



District of: Nova Scotia
Division No.: 01-Halifax
Court No.: 44436
Estate No.: 51-126302

**MINUTES OF THE FIRST MEETING OF CREDITORS
IN THE MATTER OF THE BANKRUPTCY OF
TERRA FIRMA DEVELOPMENT CORPORATION LIMITED
(ORDINARY ADMINISTRATION)**

THE MEETING was called to order at 14:16 Atlantic Standard Time (AST), on November 12, 2020.

ATTENDANCE The meeting was conducted via Microsoft Teams due to the COVID-19 pandemic. Due to the large number of attendees some names may not have been identified correctly via the attendance list extracted by Microsoft Teams. As an alternative, the Licensed Insolvency Trustee has provided the First Meeting of Creditors invitation list (Appendix A).

Jennifer Hiltz (Official Receiver) chaired the meeting pursuant to subsection 105(1) of the *Bankruptcy & Insolvency Act* (BIA):

105 (1) The official receiver or his nominee shall be the chair at the first meeting of creditors and shall decide any questions or disputes arising at the meeting and from any such decision any creditor may appeal to the court.

THE CHAIR introduced themselves, along with Catherine Bussey, Senior Analyst, Office of the Superintendent of Bankruptcy, and Mr. J. Eric Findlay, Licensed Insolvency Trustee, MNP Ltd (LIT).

THE CHAIR declared the meeting properly called and, a quorum being present, duly constituted.

The purpose of the meeting was outlined as follows:

- to consider the affairs of the bankrupt, **Terra Firma Development Corporation Limited (TFDC)**;
- to affirm the appointment of the LIT or substitute another;
- to appoint inspectors; and
- to give such directions to the LIT as the creditors may see fit with reference to the administration of the estate.

THE LIT reported to creditors on the preliminary administration. The LIT's report has been published on MNP's website: <https://mnpdebt.ca/en/corporate/corporate-engagements/terra-firma-development-corporation-limited>

A QUESTION PERIOD followed the report, with the following put forth to the LIT:

1. A creditor asked whether a proof of claim could be filed electronically:
 - The LIT responded that MNP Ltd will accept scanned/faxed copies.
 - For the purposes of the meeting, the LIT advised that creditors who did not submit a proof of claim prior to the start of the meeting would not be eligible to vote during the meeting.
 - Instructions for how to complete/submit a proof of claim can be found on the MNP Ltd website, listed above.

2. A creditor requested that the LIT share the screen so that they may read the report just presented:
 - The LIT indicated that the report will be provided on the MNP Ltd website in the near future.
 - Update (Nov 18, 2020): Report is available via the link referenced above.

3. A creditor asked how the LIT valued land identified in the report:
 - The LIT used information from the company (estimated values in a spreadsheet), along with the assessed values for tax purposes.

4. A creditor asked about an insurance policy for land units in which they invested:
 - The LIT suggested that a representative from AV Corporate Services might be better able to answer this question.
 - Peter Hutchinson from Forest Lakes AV Corporate Services responded that the title insurance was initially offered (Chicago Title Insurance) until the purchase of land by the Delaware Limited Liability Company (Delaware LLC) so that they were free of any encumbrances.
 - The LIT further identified that a preliminary review suggests there were no encumbrances.

5. A creditor asked if consideration would be given to those still interested in purchasing individual properties:
 - The LIT advised that inspectors will provide direction as to how to handle the assets. This may include selling individual plots of land, or packaging the assets together and selling as one large development.

6. A creditor indicated that he had secured the land purchase, paid taxes, lawyer fees and insurance, obtained a collateral mortgage, and submitted confirmation from TFDC to the LIT. He asked whether it was possible to have this transfer completed now, or whether he would have to participate with all other creditors:
 - The LIT advised that he would have to review and verify the security, which will take time. Legal counsel has not yet been secured to review.
7. Multiple creditors asked if their proofs of claim had been received:
 - The LIT advised that the claims register will be published on the website.
 - Derek Cramm, LIT with MNP Ltd, further advised that MNP Ltd has not yet had time to review the submitted claims in depth, particularly the secured claims.
8. A creditor asked about the difference between a secured and unsecured creditor. He had filed the claim as unsecured, as he didn't receive a title deed and had not paid taxes:
 - The LIT explained that a secured creditor typically has a lien on an item of the debtor's property (e.g. mortgage for a property at a bank). Therefore, if no mortgage was registered against the property, the debt is unsecured.
 - The LIT confirmed that creditors will be advised of any error in the claim upon further review.
9. A creditor asked whether interest should be included when completing the proof of claim. The creditor also asked what the chances were of getting any money back in this process:
 - The LIT responded that if the agreement with TFDC provided for the accrual of interest (not all do), then yes, include interest in the proof of claim (up to the date of bankruptcy).
 - The LIT was unable to provide a response to the second question, at this preliminary stage of the administration.
10. A creditor asked if there was any recourse for current tenants to maintain the properties for winter. Specifically, the creditor wanted to know about road maintenance (e.g. snow plowing during the winter):
 - The LIT responded that it will be up to the inspectors.
 - The LIT further mentioned that it is important to note the money provided by the 3rd party was to secure LIT services. There are no funds in the estate at this point.

AFFIRMATION OF APPOINTMENT OF TRUSTEE The Chair called for a motion to affirm J. Eric Findlay, representing MNP Ltd, as the LIT for the estate. The motion was moved by Awsam El Faramawy, representing himself and was seconded by Michael Blades, representing Steiner & Company. The motion was carried.

THE APPOINTMENT OF INSPECTORS The Chair called for those interested in acting as estate inspector to put their names forward. The following individuals were identified:

1. Gavin MacDonald, seconded by Tew See Mong (Kenneth)
2. Peter Hutchinson, seconded by Awsam El Faramawy
3. Chadi Charara, seconded by Peter Fritz Otto Marr

Note: Natalie Clifford and Ang Loo Seong both put their names forward, but later withdrew from the inspectors list.

GENERAL INSTRUCTIONS TO THE TRUSTEE The Chair called for creditors to provide instruction to LIT. No instructions were put forward. The LIT confirmed to the creditors that an inspector's meeting would immediately follow the creditors' meeting.

A QUESTION PERIOD followed the inspectors' appointment, with the following put forth to the LIT:

1. A creditor advised that a number of investors invested in Delaware LLC land units and AV Corporate Services is supposed to be trustee for these land units. The creditor asked whether AV Corporate Services would be sending a representative to be inspector, and what responsibility they would be taking in this.
 - The LIT advised that Peter Hutchinson was affirmed as inspector.
 - Peter Hutchinson confirmed he is representing the Delaware LLCs.
2. A creditor asked if AV Corporate Services would be willing to represent the investors as inspectors.
 - The LIT advised that the appointed inspectors do represent the interest of all creditors generally.
3. A creditor requested a timeline for the administration of the estate.
 - The LIT has not established any project planning or timelines as of yet.
4. A creditor stated that she understood there was no project plan at this time but asked what would be next.
 - The LIT advised that an inspectors' meeting would immediately follow the meeting of creditors.

5. A creditor asked whether all creditors (unsecured vs. secured) would be treated equally.
 - The LIT responded that the next steps are to review the security and verify if there is validity to claims of security.
6. A creditor mentioned that there is significant debt and asked whether there will be anything left for unsecured creditors, after paying taxes, etc. The creditor also asked what they can do to maximize return to unsecured creditors.
 - The LIT advised that the preliminary report identifies pieces of land that are unsecured, but at this point it is not known what the land is (e.g. swamp, golf course, etc.).
 - The LIT advised that the most viable part right now appears to be the Jack Nicklaus designed golf course, which has conditions associated to its' transfer. The LIT will review the documents with respect to the transfer and determine if TFDC has the rights to the golf course.
7. A creditor asked if updates to the administration will be mailed to creditors, or whether creditors should follow the MNP Ltd website.
 - The LIT advised that statutory reports will be forwarded to all creditors, and posted on the MNP Ltd website.
8. A creditor asked the LIT whether this project was over-ambitious, a Ponzi scheme, or fraud.
 - The LIT responded that it was difficult to speculate, but his gut feeling is that it was over-ambitious.
 - The LIT advised that the location of the project was not convenient to a major city or other major Nova Scotia tourist attractions (e.g. ocean).
9. A creditor asked if there would be a vote at another meeting if the inspectors decide on a way forward.
 - The LIT advised that is the role of the inspectors, but the LIT could certainly provide information to all creditors and provide time to voice approval/disapproval, ask questions, etc.
10. A representative of investors who invested through a pension fund in UK, via the Delaware LLC, asked whether these individual investors are considered creditors.
 - The LIT advised that these investors are creditors of the Delaware LLCs. It is the Delaware LLCs who are creditors of TFDC.

THERE BEING NO FURTHER BUSINESS, at 15:46 AST, the Chair called for a motion to adjourn the meeting. The motion was moved by Sylvain Van de Weyer, representing himself, and was seconded by Farizan Binti Majid Ali, representing himself. The motion was carried.

THE MEETING was adjourned at 15:47 AST.

RESPECTFULLY SUBMITTED NOVEMBER 20, 2020,



Jennifer Hiltz
Official Receiver & Chair

Appendix A – List of Participants Invited

First Name	Last Name
Wolfgang	Lehnert
Philip	Murphy
Waleed Mahmoud Sami Ahmed	Abdou
Mohamed	Amozlouf
Rizwana Quavi	Narvel
Karsten	Schiz
Karen	Beaumont
Mike	Peters
David	Kachani
Awsam	El Faramawy
Sophie Chen Man	Tsuan
Gareth	Hagan
Wim	Van De Water
Jordan	Alexander
Michael	Link
Michael John	Viney
Christoph	Rottele
Sylvain	Van de Weyer
Ralf	Staudinger
Leif Martin	Koch
Piotr	Bednarczuk
Jeremiah	Bird
Zeina	Bazzi
Ian	Petty
Ridhwan Adebayo	Mustapha
Bernard Grosse	Holthaus
Yap Kuay	Hua
Mike	Li
Ang Loo	Seong
James	Stevenson
Ahmad Durani Razad	Khan
Dr. Shanti	Kankipati
Inge	Muller
Grace	Meade
Folker	Fluggen
Marc	Dunning

Michael	Donovan
Reinhold	Kraus
Frank	Drescher
Sven	Buchner
Till	Dengel
Marten	Stephano
Hilary	Gilroy
Choon Leng	Phuah
André	Bernhard
Martina	Heinsen
Sebastien	Malfi
Gavin	MacDonald
Katja	Ultes-Bircks
Michael	Blades
Bob	Hogan
Bjoern	Weisheit
Marcus	Huth
Dr. Karin	Ziolko-Lange
Lothar	Holland-Nell
Tracy	Smith
Andreas	Hansen
PC	Ng
Peter	Marr
John	Barrett
Andreas	Theodoulou
Andreas	Tetzloff
Gottfried	Lange
Gillian	Malouf
Sarah	Green
Alise	Warriner
Tom	Byrne
Robin	Brockbank
Farizan	Majid
James	Whelan
Ulrike und Rupert	Poschl
Heinz	Bohnet
Manfred	Gass
Siegfried	Gass
Saleem	Shaban

Roland	Kuchler
Rosminah	Binti Kamsi
Andreas	Tetzloff
Leif	Koch
Gerhard	Dubois
John	Barrett
David	Lasaga
Sheri	Coleman
Peter	Hutchinson
Christina	Payson
Kenneth	Ong
Jo	Cheevers
Ralph	Bastarche
Roland	Kuchler