

COURT FILE NUMBER 2501-06120

COURT COURT OF KING'S BENCH
OF ALBERTA

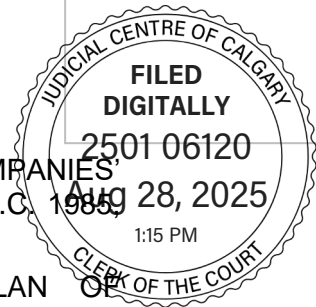
JUDICIAL CENTRE CALGARY

PROCEEDING 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 PVC MANAGEMENT II, LLC d/b/a PIPESTONE
MANAGEMENT

Clerk's Stamp



Submissions of the Applicant, PVC Management II, LLC d/b/a Pipestone Management

ADDRESS FOR SERVICE
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1. All capitalized terms used herein that are not otherwise defined have the meaning ascribed to them in the Affidavit of Hannah Walkes sworn on August 26, 2025 and filed in these CCAA Proceedings.

II. THE COURT HAS THE AUTHORITY TO EXTEND A CLAIMS PROCESS

2. Section 11 of the CCAA gives the Court authority to grant any order it considers appropriate in the circumstances, including the ability to grant or modify any process to solicit and determine claims against a debtor company and/or its directors and officers.

Companies' Creditors Arrangement Act, [RSC 1985, c C-36](#), at [s. 11](#) [TAB 1];
1057863 B.C. Ltd. (Re), [2024 BCSC 1111](#), at [para 34](#) [TAB 2]

3. The Court has power to amend claims bar orders and claims bar dates, notwithstanding the purported finality of the claims bar date.

Enron Canada Corp. v. Campbell's Industrial Supply Ltd., [2000 ABCA 16](#), at [para 25](#) [TAB 3]

4. On July 25, 2025, the Honourable Justice M.J. Lema granted an Order in the within CCAA Proceedings approving a claims procedure and setting a claims bar date of September 4, 2025 at 5:00 p.m. (the “**Claims Bar Date**”) for asserting claims against any of the CCAA entities or their directors or officers (the “**Claims Procedure Order**”).

July 25, 2025 Order of Justice M.J. Lema: Alberta Court Action No.
2501-06120 (“**Claims Procedure Order**”)

5. Paragraph 45 of the Claims Procedure Order permits any claimants to apply to this Honourable Court for advice and direction with respect to the application of the Claims Procedure Order.

Claims Procedure Order, at para 45

6. The US Receiver has been directed by the US Court to investigate the Alleged Cheque Kiting. While they have not cooperated with the US Receiver’s investigation to date, the CCAA Entities appear to have been involved in the Alleged Cheque Kiting based on the information currently available to the US Receiver. Should the CCAA Entities be found to have been involved in the Alleged Cheque Kiting, the US Receiver may have a claim against the CCAA Entities and their respective directors and officers.

Walkes Affidavit at paras 14-23

III. A CLAIMS PROCESS SHOULD BE EFFICIENT AND FAIR

7. The overarching purpose of claims processes generally is “to streamline the resolution of the multitude of claims against an insolvent debtor in the most time sensitive and cost-effective manner”.

Canwest Global Communications Corp., [2011 ONSC 2215](#), at [para 40](#) [TAB 4]

8. A Claims Process Order is intended to be a fair, reasonable and transparent method of determining and resolving claims against the estate. In certain circumstances, these objectives fail to be achieved through no fault of the participants. That does not preclude the court from considering the issues on their merits so as to achieve the fundamental objective under the CCAA to facilitate a restructuring based on valid claims.

Bul River Mineral Corporation (Re), [2014 BCSC 1732](#), at [para 54](#) [TAB 5]

9. The CCAA Entities have not complied to date with the US Receiver’s investigation of the Alleged Kite Chequing or requests for information to complete the Forensic Accounting. Without this information, the US Receiver will have substantially less information available to complete a proof of claim within the claims process on an efficient basis. It will also likely result in the claim being submitted on a contingent basis requiring additional litigation through the claims process in order to resolve it.

Walkes Affidavit at paras 16-23

10. National Bank and Compeer have each filed claims in Alberta against multiple of the CCAA Entities and their respective director and officers with respect to the Alleged Cheque Kiting (the “**Outstanding Claims**”).

Affidavit of Hannah Walkes sworn August 26, 2025, at Exhibit A
(the “Walkes Affidavit”) paras 10-13 and Exhibits H and J

11. The Outstanding claims are currently scheduled to be heard summarily on December 3 & 4, 2025 pursuant to litigation plans approved by the Honourable Justice M.J. Lema on July 25, 2025 (the “**December Application**”). Should the US Receiver file a proof of claim with respect to its potential claims against the CCAA Entities and their respective directors, there may be parallel proceedings dealing with some of the same or substantially the same issues as those being

determined in the December Application, this is not only an issue of efficient use of judicial resources, but also raises potential issued of *res judicata*.

**July 25, 2025 Consent Scheduling Order of Justice M.J. Lema with
respect to the National Bank Claim; July 25, 2025 Consent
Scheduling Order of Justice M.J. Lema with respect to the
Compeer Claim**

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 28th day of August, 2025.

MLT AIKINS LLP

A handwritten signature in black ink, appearing to be "Ryan Zahara" or "Jordan Eeles", written over a horizontal line.

Ryan Zahara / Jordan Eeles
Counsel for the Applicant, PVC Management
II, LLC d/b/a Pipestone Management

APPENDIX – LIST OF AUTHORITIES

TAB	DESCRIPTION
1.	<i>Companies' Creditors Arrangement Act</i> , RSC 1985, c C-36
2.	<i>1057863 B.C. Ltd. (Re)</i> , 2024 BCSC 1111
3.	<i>Enron Canada Corp. v. Campbell's Industrial Supply Ltd.</i> , 2000 ABCA 16
4.	<i>Canwest Global Communications Corp.</i> , 2011 ONSC 2215
5.	<i>Bul River Mineral Corporation (Re)</i> , 2014 BCSC 1732