

Form 6-4  
(Rule 6-4)

FILED IN THE OFFICE OF THE  
LOCAL REGISTRAR ON THE

21 DAY OF October 2021

COURT FILE NUMBER BKY \_\_\_\_ of 2021

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

Received by   
Judicial Centre of Saskatoon

JUDICIAL CENTRE SASKATOON

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF CANADIAN  
DEVELOPMENT STRATEGIES INC.

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COURT FILE NUMBER BKY \_\_\_\_ of 2021

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF CROSSROADS  
ONE INC.

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COURT FILE NUMBER BKY \_\_\_\_ of 2021

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF OAK AND ASH  
FARM LTD.

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COURT FILE NUMBER BKY \_\_\_\_ of 2021

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1143402  
ALBERTA LTD.

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COURT FILE NUMBER                      BKY \_\_\_\_ of 2021

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE                      SASKATOON

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 2061778  
ALBERTA LTD.

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COURT FILE NUMBER                      BKY \_\_\_\_ of 2021

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE                      SASKATOON

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1216699  
ALBERTA LTD.

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COURT FILE NUMBER                      BKY \_\_\_\_ of 2021

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE                      SASKATOON

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF DEAN RUNZER

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COURT FILE NUMBER                      BKY \_\_\_\_ of 2021

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE                      SASKATOON

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF LORI RUNZER

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**APPLICATION WITHOUT NOTICE**

**(Abridgment of Time for Service)**

This application is being made without notice.

**Provisions authorizing the application to be made without notice:**

1. Rules 6-4, 6-9 and 13-7 of the *Queen's Bench Rules*.

**Remedy claimed or sought:**

2. An Order substantially in the form of the Draft Order filed concurrently herewith validating the service of all materials, including the Originating Application returnable on October 28, 2021; the Draft Order for Extension of Time to File Proposal; the Affidavit of Lori Runzer sworn October 21, 2021; the First Report of the Proposal Trustee; the Service List maintained in respect of these proceedings (the "**Service List**") and the Brief of Law on behalf of the Applicants (collectively, the "**Application Materials**") filed in support of the application (the "**Extension Application**") by Canadian Development Strategies Inc., Crossroads One Inc., Oak and Ash Farm Ltd., 1143402 Alberta Ltd., 2061778 Alberta Ltd., 1216699 Alberta Ltd., Dean Runzer and Lori Runzer (collectively, "**FireSong Group**") for a 45-day extension of the time within which they are required to file their respective proposals to creditors pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985 c.B-3 ("**BIA**"), provided that:
  - (a) at or before 5:00 pm (Saskatchewan time) on Friday, October 22, 2021, all such Application Materials are served by e-mail transmission on all parties who appear, based upon the records of FireSong Group, to have an interest in these proceedings, as more particularly described in the Service List as it exists on that date;
  - (b) at or before 5:00 p.m. (Saskatchewan time) on Friday, October 22, 2021, e-mail correspondence is sent to all limited partners of Living Water Limited Partnership who appear on the Master List of Partners maintained by FireSong Group, and who have provided an e-mail address to FireSong Group, identifying the date, time and location of the hearing of the Extension Application and providing a link to the Proposal Trustee's Case Website at <https://mnpdebt.ca/en/corporate/corporate-engagements/canadian-development-strategies-inc> at which the Application Materials can be accessed and downloaded; or
  - (c) the respondent to be served consents to the jurisdiction of this Honourable Court to consider the application by FireSong Group for a 45-day extension of the time within which they are required to file their respective proposals to creditors under Division I of Part III of the BIA, notwithstanding that the materials in support thereof were not served upon such respondent at least fourteen days prior to the hearing of the application.

**Grounds for making this application:**

3. FireSong Group carries on the business of financing, developing, marketing and operating a four-season luxury resort village property ("**FireSong Resort**") at Fowler Lake, Saskatchewan ("**Fowler Lake**"), located in the vicinity of Makwa Lake Provincial Park, approximately 60 kilometres west of the City of Meadow Lake, Saskatchewan. The principals and primary operators of FireSong Group are Dean Runzer and Lori Runzer (collectively, the "**Runzers**"). In addition to developing, marketing and operating FireSong Resort, FireSong Group owns several parcels of farm land near Fort Saskatchewan, Alberta.
  
4. FireSong Group comprises the following corporations, individuals and limited partnership:
  - (a) Living Water Limited Partnership - the investment vehicle for raising funds for developing, marketing and operating FireSong Resort;
  
  - (b) Canadian Development Strategies Inc.- the corporation which is the general partner of Living Water Limited Partnership and the entity which is responsible for financing the development, marketing, and operations of FireSong Resort;
  
  - (c) 1143402 Alberta Ltd.- the corporation which owns the real property comprising FireSong Resort and which is responsible for the development and construction of FireSong Resort;
  
  - (d) Crossroads One Inc.- the corporation which rents, operates and maintains the properties comprising FireSong Resort;
  
  - (e) 121669 Alberta Ltd.- the corporation which owns the equipment used to develop and maintain FireSong Resort;
  
  - (f) Oak and Ash Farm Ltd.- family farm corporation of the Runzers which owns farm land near Fort Saskatchewan. Oak and Ash Farm Ltd. is not directly involved in the financing, development, marketing or operation of FireSong Resort;
  
  - (g) 2061778 Alberta Ltd.- family farm corporation of the Runzers that owns farm land near Fort Saskatchewan. 2061778 Alberta Ltd. is not directly involved in the financing, development, marketing or operation of FireSong Resort;
  
  - (h) Dean Runzer- director of the corporations comprising FireSong Group and a primary operator of the business of FireSong Group; and
  
  - (i) Lori Runzer- director of the corporations comprising FireSong Group and a primary operator of the business of the FireSong Group.

5. FireSong Group is engaged in the development of a “fractional ownership” or timeshare resort comprising fifteen cabins at Fowler Lake. To date, five of the proposed fifteen cabins have been built by FireSong Group. These five cabins are currently rented out to customers by FireSong on a per-night basis.
6. Through Canadian Development Strategies Inc., FireSong Group has granted promissory notes to various creditors in the total aggregate amount of \$3,020,000.00.
7. Through 1143402 Alberta Ltd., FireSong Group has borrowed approximately \$1,400,000.00 from a broker from Minnesota known as David Robson (“**Mr. Robson**”). Through 1143402 Alberta Ltd., FireSong Group has also borrowed \$136,000.00 from Edam Credit Union. The debts owed by FireSong Group to Mr. Robson and to Edam Credit Union are secured by mortgages registered against the real property at Fowler Lake comprising FireSong Resort.
8. Through Oak and Ash Farm Ltd. and 2061778 Alberta Ltd., FireSong Group has borrowed approximately \$1,500,000.00 from Alberta Treasury Branches (“**ATB**”). The debt owed by FireSong Group to ATB is secured by mortgages registered against the farm land owned by Oak and Ash Farm Ltd. and 2061778 Alberta Ltd. at Fort Saskatchewan (the “**Farm Land**”).
9. The Farm Land is the subject of a judicial listing order from the Alberta Court of Queen’s Bench in favour of ATB. With the consent of ATB, Oak and Ash Farm Ltd. and 2061778 Alberta Ltd. have arranged for the private sale of the Farm Land. FireSong Group intends to utilize net sale proceeds arising from its equity from the sale of the Farm Land to fund and/or advance the restructuring of FireSong Group.
10. FireSong Group of is indebted to a number of other creditors.
11. On September 29, 2021, the six corporations and two individuals comprising FireSong Group each filed Notices of Intention to Make a Proposal to their creditors under section 50.4(1) of the BIA. MNP Ltd. consented to act as Proposal Trustee to FireSong Group.
12. The time within which FireSong Group is required to file a Proposal to it creditors, and the corresponding thirty-day stay of proceedings against FireSong Group arising under sections 50.4(8) and 69(1) of the BIA (the “**Stay of Proceedings**”), is set to expire on October 29, 2021.
13. FireSong Group has scheduled the hearing of an application for an Order granting it a 45-day extension of the Stay of Proceedings, and the time within it is required to file a Proposal to its creditors, with such application scheduled to be heard at Court of Queen’s Bench For Saskatchewan in Saskatoon at 9:00 am on Thursday, October 28, 2021.

14. The October 28 hearing date has been scheduled in consultation with the Local Registrar at a time while the restructuring of FireSong Group is evolving and FireSong Group and its professional advisors are working actively to prepare and file cash flow forecasts, to communicate with stakeholders, to prepare the Report of the Proposal Trustee and to develop the preliminary framework for the restructuring of FireSong Group. In these circumstances, it has not been possible for FireSong Group to serve and file the Application Materials at least fourteen days prior to the scheduled hearing date.
15. The Order requested is required in order for the application by FireSong Group for a 45-day extension of the Stay of Proceedings under section 50.4(9) of the BIA to be heard on the scheduled October 28, 2021 hearing date and for FireSong Group to file the Application Materials in support of the Extension Application to be in compliance with this Honourable Court's decision in *Sigfusson Northern Ltd. v Signal Energy LLC*, 2016 SKQB 46, 88 CPC (7th) 416.
16. Such further and other grounds as counsel may advise and this Honourable Court may allow.

**Respecting opposite parties:**

17. Kim Haverstock, a limited partner of Living Water Limited Partnership, has been represented by Ms. Marie Dussault of Miller Thomson LLP of Edmonton, Alberta.
18. ATB has been represented by Mr. Tom Gusa of Dentons LLP of Edmonton, Alberta.
19. Unless directed by the Court to do so, FireSong does not propose to serve a copy of this Application Without Notice on either Ms. Dussault or Mr. Gusa, as no substantive relief is sought by FireSong in this Application Without Notice and the relief sought is procedural in nature (an Order abridging the time for service).

**Material or evidence to be relied on:**

20. The Applicant relies upon:
  - (a) this Application Without Notice;
  - (b) the Affidavit of Lori Runzer sworn October 21, 2021;
  - (c) a form of Draft Order; and
  - (d) such further and other material as this Honourable Court may allow.

**Applicable Acts, Regulations, and Jurisprudence:**

- 21. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, sections 50.4(8), 50.4(9), and 69(1);
- 22. *The Queen's Bench Rules*, Rules 6-4, 6-9, and 13-7; and
- 23. *Sigfusson Northern Ltd. v Signal Energy LLC*, 2016 SKQB 46, 88 CPC (7th) 416.

DATED at Saskatoon, Saskatchewan, this 21<sup>th</sup> day of October, 2021.

**MLT AIKINS LLP**

Per:   
For Jeffrey M. Lee, Q.C. and Dana Nowak,  
Solicitors for FireSong Group

**CONTACT INFORMATION AND ADDRESS FOR SERVICE**

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