run-rates and input from Management.

The projected Second Cash Flow Statement is prepared in Canadian dollars.

Hypothetical and Probably Assumptions of the Second Cash Flow Statement

1. Farm receipts are generated by the Sunterra Group’s farming operations from Sunterra Farms, Sunwold and Lariagra and relate to (i) the revenues generated from the sale of isowean and feeder pigs which are transported to the USA to be marketed and sold each week. The weekly pricing and corresponding receipts are estimated based on lean hog futures pricing published by the CME Group, with consideration for estimated feed and other costs related to raising pigs; and (ii) the revenues from the sale of herd culls and

other fully grown pigs sold within Canada. The pricing for the sale of these pigs is based off current market prices in Canada.

2. Markets receipts are generated by Sunterra Markets and relate to: (i) estimated weekly sales from 8 retail markets locations and 3 licensed Starbucks locations and are based on historical results and input from Management for sale trends consistent with the current business operations; and (ii) sales for catering services based on historical results and input from Management.
3. Feed purchases are weekly purchases required to feed the pigs.
4. Utilities include estimated monthly internet, water, natural gas, heat and electricity.
5. Livestock medications related to monthly costs for vaccinations and medical supplies for the welfare of the pigs.
6. Transportation costs relate to the transport of livestock from the Sunterra Groups barns located in and around Acme, AB to the location of the purchasers barns which is most commonly in the Mid-West United States. Total transportation costs are based on Management's estimate for the number of livestock being transported and the estimated distance of each shipment.
7. Other operating costs include all other expenses incurred for the operations of the farm.
8. Salaries, wages, remittances and all employee benefits for salaries and hourly employees paid on a bi-weekly basis. In the Second Cash Flow Statement, employee expenses are separated between farming operations and the operations of the Sunterra Markets. The employee expenses for farming operations also support the other operating entities, which currently have limited operations.
9. Cost of Goods Sold are estimated based on current inventory levels at each of the Sunterra Markets' locations and information provided through the inventory management system. Weekly disbursements are estimated by Management based on their knowledge of the supplies turnover and payment terms of individual vendors.
10. Operating expenses for other operating entities include the miscellaneous expenses for the operations of Trochu to Sunterra Food, Sunterra Farm Enterprises, Sunterra Enterprises and Sunterra Beef.
11. Interest and fees related to borrowing costs paid on a monthly basis. The interest payments include amounts due to NBC from Sunterra Food, Farm Credit Canada from Sunterra Farms and Lariagra, and West Market Square Inc. ("WMSMI") from Sunterra Enterprises. WMSI is a subsidiary of Sunterra Enterprises, but is not a CCAA Applicant.
12. Includes the estimated payments to the Applicants' legal counsel, the Monitor and the Monitor's legal counsel. These are forecast costs that may vary depending on the complexity and uncertainty of these CCAA proceedings.
13. Inter-company bank transfers net to nil in the consolidated Second Cash Flow Statement, include payments via inter-company loan between the Sunterra Group. The majority of transfers originate from Sunwold as the entity which is forecast to generate the most excess cash flow over the Forecast Period. Markets and Sunterra Food are forecast to be

the recipient of inter-company transfers due to operational losses and interest charges, respectively.

14. Non-operational receipts relate to: (i) the small amount of remaining receipts related to insurance receipts due to Trochu following a fire at its processing facility in June 2024; (ii) insurance proceeds of \$3.0 million due to Sunwold payable through AgriStability, a federal/provincial program, from a claim relating to previous years operating results are anticipated to be received in Week 8; (iii) the sale of ½ section of land for proceeds of \$600,000 less fees and commissions which is estimated to close in the first week of September 2025; and (iv) 4 condos for estimated proceeds totaling \$500,000 and shares in a trucking company with estimated proceeds of \$1,300,000. The condo and share sale receipts are forecast to be received in Week 21.
15. The Second Cash Flow Statement contemplates that the non-operational receipts from insurance proceeds and asset sales will be used to repay amounts owed by the Sunterra Group's secured lenders. The repayments are indicative only and sourced from proceeds generated by third parties and, as such, are subject to variances in timing and other factors beyond the control of the Applicants. Any such variations shall not be considered a material adverse event and will be made available as and when received by the Applicants. The repayments as set out in the Second Cash Flow Statement are to be made to secured lenders provided the Monitor consents to such payments being made as contemplated in paragraph 5(d) of the ARIO.
16. Opening cash is expected to be \$1,172,891 for the Sunterra Group as a whole as at July 5, 2025.

UNAUDITED CASH FLOW FORECAST PREPARED BY MANAGEMENT, MUST BE READ IN CONJUNCTION WITH THE NOTES AND ASSUMPTIONS

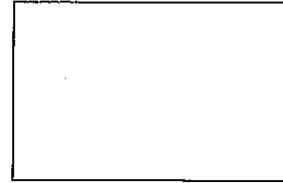
Sunterra Group



Art Price

Director

Clerk's Stamp:



COURT FILE NUMBER

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.

APPLICANT(S):

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

AFFIDAVIT

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING DOCUMENT

Blue Rock Law LLP
700-215 9 Avenue SW
Calgary AB T2P 1K3
Attention: David W. Mann KC/Scott Chimuk
Phone: (587) 317-0643/(587) 390-7041
Fax: (825) 414-0831
Email Address: david.mann@bluerocklaw.com
scott.chimuk@bluerocklaw.com
File No. 1375-00001

AFFIDAVIT OF ARTHUR PRICE
Sworn on July 15, 2025

I, ARTHUR PRICE, of Alberta, SWEAR AND SAY THAT:

1. I am a director and principal officer of the Applicants, save for Trochu Meat Processors Ltd ("**Trochu**") and Sunterra Beef Ltd ("**Sunterra Beef**"), which form part of the Sunterra Group. The Sunterra Group is a related group of companies registered in Alberta, Canada and the United States of America (US). I am authorized by all of the Applicants to depose this Affidavit and do so on their behalf. As such, I have personal knowledge of all the matters deposed to herein, except where stated to be based on information provided by other persons, and where so stated, I believe such information to be true. Where applicable, I have also relied upon corporate records and supporting documentation maintained by the Applicants as evidence of the relevant facts, including all matters relating to the Group's organizational structure, shareholding details, and business operations.
2. This Affidavit is made in support of an application by the Applicants for an order establishing a claims process (the "**Claims Procedure Order**") and certain ancillary relief, the salient points of which include:
 - a. approving a claims process for the identification, quantification, and resolution of Claims (as defined below) as against the Sunterra Group and their respective current and former directors and officers;
 - b. authorizing the Sunterra Group and the Monitor (each as defined below) to perform their respective obligations under the Claims Procedure Order;
 - c. establishing the Claims Bar Date and the Restructuring Period Claims Bar Date (each as defined below);
 - d. establishing the process for the adjudication of the claims of Compeer Financial, PCA ("**Compeer**") and National Bank of Canada ("**NBC**");
 - e. extending the Stay Period and Parent Stay (each as defined below) to and including November 30, 2025; and
 - f. approving the sale of certain lands.
3. All references to currency in this Affidavit are to Canadian dollars unless noted otherwise. The Applicants do not waive or intend to waive any applicable privilege by any statement herein.

Overview of the CCAA Proceedings

4. All of the Applicants are private corporations incorporated in Alberta. The Applicant (collectively, the "**Sunterra Group**") are members of the Sunterra Group, a diversified group of related companies ultimately owned and operated by members of the Price family, with a long and respected history in Canada.

5. On March 24, 2025, Sunterra Farms Ltd., Sunterra Food Corporation, Sunterra Quality Food Markets Inc., Sunwold Farms Limited and Trochu Meat Processors Ltd. each filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, as amended.
6. On April 22, 2025 (the "**Filing Date**"), the Applicants, being the companies that comprise the Sunterra Group, were granted protection under *the Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") pursuant to an Initial Order (the "**Initial Order**") of this Honourable Court. The protections provided by the Initial Order—including the stay of proceedings and related benefits—extend to each entity within the Sunterra Group.
7. Among other things, the Initial Order:
 - a. appointed FTI Consulting Canada Inc. as Monitor within these CCAA proceedings (the "**Monitor**");
 - b. granted an initial stay of all proceedings, demands, notices, remedies, and enforcement processes against the Sunterra Group, including protection for the Group's directors, officers, employees, and representatives, until April 28, 2025 (the "**Stay Period**");
 - c. authorized, but did not require, the Sunterra Group to make certain pre-filing payments—subject to the prior consent of the Monitor—to key participants in its business operations and critical suppliers to support its ongoing restructuring efforts;
 - d. granted an Administration Charge and a Directors' Charge to secure fees and disbursements arising in connection with these proceedings; and
 - e. provided a framework designed to facilitate the orderly restructuring of the Sunterra Group's operations, thereby ensuring that the Group may continue its business as a going concern.
8. In accordance with the Initial Order, the Monitor established a dedicated website, available at <https://cfcanada.fticonsulting.com/sunterra/>, to post information and documents related to these CCAA proceedings, including court Orders, motion materials, Monitor's reports, and the service list (the "**Monitor's Website**").
9. On April 28, 2025, the Court granted an Amended and Restated Initial Order which, among other things extended the Stay Period and all associated protective remedies until and including July 31, 2025.
10. Since the granting of the Initial Order, and in close consultation with the Monitor and its professional advisors, the Sunterra Group has been working diligently to stabilize its cash flows, restructure its operations, and preserve the value of its estate. Throughout these proceedings, the Applicants have maintained open and proactive communication with all key stakeholders—including creditors,

employees, suppliers, and landlords—to ensure that the Sunterra Group continues to operate as a going concern. These restructuring efforts underscore the Sunterra Group’s commitment to emerging from its current challenges with a stronger, more resilient business model for the future.

Claims Process

11. The Sunterra Group, in consultation with the Monitor, has developed a proposed claims process (the “**Claims Process**”) to govern the filing, review, and determination of Claims against the Sunterra Group. This Claims Process covers Claims from creditors—including intercompany Claims—as well as any Claims against the current and former directors and officers (the “**D&O Claims**”). The Sunterra Group believes that the Claims Process is a fair, efficient, and reasonable method for resolving Claims in these CCAA proceedings, tailored to the specific context of its active restructuring and commitment to emerging as a going concern. The Monitor has advised its support for the Claims Process NTD – confirm prior to swearing. Capitalized terms not otherwise defined in this Affidavit carry the meanings provided in the proposed Claims Procedure Order.
12. The Sunterra Group, with the assistance of the Monitor, has undertaken substantial advance preparation for the launch of the Claims Process. This early preparation is intended to expedite the distribution of recoveries under its restructuring plan to its creditors and other stakeholders as soon as practicable. The Sunterra Group seeks the prompt approval of the Claims Process so that it may advance towards developing a comprehensive plan of arrangement that serves the interests of all stakeholders.
13. As set forth more fully in the proposed Claims Procedure Order, the Sunterra Group is soliciting the following Categories of Claims:
 - a. **Pre-Filing Claims:** Any claim of any Person, wherever situated, including in Canada and the United States of America, against any entity of the Sunterra Group—including claims for priority, property, or trust interests—in connection with any indebtedness, liability, or obligation of any such entity that existed on or before the Filing Date.
 - b. **Restructuring Period Claims:** Any claim of any Person, wherever situated, including in Canada and the United States of America, against any entity of the Sunterra Group arising out of any indebtedness, liability, or obligation incurred or arising after the Filing Date in connection with restructuring, disclaimer, termination, or breach of any contract, lease, or agreement, whether written or oral.
 - c. **Pre-Filing D&O Claims:** Any claim of any Person, wherever situated, including in Canada and the United States of America, against one or more Directors and/or Officers based, in whole or in part, on circumstances that existed prior to the Filing Date, including any claim for contribution or indemnity against such Directors and/or Officers.

- d. **Restructuring Period D&O Claims:** Any claim of any Person, wherever situated, including in Canada and the United States of America, against one or more Directors and/or Officers relating to events occurring after the Filing Date, including any claim for contribution, indemnity, or any other related relief.
- e. **Stakeholder Claims:** The claims of two of the major stakeholders in this reorganization, being Compeer and NBC, are complex and require a more robust process for resolution and are therefore the subject of a more detailed process.

14. The Claims Process does not apply to (collectively, the “**Excluded Claims**”):

- a. Any Claim that may be asserted by any beneficiary of charges granted by the Court, including but not limited to the Administration Charge or Directors’ Charge;
- b. Any Claim that may be asserted by the Monitor or its representatives;
- c. Any Claim that may be asserted by any entity of the Sunterra Group against its Directors and/or Officers; and
- d. Any Claim arising through subrogation under any insurance or similar arrangement.

15. The purpose of the Claims Process is to determine the nature, amount, and validity of Claims against the Sunterra Group and its Directors and Officers. Designed with user-friendliness in mind, the process seeks to encourage potential claimants to submit their Claims and to have them resolved in an efficient and equitable manner, thereby facilitating the overall restructuring plan.

Claims Process and Notice – General Claims

16. The proposed Claims Process requires the Monitor, to send a General Claims Package—which includes a Proof of Claim form and a D&O Proof of Claim form—to:

- a. each Person listed on the Service List (except for those Persons who, in the reasonable opinion of the Sunterra Group and the Monitor, are likely to assert only Excluded Claims);
- b. any Person who has requested a Proof of Claim in connection with any potential Claim; and
- c. any Person known to the Sunterra Group or the Monitor, based on the Sunterra Group’s books and records, as having a potential Claim.

17. The proposed Claims Procedure Order requires that the General Claims Package be sent to these groups no later than 5:00 p.m. on the 10th Business Day following the date of the Claims Procedure Order.

18. To ensure that every Person holding or wishing to assert a Claim against the Sunterra Group receives notice of the Claims Process, the proposed Claims Procedure Order further requires that:
 - a. the Monitor cause a Notice to Claimants (substantially in the form attached to the Claims Procedure Order, or a condensed version thereof) to be published in the *National Post* and the *Wall Street Journal* as soon as practicable after the date of the Claims Procedure Order; and
 - b. the Monitor cause the Notice to Claimant and the General Claims Package to be posted on the Monitor's Website (<https://cfcanada.fticonsulting.com/sunterra/>) as soon as practicable, but no later than 5:00 p.m. on the 10th Business Day following the date of the Claims Procedure Order.
19. Any Claimant who intends to assert a Pre-Filing Claim or a Pre-Filing D&O Claim must file a Proof of Claim or a D&O Proof of Claim, as applicable, with the Monitor on or before the Claims Bar Date.
20. The proposed Claims Procedure Order further requires that the Monitor, upon becoming aware of any circumstance that may give rise to a potential Restructuring Period Claim or Restructuring Period D&O Claim after the initial notice process is complete—and in consultation with the Sunterra Group—send to the relevant Claimant a General Claims Package. Any Claimant intending to assert a Restructuring Period Claim or a Restructuring Period D&O Claim must then file a Proof of Claim or a D&O Proof of Claim, as applicable, with the Monitor on or before the Restructuring Period Claims Bar Date, which shall be the later of 30 days after the Monitor sends the package to such Claimant or the Claims Bar Date.

Claims Bar Dates

21. The Sunterra Group proposes that any Person asserting a Pre-Filing Claim or a Pre-Filing D&O Claim be required to deliver to the Monitor a Proof of Claim or D&O Proof of Claim, as applicable, on or before 5:00 p.m. on September 4, 2025 (the "**Claims Bar Date**").
22. The Sunterra Group further proposes that any Person asserting a Restructuring Period Claim or a Restructuring Period D&O Claim be required to deliver to the Monitor a Proof of Claim or a D&O Proof of Claim, as applicable, before the later of:
 - a. 30 days after the Monitor sends a General Claims Package (as applicable) with respect to a Restructuring Period Claim or Restructuring Period D&O Claim; or
 - b. the Claims Bar Date,(collectively referred to as the "**Restructuring Period Claims Bar Date**").
23. The Claims Bar Date and the Restructuring Period Claims Bar Date have been selected by the Sunterra Group in consultation with the Monitor. The Sunterra Group believes that these deadlines are reasonable, as they afford sufficient time for potential Claimants to review the information

provided and to prepare and submit any Proof of Claim or D&O Proof of Claim with respect to any Claim they may have against the Sunterra Group or its Directors and Officers.

24. The proposed Claims Procedure Order stipulates that:

- a. Any potential Claimant who does not file a Proof of Claim or D&O Proof of Claim by the applicable Claims Bar Date or Restructuring Period Claims Bar Date, as applicable, shall:
 - i) be forever barred, estopped, and enjoined from asserting or enforcing such Claim against the Sunterra Group and/or its former or current Directors and Officers, with the Claim being forever extinguished;
 - ii) not be permitted to vote at any Meeting on account of such Claim;
 - iii) not be entitled to receive further notice with respect to the Claims Process or these CCAA proceedings in relation to that Claim; and
 - iv) not be permitted to participate in any distributions made under any Plan or otherwise on account of that Claim.

25. Pursuant to the proposed Claims Procedure Order, the Monitor, in consultation with the Sunterra Group, may use its reasonable discretion to determine whether to accept any Claim submitted after the applicable Bar Date.

Adjudication and Resolution of Claims Other than Intercompany Claims

26. In respect of any Proof of Claim or D&O Proof of Claim submitted by a Claimant, the proposed Claims Procedure Order provides that the Sunterra Group, in consultation with the Monitor, and—where applicable—the relevant Directors and Officers (and/or their counsel) will either accept, revise, or reject each Claim submitted for voting and/or distribution purposes. In addition, the proposed Claims Procedure Order provides that:

- a. If the Sunterra Group, in consultation with the Monitor for a Proof of Claim—and in consultation with both the Monitor and the applicable Directors and Officers for a D&O Proof of Claim—agree with the amount and characterization of a Claim as set forth in any submitted Proof of Claim or D&O Proof of Claim, the Monitor will notify the Claimant in writing that its Claim has been accepted by the Sunterra Group;
- b. If the Sunterra Group, in consultation with the Monitor, disagrees with the amount or characterization of a Claim as set out in any Proof of Claim or D&O Proof of Claim, the Sunterra Group, the Monitor, and any applicable Directors and Officers will endeavor to resolve such differences and settle the purported Claim for the purposes of voting and/or distribution;

- c. If the Sunterra Group, in consultation with the Monitor, decides to revise or reject a Claim for voting and/or distribution purposes, the Monitor will notify the relevant Claimant that its Claim has been revised or rejected. This notification shall include the reasons for such revision or rejection and shall be provided via a formal Notice of Revision or Disallowance;
 - d. Any Claimant who wishes to dispute a Notice of Revision or Disallowance for voting and/or distribution purposes must deliver a completed Notice of Dispute of Revision or Disallowance—detailing the grounds for its dispute—to the Monitor no later than 30 days after the date that the Claimant is deemed to have received the Notice of Revision or Disallowance, or on any other agreed date as determined in writing by the Monitor in consultation with the Sunterra Group. Failure to submit such a Notice of Dispute within the required time period shall result in the Claimant's Claim being deemed as determined in the Notice of Revision or Disallowance for voting and/or distribution purposes;
 - e. Upon receipt of a Notice of Dispute of Revision or Disallowance, the Sunterra Group, in consultation with the Monitor and any applicable Directors or Officers and/or their counsel, will attempt to resolve the dispute and settle the purported Claim with the Claimant; and
 - f. If a dispute raised in a Notice of Dispute of Revision or Disallowance remains unresolved, the Sunterra Group, at its election and in consultation with the Monitor, may refer the dispute to the Court for adjudication. The Monitor will then send written notice of such referral to the relevant Claimant.
27. Pursuant to the proposed Claims Procedure Order, the Sunterra Group is not permitted to accept or revise any portion of a D&O Claim without the consent of the applicable Directors and Officers or a further Order of the Court.
28. The proposed Claims Procedure Order further provides that the Sunterra Group, in consultation with the Monitor and any applicable Directors or Officers and/or their counsel, may at any time elect to refer any Claim for adjudication to the Court. In such instances, the Monitor shall send written notice of that referral to all relevant parties.

Intercompany Claims

29. The proposed Claims Procedure Order provides that, where the Monitor deems appropriate, or is otherwise directed by the Court, the Monitor would review all Claims that may be asserted against any Sunterra Group entity by or on behalf of any other Sunterra Group entity or other subsidiaries of the Sunterra Group (collectively, the "**Intercompany Claims**"). If applicable, the Monitor would

prepare a comprehensive report detailing its review of all Intercompany Claims identified and assessing both the amount and the characterization of such Claims (the "**Monitor's Intercompany Claims Report**"). Each Intercompany Claim identified in the Monitor's Intercompany Claims Report shall be deemed to have been properly submitted via a Proof of Claim by the relevant Sunterra Group entity, as if such Claim were a Pre-Filing Claim or a Restructuring Period Claim, as applicable.

30. The Monitor's Intercompany Claims Report will include recommendations on the next steps, if any, to be taken with respect to the Intercompany Claims.

Claims Process – Compeer and NBC

31. Notwithstanding anything to the contrary herein, and pursuant to an agreement between the Sunterra Group and Compeer, Compeer will not be required to provide a Proof of Claim, Compeer's claims will be assessed and adjudicated for the purpose of this claims process as set out in Schedule "—" of the Consent Order dated July 24, 2025 in Court File Number 2501-06120 (the "**Compeer Consent Order**"). A copy of the Compeer Consent Order is attached hereto as Exhibit "A" to this affidavit. Compeer and the Sunterra Group have reached an agreement on the procedural framework for advancing Compeer's claim seeking declaratory relief and summary judgment against Sunterra-related defendants which, if approved, will (a) adopt the litigation plan attached as Schedule 'A' (the "**Litigation Plan**") to the Compeer Consent Order, and (b) establish firm deadlines for the exchange of pleadings, oral examinations, undertaking responses and the filing of written briefs, culminating in a hearing of Compeer's application. The Compeer Consent Order further grants liberty to the parties to return to Court on seven days' notice to vary the Litigation Plan.

32. The Sunterra Group has made a proposal to NBC regarding the resolution of NBC's claims against the Sunterra Group, the framework of which is attached as Exhibit "B" to this affidavit. As of the date of this affidavit, NBC has not agreed to such a process but dialogue continues between NBC, the Sunterra Group, and the Monitor with a view towards finding a process that is agreeable to the parties.

33. It remains a top priority of the Sunterra Group to find, and then advance, a process to resolve the claims of Compeer and NBC within the overall restructuring timeline, minimise duplication of effort, and ensure that all stakeholders' rights are adjudicated fairly and efficiently under this Court's supervision.

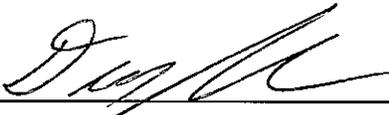
Extension to the Stay Period

34. The Initial Order granted a Stay Period until and including April 28, 2025. The Stay Period was subsequently extended to July 31, 2025.

35. The Applicants are now seeking to extend the Stay Period up to and including November 30, 2025, to ensure that the restructuring process and, in particular, the claims process can be addressed. It remains a critical requirement of the Sunterra Group's restructuring that the claims, particularly those of Compeer and NBC, are determined.
36. The Sunterra Group has worked closely with the Monitor in connection with the development of cash flow projections over the period ending November 30, 2025 (the "**Cash Flow Statements**").
37. The Cash Flow Statements will be filed as part of the Monitor's Report to the Court, and generally reflect that cash flow from the Sunterra Group's operations, inclusive of the additional professional fees associated with these proceedings and the claims resolution process outlined above, will be positive and generate a surplus. This forecast contemplates sufficient cash resources to support the ongoing restructuring and operational obligations through the proposed extended Stay Period.
38. Of course, the Cash Flow Statements are prospective and by definition speculative such that they remain subject to adverse developments such as a decline in hog market pricing or increased professional fees. In this regard the Sunterra Group has been in discussions with its financial advisor, Hawco Peters and Associates Inc., regarding the preparation of a solicitation process that could be undertaken to source interim and emergence funding, along with other strategic investment providers.
39. The Sunterra Group, continues to work towards the monetization of certain of its non-core assets. This may result in interim applications being made for the approval of such exercises, as circumstances dictate. As a first step in that series of events, the Sunterra Group, specifically Sunterra Farms Ltd, seeks the approval of the sale of two quarters of land; namely the NW1/4 -4-16-27-16 W4M and SW1/4 -16-27-16 W4M (collectively, the "**Lands**"). Farm Credit Canada has a first mortgage over all of the Lands as security for amounts owed to it by the Sunterra Group.
40. The nature of the Lands are marginal agricultural and isolated. They were purposely chosen in this type of isolated location to house the high health status hog farms. The market therefore is limited to nearby farmers that would add the land to operations in the area that they already have.
41. The Lands were listed for sale on the Bode Platform that, in turn, lists properties on MLS, Zillow, and over 100 other listing sites. The Lands were listed at the beginning of 2025 and offered on the platform for 73 days. With the exception of the proposed purchaser discussed below, any statements of interest that were received were neither sufficiently high, nor unconditional.
42. The superior offers received for the Lands, as set forth in the Agricultural Purchase Contracts attached to this my Affidavit as Exhibit "C" were the highest received, unconditional, and remain open for acceptance subject to approval of this Court. The principal purchaser, Douglas Price, has ranch lands in the area, is my brother and owns less than 10% of the Sunterra Group. The other purchaser, Evan Hegedys, is Douglas Price's son-in-law.

43. I do verily believe that the proposed sale of the Lands is the result of a commercially reasonable process, represents fair value for the Lands, and is otherwise fair and reasonable. I also understand that the Monitor is support of the transaction.
44. The Sunterra Group has acted, and continues to act, in good faith and with due diligence in its restructuring efforts. The proposed extension of the Stay Period is in the best interests of the Sunterra Group and all its stakeholders. I am further informed by the Monitor that it supports this request for an extension to ensure a controlled and orderly process that benefits all parties involved.

SWORN BEFORE ME at Calgary, Alberta
this 15th day of July, 2025.



Commissioner for Oaths in and for the
Province of Alberta

Doug Schweitzer



ARTHUR PRICE

This is Exhibit "A" to the Affidavit of
Arthur Price affirmed before me this
15th day of July, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

Clerk's Stamp:

COURT FILE NUMBER
COURT
JUDICIAL CENTRE OF

2501 - 06120
COURT OF KING'S BENCH OF ALBERTA
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
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

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT:

CONSENT ORDER (Scheduling Order)

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

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

Telephone No.: 403-298-3100
Fax No.: 403-265-7219
Client File No.: 99329.1

DATE ON WHICH ORDER WAS

PRONOUNCED:

Thursday, July 24, 2025

NAME OF JUDGE WHO MADE

THIS ORDER:

The Honourable Justice M. J. Lema

LOCATION OF HEARING:

Edmonton Law Courts
1A Sir Winston Churchill Sq NW, Edmonton, AB

UPON the application of Compeer Financial, PCA (the "Applicant" or "Compeer"); **AND**
UPON having read the Application for the Lifting of the Stay and other ancillary relief; the

Amended and Restated Initial Order, granted on April 28, 2025 ("ARIO"); the Affidavit of Nic Rue, sworn June 19, 2025; the Affidavit of Steve Grosland, sworn June 20, 2025; the Affidavit of Sei Na, sworn on April 21, 2025; AND UPON hearing counsel for the Applicant, and any other interested parties appearing at the application; **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of the notice of application for this order (the "Order") and supporting materials are deemed good and sufficient and this application is properly returnable today.

DETERMINATION OF COMPEER CLAIMS

2. The litigation plan attached hereto as Schedule "A" is approved and the steps provided therein may proceed.
3. Compeer's application for declaratory relief and summary judgment of its claims in Court of King's Bench Action No. 2501-06120 against the Defendants is adjourned to October ___, 2025 and shall proceed in accordance with Schedule "A" hereto.

Justice of the Court of King's Bench of Alberta

CONSENTED TO this 7th day
of July, 2025.

BLUE ROCK LAW

Per:



Scott Chimuk
Counsel for Sunterra Farms Ltd.,
Sunworld Farms Limited, Sunterra
Enterprises Inc., Ray Price and
Debbie Uffelman

CONSENTED TO this 7th day
of July, 2025.

BENNETT JONES LLP

Per:



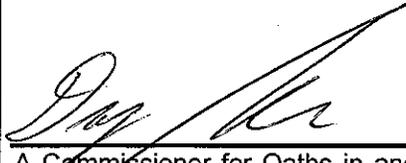
Lincoln Caylor/Nathan J. Shaheen
Keely Cameron/Mathieu LaFleche
Counsel for Compeer Financial,
PCA

Schedule "A"
Litigation Plan

1. This litigation plan may be amended only by written agreement between the parties to Court of King's Bench Action No. 2501-06120 (the "**Action**"), or by Court Order.
2. The Defendants in the Action shall file and serve their defences to the Statement of Claim filed in the Action and any affidavits in response to Compeer's application for declaratory relief and summary judgment in the Action filed on June 23, 2025 in these proceedings (the "**Application**") by August 15, 2025 and shall advise Compeer Financial, PCA ("**Compeer**") what two additional current employees of Compeer, if any, it wishes to examine. Such examinations shall occur pursuant to Rule 6.8 of the Alberta *Rules of Court* unless the additional witnesses file Affidavits.
3. Each of Ray Price, Art Price, Debbie Uffelman and Craig Thompson (collectively, the "**Sunterra Witnesses**") shall attend for examination, by no later than September 12, 2025. Such examination shall be limited to 3 days to be apportioned by Compeer unless the parties otherwise agree or the Court directs. Such examinations shall occur pursuant to Rule 6.6 if they file affidavits or Rule 6.8 if they do not of the Alberta *Rules of Court*.
4. The Defendants shall conduct any examination of Nicholas Rue, Steve Grosland and the additional witness(es) identified in accordance with paragraph 2, if any, by no later than September 12, 2025. Such examination shall be limited to 3 days to be apportioned by counsel for the Defendants unless the parties otherwise agree or the Court directs.
5. Any amendments to the parties to the Application, shall be made by September 16, 2025.
6. Any undertaking responses shall be provided by September 19, 2025.
7. Compeer shall file its brief by September 26, 2025 and the Defendants shall file their briefs by October 3, 2025.
8. The Application shall proceed to judgement on a date fixed by the Court.
9. The parties to the Action are at liberty and are hereby authorized and empowered to apply

to the Court for assistance in carrying out the terms of this plan and may seek to vary this plan on not less than seven day's notice.

This is Exhibit "B" to the Affidavit of
Arthur Price affirmed before me this
15th day of July, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

Martina Coopsammy

From: Scott Chimuk
Sent: July 15, 2025 9:32 AM
To: Martina Coopsammy
Subject: FW: NBC vs. Sunterra

Categories: Outstanding

Without Prejudice

Sean,

Please see below our draft Schedule "A" for the NBC claims process. We still need instructions on this however I wanted to get it over to you for your consideration. If you have any questions let me know:

1. The claim of National Bank of Canada ("NBC") will be adjudicated pursuant to the Claims Process except as specifically set out herein.
2. The counterclaim of the Sunterra Group as against NBC is exempt from the Claims Process and will be adjudicated after the conclusion of the CCAA.
3. The NBC claim for indemnification as against the Sunterra Group and whether such indemnification is secured against the collateral NBC holds from the Sunterra Group with respect to a potential claim by a third party (including Compeer) against NBC ("Indemnification Claim") will be adjudicated as follows:
 - a. NBC shall file its application and supporting affidavit materials with respect to the Indemnification Claim by July 31, 2025.
 - b. The Sunterra Group shall file any affidavits in response to NBC's Indemnification Claim application by August 15, 2025
 - c. The affiants shall be examined by no later than September 12, 2025. Such examination shall be limited to 3 days to be apportioned by examining counsel unless the parties otherwise agree or the Court directs. The NBC affiants shall be examined first followed by the Sunterra Group affiants.
 - d. Any undertaking responses shall be provided by September 19, 2025.
 - e. NBC shall file its brief by September 26, 2025 and the Sunterra Group shall file their briefs by October 3, 2025.
 - f. The Application shall proceed to hearing on a date fixed by the Court.
 - g. The parties to the Action are at liberty and are hereby authorized and empowered to apply

to the Court for assistance in carrying out the terms of this plan and may seek to vary this plan on not less than seven day's notice.

Thanks,

Blue Rock Law LLP

Scott Chimuk

m: 403.836.7834

p: 587.390.7041

e: scott.chimuk@bluerocklaw.com

a: 700 - 215 9th Ave. S.W. Calgary, AB

w: www.bluerocklaw.com

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This is Exhibit "C" to the Affidavit of Arthur Price sworn/affirmed before me this 15th day of July, 2025.



A Commissioner for Oaths in and for the Province of Alberta

Conveyancer's Instruction Report

Listing Office: Bode Canada, 15268859

Seller: Sunterra Farms Ltd.
Seller's Lawyer: Evann Neumann, Deeded
4620 Manilla Rd SE, Calgary, AB T2G 4B7
Phone: 855-456-4335 Email: marta@deeded.ca

Buyer: Evan Hegedys, Douglas Price
Buyer's Lawyer: Mitchell Barry, Barry & James LLP
205 Main Street, P.O. Box 1234, Three Hills, AB T0M 2A0
Phone: 403-443-2200 Email: mbarry@barryjameslaw.ca

Property: NW-4-16-27-16-W4, Dorothy, AB T0M 0A0
Legal Unit: Quarter: NW Section: 42 Township: 27 Range: 16 Meridian: 4
Sale Price: \$300,000.00
Possession Date: March 31, 2025

Commissions

Listing Commission: 1% of the final sale price plus GST
Listing Commission: \$3,000.00
GST: \$150.00 **Total: \$3,150.00**

Selling Commission: N/A
Selling Commission: \$0.00
GST: \$0.00 **Total: \$0.00**

Total Commission: \$3,000.00
GST: \$150.00 **Total: \$3,150.00**

Trust Balance Held at Bode: \$10,000.00

Excess Funds: \$6,850.00

Listing Agent: Jeff Jackson

Listing Brokerage: Bode Canada, 1709 21 AVE SW, Calgary AB T2M 3Y7 Phone: (403) 464-5333

Selling Agent: N/A, Buyer is Self-Represented

Selling Brokerage: N/A, Buyer is Self-Represented



Contract Number

AGRICULTURAL PURCHASE CONTRACT

Between

THE SELLER

and

THE BUYER

Name SUNTERRA FARMS LTD.

Name Evan Hegedys

Name _____

Name Douglas Price

1. THE PROPERTY

1.1 The Property is:

- (a) the land located in the (County or MD): _____
Municipal Address: NW-4-16-27-16-W4, Dorothy, AB, T0M0A0

Legal description(s) as set out below or on the Land Description Schedule, selected as attached in clause 9.1

LINC Number	Title Number	W. of (Meridian)	Range	Township	Section	Quarter Section	Part	Hectares (more or less)	Acres (more or less)
0019 603 745	971 313 004 +6	4	16	27	16	NW		64.7	160

Excepting thereout all mines and minerals unless otherwise stated _____ (the "Lands");

- (b) all buildings and other improvements on the Lands (the "Buildings");
- (c) these unattached goods: _____
- (d) the attached goods except for: _____
- (e) the following tenancies where the seller is the landlord and the buyer is assuming these leases ("Accepted Tenancies"), or as described in the schedules selected as attached in clause 9.1: _____

2. PURCHASE PRICE AND COMPLETION DAY

2.1 The purchase price is \$300,000.00 _____ plus GST (the "Purchase Price").

2.2 With respect to GST payable if the buyer is:

- (a) not a GST registrant under the *Excise Tax Act* (Canada), then the buyer shall remit the applicable GST to the seller's lawyer on or before the Completion Day. The seller shall remit the GST to the Receiver General as required by law, and will indemnify and save the buyer harmless from and against all costs and expenses (including legal fees on a solicitor/client full indemnity basis) that the buyer may incur or become subject to as a result of the seller's failure to remit GST pursuant to this clause; or
- (b) a GST registrant under the *Excise Tax Act* (Canada), then the buyer will provide the seller with proof and details of the buyer's GST registration before the Completion Day. The buyer will assume the liability for all GST payable pursuant to the *Excise Tax Act* (Canada) accruing in respect of this transaction and will indemnify and save the seller harmless from and against all costs and expenses (including legal fees on a solicitor/client full indemnity basis) that the seller may incur or become subject to as a result of the buyer failing to comply with its obligations pursuant to this clause.

2.3 This contract will be completed, the Purchase Price fully paid, and vacant possession given to the buyer at 12 noon on February 25, 2025 (the "Completion Day"), subject to the rights of the tenants in the Accepted Tenancies, if any. All harvested crops remain the property of the seller and will be removed by the 25 day of February, 2025, and all unharvested crops by the 25 day of February, 2025, after which time the crops or any part thereof not removed shall become the absolute property of the buyer.

2.4 After the date that acceptance of this contract is communicated, the seller shall not make any changes to any of the leases pertaining to the Accepted Tenancies without the buyer's consent in writing.





2.5 The seller represents and warrants that on the Completion Day, the Property will be in substantially the same condition as when this contract was accepted and the attached and unattached goods will be in normal working order.

3. GENERAL TERMS

- 3.1 In fulfilling this contract, the seller and buyer agree to act reasonably and in good faith and agree that:
(a) unless the seller, buyer or both have agreed to alternate representation, the seller and buyer are each represented by their own sole agent and those agents have no agency responsibility to the other party;
(b) the laws of Alberta apply to this contract;
(c) Alberta time applies to this contract. Time is of the essence, which means times and dates will be strictly followed and enforced;
(d) Business Day means every day but Saturday, Sunday, and statutory holidays, and includes all the hours of the day;
(e) a reference to the seller or buyer includes singular, plural, masculine, feminine or an entity like a corporation;
(f) the seller will disclose known Material Latent Defects. Material Latent Defects means a defect in the Property that is not discoverable through a reasonable inspection and that will affect the use or value of the Property;
(g) the seller and buyer are each responsible for completing their own due diligence and will assume all risks if they do not;
(h) the seller will ensure the seller's representations and warranties are true by:
(i) reviewing documents such as land title, registrations on title, leases, and contracts;
(ii) determining non-resident status for income tax purposes and determining any dower rights;
(iii) determining whether or not GST is payable for the sale of the Property;
(iv) conducting due diligence searches, such as litigation and personal property security registry searches; and
(v) doing other needed research;
(i) the buyer will ensure the buyer's representations and warranties are true by determining its ability to purchase land under the Foreign Ownership of Land Regulations (Alberta);
(j) the buyer may get independent inspections or advice on items such as land title, registrations on title, current and future use including agricultural use, Buildings and mechanical systems, property insurance, title insurance, applicability of GST, size of the Lands and Buildings, interior and exterior measurements, leases, current tenancy statements, pertaining to Accepted Tenancies, registrations affecting the unattached goods and attached goods, the seller's representations and warranties included in the attached Agricultural Purchase Contract Property Schedule, and other items important to the buyer;
(k) contract changes that are agreed to in writing will supersede the pre-printed clauses;
(l) the seller and buyer will read this contract and seek relevant advice before signing it;
(m) the brokerages, real estate board and listing services may collect, maintain, disclose, and publish relevant information about this transaction, including the unconditional sale price and date of sale of the Property, for reporting, statistical, property evaluation and closing purposes; and
(n) the seller's (seller's or buyer's) brokerage will provide this contract and related documents to the appointed lawyers for the purpose of closing this contract.

4. DEPOSITS

- 4.1 The seller and buyer agree that clauses 4.2 through 4.9 are the terms of trust for the Deposits. "Deposits" means the amounts payable under clauses 4.3 and 4.4, and "Deposit" means either of them.
4.2 The seller and buyer appoint Bode Platform Inc. as trustee (the "Trustee") for the Deposits.
4.3 The buyer will pay a deposit of \$ 10,000.00, which will form part of the Purchase Price, to the Trustee by Wire Transfer or EFT (method of payment) on or before 02/24/2025.
4.4 The buyer will pay an additional deposit of \$ (method of payment) on or before.
4.5 If the buyer fails to pay a Deposit as required by this contract, the seller may void this contract at the seller's option by giving the buyer written notice. The seller's option expires whenever the seller accepts a deposit, even if late.
4.6 The Trustee will deposit the Deposits into a trust account within three Business Days of receipt.
4.7 Interest on the Deposits will not be paid to the seller or buyer.
4.8 The Deposits will be held in trust for both the seller and buyer. Provided funds are confirmed, the Deposits will be disbursed, without prior notice, as follows:
(a) to the buyer, if after this contract is accepted:
(i) a condition is not satisfied or waived in accordance with clause 8.4;
(ii) the buyer voids this contract for the seller's failure to provide a Dower Consent and Acknowledgement form in accordance with subclause 7.1(b);
(iii) the seller voids this contract for the buyer's failure to pay an additional deposit in the case where an initial deposit has been paid by the buyer; or
(iv) the seller fails to perform this contract;
(b) to the seller, if this contract is accepted and all conditions are satisfied or waived and the buyer fails to perform this contract; or

AREA@9_2024Aug Seller's Initials [Signature] Buyer's Initials [Signature] Page 2 of 10

- (c) applied against the Fee owed by the seller by payment directly out of trust to the brokerage(s), with any excess amount paid in trust to the seller's lawyer no later than three Business Days prior to the Completion Day. "Fee" means the amount, plus GST, owed to a real estate brokerage under a written service agreement.
- (d) If the seller or buyer fails or refuses to complete this contract, the other party may seek all remedies, such as claims for deposits and damages, and reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.

4.9 The disbursement of Deposits, as agreed to in this clause, will not prevent the seller or buyer from pursuing remedies in clause 12.

5. LAND TITLE

5.1 Title to the Property will be free of all encumbrances, liens and interests except for:

- (a) those implied by law;
- (b) non-financial obligations now on titles, such as easements, utility rights-of-way, covenants and conditions that are normally found registered against of this nature; and
- (c) the following encumbrances that the buyer agrees to accept:
021173979
191236582
201163768

6. REPRESENTATIONS AND WARRANTIES

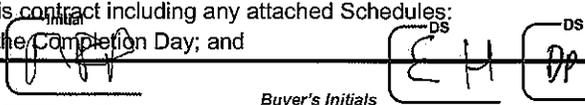
6.1 The seller represents and warrants to the buyer that:

- (a) the seller has the legal right to sell the Property;
- (b) the seller is not now nor will it be on the Completion Day a non-resident for the purposes of the *Income Tax Act* (Canada), nor an agent or a trustee for any person with an interest in the Property who is a non-resident of Canada;
- (c) no one else has a legal right to the included attached and unattached goods;
- (d) the current use of the Lands and Buildings complies with the existing municipal land use bylaw and any restrictive covenant on title;
- (e) the location of the Buildings and land improvements:
 - (i) are on the Lands and not on any easement, right-of-way or neighbouring lands unless there is a registered agreement on title or, in the case of an encroachment into municipal lands or a municipal easement or right-of-way, the municipality has approved the encroachment in writing;
 - (ii) complies with any restrictive covenant on title, and municipal bylaws, regulations and relaxations, or the Buildings and improvements are "non-conforming buildings" as defined in the *Municipal Government Act* (Alberta);
- (f) known Material Latent Defects, if any, have been disclosed in writing in this contract;
- (g) any government and local authority notices regarding the Property, lack of permits for any development on the Property, or notices regarding any environmental conditions or problems known to the seller have been disclosed in writing in this contract;
- (h) there is no legal action outstanding with respect to the Property;
- (i) the Property is in compliance with all applicable environmental laws;
- (j) the seller is not in breach of any contract with respect to the Property which gives rise to an interest in land, including but not limited to, any leases related to Accepted Tenancies;
- (k) any leases pertaining to the Accepted Tenancies are valid and in good standing;
- (l) the seller is not in breach of any obligation to any third party with respect to the Property which gives rise to an interest in land;
- (m) any on-site sewage systems serving the Property:
 - (i) are wholly within the limits of the Property;
 - (ii) have received the required certificates of installation and approval pursuant to the *Environmental Protection and Enhancement Act* (Alberta) (the "EPEA") and have been constructed according to those certificates of installation and approvals, or have the required certificates of installation and approval from the local municipality;
 - (iii) have received all required use permits under the EPEA or have the required use permits under the local municipality; and
 - (iv) have been properly used and regularly maintained and will be in good working order on the Completion Day; and
- (n) the seller has disclosed to the buyer all knowledge and information it has regarding all wells, water sources, and water rights pertaining to the Property in writing in this contract.

6.2 The buyer represents and warrants to the seller that the buyer is eligible to purchase "controlled land" as defined in the *Foreign Ownership of Land Regulations* (Alberta);

6.3 The representations and warranties in this contract including any attached Schedules:

- (a) are made as of, and will be true at, the Completion Day; and



(b) will survive completion and may be enforced after the Completion Day as long as any legal action is commenced within the time limits set by the *Limitations Act* (Alberta).

7. DOWER

7.1 The seller represents and warrants to the buyer that no spouse has dower rights in the Property. Otherwise, if dower rights do apply, the seller will:

- (a) have the non-owner spouse sign this contract; and
- (b) provide a completed Dower Consent and Acknowledgment form to be attached to and form part of this contract on or before _____, 20____. If the seller fails to provide the completed Dower Consent and Acknowledgment form by the agreed date, the buyer may void this contract at the buyer's option by giving the seller written notice. The buyer's option expires when the seller delivers the Dower Consent and Acknowledgment form, even if delivered late.

8. CONDITIONS

8.1 The seller and buyer will:

- (a) act reasonably and in good faith in trying to satisfy their own conditions, including making reasonable efforts to fulfill them, and
- (b) pay for any costs related to their own conditions.
- (c) agree that the buyer may retain consultants to conduct inspections, reviews and tests on the Property and may enter upon the Property for the purpose of conducting its investigations about the state of the Property, subject to the following:
 - (i) the rights of any tenants;
 - (ii) the buyer shall not carry out any destructive or physically invasive testing, except with the prior written consent of the seller and shall repair all damage resulting from its investigations;
 - (iii) the buyer shall obtain the seller's prior consent as to the timing and length of any inspections;
 - (iv) in conducting its investigations, the buyer shall use commercially reasonable efforts to minimize disruption of the current use of the Property; and
 - (v) the buyer shall indemnify and save the seller harmless from all claims, damages, losses or liabilities of any kind (including legal fees on a solicitor/client full indemnity basis) resulting from the buyer's investigations upon the Property; and
- (d) agree that the seller will provide the buyer with such written authorizations and other assistance when reasonably required by the buyer to facilitate the buyer's inspections, reviews and tests, to satisfy its conditions.
- (e) obtain professional advice with respect to GST applicable to the transaction.

8.2 Buyer's Conditions

The buyer's conditions are for the benefit of the buyer and are:

- (a) **Financing**
This contract is subject to the buyer securing new financing from a lender of the buyer's choice and with terms satisfactory to the buyer, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.
- (b) **Property Inspection**
This contract is subject to the buyer's satisfaction with an inspection of the improvements on the Property, conducted by a licensed inspector, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.
- (c) **Sale of Buyer's Property**
This contract is subject to the sale of the buyer's property before _____ m. on _____, 20____, on the terms in the attached Sale of Buyer's Property Schedule.
- (d) **Water**
This contract is subject to the buyer's satisfaction with the source and the flow rate of the water supply and a review of well and water reports prepared by an inspector of the buyer's choice, before _____m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.
- (e) **On-site Sewage System**
This contract is subject to the buyer's satisfaction with a review of the on-site sewage system inspection, prepared by an inspector of the buyer's choice, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.
- (f) **Agricultural Purchase Contract Property Schedule**
This contract is subject to the buyer's satisfaction with the information provided by the seller in the attached Agricultural Purchase Contract Property Schedule, before _____ m. on _____, 20____.
- (g) **Subdivision Plan**
This contract is subject to the buyer's satisfaction with a review of a subdivision plan for the Property before _____ m. on _____, 20____. The seller will cooperate by providing a true copy of the subdivision plan.

(h) Due Diligence

(i) Within _____ Business Days after the date that acceptance of this contract is communicated, the seller will provide to the buyer true copies of all agreements, documents, reports and other materials respecting the Property that are in the possession or control of the seller (the "Disclosure Documents"), including but not limited to: copies of Permitted Encumbrances, copies of leases for the Accepted Tenancies, environmental reports, operating information, surveyors plans and reports, real property reports, permits, verification of GST payable, and

(ii) The buyer will keep all Disclosure Documents and information obtained from the seller in strict confidence and will only make such information available to the buyer's employees, agents and professional advisors on a need to know basis. Should this transaction not be completed, the buyer will return the Disclosure Documents including all copies to the seller immediately.

(iii) This contract is subject to the buyer's satisfaction with the results of its review of the Disclosure Documents and its inspections of the Property, before _____ m. on _____, 20_____.

(i) Additional Buyer's Conditions

before _____ m. on _____, 20_____.

8.3 Seller's Conditions

The seller's conditions are for the benefit of the seller and are:

before _____ m. on _____, 20_____.

8.4 Each party will give the other written notice that:

- (a) a condition is unilaterally waived or satisfied on or before the date upon which it expires. If not, this contract will end after the time indicated for that condition; or
- (b) a condition will not be waived or satisfied prior to the date upon which it expires. This contract will end upon that notice being given.

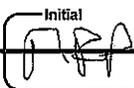
9. ATTACHMENTS AND ADDITIONAL TERMS

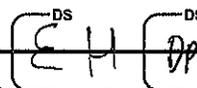
9.1 The selected documents are attached to and form part of this contract:

- Land Description Schedule
- Certificate(s) of Title for the Lands
- Financing Schedule (Seller Financing, Mortgage Assumption, Other Value)
- Sale of Buyer's Property Schedule
- Surface Leases and Income Schedule
- Grazing Leases and Permits Schedule
- Property Leases Schedule
- Residential Leases Schedule
- Water and Irrigation Rights Schedule
- Agricultural Purchase Contract Property Schedule
- Manufactured Home Schedule
- Addendum
- Other

Offer is contingent on purchasing the adjoining 1/4 as well.

Seller has option to complete agricultural purchase contract property schedule at their discretion.

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9.2 The parties agree that the following additional terms shall form a binding part of this contract:

10. CLOSING PROCESS

Closing Documents

- 10.1 As applicable, the closing documents will be:
 - (a) transfer of land (the "Transfer") in registerable form;
 - (b) statement of adjustments;
 - (c) bill of sale for any unattached goods;
 - (d) a signed acknowledgement for each of the Accepted Tenancies stating the lease is in good standing and that they have received notification of the sale (estoppel certificate) along with assignment of the leases;
 - (e) GST indemnity certificate; and
 - (f) such other closing documents reasonably requested by the seller's lawyer or the buyer's lawyer (the "Closing Documents").

Closing Procedure

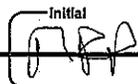
- 10.2 The seller or the seller's lawyer will deliver the Closing Documents to the buyer or buyer's lawyer upon reasonable trust conditions consistent with the terms of this contract, including delivery within a reasonable time before the Completion Day to allow for confirmation of registration of documents at the Land Titles Office, obtain the advance of mortgage proceeds, and verify of the transfer of other value items.
- 10.3 If a new mortgage is a condition of this contract, the seller agrees to trust conditions that allow the buyer's lawyer to register the Transfer so as to obtain the advance of mortgage funds on the new mortgage, provided however that the buyer's lawyer undertakes, accepts, and complies with reasonable trust conditions imposed by the seller's lawyer until the seller has been paid the total Purchase Price.

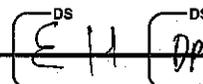
Payments and Costs

- 10.4 The Purchase Price (other than Deposits) shall be paid by certified cheque, bank draft or solicitor's trust cheque.
- 10.5 All normal adjustments for the Property including but not limited to taxes, local improvement levies and assessments, municipal charges, rents, utilities, tenant deposits including interest, prepaid rent, surface leases (if any), and mortgage principal and interest that are applicable with respect to the Property will be the seller's responsibility for the entire Completion Day and thereafter assumed by the buyer.
- 10.6 The seller's lawyer may use the Purchase Price to pay and discharge all of the seller's financial obligations related to the Property. The seller's lawyer will provide the buyer's lawyer with evidence of all discharges including, where required, a certified copy of the certificate of title, within a reasonable time after the Completion Day.
- 10.7 If the seller has entered into a written service agreement with a real estate brokerage, the seller instructs the seller's lawyer to honour the terms of that agreement, including the Fee and other costs payable to the seller's brokerage.
- 10.8 The seller will have the right to register a seller's caveat against the title to the Property and the buyer shall have the right to register a buyer's caveat against the title to the Property, upon the date that acceptance of this contract is communicated.
- 10.9 The seller will pay the costs to prepare the Closing Documents, costs to end any existing tenancies that are not Accepted Tenancies and provide vacant possession to the buyer and costs to prepare, register and discharge any seller's caveat based on this contract.
- 10.10 The buyer will pay the costs to prepare, register and discharge any buyer's caveat based on this contract and to register the Transfer and mortgage, if applicable.

Completion Day Delays

10.11 If the seller fails to deliver the Closing Documents in accordance with clause 10.2, then:

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- (a) the buyer's payment of the Purchase Price and late interest will be delayed until the buyer or buyer's lawyer has received the Closing Documents and has a reasonable time to review and register them, obtain the advance of mortgage financing, and verify the transfer of other value items, as applicable; and
- (b) if the buyer is willing and able to close in accordance with this contract and wants to take possession of the Property, then the seller will give the buyer possession upon reasonable terms which will include the payment of late interest only on the amount of mortgage being obtained by the buyer at the interest rate of that mortgage.

10.12 If the seller has complied with clause 10.2, but the buyer is not able to close in accordance with this contract, then:

- (a) the seller may, but is not obligated to, accept late payment of the Purchase Price and give the buyer possession upon reasonable terms; and
- (b) if the seller agrees to accept late payment of the Purchase Price and, whether or not possession is granted, the buyer will pay late interest at the prime lending rate of the ATB Financial at the Completion Day plus 3% calculated daily from and including the Completion Day to (but excluding) the day the seller is paid in full. Payment received after 12 noon on any day will be payment as of the next Business Day.

11. INSURANCE

11.1 The seller bears the risk of loss or damage to the Property until the Purchase Price is paid. If such loss or damage occurs before the Purchase Price is paid, any insurance proceeds will be held in trust for the seller and buyer based on their interests.

12. REMEDIES

- 12.1** If the seller or buyer fails or refuses to complete this contract, the other party may seek all remedies, such as claims for Deposits and damages, and reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.
- 12.2** On buyer default, if the seller must restore the Property title, enforce a lien against the Property or regain possession of the Property, the seller may seek all remedies, such as claims for damages, and all reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.
- 12.3** The seller and the buyer agree that the Property is unique. On seller default, the buyer may make a claim for specific performance and other remedies.

13. NOTICE AND DOCUMENTS

- 13.1** A notice under this contract means a written document, including notices required by this contract, and this contract when accepted.
- 13.2** A notice is effective at the time the document is delivered in person or sent by fax or email.
- 13.3** Giving notice means the document is transmitted by one of these methods, and regardless of the method, the notice document is recognized as an original document.
- 13.4** For documents that require a signature, an electronic signature, as defined in the Electronic Transactions Act (Alberta), or a digitized signature will have the same function as an ink signature.

14. AUTHORIZATION

14.1 The seller and buyer may each authorize a representative to send and receive notices as described above. Once authorized, notices will be effective upon being delivered in person, or sent by fax or email to the authorized representative.

The seller authorizes:

Seller's Brokerage:

Name: Bode Platform Inc.

Address: _____

Brokerage Representative:

Name: Jeff Jackson

Phone: _____

Fax: _____

Email: info@bodecanada.com

The buyer authorizes:

Buyer's Brokerage:

Name: N/A

Address: _____

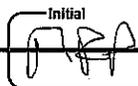
Brokerage Representative:

Name: N/A

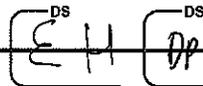
Phone: _____

Fax: _____

Email: _____

Initial


Seller's Initials

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Buyer's Initials



14.2 If the seller or the buyer does not authorize a brokerage, then:

The seller authorizes:

Name: _____
Address: _____
Phone: _____
Fax: _____
Email: _____

The buyer authorizes:

Name: Bode Platform Inc.
Address: _____
Phone: _____
Fax: _____
Email: _____

14.3 If the authorization information changes, the seller and buyer agree to give written notice to the other party as soon as the change is known so that future notices may be sent to the proper person and place.

15. CONFIRMATION OF CONTRACT TERMS

15.1 The seller and buyer confirm that this contract sets out all the rights and obligations they intend for the purchase and sale of the Property and that:

- (a) this contract is the entire agreement between them; and
(b) unless expressly made part of this contract, in writing:
(i) verbal or written collateral or side agreements or representations or warranties made by either the seller or buyer, or the seller's or buyer's brokerage or agent, have not and will not be relied on and are not part of this contract; and
(ii) any pre-contractual representations or warranties, howsoever made, that induced either the seller or buyer into making this contract are of no legal force or effect.

Seller's Initials [Handwritten initials]

Buyer's Initials [Handwritten initials]

16. LEGAL OBLIGATIONS BEGIN

16.1 The legal obligations in this contract begin when the accepted contract is delivered in person or sent by fax or email. The obligations bind the seller and the buyer as well as their heirs, administrators, executors, successors, and assigns.

17. OFFER

17.1 The buyer offers to buy the Property according to the terms of this contract.

17.2 This offer/counteroffer shall be open for acceptance in writing until 5 p. m. on February 24, 2025.

SIGNED AND DATED at _____, Alberta at _____ m. on February 23, 2025 | 3:17 PM PST, 20_____.

DocuSigned by: [Signature]
Signature of Buyer or Authorized Signatory of Buyer

Signature of Witness

Evan Hegedys
Print Name of Buyer or Authorized Signatory of Buyer

Print Name of Witness

[Signature]
Signature of Buyer or Authorized Signatory of Buyer

Signature of Witness

Douglas Price
Print Name of Buyer or Authorized Signatory of Buyer

Print Name of Witness

Buyer's GST # _____





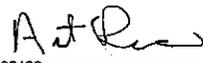
Agricultural Purchase Contract

Contract Number

18. ACCEPTANCE

18.1 The seller agrees to sell the Property according to the terms of this contract.

SIGNED AND DATED at _____, Alberta at _____, m. on February 24, 2025 | 6:26 PM PST, 20____.

Signed by: 

Signature of Seller or Authorized Signatory of Seller

Signature of Witness

Art Price for Sunterra Farms Ltd.

Print Name of Seller or Authorized Signatory of Seller

Print Name of Witness

Signature of Seller or Authorized Signatory of Seller

Signature of Witness

Print Name of Seller or Authorized Signatory of Seller

Print Name of Witness

Seller's GST # _____

Non-registered owner spouse's signature (when dower rights apply):

SIGNED AND DATED at _____, Alberta at _____, m. on _____, 20____.

Signature of Non-Registered Owner Spouse

Signature of Witness

Print Name of Non-Registered Owner Spouse

Print Name of Witness

INFORMATION

The following is for information purposes and has no effect on the contract's terms:

REJECTION

I/we do not accept this offer/counteroffer. No counteroffer is being made.

SIGNED AND DATED at _____, Alberta at _____, m. on _____, 20____.

Signature of Seller or Authorized Signatory of Seller

Signature of Buyer or Authorized Signatory of Buyer

Signature of Seller or Authorized Signatory of Seller

Signature of Buyer or Authorized Signatory of Buyer





CONVEYANCING INFORMATION

Seller's Information:

Address _____

Phone _____ Fax _____

Lawyer Name _____ NA

Firm _____

Address _____

Phone _____ Fax _____

Email _____ NA

Buyer's Information:

Address _____

Phone _____ Fax _____

Lawyer Name _____ Mitchell Barry

Firm _____

Address _____

Phone _____ Fax _____

Email _____ mbarry@barryjamesl
aw.ca





AGRICULTURAL PURCHASE CONTRACT PROPERTY SCHEDULE

This Schedule is attached to and forms part of the Agricultural Purchase Contract # _____

Seller _____ Buyer _____

Seller _____ Buyer _____

1. REPRESENTATIONS AND WARRANTIES

1.1 The seller represents and warrants to the buyer the following are provided to the Property:

- (a) Electricity residence property line not serviced
- (b) Telephone land line residence property line not serviced
- (c) Cable service residence property line not serviced
- (d) Natural gas residence property line not serviced
- (e) Municipal road access yes no
- (f) Driveway access yes no private shared via registered easement

Other _____

1.2 The seller represents and warrants to the buyer the following information about the Property:

- (a) Registered water rights yes no Priority #: _____
- (b) Water rights included yes no
- (c) Surface rights contracts yes no
- (d) Registered easements yes no
 gas line power line pipeline well other _____
- (e) Non-residential lease agreements yes no
- (f) Heat source natural gas propane/LPG electric
 none other _____
- (g) Septic system tank & field holding tank (size: _____ gallons)
 none other _____
- (h) Water supply drilled well cistern (size: _____ gallons)
 municipal community co-op other _____

(i) Other _____

1.3 Lease Agreement: Possession will be given subject to the terms of the lease agreement. If the buyer is to assume a tenancy, then the seller warrants the following to the Buyer:

- (a) Name of tenant(s): _____
- (b) Written lease agreement exists yes no If yes, a copy will be provided to buyer
- (c) Move-in inspection report exists yes no If yes, a copy will be provided to buyer





- (d) Commencement date of lease _____
- (e) Expiry or end date of lease _____
- (f) Renewal Rights _____
- (g) Rent Payable _____
- (h) Security Deposit \$ _____
- (i) Date Received _____
- (j) Is the lease agreement in default yes no If yes, give details _____
- (k) Other Details _____

1.4 The seller represents and warrants to the buyer that there are no unpaid fees to provide services and utilities to the Property that the buyer must assume, except as follows:

2. OTHER TERMS

2.1 The buyer acknowledges that telecommunication facilities may be available to the Property. As the providers and technologies can change, the buyer is responsible to verify availability of these services.

2.2 The seller is providing, without warranting accuracy, the well and water reports as indicated:

- (a) bacterial analysis report, dated _____
- (b) chemical analysis report, dated _____
- (c) flow test report, dated _____
- (d) driller's report, dated _____
- (e) other _____

2.3 The following contracts are to be assumed by the buyer:

Date: _____, m. on _____, 20_____.

Seller's Signature

Buyer's Signature





LAND TITLE CERTIFICATE

S
 LINC SHORT LEGAL TITLE NUMBER
 0019 603 745 4;16;27;16;NW 971 313 004 +6

LEGAL DESCRIPTION

THE NORTH WEST QUARTER OF SECTION 16
 TOWNSHIP 27
 RANGE 16
 WEST OF THE FOURTH MERIDIAN
 CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
 EXCEPTING THEREOUT:

PLAN	NUMBER	HECTARES	ACRES
ROAD	9111744	0.390	0.96

 EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: SPECIAL AREA 2

REFERENCE NUMBER: 971 035 349

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
971 313 004	21/10/1997	TRANSFER OF LAND		SEE INSTRUMENT

OWNERS

SUNTERRA FARMS LTD.
 OF PO BOX 266
 ACME
 ALBERTA T0M 0A0
 (DATA UPDATED BY: CHANGE OF NAME 051264786)

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION	NUMBER	DATE (D/M/Y)	PARTICULARS
	021 173 979	22/05/2002	CAVEAT RE : PIPELINE RIGHT OF WAY CAVEATOR - CANADIAN NATURAL RESOURCES LIMITED. ATTN: SURFACE LAND

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
971 313 004 +6

REGISTRATION

NUMBER	DATE (D/M/Y)	PARTICULARS
--------	--------------	-------------

BOX 6926, STN D
CALGARY
ALBERTA T2P2G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
041101765)

(DATA UPDATED BY: CHANGE OF NAME 061290348)

(DATA UPDATED BY: CHANGE OF NAME 081259250)

(DATA UPDATED BY: TRANSFER OF CAVEAT
181142025)

191 236 582	20/11/2019	MORTGAGE MORTGAGEE - FARM CREDIT CANADA. 2ND FLOOR, 12040-149 STREET NW EDMONTON ALBERTA T5V1P2 ORIGINAL PRINCIPAL AMOUNT: \$25,000,000
-------------	------------	--

201 163 768	10/09/2020	AMENDING AGREEMENT AMOUNT: \$40,000,000 AFFECTS INSTRUMENT: 191236582
-------------	------------	---

TOTAL INSTRUMENTS: 003

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 25 DAY OF JUNE, 2024 AT 04:39 P.M.

ORDER NUMBER: 50903453

CUSTOMER FILE NUMBER:



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).



AMENDMENT

(For changing contract terms)

This document forms part of Purchase Contract # _____

Seller Sunterra Farms Ltd.

Buyer Evan Hegedys

Seller _____

Buyer Douglas Price

Municipal Address: NW-4-16-27-16-W4, Dorothy, AB, T0M0A0

The contract is changed as follows:

Delete: 2.3 This contract will be completed, the Purchase Price fully paid, and vacant possession given to the buyer at 12 noon on February 25, 2025 (the "Completion Day"), subject to the rights of the tenants in the Accepted Tenancies, if any. All harvest crops remain the property of the seller and will be removed by the 25 day of February 2025, and all unharvested crops by 25 day of February, 2025, after which time the crops or any part thereof not removed shall become the absolute property of the buyer.

Insert: 2.3 This contract will be completed, the Purchase Price fully paid, and vacant possession given to the buyer at 12 noon on March 31, 2025 (the "Completion Day"), subject to the rights of the tenants in the Accepted Tenancies, if any. All harvest crops remain the property of the seller and will be removed by the 31 day of March 2025, and all unharvested crops by 31 day of March 2025 after which time the crops or any part thereof not removed shall become the absolute property of the buyer.

All other terms and conditions in the contract remain unchanged.

Signed and dated at _____, Alberta at _____ m. on March 4, 2025 | 8:34 AM PST, 20____.
Buyer Signature: Evan Hegedys Witness Signature _____ Witness Name (print) _____

Signed and dated at _____, Alberta at _____ m. on March 4, 2025 | 9:50 AM PST, 20____.
Buyer Signature: Douglas Price Witness Signature _____ Witness Name (print) _____

Signed and dated at _____, Alberta at _____ m. on March 4, 2025 | 8:34 AM PST, 20____.
Seller Signature: A. J. Price Witness Signature _____ Witness Name (print) _____

Signed and dated at _____, Alberta at _____ m. on _____, 20____.
Seller Signature _____ Witness Signature _____ Witness Name (print) _____





AMENDMENT

(For changing contract terms)

This document forms part of Purchase Contract # _____

Seller Sunterra Farms Ltd. Buyer Evan Hegedys

Seller _____ Buyer Douglas Price

Municipal Address: NW-4-16-27-16-W4, Dorothy, AB, T0M0A0

The contract is changed as follows:

Delete: 4.2 The seller and buyer appoint Bode Platform Inc. as trustee (the "Trustee") for the Deposits.
4.3 The buyer will pay a deposit of \$10,000, which will form part of the Purchase Price, to the Trustee by Wire Transfer or EFT (method of payment) on or before 2/24/2025.

Insert: 4.2 The seller and buyer appoint Bode Platform Inc. as trustee (the "Trustee") for the Deposits.
4.3 The buyer will pay a deposit of \$10,000, which will form part of the Purchase Price, to the Trustee by Wire Transfer or EFT (method of payment) on or before 2/28/2025.

All other terms and conditions in the contract remain unchanged.

Signed and dated at _____, Alberta at _____ m. on February 24, 2025 | 9:37 PM PST, 20____.
Buyer Signature Evan Hegedys Witness Signature _____ Witness Name (print) _____

Signed and dated at _____, Alberta at _____ m. on February 26, 2025 | 1:21 PM PST, 20____.
Buyer Signature Douglas Price Witness Signature _____ Witness Name (print) _____

Signed and dated at _____, Alberta at _____ m. on February 25, 2025 | 7:08 AM PST, 20____.
Seller Signature Art Price Witness Signature _____ Witness Name (print) _____

Signed and dated at _____, Alberta at _____ m. on _____, 20____.
Seller Signature _____ Witness Signature _____ Witness Name (print) _____





LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0019 603 745 4;16;27;16;NW 971 313 004 +6

LEGAL DESCRIPTION

THE NORTH WEST QUARTER OF SECTION 16
TOWNSHIP 27
RANGE 16
WEST OF THE FOURTH MERIDIAN
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
PLAN NUMBER HECTARES ACRES
ROAD 9111744 0.390 0.96
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: SPECIAL AREA 2

REFERENCE NUMBER: 971 035 349

REGISTERED OWNER(S)
REGISTRATION DATE (DMY) DOCUMENT TYPE VALUE CONSIDERATION

971 313 004 21/10/1997 TRANSFER OF LAND SEE INSTRUMENT

OWNERS

SUNTERRA FARMS LTD.
OF PO BOX 266
ACME
ALBERTA T0M 0A0

(DATA UPDATED BY: CHANGE OF NAME 051264786)

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION
NUMBER DATE (D/M/Y) PARTICULARS

021 173 979 22/05/2002 CAVEAT
RE : PIPELINE RIGHT OF WAY
CAVEATOR - CANADIAN NATURAL RESOURCES LIMITED.
ATTN: SURFACE LAND

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

971 313 004 +6

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

BOX 6926, STN D
CALGARY
ALBERTA T2P2G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
041101765)

(DATA UPDATED BY: CHANGE OF NAME 061290348)

(DATA UPDATED BY: CHANGE OF NAME 081259250)

(DATA UPDATED BY: TRANSFER OF CAVEAT
181142025)

191 236 582 20/11/2019 MORTGAGE
MORTGAGEE - FARM CREDIT CANADA.
2ND FLOOR, 12040-149 STREET NW
EDMONTON
ALBERTA T5V1P2
ORIGINAL PRINCIPAL AMOUNT: \$25,000,000

201 163 768 10/09/2020 AMENDING AGREEMENT
AMOUNT: \$40,000,000
AFFECTS INSTRUMENT: 191236582

TOTAL INSTRUMENTS: 003

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 25 DAY OF JUNE,
2024 AT 04:39 P.M.

ORDER NUMBER: 50903453

CUSTOMER FILE NUMBER:



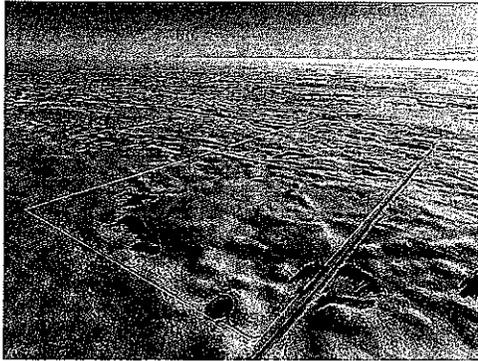
END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

NW-16-27-16- W4 Dorothy, AB T0M0A0

Land Sold A2181933 **W:4 R:16 T:27 S:16 Q:NW** **DOM:** 84 **LP:** \$320,000.00
CDOM: 84 **OP:** \$540,000.00
SD: 02/25/2025 **SP:** \$300,000.00



Class: Commercial Land **LP/Acre:** \$2,012.07
County: Special Area 2 **SP/Acre:** \$1,886.32
City: Dorothy **Type:**
Levels:
Subdivision: NONE **District:**
Possession: Negotiable/Negotiable **Tax Amt/Yr:** 2024
LINC#: 0019603745
Outbuildings:
Rd Frontage:
Zoning: TBD **Lot Size:** 159.04 Ac
Legal Pin: **Blk:** **Lot:**

Title to Lnd: Fee Simple **Ownership:**
Exclusion: No **SRR:** No
Sewer/Septic: **Condo:** No
Disclosure:
Reports: Title
Restrictions: None Known

Public Remarks: 159 acres of agricultural development land 11 minutes East of Dorothy. North of the SW 1/4 that includes a residence.

Directions: Dorothy Alberta T0J 0X0 Head southeast on Hwy 570/AB-570 E toward Range Rd 172 ? 7.0 km Turn left onto Range Rd 165 ? 3.2 km Range Rd 165 turns slightly right and becomes Township Rd 272 1.6 km Turn left onto Range Rd 164 ? Destination will be on the right. 900 m Range Rd 164 Dorothy, AB T0J 0X0

Property Information

Fencing: None **Water Supply:**
911 Addr: **# Parcels:**
Dist to Trans: **Dist to School:**
Irrigation Eqp: **Farm Eqp Inc:**
Road Access: **Front Length:**
Lot Dim: **Lot Depth:** M'
Front Exp: **Local Imprv:**
Water GPM: **Acres Cleared:**
Depth of Well: **Acres Irrigat:**
Reg Wtr Rgt: **Acres Fenced:**
Bus Service: **Acres Cultivtd:**
Elem School: **Acres Pasture:**
Jr/Mid Schl: **Acres Lsehd:**
High School: **Acres Treed:**
Amenities: **Total Acres:** 159.04
Exterior Feat:
Utilities:
Access Feat:
Goods Include: N/A
Goods Exclude: N/A

Agent & Office Information

List Agent: Shane Koka help@bodecanada.com **Phone:** 587-602-3307
List Firm: Bode **Phone:** 587-602-3307
Firm Address: 1709 21 AVE SW, CALGARY, T2T 0N2 **Firm Fax:** 403-592-6810
Appt: call seller/showing time
Showing Contact: Art Price 403-389-4942 **List Date:** 12/03/2024
Comm: 3.5% the first \$100k, 1.5% the balance (plus GST) **Expiry Dt:**
LB Type/Info: / **With Dt:**
Owner Name: SUNTERRA FARMS LTD. **Ownership:** Private
Occupancy: **Exclusion:** No **SRR:** No

Member Rmks: Sellers prefer offers made on Bode here: <https://bode.ca/listings/19345746> for tracking/ease. Direct questions to appointment contact. Requests submitted through ShowingTime are received/responded to by seller, messages not monitored. This is a Mere Posting defined by CREA. Sellers self-represented. Bode cannot confirm showings. Buyer's brokerage to hold trust deposits and convey. Please copy help@bodecanada.com on all correspondence with seller. Possession date is negotiable and please contact seller to confirm. All questions can be directed to the seller, Art @ art.price@sunterra.ca.

Selling Information

Sell Agent: Non Board Member **Sell Firm:** NON BOARD BROKER
Cosell Agent: **Adjust Dt:** 02/25/2025
Pend Dt: **Sold Date:** 02/25/2025 **Sold Price:** \$300,000.00

Printed Date: 03/06/2025 12:15:03 PM

INFORMATION HEREIN DEEMED RELIABLE BUT NOT GUARANTEED. AS OF 2017 MEASUREMENTS ARE PER RESIDENTIAL MEASUREMENT STANDARDS (RMS).



CONTRACT FOR POSTING WITHOUT REPRESENTATION

(For Use in Common Law and Designated Agency Brokerages)

Between

THE SELLER

and

THE SELLER'S BROKERAGE (THE "BROKERAGE")

Name SUNTERRA FARMS LTD.
Address NW-4-16-27-16-W4, Acme TOM0A0
Phone (403) 389-4942 Fax
Email art.price@icloud.com

Name Bode Platform Inc.
Address 1709 21st Ave. SW, Calgary, AB. T2T 0N2
Phone 587.602.3307 Fax
Email info@bodecanada.com
Member of Calgary (the "Board")

1. ACKNOWLEDGMENT OF NON-REPRESENTATION

- 1.1 The Seller has read the Real Estate Council of Alberta's Consumer Relationships Guide (Guide) and acknowledges that the Seller has chosen to forgo any agency representation.
1.2 The Seller acknowledges that the obligations owed to the Seller are limited to:
1.3 The Seller acknowledges that the Brokerage may be representing buyers who may wish to make an offer on the Seller's property and that the Brokerage is obligated:

2. BROKERAGE OBLIGATIONS

- 2.1 The Brokerage will:
(a) post the Seller's property located at NW-4-16-27-16-W4, Acme, TOM0A0
(b) verify the accuracy of data related to the Property that is provided to the MLS@ System;
(c) maintain, and if necessary amend, the information on the MLS@ System;
(d) report the date of sale, the selling price and the date of transfer (possession) to the MLS@ System when the Property has sold.

3. THE PROPERTY

- 3.1 The legal description of the Property is:
3.2 The Property includes:
(a) Goods not attached to the Property ("Unattached Goods") as listed below:

Handwritten initials

Handwritten initials



(b) All goods attached to the Property ("Attached Goods") except those goods listed below:

(c) If Condominium Property, the following non-titled areas:

Parking stall(s): _____ assigned _____ leased Parking stall #(s) _____
 Storage space(s): _____ assigned _____ leased Storage space #(s) _____

4. TERM OF THE CONTRACT

4.1 Refer to Addendum for details.

5. BROKERAGE REMUNERATION

5.1 The Seller will pay the Brokerage as remuneration:

(a) upon the signing of this Contract \$0.00 plus GST;

(b) further remuneration as follows: 1% of the final sale price plus GST (to a maximum of \$10,000 plus GST)

5.2 The Seller instructs the Brokerage to post on the Board's MLS® System that the Seller will enter into a fee agreement with a buyer's brokerage when an offer to purchase is presented to the Seller by the buyer's brokerage representative. Yes No

6. SELLER'S RESPONSIBILITIES

6.1 The Seller will:

- (a) provide the Brokerage with all the information necessary for the posting of the Property on the MLS® System;
- (b) obtain verification of mortgage, property tax, improvement charges, tenancy information;
- (c) communicate and cooperate with the Brokerage in a timely manner;
- (d) immediately advise the Brokerage of any change in status of the Property or in the information provided by the Seller;
- (e) report the sale of the Property, as per clause 2.1(d), to the Brokerage when the purchase price is paid to the Seller or the Seller's lawyer and is releasable; and
- (f) provide any documentation necessary to facilitate or complete the sale.

6.2 **Material Latent Defects:**

Sellers are required by common law to disclose to buyers defects that are hidden, not visible or discoverable upon a reasonable inspection of the Property and that render the Property dangerous or potentially dangerous to the occupants or unfit for habitation. Sellers may also be required to disclose government and local authority notices, lack of development permits and hidden defects that would involve great expense to remedy.

6.3 **Dower Rights:**

- (a) If just one individual is the registered owner of the Property, then the Seller will consider the following questions: Are you legally married? If the answer is yes, have either you or your spouse at any time during your marriage lived on the Property?
- (b) If only one individual is on title and the answer to both questions is yes, then the Seller will be unable to complete a sale of the Property without the legal consent of the spouse. The Seller is urged to obtain legal advice respecting this issue prior to the acceptance of any offer to purchase.

7. INDEMNIFICATION

7.1 The Seller will hold harmless and indemnify the Brokerage for any claims that may arise from its reasonable and good faith reliance on representations made, or information provided by, the Seller.

8. ENDING THE CONTRACT

8.1 This Contract will end upon the Expiry Date of the Contract as specified in clause 4 or upon:

- (a) an earlier date than the Expiry Date if mutually agreed by the Seller and the Brokerage in writing;
- (b) a completed sale of the Property;
- (c) the suspension or cancellation of the Brokerage's licence to trade in real estate;
- (d) the Brokerage ceasing to be a member of the Board.

9. USE AND DISTRIBUTION OF SELLER'S INFORMATION

9.1 The Seller consents to the collection, use and disclosure of personal information (as defined by the *Personal Information Protection Act*) by the Brokerage and the Board for the purpose of compiling, retaining and publishing statistics and conducting comparative market analyses.



10. SIGNATURES

SIGNED AND DATED on December 4, 2024 | 1:04 PM PST, 20

Signature of Seller: SUNTERRA FARMS LTD.

Signature of Witness

Print Name of Seller: SUNTERRA FARMS LTD.

Print Name of Witness

Signature of Seller

Signature of Witness

Print Name of Seller

Print Name of Witness

Signature of Brokerage Representative: Jeffrey Jackson

Print Name of Brokerage Representative: Jeff Jackson

Seller: Initial here to show you have received a copy of this Contract [SFL]

Initials Dated at . m. on December 4, 2024 | 1:04 PM PST, 20





112697

Contract Number

ADDENDUM (For adding contract terms)

RECITALS:

A) The Bode Platform is an online marketplace that enables registered users ("Account Holders") to advertise their real estate property for sale on the Bode Platform ("Listings") and to communicate and transact directly with other Account Holders that are seeking to purchase real estate.

B) The parties acknowledge that for the purpose of listing the Client property on any MLS system, website, or platform Bode is acting as ("Mere Posting Provider") and there is no full-service agency relationship created between Bode and the Customer as defined in the Real Estate Act. A ("Mere Posting") is a listing on a Member Board's MLS® System where the member has chosen or agreed not to provide services to the seller other than to submit the listing for posting on MLS®.

C) This Agreement applies to any property listed on the Bode Platform and each listing is deemed to create a new agreement between the Client and Bode. Any reference to Client in this agreement refers to a single individual if only one person or entity is on the property title or two or more individuals or entities if they appear on the property title.

1. SCOPE

1.1 The Seller has hereby contracted with Bode Platform Inc. (The "Broker") for the sole service of the Broker to post information about the property for sale onto the Broker's local real estate board's Multiple Listing Service® system and other websites associated with the MLS® System such as REALTOR.ca on the terms and conditions set out in this agreement (the "Mere Posting"). The following provisions shall supersede and override any provisions contained in the Multiple Listing Contract to which the "Schedule A" is attached.

1.2 Listing Terms Specific to Bode's Independent Homeowner Service:

1.2.1 This Agreement shall commence on the date the listing for the Property is approved by Bode and end at midnight 90 days thereafter, provided however, that this Agreement shall terminate prior to 90 days in the event that:

- 1.2.1.1 the property is sold;
- 1.2.1.2 the Client is in material breach of this Agreement and fails to correct such breach within Seven (7) days' notice of such breach from the other party; or
- 1.2.1.3 the parties mutually agree in writing to terminate the Agreement.

1.2.2 This agreement will automatically extend for an additional 90 days for Client convenience with notification to the customer in advance. The second and any subsequent 90 day term will maintain all terms as described herein. Following fulfillment of the first 90 day-term, the Client may terminate the Agreement without any penalty.

1.3 Listing terms specific to Bode New Home Builder Subscription Service replace any other references to listing duration in this agreement:

1.3.1. This Agreement shall commence on the date the listing for the Property is approved by Bode and end at midnight 365 days thereafter, provided however, that this Agreement shall terminate prior to 365 days in the event that:

- 1.3.1.1 the property is sold;
- 1.3.1.2 the Client is in material breach of this Agreement and fails to correct such breach within Seven (7) days' notice of such breach from the other party; or
- 1.3.1.3 the Client notifies Bode of their intention to terminate the listing

2. BODE SERVICES**2.1 Bode shall for the term of this Agreement or until the property is sold:**

- 2.1.1 list the property on leading listing exposure websites which may include but are not limited to Realtor.ca™, Kijiji™, Zillow™ and Facebook™ (collectively the "Listing Services") marketplace with the purpose of the enablement of the successful sale of the listed property;
- 2.1.2 provide access to important lead information to provide applicable data for market feedback to support and refine Client selling strategies;
- 2.1.3 provide access to the Bode scheduling tool for the purposes of scheduling showings and use of other home services;
- 2.1.4 provide market data at the request of the Client for pricing consideration;
- 2.1.5 provide access to the Bode negotiation tool for the receipt of offers from interested buyers moving towards close of sale;
- 2.1.6 hold money we receive in trust, consistent with applicable laws for brokerages in British Columbia;
- 2.1.7 provide appropriate legal agreements through the selling process for further handling with their selected lawyers to finalize the sale.

2.2 As mere posting provider, and in accordance with CREA's requirements regarding Mere Postings, Bode:

- 2.2.1 will not give confidential advice to the Client or a buyer;
- 2.2.2 will not act in a way that requires the use of judgment or discretion on which the Client can rely;
- 2.2.3 will not communicate with third-parties on behalf of the Client; and
- 2.2.4 will not negotiate on behalf of the Client.





ADDENDUM (For adding contract terms)

3. CLIENT OBLIGATIONS

- 3.1 The Client shall for the term of this Agreement or until the property is sold:
 - 3.1.1 maintain insurance on the property and its contents against loss or damage due to causes normally insured against for similar properties;
 - 3.1.2 communicate with Bode in a timely manner; and
 - 3.1.3 advise Bode if a binding contract for the sale of the property is entered into during the term of the Agreement whether or not is entered into using the Bode platform;
 - 3.1.4 report any change in listing status within one (1) business day.
- 3.2 The Seller acknowledges that the Broker has strict reporting obligations to the Broker's local real estate board for changes in the status of the Property for sale. This includes the obligation of the Broker to report:
 - 3.2.1 Any offer that is accepted, conditional or firm, names of buyers and sellers, buyer's agents name and brokerage name, and selling price
 - 3.2.2 Any change in offer status such as conditions being waived or offer is terminated
 - 3.2.3 Any change in the closing date or selling price
- 3.3 Within 24 hours of the occurrence of one of the above events, the Seller shall forward to Bode the information required. In addition, the Seller shall provide to Bode at the same time the relevant documents
- 3.4 The Seller acknowledges that the failure of the Seller to provide the information required in the time frame stipulated above could result in the Company facing fines or sanctions from various regulatory bodies. The Seller specifically agrees to indemnify and hold harmless the Company and Broker from damages that they suffer or costs that they incur because of the Seller's non-compliance with its reporting obligations. The Seller hereby acknowledges that any fine incurred by the Brokerage due to the Seller's failure to report any status change will result in an administrative penalty of \$500.00, payable by the Seller.

4. CLIENT REPRESENTATIONS AND WARRANTIES

- 4.1 The Client represents and warrants that:
 - 4.1.1 it has the authority to sell the property as described, including all attached and unattached goods as applicable and if spousal consent is required it has been obtained;
 - 4.1.2 there are no rights of others to the property;
 - 4.1.3 the property and any buildings and improvements thereon comply with all municipal bylaws;
 - 4.1.4 all buildings and improvements on the property are entirely within the boundaries of the property and do not lie on any neighbouring lands, right-of-way or easement unless referenced on the title to the property;
 - 4.1.5 it has had the opportunity to obtain independent legal advice in relation to the entering into of this Agreement, and regarding the sale of the property and the obligations of the Client to disclose to buyers any issues related to defects, governmental notices and permit issues; and
 - 4.1.6 the Client is not a non-resident of Canada under the Income Tax Act (Canada).

5. BODE FEES

- 5.1 Bode's fee is equal to One Percent (1%) of the final sale price for the Client's property, up to a maximum of \$10,000 plus applicable Goods and Services Tax.
- 5.2 The fee set out above shall be payable to Bode if at any time during the term of this Agreement the Client enters into a binding contract for the sale of the property, regardless of whether the buyer was introduced to you through the Bode platform or not, and regardless of when the sale completes.
- 5.3 The fee set out above shall be payable to Bode if within Thirty (30) days after the termination of this Agreement the Client enters into a binding contract for the sale of the property with a person or party introduced to the Client by Bode or through the Bode Platform.
- 5.4 The Client authorizes Bode to pay the fee directly from any deposit funds held by Bode pursuant to this Agreement or pursuant to the contract for the sale of the property, and if any deposit is not sufficient to pay Bode's fee the Client shall instruct their lawyer to deduct from the proceeds of sale an amount sufficient to pay the remaining balance of the fee.

6. PERSONAL INFORMATION

- 6.1 In order to access and use the Bode Platform, you will be required to register with us and set up an authorized account using your email address and a password (your "Account"). The email address you provide will be your email address, and you are solely responsible for maintaining the confidentiality of your password. You are solely responsible for all activities that occur under your Account, and therefore, you should protect your password at all times.
- 6.2 The Client expressly provides consent to Bode to collect, use, maintain and disclose any and all personal information of the Client for all purposes and uses related to this Agreement and the sale of the property, both during the term of this Agreement and after.
- 6.3 The Client acknowledges that Bode may disclose information regarding the Client and the property in any manner that Bode deems necessary to list and effectively market the property for sale.





ADDENDUM
(For adding contract terms)

7. ADDITIONAL TERMS

7.1 The Recitals form part of this Agreement.

7.2 As the provider of the Bode Platform, Bode does not own, create, sell, resell, provide, control, manage, offer, deliver, or supply any Listings, other than to simply allow posting of the Listings on the Bode Platform. Clients alone are responsible for the creation of their Listings. When Account Holders negotiate a contract to transfer ownership of a home, they are entering into a contract directly with each other. Bode is not and does not become a party to or other participant in any contractual relationship between Account Holders or any other persons or parties.

7.3 Bode has no control over and does not guarantee:

- 7.3.1 the existence, quality, safety, suitability, or legality of any Listings Services;
- 7.3.2 the truth or accuracy of any, ratings, reviews, or other content on the Bode Platform; or
- 7.3.3 the performance or conduct of any Account Holder or third-party.

7.4 Bode does not endorse any Account Holder or Listing Service. Any references to an Account Holder being "verified" (or similar language) only indicates that the Account Holder has completed a relevant verification or identification process and nothing else. Any such description is not an endorsement, certification or guarantee by Bode about any Account Holder, including of the Account Holder's identity or background or whether the Account Holder is trustworthy, safe or suitable. You should always exercise due diligence and care when deciding whether to view a home or communicate and interact with other Account Holders, whether online or in person.

7.5 If you choose to use the Bode Platform as a seller or Client, your relationship with Bode is limited to a client relationship and not that of an employee, agent, joint venturer or partner of Bode for any reason, and you act exclusively on your own behalf and for your own benefit, and not on behalf, or for the benefit, of Bode. Bode does not, and shall not be deemed to, direct or control you generally or in your performance under these terms specifically. You acknowledge and agree that you have complete discretion whether to list on the Bode Platform. To promote the Bode Platform and to increase the exposure of Listings to potential Buyers, Listings and other account content may be displayed on other websites, in applications, within emails, and in online and offline advertisements. To assist Account Holders who speak different languages, Listings and other account content may be translated, in whole or in part, into other languages. Bode cannot guarantee the accuracy or quality of such translations and Account Holders are responsible for reviewing and verifying the accuracy of such translations. The Bode Platform may contain translations powered by Google™. Google™ disclaims all warranties related to the translations, express or implied, including any warranties of accuracy, reliability, and any implied warranties for merchantability, fitness for a particular purpose and non-infringement.

7.6 The Bode Platform may contain links to third-party websites or resources ("Third-Party Services"). Such Third-Party Services may be subject to different terms and conditions and privacy practices. Bode is not responsible or liable for the availability or accuracy of such Third-Party Services, or the content, products, or services available from such Third-Party Services. Links to such Third-Party Services are not an endorsement by Bode of such Third-Party Services.

7.7 Due to the nature of the internet, Bode cannot guarantee the continuous and uninterrupted availability and accessibility of the Bode Platform. Bode may restrict the availability of the Bode Platform or certain areas or features thereof, if this is necessary in view of capacity limits, the security or integrity of our servers, or to carry out maintenance measures that ensure the proper or improved functioning of the Bode Platform. Bode may improve, enhance and modify the Bode Platform and introduce new Bode Services from time to time.

7.8 If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part of a provision and the remaining part of such provision and all other provisions shall continue in full force and effect.

7.9 The waiver by either party of any breach of any term, covenant or condition is not to be deemed to be a waiver of that term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition. No term, covenant or condition of this Agreement is deemed to be waived by either party unless the waiver is in writing and properly executed by the party granting the waiver.

7.10 The Agreement comprises the entire agreement between the Parties and supersedes all previous representations, warranties, dealings, agreements, understandings and expectations of the parties regarding the subject matter of the Agreement.

7.11 As part of this agreement you acknowledge that you have read the Consumer Relationship Guide outlined in Appendix B, discussed it with the real estate professional, and got satisfactory answers to your questions. You also acknowledge that you will be asked to sign documents about the type of relationship you choose with your real estate professional.

7.12 The Seller confirms that they wish the Brokerage to reveal the Property address and to map the property for internet display. The Seller understands that displaying this information poses inherent risks. These risks are inherent in both occupied and vacant properties. By signing this agreement, the Seller promises to "hold harmless" the brokerage of any claims arising from any unauthorized or illicit use of the displayed property information.

7.13 UNDER NO CIRCUMSTANCES WILL BODE BE LIABLE TO THE CLIENT FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL DAMAGES INCURRED OR CLAIMED BY ANY CLIENT OR USER OF THE BODE PLATFORM.

7.14 The seller agrees to pay the cooperating commission amount offered in the MLS listing advertisement, unless another agreement was made with the buyer's agent in writing in the fee agreement or purchase contract. Bode is not liable to pay the cooperating commission on the seller's behalf in any circumstances.



Consumer Relationships Guide

Real estate professionals have a regulatory requirement to present and discuss this Guide with you.

Understanding the legal relationship with your real estate professional

Buying or selling a property is probably one of the most important financial decisions you'll make. This Guide explains the different relationships you can have with a real estate professional. Each has its own legal meaning and responsibilities, so it's important to understand them. A real estate professional must give you this Guide and discuss it with you.

What this Guide explains

There are three kinds of relationships you can have with a real estate professional.

1. A real estate brokerage* can act as your agent. This is called a common law agency relationship and it includes all brokerage real estate professionals and staff.
2. An individual real estate professional can act as your agent. This is called a designated agency relationship.
3. You can be a customer to a real estate professional.

The Guide also explains what happens when the buyer and seller have the same agent.

*A brokerage is the organization your industry professional works for.

Choosing to have an agent (also called an agency relationship)

An agent is someone who acts on your behalf with your permission. If the agent is an individual, the agency relationship is between the individual and you. If the agent is a brokerage, the agency relationship is between the brokerage and you. When you appoint an agent, you'll be asked to sign a written agreement that explains both the agent's responsibilities and yours.

An agent's responsibilities to you

A sole agent acts for either the buyer or the seller in a trade or possible trade, and has a duty to protect that client's interests. In this relationship, the real estate professional has the highest level of legal responsibility to you. These responsibilities include:

1. **Undivided loyalty** The agent must act only in your best interests and put them above their own and those of other people. The agent must avoid conflicts of interest and must protect your negotiating position at all times.
2. **Confidentiality** The agent must keep information confidential, even after your relationship ends. Confidential information includes your personal information, information about the property, and information about the transaction (except information the law says must be disclosed or information you agree to disclose).
3. **Full disclosure** The agent must tell you, in writing, about the services they will provide. They must also tell you everything they know that might affect your relationship or influence your decision in a transaction, even if they don't think it's important. This includes any conflicts of interest, for example when they act (or are planning to act) on behalf of any other person in a transaction. The only information they can't give you is confidential information from another agency relationship.
4. **Obedience** The agent must obey all your lawful, reasonable, and ordinary instructions. If you insist on something unlawful, the agent must refuse and consider ending your relationship and the agreement.
5. **Reasonable care and skill** The agent must exercise reasonable care and skill in all their duties. They must meet the standard of a reasonable and competent member of the real estate industry.
6. **Full accounting** The agent must account for all money and property they receive while acting on your behalf. Everything a client puts in the care of an agent—for example, money, keys, or documents—is returned when the agreement ends.

Your responsibilities to the agent

You must:

- give the agent any information or facts that could affect the transaction or their ability to act as your agent.
- pay the fees you've agreed to pay your agent. Your written agreement will list these fees.
- pay the agent's expenses as outlined in your agreement.

Consumer Relationships Guide

Having a customer relationship with your real estate professional

You can choose to represent yourself in a purchase or sale when a real estate professional represents the other party. In this case, you have a customer relationship with the real estate professional. They can't give you the services they give when acting as your agent, but they can help make the purchase or sale happen. For example, they may agree to give you statistics or the names of appraisers, mortgage brokers, or other service providers. They may also help you complete standard forms. When a real estate professional works with you as a customer, they have a responsibility to act honestly, use reasonable care and skill, and make sure any information they give is correct.

Conflicts of interest—what happens when the same agent represents the buyer and seller

In some cases, the same real estate professional or brokerage represents both the buyer and the seller. The people involved can decide to handle this several ways:

1. Either the buyer or the seller can get a different agent.
2. The buyer or the seller can stay with the same real estate professional, but in a customer relationship. The professional can give information and help without acting as an agent. See Having a customer relationship with your real estate professional.
3. The agent can help facilitate the transaction, without acting in the interest of either side. This means the professional has reduced agency responsibilities to the buyer and seller. All parties must understand and agree to this change of relationship in writing, before either side presents or accepts the initial offer on the property.

Working on the transaction, not for one side or the other

When the agent facilitates the transaction, their responsibilities are to:

- be impartial in dealing with both sides
- not give confidential advice, support only one side, or use judgment or discretion that benefits one side over the other
- give both sides real estate statistics and information, including comparable property information from listing services and local databases
- give you agreements of purchase and sale, lease, and other relevant documents, according to your instructions
- promptly give you all offers and counter-offers to and from the other side, even if there is already a contract to buy or sell the property
- pass on all information to you that the other side wants you to know
- keep you informed of progress
- do anything else to serve both sides, as long as the agreement with each side allows it

Making an informed choice about your relationships

Your real estate professional must explain the responsibilities and limits of these relationships to you. To review:

- A real estate brokerage can act as your agent.
- An individual real estate professional can act as your agent.
- You can be a customer to a real estate professional.
- In a conflict of interest when the buyer and seller have the same agent, a real estate professional can facilitate a transaction between two sides with their permission.

The Real Estate Council of Alberta
is the standards-setting, governing body for
real estate, mortgage brokerage, property
management and real estate appraisal
professionals.

Real Estate Council of Alberta
202, 1506 11 Ave SW
Calgary, AB T3C 0M9
1 (888) 425-2754
info@reca.ca
www.reca.ca

Signing that you've read and understood this Guide

I/we acknowledge I/we have read the Guide, discussed it with the real estate professional, and got satisfactory answers to my/our questions. I/we know I/we will be asked to sign documents about the type of relationship I/we choose with my/our real estate professional(s).

Bode Platform Inc.
1709 21 Ave SW
Calgary AB T2T 0N2
finance@bodecanada.com
Business Number 791556731 RT0001



INVOICE

BILL TO
Art Price

INVOICE # B00771
DATE 02/25/2025
DUE DATE 02/28/2025

DATE	ACTIVITY	DESCRIPTION	TAX	QTY	RATE	AMOUNT
02/25/2025	Service Fee - Builder	fpr sale of: NW-4-16-27-16-W4 Dorothy	GST	1	3,000.00	3,000.00

Please make cheques payable to Bode Platform Inc.

SUBTOTAL	3,000.00
GST @ 5%	150.00
TOTAL	3,150.00
BALANCE DUE	\$3,150.00

TAX SUMMARY

RATE	TAX	NET
GST @ 5%	150.00	3,000.00

Conveyancer's Instruction Report

Listing Office: Bode Canada, 15268859

Seller: Sunterra Farms Ltd.
Seller's Lawyer: Evann Neumann, Deeded
4620 Manilla Rd SE, Calgary, AB T2G 4B7
Phone: 855-456-4335 Email: marta@deeded.ca

Buyer: Evan Hegedys, Douglas Price
Buyer's Lawyer: Mitchell Barry, Barry & James LLP
205 Main Street, P.O. Box 1234, Three Hills, AB T0M 2A0
Phone: 403-443-2200 Email: mbarry@barryjameslaw.ca

Property: SW-16-27-16-W4, Dorothy, AB T0M 0A0
Legal Unit: Quarter: SW Section: 16 Township: 27 Range: 16 Meridian: 4
Sale Price: \$300,000.00
Possession Date: March 31, 2025

Commissions

Listing Commission: 1% of the final sale price plus GST
Listing Commission: \$3,000.00
GST: \$150.00 **Total: \$3,150.00**

Selling Commission: N/A
Selling Commission: \$0.00
GST: \$0.00 **Total: \$0.00**

Total Commission: \$3,000.00
GST: \$150.00 **Total: \$3,150.00**

Trust Balance Held at Bode: \$10,000.00

Excess Funds: \$6,850.00

Listing Agent: Jeff Jackson

Listing Brokerage: Bode Canada, 1709 21 AVE SW, Calgary AB T2M 3Y7 Phone: (403) 464-5333

Selling Agent: N/A, Buyer is Self-Represented

Selling Brokerage: N/A, Buyer is Self-Represented



Contract Number

AGRICULTURAL PURCHASE CONTRACT

Between

THE SELLER

and

THE BUYER

Name SUNTERRA FARMS LTD.

Name Evan Hegedys

Name _____

Name Douglas Price

1. THE PROPERTY

1.1 The Property is:

- (a) the land located in the (County or MD): _____
Municipal Address: SW-16-27-16-W4 Dorothy, AB, T0M0A0

Legal description(s) as set out below or on the Land Description Schedule, selected as attached in clause 9.1

LINC Number	Title Number	W. of (Meridian)	Range	Township	Section	Quarter Section	Part	Hectares (more or less)	Acres (more or less)
0019603753	971 313 004 +3	4	16	27	16	SW		64.7	160

Excepting thereout all mines and minerals unless otherwise stated _____ (the "Lands");

- (b) all buildings and other improvements on the Lands (the "Buildings");
- (c) these unattached goods: _____
- (d) the attached goods except for: _____
- (e) the following tenancies where the seller is the landlord and the buyer is assuming these leases ("Accepted Tenancies"), or as described in the schedules selected as attached in clause 9.1: _____

2. PURCHASE PRICE AND COMPLETION DAY

2.1 The purchase price is \$300,000.00 plus GST (the "Purchase Price").

2.2 With respect to GST payable if the buyer is:

- (a) not a GST registrant under the *Excise Tax Act* (Canada), then the buyer shall remit the applicable GST to the seller's lawyer on or before the Completion Day. The seller shall remit the GST to the Receiver General as required by law, and will indemnify and save the buyer harmless from and against all costs and expenses (including legal fees on a solicitor/client full indemnity basis) that the buyer may incur or become subject to as a result of the seller's failure to remit GST pursuant to this clause; or
- (b) a GST registrant under the *Excise Tax Act* (Canada), then the buyer will provide the seller with proof and details of the buyer's GST registration before the Completion Day. The buyer will assume the liability for all GST payable pursuant to the *Excise Tax Act* (Canada) accruing in respect of this transaction and will indemnify and save the seller harmless from and against all costs and expenses (including legal fees on a solicitor/client full indemnity basis) that the seller may incur or become subject to as a result of the buyer failing to comply with its obligations pursuant to this clause.

2.3 This contract will be completed, the Purchase Price fully paid, and vacant possession given to the buyer at 12 noon on March 31, 2025 (the "Completion Day"), subject to the rights of the tenants in the Accepted Tenancies, if any. All harvested crops remain the property of the seller and will be removed by the 31 day of March, 2025, and all unharvested crops by the 31 day of March, 2025, after which time the crops or any part thereof not removed shall become the absolute property of the buyer.

2.4 After the date that acceptance of this contract is communicated, the seller shall not make any changes to any of the leases pertaining to the Accepted Tenancies without the buyer's consent in writing.

[Handwritten Signature]

[Handwritten Signature]



- (c) applied against the Fee owed by the seller by payment directly out of trust to the brokerage(s), with any excess amount paid in trust to the seller's lawyer no later than three Business Days prior to the Completion Day. "Fee" means the amount, plus GST, owed to a real estate brokerage under a written service agreement.
- (d) If the seller or buyer fails or refuses to complete this contract, the other party may seek all remedies, such as claims for deposits and damages, and reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.

4.9 The disbursement of Deposits, as agreed to in this clause, will not prevent the seller or buyer from pursuing remedies in clause 12.

5. LAND TITLE

5.1 Title to the Property will be free of all encumbrances, liens and interests except for:

- (a) those implied by law;
- (b) non-financial obligations now on titles, such as easements, utility rights-of-way, covenants and conditions that are normally found registered against of this nature; and
- (c) the following encumbrances that the buyer agrees to accept:
021173979
191236582
201163768

6. REPRESENTATIONS AND WARRANTIES

6.1 The seller represents and warrants to the buyer that:

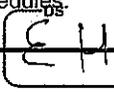
- (a) the seller has the legal right to sell the Property;
- (b) the seller is not now nor will it be on the Completion Day a non-resident for the purposes of the *Income Tax Act* (Canada), nor an agent or a trustee for any person with an interest in the Property who is a non-resident of Canada;
- (c) no one else has a legal right to the included attached and unattached goods;
- (d) the current use of the Lands and Buildings complies with the existing municipal land use bylaw and any restrictive covenant on title;
- (e) the location of the Buildings and land improvements:
 - (i) are on the Lands and not on any easement, right-of-way or neighbouring lands unless there is a registered agreement on title or, in the case of an encroachment into municipal lands or a municipal easement or right-of-way, the municipality has approved the encroachment in writing;
 - (ii) complies with any restrictive covenant on title, and municipal bylaws, regulations and relaxations, or the Buildings and improvements are "non-conforming buildings" as defined in the *Municipal Government Act* (Alberta);
- (f) known Material Latent Defects, if any, have been disclosed in writing in this contract;
- (g) any government and local authority notices regarding the Property, lack of permits for any development on the Property, or notices regarding any environmental conditions or problems known to the seller have been disclosed in writing in this contract;
- (h) there is no legal action outstanding with respect to the Property;
- (i) the Property is in compliance with all applicable environmental laws;
- (j) the seller is not in breach of any contract with respect to the Property which gives rise to an interest in land, including but not limited to, any leases related to Accepted Tenancies;
- (k) any leases pertaining to the Accepted Tenancies are valid and in good standing;
- (l) the seller is not in breach of any obligation to any third party with respect to the Property which gives rise to an interest in land;
- (m) any on-site sewage systems serving the Property:
 - (i) are wholly within the limits of the Property;
 - (ii) have received the required certificates of installation and approval pursuant to the *Environmental Protection and Enhancement Act* (Alberta) (the "EPEA") and have been constructed according to those certificates of installation and approvals, or have the required certificates of installation and approval from the local municipality;
 - (iii) have received all required use permits under the EPEA or have the required use permits under the local municipality; and
 - (iv) have been properly used and regularly maintained and will be in good working order on the Completion Day; and
- (n) the seller has disclosed to the buyer all knowledge and information it has regarding all wells, water sources, and water rights pertaining to the Property in writing in this contract.

6.2 The buyer represents and warrants to the seller that the buyer is eligible to purchase "controlled land" as defined in the *Foreign Ownership of Land Regulations* (Alberta);

6.3 The representations and warranties in this contract including any attached Schedules:

- (a) are made as of, and will be true at, the Completion Day; and

Initial

DS

DS


- (b) will survive completion and may be enforced after the Completion Day as long as any legal action is commenced within the time limits set by the *Limitations Act* (Alberta).

7. DOWER

- 7.1 The seller represents and warrants to the buyer that no spouse has dower rights in the Property. Otherwise, if dower rights do apply, the seller will:
- (a) have the non-owner spouse sign this contract; and
 - (b) provide a completed Dower Consent and Acknowledgment form to be attached to and form part of this contract on or before _____, 20____. If the seller fails to provide the completed Dower Consent and Acknowledgment form by the agreed date, the buyer may void this contract at the buyer's option by giving the seller written notice. The buyer's option expires when the seller delivers the Dower Consent and Acknowledgment form, even if delivered late.

8. CONDITIONS

- 8.1 The seller and buyer will:
- (a) act reasonably and in good faith in trying to satisfy their own conditions, including making reasonable efforts to fulfill them, and
 - (b) pay for any costs related to their own conditions.
 - (c) agree that the buyer may retain consultants to conduct inspections, reviews and tests on the Property and may enter upon the Property for the purpose of conducting its investigations about the state of the Property, subject to the following:
 - (i) the rights of any tenants;
 - (ii) the buyer shall not carry out any destructive or physically invasive testing, except with the prior written consent of the seller and shall repair all damage resulting from its investigations;
 - (iii) the buyer shall obtain the seller's prior consent as to the timing and length of any inspections;
 - (iv) in conducting its investigations, the buyer shall use commercially reasonable efforts to minimize disruption of the current use of the Property; and
 - (v) the buyer shall indemnify and save the seller harmless from all claims, damages, losses or liabilities of any kind (including legal fees on a solicitor/client full indemnity basis) resulting from the buyer's investigations upon the Property; and
 - (d) agree that the seller will provide the buyer with such written authorizations and other assistance when reasonably required by the buyer to facilitate the buyer's inspections, reviews and tests, to satisfy its conditions.
 - (e) obtain professional advice with respect to GST applicable to the transaction.

8.2 Buyer's Conditions

The buyer's conditions are for the benefit of the buyer and are:

- (a) **Financing**
This contract is subject to the buyer securing new financing from a lender of the buyer's choice and with terms satisfactory to the buyer, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.
- (b) **Property Inspection**
This contract is subject to the buyer's satisfaction with an inspection of the improvements on the Property, conducted by a licensed inspector, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.
- (c) **Sale of Buyer's Property**
This contract is subject to the sale of the buyer's property before _____ m. on _____, 20____, on the terms in the attached Sale of Buyer's Property Schedule.
- (d) **Water**
This contract is subject to the buyer's satisfaction with the source and the flow rate of the water supply and a review of well and water reports prepared by an inspector of the buyer's choice, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.
- (e) **On-site Sewage System**
This contract is subject to the buyer's satisfaction with a review of the on-site sewage system inspection, prepared by an inspector of the buyer's choice, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.
- (f) **Agricultural Purchase Contract Property Schedule**
This contract is subject to the buyer's satisfaction with the information provided by the seller in the attached Agricultural Purchase Contract Property Schedule, before _____ m. on _____, 20____.
- (g) **Subdivision Plan**
This contract is subject to the buyer's satisfaction with a review of a subdivision plan for the Property before _____ m. on _____, 20____. The seller will cooperate by providing a true copy of the subdivision plan.

(h) Due Diligence

- (i) Within _____ Business Days after the date that acceptance of this contract is communicated, the seller will provide to the buyer true copies of all agreements, documents, reports and other materials respecting the Property that are in the possession or control of the seller (the "Disclosure Documents"), including but not limited to: copies of Permitted Encumbrances, copies of leases for the Accepted Tenancies, environmental reports, operating information, surveyors plans and reports, real property reports, permits, verification of GST payable, and

- (ii) The buyer will keep all Disclosure Documents and information obtained from the seller in strict confidence and will only make such information available to the buyer's employees, agents and professional advisors on a need to know basis. Should this transaction not be completed, the buyer will return the Disclosure Documents including all copies to the seller immediately.
- (iii) This contract is subject to the buyer's satisfaction with the results of its review of the Disclosure Documents and its inspections of the Property, before _____, m. on _____, 20_____.

(i) Additional Buyer's Conditions

 before _____, m. on _____, 20_____.

8.3 Seller's Conditions

The seller's conditions are for the benefit of the seller and are:

before _____, m. on _____, 20_____.

8.4 Each party will give the other written notice that:

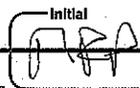
- (a) a condition is unilaterally waived or satisfied on or before the date upon which it expires. If not, this contract will end after the time indicated for that condition; or
- (b) a condition will not be waived or satisfied prior to the date upon which it expires. This contract will end upon that notice being given.

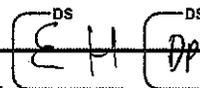
9. ATTACHMENTS AND ADDITIONAL TERMS

9.1 The selected documents are attached to and form part of this contract:

- Land Description Schedule
- Certificate(s) of Title for the Lands
- Financing Schedule (Seller Financing, Mortgage Assumption, Other Value)
- Sale of Buyer's Property Schedule
- Surface Leases and Income Schedule
- Grazing Leases and Permits Schedule
- Property Leases Schedule
- Residential Leases Schedule
- Water and Irrigation Rights Schedule
- Agricultural Purchase Contract Property Schedule
- Manufactured Home Schedule
- Addendum
- Other

This offer is contingent on purchasing this 1/4 and the adjoining 1/4. Seller has option to complete Agricultural Purchase Contract Property Schedule at their discretion.

Initial


DS


9.2 The parties agree that the following additional terms shall form a binding part of this contract:

10. CLOSING PROCESS

Closing Documents

- 10.1 As applicable, the closing documents will be:
 - (a) transfer of land (the "Transfer") in registerable form;
 - (b) statement of adjustments;
 - (c) bill of sale for any unattached goods;
 - (d) a signed acknowledgement for each of the Accepted Tenancies stating the lease is in good standing and that they have received notification of the sale (estoppel certificate) along with assignment of the leases;
 - (e) GST indemnity certificate; and
 - (f) such other closing documents reasonably requested by the seller's lawyer or the buyer's lawyer (the "Closing Documents").

Closing Procedure

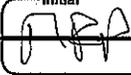
- 10.2 The seller or the seller's lawyer will deliver the Closing Documents to the buyer or buyer's lawyer upon reasonable trust conditions consistent with the terms of this contract, including delivery within a reasonable time before the Completion Day to allow for confirmation of registration of documents at the Land Titles Office, obtain the advance of mortgage proceeds, and verify of the transfer of other value items.
- 10.3 If a new mortgage is a condition of this contract, the seller agrees to trust conditions that allow the buyer's lawyer to register the Transfer so as to obtain the advance of mortgage funds on the new mortgage, provided however that the buyer's lawyer undertakes, accepts, and complies with reasonable trust conditions imposed by the seller's lawyer until the seller has been paid the total Purchase Price.

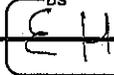
Payments and Costs

- 10.4 The Purchase Price (other than Deposits) shall be paid by certified cheque, bank draft or solicitor's trust cheque.
- 10.5 All normal adjustments for the Property including but not limited to taxes, local improvement levies and assessments, municipal charges, rents, utilities, tenant deposits including interest, prepaid rent, surface leases (if any), and mortgage principal and interest that are applicable with respect to the Property will be the seller's responsibility for the entire Completion Day and thereafter assumed by the buyer.
- 10.6 The seller's lawyer may use the Purchase Price to pay and discharge all of the seller's financial obligations related to the Property. The seller's lawyer will provide the buyer's lawyer with evidence of all discharges including, where required, a certified copy of the certificate of title, within a reasonable time after the Completion Day.
- 10.7 If the seller has entered into a written service agreement with a real estate brokerage, the seller instructs the seller's lawyer to honour the terms of that agreement, including the Fee and other costs payable to the seller's brokerage.
- 10.8 The seller will have the right to register a seller's caveat against the title to the Property and the buyer shall have the right to register a buyer's caveat against the title to the Property, upon the date that acceptance of this contract is communicated.
- 10.9 The seller will pay the costs to prepare the Closing Documents, costs to end any existing tenancies that are not Accepted Tenancies and provide vacant possession to the buyer and costs to prepare, register and discharge any seller's caveat based on this contract.
- 10.10 The buyer will pay the costs to prepare, register and discharge any buyer's caveat based on this contract and to register the Transfer and mortgage, if applicable.

Completion Day Delays

10.11 If the seller fails to deliver the Closing Documents in accordance with clause 10.2, then:

Initial


DS
 DS




- (a) the buyer's payment of the Purchase Price and late interest will be delayed until the buyer or buyer's lawyer has received the Closing Documents and has a reasonable time to review and register them, obtain the advance of mortgage financing, and verify the transfer of other value items, as applicable; and
- (b) if the buyer is willing and able to close in accordance with this contract and wants to take possession of the Property, then the seller will give the buyer possession upon reasonable terms which will include the payment of late interest only on the amount of mortgage being obtained by the buyer at the interest rate of that mortgage.

10.12 If the seller has complied with clause 10.2, but the buyer is not able to close in accordance with this contract, then:

- (a) the seller may, but is not obligated to, accept late payment of the Purchase Price and give the buyer possession upon reasonable terms; and
- (b) if the seller agrees to accept late payment of the Purchase Price and, whether or not possession is granted, the buyer will pay late interest at the prime lending rate of the ATB Financial at the Completion Day plus 3% calculated daily from and including the Completion Day to (but excluding) the day the seller is paid in full. Payment received after 12 noon on any day will be payment as of the next Business Day.

11. INSURANCE

11.1 The seller bears the risk of loss or damage to the Property until the Purchase Price is paid. If such loss or damage occurs before the Purchase Price is paid, any insurance proceeds will be held in trust for the seller and buyer based on their interests.

12. REMEDIES

- 12.1 If the seller or buyer fails or refuses to complete this contract, the other party may seek all remedies, such as claims for Deposits and damages, and reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.
- 12.2 On buyer default, if the seller must restore the Property title, enforce a lien against the Property or regain possession of the Property, the seller may seek all remedies, such as claims for damages, and all reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.
- 12.3 The seller and the buyer agree that the Property is unique. On seller default, the buyer may make a claim for specific performance and other remedies.

13. NOTICE AND DOCUMENTS

- 13.1 A notice under this contract means a written document, including notices required by this contract, and this contract when accepted.
- 13.2 A notice is effective at the time the document is delivered in person or sent by fax or email.
- 13.3 Giving notice means the document is transmitted by one of these methods, and regardless of the method, the notice document is recognized as an original document.
- 13.4 For documents that require a signature, an electronic signature, as defined in the Electronic Transactions Act (Alberta), or a digitized signature will have the same function as an ink signature.

14. AUTHORIZATION

14.1 The seller and buyer may each authorize a representative to send and receive notices as described above. Once authorized, notices will be effective upon being delivered in person, or sent by fax or email to the authorized representative.

The seller authorizes:

Seller's Brokerage:

Name: Bode Platform Inc.

Address: _____

Brokerage Representative:

Name: Jeff Jackson

Phone: _____

Fax: _____

Email: info@bodecanada.com

The buyer authorizes:

Buyer's Brokerage:

Name: N/A

Address: _____

Brokerage Representative:

Name: N/A

Phone: _____

Fax: _____

Email: _____

Initial
[Signature]

DS
[Signature] DS
[Signature]





14.2 If the seller or the buyer does not authorize a brokerage, then:

The seller authorizes:

Name: _____
Address: _____
Phone: _____
Fax: _____
Email: _____

The buyer authorizes:

Name: Bode Platform Inc.
Address: _____
Phone: _____
Fax: _____
Email: _____

14.3 If the authorization information changes, the seller and buyer agree to give written notice to the other party as soon as the change is known so that future notices may be sent to the proper person and place.

15. CONFIRMATION OF CONTRACT TERMS

15.1 The seller and buyer confirm that this contract sets out all the rights and obligations they intend for the purchase and sale of the Property and that:

- (a) this contract is the entire agreement between them; and
(b) unless expressly made part of this contract, in writing:
(i) verbal or written collateral or side agreements or representations or warranties made by either the seller or buyer, or the seller's or buyer's brokerage or agent, have not and will not be relied on and are not part of this contract; and
(ii) any pre-contractual representations or warranties, howsoever made, that induced either the seller or buyer into making this contract are of no legal force or effect.

Seller's Initials [Handwritten initials]

Buyer's Initials [Handwritten initials]

16. LEGAL OBLIGATIONS BEGIN

16.1 The legal obligations in this contract begin when the accepted contract is delivered in person or sent by fax or email. The obligations bind the seller and the buyer as well as their heirs, administrators, executors, successors, and assigns.

17. OFFER

17.1 The buyer offers to buy the Property according to the terms of this contract.

17.2 This offer/counteroffer shall be open for acceptance in writing until 5 P. m. on February 24, 2025.

SIGNED AND DATED at _____, Alberta at _____, m. on February 23, 2025 | 3:16 PM PST, 20_____.

DocuSigned by: [Signature]
Signature of Buyer or Authorized Signatory of Buyer

Signature of Witness

Evan Hegedys
Print Name of Buyer or Authorized Signatory of Buyer

Print Name of Witness

DocuSigned by: [Signature]
Signature of Buyer or Authorized Signatory of Buyer

Signature of Witness

Douglas Price
Print Name of Buyer or Authorized Signatory of Buyer

Print Name of Witness

Buyer's GST # _____





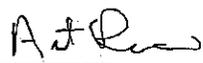
Agricultural Purchase Contract

Contract Number

18. ACCEPTANCE

18.1 The seller agrees to sell the Property according to the terms of this contract.

SIGNED AND DATED at _____, Alberta at _____ m. on February 24, 2025 | 6:29 PM PST, 20____.

Signed by:


Signature of Seller or Authorized Signatory of Seller

Signature of Witness

Art Price for Sunterra Farms Ltd.

Print Name of Seller or Authorized Signatory of Seller

Print Name of Witness

Signature of Seller or Authorized Signatory of Seller

Signature of Witness

Print Name of Seller or Authorized Signatory of Seller

Print Name of Witness

Seller's GST # _____

Non-registered owner spouse's signature (when dower rights apply):

SIGNED AND DATED at _____, Alberta at _____ m. on _____, 20____.

Signature of Non-Registered Owner Spouse

Signature of Witness

Print Name of Non-Registered Owner Spouse

Print Name of Witness

INFORMATION

The following is for information purposes and has no effect on the contract's terms:

REJECTION

I/we do not accept this offer/counteroffer. No counteroffer is being made.

SIGNED AND DATED at _____, Alberta at _____ m. on _____, 20____.

Signature of Seller or Authorized Signatory of Seller

Signature of Buyer or Authorized Signatory of Buyer

Signature of Seller or Authorized Signatory of Seller

Signature of Buyer or Authorized Signatory of Buyer



CONVEYANCING INFORMATION

Seller's Information:

Address _____

Phone _____ Fax _____

Lawyer Name _____ NA

Firm _____

Address _____

Phone _____ Fax _____

Email _____ NA

Buyer's Information:

Address _____

Phone _____ Fax _____

Lawyer Name _____ Mitchell Barry

Firm _____

Address _____

Phone _____ Fax _____

Email _____ mbarry@barryjamesl
aw.ca





AGRICULTURAL PURCHASE CONTRACT PROPERTY SCHEDULE

This Schedule is attached to and forms part of the Agricultural Purchase Contract # _____

Seller _____ Buyer _____

Seller _____ Buyer _____

1. REPRESENTATIONS AND WARRANTIES

1.1 The seller represents and warrants to the buyer the following are provided to the Property:

- | | | | |
|---------------------------|--|--|--|
| (a) Electricity | <input type="checkbox"/> residence | <input type="checkbox"/> property line | <input type="checkbox"/> not serviced |
| (b) Telephone land line | <input type="checkbox"/> residence | <input type="checkbox"/> property line | <input type="checkbox"/> not serviced |
| (c) Cable service | <input type="checkbox"/> residence | <input type="checkbox"/> property line | <input type="checkbox"/> not serviced |
| (d) Natural gas | <input type="checkbox"/> residence | <input type="checkbox"/> property line | <input type="checkbox"/> not serviced |
| (e) Municipal road access | <input type="checkbox"/> yes <input type="checkbox"/> no | | |
| (f) Driveway access | <input type="checkbox"/> yes <input type="checkbox"/> no | <input type="checkbox"/> private <input type="checkbox"/> shared | <input type="checkbox"/> via registered easement |

Other _____

1.2 The seller represents and warrants to the buyer the following information about the Property:

- | | | | |
|--------------------------------------|---|---|--------------------------------------|
| (a) Registered water rights | <input type="checkbox"/> yes <input type="checkbox"/> no | Priority #: _____ | |
| (b) Water rights included | <input type="checkbox"/> yes <input type="checkbox"/> no | | |
| (c) Surface rights contracts | <input type="checkbox"/> yes <input type="checkbox"/> no | | |
| (d) Registered easements | <input type="checkbox"/> yes <input type="checkbox"/> no | | |
| | <input type="checkbox"/> gas line <input type="checkbox"/> power line | <input type="checkbox"/> pipeline <input type="checkbox"/> well | <input type="checkbox"/> other _____ |
| (e) Non-residential lease agreements | <input type="checkbox"/> yes <input type="checkbox"/> no | | |
| (f) Heat source | <input type="checkbox"/> natural gas | <input type="checkbox"/> propane/LPG | <input type="checkbox"/> electric |
| | <input type="checkbox"/> none | <input type="checkbox"/> other _____ | |
| (g) Septic system | <input type="checkbox"/> tank & field | <input type="checkbox"/> holding tank (size: _____ gallons) | |
| | <input type="checkbox"/> none | <input type="checkbox"/> other _____ | |
| (h) Water supply | <input type="checkbox"/> drilled well | <input type="checkbox"/> cistern (size: _____ gallons) | |
| | <input type="checkbox"/> municipal | <input type="checkbox"/> community co-op | <input type="checkbox"/> other _____ |
| (i) Other | _____ | | |

1.3 Lease Agreement: Possession will be given subject to the terms of the lease agreement. If the buyer is to assume a tenancy, then the seller warrants the following to the Buyer:

- | | | | |
|--------------------------------------|--|--|--|
| (a) Name of tenant(s): | _____ | | |
| (b) Written lease agreement exists | <input type="checkbox"/> yes <input type="checkbox"/> no | If yes, a copy will be provided to buyer | |
| (c) Move-in inspection report exists | <input type="checkbox"/> yes <input type="checkbox"/> no | If yes, a copy will be provided to buyer | |





- (d) Commencement date of lease _____
- (e) Expiry or end date of lease _____
- (f) Renewal Rights _____
- (g) Rent Payable _____
- (h) Security Deposit \$ _____
- (i) Date Received _____
- (j) Is the lease agreement in default yes no If yes, give details _____
- (k) Other Details _____

1.4 The seller represents and warrants to the buyer that there are no unpaid fees to provide services and utilities to the Property that the buyer must assume, except as follows:

2. OTHER TERMS

2.1 The buyer acknowledges that telecommunication facilities may be available to the Property. As the providers and technologies can change, the buyer is responsible to verify availability of these services.

2.2 The seller is providing, without warranting accuracy, the well and water reports as indicated:

- (a) bacterial analysis report, dated _____
- (b) chemical analysis report, dated _____
- (c) flow test report, dated _____
- (d) driller's report, dated _____
- (e) other _____

2.3 The following contracts are to be assumed by the buyer:

Date: _____, m. on _____, 20_____.

Seller's Signature

Buyer's Signature





LAND TITLE CERTIFICATE

S		
LINC	SHORT LEGAL	TITLE NUMBER
0019 603 753	4;16;27;16;SW	971 313 004 +3

LEGAL DESCRIPTION

THE SOUTH WEST QUARTER OF SECTION 16
 TOWNSHIP 27
 RANGE 16
 WEST OF THE FOURTH MERIDIAN
 CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
 EXCEPTING THEREOUT:

PLAN	NUMBER	HECTARES	ACRES
ROAD	7710098	0.405	1.00
ROAD	9111744	0.388	0.96

 EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: SPECIAL AREA 2

REFERENCE NUMBER: 971 035 347

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION

971 313 004	21/10/1997	TRANSFER OF LAND		SEE INSTRUMENT

OWNERS

SUNTERRA FARMS LTD.
 OF PO BOX 266
 ACME
 ALBERTA T0M 0A0

(DATA UPDATED BY: CHANGE OF NAME 051264786)

 ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION		
NUMBER	DATE (D/M/Y)	PARTICULARS

021 173 979	22/05/2002	CAVEAT RE : PIPELINE RIGHT OF WAY CAVEATOR - CANADIAN NATURAL RESOURCES LIMITED.

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
971 313 004 +3

REGISTRATION

NUMBER	DATE (D/M/Y)	PARTICULARS
--------	--------------	-------------

ATTN: SURFACE LAND
 BOX 6926, STN D
 CALGARY
 ALBERTA T2P2G1
 (DATA UPDATED BY: TRANSFER OF CAVEAT
 041101765)
 (DATA UPDATED BY: CHANGE OF NAME 061290348)
 (DATA UPDATED BY: CHANGE OF NAME 081259250)
 (DATA UPDATED BY: TRANSFER OF CAVEAT
 181142025)

191 236 582	20/11/2019	MORTGAGE MORTGAGEE - FARM CREDIT CANADA. 2ND FLOOR, 12040-149 STREET NW EDMONTON ALBERTA T5V1P2 ORIGINAL PRINCIPAL AMOUNT: \$25,000,000
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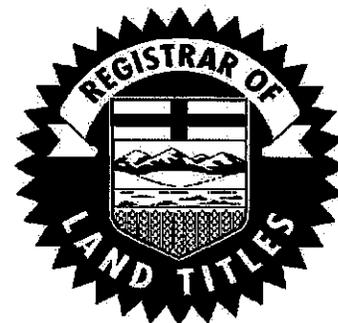
201 163 768	10/09/2020	AMENDING AGREEMENT AMOUNT: \$40,000,000 AFFECTS INSTRUMENT: 191236582
-------------	------------	---

TOTAL INSTRUMENTS: 003

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 25 DAY OF JUNE, 2024 AT 04:43 P.M.

ORDER NUMBER: 50903497

CUSTOMER FILE NUMBER:



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).



AMENDMENT

(For changing contract terms)

This document forms part of Purchase Contract # _____

Seller Sunterra Farms Ltd.

Buyer Evan Hegedys

Seller _____

Buyer Douglas Price

Municipal Address: SW-16-27-16-W4 Dorothy, AB, CA, T0M0A0

The contract is changed as follows:

Delete: 4.2 The seller and buyer appoint Bode Platform Inc. as trustee (the "Trustee") for the Deposits.
4.3 The buyer will pay a deposit of \$10,000, which will form part of the Purchase Price, to the Trustee by Wire Transfer or EFT (method of payment) on or before 2/24/2025.

Insert: 4.2 The seller and buyer appoint Bode Platform Inc. as trustee (the "Trustee") for the Deposits.
4.3 The buyer will pay a deposit of \$10,000, which will form part of the Purchase Price, to the Trustee by Wire Transfer or EFT (method of payment) on or before 2/28/2025.

All other terms and conditions in the contract remain unchanged.

DocuSigned by: Evan Hegedys
Signed and dated at _____, Alberta at _____ m. on February 24, 2025 | 9:36 PM PST, 20____.
Buyer Signature _____ Witness Signature _____ Witness Name (print) _____

DocuSigned by: Douglas Price
Signed and dated at _____, Alberta at _____ m. on February 26, 2025 | 1:22 PM PST, 20____.
Buyer Signature _____ Witness Signature _____ Witness Name (print) _____

DocuSigned by: A. J. Price
Signed and dated at _____, Alberta at _____ m. on February 25, 2025 | 7:08 AM PST, 20____.
Seller Signature _____ Witness Signature _____ Witness Name (print) _____

Signed and dated at _____, Alberta at _____ m. on _____, 20____.
Seller Signature _____ Witness Signature _____ Witness Name (print) _____





LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0019 603 753	4;16;27;16;SW	971 313 004 +3

LEGAL DESCRIPTION

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TOWNSHIP 27
RANGE 16
WEST OF THE FOURTH MERIDIAN
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
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ROAD	9111744	0.388	0.96

EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: SPECIAL AREA 2

REFERENCE NUMBER: 971 035 347

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
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OF PO BOX 266
ACME
ALBERTA T0M 0A0

(DATA UPDATED BY: CHANGE OF NAME 051264786)

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION	DATE (D/M/Y)	PARTICULARS
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(CONTINUED)

REGISTRATION

NUMBER	DATE (D/M/Y)	PARTICULARS
--------	--------------	-------------

ATTN: SURFACE LAND
BOX 6926, STN D
CALGARY
ALBERTA T2P2G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
041101765)

(DATA UPDATED BY: CHANGE OF NAME 061290348)

(DATA UPDATED BY: CHANGE OF NAME 081259250)

(DATA UPDATED BY: TRANSFER OF CAVEAT
181142025)

191 236 582 20/11/2019 MORTGAGE
MORTGAGEE - FARM CREDIT CANADA.
2ND FLOOR, 12040-149 STREET NW
EDMONTON
ALBERTA T5V1P2
ORIGINAL PRINCIPAL AMOUNT: \$25,000,000

201 163 768 10/09/2020 AMENDING AGREEMENT
AMOUNT: \$40,000,000
AFFECTS INSTRUMENT: 191236582

TOTAL INSTRUMENTS: 003

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 25 DAY OF JUNE,
2024 AT 04:43 P.M.

ORDER NUMBER: 50903497

CUSTOMER FILE NUMBER:



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

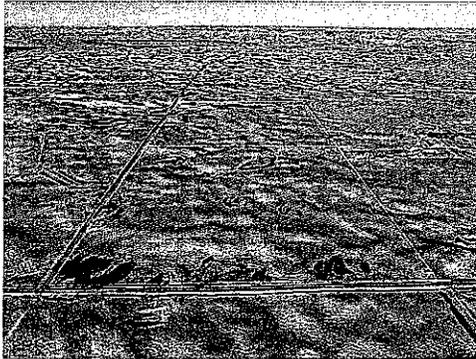
THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

SW-16-27-16- W4 Dorothy, AB T0M0A0

Land Sold

A2181932

W:4 R:16 T:27 S:16 Q:SW DOM: 84 LP: \$325,000.00
CDOM: 84 OP: \$540,000.00
SD: 02/25/2025 SP: \$300,000.00



Class: Commercial Land **LP/Acre:** \$2,056.96
County: Special Area 2 **SP/Acre:** \$1,898.73
City: Dorothy **Type:**
Levels: **District:**
Subdivision: NONE **Tax Amt/Yr:**
Possession: 30 Days / Neg/Negotiable
LINC#: 0019603753
Outbuildings:
Rd Frontage:
Zoning: TBD **Blk:** **Lot Size:** 158.00 Ac
Legal Pln: **Lot:**

Title to Lnd: Fee Simple **Ownership:**
Exclusion: No **SRR:** No
Sewer/Septic: **Condo:** No
Disclosure:
Reports: Title
Restrictions: None Known

Public Remarks: 1/4 section of agriculture land with a residence and building site.

Directions: Dorothy Alberta T0J 0X0 Head southeast on Hwy 570/AB-570 E toward Range Rd 172 ? 7.0 km Turn left onto Range Rd 165 ? 3.2 km Range Rd 165 turns slightly right and becomes Township Rd 272 1.6 km Turn left onto Range Rd 164 ? Destination will be on the left 900 m Range Rd 164 Dorothy, AB T0J 0X0

Property Information

Fencing: None **Water Supply:**
911 Addr: **# Parcels:**
Dist to Trans: **Dist to School:**
Irrigation Eqp: **Farm Eqp Inc:**
Road Access: **Front Length:**
Lot Dim: **Lot Depth:** M'
Front Exp: **Local Imprv:**
Water GPM: **Acres Cleared:**
Depth of Well: **Acres Irrigat:**
Reg Wtr Rgt: **Acres Fenced:**
Bus Service: **Acres Cultivtd:**
Elem School: **Acres Pasture:**
Jr/Mid Schl: **Acres Lsehd:**
High School: **Acres Treed:**
Amenities: **Total Acres:** 158.00
Exterior Feat:
Utilities:
Access Feat:
Goods Include: N/A
Goods Exclude: N/A

Agent & Office Information

List Agent: Shane Koka help@bodecanada.com **Phone:** 587-602-3307
List Firm: Bode **Phone:** 587-602-3307
Firm Address: 1709 21 AVE SW, CALGARY, T2T 0N2 **Firm Fax:** 403-592-6810
Appt: call seller/showing time
Showing Contact: Art Price 403-389-4942 **List Date:** 12/02/2024
Comm: 3.5% the first \$100k, 1.5% the balance **Expiry Dt:**
LB Type/Info: / **With Dt:**
Owner Name: SUNTERRA FARMS LTD. **Ownership:** Private
Occupancy: **Exclusion:** No **SRR:** No

Member Rmks: Sellers prefer offers made on Bode here: <https://bode.ca/listings/19345747> for tracking/ease. Direct questions to appointment contact. Requests submitted through ShowingTime are received/responded to by seller, messages not monitored. This is a Mere Posting defined by CREA. Sellers self-represented. Bode cannot confirm showings. Buyer's brokerage to hold trust deposits and convey. Please copy help@bodecanada.com on all correspondence with seller. Possession date is negotiable and pls contact seller to confirm. The residence is currently occupied but will be vacant by March 31, 2025

Selling Information

Sell Agent: Non Board Member **Sell Firm:** NON BOARD BROKER
Cosell Agent: **Adjust Dt:** 03/31/2025
Pend Dt: **Sold Date:** 02/25/2025 **Sold Price:** \$300,000.00

Printed Date: 03/06/2025 12:16:34 PM

INFORMATION HEREIN DEEMED RELIABLE BUT NOT GUARANTEED. AS OF 2017 MEASUREMENTS ARE PER RESIDENTIAL MEASUREMENT STANDARDS (RMS).

CONTRACT FOR POSTING WITHOUT REPRESENTATION

(For Use in Common Law and Designated Agency Brokerages)

Between

THE SELLER

and

THE SELLER'S BROKERAGE (THE "BROKERAGE")

Name SUNTERRA FARMS LTD.
Name _____
Address SW-16-27-16-W4 , Dorothy T0M0A0
(postal code)
Phone (403) 389-4942 Fax _____
Email art.price@icloud.com

Name Bode Platform Inc.
Name _____
Address 1709 21st Ave. SW, Calgary, AB. T2T 0N2
(postal code)
Phone 587.602.3307. Fax _____
Email info@bodecanada.com
Member of Calgary (the "Board")

1. ACKNOWLEDGMENT OF NON-REPRESENTATION

- 1.1 The Seller has read the Real Estate Council of Alberta's *Consumer Relationships Guide (Guide)* and acknowledges that the Seller has chosen to forgo any agency representation. The Brokerage and its representatives will not owe the Seller any agency obligations and will not provide any services that require exercising discretion or judgment, giving advice, or advocating on the Seller's behalf.
- 1.2 The Seller acknowledges that the obligations owed to the Seller are limited to:
 - exercising reasonable care and skill in providing services to the Seller;
 - not negligently or knowingly providing the Seller with false or misleading information; and
 - complying with the provisions of the *Real Estate Act* and its Regulations, and the Rules and Bylaws of the Real Estate Council of Alberta.
- 1.3 The Seller acknowledges that the Brokerage may be representing buyers who may wish to make an offer on the Seller's property and that the Brokerage is obligated:
 - to act in the best interests of the buyer;
 - not to provide the Seller with information that is not in the best interests of the buyer; and
 - to communicate to the buyer all information, whether of a confidential nature or not, that it receives from the Seller.

2. BROKERAGE OBLIGATIONS

- 2.1 The Brokerage will:
 - (a) post the Seller's property located at SW-16-27-16-W4 , Dorothy, T0M0A0
(municipal address)
_____ (the "Property") for sale on the Board's MLS® System for the price of \$ 575,900;
 - (b) verify the accuracy of data related to the Property that is provided to the MLS® System;
 - (c) maintain, and if necessary amend, the information on the MLS® System;
 - (d) report the date of sale, the selling price and the date of transfer (possession) to the MLS® System when the Property has sold.

3. THE PROPERTY

- 3.1 The legal description of the Property is:

Plan _____ Lot _____ Block _____

or

Condominium Plan _____ Unit _____ Unit factor _____

Titled Parking Condominium Plan _____ Unit(s) _____ Unit factor(s) _____

Title Storage Space Condominium Plan _____ Unit(s) _____ Unit factors(s) _____

or

Other _____
- 3.2 The Property includes:
 - (a) Goods not attached to the Property ("Unattached Goods") as listed below:



(b) All goods attached to the Property ("Attached Goods") except those goods listed below:

(c) If Condominium Property, the following non-titled areas:

Parking stall(s): _____ assigned _____ leased Parking stall #(s) _____
Storage space(s): _____ assigned _____ leased Storage space #(s) _____

4. TERM OF THE CONTRACT

4.1 Refer to Addendum for details.

5. BROKERAGE REMUNERATION

5.1 The Seller will pay the Brokerage as remuneration:

(a) upon the signing of this Contract \$0.00 plus GST;

(b) further remuneration as follows: 1% of the final sale price plus GST (to a maximum of \$10,000 plus GST)

5.2 The Seller instructs the Brokerage to post on the Board's MLS® System that the Seller will enter into a fee agreement with a buyer's brokerage when an offer to purchase is presented to the Seller by the buyer's brokerage representative. Yes No

6. SELLER'S RESPONSIBILITIES

6.1 The Seller will:

- (a) provide the Brokerage with all the information necessary for the posting of the Property on the MLS® System;
- (b) obtain verification of mortgage, property tax, improvement charges, tenancy information;
- (c) communicate and cooperate with the Brokerage in a timely manner;
- (d) immediately advise the Brokerage of any change in status of the Property or in the information provided by the Seller;
- (e) report the sale of the Property, as per clause 2.1(d), to the Brokerage when the purchase price is paid to the Seller or the Seller's lawyer and is releasable; and
- (f) provide any documentation necessary to facilitate or complete the sale.

6.2 **Material Latent Defects:**

Sellers are required by common law to disclose to buyers defects that are hidden, not visible or discoverable upon a reasonable inspection of the Property and that render the Property dangerous or potentially dangerous to the occupants or unfit for habitation. Sellers may also be required to disclose government and local authority notices, lack of development permits and hidden defects that would involve great expense to remedy.

6.3 **Dower Rights:**

- (a) If just one individual is the registered owner of the Property, then the Seller will consider the following questions: Are you legally married? If the answer is yes, have either you or your spouse at any time during your marriage lived on the Property?
- (b) If only one individual is on title and the answer to both questions is yes, then the Seller will be unable to complete a sale of the Property without the legal consent of the spouse. The Seller is urged to obtain legal advice respecting this issue prior to the acceptance of any offer to purchase.

7. INDEMNIFICATION

7.1 The Seller will hold harmless and indemnify the Brokerage for any claims that may arise from its reasonable and good faith reliance on representations made, or information provided by, the Seller.

8. ENDING THE CONTRACT

8.1 This Contract will end upon the Expiry Date of the Contract as specified in clause 4 or upon:

- (a) an earlier date than the Expiry Date if mutually agreed by the Seller and the Brokerage in writing;
- (b) a completed sale of the Property;
- (c) the suspension or cancellation of the Brokerage's licence to trade in real estate;
- (d) the Brokerage ceasing to be a member of the Board.

9. USE AND DISTRIBUTION OF SELLER'S INFORMATION

9.1 The Seller consents to the collection, use and disclosure of personal information (as defined by the *Personal Information Protection Act*) by the Brokerage and the Board for the purpose of compiling, retaining and publishing statistics and conducting comparative market analyses.



10. SIGNATURES

SIGNED AND DATED on December 4, 2024 | 1:06 PM PST, 20

Signature of Seller: SUNTERRA FARMS LTD.

Signature of Witness

Print Name of Seller: SUNTERRA FARMS LTD.

Print Name of Witness

Signature of Seller

Signature of Witness

Print Name of Seller

Print Name of Witness

Signature of Brokerage Representative: Jeffrey Jackson

Print Name of Brokerage Representative: Jeff Jackson

Seller: Initial here to show you have received a copy of this Contract [SFL]

Initials Dated at . m. on December 4, 2024 | 1:06 PM PST, 20





112696

Contract Number

ADDENDUM (For adding contract terms)

RECITALS:

A) The Bode Platform is an online marketplace that enables registered users ("Account Holders") to advertise their real estate property for sale on the Bode Platform ("Listings") and to communicate and transact directly with other Account Holders that are seeking to purchase real estate.

B) The parties acknowledge that for the purpose of listing the Client property on any MLS system, website, or platform Bode is acting as ("Mere Posting Provider") and there is no full-service agency relationship created between Bode and the Customer as defined in the Real Estate Act. A ("Mere Posting") is a listing on a Member Board's MLS System where the member has chosen or agreed not to provide services to the seller other than to submit the listing for posting on MLS.

C) This Agreement applies to any property listed on the Bode Platform and each listing is deemed to create a new agreement between the Client and Bode. Any reference to Client in this agreement refers to a single individual if only one person or entity is on the property title or two or more individuals or entities if they appear on the property title.

1. SCOPE

1.1 The Seller has hereby contracted with Bode Platform Inc. (The "Broker") for the sole service of the Broker to post information about the property for sale onto the Broker's local real estate board's Multiple Listing Service system and other websites associated with the MLS System such as REALTOR.ca on the terms and conditions set out in this agreement (the "Mere Posting"). The following provisions shall supersede and override any provisions contained in the Multiple Listing Contract to which the "Schedule A" is attached.

1.2 Listing Terms Specific to Bode's Independent Homeowner Service:

1.2.1 This Agreement shall commence on the date the listing for the Property is approved by Bode and end at midnight 90 days thereafter; provided however, that this Agreement shall terminate prior to 90 days in the event that:

1.2.1.1 the property is sold;

1.2.1.2 the Client is in material breach of this Agreement and fails to correct such breach within Seven (7) days' notice of such breach from the other party; or

1.2.1.3 the parties mutually agree in writing to terminate the Agreement.

1.2.2 This agreement will automatically extend for an additional 90 days for Client convenience with notification to the customer in advance. The second and any subsequent 90 day term will maintain all terms as described herein. Following fulfillment of the first 90 day-term, the Client may terminate the Agreement without any penalty.

1.3 Listing terms specific to Bode New Home Builder Subscription Service replace any other references to listing duration in this agreement:

1.3.1. This Agreement shall commence on the date the listing for the Property is approved by Bode and end at midnight 365 days thereafter; provided however, that this Agreement shall terminate prior to 365 days in the event that:

1.3.1.1 the property is sold;

1.3.1.2 the Client is in material breach of this Agreement and fails to correct such breach within Seven (7) days' notice of such breach from the other party; or

1.3.1.3 the Client notifies Bode of their intention to terminate the listing

2. BODE SERVICES

2.1 Bode shall for the term of this Agreement or until the property is sold:

2.1.1 list the property on leading listing exposure websites which may include but are not limited to Realtor.ca™, Kijiji™, Zillow™ and Facebook™ (collectively the "Listing Services") marketplace with the purpose of the enablement of the successful sale of the listed property;

2.1.2 provide access to important lead information to provide applicable data for market feedback to support and refine Client selling strategies;

2.1.3 provide access to the Bode scheduling tool for the purposes of scheduling showings and use of other home services;

2.1.4 provide market data at the request of the Client for pricing consideration;

2.1.5 provide access to the Bode negotiation tool for the receipt of offers from interested buyers moving towards close of sale;

2.1.6 hold money we receive in trust, consistent with applicable laws for brokerages in British Columbia;

2.1.7 provide appropriate legal agreements through the selling process for further handling with their selected lawyers to finalize the sale.

2.2 As mere posting provider, and in accordance with CREA's requirements regarding Mere Postings, Bode:

2.2.1 will not give confidential advice to the Client or a buyer;

2.2.2 will not act in a way that requires the use of judgment or discretion on which the Client can rely;

2.2.3 will not communicate with third-parties on behalf of the Client; and

2.2.4 will not negotiate on behalf of the Client.





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Contract Number

ADDENDUM (For adding contract terms)

3. CLIENT OBLIGATIONS

- 3.1 The Client shall for the term of this Agreement or until the property is sold:
- 3.1.1 maintain insurance on the property and its contents against loss or damage due to causes normally insured against for similar properties;
 - 3.1.2 communicate with Bode in a timely manner; and
 - 3.1.3 advise Bode if a binding contract for the sale of the property is entered into during the term of the Agreement whether or not is entered into using the Bode platform;
 - 3.1.4 report any change in listing status within one (1) business day.
- 3.2 The Seller acknowledges that the Broker has strict reporting obligations to the Broker's local real estate board for changes in the status of the Property for sale. This includes the obligation of the Broker to report:
- 3.2.1 Any offer that is accepted, conditional or firm, names of buyers and sellers, buyer's agents name and brokerage name, and selling price
 - 3.2.2 Any change in offer status such as conditions being waived or offer is terminated
 - 3.2.3 Any change in the closing date or selling price
- 3.3 Within 24 hours of the occurrence of one of the above events, the Seller shall forward to Bode the information required. In addition, the Seller shall provide to Bode at the same time the relevant documents
- 3.4 The Seller acknowledges that the failure of the Seller to provide the information required in the time frame stipulated above could result in the Company facing fines or sanctions from various regulatory bodies. The Seller specifically agrees to indemnify and hold harmless the Company and Broker from damages that they suffer or costs that they incur because of the Seller's non-compliance with its reporting obligations. The Seller hereby acknowledges that any fine incurred by the Brokerage due to the Seller's failure to report any status change will result in an administrative penalty of \$500.00, payable by the Seller.

4. CLIENT REPRESENTATIONS AND WARRANTIES

- 4.1 The Client represents and warrants that:
- 4.1.1 It has the authority to sell the property as described, including all attached and unattached goods as applicable and if spousal consent is required it has been obtained;
 - 4.1.2 there are no rights of others to the property;
 - 4.1.3 the property and any buildings and improvements thereon comply with all municipal bylaws;
 - 4.1.4 all buildings and improvements on the property are entirely within the boundaries of the property and do not lie on any neighbouring lands, right-of-way or easement unless referenced on the title to the property;
 - 4.1.5 it has had the opportunity to obtain independent legal advice in relation to the entering into of this Agreement, and regarding the sale of the property and the obligations of the Client to disclose to buyers any issues related to defects, governmental notices and permit issues; and
 - 4.1.6 the Client is not a non-resident of Canada under the Income Tax Act (Canada).

5. BODE FEES

- 5.1 Bode's fee is equal to One Percent (1%) of the final sale price for the Client's property, up to a maximum of \$10,000 plus applicable Goods and Services Tax.
- 5.2 The fee set out above shall be payable to Bode if at any time during the term of this Agreement the Client enters into a binding contract for the sale of the property, regardless of whether the buyer was introduced to you through the Bode platform or not, and regardless of when the sale completes.
- 5.3 The fee set out above shall be payable to Bode if within Thirty (30) days after the termination of this Agreement the Client enters into a binding contract for the sale of the property with a person or party introduced to the Client by Bode or through the Bode Platform.
- 5.4 The Client authorizes Bode to pay the fee directly from any deposit funds held by Bode pursuant to this Agreement or pursuant to the contract for the sale of the property, and if any deposit is not sufficient to pay Bode's fee the Client shall instruct their lawyer to deduct from the proceeds of sale an amount sufficient to pay the remaining balance of the fee.

6. PERSONAL INFORMATION

- 6.1 In order to access and use the Bode Platform, you will be required to register with us and set up an authorized account using your email address and a password (your "Account"). The email address you provide will be your email address, and you are solely responsible for maintaining the confidentiality of your password. You are solely responsible for all activities that occur under your Account, and therefore, you should protect your password at all times.
- 6.2 The Client expressly provides consent to Bode to collect, use, maintain and disclose any and all personal information of the Client for all purposes and uses related to this Agreement and the sale of the property, both during the term of this Agreement and after.
- 6.3 The Client acknowledges that Bode may disclose information regarding the Client and the property in any manner that Bode deems necessary to list and effectively market the property for sale.





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Contract Number

ADDENDUM (For adding contract terms)

7. ADDITIONAL TERMS

7.1 The Recitals form part of this Agreement.

7.2 As the provider of the Bode Platform, Bode does not own, create, sell, resell, provide, control, manage, offer, deliver, or supply any Listings, other than to simply allow posting of the Listings on the Bode Platform. Clients alone are responsible for the creation of their Listings. When Account Holders negotiate a contract to transfer ownership of a home, they are entering into a contract directly with each other. Bode is not and does not become a party to or other participant in any contractual relationship between Account Holders or any other persons or parties.

7.3 Bode has no control over and does not guarantee:

- 7.3.1 the existence, quality, safety, suitability, or legality of any Listings Services;
- 7.3.2 the truth or accuracy of any, ratings, reviews, or other content on the Bode Platform; or
- 7.3.3 the performance or conduct of any Account Holder or third-party.

7.4 Bode does not endorse any Account Holder or Listing Service. Any references to an Account Holder being "verified" (or similar language) only indicates that the Account Holder has completed a relevant verification or identification process and nothing else. Any such description is not an endorsement, certification or guarantee by Bode about any Account Holder, including of the Account Holder's identity or background or whether the Account Holder is trustworthy, safe or suitable. You should always exercise due diligence and care when deciding whether to view a home or communicate and interact with other Account Holders, whether online or in person.

7.5 If you choose to use the Bode Platform as a seller or Client, your relationship with Bode is limited to a client relationship and not that of an employee, agent, joint venturer or partner of Bode for any reason, and you act exclusively on your own behalf and for your own benefit, and not on behalf, or for the benefit, of Bode. Bode does not, and shall not be deemed to, direct or control you generally or in your performance under these terms specifically. You acknowledge and agree that you have complete discretion whether to list on the Bode Platform. To promote the Bode Platform and to increase the exposure of Listings to potential Buyers, Listings and other account content may be displayed on other websites, in applications, within emails, and in online and offline advertisements. To assist Account Holders who speak different languages, Listings and other account content may be translated, in whole or in part, into other languages. Bode cannot guarantee the accuracy or quality of such translations and Account Holders are responsible for reviewing and verifying the accuracy of such translations. The Bode Platform may contain translations powered by Google™. Google™ disclaims all warranties related to the translations, express or implied, including any warranties of accuracy, reliability, and any implied warranties for merchantability, fitness for a particular purpose and non-infringement.

7.6 The Bode Platform may contain links to third-party websites or resources ("Third-Party Services"). Such Third-Party Services may be subject to different terms and conditions and privacy practices. Bode is not responsible or liable for the availability or accuracy of such Third-Party Services, or the content, products, or services available from such Third-Party Services. Links to such Third-Party Services are not an endorsement by Bode of such Third-Party Services.

7.7 Due to the nature of the Internet, Bode cannot guarantee the continuous and uninterrupted availability and accessibility of the Bode Platform. Bode may restrict the availability of the Bode Platform or certain areas or features thereof, if this is necessary in view of capacity limits, the security or integrity of our servers, or to carry out maintenance measures that ensure the proper or improved functioning of the Bode Platform. Bode may improve, enhance and modify the Bode Platform and introduce new Bode Services from time to time.

7.8 If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part of a provision and the remaining part of such provision and all other provisions shall continue in full force and effect.

7.9 The waiver by either party of any breach of any term, covenant or condition is not to be deemed to be a waiver of that term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition. No term, covenant or condition of this Agreement is deemed to be waived by either party unless the waiver is in writing and properly executed by the party granting the waiver.

7.10 The Agreement comprises the entire agreement between the Parties and supersedes all previous representations, warranties, dealings, agreements, understandings and expectations of the parties regarding the subject matter of the Agreement.

7.11 As part of this agreement you acknowledge that you have read the Consumer Relationship Guide outlined in Appendix B, discussed it with the real estate professional, and got satisfactory answers to your questions. You also acknowledge that you will be asked to sign documents about the type of relationship you choose with your real estate professional.

7.12 The Seller confirms that they wish the Brokerage to reveal the Property address and to map the property for internet display. The Seller understands that displaying this information poses inherent risks. These risks are inherent in both occupied and vacant properties. By signing this agreement, the Seller promises to "hold harmless" the brokerage of any claims arising from any unauthorized or illicit use of the displayed property information.

7.13 UNDER NO CIRCUMSTANCES WILL BODE BE LIABLE TO THE CLIENT FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL DAMAGES INCURRED OR CLAIMED BY ANY CLIENT OR USER OF THE BODE PLATFORM.

7.14 The seller agrees to pay the cooperating commission amount offered in the MLS listing advertisement, unless another agreement was made with the buyer's agent in writing in the fee agreement or purchase contract. Bode is not liable to pay the cooperating commission on the seller's behalf in any circumstances.



Consumer Relationships Guide

Real estate professionals have a regulatory requirement to present and discuss this Guide with you.

Understanding the legal relationship with your real estate professional

Buying or selling a property is probably one of the most important financial decisions you'll make. This Guide explains the different relationships you can have with a real estate professional. Each has its own legal meaning and responsibilities, so it's important to understand them. A real estate professional must give you this Guide and discuss it with you.

What this Guide explains

There are three kinds of relationships you can have with a real estate professional.

1. A real estate brokerage* can act as your agent. This is called a common law agency relationship and it includes all brokerage real estate professionals and staff.
2. An individual real estate professional can act as your agent. This is called a designated agency relationship.
3. You can be a customer to a real estate professional.

The Guide also explains what happens when the buyer and seller have the same agent.

*A brokerage is the organization your industry professional works for.

Choosing to have an agent (also called an agency relationship)

An agent is someone who acts on your behalf with your permission. If the agent is an individual, the agency relationship is between the individual and you. If the agent is a brokerage, the agency relationship is between the brokerage and you. When you appoint an agent, you'll be asked to sign a written agreement that explains both the agent's responsibilities and yours.

An agent's responsibilities to you

A sole agent acts for either the buyer or the seller in a trade or possible trade, and has a duty to protect that client's interests. In this relationship, the real estate professional has the highest level of legal responsibility to you. These responsibilities include:

1. **Undivided loyalty** The agent must act only in your best interests and put them above their own and those of other people. The agent must avoid conflicts of interest and must protect your negotiating position at all times.
2. **Confidentiality** The agent must keep information confidential, even after your relationship ends. Confidential information includes your personal information, information about the property, and information about the transaction (except information the law says must be disclosed or information you agree to disclose).
3. **Full disclosure** The agent must tell you, in writing, about the services they will provide. They must also tell you everything they know that might affect your relationship or influence your decision in a transaction, even if they don't think it's important. This includes any conflicts of interest, for example when they act (or are planning to act) on behalf of any other person in a transaction. The only information they can't give you is confidential information from another agency relationship.
4. **Obedience** The agent must obey all your lawful, reasonable, and ordinary instructions. If you insist on something unlawful, the agent must refuse and consider ending your relationship and the agreement.
5. **Reasonable care and skill** The agent must exercise reasonable care and skill in all their duties. They must meet the standard of a reasonable and competent member of the real estate industry.
6. **Full accounting** The agent must account for all money and property they receive while acting on your behalf. Everything a client puts in the care of an agent—for example, money, keys, or documents—is returned when the agreement ends.

Your responsibilities to the agent

You must:

- give the agent any information or facts that could affect the transaction or their ability to act as your agent.
- pay the fees you've agreed to pay your agent. Your written agreement will list these fees.
- pay the agent's expenses as outlined in your agreement.

Consumer Relationships Guide

Having a customer relationship with your real estate professional

You can choose to represent yourself in a purchase or sale when a real estate professional represents the other party. In this case, you have a customer relationship with the real estate professional. They can't give you the services they give when acting as your agent, but they can help make the purchase or sale happen. For example, they may agree to give you statistics or the names of appraisers, mortgage brokers, or other service providers. They may also help you complete standard forms. When a real estate professional works with you as a customer, they have a responsibility to act honestly, use reasonable care and skill, and make sure any information they give is correct.

Conflicts of interest—what happens when the same agent represents the buyer and seller

In some cases, the same real estate professional or brokerage represents both the buyer and the seller. The people involved can decide to handle this several ways:

1. Either the buyer or the seller can get a different agent.
2. The buyer or the seller can stay with the same real estate professional, but in a customer relationship. The professional can give information and help without acting as an agent. See Having a customer relationship with your real estate professional.
3. The agent can help facilitate the transaction, without acting in the interest of either side. This means the professional has reduced agency responsibilities to the buyer and seller. All parties must understand and agree to this change of relationship in writing, before either side presents or accepts the initial offer on the property.

Working on the transaction, not for one side or the other

When the agent facilitates the transaction, their responsibilities are to:

- be impartial in dealing with both sides
- not give confidential advice, support only one side, or use judgment or discretion that benefits one side over the other
- give both sides real estate statistics and information, including comparable property information from listing services and local databases
- give you agreements of purchase and sale, lease, and other relevant documents, according to your instructions
- promptly give you all offers and counter-offers to and from the other side, even if there is already a contract to buy or sell the property
- pass on all information to you that the other side wants you to know
- keep you informed of progress
- do anything else to serve both sides, as long as the agreement with each side allows it

Making an informed choice about your relationships

Your real estate professional must explain the responsibilities and limits of these relationships to you. To review:

- A real estate brokerage can act as your agent.
- An individual real estate professional can act as your agent.
- You can be a customer to a real estate professional.
- In a conflict of interest when the buyer and seller have the same agent, a real estate professional can facilitate a transaction between two sides with their permission.

The Real Estate Council of Alberta
is the standards-setting, governing body for
real estate, mortgage brokerage, property
management and real estate appraisal
professionals.

Real Estate Council of Alberta
202, 1506 11 Ave SW
Calgary, AB T3C 0M9
1 (888) 425-2754
info@reca.ca
www.reca.ca

Signing that you've read and understood this Guide

I/we acknowledge I/we have read the Guide, discussed it with the real estate professional, and got satisfactory answers to my/our questions. I/we know I/we will be asked to sign documents about the type of relationship I/we choose with my/our real estate professional(s).

Bode Platform Inc.
1709 21 Ave SW
Calgary AB T2T 0N2
finance@bodecanada.com
Business Number 791556731 RT0001



INVOICE

BILL TO
Art Price

INVOICE # B00768
DATE 02/25/2025
DUE DATE 04/03/2025
TERMS Net 30

DATE	ACTIVITY	DESCRIPTION	TAX	QTY	RATE	AMOUNT
	Service Fee	For sale of: SW-16-27-16- W4, Dorothy	GST	1	3,000.00	3,000.00

Please make cheques payable to Bode Platform Inc.

SUBTOTAL 3,000.00
GST @ 5% 150.00
TOTAL 3,150.00
BALANCE DUE **\$3,150.00**

TAX SUMMARY

RATE	TAX	NET
GST @ 5%	150.00	3,000.00

Conveyancer's Instruction Report

Listing Office: Bode Canada, 15268859

Seller: Sunterra Farms Ltd.
Seller's Lawyer: Evann Neumann, Deeded
4620 Manilla Rd SE, Calgary, AB T2G 4B7
Phone: 855-456-4335 Email: marta@deeded.ca

Buyer: Evan Hegedys, Douglas Price
Buyer's Lawyer: Mitchell Barry, Barry & James LLP
205 Main Street, P.O. Box 1234, Three Hills, AB T0M 2A0
Phone: 403-443-2200 Email: mbarry@barryjameslaw.ca

Property: SW-16-27-16-W4, Dorothy, AB T0M 0A0
Legal Unit: Quarter: SW Section: 16 Township: 27 Range: 16 Meridian: 4
Sale Price: \$300,000.00
Possession Date: March 31, 2025

Commissions

Listing Commission: 1% of the final sale price plus GST
Listing Commission: \$3,000.00
GST: \$150.00 **Total: \$3,150.00**

Selling Commission: N/A
Selling Commission: \$0.00
GST: \$0.00 **Total: \$0.00**

Total Commission: \$3,000.00
GST: \$150.00 **Total: \$3,150.00**

Trust Balance Held at Bode: \$10,000.00

Excess Funds: \$6,850.00

Listing Agent: Jeff Jackson

Listing Brokerage: Bode Canada, 1709 21 AVE SW, Calgary AB T2M 3Y7 Phone: (403) 464-5333

Selling Agent: N/A, Buyer is Self-Represented

Selling Brokerage: N/A, Buyer is Self-Represented



Contract Number

AGRICULTURAL PURCHASE CONTRACT

Between

THE SELLER

and

THE BUYER

Name SUNTERRA FARMS LTD.

Name Evan Hegedys

Name _____

Name Douglas Price

1. THE PROPERTY

1.1 The Property is:

- (a) the land located in the (County or MD): _____
Municipal Address: SW-16-27-16-W4 Dorothy, AB, T0M0A0

Legal description(s) as set out below or on the Land Description Schedule, selected as attached in clause 9.1

LINC Number	Title Number	W. of (Meridian)	Range	Township	Section	Quarter Section	Part	Hectares (more or less)	Acres (more or less)
0019603753	971 313 004 +3	4	16	27	16	SW		64.7	160

Excepting thereout all mines and minerals unless otherwise stated _____ (the "Lands");

- (b) all buildings and other improvements on the Lands (the "Buildings");
- (c) these unattached goods: _____
- (d) the attached goods except for: _____
- (e) the following tenancies where the seller is the landlord and the buyer is assuming these leases ("Accepted Tenancies"), or as described in the schedules selected as attached in clause 9.1: _____

2. PURCHASE PRICE AND COMPLETION DAY

2.1 The purchase price is \$300,000.00 plus GST (the "Purchase Price").

2.2 With respect to GST payable if the buyer is:

- (a) not a GST registrant under the *Excise Tax Act* (Canada), then the buyer shall remit the applicable GST to the seller's lawyer on or before the Completion Day. The seller shall remit the GST to the Receiver General as required by law, and will indemnify and save the buyer harmless from and against all costs and expenses (including legal fees on a solicitor/client full indemnity basis) that the buyer may incur or become subject to as a result of the seller's failure to remit GST pursuant to this clause; or
- (b) a GST registrant under the *Excise Tax Act* (Canada), then the buyer will provide the seller with proof and details of the buyer's GST registration before the Completion Day. The buyer will assume the liability for all GST payable pursuant to the *Excise Tax Act* (Canada) accruing in respect of this transaction and will indemnify and save the seller harmless from and against all costs and expenses (including legal fees on a solicitor/client full indemnity basis) that the seller may incur or become subject to as a result of the buyer failing to comply with its obligations pursuant to this clause.

2.3 This contract will be completed, the Purchase Price fully paid, and vacant possession given to the buyer at 12 noon on March 31, 2025 (the "Completion Day"), subject to the rights of the tenants in the Accepted Tenancies, if any. All harvested crops remain the property of the seller and will be removed by the 31 day of March, 2025, and all unharvested crops by the 31 day of March, 2025, after which time the crops or any part thereof not removed shall become the absolute property of the buyer.

2.4 After the date that acceptance of this contract is communicated, the seller shall not make any changes to any of the leases pertaining to the Accepted Tenancies without the buyer's consent in writing.

[Handwritten Signature]

[Handwritten Signature]





2.5 The seller represents and warrants that on the Completion Day, the Property will be in substantially the same condition as when this contract was accepted and the attached and unattached goods will be in normal working order.

3. GENERAL TERMS

- 3.1 In fulfilling this contract, the seller and buyer agree to act reasonably and in good faith and agree that:
(a) unless the seller, buyer or both have agreed to alternate representation, the seller and buyer are each represented by their own sole agent and those agents have no agency responsibility to the other party;
(b) the laws of Alberta apply to this contract;
(c) Alberta time applies to this contract. Time is of the essence, which means times and dates will be strictly followed and enforced;
(d) Business Day means every day but Saturday, Sunday, and statutory holidays, and includes all the hours of the day;
(e) a reference to the seller or buyer includes singular, plural, masculine, feminine or an entity like a corporation;
(f) the seller will disclose known Material Latent Defects. Material Latent Defects means a defect in the Property that is not discoverable through a reasonable inspection and that will affect the use or value of the Property;
(g) the seller and buyer are each responsible for completing their own due diligence and will assume all risks if they do not;
(h) the seller will ensure the seller's representations and warranties are true by:
(i) reviewing documents such as land title, registrations on title, leases, and contracts;
(ii) determining non-resident status for income tax purposes and determining any dower rights;
(iii) determining whether or not GST is payable for the sale of the Property;
(iv) conducting due diligence searches, such as litigation and personal property security registry searches; and
(v) doing other needed research;
(i) the buyer will ensure the buyer's representations and warranties are true by determining its ability to purchase land under the Foreign Ownership of Land Regulations (Alberta);
(j) the buyer may get independent inspections or advice on items such as land title, registrations on title, current and future use including agricultural use, Buildings and mechanical systems, property insurance, title insurance, applicability of GST, size of the Lands and Buildings, interior and exterior measurements, leases, current tenancy statements, pertaining to Accepted Tenancies, registrations affecting the unattached goods and attached goods, the seller's representations and warranties included in the attached Agricultural Purchase Contract Property Schedule, and other items important to the buyer;
(k) contract changes that are agreed to in writing will supersede the pre-printed clauses;
(l) the seller and buyer will read this contract and seek relevant advice before signing it;
(m) the brokerages, real estate board and listing services may collect, maintain, disclose, and publish relevant information about this transaction, including the unconditional sale price and date of sale of the Property, for reporting, statistical, property evaluation and closing purposes; and
(n) the seller's (seller's or buyer's) brokerage will provide this contract and related documents to the appointed lawyers for the purpose of closing this contract.

4. DEPOSITS

- 4.1 The seller and buyer agree that clauses 4.2 through 4.9 are the terms of trust for the Deposits. "Deposits" means the amounts payable under clauses 4.3 and 4.4, and "Deposit" means either of them.
4.2 The seller and buyer appoint Bode Platform Inc. as trustee (the "Trustee") for the Deposits.
4.3 The buyer will pay a deposit of \$ 10,000.00, which will form part of the Purchase Price, to the Trustee by Wire Transfer or EFT (method of payment) on or before 02/24/2025
4.4 The buyer will pay an additional deposit of \$ (method of payment) on or before
4.5 If the buyer fails to pay a Deposit as required by this contract, the seller may void this contract at the seller's option by giving the buyer written notice. The seller's option expires whenever the seller accepts a deposit, even if late.
4.6 The Trustee will deposit the Deposits into a trust account within three Business Days of receipt.
4.7 Interest on the Deposits will not be paid to the seller or buyer.
4.8 The Deposits will be held in trust for both the seller and buyer. Provided funds are confirmed, the Deposits will be disbursed, without prior notice, as follows:
(a) to the buyer, if after this contract is accepted:
(i) a condition is not satisfied or waived in accordance with clause 8.4;
(ii) the buyer voids this contract for the seller's failure to provide a Dower Consent and Acknowledgement form in accordance with subclause 7.1(b);
(iii) the seller voids this contract for the buyer's failure to pay an additional deposit in the case where an initial deposit has been paid by the buyer; or
(iv) the seller fails to perform this contract;
(b) to the seller, if this contract is accepted and all conditions are satisfied or waived, and the buyer fails to perform this contract; or



- (c) applied against the Fee owed by the seller by payment directly out of trust to the brokerage(s), with any excess amount paid in trust to the seller's lawyer no later than three Business Days prior to the Completion Day. "Fee" means the amount, plus GST, owed to a real estate brokerage under a written service agreement.
 - (d) If the seller or buyer fails or refuses to complete this contract, the other party may seek all remedies, such as claims for deposits and damages, and reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.
- 4.9 The disbursement of Deposits, as agreed to in this clause, will not prevent the seller or buyer from pursuing remedies in clause 12.

5. LAND TITLE

- 5.1 Title to the Property will be free of all encumbrances, liens and interests except for:
- (a) those implied by law;
 - (b) non-financial obligations now on titles, such as easements, utility rights-of-way, covenants and conditions that are normally found registered against of this nature; and
 - (c) the following encumbrances that the buyer agrees to accept:
021173979
191236582
201163768

6. REPRESENTATIONS AND WARRANTIES

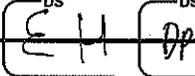
- 6.1 The seller represents and warrants to the buyer that:
- (a) the seller has the legal right to sell the Property;
 - (b) the seller is not now nor will it be on the Completion Day a non-resident for the purposes of the *Income Tax Act* (Canada), nor an agent or a trustee for any person with an interest in the Property who is a non-resident of Canada;
 - (c) no one else has a legal right to the included attached and unattached goods;
 - (d) the current use of the Lands and Buildings complies with the existing municipal land use bylaw and any restrictive covenant on title;
 - (e) the location of the Buildings and land improvements:
 - (i) are on the Lands and not on any easement, right-of-way or neighbouring lands unless there is a registered agreement on title or, in the case of an encroachment into municipal lands or a municipal easement or right-of-way, the municipality has approved the encroachment in writing;
 - (ii) complies with any restrictive covenant on title, and municipal bylaws, regulations and relaxations, or the Buildings and improvements are "non-conforming buildings" as defined in the *Municipal Government Act* (Alberta);
 - (f) known Material Latent Defects, if any, have been disclosed in writing in this contract;
 - (g) any government and local authority notices regarding the Property, lack of permits for any development on the Property, or notices regarding any environmental conditions or problems known to the seller have been disclosed in writing in this contract;
 - (h) there is no legal action outstanding with respect to the Property;
 - (i) the Property is in compliance with all applicable environmental laws;
 - (j) the seller is not in breach of any contract with respect to the Property which gives rise to an interest in land, including but not limited to, any leases related to Accepted Tenancies;
 - (k) any leases pertaining to the Accepted Tenancies are valid and in good standing;
 - (l) the seller is not in breach of any obligation to any third party with respect to the Property which gives rise to an interest in land;
 - (m) any on-site sewage systems serving the Property:
 - (i) are wholly within the limits of the Property;
 - (ii) have received the required certificates of installation and approval pursuant to the *Environmental Protection and Enhancement Act* (Alberta) (the "EPEA") and have been constructed according to those certificates of installation and approvals, or have the required certificates of installation and approval from the local municipality;
 - (iii) have received all required use permits under the EPEA or have the required use permits under the local municipality; and
 - (iv) have been properly used and regularly maintained and will be in good working order on the Completion Day; and
 - (n) the seller has disclosed to the buyer all knowledge and information it has regarding all wells, water sources, and water rights pertaining to the Property in writing in this contract.

6.2 The buyer represents and warrants to the seller that the buyer is eligible to purchase "controlled land" as defined in the *Foreign Ownership of Land Regulations* (Alberta);

6.3 The representations and warranties in this contract including any attached Schedules:

- (a) are made as of, and will be true at, the Completion Day; and

Initials

DS




(b) will survive completion and may be enforced after the Completion Day as long as any legal action is commenced within the time limits set by the *Limitations Act* (Alberta).

7. DOWER

7.1 The seller represents and warrants to the buyer that no spouse has dower rights in the Property. Otherwise, if dower rights do apply, the seller will:

- (a) have the non-owner spouse sign this contract; and
- (b) provide a completed Dower Consent and Acknowledgment form to be attached to and form part of this contract on or before _____, 20____. If the seller fails to provide the completed Dower Consent and Acknowledgment form by the agreed date, the buyer may void this contract at the buyer's option by giving the seller written notice. The buyer's option expires when the seller delivers the Dower Consent and Acknowledgement form, even if delivered late.

8. CONDITIONS

8.1 The seller and buyer will:

- (a) act reasonably and in good faith in trying to satisfy their own conditions, including making reasonable efforts to fulfill them, and
- (b) pay for any costs related to their own conditions.
- (c) agree that the buyer may retain consultants to conduct inspections, reviews and tests on the Property and may enter upon the Property for the purpose of conducting its investigations about the state of the Property, subject to the following:
 - (i) the rights of any tenants;
 - (ii) the buyer shall not carry out any destructive or physically invasive testing, except with the prior written consent of the seller and shall repair all damage resulting from its investigations;
 - (iii) the buyer shall obtain the seller's prior consent as to the timing and length of any inspections;
 - (iv) in conducting its investigations, the buyer shall use commercially reasonable efforts to minimize disruption of the current use of the Property; and
 - (v) the buyer shall indemnify and save the seller harmless from all claims, damages, losses or liabilities of any kind (including legal fees on a solicitor/client full indemnity basis) resulting from the buyer's investigations upon the Property; and
- (d) agree that the seller will provide the buyer with such written authorizations and other assistance when reasonably required by the buyer to facilitate the buyer's inspections, reviews and tests, to satisfy its conditions.
- (e) obtain professional advice with respect to GST applicable to the transaction.

8.2 Buyer's Conditions

The buyer's conditions are for the benefit of the buyer and are:

(a) **Financing**

This contract is subject to the buyer securing new financing from a lender of the buyer's choice and with terms satisfactory to the buyer, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.

(b) **Property Inspection**

This contract is subject to the buyer's satisfaction with an inspection of the improvements on the Property, conducted by a licensed inspector, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.

(c) **Sale of Buyer's Property**

This contract is subject to the sale of the buyer's property before _____ m. on _____, 20____, on the terms in the attached Sale of Buyer's Property Schedule.

(d) **Water**

This contract is subject to the buyer's satisfaction with the source and the flow rate of the water supply and a review of well and water reports prepared by an inspector of the buyer's choice, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.

(e) **On-site Sewage System**

This contract is subject to the buyer's satisfaction with a review of the on-site sewage system inspection, prepared by an inspector of the buyer's choice, before _____ m. on _____, 20____. The seller will cooperate by providing access to the Property on reasonable terms.

(f) **Agricultural Purchase Contract Property Schedule**

This contract is subject to the buyer's satisfaction with the information provided by the seller in the attached Agricultural Purchase Contract Property Schedule, before _____ m. on _____, 20____.

(g) **Subdivision Plan**

This contract is subject to the buyer's satisfaction with a review of a subdivision plan for the Property before _____ m. on _____, 20____. The seller will cooperate by providing a true copy of the subdivision plan.

(h) Due Diligence

(i) Within _____ Business Days after the date that acceptance of this contract is communicated, the seller will provide to the buyer true copies of all agreements, documents, reports and other materials respecting the Property that are in the possession or control of the seller (the "Disclosure Documents"), including but not limited to: copies of Permitted Encumbrances, copies of leases for the Accepted Tenancies, environmental reports, operating information, surveyors plans and reports, real property reports, permits, verification of GST payable, and

(ii) The buyer will keep all Disclosure Documents and information obtained from the seller in strict confidence and will only make such information available to the buyer's employees, agents and professional advisors on a need to know basis. Should this transaction not be completed, the buyer will return the Disclosure Documents including all copies to the seller immediately.

(iii) This contract is subject to the buyer's satisfaction with the results of its review of the Disclosure Documents and its inspections of the Property, before _____ m. on _____, 20_____.

(i) Additional Buyer's Conditions

before _____ m. on _____, 20_____.

8.3 Seller's Conditions

The seller's conditions are for the benefit of the seller and are:

before _____ m. on _____, 20_____.

8.4 Each party will give the other written notice that:

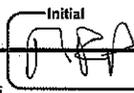
- (a) a condition is unilaterally waived or satisfied on or before the date upon which it expires. If not, this contract will end after the time indicated for that condition; or
- (b) a condition will not be waived or satisfied prior to the date upon which it expires. This contract will end upon that notice being given.

9. ATTACHMENTS AND ADDITIONAL TERMS

9.1 The selected documents are attached to and form part of this contract:

- Land Description Schedule
- Certificate(s) of Title for the Lands
- Financing Schedule (Seller Financing, Mortgage Assumption, Other Value)
- Sale of Buyer's Property Schedule
- Surface Leases and Income Schedule
- Grazing Leases and Permits Schedule
- Property Leases Schedule
- Residential Leases Schedule
- Water and Irrigation Rights Schedule
- Agricultural Purchase Contract Property Schedule
- Manufactured Home Schedule
- Addendum
- Other

This offer is contingent on purchasing this 1/4 and the adjoining 1/4. Seller has option to complete Agricultural Purchase Contract Property Schedule at their discretion.

Initial


Seller's Initials

^{DS}


Buyer's Initials





- (a) the buyer's payment of the Purchase Price and late interest will be delayed until the buyer or buyer's lawyer has received the Closing Documents and has a reasonable time to review and register them, obtain the advance of mortgage financing, and verify the transfer of other value items, as applicable; and
- (b) if the buyer is willing and able to close in accordance with this contract and wants to take possession of the Property, then the seller will give the buyer possession upon reasonable terms which will include the payment of late interest only on the amount of mortgage being obtained by the buyer at the interest rate of that mortgage.

10.12 If the seller has complied with clause 10.2, but the buyer is not able to close in accordance with this contract, then:

- (a) the seller may, but is not obligated to, accept late payment of the Purchase Price and give the buyer possession upon reasonable terms; and
- (b) if the seller agrees to accept late payment of the Purchase Price and, whether or not possession is granted, the buyer will pay late interest at the prime lending rate of the ATB Financial at the Completion Day plus 3% calculated daily from and including the Completion Day to (but excluding) the day the seller is paid in full. Payment received after 12 noon on any day will be payment as of the next Business Day.

11. INSURANCE

11.1 The seller bears the risk of loss or damage to the Property until the Purchase Price is paid. If such loss or damage occurs before the Purchase Price is paid, any insurance proceeds will be held in trust for the seller and buyer based on their interests.

12. REMEDIES

- 12.1 If the seller or buyer fails or refuses to complete this contract, the other party may seek all remedies, such as claims for Deposits and damages, and reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.
- 12.2 On buyer default, if the seller must restore the Property title, enforce a lien against the Property or regain possession of the Property, the seller may seek all remedies, such as claims for damages, and all reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.
- 12.3 The seller and the buyer agree that the Property is unique. On seller default, the buyer may make a claim for specific performance and other remedies.

13. NOTICE AND DOCUMENTS

- 13.1 A notice under this contract means a written document, including notices required by this contract, and this contract when accepted.
- 13.2 A notice is effective at the time the document is delivered in person or sent by fax or email.
- 13.3 Giving notice means the document is transmitted by one of these methods, and regardless of the method, the notice document is recognized as an original document.
- 13.4 For documents that require a signature, an electronic signature, as defined in the Electronic Transactions Act (Alberta), or a digitized signature will have the same function as an ink signature.

14. AUTHORIZATION

14.1 The seller and buyer may each authorize a representative to send and receive notices as described above. Once authorized, notices will be effective upon being delivered in person, or sent by fax or email to the authorized representative.

The seller authorizes:

Seller's Brokerage:

Name: Bode Platform Inc.

Address: _____

Brokerage Representative:

Name: Jeff Jackson

Phone: _____

Fax: _____

Email: info@bodecanada.com

The buyer authorizes:

Buyer's Brokerage:

Name: N/A

Address: _____

Brokerage Representative:

Name: N/A

Phone: _____

Fax: _____

Email: _____

Initial

Seller's Initials

DS

Buyer's Initials



14.2 If the seller or the buyer does not authorize a brokerage, then:

The seller authorizes:

Name: _____
Address: _____
Phone: _____
Fax: _____
Email: _____

The buyer authorizes:

Name: Bode Platform Inc.
Address: _____
Phone: _____
Fax: _____
Email: _____

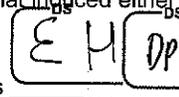
14.3 If the authorization information changes, the seller and buyer agree to give written notice to the other party as soon as the change is known so that future notices may be sent to the proper person and place.

15. CONFIRMATION OF CONTRACT TERMS

15.1 The seller and buyer confirm that this contract sets out all the rights and obligations they intend for the purchase and sale of the Property and that:

- (a) this contract is the entire agreement between them; and
- (b) unless expressly made part of this contract, in writing:
 - (i) verbal or written collateral or side agreements or representations or warranties made by either the seller or buyer, or the seller's or buyer's brokerage or agent, have not and will not be relied on and are not part of this contract; and
 - (ii) any pre-contractual representations or warranties, howsoever made, that induced either the seller or buyer into making this contract are of no legal force or effect.

Seller's Initials 

Buyer's Initials 

16. LEGAL OBLIGATIONS BEGIN

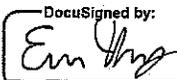
16.1 The legal obligations in this contract begin when the accepted contract is delivered in person or sent by fax or email. The obligations bind the seller and the buyer as well as their heirs, administrators, executors, successors, and assigns.

17. OFFER

17.1 The buyer offers to buy the Property according to the terms of this contract.

17.2 This offer/counteroffer shall be open for acceptance in writing until 5 P. m. on February 24 2025.

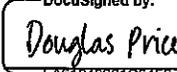
SIGNED AND DATED at _____, Alberta at _____ m. on February 23, 2025 | 3:16 PM PST, 2025.

DocuSigned by:

Signature of Buyer or Authorized Signatory of Buyer

Signature of Witness

Evan Hegedys
Print Name of Buyer or Authorized Signatory of Buyer

Print Name of Witness

DocuSigned by:

Signature of Buyer or Authorized Signatory of Buyer

Signature of Witness

Douglas Price
Print Name of Buyer or Authorized Signatory of Buyer

Print Name of Witness

Buyer's GST # _____



Agricultural Purchase Contract

Contract Number

18. ACCEPTANCE

18.1 The seller agrees to sell the Property according to the terms of this contract.

SIGNED AND DATED at _____, Alberta at _____ m. on February 24, 2025 | 6:29 PM PST, 20____.

Signed by: Art Price
Signature of Seller or Authorized Signatory of Seller

Signature of Witness

Art Price for Sunterra Farms Ltd.
Print Name of Seller or Authorized Signatory of Seller

Print Name of Witness

Signature of Seller or Authorized Signatory of Seller

Signature of Witness

Print Name of Seller or Authorized Signatory of Seller

Print Name of Witness

Seller's GST # _____

Non-registered owner spouse's signature (when dower rights apply):

SIGNED AND DATED at _____, Alberta at _____ m. on _____, 20____.

Signature of Non-Registered Owner Spouse

Signature of Witness

Print Name of Non-Registered Owner Spouse

Print Name of Witness

INFORMATION

The following is for information purposes and has no effect on the contract's terms:

REJECTION

I/we do not accept this offer/counteroffer. No counteroffer is being made.

SIGNED AND DATED at _____, Alberta at _____ m. on _____, 20____.

Signature of Seller or Authorized Signatory of Seller

Signature of Buyer or Authorized Signatory of Buyer

Signature of Seller or Authorized Signatory of Seller

Signature of Buyer or Authorized Signatory of Buyer





Agricultural Purchase Contract

Contract Number

CONVEYANCING INFORMATION

Seller's Information:

Address _____

Phone _____ Fax _____

Lawyer Name _____ NA

Firm _____

Address _____

Phone _____ Fax _____

Email _____ NA

Buyer's Information:

Address _____

Phone _____ Fax _____

Lawyer Name _____ Mitchell Barry

Firm _____

Address _____

Phone _____ Fax _____

Email _____ mbarry@barryjamesl
aw.ca





AGRICULTURAL PURCHASE CONTRACT

PROPERTY SCHEDULE

This Schedule is attached to and forms part of the Agricultural Purchase Contract # _____

Seller _____ Buyer _____
Seller _____ Buyer _____

1. REPRESENTATIONS AND WARRANTIES

1.1 The seller represents and warrants to the buyer the following are provided to the Property:

(a) Electricity	<input type="checkbox"/> residence	<input type="checkbox"/> property line	<input type="checkbox"/> not serviced
(b) Telephone land line	<input type="checkbox"/> residence	<input type="checkbox"/> property line	<input type="checkbox"/> not serviced
(c) Cable service	<input type="checkbox"/> residence	<input type="checkbox"/> property line	<input type="checkbox"/> not serviced
(d) Natural gas	<input type="checkbox"/> residence	<input type="checkbox"/> property line	<input type="checkbox"/> not serviced
(e) Municipal road access	<input type="checkbox"/> yes <input type="checkbox"/> no		
(f) Driveway access	<input type="checkbox"/> yes <input type="checkbox"/> no	<input type="checkbox"/> private <input type="checkbox"/> shared	<input type="checkbox"/> via registered easement

Other _____

1.2 The seller represents and warrants to the buyer the following information about the Property:

(a) Registered water rights	<input type="checkbox"/> yes <input type="checkbox"/> no	Priority #: _____
(b) Water rights included	<input type="checkbox"/> yes <input type="checkbox"/> no	
(c) Surface rights contracts	<input type="checkbox"/> yes <input type="checkbox"/> no	
(d) Registered easements	<input type="checkbox"/> yes <input type="checkbox"/> no	<input type="checkbox"/> gas line <input type="checkbox"/> power line <input type="checkbox"/> pipeline <input type="checkbox"/> well <input type="checkbox"/> other _____
(e) Non-residential lease agreements	<input type="checkbox"/> yes <input type="checkbox"/> no	
(f) Heat source	<input type="checkbox"/> natural gas <input type="checkbox"/> propane/LPG <input type="checkbox"/> electric	<input type="checkbox"/> none <input type="checkbox"/> other _____
(g) Septic system	<input type="checkbox"/> tank & field <input type="checkbox"/> holding tank (size: _____ gallons)	<input type="checkbox"/> none <input type="checkbox"/> other _____
(h) Water supply	<input type="checkbox"/> drilled well <input type="checkbox"/> cistern (size: _____ gallons)	<input type="checkbox"/> municipal <input type="checkbox"/> community co-op <input type="checkbox"/> other _____
(i) Other	_____ _____ _____	

1.3 Lease Agreement: Possession will be given subject to the terms of the lease agreement. If the buyer is to assume a tenancy, then the seller warrants the following to the Buyer:

(a) Name of tenant(s):	_____		
(b) Written lease agreement exists	<input type="checkbox"/> yes <input type="checkbox"/> no	If yes, a copy will be provided to buyer	
(c) Move-in inspection report exists	<input type="checkbox"/> yes <input type="checkbox"/> no	If yes, a copy will be provided to buyer	

AREA©16_AUG2018 Seller's Initials _____ Buyer's Initials _____ Page 1 of 2



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- (d) Commencement date of lease _____
- (e) Expiry or end date of lease _____
- (f) Renewal Rights _____
- (g) Rent Payable _____
- (h) Security Deposit \$ _____
- (i) Date Received _____
- (j) Is the lease agreement in default yes no If yes, give details _____
- (k) Other Details _____

1.4 The seller represents and warrants to the buyer that there are no unpaid fees to provide services and utilities to the Property that the buyer must assume, except as follows:

2. OTHER TERMS

2.1 The buyer acknowledges that telecommunication facilities may be available to the Property. As the providers and technologies can change, the buyer is responsible to verify availability of these services.

2.2 The seller is providing, without warranting accuracy, the well and water reports as indicated:

- (a) bacterial analysis report, dated _____
- (b) chemical analysis report, dated _____
- (c) flow test report, dated _____
- (d) driller's report, dated _____
- (e) other _____

2.3 The following contracts are to be assumed by the buyer:

Date: _____ m. on _____, 20_____.

Seller's Signature

Buyer's Signature





LAND TITLE CERTIFICATE

S
 LINC SHORT LEGAL TITLE NUMBER
 0019 603 753 4;16;27;16;SW 971 313 004 +3

LEGAL DESCRIPTION

THE SOUTH WEST QUARTER OF SECTION 16
 TOWNSHIP 27
 RANGE 16
 WEST OF THE FOURTH MERIDIAN
 CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
 EXCEPTING THEREOUT:

PLAN	NUMBER	HECTARES	ACRES
ROAD	7710098	0.405	1.00
ROAD	9111744	0.388	0.96

EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: SPECIAL AREA 2

REFERENCE NUMBER: 971 035 347

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
971 313 004	21/10/1997	TRANSFER OF LAND		SEE INSTRUMENT

OWNERS

SUNTERRA FARMS LTD.
 OF PO BOX 266
 ACME
 ALBERTA T0M 0A0

(DATA UPDATED BY: CHANGE OF NAME 051264786)

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION	NUMBER	DATE (D/M/Y)	PARTICULARS
	021 173 979	22/05/2002	CAVEAT RE : PIPELINE RIGHT OF WAY CAVEATOR - CANADIAN NATURAL RESOURCES LIMITED.

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
971 313 004 +3

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
------------------------	--------------	-------------

ATTN: SURFACE LAND
 BOX 6926, STN D
 CALGARY
 ALBERTA T2P2G1
 (DATA UPDATED BY: TRANSFER OF CAVEAT
 041101765)
 (DATA UPDATED BY: CHANGE OF NAME 061290348)
 (DATA UPDATED BY: CHANGE OF NAME 081259250)
 (DATA UPDATED BY: TRANSFER OF CAVEAT
 181142025)

191 236 582	20/11/2019	MORTGAGE MORTGAGEE - FARM CREDIT CANADA. 2ND FLOOR, 12040-149 STREET NW EDMONTON ALBERTA T5V1P2 ORIGINAL PRINCIPAL AMOUNT: \$25,000,000
-------------	------------	--

201 163 768	10/09/2020	AMENDING AGREEMENT AMOUNT: \$40,000,000 AFFECTS INSTRUMENT: 191236582
-------------	------------	---

TOTAL INSTRUMENTS: 003

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 25 DAY OF JUNE, 2024 AT 04:43 P.M.

ORDER NUMBER: 50903497

CUSTOMER FILE NUMBER:



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).



AMENDMENT

(For changing contract terms)

This document forms part of Purchase Contract # _____

Seller Sunterra Farms Ltd. Buyer Evan Hegedys

Seller _____ Buyer Douglas Price

Municipal Address: SW-16-27-16-W4 Dorothy, AB, CA, T0M0A0

The contract is changed as follows:

Delete: 4.2 The seller and buyer appoint Bode Platform Inc. as trustee (the "Trustee") for the Deposits.
4.3 The buyer will pay a deposit of \$10,000, which will form part of the Purchase Price, to the Trustee by Wire Transfer or EFT (method of payment) on or before 2/24/2025.

Insert: 4.2 The seller and buyer appoint Bode Platform Inc. as trustee (the "Trustee") for the Deposits.
4.3 The buyer will pay a deposit of \$10,000, which will form part of the Purchase Price, to the Trustee by Wire Transfer or EFT (method of payment) on or before 2/28/2025.

All other terms and conditions in the contract remain unchanged.

DocuSigned by:
Signed and dated at _____, Alberta at _____ m. on February 24, 2025 | 9:36 PM PST, 20____.
Evan Hegedys
Buyer Signature _____ Witness Signature _____ Witness Name (print) _____

DocuSigned by:
Signed and dated at _____, Alberta at _____ m. on February 26, 2025 | 1:22 PM PST, 20____.
Douglas Price
Buyer Signature _____ Witness Signature _____ Witness Name (print) _____

Signed and dated at _____, Alberta at _____ m. on February 25, 2025 | 7:08 AM PST, 20____.
Ant Price
Seller Signature _____ Witness Signature _____ Witness Name (print) _____

Signed and dated at _____, Alberta at _____ m. on _____, 20____.
Seller Signature _____ Witness Signature _____ Witness Name (print) _____





LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0019 603 753 4;16;27;16;SW 971 313 004 +3

LEGAL DESCRIPTION

THE SOUTH WEST QUARTER OF SECTION 16
TOWNSHIP 27
RANGE 16
WEST OF THE FOURTH MERIDIAN
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:

PLAN	NUMBER	HECTARES	ACRES
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ROAD	9111744	0.388	0.96

EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE

MUNICIPALITY: SPECIAL AREA 2

REFERENCE NUMBER: 971 035 347

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
971 313 004	21/10/1997	TRANSFER OF LAND		SEE INSTRUMENT

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SUNTERRA FARMS LTD.
OF PO BOX 266
ACME
ALBERTA T0M 0A0

(DATA UPDATED BY: CHANGE OF NAME 051264786)

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION	DATE (D/M/Y)	PARTICULARS
021 173 979	22/05/2002	CAVEAT RE : PIPELINE RIGHT OF WAY CAVEATOR - CANADIAN NATURAL RESOURCES LIMITED.

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
971 313 004 +3

REGISTRATION
NUMBER DATE (D/M/Y) PARTICULARS

ATTN: SURFACE LAND
BOX 6926, STN D
CALGARY
ALBERTA T2P2G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
041101765)

(DATA UPDATED BY: CHANGE OF NAME 061290348)

(DATA UPDATED BY: CHANGE OF NAME 081259250)

(DATA UPDATED BY: TRANSFER OF CAVEAT
181142025)

191 236 582 20/11/2019 MORTGAGE
MORTGAGEE - FARM CREDIT CANADA.
2ND FLOOR, 12040-149 STREET NW
EDMONTON
ALBERTA T5V1P2
ORIGINAL PRINCIPAL AMOUNT: \$25,000,000

201 163 768 10/09/2020 AMENDING AGREEMENT
AMOUNT: \$40,000,000
AFFECTS INSTRUMENT: 191236582

TOTAL INSTRUMENTS: 003

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 25 DAY OF JUNE,
2024 AT 04:43 P.M.

ORDER NUMBER: 50903497

CUSTOMER FILE NUMBER:



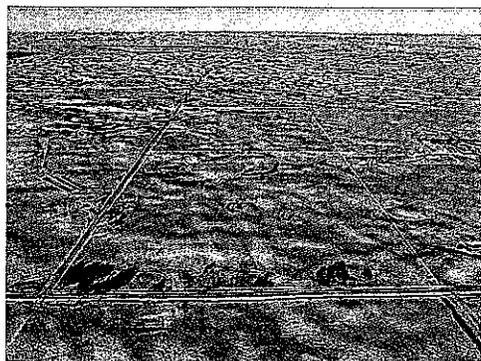
END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
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PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

SW-16-27-16- W4 Dorothy, AB TOMOAO

Land Sold A2181932 **W:4 R:16 T:27 S:16 Q:SW** **DOM:** 84 **LP:** \$325,000.00
CDOM: 84 **OP:** \$540,000.00
SD: 02/25/2025 **SP:** \$300,000.00



Class: Commercial Land **LP/Acre:** \$2,056.96
County: Special Area 2 **SP/Acre:** \$1,898.73
City: Dorothy **Type:**
Levels:
Subdivision: NONE **District:**
Possession: 30 Days / Neg/Negotiable **Tax Amt/Yr:**
LINC#: 0019603753
Outbuildings:
Rd Frontage:
Zoning: TBD **Lot Size:** 158.00 Ac
Legal Pln: **Blk:** **Lot:**

Title to Lnd: Fee Simple **Ownership:**
Exclusion: No **SRR:** No
Sewer/Septic: **Condo:** No
Disclosure:
Reports: Title
Restrictions: None Known

Public Remarks: 1/4 section of agriculture land with a residence and building site.

Directions: Dorothy Alberta T0J 0X0 Head southeast on Hwy 570/AB-570 E toward Range Rd 172 ? 7.0 km Turn left onto Range Rd 165 ? 3.2 km Range Rd 165 turns slightly right and becomes Township Rd 272 1.6 km Turn left onto Range Rd 164 ? Destination will be on the left 900 m Range Rd 164 Dorothy, AB T0J 0X0

Property Information

Fencing: None **Water Supply:**
911 Addr: **# Parcels:**
Dist to Trans: **Dist to School:**
Irrigation Eqp: **Farm Eqp Inc:**
Road Access: **Front Length:**
Lot Dim: **Lot Depth:** M'
Front Exp: **Local Imprv:**
Water GPM: **Acres Cleared:**
Depth of Well: **Acres Irrigat:**
Reg Wtr Rgt: **Acres Fenced:**
Bus Service: **Acres Cultivtd:**
Elem School: **Acres Pasture:**
Jr/Mid Schl: **Acres Lsehd:**
High School: **Acres Treed:**
Amenities: **Total Acres:** 158.00
Exterior Feat:
Utilities:
Access Feat:
Goods Include: N/A
Goods Exclude: N/A

Agent & Office Information

List Agent: Shane Koka help@bodecanada.com **Phone:** 587-602-3307
List Firm: Bode **Phone:** 587-602-3307
Firm Address: 1709 21 AVE SW, CALGARY, T2T 0N2 **Firm Fax:** 403-592-6810
Appt: call seller/showing time **List Date:** 12/02/2024
Showing Contact: Art Price 403-389-4942 **Expiry Dt:**
Comm: 3.5% the first \$100k, 1.5% the balance **With Dt:**
LB Type/Info: /
Owner Name: SUNTERRA FARMS LTD. **Ownership:** Private
Occupancy: **Exclusion:** No **SRR:** No
Member Rmks: Sellers prefer offers made on Bode here: <https://bode.ca/listings/19345747> for tracking/ease. Direct questions to appointment contact. Requests submitted through ShowingTime are received/responded to by seller, messages not monitored. This is a Mere Posting defined by CREA. Sellers self-represented. Bode cannot confirm showings. Buyer's brokerage to hold trust deposits and convey. Please copy help@bodecanada.com on all correspondence with seller. Possession date is negotiable and pls contact seller to confirm. The residence is currently occupied but will be vacant by March 31, 2025

Selling Information

Sell Agent: Non Board Member **Sell Firm:** NON BOARD BROKER
Cosell Agent: **Adjust Dt:** 03/31/2025
Pend Dt: **Sold Date:** 02/25/2025 **Sold Price:** \$300,000.00
Printed Date: 03/06/2025 12:16:34 PM

INFORMATION HEREIN DEEMED RELIABLE BUT NOT GUARANTEED. AS OF 2017 MEASUREMENTS ARE PER RESIDENTIAL MEASUREMENT STANDARDS (RMS).

CONTRACT FOR POSTING WITHOUT REPRESENTATION

(For Use in Common Law and Designated Agency Brokerages)

Between

THE SELLER

and

THE SELLER'S BROKERAGE (THE "BROKERAGE")

Name SUNTERRA FARMS LTD.

Name _____

Address SW-16-27-16-W4 , Dorothy T0M0A0
(postal code)

Phone (403) 389-4942 Fax _____

Email art.price@icloud.com

Name Böde Platform Inc.

Name _____

Address 1709 21st Ave. SW, Calgary, AB. T2T 0N2
(postal code)

Phone 587.602.3307. Fax _____

Email info@bodecanada.com

Member of Calgary (the "Board")

1. ACKNOWLEDGMENT OF NON-REPRESENTATION

- 1.1 The Seller has read the Real Estate Council of Alberta's *Consumer Relationships Guide (Guide)* and acknowledges that the Seller has chosen to forgo any agency representation. The Brokerage and its representatives will not owe the Seller any agency obligations and will not provide any services that require exercising discretion or judgment, giving advice, or advocating on the Seller's behalf.
- 1.2 The Seller acknowledges that the obligations owed to the Seller are limited to:
- exercising reasonable care and skill in providing services to the Seller;
 - not negligently or knowingly providing the Seller with false or misleading information; and
 - complying with the provisions of the *Real Estate Act* and its Regulations, and the Rules and Bylaws of the Real Estate Council of Alberta.
- 1.3 The Seller acknowledges that the Brokerage may be representing buyers who may wish to make an offer on the Seller's property and that the Brokerage is obligated:
- to act in the best interests of the buyer;
 - not to provide the Seller with information that is not in the best interests of the buyer; and
 - to communicate to the buyer all information, whether of a confidential nature or not, that it receives from the Seller.

2. BROKERAGE OBLIGATIONS

- 2.1 The Brokerage will:
- (a) post the Seller's property located at SW-16-27-16-W4 , Dorothy, T0M0A0
(municipal address)
_____ (the "Property") for sale on the Board's MLS® System for the price of \$ \$575,900;
- (b) verify the accuracy of data related to the Property that is provided to the MLS® System;
- (c) maintain, and if necessary amend, the information on the MLS® System;
- (d) report the date of sale, the selling price and the date of transfer (possession) to the MLS® System when the Property has sold.

3. THE PROPERTY

- 3.1 The legal description of the Property is:
- Plan _____ Lot _____ Block _____
- or
- Condominium Plan _____ Unit _____ Unit factor _____
- Titled Parking Condominium Plan _____ Unit(s) _____ Unit factor(s) _____
- Title Storage Space Condominium Plan _____ Unit(s) _____ Unit factors(s) _____
- or
- Other _____
- 3.2 The Property includes:
- (a) Goods not attached to the Property ("Unattached Goods") as listed below:
- _____
- _____



(b) All goods attached to the Property ("Attached Goods") except those goods listed below:

(c) If Condominium Property, the following non-titled areas:

Parking stall(s): _____ assigned _____ leased Parking stall #(s) _____

Storage space(s): _____ assigned _____ leased Storage space #(s) _____

4. TERM OF THE CONTRACT

4.1 Refer to Addendum for details.

5. BROKERAGE REMUNERATION

5.1 The Seller will pay the Brokerage as remuneration:

- (a) upon the signing of this Contract \$0.00 plus GST;
- (b) further remuneration as follows: 1% of the final sale price plus GST (to a maximum of \$10,000 plus GST)

5.2 The Seller instructs the Brokerage to post on the Board's MLS® System that the Seller will enter into a fee agreement with a buyer's brokerage when an offer to purchase is presented to the Seller by the buyer's brokerage representative. Yes No

6. SELLER'S RESPONSIBILITIES

6.1 The Seller will:

- (a) provide the Brokerage with all the information necessary for the posting of the Property on the MLS® System;
- (b) obtain verification of mortgage, property tax, improvement charges, tenancy information;
- (c) communicate and cooperate with the Brokerage in a timely manner;
- (d) immediately advise the Brokerage of any change in status of the Property or in the information provided by the Seller;
- (e) report the sale of the Property, as per clause 2.1(d), to the Brokerage when the purchase price is paid to the Seller or the Seller's lawyer and is releasable; and
- (f) provide any documentation necessary to facilitate or complete the sale.

6.2 **Material Latent Defects:**

Sellers are required by common law to disclose to buyers defects that are hidden, not visible or discoverable upon a reasonable inspection of the Property and that render the Property dangerous or potentially dangerous to the occupants or unfit for habitation. Sellers may also be required to disclose government and local authority notices, lack of development permits and hidden defects that would involve great expense to remedy.

6.3 **Dower Rights:**

- (a) If just one individual is the registered owner of the Property, then the Seller will consider the following questions: Are you legally married? If the answer is yes, have either you or your spouse at any time during your marriage lived on the Property?
- (b) If only one individual is on title and the answer to both questions is yes, then the Seller will be unable to complete a sale of the Property without the legal consent of the spouse. The Seller is urged to obtain legal advice respecting this issue prior to the acceptance of any offer to purchase.

7. INDEMNIFICATION

7.1 The Seller will hold harmless and indemnify the Brokerage for any claims that may arise from its reasonable and good faith reliance on representations made, or information provided by, the Seller.

8. ENDING THE CONTRACT

8.1 This Contract will end upon the Expiry Date of the Contract as specified in clause 4 or upon:

- (a) an earlier date than the Expiry Date if mutually agreed by the Seller and the Brokerage in writing;
- (b) a completed sale of the Property;
- (c) the suspension or cancellation of the Brokerage's licence to trade in real estate;
- (d) the Brokerage ceasing to be a member of the Board.

9. USE AND DISTRIBUTION OF SELLER'S INFORMATION

9.1 The Seller consents to the collection, use and disclosure of personal information (as defined by the *Personal Information Protection Act*) by the Brokerage and the Board for the purpose of compiling, retaining and publishing statistics and conducting comparative market analyses.

10. SIGNATURES

SIGNED AND DATED on December 4, 2024 | 1:06 PM PST, 20 .

DocuSigned by:
SUNTERRA FARMS LTD.
Signature of Seller

Signature of Witness

SUNTERRA FARMS LTD.
Print Name of Seller

Print Name of Witness

Signature of Seller

Signature of Witness

Print Name of Seller

Print Name of Witness

Jeffrey Jackson
Signature of Brokerage Representative

Jeff Jackson
Print Name of Brokerage Representative

Seller: Initial here to show you have received a copy of this Contract *SFL*

Initials Dated at _____ m. on December 4, 2024 | 1:06 PM PST, 20 .





ADDENDUM
(For adding contract terms)

RECITALS:

- A) The Bode Platform is an online marketplace that enables registered users ("Account Holders") to advertise their real estate property for sale on the Bode Platform ("Listings") and to communicate and transact directly with other Account Holders that are seeking to purchase real estate.
- B) The parties acknowledge that for the purpose of listing the Client property on any MLS system, website, or platform Bode is acting as ("Mere Posting Provider") and there is no full-service agency relationship created between Bode and the Customer as defined in the Real Estate Act. A ("Mere Posting") is a listing on a Member Board's MLS System where the member has chosen or agreed not to provide services to the seller other than to submit the listing for posting on MLS.
- C) This Agreement applies to any property listed on the Bode Platform and each listing is deemed to create a new agreement between the Client and Bode. Any reference to Client in this agreement refers to a single individual if only one person or entity is on the property title or two or more individuals or entities if they appear on the property title.

1. SCOPE

1.1 The Seller has hereby contracted with Bode Platform Inc. (The "Broker") for the sole service of the Broker to post information about the property for sale onto the Broker's local real estate board's Multiple Listing Service system and other websites associated with the MLS System such as REALTOR.ca on the terms and conditions set out in this agreement (the "Mere Posting"). The following provisions shall supersede and override any provisions contained in the Multiple Listing Contract to which the "Schedule A" is attached.

1.2 Listing Terms Specific to Bode's Independent Homeowner Service:

1.2.1 This Agreement shall commence on the date the listing for the Property is approved by Bode and end at midnight 90 days thereafter; provided however, that this Agreement shall terminate prior to 90 days in the event that:

- 1.2.1.1 the property is sold;
- 1.2.1.2 the Client is in material breach of this Agreement and fails to correct such breach within Seven (7) days' notice of such breach from the other party; or
- 1.2.1.3 the parties mutually agree in writing to terminate the Agreement.

1.2.2 This agreement will automatically extend for an additional 90 days for Client convenience with notification to the customer in advance. The second and any subsequent 90 day term will maintain all terms as described herein. Following fulfillment of the first 90 day-term, the Client may terminate the Agreement without any penalty.

1.3 Listing terms specific to Bode New Home Builder Subscription Service replace any other references to listing duration in this agreement:

1.3.1. This Agreement shall commence on the date the listing for the Property is approved by Bode and end at midnight 365 days thereafter; provided however, that this Agreement shall terminate prior to 365 days in the event that:

- 1.3.1.1 the property is sold;
- 1.3.1.2 the Client is in material breach of this Agreement and fails to correct such breach within Seven (7) days' notice of such breach from the other party; or
- 1.3.1.3 the Client notifies Bode of their intention to terminate the listing

2. BODE SERVICES

2.1 Bode shall for the term of this Agreement or until the property is sold:

- 2.1.1 list the property on leading listing exposure websites which may include but are not limited to Realtor.ca™, Kijiji™, Zillow™ and Facebook™ (collectively the "Listing Services") marketplace with the purpose of the enablement of the successful sale of the listed property;
- 2.1.2 provide access to important lead information to provide applicable data for market feedback to support and refine Client selling strategies;
- 2.1.3 provide access to the Bode scheduling tool for the purposes of scheduling showings and use of other home services;
- 2.1.4 provide market data at the request of the Client for pricing consideration;
- 2.1.5 provide access to the Bode negotiation tool for the receipt of offers from interested buyers moving towards close of sale;
- 2.1.6 hold money we receive in trust, consistent with applicable laws for brokerages in British Columbia;
- 2.1.7 provide appropriate legal agreements through the selling process for further handling with their selected lawyers to finalize the sale.

2.2 As mere posting provider, and in accordance with CREA's requirements regarding Mere Postings, Bode:

- 2.2.1 will not give confidential advice to the Client or a buyer;
- 2.2.2 will not act in a way that requires the use of judgment or discretion on which the Client can rely;
- 2.2.3 will not communicate with third-parties on behalf of the Client; and
- 2.2.4 will not negotiate on behalf of the Client.





ADDENDUM
(For adding contract terms)

3. CLIENT OBLIGATIONS

- 3.1 The Client shall for the term of this Agreement or until the property is sold:
 - 3.1.1 maintain insurance on the property and its contents against loss or damage due to causes normally insured against for similar properties;
 - 3.1.2 communicate with Bode in a timely manner; and
 - 3.1.3 advise Bode if a binding contract for the sale of the property is entered into during the term of the Agreement whether or not is entered into using the Bode platform;
 - 3.1.4 report any change in listing status within one (1) business day.
- 3.2 The Seller acknowledges that the Broker has strict reporting obligations to the Broker's local real estate board for changes in the status of the Property for sale. This includes the obligation of the Broker to report:
 - 3.2.1 Any offer that is accepted, conditional or firm, names of buyers and sellers, buyer's agents name and brokerage name, and selling price
 - 3.2.2 Any change in offer status such as conditions being waived or offer is terminated
 - 3.2.3 Any change in the closing date or selling price
- 3.3 Within 24 hours of the occurrence of one of the above events, the Seller shall forward to Bode the information required. In addition, the Seller shall provide to Bode at the same time the relevant documents
- 3.4 The Seller acknowledges that the failure of the Seller to provide the information required in the time frame stipulated above could result in the Company facing fines or sanctions from various regulatory bodies. The Seller specifically agrees to indemnify and hold harmless the Company and Broker from damages that they suffer or costs that they incur because of the Seller's non-compliance with its reporting obligations. The Seller hereby acknowledges that any fine incurred by the Brokerage due to the Seller's failure to report any status change will result in an administrative penalty of \$500.00, payable by the Seller.

4. CLIENT REPRESENTATIONS AND WARRANTIES

- 4.1 The Client represents and warrants that:
 - 4.1.1 it has the authority to sell the property as described, including all attached and unattached goods as applicable and if spousal consent is required it has been obtained;
 - 4.1.2 there are no rights of others to the property;
 - 4.1.3 the property and any buildings and improvements thereon comply with all municipal bylaws;
 - 4.1.4 all buildings and improvements on the property are entirely within the boundaries of the property and do not lie on any neighbouring lands, right-of-way or easement unless referenced on the title to the property;
 - 4.1.5 it has had the opportunity to obtain independent legal advice in relation to the entering into of this Agreement, and regarding the sale of the property and the obligations of the Client to disclose to buyers any issues related to defects, governmental notices and permit issues; and
 - 4.1.6 the Client is not a non-resident of Canada under the Income Tax Act (Canada).

5. BODE FEES

- 5.1 Bode's fee is equal to One Percent (1%) of the final sale price for the Client's property, up to a maximum of \$10,000 plus applicable Goods and Services Tax.
- 5.2 The fee set out above shall be payable to Bode if at any time during the term of this Agreement the Client enters into a binding contract for the sale of the property, regardless of whether the buyer was introduced to you through the Bode platform or not, and regardless of when the sale completes.
- 5.3 The fee set out above shall be payable to Bode if within Thirty (30) days after the termination of this Agreement the Client enters into a binding contract for the sale of the property with a person or party introduced to the Client by Bode or through the Bode Platform.
- 5.4 The Client authorizes Bode to pay the fee directly from any deposit funds held by Bode pursuant to this Agreement or pursuant to the contract for the sale of the property, and if any deposit is not sufficient to pay Bode's fee the Client shall instruct their lawyer to deduct from the proceeds of sale an amount sufficient to pay the remaining balance of the fee.

6. PERSONAL INFORMATION

- 6.1 In order to access and use the Bode Platform, you will be required to register with us and set up an authorized account using your email address and a password (your "Account"). The email address you provide will be your email address, and you are solely responsible for maintaining the confidentiality of your password. You are solely responsible for all activities that occur under your Account, and therefore, you should protect your password at all times.
- 6.2 The Client expressly provides consent to Bode to collect, use, maintain and disclose any and all personal information of the Client for all purposes and uses related to this Agreement and the sale of the property, both during the term of this Agreement and after.
- 6.3 The Client acknowledges that Bode may disclose information regarding the Client and the property in any manner that Bode deems necessary to list and effectively market the property for sale.





112696

Contract Number

ADDENDUM

(For adding contract terms)

7. ADDITIONAL TERMS

7.1 The Recitals form part of this Agreement.

7.2 As the provider of the Bode Platform, Bode does not own, create, sell, resell, provide, control, manage, offer, deliver, or supply any Listings, other than to simply allow posting of the Listings on the Bode Platform. Clients alone are responsible for the creation of their Listings. When Account Holders negotiate a contract to transfer ownership of a home, they are entering into a contract directly with each other. Bode is not and does not become a party to or other participant in any contractual relationship between Account Holders or any other persons or parties.

7.3 Bode has no control over and does not guarantee:

- 7.3.1 the existence, quality, safety, suitability, or legality of any Listings Services;
- 7.3.2 the truth or accuracy of any, ratings, reviews, or other content on the Bode Platform; or
- 7.3.3 the performance or conduct of any Account Holder or third-party.

7.4 Bode does not endorse any Account Holder or Listing Service. Any references to an Account Holder being "verified" (or similar language) only indicates that the Account Holder has completed a relevant verification or identification process and nothing else. Any such description is not an endorsement, certification or guarantee by Bode about any Account Holder, including of the Account Holder's identity or background or whether the Account Holder is trustworthy, safe or suitable. You should always exercise due diligence and care when deciding whether to view a home or communicate and interact with other Account Holders, whether online or in person.

7.5 If you choose to use the Bode Platform as a seller or Client, your relationship with Bode is limited to a client relationship and not that of an employee, agent, joint venturer or partner of Bode for any reason, and you act exclusively on your own behalf and for your own benefit, and not on behalf, or for the benefit, of Bode. Bode does not, and shall not be deemed to, direct or control you generally or in your performance under these terms specifically. You acknowledge and agree that you have complete discretion whether to list on the Bode Platform. To promote the Bode Platform and to increase the exposure of Listings to potential Buyers, Listings and other account content may be displayed on other websites, in applications, within emails, and in online and offline advertisements. To assist Account Holders who speak different languages, Listings and other account content may be translated, in whole or in part, into other languages. Bode cannot guarantee the accuracy or quality of such translations and Account Holders are responsible for reviewing and verifying the accuracy of such translations. The Bode Platform may contain translations powered by Google™. Google™ disclaims all warranties related to the translations, express or implied, including any warranties of accuracy, reliability, and any implied warranties for merchantability, fitness for a particular purpose and non-infringement.

7.6 The Bode Platform may contain links to third-party websites or resources ("Third-Party Services"). Such Third-Party Services may be subject to different terms and conditions and privacy practices. Bode is not responsible or liable for the availability or accuracy of such Third-Party Services, or the content, products, or services available from such Third-Party Services. Links to such Third-Party Services are not an endorsement by Bode of such Third-Party Services.

7.7 Due to the nature of the Internet, Bode cannot guarantee the continuous and uninterrupted availability and accessibility of the Bode Platform. Bode may restrict the availability of the Bode Platform or certain areas or features thereof, if this is necessary in view of capacity limits, the security or integrity of our servers, or to carry out maintenance measures that ensure the proper or improved functioning of the Bode Platform. Bode may improve, enhance and modify the Bode Platform and introduce new Bode Services from time to time.

7.8 If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part of a provision and the remaining part of such provision and all other provisions shall continue in full force and effect.

7.9 The waiver by either party of any breach of any term, covenant or condition is not to be deemed to be a waiver of that term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition. No term, covenant or condition of this Agreement is deemed to be waived by either party unless the waiver is in writing and properly executed by the party granting the waiver.

7.10 The Agreement comprises the entire agreement between the Parties and supersedes all previous representations, warranties, dealings, agreements, understandings and expectations of the parties regarding the subject matter of the Agreement.

7.11 As part of this agreement you acknowledge that you have read the Consumer Relationship Guide outlined in Appendix B, discussed it with the real estate professional, and got satisfactory answers to your questions. You also acknowledge that you will be asked to sign documents about the type of relationship you choose with your real estate professional.

7.12 The Seller confirms that they wish the Brokerage to reveal the Property address and to map the property for internet display. The Seller understands that displaying this information poses inherent risks. These risks are inherent in both occupied and vacant properties. By signing this agreement, the Seller promises to "hold harmless" the brokerage of any claims arising from any unauthorized or illicit use of the displayed property information.

7.13 UNDER NO CIRCUMSTANCES WILL BODE BE LIABLE TO THE CLIENT FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL DAMAGES INCURRED OR CLAIMED BY ANY CLIENT OR USER OF THE BODE PLATFORM.

7.14 The seller agrees to pay the cooperating commission amount offered in the MLS listing advertisement, unless another agreement was made with the buyer's agent in writing in the fee agreement or purchase contract. Bode is not liable to pay the cooperating commission on the seller's behalf in any circumstances.



Consumer Relationships Guide

Real estate professionals have a regulatory requirement to present and discuss this Guide with you.

Understanding the legal relationship with your real estate professional

Buying or selling a property is probably one of the most important financial decisions you'll make. This Guide explains the different relationships you can have with a real estate professional. Each has its own legal meaning and responsibilities, so it's important to understand them. A real estate professional must give you this Guide and discuss it with you.

What this Guide explains

There are three kinds of relationships you can have with a real estate professional.

1. A real estate brokerage* can act as your agent. This is called a common law agency relationship and it includes all brokerage real estate professionals and staff.
2. An individual real estate professional can act as your agent. This is called a designated agency relationship.
3. You can be a customer to a real estate professional.

The Guide also explains what happens when the buyer and seller have the same agent.

*A brokerage is the organization your industry professional works for.

Choosing to have an agent (also called an agency relationship)

An agent is someone who acts on your behalf with your permission. If the agent is an individual, the agency relationship is between the individual and you. If the agent is a brokerage, the agency relationship is between the brokerage and you. When you appoint an agent, you'll be asked to sign a written agreement that explains both the agent's responsibilities and yours.

An agent's responsibilities to you

A sole agent acts for either the buyer or the seller in a trade or possible trade, and has a duty to protect that client's interests. In this relationship, the real estate professional has the highest level of legal responsibility to you. These responsibilities include:

1. **Undivided loyalty** The agent must act only in your best interests and put them above their own and those of other people. The agent must avoid conflicts of interest and must protect your negotiating position at all times.
2. **Confidentiality** The agent must keep information confidential, even after your relationship ends. Confidential information includes your personal information, information about the property, and information about the transaction (except information the law says must be disclosed or information you agree to disclose).
3. **Full disclosure** The agent must tell you, in writing, about the services they will provide. They must also tell you everything they know that might affect your relationship or influence your decision in a transaction, even if they don't think it's important. This includes any conflicts of interest, for example when they act (or are planning to act) on behalf of any other person in a transaction. The only information they can't give you is confidential information from another agency relationship.
4. **Obedience** The agent must obey all your lawful, reasonable, and ordinary instructions. If you insist on something unlawful, the agent must refuse and consider ending your relationship and the agreement.
5. **Reasonable care and skill** The agent must exercise reasonable care and skill in all their duties. They must meet the standard of a reasonable and competent member of the real estate industry.
6. **Full accounting** The agent must account for all money and property they receive while acting on your behalf. Everything a client puts in the care of an agent—for example, money, keys, or documents—is returned when the agreement ends.

Your responsibilities to the agent

You must:

- give the agent any information or facts that could affect the transaction or their ability to act as your agent.
- pay the fees you've agreed to pay your agent. Your written agreement will list these fees.
- pay the agent's expenses as outlined in your agreement.

Consumer Relationships Guide

Having a customer relationship with your real estate professional

You can choose to represent yourself in a purchase or sale when a real estate professional represents the other party. In this case, you have a customer relationship with the real estate professional. They can't give you the services they give when acting as your agent, but they can help make the purchase or sale happen. For example, they may agree to give you statistics or the names of appraisers, mortgage brokers, or other service providers. They may also help you complete standard forms. When a real estate professional works with you as a customer, they have a responsibility to act honestly, use reasonable care and skill, and make sure any information they give is correct.

Conflicts of interest—what happens when the same agent represents the buyer and seller

In some cases, the same real estate professional or brokerage represents both the buyer and the seller. The people involved can decide to handle this several ways:

1. Either the buyer or the seller can get a different agent.
2. The buyer or the seller can stay with the same real estate professional, but in a customer relationship. The professional can give information and help without acting as an agent. See Having a customer relationship with your real estate professional.
3. The agent can help facilitate the transaction, without acting in the interest of either side. This means the professional has reduced agency responsibilities to the buyer and seller. All parties must understand and agree to this change of relationship in writing, before either side presents or accepts the initial offer on the property.

Working on the transaction, not for one side or the other

When the agent facilitates the transaction, their responsibilities are to:

- be impartial in dealing with both sides
- not give confidential advice, support only one side, or use judgment or discretion that benefits one side over the other
- give both sides real estate statistics and information, including comparable property information from listing services and local databases
- give you agreements of purchase and sale, lease, and other relevant documents, according to your instructions
- promptly give you all offers and counter-offers to and from the other side, even if there is already a contract to buy or sell the property
- pass on all information to you that the other side wants you to know
- keep you informed of progress
- do anything else to serve both sides, as long as the agreement with each side allows it

Making an informed choice about your relationships

Your real estate professional must explain the responsibilities and limits of these relationships to you. To review:

- A real estate brokerage can act as your agent.
- An individual real estate professional can act as your agent.
- You can be a customer to a real estate professional.
- In a conflict of interest when the buyer and seller have the same agent, a real estate professional can facilitate a transaction between two sides with their permission.

The Real Estate Council of Alberta
is the standards-setting, governing body for
real estate, mortgage brokerage, property
management and real estate appraisal
professionals.

Real Estate Council of Alberta
202, 1506 11 Ave SW
Calgary, AB T3C 0M9
1 (888) 425-2754
info@reca.ca
www.reca.ca

Signing that you've read and understood this Guide

I/we acknowledge I/we have read the Guide, discussed it with the real estate professional, and got satisfactory answers to my/our questions. I/we know I/we will be asked to sign documents about the type of relationship I/we choose with my/our real estate professional(s).

Bode Platform Inc.
1709 21 Ave SW
Calgary AB T2T 0N2
finance@bodecanada.com
Business Number 791556731 RT0001



INVOICE

BILL TO
Art Price

INVOICE # B00768
DATE 02/25/2025
DUE DATE 04/03/2025
TERMS Net 30

DATE	ACTIVITY	DESCRIPTION	TAX	QTY	RATE	AMOUNT
	Service Fee	For sale of: SW-16-27-16- W4, Dorothy	GST	1	3,000.00	3,000.00

Please make cheques payable to Bode Platform Inc.

SUBTOTAL 3,000.00
GST @ 5% 150.00
TOTAL 3,150.00
BALANCE DUE **\$3,150.00**

TAX SUMMARY

RATE	TAX	NET
GST @ 5%	150.00	3,000.00

COURT FILE NO. 2503 – 10998
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFF COMPEER FINANCIAL, PCA
DEFENDANTS SUNTERRA FARMS LTD., SUNWOLD FARMS LIMITED, SUNTERRA ENTERPRISES INC., RAY PRICE, and DEBBIE UFFELMAN



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

CONSENT ORDER

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/Nathan J. Shaheen/Keely Cameron
Mathieu LaFleche

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

DATE ON WHICH ORDER WAS PRONOUNCED: November 13, 2025

LOCATION OF HEARING OR TRIAL: **Edmonton, Alberta**

NAME OF JUSTICE WHO MADE THIS ORDER: **The Honourable Justice M.J. Lema**

UPON the application of Compeer Financial, PCA (the "**Applicant**" or "**Compeer**"); AND UPON noting the Consent of Sunterra Farms Ltd., Sunwold Farms Limited, Sunterra Enterprises Inc., Ray Price, Debbie Uffelman, Craig Thompson, David Price, Arthur Price and Glen Price (collectively, the "**Defendants**") and National Bank of Canada ("**NBC**"); Upon noting that two separate applications are scheduled before the Honourable Justice Lema on December 4 and 5 to determine certain claims of each of Compeer and NBC;

IT IS HEREBY ORDERED AND DECLARED THAT:

Amendments To Compeer Claim

1. The Judicial Centre in Court of King's Bench Action Number 2503 – 10998, shall be transferred from the Judicial Centre of Edmonton to the Judicial Centre of Calgary.
2. Compeer is granted leave to file the Amended Statement of Claim in the form attached as Schedule "A" to this Order.
3. The Defendants shall have until November 28, 2025 to file a Statement of Defence or Amended Statement of Defence, as applicable.

Updates to the Compeer Consent Order

4. Schedule "A" to the Consent Order granted in Action Number 2501-06120 on July 24, 2025 as between Compeer and the Defendants, shall be replaced with the Schedule "A" attached as Schedule "B" to this Order.

Evidence for the Applications Scheduled

5. Specific to Compeer's Summary Judgment Application scheduled to be heard on December 4 and 5, 2025 before the Honourable Justice Lema, Compeer and the

Defendants may submit and rely upon evidence filed by either of them in Court of King's Bench Action Number 2503 – 10998 or 2501 – 06120.

6. NBC and Compeer may rely on the transcripts from the examination of Debbie Uffleman, Craig Thompson, Arthur Price and Ray Price for the purposes of the December 4 and 5 applications.

Brief Deadlines for the December 4 and 5, 2025 Applications

7. The Applicants shall file their briefs for the December 4 and 5 Applications by no later than Wednesday, November 19, 2025 and the Respondents shall file their briefs by no later than November 28, 2025.



Justice of the Court of King's Bench of Alberta

CONSENTED TO this 13th day of November, 2025.

BENNETT JONES LLP

Per: 
Keely Cameron
Counsel for Compeer Financial, PCA

CONSENTED TO this ____ day of November, 2025.

BLUE ROCK LAW LLP

Per: _____
Scott Chimuk
Counsel for Sunterra Farms Ltd.,
Sunwold Farms Limited, Sunterra
Enterprises Inc., Ray Price, and
Debbie Uffelman

CONSENTED TO this 12th day of November, 2025.

MCARTHY TETRAULT

For: Per: 
Sean Smyth
Counsel for National Bank of Canada

Defendants may submit and rely upon evidence filed by either of them in Court of King's Bench Action Number 2503 – 10998 or 2501 – 06120.

6. NBC and Compeer may rely on the transcripts from the examination of Debbie Uffleman, Craig Thompson, Arthur Price and Ray Price for the purposes of the December 4 and 5 applications.

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Justice of the Court of King's Bench of Alberta

CONSENTED TO this ____ day of November, 2025.

BENNETT JONES LLP

Per: _____
Keely Cameron
Counsel for Compeer Financial, PCA

CONSENTED TO this 12 day of November, 2025.

BLUE ROCK LAW LLP

Per: 
Scott Chimuk
Counsel for Sunterra Farms Ltd.,
Sunwold Farms Limited, Sunterra
Enterprises Inc., Ray Price, and
Debbie Uffelman

CONSENTED TO this ____ day of November, 2025.

MCARTHY TETRAULT

Per: _____
Sean Smyth
Counsel for National Bank of Canada

Schedule "A"
Amended Statement of Claim

FORM 10
[RULE 3.25]

CLERK'S STAMP

COURT FILE NUMBER

COURT

COURT OF KING'S BENCH OF
ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF

COMPEER FINANCIAL, PCA

DEFENDANT

**SUNTERRA FARMS LTD., SUNWOLD
FARMS LIMITED, SUNTERRA
ENTERPRISES INC., RAY PRICE ^,
DEBBIE UFFELMAN, CRAIG
THOMPSON, DAVID PRICE,
ARTHUR PRICE and GLEN PRICE**

DOCUMENT

AMENDED STATEMENT OF CLAIM

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7
Attention:
Lincoln Caylor,
Nathan J. Shaheen,
Keely Cameron and
Mathieu J. LaFleche
Telephone No.: 403-298-3100
Fax No.: 403-265-7219

NOTICE TO DEFENDANTS

You are being sued. You are a defendant.

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

Statement of facts relied on:

Overview of Claim

1. This Action arises from the perpetration of a sophisticated international fraudulent Cheque Kiting Scheme (as detailed and defined herein) perpetrated against the plaintiff, Compeer Financial, PCA (“**Compeer**”), the result of which is that Compeer is currently facing losses of more than USD \$36,500,000.
2. The perpetrators of the Cheque Kiting Scheme include Sunterra Farms Ltd. (“**Sunterra Canada**”) and Sunwold Farms Limited (“**Sunwold Canada**” and, together, the “**Canadian Sunterra Entities**”), which are members of the Alberta-based “**Sunterra Group**” that is ultimately owned by the Price family.
3. The fraudulent and oppressive conduct of the Canadian Sunterra Entities, and the United States-based members of the Sunterra Group that were Compeer’s customers, was undertaken by Ray Price (“**Price**”) [^], Debbie Uffelman (“**Uffelman**”) and Craig Thompson (“**Thompson**”), who were directors and ^ officers, and/or otherwise authorized to act on behalf, of corporations in the Sunterra Group, including the Canadian Sunterra Entities.
4. Price[^], Uffelman and Thompson were directly and personally involved with the tracking, preparing, signing and delivery of cheques ^ to Compeer, and at least Price and Thompson were so involved with preparing, signing and delivery of lending and financing documents to Compeer, all of which was in furtherance of the Cheque Kiting Scheme.
5. Through their direct and personal involvement, Price[^], Uffelman and Thompson not only caused the Canadian Sunterra Entities to perpetrate the Cheque Kiting Scheme, but sought to conceal the Cheque Kiting Scheme from Compeer. Their fraudulent conduct gives rise to the liability of the Canadian Sunterra Entities, as well as their personal liability.
6. In addition, Sunterra Enterprises Inc. (“**Sunterra Enterprises**”), which is another member of the Sunterra Group and the holding company of Compeer’s customers, provided contractual guarantees for amounts owing to Compeer. It has failed to satisfy those guarantees despite Compeer’s demands made in April 2025. Sunterra Enterprises is therefore also liable for Compeer’s losses.

7. By way of this Action, Compeer seeks a declaration that the Cheque Kiting Scheme constitutes fraud and judgment in the amount of its losses and related expenses, plus related relief, including an award of punitive damages reflecting its status as the victim of the fraudulent Cheque Kiting Scheme and the egregiously wrongful conduct of the defendants.

The Parties

8. Compeer is an instrumentality under the laws of the United States, with its headquarters in Sun Prairie, Wisconsin. It is a member-owned, Farm Credit cooperative serving and supporting agriculture and rural communities. Compeer provides loans, leases, risk management, and other financial services throughout 144 counties in Illinois, Minnesota and Wisconsin.
9. The Canadian Sunterra Entities are incorporated under the laws of the Province of Alberta. They carry on the business of owning and operating Alberta livestock facilities at which sows give birth to piglets, which are then sold to the U.S. Sunterra Entities (defined below).
10. Sunterra Enterprises is incorporated under the laws of the Province of Alberta. It is a holding company that holds the shares of, among other entities:
- (a) Sunterra Farms Iowa, Inc. (“**Sunterra U.S.**”), a corporation incorporated under the laws of the State of Iowa; and
 - (b) Sunwold Farms, Inc. (“**Sunwold U.S.**”), a corporation incorporated under the laws of the State of South Dakota
- (together, the “**U.S. Sunterra Entities**”).
11. The U.S. Sunterra Entities, along with another member of the Sunterra Group, Lariagra Farms South, Inc. (“**Lariagra U.S.**”), a corporation incorporated pursuant to the State of South Dakota, were at relevant times customers of Compeer. The U.S. Sunterra Entities and Lariagra U.S. are now in receivership in the jurisdiction of the U.S. Federal Court located in the State of South Dakota, as described herein.

12. The Canadian Sunterra Entities, Sunterra Enterprises, the U.S. Sunterra Entities, and Lariagra U.S. are various of the members of the Sunterra Group, a group of related entities ultimately owned and controlled by the Price family. The business of the Sunterra Group includes a multifaceted, and fully integrated, farm to market enterprise across multiple sectors of the agricultural and food distribution industries.
13. Price is a member of the Price family who resides primarily in the Province of Alberta. At relevant times, he was the President of the Sunterra Group. Price was among the officers and/or directors, and the ultimate beneficial owners, of each of the Canadian Sunterra Entities and Sunterra Enterprises. He was also an officer and/or director, and an ultimate beneficial owner, of each of the U.S. Sunterra Entities and Lariagra U.S.
14. Uffelman is an individual who resides primarily in the Province of Alberta. At relevant times, she was the Vice President, Corporate Finance and/or Chief Financial Officer of the Sunterra Group, with knowledge and oversight of, and responsibility for, the finances of the Sunterra Group at large, including each of the Canadian Sunterra Entities, Sunterra Enterprises, the U.S. Sunterra Entities and Lariagra U.S.
15. Thompson is an individual who resides primarily in the Province of Alberta. At relevant times, his job title was "Accounting" or "Controller" and, in any event, he carried out accounting functions for the Canadian Sunterra Entities and Lariagra Farms Ltd. Thompson also had knowledge and oversight of, and responsibility for, the finances of the Canadian Sunterra Entities, the U.S. Sunterra Entities and Lariagra U.S.
16. David Price, Athur Price and Glen Price are members of the Price family and brothers of Price (collectively, the "Price Directors"). They are each individuals who reside primarily in the Province of Alberta. At relevant times, the Price Directors were directors of one or more of the Canadian Sunterra Entities and/or Sunterra Enterprises, and were among the ultimate beneficial owners of those entities and the other members of the Sunterra Group.

Compeer's Provision of Products and Services to the Sunterra Group

17. Since in or around 2005, Compeer provided revolving lines of credit ("RLOCs") to the U.S. Sunterra Entities and Lariagra U.S. At relevant times, Compeer extended the RLOCs

pursuant to a “Promissory Note/Loan Agreement” that was respectively entered into from time-to-time by each of the U.S. Sunterra Entities.

18. The purpose of the RLOCs was to fund the operations of the U.S. Sunterra Entities and Lariagra U.S. At relevant times, those operations consisted of:

 - (a) Sunterra U.S. is a pig management company. It managed approximately 500,000 pig spaces, of which approximately 110,000 were in South Dakota and housed pigs owned by Sunwold U.S. or Lariagra U.S. Sunterra U.S.’s revenues were generated by management fees it charged for managing pigs; and
 - (b) Sunwold U.S. and Lariagra U.S. are “wean-to-finish” operations. They purchased weaned pigs (from Canadian members of the Sunterra Group), and then raised those pigs to market weight in contract nursery and finishing barns in South Dakota.
19. Consistent with their prior arrangements, on October 7, 2024, Compeer entered into Promissory Note/Loan Agreements with the U.S. Sunterra Entities and Lariagra U.S. for the purpose of establishing RLOCs with each of those entities.
20. The three RLOCs established by Compeer on October 7, 2024 allowed for borrowing up to a combined USD \$11,500,000, as follows:

 - (a) Sunterra U.S. established a USD \$500,000 RLOC:
 - (b) Sunwold U.S. established a USD \$7,000,000 RLOC; and
 - (c) Lariagra U.S. established a USD \$4,000,000 RLOC.
21. Each Promissory Note/Loan Agreement provided a Maturity Date of May 1, 2025, and was executed by Price in his capacity as President/Secretary, and by Uffelman in her capacity as Chief Financial Officer.
22. Each of the foregoing RLOCs was secured by a “Security Agreement” under which the U.S. Sunterra Entities and Lariagra U.S. granted Compeer a senior, perfected security interest in various items of personal property, including the 110,000 pigs in South Dakota.

23. The Security Agreement of Sunterra U.S. was executed by Price in his capacity as President, and by Uffelman in her capacity as Chief Financial Officer, on September 26, 2023. The combined Security Agreement of Sunwold U.S. and Lariagra U.S. was executed by Price in his capacity as President/Secretary, and by Uffelman in her capacity as Chief Financial Officer, on October 7, 2024.
24. The RLOCs were also coupled with financial products called “Farm Cash Management” accounts (“**FCM Accounts**” and, together with the RLOCs, the “**Compeer Accounts**”). The FCM Accounts allowed the U.S. Sunterra Entities and Lariagra U.S. to deposit excess funds and earn interest on those funds, similar to a money market account.
25. When the Compeer Accounts were in a net borrowing or “draw” position, Compeer was owed funds under the Promissory Note/Loan Agreements, as secured by the collateral under the Security Agreements. When the Compeer Accounts were in a net positive or “balance” position, interest would be earned and paid to the U.S. Sunterra Entities and Lariagra U.S. on the positive balance.
26. Importantly, the Compeer Accounts included cheque writing privileges. More specifically, the RLOCs and FCM Accounts worked together, allowing the U.S. Sunterra Entities and Lariagra U.S. to write cheques in amounts equal to the combined total of their credit limit (USD \$11,500,000) and any positive balance in their FCM Accounts.
27. In this way, for example, if Sunwold U.S. was in a net “draw” position of USD \$5,000,000 (on a RLOC of USD \$7,000,000), it could write cheques up to USD \$2,000,000 against its Compeer Accounts. By contrast, if Sunwold U.S. had a net “balance” of USD \$5,000,000, they could write cheques up to USD \$12,000,000 against their Compeer Accounts.
28. Each of the foregoing lending arrangements were the subject of a “Continuing Guaranty Agreement” between Compeer and Sunterra Enterprises, as follows:
- (a) On September 26, 2023, Sunterra Enterprises guaranteed the indebtedness of Sunterra U.S. owing to Compeer in an unlimited amount;

- (b) On August 28, 2023, Sunterra Enterprises guaranteed the indebtedness of Sunwold U.S. owing to Compeer in the amount of USD \$3,000,000; and
 - (c) On August 28, 2023, Sunterra Enterprises guaranteed the indebtedness of Lariagra U.S. owing to Compeer in the amount of USD \$3,000,000
- (together, the “**Guarantees**”).

29. Compeer relied on the Guarantees, which expressly acknowledged that they were being provided to induce Compeer to extend or continue the provision of credit through “future loans and advances” to the U.S. Sunterra Entities and Lariagra U.S. Each Continuing Guaranty Agreement that gave rise to the Guarantees was executed by Price in his capacity as “President” of Sunterra Enterprises.

The Canadian Sunterra Group Members’ Arrangements with National Bank of Canada

30. During the period that Compeer provided the Compeer Accounts, Canadian Western Bank (which has since amalgamated and continued under the name “National Bank of Canada” (“**National Bank**”)) extended secured credit and provided commercial banking services, including the operation of bank accounts (the “**National Bank Accounts**”), to Canadian members of the Sunterra Group, including the Canadian Sunterra Entities.
31. Like how the Compeer Accounts provided the U.S. Sunterra Entities (and Lariagra U.S.) with cheque writing privileges, the National Bank Accounts also provided the Canadian Sunterra Entities with cheque writing privileges.

The Historical Operation of the Compeer Accounts

32. Over the years, Compeer’s relationship with the U.S. Sunterra Entities and Lariagra U.S. became longstanding and one that Compeer reasonably afforded considerable respect and trust. The reasons included what Compeer understood to be its regular, open and transparent engagement with Price and Uffelman, in their roles as officers and/or directors of the U.S. Sunterra Entities, Lariagra U.S., and other Sunterra Group members.

33. In engaging with Compeer, Price and Uffelman had – and made clear to Compeer that they had – deep, firsthand knowledge of the Sunterra Group’s affairs, including the integrated financial affairs of the Sunterra Group’s members. At the same time, Compeer understood Price to be well-known and reputable in the industries in which the Sunterra Group operated, and understood Uffelman to have long been Price’s trusted second-in-command.
34. Price and Uffelman consistently signed and/or delivered to Compeer the financial records required by the Promissory Note/Loan Agreements. Such financial records related to, among other things, the creditworthiness of the U.S. Sunterra Entities and Lariagra U.S., and compliance of Sunwold U.S. and Lariagra U.S. with their covenants under the Promissory Note/Loan Agreements (the “**Covenants**”).¹
35. Having received such financial information and records, Compeer applied its usual processes and, by doing so, consistently understood that Sunwold U.S. and Lariagra U.S. were generally in compliance with the Covenants, as required by the Promissory Note/Loan Agreements. When there was non-compliance with the Covenants, such non-compliance was addressed to Compeer’s satisfaction.

The Sunterra Group’s Use of Cheques for Intercompany Transactions

36. Over the years, and increasingly so in recent years, Compeer raised with Price and Uffelman the manner in which the U.S. Sunterra Entities’ Compeer Accounts were used in connection with the Sunterra Group’s approach to intercompany transactions between its U.S. and Canadian operations.
37. In particular, the U.S. Sunterra Entities regularly used cheques drawn on the National Bank Accounts of the Canadian Sunterra Entities to make deposits into their Compeer Accounts. Similarly, the Canadian Sunterra Entities regularly used cheques drawn on the U.S. Sunterra Entities’ Compeer Accounts to make deposits into their National Bank Accounts. Most or all such cheques flowing in both directions were signed by Uffelman, with the knowledge of and at the direction of Price, who oversaw the Sunterra Group’s affairs, and

¹ The Covenants did not apply to Sunterra U.S. because it primarily operated a swine management company with limited assets that consisted almost entirely of the accounts receivable for the management fees it received.

in coordination with Thompson, who among other things determined the amounts of the cheques that were signed by Uffelman.

38. Compeer was required to undertake a time-consuming, manual, and broadly inefficient process to verify, clear, and settle cheques presented by the U.S. Sunterra Entities and drawn on the National Bank Accounts. This was particularly the case compared to alternative methods of cross-border intercompany transactions such as wire transfers.
39. In addition, the underlying funds from a cheque drawn on the National Bank Accounts were not available to Compeer until the cheque was verified, cleared, and settled by Compeer in the Compeer Accounts. Such a delay from when a cheque was deposited until the funds were made available is referred to as the “float” and could take up to a few days.
40. Like many commercial banking customers at Compeer and elsewhere, the U.S. Sunterra Entities were not subject to holds on funds deposited via cheque during the float. Accordingly, the cheques deposited by the U.S. Sunterra Entities and drawn on the Canadian Sunterra Entities’ National Bank Accounts resulted in funds being immediately available for use, in the amount of the face value of the cheques, by way of conditional credit, before the underlying funds were cleared and settled by Compeer.
41. Similarly, Canadian Sunterra Entities were not subject to holds on funds deposited into their National Bank Accounts during the float, including on any cheques drawn on the U.S. Sunterra Entities’ Compeer Accounts.
42. Prior to 2025, Compeer understood that the float and corresponding conditional credit resulting from the use of cheques drawn on the Canadian Sunterra Entities’ National Bank Accounts, as well as the inefficiencies that resulted from relying on cross-border cheques, was the cause of overdraft positions that at times occurred on the RLOCs, particularly as the Sunterra Group’s business appeared to grow over time.
43. Compeer retained discretion regarding how to respond to any such overdraft. Prior to February 2025, overdrafts on the RLOCs were promptly remedied through the deposit of further amounts via cheque by the U.S. Sunterra Entities. With that being the case – and given Compeer’s longstanding relationship with the Sunterra Group, and its understanding

that the overdraft resulted from the Sunterra Group's typical use of cheques being sent from Canada to the United States – Compeer exercised its discretion to take no further action in response to the overdrafts at that time.

44. Compeer nonetheless raised with Price and Uffelman the manner in which the U.S. Sunterra Entities' Compeer Accounts were used in connection with the Sunterra Group's approach to cross-border intercompany transactions, including potential alternatives that would see the U.S. Sunterra Entities move away from reliance on cheques for such transactions, to achieve a more efficient process that was less likely to result in overdrafts.
45. Although Price and Uffelman advised in response that there were legitimate business reasons for the Sunterra Group's approach and use of cheques, and that they were pursuing alternatives to using cheques, at all relevant times the U.S. Sunterra Entities continued to rely on cheques drawn on, and deposited to, their Compeer Accounts.
46. Ultimately, at Compeer's insistence, Price and Uffelman committed that the Sunterra Group would implement an alternative to undertaking intercompany transactions by cheques by the end of 2024. By that agreed-upon deadline, however, the Sunterra Group remained reliant on cheques for such transactions, and Price and Uffelman requested a brief extension to implement an alternative to the use of cheques for cross-border intercompany transactions. Given the history of the relationship, Compeer permitted that brief extension.

The Events of Early 2025

47. In the early weeks of 2025, despite Price and Uffelman having committed that the Sunterra Group would imminently implement an alternative to undertaking cross-border intercompany transactions by cheques, the Sunterra Group's use of cheques drawn on and deposited to the U.S. Sunterra Entities' Compeer Accounts accelerated. In this regard:

 - (a) Between January 1, 2025 and February 10, 2025, 474 cheques were drawn on the U.S. Sunterra Entities' Compeer Accounts, in the total amount of USD \$431,301,200, all for deposit into the Canada Sunterra Entities' National Bank Accounts; and

- (b) During the same period, the U.S. Sunterra Entities deposited 472 cheques in the total amount of USD \$432,359,712.35 into their Compeer Accounts, all drawn on the Canadian Sunterra Entities' National Bank Accounts.
48. These simultaneous transfers occurred nearly daily throughout this period, and averaged approximately 18 cheques for a total amount of USD \$16,588,508 out of the U.S. Sunterra Entities' Compeer Accounts *each day*. In total, in just over the first month of 2025, USD \$863,660,912 was deposited into the Compeer Accounts and the National Bank Accounts, which greatly exceeded the total revenue of the entire Sunterra Group for the fiscal year ending December 31, 2024, which was CAD \$143,968,018.
49. As a result, by February 10, 2025, Compeer was aware that, contrary to the commitments of Price and Uffelman to implement an alternative approach, the U.S. Sunterra Entities:
- (a) Used the cheque-writing features on their Compeer Accounts to write even more cheques each day, which were being deposited the same day (apparently reflecting that the cheques were being signed in Alberta, primarily by Uffelman) into the Canadian Sunterra Entities' National Bank Accounts;
 - (b) Simultaneously sent Compeer even more cheques each day drawn against those same National Bank Accounts to pay down its RLOCS and/or increase the balance in their FCM Accounts with Compeer;
 - (c) Transacted funds through the Compeer Accounts in the January 1, 2025 to February 10, 2025 period in a volume that outpaced the annual reported and projected revenues and other financial metrics of the Sunterra Group; and
 - (d) Issued cheques in denominations generally ranging between USD \$800,000 and USD \$990,000, and no single cheque exceeded USD \$1,000,000.
50. The denominations of the cheques was significant because a cheque deposited across international lines for USD \$1,000,000 or more would have triggered additional scrutiny or delays (whether caused by the United States Bulk Exchange or otherwise), which Price [^], Uffelman and Thompson sought to avoid.

51. As a result, on February 11, 2025, Compeer personnel spoke with Price by videoconference in an effort to better understand the Sunterra Group's cheque-writing activity.
52. During that conversation, despite his direct, personal involvement with the Sunterra Group and the U.S. Sunterra Entities' Compeer Accounts (and his active coordination with Uffelman), Price stated that he was unsure of the reason for the activity other than to say that it was a "timing" issue. He further advised that he would have to consult with other Sunterra Group personnel to further advise Compeer about the reason for the activity.
53. Compeer was not satisfied with, and was concerned by, Price's statements made during the February 11, 2025 videoconference. As a result, later that day, Compeer notified Price in writing that it was exercising its right to terminate cheque-writing privileges for the Compeer Accounts, while also stating that it would consider permitting cheques to be written for necessary operational expenses, such as to feed animals.
54. In accordance with its written notice, on February 11, 2025, Compeer took action to ensure that cheques written on the Compeer Accounts would need to be manually approved by Compeer, so that Compeer could actively monitor all cheque-writing activity.
55. Despite its written notice, later on February 11, 2025, Compeer learned that 18 cheques had been drawn on the U.S. Sunterra Entities' Compeer Accounts for intercompany transfers to the Canadian Sunterra Entities' National Bank Accounts totaling USD \$16,302,000. Compeer relied on its written notice to dishonour those 18 cheques.
56. On the morning of February 12, 2025, Compeer received another batch of cheques totaling approximately USD \$9,000,000 drawn on the Canadian Sunterra Entities' National Bank Accounts to pay down the U.S. Sunterra Entities' RLOCS and/or increase the balance in their FCM Accounts with Compeer.
57. Later on February 12, 2025, having received that batch of cheques, Compeer personnel had another videoconference with Price. During that call, Price admitted:

- (a) The U.S. Sunterra Entities were moving funds back and forth between Compeer and National Bank to ensure that the U.S. Sunterra Entities had sufficient funds to avoid causing their RLOCs at Compeer to go into an overdraft position;
 - (b) The U.S. Sunterra Entities should not have done what they did;
 - (c) The practice of sending cheques back and forth between the same accounts was “wrong”;
 - (d) If Compeer deposited the USD \$9,000,000 in cheques received earlier that day but did not permit new cheques to be drawn on the Compeer Accounts to be immediately deposited in the Canadian Sunterra Entities’ National Bank Accounts, those National Bank Accounts would go into overdraft;
 - (e) If Compeer did not allow the U.S. Sunterra Entities to move money from Compeer to National Bank, then they would not have enough money to cover their operational expenses;
 - (f) That he felt “badly” that Compeer had been paying interest to the U.S. Sunterra Entities for the positive FCM Account balances; and
 - (g) That he believed that Compeer was holding more than USD \$20 million in positive FCM Account balances that he wanted sent back to the National Bank Accounts, at least in part, to cover the overdraft position of the Canadian Sunterra Entities at National Bank.
58. Price’s request amounted to seeking to have Compeer to continue the conduct that he knew, and had admitted to Compeer, constituted a fraudulent cheque kiting scheme, the particulars of which are pleaded further below.
59. After the February 12, 2025 videoconference, Compeer confirmed to Price that it would not deposit the USD \$9,000,000 in cheques that had been presented to Compeer for deposit drawn on the Canadian Sunterra Entities’ National Bank Accounts.

60. On February 13, 2025, Compeer personnel spoke again with Price. At that time, Price advised that the Canadian Sunterra Entities' National Bank Accounts were overdrawn by approximately USD \$21 million, and those entities needed money sent back from Compeer to cover those overdraft positions.
61. In response, Compeer advised Price that it could not release any funds unless it could verify that there were good and valid funds in the National Bank Accounts from which the cheques delivered to Compeer would be drawn. Compeer requested that Price consent to Compeer communicating directly with National Bank to verify the existence of such funds, but Price would not provide that consent.
62. Similarly, since Compeer was restricted from sharing information about the U.S. Sunterra Entities with National Bank, Compeer repeatedly requested consent from Price and from other principals of the Sunterra Group, namely Price's brothers Arthur Price [^] or Glen Price, to communicate directly with National Bank, but those requests were refused.
63. On February 10, 2025, the Compeer Accounts of the U.S. Sunterra Entities and Lariagra U.S. had a combined positive balance of approximately USD \$21,000,000 in funds payable to the U.S. Sunterra Entities and Lariagra U.S., comprised of:
- (a) A positive FMC Account balance of approximately USD \$14 million in favour Sunterra U.S.;
 - (b) A positive FMC Account balance of approximately USD \$10 million in favour of Sunwold U.S.; and
 - (c) A draw of approximately USD \$3 million on the RLOC of Lariagra U.S.
64. However, during the week of February 24, 2025, Compeer determined that National Bank had dishonoured 65 cheques totaling USD \$59,900,000 that had been previously credited by Compeer to the U.S. Sunterra Entities' Compeer Accounts.
65. As a result, the approximately USD \$21,000,000 positive cash balance that was showing as owed to the U.S. Sunterra Entities and Lariagra U.S. was immediately wiped out and, instead, there was more than USD \$30,000,000 of debt owing from the U.S. Sunterra

Entities and Lariagra U.S. This was the case despite their combined credit limit of only USD \$11,500,000 with Compeer.

66. After accounting for additional deposits and withdrawals from the U.S. Sunterra Entities' Compeer Accounts, the total indebtedness of the U.S. Sunterra Entities and Lariagra U.S. to Compeer at the time of this statement of claim is over USD \$36,500,000.
67. Compeer repeatedly requested additional information from Price and Arthur Price about the Sunterra Group's finances in Canada and its financial position with National Bank, but Price and Arthur Price continued to refuse to permit Compeer to communicate substantively with National Bank and refused to provide transparency about the Sunterra Group's financial condition or Compeer's exposure to additional losses. Such refusals impeded Compeer's ability to understand the true use of the Compeer Accounts.

The Fraudulent Cheque Kiting Scheme

68. The foregoing circumstances, and the steps taken by Compeer to pursue this action, have resulted in disclosure of the fact that at least Price ^, Uffelman and Thompson caused at least the U.S. Sunterra Entities and the Canadian Sunterra Entities to perpetrate a highly-sophisticated and fraudulent cheque kiting scheme against Compeer (the "Cheque Kiting Scheme"). The same conclusion has been reached by National Bank, which was the other victim of the Cheque Kiting Scheme.
69. The time at which the Cheque Kiting Scheme commenced is not currently known to Compeer, but with the information now known to Compeer, it appears likely to have been going on for years. The evidence of Price, Uffelman and Thompson, delivered in their personal capacities and on behalf of the Canadian Sunterra Entities, includes admissions of conduct amounting to the perpetration of the Cheque Kiting Scheme that they admit to having undertaken "always" and at least back to 2011.
70. In summary, the Cheque Kiting Scheme consisted of fraudulent conduct that took advantage of the float and the corresponding conditional credit that was provided by Compeer and National Bank in connection with the deposit of cheques by the U.S. Sunterra Entities (in the case of Compeer) and the Canadian Sunterra Entities (in the case of National

Bank). It required the continuous issuance of additional cheques, as between the U.S. Sunterra Entities on one hand, and the Canadian Sunterra Entities on the other hand, to satisfy amounts drawn by existing cheques with new conditional credit accrued with the issuance and deposit of new cheques.

71. The Cheque Kiting Scheme was undertaken, and could only have been undertaken, deliberately and with sufficient knowledge of the manner in which Compeer and National Bank respectively verified, cleared, and settled cheques, including regarding the extension of conditional credit and the lack of holds on cheques during the float. Only Price [^], Uffelman and Thompson (and potentially others from the Sunterra Group with whom they coordinated) had such knowledge, which resulted from the manner in which they caused cross-border intercompany transactions to be conducted by cheque using the Compeer Accounts and the National Bank Accounts.

72. More specifically, the Cheque Kiting Scheme was undertaken as follows:

- (a) The Canadian Sunterra Entities would issue a first set of cheques payable to the U.S. Sunterra Entities from their National Bank Accounts knowing that those cheques could not be satisfied by the balances in their accounts;
- (b) For the reasons described above, the denominations of those cheques ultimately would be in amounts close to – but not exceeding – USD \$1,000,000, which was a deliberate tactic to transact significant funds while evading detection of the fraud;
- (c) Once the first set of cheques was deposited to the U.S. Sunterra Entities' Compeer Accounts, those entities would immediately issue a second set of cheques payable to the Canadian Sunterra Entities knowing that [^] sufficient funds were only available in their Compeer Accounts to clear the cheques by virtue of the conditional credit from depositing the first set of cheques from the Canadian Sunterra Entities;
- (d) The second set of cheques from the U.S. Sunterra Entities would then be immediately deposited into the Canadian Sunterra Entities' National Bank Accounts so that [^] sufficient funds available by virtue of the conditional credit from

that second set of cheques would be available to backstop the amounts required to satisfy the first set of cheques payable from the National Bank Accounts; and

- (e) In this way, the fact that the Canadian Sunterra Entities' National Bank Accounts did not have sufficient funds to satisfy the first set of cheques payable to the U.S. Sunterra Entities was concealed from both Compeer and from National Bank.

73. Unbeknownst to Compeer until February 2025, the foregoing fraudulent process appears to have been undertaken at least hundreds of times, resulting in thousands of cheques amounting to billions of dollars being issued over the course of the Cheque Kiting Scheme.

74. Consistent with the foregoing, intercompany transactions described above had no legitimate commercial purpose. Rather, the purpose of those transactions was fraudulent and undertaken to illegitimately access credit and misappropriate funds from Compeer (and National Bank), and to fraudulently conceal that the Cheque Kiting Scheme was ongoing.

75. Accordingly, at least each of the U.S. Sunterra Entities and the Canadian Sunterra Entities knowingly and deliberately participated in the Cheque Kiting Scheme. They did so with the knowledge and at the direction of at least Price ^, Uffelman and Thompson. In response to Compeer's action, Price, Uffelman and Thompson have admitted to conduct that amounts to the coordinated and sustained perpetration of the Cheque Kiting Scheme.

76. Given the nature of the Cheque Kiting Scheme, each and every time the Canadian Sunterra Entities issued a cheque to the U.S. Sunterra Entities, the issuing entity made a representation that it had the capacity to honour the cheque that was being issued.

77. Such representations were false and were known to be false at all relevant times by Price, who exercised control and influence over the affairs and finances of the U.S. Sunterra Entities and the Canadian Sunterra Entities. Price also repeatedly engaged with Compeer regarding the Sunterra Group's use of cheques to undertake intercompany transactions, knowing (but omitting to advise Compeer) that such transactions had no legitimate purpose but were instead being undertaken in furtherance of the Cheque Kiting Scheme.

78. Such representations were also known to be false at all relevant times by Uffelman, who also exercised control and influence over the affairs and finances of the U.S. Sunterra Entities and the Canadian Sunterra Entities, and who personally signed the cheques used to perpetrate the Cheque Kiting Scheme. Uffelman also repeatedly engaged with Compeer regarding the Sunterra Group's use of cheques to undertake intercompany transactions, knowing (but omitting to advise Compeer) that such transactions had no legitimate purpose but were instead being undertaken in furtherance of the Cheque Kiting Scheme.
79. Such representations were also known to be false at all relevant times by Thompson, who also exercised control and influence over the affairs of the U.S. Sunterra Entities and the Canadian Sunterra Entities, and who personally determined the amounts of, and caused to be prepared, the cheques used to perpetrate the Cheque Kiting Scheme.
80. In addition, given the nature of the Cheque Kiting Scheme, each and every time Price [^], Uffelman and Thompson knowingly caused or permitted the Canadian Sunterra Entities to deposit a cheque drawn on the U.S. Sunterra Entities' Compeer Accounts, they did so knowing that there were inadequate funds in those accounts and that they were defrauding Compeer. They have now admitted that the Canadian and U.S. Sunterra Entities never had adequate funds and, in the case of Price, admitted to undertaking the conduct that amounted to the Cheque Kiting Scheme, including the reliance on conditional credit extended by Compeer and National Bank, in hopes that the Sunterra Group may at some point in the future generate sufficient funds through legitimate commercial activity to cover the amount of the cheques, but that such time never came.
81. The knowledge and direct personal involvement of Price [^], Uffelman and Thompson, all of which is binding on the Canadian Sunterra Entities, also includes:
- (a) The Sunterra Group utilized a unified accounting system that integrated all financial activities, including the activities of the U.S. Sunterra Entities and the Canadian Sunterra Entities. As a result, those with access to, knowledge of and responsibility for the financial activities of the Sunterra Group – including Price[^], Uffelman and Thompson – knew that there were insufficient funds at Compeer and National Bank

to cover the cheques used to perpetrate the Cheque Kiting Scheme, consistent with all such cheques being fraudulent misrepresentations;

- (b) Price and Uffelman executed the Promissory Note/Loan Agreements with Compeer on behalf of the U.S. Sunterra Entities and Lariagra U.S. on October 7, 2024 (and previously). They did so knowing they were perpetrating the Cheque Kiting Scheme, in coordination with Thompson, and intending to use the RLOCs provided pursuant to those Promissory Note/Loan Agreements to continue to perpetrate and conceal the Cheque Kiting Scheme;
- (c) Price and Uffelman executed the Security Agreements on behalf of Sunterra U.S. on September 26, 2023, and Sunwold U.S. and Lariagra U.S. on October 7, 2024 (and previously). They did so knowing they were perpetrating the Cheque Kiting Scheme, in coordination with Thompson, and intending to use the Security Agreements to purport to provide security in connection with the RLOCs, and thereby continue to perpetrate and conceal the Cheque Kiting Scheme;
- (d) Price executed the Continuing Guaranty Agreements on behalf of Sunwold U.S. and Lariagra U.S. on August 28, 2023, and Sunterra U.S. on September 26, 2023 (and previously). He did so knowing that he [^], Uffelman and Thompson were perpetrating the Cheque Kiting Scheme and intending to use the Guarantees to purport to provide further security or financial backing in connection with the RLOCs to thereby continue to perpetrate and conceal the Cheque Kiting Scheme;
- (e) Price and Uffelman repeatedly provided (or caused to be provided) financial information and records to Compeer. They did so knowing that they were actively perpetrating the Cheque Kiting Scheme, in coordination with Thompson, doing so was a means of maintaining and concealing their perpetration of the Cheque Kiting Scheme using the Compeer Accounts, and at least certain such financial information and records were false due to the Cheque Kiting Scheme; and

(f) Misrepresentations and omissions by Price ^, Uffelman and Thompson to actively conceal the approach to cross-border intercompany transactions and the role of cheques in undertaking those transactions.

82. The funds misappropriated from Compeer by way of the Cheque Kiting Scheme were received or applied for the ultimate benefit of at least the U.S. Sunterra Entities and the Canadian Sunterra Entities. In addition, prior to discovery of the Cheque Kiting Scheme, the U.S. Sunterra Entities generated profits derived from the misappropriated funds, including interest payments on the fraudulent positive balances in the FCM Accounts, all of which was known by Price and Uffelman as it occurred.

83. Further particulars of the manner in which the Cheque Kiting Scheme was undertaken is within the knowledge of those individuals who undertook such fraudulent conduct, including Price ^, Uffelman and Thompson, including others who participated with them.

Compeer's Response to the Cheque Kiting Scheme To Date

84. On March 10, 2025, Compeer issued notices of default and demands for accelerated payment to the U.S. Sunterra Entities and Lariagra U.S. However, the U.S. Sunterra Entities and Lariagra U.S have failed to respond to or satisfy those demands, in whole or in part.

85. On March 18, 2025, Compeer filed a complaint in South Dakota State Court against the U.S. Sunterra Entities and Lariagra U.S. It did so out of concern about the well-being of the pigs under those entities' control, which formed Compeer's collateral. Compeer understood that the pigs lacked feed and veterinary care, and were potentially not being kept warm. Compeer alleged that its claims against the U.S. Sunterra Entities and Lariagra U.S. arose from "a check kiting scheme involving billions of dollars fraudulently transferred by the Defendants and their principals between Canada and the United States." The case was later removed to the U.S. District Court, District of South Dakota.

86. On March 28, 2025, the U.S. District Court granted Compeer's motion and appointed Pipestone Management II, LLC as the receiver of the U.S. Sunterra Entities and Lariagra U.S. (the "U.S. Receiver") with duties that include investigating the Cheque Kiting

Scheme. In its Opinion and Order appointing the U.S. Receiver, the U.S. District Court recited the facts put forward by Compeer in respect of the Cheque Kiting Scheme and concluded: “The evidence at the hearing supports the facts from the pleadings [of cheque kiting] cited above and is hereby incorporated by reference into this Opinion and Order.”

87. Compeer has continued to advance funds to the U.S. Sunterra Entities and Lariagra U.S. necessary to advance the mandate of the U.S. Receiver, including caring for the pigs. Although the U.S. Receiver is also mandated to investigate the Cheque Kiting Scheme and help maintain the value of the relevant personal property that is to secure any indebtedness to Compeer, the realizable value of that property is significantly less than the USD \$36,500,000 currently owing to Compeer.
88. In addition, on April 11, 2025, Compeer made a demand of Sunterra Enterprises on the Guarantees in the amount of USD \$25,729,079.66, which was the amount for which Sunterra Enterprises was liable at that time (accounting for the limits on the Guarantees and accumulated interest, which is now greater). In breach of the Guarantees, Sunterra Enterprises has neglected or refused to pay any amounts under the Guarantees.
89. Separately, National Bank brought an application in Alberta for the appointment of a receiver over all members of the Sunterra Group. In that application, National Bank’s position, and its evidence, was that the “members of the Sunterra Group appear to have conducted a highly sophisticated cheque kiting scheme...involving bank accounts in Canada and the United States”, and described Compeer as a victim of that scheme.
90. National Bank’s application was initially dismissed and its appeal of that dismissal was adjourned after the Canadian members of the Sunterra Group – including the Canadian Sunterra Entities and Sunterra Enterprises – successfully applied for protections under the *Companies’ Creditors Arrangement Act*. The initial order rendered in that proceeding permits the issuance of this statement of claim without leave of the Alberta court.
91. The affidavit filed by National Bank in support of its application includes as an exhibit an email dated February 14, 2025 from Price to National Bank personnel with the subject line “Sunterra Overdraft Situation”. In that email, Price again admits to the Cheque Kiting

Scheme: “We then would pay from the U.S. to Canada, but in order to keep the U.S. entities with appropriate cash, we would move money back down on an ‘advance’ basis. It obviously grew beyond what it was meant to be as we continued to make sure that both entities had the money they needed. I apologize for what ended up happening.”

Fraud, Deceit, and Fraudulent Misrepresentation

92. As a result of their perpetration of the Cheque Kiting Scheme, the currently-known particulars of which are pleaded herein, the Canadian Sunterra Entities, Price ^, Uffelman and Thompson are liable to Compeer in fraud, deceit, and fraudulent misrepresentation.
93. The conduct of the Canadian Sunterra Entities, Price ^, Uffelman and Thompson pleaded herein amount to representations and omissions made to Compeer that constitute fraud, dishonest dealings, knowingly false representations, including by the non-disclosure of facts, and deprivation by deceit. All such conduct was undertaken with knowledge of its falsehood, or recklessly, without belief in its truth, with intention that it should be acted on by Compeer, which is what occurred.
94. Compeer relied on the false representations to its detriment by permitting the U.S. Sunterra Entities and Lariagra U.S. to access their respective RLOCs and the conditional credit that resulted from the Sunterra Group’s use of cheques to further the Cheque Kiting Scheme.
95. The result of Compeer’s detrimental reliance on such fraudulent and deceitful conduct is that Compeer suffered losses for which the Canadian Sunterra Entities, Price ^, Uffelman and Thompson are jointly and severally liable.

Civil Conspiracy

96. As a result of their perpetration of the Cheque Kiting Scheme, the currently-known particulars of which are pleaded herein, the Canadian Sunterra Entities, Price ^, Uffelman and Thompson are liable to Compeer for unlawful conduct conspiracy.
97. The Canadian Sunterra Entities, Price, Uffelman and Thompson agreed to engage in unlawful conduct that they knew (and in fact intended) or should have known would likely cause injury to Compeer. Their unlawful conduct, namely the Cheque Kiting Scheme, is

actionable. It amounts to fraud, deceit, and fraudulent misrepresentation, and all such conduct was directed towards Compeer.

98. The Canadian Sunterra Entities, Price ^, Uffelman and Thompson acted in concert with a common design in pursuing the Cheque Kiting Scheme with the intention of inducing Compeer to advance funds based on false and misleading representations, knowing that there were insufficient funds in the accounts from which the cheques were to be drawn. In doing so, they engaged in unlawful conduct, specifically the Cheque Kiting Scheme.
99. By engaging in their conspiracy, the Canadian Sunterra Entities, Price ^, Uffelman and Thompson caused Compeer to suffer losses for which they are jointly and severally liable.

Oppression

100. As a result of their perpetration of the Cheque Kiting Scheme, the currently-known particulars of which are pleaded herein, the Canadian Sunterra Entities, Price ^, Uffelman and Thompson engaged in oppressive conduct that entitles Compeer as a creditor of the Canadian Sunterra Entities, and their affiliates, including Sunterra Enterprises, the U.S. Sunterra Entities, and Lariagra U.S., to compensation as an aggrieved person pursuant to section 242 of Alberta's *Business Corporations Act*.
101. The conduct of the Price Directors amounts to additional oppressive conduct that entitles Compeer as a creditor of the Canadian Sunterra Entities, and their affiliates, including Sunterra Enterprises, the U.S. Sunterra Entities, and Lariagra U.S., to compensation as an aggrieved person pursuant to section 242 of Alberta's Business Corporations Act.
102. Through their conduct, the Price Directors permitted the Cheque Kiting Scheme, which was longstanding, sustained, coordinated (including by one of the Price Directors, namely Price) and used to conceal the fact that those entities lacked the legitimate funds required to satisfy their obligations or otherwise undertake their respective business and affairs. The Price Directors did so notwithstanding their duties, obligations, knowledge and access to information that they reviewed or ought to have reviewed. The Price Directors thereby became liable to Compeer for its losses caused by the Cheque Kiting Scheme and as otherwise pleaded herein. This claim in oppression against the Price Directors (pleaded at

paragraphs 101-102) is derivative of Compeer's other claims pleaded herein and Compeer intends to advance its derivative oppression claim only after those other claims have been proven.

^ Compeer's Losses

103. Due to the Cheque Kiting Scheme, Compeer has uniquely suffered losses of at least USD \$36,500,103.19. The other victim, National Bank, has no losses arising from the Cheque Kiting Scheme. This amount is the total indebtedness to Compeer of the U.S. Sunterra Entities and Lariagra U.S., the latter of which would not have been extended credit if not for the conduct of undertaking and concealing the Cheque Kiting Scheme. The Canadian Sunterra Entities, Price ^, Uffelman and Thompson are jointly and severally liable for such losses.
104. Compeer has also incurred compensable and ever-increasing expenses arising out of its investigation of the Cheque Kiting Scheme, and its funding of the appointment and activities of the U.S. Receiver. The Canadian Sunterra Entities, Price ^, Uffelman and Thompson are jointly and severally liable for such losses.
105. As a result of the fraudulent and high-handed conduct of the Canadian Sunterra Entities, Price, and Uffelman, Compeer is entitled to recover punitive and/or exemplary damages.

Breach of the Guarantees

106. Sunterra Enterprises provided the Guarantees to induce Compeer to extend or continue to extend credit to the U.S. Sunterra Entities and Lariagra U.S. Pursuant to the Guarantees, Sunterra Enterprises unconditionally, absolutely, and irrevocably covenanted and agreed to, among other things, pay and punctually perform the obligations of the U.S. Sunterra Entities and Lariagra U.S. subject to certain caps in liability contained therein.
107. Despite Compeer having demanded payment under the Guarantees on April 11, 2025, Sunterra Enterprises has neglected or refused to pay any amounts to Compeer. Sunterra Enterprises is therefore liable to Compeer under the Guarantees in the amount of at least

USD \$25,729,079.66, plus additional accumulated interest. Compeer is therefore entitled to judgment against Sunterra Enterprises.

Remedy sought:

108. Compeer seeks the following relief:

- (a) A declaration that at least Sunterra Canada, Sunwold Canada, Price ^, Uffelman and Thompson have committed fraud;
- (b) Damages in the amount of at least USD \$36,500,103.19 and such further or other amount as may be determined (plus contractual interest of ^11% and expenses under the Promissory Note/Loan Agreements) from the Canadian Sunterra Entities, Price, Uffelman and Thompson arising from their fraudulent and oppressive conduct, namely their perpetration of the Cheque Kiting Scheme, and in respect of Compeer's resulting expenses;
- (c) Damages in the amount of at least USD \$25,729,079.67 and such further or other amounts as may yet determined (plus additional contractual interest of ^11% and expenses under the Promissory Note/Loan Agreements) from Sunterra Enterprises for its breach of the Guarantees or, alternatively, amounts owing under the Guarantees;
- (d) Punitive damages in the amount of at least CAD \$1,000,000;
- (e) A declaration that Compeer is entitled to trace the funds advanced as a result of the Cheque Kiting Scheme and a declaration that those funds are held in trust as a constructive trustee for Compeer;
- (f) An order for an accounting of any profits or benefits realized by the Canadian Sunterra Entities, Price ^Uffelman or Thompson from the funds obtained as a result of the Cheque Kiting Scheme and the disgorgement of same;

- (g) An order, to the extent necessary, declaring that Compeer is entitled to pierce the corporate veil of the Canadian Sunterra Entities to enforce their claims and seek damages against Price ^, Uffelman and/or Thompson;
- (h) Damages in an amount to be particularized (plus contractual interest of 11% under the Promissory Note/Loan Agreements) from the Price Directors arising from their derivative oppressive conduct pleaded at paragraphs 101 and 102 above;
- (i) In the alternative to the contractual interest stated above, interest pursuant to the *Judgment Interest Act*, R.S.A. 2000, c. J-1;
- (j) Costs on a solicitor-client basis; and
- (k) Such further and other relief as counsel may advise and this Honourable Court shall permit.

NOTICE TO THE DEFENDANTS

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a Statement of Defence or a Demand for Notice in the office of the clerk of the Court of King's Bench at Calgary, Alberta, and serving your Statement of Defence or a Demand for Notice on the Plaintiff's address for service.

WARNING

If you do not file and serve a Statement of Defence or a Demand for Notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the Plaintiff against you.

Schedule "B"
Amended Litigation Plan

Schedule "A"
Litigation Plan

1. This litigation plan may be amended only by written agreement between the parties to Court of King's Bench Action No. 2503-10998 (the "**Action**"), or by Court Order.
2. The Defendants in the Action shall file and serve their defences to the Statement of Claim filed in the Action and any affidavits in response to Compeer's application for declaratory relief and summary judgment in the Action filed on June 23, 2025 in these proceedings (the "**Application**") by September 5 2025 and shall advise Compeer Financial, PCA ("**Compeer**") what two additional current employees of Compeer, if any, it wishes to examine. Such examinations shall occur pursuant to Rule 6.8 of the Alberta *Rules of Court* unless the additional witnesses file Affidavits.
3. Each of Ray Price, Art Price, Debbie Uffelman and Craig Thompson (collectively, the "**Sunterra Witnesses**") shall attend for examination, by no later than October 24, 2025. Such examination shall be limited to 3 days to be apportioned by Compeer unless the parties otherwise agree or the Court directs. Such examinations shall occur pursuant to Rule 6.6 if they file affidavits or Rule 6.8 if they do not of the Alberta *Rules of Court*.
4. The Defendants shall conduct any examination of Nicholas Rue, Steve Grosland and the additional witness(es) identified in accordance with paragraph 2, if any, by no later than November 13, 2025. Such examination shall be limited to 3 days to be apportioned by counsel for the Defendants unless the parties otherwise agree or the Court directs.
5. Any amendments to the parties to the Application, shall be made by October 27, 2025.
6. Any undertaking responses shall be provided by November 3, 2025.
7. Compeer shall file its brief by November 19, 2025 and the Defendants shall file their briefs by November 28, 2025.
8. The Application shall proceed to judgement on December 4 and 5, 2025.
9. The parties to the Action are at liberty and are hereby authorized and empowered to apply

to the Court for assistance in carrying out the terms of this plan and may seek to vary this plan on not less than seven day's notice.