

District of Alberta
Division No: 01-Edmonton
Court No. 23-2771509
Estate No. 23-2771509
AND
Court No. 23-2771508
Estate No. 23-2771508

**IN THE COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE OF EDMONTON
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE DIVISION I PROPOSAL OF
Lori Dianne Runzer And Dean Clifford Runzer**

**TRUSTEE'S REPORT TO COURT ON PROPOSAL
(SECTION 58(D))**

We, MNP Ltd., the Trustee acting in the Division I Proposal of Lori Dianne Runzer, hereby report to the Court as follows:

1. That Lori Dianne Runzer and Dean Clifford Runzer (collectively as the "Runzers") filed a Notice of Intention to Make a Proposal ("NOI") on September 29, 2021 and MNP Ltd. consented to act as Proposal Trustee.
2. That the Court of King's Bench of Saskatchewan (the "**Court**") authorized extensions in time for the Runzers to file a Proposal up to March 13, 2022.
3. That the proposal of Lori Dianne Runzer and Dean Clifford Runzer was filed with the Official Receiver on March 11, 2022. The proposal was filed as a Joint Proposal (the "**Proposal**").
4. That on the 16th day of March 2022, notice was given to the Insolvent Person, and every known creditor affected by the Proposal, of the calling of a Meeting of Creditors to be held on the 1st day of April 2022 to consider the Proposal.
5. That with the Notice was included a Statement of Assets and Liabilities (the "**Statement of Affairs**") of the Debtor, a list of the creditors affected by the Proposal which shows the amounts of their claims, a copy of the Proposal, a form of Proof of Claim and Proxy in blank and a Voting Letter. A copy of the Notice, a copy of the Statement of Affairs and a copy of the Proposal are attached collectively to this report as **Schedule A**.
6. That the First Meeting of Creditors was adjourned to provide additional time to further investigate the affairs of the Runzers.
7. That on August 11, 2022 the Trustee issued notice to the creditors of a re-convened First Meeting of Creditors on August 25, 2022 (the "**August 25 Meeting**"). The purpose of the August 25 Meeting was to provide the creditors with an opportunity to provide direction to the Trustee and appoint Inspectors. A copy of the August 11, 2022 notice of the August 25 Meeting is attached as **Schedule B**.
8. That at the August 25 Meeting the creditors provided instruction to the Trustee to re-convene the meeting of creditors on September 15, 2022 for the purpose of voting on the Proposal. A copy of the minutes of the August 25 Meeting is attached as **Schedule C**.
9. That prior to the September 15, 2022 Meeting of Creditors (the "**September 15 Meeting**"), careful and detailed inquiries were made into the liabilities of the Debtor, the Debtor's assets and their value, the Debtor's conduct, and the cause of the Debtor's insolvency.
10. That on September 2, 2022 the Runzers filed an amended proposal with the Trustee (the "**Amended Proposal**"). The Amended Proposal provided for the following:

- Additional language recognizing a prior insolvency;
- A reduction in the value of the proposal fund (proceeds to be made available to the unsecured creditors) based upon the Runzers position that they could assert a personal exemption in the equity of a residential property contemplated to be sold in the Amended Proposal; and
- A registration on title of the residential property in favour of the Proposal estate as security for the Amended Proposal.

11. That the re-convened Meeting of Creditors was held on September 15, 2022, at 3:00 PM and was presided over by the representative of the Trustee, Karen Aylward, CIRP, Licensed Insolvency Trustee. A copy of the Trustee's Report to the Creditors and the Minutes of the Meeting of Creditors is attached collectively as **Schedule D**.

12. That the required majority of proven creditors voted to accept the Amended Proposal.

13. That we are of the opinion that:

- a. The assets of the Debtor, as disclosed on the Statement of Affairs of the Debtor, are a fair realizable value.
- b. All liabilities of the Debtor are disclosed on the Statement of Affairs of the Insolvent Person.

14. That we are also of the opinion that:

- a. The cause of the insolvency of the Debtor is attributed to a downturn in the economy due to the COVID-19 pandemic which resulted in cancelled reservations by customers of the resort property; and
- b. Pressure from its investors for the repayment of investments and promissory notes leading to legal collection actions in some cases.
- c. That the conduct of the Debtor is not subject to censure.
- d. The facts mentioned in section 173 of the Act are provable against the Debtor:
 - i. The assets of the bankrupt are not of a value equal to fifty cents on the dollar of on the amount of the unsecured liabilities, and

15. That we are further of the opinion that the Debtor's Proposal is an advantageous one for the creditors for the following reasons:

In our opinion, the Debtor appears to be acting in good faith and with due diligence and is demonstrating a willingness to complete the terms of the Proposal in an effort to maximize recovery for the unsecured creditors.

That the projected dividends payable to the unsecured creditors excluding Trustee's fees, disbursements, Levy, and GST, will total the sum of \$142,000, which represents a dividend of 1.55% of the total unsecured indebtedness. By comparison, it is estimated that the dividend payable to the unsecured creditors in a Bankruptcy, excluding Trustee's fees, disbursements, and GST, will total the sum of \$132,000, which represents a dividend of 1.44% of the total unsecured indebtedness.

10. That on this date I did forward a copy of this Report to the Registrar in Bankruptcy and the Official Receiver.

Dated at the City of Edmonton, in the Province of Alberta, on February 24, 2023.

MNP Ltd.

In its capacity as Trustee of the Proposal of
Lori Dianne Runzer and Dean Clifford Runzer
And not in its personal capacity

A handwritten signature in black ink, appearing to be 'Eric Sirrs', written over a circular scribble.

For:

Per: Eric Sirrs, CIRP, LIT
Senior Vice President

SCHEDULE "A"

March 16, 2022

Dear Sir/Madam:

Re: The Matter of the Division I Proposal of Lori Runzer and Dean Runzer

Lori Runzer and Dean Runzer filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act* on October 1, 2021 and MNP Ltd. was appointed Proposal Trustee. We enclose for your review the following documents pertaining to the filing of the Division I Proposal:

1. Trustee's Report to Creditors;
2. Notice of Proposal to Creditors;
3. Division I Proposal;
4. Statement of Affairs;
5. Proof of Claim and Proxy Form; and a
6. Voting Letter.

To be eligible to vote on the Division I Proposal, creditors must complete and file a proof of claim. This must be received at the offices of MNP Ltd., Suite 1300, 10235-101 Street, Edmonton, Alberta, T5J 3G1. Proofs of Claim can be submitted via mail, fax (780.409.5415) or email (edmonton.insolvency@mnp.ca) **prior to the First Meeting of Creditors to be held at 1:00 PM April 1, 2022**. In support of your claim, please provide proof marked as Schedule "A" by way of a statement of account, copies of invoices, or other acceptable means that demonstrate arrears owing as of October 1, 2021. We would appreciate receipt of your Proof of Claim and Proxy and/or Voting Letter at least three days prior to April 1, 2022.

Upon filing a valid Proof of Claim, creditors can vote in one of the three following ways:

1. Attend the First Meeting of Creditors and place your vote in person (via Teleconference at 877.252.9279 Conference ID 690070414#);
2. Submit a Voting Letter along with your Proof of Claim; or,
3. Submit a Proxy along with Proof of Claim.


In order for the Division I Proposal to be accepted by the creditors, it requires a majority in number of voting creditors, and two-thirds in dollar value in the claims of the voting creditors.

Should the Proposal be rejected Lori Runzer and Dean Runzer will be deemed to have filed an assignment into bankruptcy.

If you have any questions or concerns regarding the Division I Proposal or our Report, please contact our office at (780) 455-1155.

Yours truly,

MNP Ltd.
In its capacity as Trustee of the Division I Proposal of
Lori Runzer and Dean Runzer
And not in its personal capacity

Per:  Eric Sirrs, CIRP, LIT
Senior Vice President

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

Original

Amended

Form 78
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)
 In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 29th day of September 2021. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	9,171,863.31	1. Inventory	0.00
Balance of secured claims as per list "B"	8,192.00	2. Trade fixtures, etc.	0.00
Total unsecured creditors	9,180,055.31	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	858,000.00	Good	0.00
3. Preferred creditors as per list "C"	0.00	Doubtful	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00	Bad	0.00
Total liabilities	10,038,055.31	Estimated to produce	0.00
Surplus	NIL	4. Bills of exchange, promissory note, etc., as per list "F" ...	0.00
		5. Deposits in financial institutions	0.00
		6. Cash	0.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovable as per list "G"	1,050,001.00
		10. Furniture	4,000.00
		11. RRSPPs, RRIFFs, life insurance, etc.	1.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	3,250.00
		15. Other property, as per list "H"	10,770.00
		If debtor is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	1,068,022.00
		Deficiency	8,970,033.31

I, Lori Dianne Runzer, of the Village of Fowler Lake in the Province of Saskatchewan, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 10th day of March 2022 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Edmonton in the Province of Alberta, on this 11th day of March 2022.

 Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 78 – Continued

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan

List "A"
 Unsecured Creditors

Runzer, Lori

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	1143400 AB Ltd Lori Runzer	olgarunzer@cloud.com Duncan BC	20,000.00	0.00	20,000.00
2	1386438 AB Ltd Lori Runzer	#25, 22151 Township Road 522 Sherwood Park AB T8E 1H7	375,171.00	0.00	375,171.00
3	Alma Seutter Attn: 976@edmontonpolice.ca Lori Runzer	51314 Range Road 233 Sherwood Park AB T8B 1K8	4,935.00	0.00	4,935.00
4	Angela Turner Lori Runzer	13632 - 140 Avenue Edmonton AB T6V 1X4	22,389.00	0.00	22,389.00
5	Anna Pypers Lori Runzer	5015 Cayton Close Sherwood Park AB T8H 0H5	25,000.00	0.00	25,000.00
6	Arbor Vista Lori Runzer	PO Box 79910 Stn Sherwood Park Ctr, Sherwood Park AB T8A 2G0	50,000.00	0.00	50,000.00
7	ATB Financial - Asset Management 39059888700	ATB Asset Management - Tr 900 PO Box 6000, Marlborough CRO Calgary AB T2A 6K2	0.00	8,192.00	8,192.00
8	Audrey Noblet c/o Dean Runzer Lori Runzer	438 Estate Drive Sherwood Park AB T8B 1L8	5,000.00	0.00	5,000.00
9	B. Paul Holden Lori Runzer	3816 E Pima Street Tucson AZ 85716 USA	129,041.00	0.00	129,041.00
10	BMO Financial Group c/o BankruptcyHighway.com Attn: Mike Timko Lori Runzer	PO Box 57100 Etobicoke ON M8Y 3Y2	20,000.00	0.00	20,000.00
11	BMO Mastercard c/o BankruptcyHighway.com Attn: Mike Timko 558360004479630	PO Box 57100 Etobicoke ON M8Y 3Y2	1,958.00	0.00	1,958.00
12	Capital One MasterCard Proposals c/o FCT Default Solutions Attn: Insolvency Department 5491398142218323	PO Box 2514, Stn B London ON N6A 4G9	5,613.00	0.00	5,613.00
13	D. Kim Haverstock Lori Runzer	53112 Range Road 211 Ardrossan AB T8G 2C5	370,000.00	0.00	370,000.00
14	Dana Nowak Notice only	2200-10235 – 101st Street Edmonton AB T5J 3G1	1.00	0.00	1.00
15	Darcy & Tim Garbutt Lori Runzer	719 Haliburton Crescent Edmonton AB T6R 2X5	497,039.00	0.00	497,039.00
16	David McElheran Lori Runzer	101- 9828 - 112 Street NW Edmonton AB T5K 1L4	871,429.00	0.00	871,429.00
17	DLA Piper (Canada) LLP c/o Shurfi Massell 100071-00001	2700-10220 103 Avenue Edmonton AB T5J 0K4	1.00	0.00	1.00
18	Donna Enick Lori Runzer	#16, 2935 Victoria Avenue Regina SK S4T 1K8	114,000.00	0.00	114,000.00
19	Doug & Loma Warkentin Lori Runzer	1214 Kane Wynd NW, Edmonton AB T6L 6T7	80,000.00	0.00	80,000.00

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 78 – Continued

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan

List "A"
 Unsecured Creditors

Runzer, Lori

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
20	Ed & Linda Bensier Lori Runzer	PO Box 494 Pincher Creek AB T0K 1W0	33,000.00	0.00	33,000.00
21	Ed Florian Attn: edflorian@gmail.com Lori Runzer	22 Caprice Court, Unit 2 Whitehorse YT Y1A 0N6	100,000.00	0.00	100,000.00
22	Elaine Corlett Lori Runzer	3 St Pauls Mews, Ramsey Isle of Man Great Britain IM8 1ED	57,000.00	0.00	57,000.00
23	Gabrielle Drewitz Lori Runzer	78 Granville Crescent Sherwood Park AB T8A 3B8	10,000.00	0.00	10,000.00
24	Gerald Matheson Lori Runzer	PO Box 79110 Stn Sherwood Park Ctr, Sherwood Park, AB Sherwood Park AB T8A 2G0	17,000.00	0.00	17,000.00
25	Helga Loewen Dean Runzer	2755-109 Street, Unit 402 Edmonton AB T6J 5S4	310,000.00	0.00	310,000.00
26	Hilmy Raja Lori Runzer	8908 - 117 Avenue Fort St. John BC V1J 6W6	30,000.00	0.00	30,000.00
27	Janelle Folkerts Lori Runzer	51314 RR233 Sherwood Park AB T8B 1K8	25,000.00	0.00	25,000.00
28	Jayne Shipka Lori Runzer	39 Westpark Way Fort Saskatchewan AB T8L 3W8	1,212,731.00	0.00	1,212,731.00
29	Joe Seutter Attn: seutterj@gmail.com Lori Runzer	51314 Range Road 233 Sherwood Park AB T8B 1K8	763,054.00	0.00	763,054.00
30	Joel Seutter Lori Runzer	230 Norwich Bay Sherwood Park AB T8A 5S2	1,000.00	0.00	1,000.00
31	Joyce Determan Lori Runzer	9116 - 94 Avenue Fort Saskatchewan AB T8L 1B7	45,000.00	0.00	45,000.00
32	Judy Mickalyk Lori Runzer	57 Marlboro Drive Spruce Grove AB T7X 2L5	352,585.31	0.00	352,585.31
33	Karedale Investments Lori Runzer	22355 Township Road 512 Sherwood Park AB T8C 1H2	50,000.00	0.00	50,000.00
34	Kathleen Salustro Lori Runzer	Box 296 Pouce Coupe BC V0C 2B0	30,000.00	0.00	30,000.00
35	Keith Stribling c/o Dean Runzer Lori Runzer	438 Estate Drive Sherwood Park AB T8B 1L8	48,000.00	0.00	48,000.00
36	Kelly Pack Lori Runzer	8B O'Neil Crescent, Saskatoon, SK, Saskatoon SK S7N 1W8	5,000.00	0.00	5,000.00
37	Kory Baker-Henderson Lori Runzer	9123 - 78 Avenue Edmonton AB T6C 0N9	314,013.00	0.00	314,013.00
38	Lori Miltz Lori Runzer	14927 - 47 Street Edmonton AB T5Y 2Z3	10,000.00	0.00	10,000.00
39	LP Enterprises Lori Runzer	64 Scanlon Green NW Calgary AB T3L 1N6	100,425.00	0.00	100,425.00

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 78 – Continued

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan

List "A"
 Unsecured Creditors

Runzer, Lori

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
40	Lynn Kurach Attn: lynn@pkurach.com; deborah@vervesalon.ca Lori Runzer	409-23109 Township Road 514 Sherwood Park AB T8B 1K9	78,370.00	0.00	78,370.00
41	Margaret Jubinville Lori Runzer	3207 - 41 Avenue Edmonton AB T6T 1L8	10,000.00	0.00	10,000.00
42	Marielle Gilbert Lori Runzer	395 Wanyandi Road NW Edmonton AB T5T 4S4	31,000.00	0.00	31,000.00
43	Marlou Telan Attn: jazmari0304@gmail.com Lori Runzer	Sherwood Park Sherwood Park AB	5,000.00	0.00	5,000.00
44	Marilyn Maple Lori Runzer	310-8920 100 Avenue Fort St. John BC V1J 1X2	100,000.00	0.00	100,000.00
45	Maxxim Distribution Ltd. Lori Runzer	1834 - 73 Street NW, Edmonton, AB Edmonton AB T6K 2B7	10,000.00	0.00	10,000.00
46	Melinda McLeod Lori Runzer	melindamcleod@icloud.com Saskatoon SK	1,070.00	0.00	1,070.00
47	Miller, Richard & Michelle (deceased) Lori Runzer	E5533 Sunset Road Ironwood MI 49938 USA	26,733.00	0.00	26,733.00
48	MLT Atkins LLP Attn: Denyse Dorr Lori Runzer	2100 Livingston Place 222 3rd Avenue SW Calgary AB T2P 0B4	1.00	0.00	1.00
49	Pat Galloway Lori Runzer	54417 Range Road 222 Fort Saskatchewan AB T8L 3Z8	20,000.00	0.00	20,000.00
50	Pauline Knittle Lori Runzer	3425 - 16 A Avenue NW Edmonton AB T6L 2N3	30,000.00	0.00	30,000.00
51	Perry Barber Lori Runzer	39 Westpark Way Fort Saskatchewan AB T8L 3W8	30,000.00	0.00	30,000.00
52	Richard & Donna Zabel Lori Runzer	8526 100 Avenue Fort Saskatchewan AB T8L 3B5	25,000.00	0.00	25,000.00
53	Shell Vacations Club ULC Attn: Customer Service Lori Runzer	5401 North Pima Road Suite 150 Scottsdale AZ 85250-3352 US	10,000.00	0.00	10,000.00
54	Shenonda Headly Derpak Law Group c/o Glenn Headly c/oShenonda Headly Derpak Law Group c/o Glenn Headly c/o David Robson, Neil Lori Runzer	1013- 202 Wellman Cres Saskatoon SK S7T 0J1	1,400,000.00	0.00	1,400,000.00
55	Shuri Massell 1703-20259	395 Wanyandi Rod Edmonton AB T5T 4S4	566,000.00	0.00	566,000.00
56	Susan Francis Lori Runzer	Box 55 Kingman AB T0B 2M0	25,000.00	0.00	25,000.00
57	T Park Central LLC 675-677690208	500 N Juniper Drive, #100 Chandler AZ 85226 USA	14,601.00	0.00	14,601.00
58	Terry Hartwig Lori Runzer	429 Sioux Rd Sherwood Park AB T8A 4H2	50,000.00	0.00	50,000.00

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 78 -- Continued

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan

List "A"
 Unsecured Creditors

Runzer, Lori

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
59	Village of Loon Lake Lori Runzer	414 Main Street, Box 220 Loon Lake SK S0M 1L0	3,000.00	0.00	3,000.00
60	William Elgert Lori Runzer	9326 - 73 Avenue Edmonton AB T6E 1A7	200,703.00	0.00	200,703.00
61	Yvonne Hoeller Lori Runzer	563 Giles Road West Vancouver BC V7S 1L7	430,000.00	0.00	430,000.00
Total:			9,171,863.31	8,192.00	9,180,055.31

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 78 – Continued

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan
 List "B"
 Secured Creditors

Runzer, Lori

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	ATB Financial - Asset Management 22845118400	ATB Asset Management - Tr 900 PO Box 6000, Marlborough CRO Calgary AB T2A 6K2	779,355.00	Real Property or Immovable - House - Sherwood Park - 438 Estate Drive (joint, value as per property tax assessment)		779,355.00		
2	ATB Financial - Asset Management 39059888700	ATB Asset Management - Tr 900 PO Box 6000, Marlborough CRO Calgary AB T2A 6K2	10,648.00	Real Property or Immovable - House - Sherwood Park - 438 Estate Drive (joint, value as per property tax assessment)		2,456.00		8,192.00
3	Olympia Trust Company Attn: Client Services P0517-5	2200 125 - 9 Avenue S E PO Box 2581, Stn Central Calgary AB T2P 1C8	50,000.00	Real Property or Immovable - House - Sherwood Park - 438 Estate Drive (joint, value as per property tax assessment)		50,000.00		
4	Strathcona County 9001110006	2001 Sherwood Drive Sherwood Park AB T8A 3W4	26,189.00	Real Property or Immovable - House - Sherwood Park - 438 Estate Drive (joint, value as per property tax assessment)		26,189.00		
Total:			866,192.00			858,000.00	0.00	8,192.00

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 78 -- Continued

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan
 List "C"
 Preferred Creditors for Wages, Rent, etc.

Runzer, Lori

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
Division No. 02 - Saskatoon
Court No. BKY-RG-00289-2021
Estate No. 23-2771509

FORM 78 -- Continued

In the Matter of the Proposal of
Lori Dianne Runzer (AKA Lori Dianne Holden)
of the Village of Fowler Lake, in the Province of Saskatchewan
List "D"
Contingent or Other Liabilities

Runzer, Lori

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
			Total:	0.00	0.00	

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 78 – Continued

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan

List "E"
 Debts Due to the Debtor

Runzer, Lori

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
				0.00				
			Total:	0.00			0.00	
				0.00				

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 76 – Continued

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan
 List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel
 Mortgages, etc., Available as Assets

Runzer, Lori

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 78 – Continued

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan
 List "G"
 Real Property or Immovables Owned by Debtor
 Runzer, Lori

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
House - Sherwood Park - 438 Estate Drive (joint, value as per property tax assessment)	Full Ownership	Lori and Dean Runzer	1,050,000.00	ATB Financial - Asset Management ATB Asset Management - Tr 900 PO Box 6000, Marlborough CRO Calgary AB T2A 6K2 779,355.00 ATB Financial - Asset Management ATB Asset Management - Tr 900 PO Box 6000, Marlborough CRO Calgary AB T2A 6K2 10,648.00 Strathcona County 2001 Sherwood Drive Sherwood Park AB T8A 3W4 26,189.00 Olympia Trust Company 2200 125 - 9 Avenue S E PO Box 2581, Stn Central Calgary AB T2P 1C8 50,000.00	0.00
Land - Fowler Lake Lot (joint, keeping, held in Trust for Partnership)	Full Ownership	Lori and Dean Runzer	1.00		1.00
Total:			1,050,001.00		1.00

11-Mar-2022

Date

Runzer, Lori

District of: Saskatchewan
 Division No. 02 - Saskatoon
 Court No. BKY-RG-00289-2021
 Estate No. 23-2771509

FORM 78 – Concluded

In the Matter of the Proposal of
 Lori Dianne Runzer (AKA Lori Dianne Holden)
 of the Village of Fowler Lake, in the Province of Saskatchewan
 List "H"
 Property

Runzer, Lori

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture		Household Furniture (joint, value as per debtor)	0.00	4,000.00
(h) Life insurance policies, RRSPs, etc.		Wawanesa	0.00	1.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles		Automobile - 1998 - Lexus - 300 (joint, keeping, value as per Nada Guides)	0.00	3,250.00
(l) Taxes	Pre - Federal - 2021		0.00	0.00
	Post - Federal - 2021		0.00	0.00
	SST - 2021		0.00	0.00
(m) Other		Personal Effects (joint, value as per debtor)	0.00	4,000.00
		Compressor (Joint)	0.00	300.00
		Joiner (Joint)	0.00	200.00
		Table Saw (Joint)	0.00	0.00
		Grinders (Joint)	0.00	60.00
		Cutoff Saws (Joint)	0.00	360.00
		Various Length Electrical Cords (Joint)	0.00	100.00
		Socket Sets (Joint)	0.00	200.00
		Wrench Sets (Joint)	0.00	100.00
		Skill Saw (Joint)	0.00	200.00
		Router (Joint)	0.00	50.00
		Drwall and Taping Tools (Joint)	0.00	1,000.00
		Scaffold (Joint)	0.00	1,000.00
		Aluminium Sawhorses - Various Heights (Joint)	0.00	300.00
Battery Operated Screw Guns (Joint)	0.00	400.00		
Tool Trailer (Joint)	0.00	2,500.00		
			Total:	18,021.00

11-Mar-2022

Date

Runzer, Lori

Court No. BKY-RG-00289-2021

Estate No. 23-2771509

In the Matter of the Proposal of
Lori Dianne Runzer (AKA Lori Dianne Holden)
of the Village of Fowler Lake, in the Province of
Saskatchewan

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

MNP Ltd. - Licensed Insolvency Trustee
Suite 1300, 10235 - 101 Street NW
Edmonton AB T5J 3G1
Phone: (780) 455-1155 Fax: (780) 409-5415

COURT NUMBERS **23-035252**
23-035253
23-035254
23-035255

ESTATE NUMBERS **23-035252**
23-035253
23-035254
23-035255

COURT FILE NUMBER **QBG 1076-2021**

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

JUDICIAL CENTRE **SASKATOON**

**IN THE MATTER OF THE JOINT PROPOSAL OF
LORI RUNZER AND DEAN RUNZER**
pursuant to Subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3

PROPOSAL TO CREDITORS

WHEREAS:

- A. Lori Runzer (“Lori”) and Dean Runzer (“Dean”, together with Lori being the “Debtors”) are individuals residing in the Province of Saskatchewan.
- B. Each of the Debtors is an “insolvent person”, as defined in section 2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the “BIA”).
- C. On September 28, 2021 (the “Filing Date”), each of the Debtors filed a notice of intention to make this joint proposal (the “Proposal”) to their creditors under section 50.4 of the BIA (the “Notice of Intention”) and thereby commenced proceedings to restructure their financial affairs under Division I of Part III of the BIA.
- D. On the Filing Date, the following additional entities filed notices of intention to make proposals to their creditors:
 - i. Canadian Development Strategies Inc. (“CDSI”);
 - ii. 1143402 Alberta Ltd. (“114”);
 - iii. 1216699 Alberta Ltd. (“121”);
 - iv. Crossroads One Inc. (“Crossroads”);
 - v. Oak and Ash Farm Ltd. (“Oak”); and
 - vi. 2061778 Alberta Ltd. (“206”).

- E. CDSI, 114, 121, and Crossroads collectively own and operate a resort business near Fowler Lake, in the Province of Saskatchewan. Each of CDSI and 114 intend to make separate proposals to their creditors, all of which are contingent on the success of the Debtors' Proposal, unless the Debtors waive this condition in accordance with Article 2.4 hereof (collectively the "**CDSI/114 Proposals**").
- F. Oak and 206 intend to make a separate joint proposal to their creditors which is not contingent on the success of the Debtors' Proposal (the "**Oak/206 Proposal**").
- G. The Debtors are potentially liable to certain creditors of CDSI, 114, Oak, and 206 in regard to any and all statutory obligations imposed on them in their respective capacities as directors of CDSI, 114, Oak, and 206 (the "**Director Liabilities**"). Acceptance and sanction of the CDSI/114 Proposals and the Oak/206 Proposal will fully and finally compromise any claims against the Debtors arising from the Director Liabilities, such that such claims may not be proven in this Proposal.
- H. MNP Ltd., of Edmonton, Alberta (the "**Trustee**"), is a licensed trustee under the BIA which has consented to act as Trustee under the Proposal.
- I. By Order of the Court of Queen's Bench For Saskatchewan (the "**Court**") dated January 27, 2022, the Debtors obtained an extension of the time within which they were required to file their Proposal to Creditors under Division I of Part III of the BIA, up to and including March 13, 2022.
- J. The Trustee (with the assistance of the Debtors) will assess Creditors' Claims in accordance with the terms of this Proposal and the applicable provisions of the BIA in order to definitively determine all Claims against the Debtors.
- K. As part of this Proposal, the Debtors intend to sell their residential property located in Fort Saskatchewan, Alberta (the "**Property**") and apply the net proceeds of that sale to this Proposal.
- L. Subject to the terms of this Proposal, the Debtors intend to establish a fund in the total aggregate amount of the value of the net equity in the Property, plus an additional \$5,000 (collectively the "**Proposal Fund**") to fund, among other things particularized later herein, payments to be made by the Debtors to their unsecured creditors ("**Unsecured Creditors**") with Proven Claims.
- M. This paragraph and all preceding paragraphs are hereinafter collectively referred to as the "**Recitals**" and individually as a "**Recital**" and are incorporated into (and form an integral part of) the terms of this Proposal.

NOW, THEREFORE, THE DEBTORS HEREBY SUBMIT THE FOLLOWING PROPOSAL TO THEIR CREDITORS UNDER DIVISION I OF PART III OF THE BIA:

ARTICLE 1
Definitions and Interpretation

- 1.1 **Definitions.** In this Proposal (including the Schedules hereto), unless otherwise stated or unless the subject matter or context otherwise requires words and phrases contained herein which begin with capital letters but which are not otherwise defined herein shall have the respective meanings ascribed to them in **Schedule "A"** hereto.

- 1.2 **Article and Section Reference.** The terms “this Proposal”, “hereof”, “hereunder”, “herein”, “hereto” and similar expressions shall be deemed to refer generally to this Proposal, and not to any particular article, section, paragraph, or subparagraph of this Proposal, and include any variations, amendments, modifications or supplements hereto. In this Proposal, a reference to an article, section, subsection, clause or paragraph shall, unless otherwise stated, refer to an article, section, paragraph, or subparagraph of this Proposal.
- 1.3 **Reference to Orders.** Any reference in this Proposal to an Order or an existing document or exhibit to be filed means such Order, document or exhibit as it may have been or may be amended, modified or supplemented.
- 1.4 **Extended Meanings.** In this Proposal, where the context so requires, any word importing the singular number shall include the plural and vice versa, and any word or words importing gender shall include all genders.
- 1.5 **Interpretation Not Affected by Headings.** The division of this Proposal into articles, sections, paragraphs, and subparagraphs and the insertion of a table of contents and headings are for convenience of reference only and shall not affect the construction or interpretation of this Proposal nor are the descriptive headings of articles and sections intended as complete or accurate descriptions of the contents thereof.
- 1.6 **Inclusive Meaning.** As used in this Proposal, the words “include”, “includes”, “including” and similar words of inclusion will not, unless expressly modified by the words “only” or “solely”, be construed as terms of limitation, but rather will mean “includes but is not limited to” and “including but not limited to”, so that references to included matters shall be regarded as illustrative rather than exhaustive.
- 1.7 **Statutory References.** Any reference in this Proposal to a statute or other enactment of parliament or a legislature includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.
- 1.8 **Successors and Assigns.** The rights, benefits and obligations of any Person named or referenced in this Proposal shall be binding on and shall enure to the benefit of any heir, administrator, executor, legal personal representative, successor or assign, as the case may be, or a trustee, receiver, interim receiver, receiver and manager, liquidator or other Person acting on behalf of such Person, as permitted hereunder.
- 1.9 **Governing Law.** This Proposal, and each of the documents contemplated or delivered under or in connection with this Proposal, shall be governed by and construed and interpreted in accordance with the laws of the Province of Saskatchewan and the Federal laws of Canada applicable therein, without regard to any conflict of law provision that would require the application of the law of any other jurisdiction. Any dispute or issue in connection with, or related to the interpretation, application or effect of this Proposal and all proceedings taken in connection with this Proposal and its revisions shall be subject to the exclusive jurisdiction of the Court.
- 1.10 **Severability of Proposal Provisions.** If any provision of this Proposal is determined to be illegal, invalid or unenforceable, by a court of competent jurisdiction from which no appeal is taken, then, that provision will be severed from this Proposal and the remaining provisions will remain in full force and effect. Upon such determination, the court or other arbiter making such determination is authorized and instructed to interpret the remaining provisions of this Proposal so as to effect the original intent of this Proposal as closely as possible so that the transactions and arrangements contemplated herein are consummated as originally contemplated to the fullest extent possible.

- 1.11 **Timing Generally.** Unless otherwise specified, all references to time herein, and in any document issued pursuant hereto, shall mean the local time in Saskatoon, Saskatchewan and any reference to an event occurring on a Business Day shall mean prior to 4:00 p.m. on such Business Day.
- 1.12 **Time of Payments and Other Actions.** Unless otherwise specified, time periods within or following which any action is to be taken or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the date of such action or act to the next succeeding Business Day if the last day of the period is not a Business Day.
- 1.13 **Currency.** Unless otherwise stated herein, all references to currency in this Proposal are to lawful money of Canada.
- 1.14 **Schedules.** The following are the schedules to this Proposal, which are incorporated by reference into this Proposal and form an integral part hereof:
- a. **Schedule "A"** – Definitions; and
 - b. **Schedule "B"** – Proof of Claim Form,
- (collectively, the "**Schedules**").

ARTICLE 2

Purpose, Consolidation, and Condition

- 2.1 **Purpose of the Proposal.** The purpose of the Proposal is to maximize the recovery available to Unsecured Creditors of the Debtors and to provide Unsecured Creditors of the Debtors with a recovery greater than the amount which they are anticipated to receive in the event of the bankruptcy of the Debtors (including by, among other things, avoiding the significant professional costs associated with the administration of bankruptcies of the Debtors). If the Proposal is approved in accordance with the BIA, the Proposal (as so approved) will be binding upon the Debtors and the Creditors.
- 2.2 **Proposal to Unsecured Creditors.** This Proposal relates only to the Claims of the Debtors' Unsecured Creditors. This Proposal does not include any claims by the Debtors' secured creditors, which claims will be addressed separately by the Debtors. For clarity, Creditors with Claims arising from the Debtors' Director Liabilities which are compromised pursuant to the CDSI/114 Proposals will not be entitled to prove a Claim in this Proposal or to participate in the Proposal Fund (as defined below).
- 2.3 **Consolidation.** This Proposal is a consolidated proposal of the Debtors.
- 2.4 **Condition.** This Proposal is subject to the condition that the CDSI/114 Proposals shall be approved by the creditors of CDSI, 114, and the Court (which condition may be waived by the Debtors in their sole discretion). In the event that either or both of the CDSI/114 Proposals are rejected by the creditors of CDSI, 114, or by the Court, then this Proposal shall automatically be deemed to be rejected by the Creditors of the Debtors (unless this condition is waived in writing by the Debtors).

ARTICLE 3

Meeting of Creditors

- 3.1 In accordance with section 51(1) of the BIA, a meeting of the Creditors will occur to consider and vote upon the Proposal (the "**Meeting**"). The Meeting will take place **at 1:00 p.m. on April 1,**

2022. The Proposal will be voted upon at the Meeting by the Creditors in accordance with Division I of Part III of the BIA. Should the Creditors approve the Proposal in accordance with Division I of Part III of the BIA, the Proposal will then be submitted to the Court for approval in accordance with section 58 of the BIA.

ARTICLE 4
Implementation of the Proposal

- 4.1 The Proposal will become effective on the Proposal Implementation Date, on which date the Claims of the Creditors will be compromised in accordance with the terms hereof.

ARTICLE 5
Proven Claims

- 5.1 Pursuant to section 50(1.6) of the BIA, all Creditors are required to prove their Claims to the Trustee prior to the Meeting. Only Creditors with Proven Claims (“**Proven Creditors**”) shall be entitled to vote on the Proposal. The validity of all Claims shall be determined in accordance with Sections 124 to 134 of the BIA. The Trustee shall provide Creditors with a proof of claim form substantially in the form attached hereto as **Schedule “B”** (“**Proof of Claim**”). Any disputes regarding the validity of a Claim or a Proof of Claim shall be resolved in accordance with Section 135 of the BIA.

ARTICLE 6
Application to Court

- 6.1 Notice is hereby given that, upon approval of the Proposal by the Proven Creditors at the Meeting, an application to the Court for an Order approving the Proposal will be made to the Court at a date and time to be determined (which date and time will be communicated to the Proven Creditors by the Trustee).

ARTICLE 7
Creditor Classification, Voting, and Compromise

- 7.1 **Classification of Creditors.** All Creditors shall form part of a single class of creditors for the purpose of voting on the Proposal.
- 7.2 **Voting.** Voting in respect of the Proposal shall take place as follows:
- a. In accordance with section 53 of the BIA, only Proven Creditors shall be entitled to vote on the Proposal. For the purposes of voting on the Proposal in accordance with subsection 54(2)(d) of the BIA, the value ascribed to the vote of each Proven Creditor shall be calculated by counting one vote for each dollar comprising the aggregate amount of the Proven Claim held by each such Proven Creditor.
 - b. All Creditors with Proven Claims will be entitled to one vote on the Proposal.
 - c. The value attributed to each vote by a Creditor is equal to the Canadian dollar value of the portion of such Creditor’s Claim against the Debtors as at the Filing Date, as applicable.
- 7.3 **Payment of Priority Claims.** All Special Crown Claims are Priority Payments and shall be paid as required pursuant to the BIA.

7.4 **Recovery by Proven Creditors Under The Proposal.** Proven Creditors shall receive recovery under this Proposal as follows:

- a. Distribution of the Proposal Fund to the Creditors by the Trustee shall be made in accordance with the following, namely:
 - i. first (unless otherwise agreed to in writing by CDSI and each of the Restructuring Professionals (as defined below)), the Trustee shall pay forthwith from and out of the Proposal Fund, in priority to all Creditors, any Proposal Costs which remain unpaid as at the date of any distribution by the Trustee to the Unsecured Creditors (as the case may be);
 - ii. second, after the payment of any Proposal Costs, the Trustee shall forthwith pay from and out of the Proposal Fund the levy (if any) payable to the Superintendent of Bankruptcy in respect of the Proposal pursuant to section 147 of the BIA (the "Levy");
 - iii. third, after the payment of any Proposal Costs and the Levy, the Trustee shall pay from and out of the Proposal Fund payments to the Creditors with Proven Claims on a *pro rata* basis; and
 - iv. notwithstanding the distribution scheme set forth in this Article, the Debtors shall be at liberty (in consultation with the Trustee and the inspectors, if any, appointed pursuant to section 56 of the BIA) to prepay any and/or all of the payments set forth in this Sub-Article prior to the corresponding dates for such payments.

7.5 **Payment of Compromised Claims.** Within eighteen (18) months of the Court's sanction of the Proposal, the Debtors will pay the Proposal Fund to the Debtors' Unsecured Creditors on a *pro rata* basis, provided however that any Statutory Claims will be paid in full in priority from and out of the Proposal Fund in accordance with the applicable provisions of the BIA (the "Distribution to Creditors").

7.6 **Delayed Distribution in the Event of Proven Statutory Claims.** In the event that the Debtors are required to make distributions to satisfy Statutory Claims (in accordance with the applicable provisions of the BIA) which materially negatively impact the Debtors' ability to issue the Distribution to Creditors on or before the deadlines particularized above at paragraph 7.5, then in such case the Distribution to Creditors shall be made within twenty-four (24) months of the Court's approval of the Proposal.

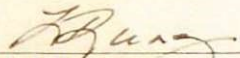
ARTICLE 8

Satisfaction of Claims and Administration of Proposal

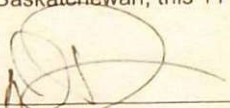
- 8.1 Pursuant to subsection 101(1) of the BIA, sections 95-101 of the BIA (inclusive) shall not apply to this Proposal.
- 8.2 In accordance with section 56 of the BIA, the Creditors may resolve to appoint one or more inspectors to assist the trustee with the administration of this Proposal.
- 8.3 Upon the payment of the Proposal Fund to the Debtors' Proven Creditors in accordance with the terms of this Proposal, the Trustee shall provide the Debtors with a Certificate of Full Performance of the Proposal pursuant to section 65.3 of the BIA.
- 8.4 Upon the issuance by the Trustee to the Debtors of a Certificate of Full Performance of the Proposal, the Debtors shall be released from all Claims, and such Claims shall be forever barred and extinguished.

- 8.5 At the Proposal Implementation Date, legal counsel for the Debtors, the Trustee, and legal counsel for the Trustee (collectively, the "**Restructuring Professionals**") shall be released from any and all Claims, obligations, rights, and liabilities which any Person may be entitled to assert, whether for tort, contracts, violation of Applicable Laws or otherwise, whether known or unknown, foreseen or unforeseen, existing or thereafter arising, based in whole or in part upon any act or omission, transaction or other occurrence taking place on or before the Proposal Implementation Date, including the negotiation, solicitation, confirmation and consummation of the Proposal, provided, however, that nothing shall release the Restructuring Professionals from any Claims, obligations, or liabilities which arise out of their fraud, gross negligence, or wilful misconduct.
- 8.6 As required by section 60(2) of the BIA, all monies payable under this Proposal shall be paid or issued (as the case may be) by the Debtors to the Trustee, and such monies and such payments of monies shall thereafter be distributed by the Trustee in accordance with the Proposal and the BIA.
- 8.7 MNP Ltd. shall be the Trustee under this Proposal.

DATED at the City of Saskatoon, in the Province of Saskatchewan, this 11th day of March, 2022.



LORI RUNZER



DEAN RUNZER



SCHEDULE "B"

August 11, 2022

Dear Sir/Madam:

Re: The Matter of the Division I Proposal of 1143402 Alberta Limited, Canadian Development Strategies Inc., Oak and Ash Farm Ltd., 2061778 Alberta Ltd., Lori Runzer and Dean Runzer.

1143402 Alberta Limited (“**114**”), Canadian Development Strategies Inc. (“**CDSI**”), Oak and Ash Farm Ltd. (“**Oak and Ash**”) and 2061778 Alberta Ltd. (“**206**”) (collectively referred to as “**Fire Song**”) filed Notices of Intention to Make a Proposal (“**NOI**”) under the *Bankruptcy and Insolvency Act* on October 1, 2021 and MNP Ltd. was appointed Proposal Trustee. Lori Runzer and Dean Runzer (collectively as the “**Runzer’s**”) filed NOIs on September 30, 2021. Division I Proposals were filed by Fire Song and the Runzer’s on March 11, 2022 and the First Meeting of Creditors were convened on March 31, 2022 and April 1, 2022 (collectively described as the “**Original First Meeting of Creditors**”). The Original First Meeting of Creditors were all adjourned Sine Die to allow for additional time for Fire Song and the Runzer’s to provide additional information to the Proposal Trustee in response to questions posed by various creditors.

Two related companies, Crossroads One Inc. and 1216699 Alberta Ltd., filed NOIs on September 29, 2021, however, these entities failed to file Division I Proposals within the required time frame and as such were deemed bankrupt on March 14, 2022.

Subsequent to the adjournment of the Original First Meeting of Creditors, the Trustee has requested responses from management of Fire Song and the Runzer’s to various questions posed by the creditors along with additional supporting documentation and financial records. As of August 2, 2022 a significant amount of information and/or supporting documentation remains outstanding.

The Proposal Trustee is of the opinion that the creditors of Fire Song and the Runzer’s should have an opportunity to further participate in the Division I Proposal process and is therefore reconvening the First Meeting of Creditors on August 25, 2022 at 11:00 AM for the following purposes:

- a) To provide an opportunity for the Creditors to give direction to the Proposal Trustee; and
- b) To provide an opportunity for the Creditors to appoint Inspectors.

Materials with respect to this matter, including a report of the Proposal Trustee in respect of the reconvened First Meeting of Creditors, can be found on the Trustee’s website at <https://mnpdebt.ca/en/corporate/corporate-engagements/canadian-development-strategies-inc>

To be eligible to vote at the Reconvened Meeting of Creditors on August 25, 2022, creditors must have completed and filed a proof of claim with the Proposal Trustee prior to the Original First Meeting of Creditors. Creditors who did not file proofs of claim prior to the Original First Meeting of Creditors can attend, however, they will not be permitted to vote.

For clarity, the Proposal Trustee is reconvening all of the First Meeting of Creditors simultaneously as one meeting, however, voting will be done separately for each Division 1 Proposal estate.

The Reconvened First Meetings of Creditors will be held on August 25, 2022 at 11:00 AM Mountain Standard Time and will be held by conference call at the following number:

Phone Number: 1-877-252-9279
Conference Call ID: 383453026#

If you have any questions or concerns the content of this letter, please contact our office at (780) 455-1155.

Yours truly,

MNP Ltd.

In its capacity as Trustee of the Division I Proposal of

1143402 Alberta Limited, Canadian Development Strategies Inc., 2061778 Alberta Ltd., Oak and Ash Farm Ltd., Lori Runzer and Dean Runzer

And not in its personal capacity



for:

Per:

Eric Sirrs, CIRP, LIT
Senior Vice President

SCHEDULE "C"

**IN THE MATTER OF THE DIVISION I PROPOSAL OF
CANADIAN DEVELOPMENT STRATEGIES INC., 1143402 ALBERTA LTD., OAK AND ASH
FARM LTD., 2061778 ALBERTA LTD., LORI RUNZER AND DEAN RUNZER (the "Debtors")**

MINUTES OF THE MEETING OF CREDITORS

Minutes of the Meeting of Creditors held via telephone on the 25th of August 2022, at 11 a.m.

Present - As listed on the schedule attached hereto as Exhibit "A".

Karen Aylward advised the Meeting that pursuant to subsection 51(3)) of the *Bankruptcy and Insolvency Act* ("Act") the Official Receiver or the nominee thereof, shall be the chairman of the Meeting of Creditors called pursuant to subsection 51(1) shall decide any questions or disputes arising at the Meeting, and any creditor may appeal any such decision to the Court.

Eric Sirrs of MNP Ltd. performed the duties of secretary.

The following documents were tabled:

1. Trustee's Written Report to Creditors
2. Notice to Creditors of the Reconvened Meeting of Creditors
3. Notice to Debtor(s) of the Meeting of Creditors
4. Affidavit of Mailing

QUORUM

The chairman advised the Meeting that pursuant to subsection 106(1) of the Act, one creditor entitled to vote, or the representative of such a creditor, constitutes a quorum for a Meeting of Creditors.

There having been due notice and a quorum of creditors represented for each corporate entity and Lori Runzer and Dean Runzer, the meeting convened.

CALCULATING THE VOTES OF CREDITORS AT THE MEETING

The chairman advised that pursuant to Section 115 of the Act all questions at the Meeting of Creditors shall be decided by ordinary resolution carried by the majority of votes, and for that purpose the votes of a creditor shall be calculated by counting one vote for each dollar of every claim of the creditor that is not disallowed.

PURPOSE OF THE MEETING

The Chairman explained that the purpose of the Meeting of Creditors is to:

- a) To provide an opportunity for the Creditors to give direction to the Proposal Trustee (section 55); and
- b) To provide an opportunity for the Creditors to appoint Inspectors (section 56).

TRUSTEE'S WRITTEN REPORT SUBMITTED AND READ TO THE MEETING

The Trustee summarized its written report to creditors for each of the corporate entities and for Lori Runzer and Dean Runzer.

GENERAL SUBMISSIONS BY THE DEBTORS AND/OR THEIR COUNSEL

- Dana Nowak (MLT Aikins, counsel for the debtors) advised the meeting that Amended Proposals that do not include a requirement for third-party financing have been drafted and are expected to be sent to the Proposal Trustee in the following week.
- Lori Runzer and Dean Runzer advised the meeting of the efforts they have made to continue the operations of Fire Song (including all of the daily operating requirements) while still trying to respond to questions from creditors and investors. They further advised they have made every effort to provide the Proposal Trustee with the requested supporting documents, however, there does not seem to be enough documentation to satisfy the requests. Lastly, Lori Runzer and Dean Runzer advise they are doing everything they can to make sure the project is a success, and all parties receive back the monies they invested.

GENERAL DISCUSSION PERTAINING TO THE TRUSTEE'S REPORT AND AFFAIRS OF THE DEBTOR

Joyce Determan – Why did the Runzers make purchases after I was asking for my monies to be returned in 2018?

Lori Runzer – We wish we could repay the monies; the purchases were made to increase cashflows but then COVID hit. We do need to get monies back to the creditors and we are trying to that. I have asked if we can prioritize the elderly to pay them back first based on need, however, I am advised we cannot do this at this time.

Joyce Determan – I have never asked for a full payout but just a few thousand.

Lori Runzer – We did not have the cash flow to make payments.

Marlene Krokosh (KLS Equipment) – Orest and I are business owners and know plans don't always work out, we are concerned that a few people are jeopardizing our opportunity for repayment and that professional fees are causing strain on the businesses.

Karen Aylward (MNP Ltd.) – I appreciate the comments, for the purpose of today's meeting we are seeking a resolution to bring direction for a way forward with the proposal process.

Marlene Krokosh (KLS Equipment) – All of the money is going to professionals, and we will be left with nothing.
Lori Runzer – Dean and I are willing to keep working if the creditors support us.

Margaret Jubinville - We still believe Dean and Lori have our best interest at heart, we see no benefit in a bankruptcy and they haven't given up. We think the process has gone on long enough and we believe this will succeed if we let them carry forward.

Brettany Sorokowsky – With the third-party financing completed on the Oak and Ash property I need to know how I receive my \$20,000 damage deposit. I have filed 6 proofs of claim and have not received anything.

Karen Aylward (MNP Ltd.) – If we have missed some of your claims we will review and respond. We have not denied any of your claims that have been filed at this point.

Joyce Determan – Is an independent accounting firm reviewing the statements from the beginning?

Karen Aylward (MNP Ltd.) – The Proposal Trustee would not be completing a forensic audit of the historical financial transactions. As we have outlined in our reports, we do not have sufficient records to review to provide the creditors with further information.

Joyce Determan – Where is the accounting information?

Dana Nowak (MLT Aikins) – The financial statements for various companies were prepared up to 2017 or 2018 and the Proposal Trustee is not required to prepare any statements. You could speak with your counsel about options for an audit, you can also contact me offline if you wanted to discuss further.

Marie Dusso (Miller Thomson LLP) – The appointment of Inspectors could provide a path to a review and update on your questions.

Susy Trace (Miller Thomson LLP) – Can you provide the proven claim amounts?

Karen Aylward (MNP Ltd.) – 1143402 Alberta Ltd. \$2,511,352.68.
CDSI - \$4,897,520.06
Oak and Ash - \$10,443.54
2061778 Alberta Ltd. - \$10,443.54
Dean Runzer - \$4,027,397.57
Lori Runzer - \$4,027,397.57

MOTIONS

The Trustee will make the following motion for each of the debtors on an individual basis.

Dana Nowak – The debtors plan to submit Amended Proposals by early next week and Lori and Dean would like to have the reconvened meeting to vote on the Amended Proposals as soon as possible.

Dustin Glanders (Miller Thomson) – We would need clarity on Dean and Lori's Proposals and whether or not they will be compliant with the requirements under the Bankruptcy and Insolvency Act.

Dana Nowak (MLT Aikins) – Dean and Lori will make amendments and the Court has the discretion to approve the Proposals if they are not technically compliant with the term you are referring to.

Dustin Glanders (Miller Thomson) – we might oppose voting on the Proposals in three weeks as we would need time to consider the Amended Proposals.

First Motion (the “**First Motion**”) to be made by the Trustee: for the direction of the creditors as to:

Reconvening the First Meeting of Creditors at a date three weeks from today's date, being September 15, 2022, for the purpose of voting on the original division I proposals (or Amended Proposals) as filed.

Results

First Motion for 1143402 Alberta Ltd., Canadian Development Strategies Inc., Lori Runzer and Dean Runzer

Moved by Dustin Glanders

Motion Carried

First Motion for Oak and Ash Farm Ltd., and 2061778 Alberta Ltd.

Moved by CRA

Motion Carried

APPOINTMENT OF INSPECTORS - Section 56

The chairman advised the Meeting that pursuant to Subsection 56 of the Act the creditors may appoint up to three Inspectors of the Division I Proposal, who shall have the powers of an Inspector under this Act, subject to any extension or restriction of those powers by the terms of the Division I Proposal.

Darcy Garbutt – Are the Inspectors an Advisory Committee working for the Investors?

Karen Aylward – The inspector's role is to work on behalf of all the creditors providing the Proposal Trustee with input and approving (or declining) certain actions of the Proposal Trustee.

There was no motion by the creditors for the appointment of Inspectors. (SAME FOR EACH PROPOSAL)

DIRECTIONS BY CREDITORS TO THE TRUSTEE

The chairman advised the creditors that the Meeting is open for any directions by the creditors to the Trustee with respect to the administration of the Division I Proposal and, where applicable, the realization of assets that may vest in the Trustee pursuant to the terms of the Division I Proposal.

Gerald Matheson – We can't give up at this point and need to stay the course and move forward.

Dustin Glanders (Miller Thomson) – The idea that more rope is required at this stage is not realistic. Without any current financial information available the prospect of third-party financing is extremely low. I do note that my clients have been singled out which I don't believe is reasonable.

Ed Galloway – I'm not sure why my claim wasn't determined to be eligible for today's meeting.

Karen Aylward (MNP Ltd.) – we will review and contact you directly.

Margaret Jubinville – I also had questions as to why my claim wasn't eligible.

Karen Aylward (MNP Ltd.) – we will review and contact you.

Kory and Ed Baker- Henderson - I also had questions as to why my claim wasn't eligible.

Joyce Determan - I also had questions as to why my claim wasn't eligible.

Karen Aylward (MNP Ltd.) – we will review and contact you.

Pat Galloway – Did the August 11 letter go to everyone? We know a few people who didn't receive a letter.

Karen Aylward – If you are speaking with anyone who didn't receive correspondence, please have them contact us directly.

ADJOURNMENT OF THE MEETING OF CREDITORS FOR FURTHER INVESTIGATION OR EXAMINATION

There being no further business the chairman requested a motion from the creditors to adjourn the meeting.

Moved by Susy Trace (Miller Thomson)

Motion Carried and the meeting adjourned at 12:47 PM



Karen Aylward, Chairman

cc. Industry Canada
Office of the Superintendent of Bankruptcy

SCHEDULE “D”

**IN THE COURT OF QUEEN'S BENCH OF SASKATCHEWAN
JUDICIAL CENTRE OF SASKATOON
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE AMENDED DIVISION I PROPOSAL OF
LORI RUNZER AND DEAN RUNZER**

SUPPLEMENTAL TRUSTEE'S REPORT TO THE CREDITORS

BACKGROUND AND GENERAL INFORMATION

The Trustee provided background and general information in its prior Trustee's Reports to Creditors which were dated March 15, 2022 and August 12, 2022. The prior reports have been posted to the Trustee's website at the link noted directly below and should each be read in conjunction with this Supplemental Trustee's Report to Creditors.

The purpose of the Supplemental Trustee's Report to Creditors is to provide the creditors with additional information with respect to the Amended Division I Proposal of Lori Runzer (the "Runzers") (the "Amended Proposal").

HIGHLIGHTS OF THE AMENDED PROPOSAL:

1. Additional language has been added to notify the creditors that the Runzers had a prior insolvency due to a business failure due to financial farming crisis;
2. The Runzers are offering its creditors a total sum of \$182,000 (before costs) (the "**Proposal Fund**"). The Proposal Fund is \$10,000 less than its original offering in the original Division I Proposal filed on March 11, 2022 (the "**Original Proposal**"). The reduced Proposal Fund is made on the basis that:
 - a. The Original Proposal did not allow the Runzers any equity exemption in the real property located at 438 Estate Drive in Sherwood Park (the "Sherwood Park Property"). The Runzers claimed the Sherwood Park Property as non-exempt on its Statement of Affairs, however, have since advised that they believe they are entitled to the exemption (a total of \$40,000).
 - b. In a bankruptcy scenario it is likely that the Trustee would challenge the Runzers claim to exemption. The Proposal Fund provides a compromise in that the Runzers would limit their claim to exemption to \$15,000 (rather than \$40,000).
3. The Proposal Fund is to be paid within 18 months of Court approval of the Division I Proposal.
4. As security for the Proposal, as required due to the prior insolvency, a registration, in the form of a land charge for the benefit of the proposal estate will be made on title to the Sherwood Park Property.

ANTICIPATED DIVIDEND TO THE UNSECURED CREDITORS:

5. It is estimated that the dividends payable to the unsecured creditors (prior to the levy) in the Amended Proposal, including estimated Trustee's fees, disbursements, and GST, will total the sum of \$142,000 which represents a dividend of 1.55% of the total unsecured indebtedness of the Runzers. By comparison, it is estimated that the dividend payable to the unsecured creditors in a Bankruptcy, including Trustee's fees, disbursements, and GST, will total the sum of \$132,000 which represents a dividend of 1.44% of the total unsecured indebtedness.

RECOMMENDATION AND CONCLUSION:

6. Attached as **Schedule A** is a comparative analysis of projected dividends in accordance with the terms of the Amended Proposal versus a Bankruptcy scenario.
7. In reviewing **Schedule A** to the Supplemental Trustees Report to the Creditors, it is evident that the unsecured creditors will receive equal to or greater dividends in the Amended Proposal than they would otherwise receive in Bankruptcy.
8. It is the Trustee's opinion that the Runzers is acting in good faith and with due diligence in its effort to restructure its unsecured debt.
9. Based on the information provided in this report, it is recommendation of the Trustee that the unsecured creditors accept the Amended Proposal.

Please note that the rejection of this Amended Proposal will result in an automatic Bankruptcy of the Runzers.

Dated at the City of Edmonton, in the province of Alberta, on September 5, 2022

MNP Ltd

In its capacity as Trustee of the Division I Proposal of

Lori Runzer and Dean Runzer

And not in its personal capacity



Per: Karen Aylward, CIRP, LIT

SCHEDULE A

DEAN RUNZER AND LORI RUNZER
COMPARATIVE ANALYSIS OF PROJECTED DIVIDENDS
PROPOSAL VS. BANKRUPTCY

	PROPOSAL	BANKRUPTCY
As of September 5, 2022	\$	\$
Net equity in Real Property ⁽¹⁾		192,000
Administration Charge		
Proposal Fund	182,000	-
Total Funds Available before Trustee's Fees, Disbursements	182,000	192,000
Estimated Total Unsecured Claims	9,180,055	9,180,055
Estimated Professional Fees ⁽²⁾	(40,000)	(60,000)
Estimated Distribution to Unsecured Creditors (before Levy)	142,000	132,000
Estimated Dividend as a Percentage of Unsecured Claims before Trustee's Fees, Disbursements and Levy	1.55%	1.44%

Notes:

1. Estimated net equity after payment of registered secured interests.
2. Estimated professional fees in the bankruptcy are higher due to the Trustee having to facilitate the realization of assets.

District of Alberta
Division No: 01-Edmonton
Estate No: 23-035254, Estate No: 23-035252, Estate No: 24-2770186, Estate No: 24-2770176, Estate No: 23-2771509, and Estate No: 23-2771508

IN THE MATTER OF THE DIVISION I PROPOSAL OF

**1143402 Alberta Ltd., Canadian Development Strategies Inc., Oak and Ash Farms Ltd.,
2061778 Alberta Ltd., Lori Runzer and Dean Runzer**

MINUTES OF THE MEETING OF CREDITORS

Minutes of the Meeting of Creditors held at via telephone on the 15th day of September 2022, at 3:00 PM.

Present - As listed on the schedule attached hereto as Exhibit "A".

The Trustee, by its representative Karen Aylward, called the Meeting to order and stated that she would chair the Meeting pursuant to Section 51(3) of the *Bankruptcy and Insolvency Act* ("Act").

Eric Sirrs of MNP Ltd. performed the duties of secretary.

The following documents were tabled:

1. Amended Proposal
3. Trustee's Written Report to the Creditors
4. Notice to Creditors of the Proposal and Meeting of Creditors
5. Notice to Insolvent Person of Meeting of Creditors; and
6. Trustee's Affidavit of Mailing.

CANADIAN DEVELOPMENT STRATEGIES INC.

QUORUM

There having been due notice and a quorum of creditors represented, the meeting was convened.

CALCULATING THE VOTES OF CREDITORS AT THE MEETING

The chairman advised that pursuant to Section 115 of the Act all questions at the Meeting of Creditors, with the exception of voting for the approval of the Division I Proposal, shall be decided by ordinary resolution carried by the majority of votes, and for that purpose the votes of a creditor shall be calculated by counting one vote for each dollar of every claim of the creditor that is not disallowed.

PURPOSE OF THE MEETING

The Chairman explained that the purpose of the Meeting of Creditors is to:

- i) consider the Amended Division I Proposal and the financial affairs of the Insolvent Person.
- ii) vote on the Amended Division I Proposal pursuant to Section 53 unless an adjournment is requested by ordinary resolution by the creditors pursuant to Section 52.
 - a) to enable a further appraisal and investigation of the affairs and property of the Insolvent Person to be made; or
 - b) for the examination under oath of the debtor or of such other person as may believe to have knowledge of the affairs or the property of the Insolvent Person, and the testimony of the debtor or such other person, if transcribed, shall be placed before the adjourned Meeting or may be read in Court on the application for the approval of the Amend Division I Proposal.
- iii) include such provisions or terms in the Amended Division I Proposal, subject to the consent of the Insolvent Person, for the supervision of the affairs the Insolvent Person as the creditors may deem advisable pursuant to Section 55.

QUESTIONS ARISING FROM TRUSTEE'S REPORT

The chairman read the Trustee's Report and thereafter the Meeting proceeded to questions from the creditors with respect to the Trustee's Report.

There were no questions from the creditors arising from the Trustee's Report.

GENERAL DISCUSSION PERTAINING TO THE AFFAIRS OF THE INSOLVENT PERSON

The Meeting proceeded to discussions pertaining to the affairs of the Insolvent Person.

The discussion pertaining to the affairs of the Insolvent Person is summarized as follows:

Russell Sorokowsky – We have not received anything in the mail since the last creditor meeting.

Karen Aylward (MNP Ltd.) – I know the notice package was mailed out to all creditors; we can check our mailing list to confirm it was sent to you.

David McElheran – I am an investor and not entirely certain if this meeting is relevant to my investment.

Karen Aylward – This is a meeting of creditors to vote on a proposal (offered to the creditors). If you are an investor with equity and no debt this meeting would not apply to you, however, you are welcome to stay for the meeting.

Dustin Gillanders (Miller Thomson LLP) – there have been representations about the potential sale of fractional shares and new contracts to generate revenues, is there a reason these documents have not been provided to the creditors or the Trustee?

Dana Nowak (MLT Aikins LLP) – Lori did you want to provide a verbal update on these items?

Lori Runzer – We do have contacts but are not able to make them public. The contracts are to host families for 365 days per year at \$500 per night in relation to the programs we are offering.

Dustin Gillanders (Miller Thomson LLP) – Are you able to share the contracts with the investors and creditors?

Dana Nowak (MLT Aikins LLP) – There are some confidentiality issues with the contracts due to the parties the programs are designed to help. We could discuss this further offline if it would be helpful.

GENERAL DISCUSSION REGARDING TERMS OF THE PROPOSAL

The Meeting proceeded to discussions regarding the terms of the Division I Proposal.

There were no discussions from the creditors regarding the terms of the Division I Proposal.

ADJOURNMENT OF THE MEETING FOR FURTHER APPRAISAL, INVESTIGATION OR EXAMINATION

The chairman advised the Meeting that the creditors may, pursuant to Section 52 of the Act, request an adjournment of the Meeting by ordinary resolution to such time and place as may be fixed by the chairman.

- i) to enable a further appraisal and investigation of the affairs and property of the Insolvent Person be made; or
- ii) for the examination under Oath of the Insolvent Person or of such other person as may be believed to have knowledge of the affairs or the property of the Insolvent Person.

There was no motion made by the creditors for the adjournment of the Meeting or any motions being made by the creditors for an appraisal, investigation, or an examination of the Insolvent Person.

AMENDMENT(S) TO PROPOSAL OR FOR THE SUPERVISION OF THE INSOLVENT PERSON'S AFFAIRS

The chairman advised the Meeting that pursuant to Section 55 of the Act, the creditors, with the consent of the Insolvent Person, may include such provisions or terms in the Division I Proposal with respect to the supervision of the affairs of the Insolvent Person, as they may deem advisable. Furthermore, the creditors may prior to voting for the acceptance of the Division I Proposal request that certain amendments be made to the Division I Proposal.

Moved by Joyce Determan

That the following amendments to the Division I Proposal be made, or that the following provisions or terms be included in the Division I Proposal with respect to the supervision of the affairs of the Insolvent Person.

Motion Carried

Additional Amendments, Provisions, or Terms

Amendment # 1:

Canadian Development Strategies Inc. (CDSI); Lori Runzer and Dean Runzer employ an outside accounting firm.

Amendment # 2:

Canadian Development Strategies Inc., Lori Runzer and Dean Runzer issue yearly "T5 Statement of Investment Income" with the correct "Recipient Identification Number", Box # 22.

Amendment # 3:

Canadian Development Strategies Inc., Lori Runzer and Dean Runzer have an outside yearly audit by an independent firm with copies to all investors.

Amendment # 4:

Canadian Development Strategies, Inc., Lori Runzer and Dean Runzer issue a yearly "Statement of Adjustments and Disbursements".

Lori Runzer - Canadian Development Strategies Inc. agrees to the four amendments.

Amendment #5

In addition to the Priority Payments contemplated at paragraph 7.5 of this Proposal, starting on January 15, 2023, 114 and CDSI will make joint and aggregate monthly payments totaling no less than \$2,500 to the Trustee to be applied to the Proposal Costs (the "Payments"). By no later than June 15, 2022, 114 and CDSI will adjust to increase the minimum amount of the Payments based on its updated cash flow projections and based on good faith discussions with the Trustee regarding same.

Lori Runzer – Canadian Development Strategies Inc. agrees to the fifth amendment.

ACCEPTANCE OF THE PROPOSAL (OR AMENDED PROPOSAL)

The chairman advised the meeting that pursuant to subsection 54(2)(d) of the Act, the Proposal (or Amended Proposal) shall be deemed to be accepted by the creditors if, and only if, all the classes of unsecured creditors vote for the acceptance of the Proposal (or Amended Proposal) by a majority in number and two thirds (66.66%) in value of the unsecured creditors of each class present, personally or by proxy, at the meeting and voting on the resolution.

Furthermore, the chairman advised the Meeting that pursuant to Subsection 54(2)(c) of the Act, the votes of the secured creditors do not count for the purpose of voting for the acceptance of the Division I Proposal, but are only relevant for the purpose of subsection 62(2) of the Act, which provides that approval of the Division I Proposal is binding on the secured claims in respect of

which the Division I Proposal was made and that were in classes in which the secured creditors voted for the acceptance of the Division I Proposal by a majority in number and two thirds (66.66%) in value of the secured creditors present, personally or by proxy, at the Meeting and voting on the resolution to accept the Division I Proposal.

Unsecured Creditors

The chairman called for a motion from the unsecured creditors, to vote for the approval of the Division I Proposal (or amended Proposal).

Moved by Pat Galloway

Proven unsecured creditors representing a 92% majority in number with claims representing 85% in value voted **FOR** the approval of the Amended Proposal.

- \$4,225,494.47 For (22 Creditors)
- \$724,279.88 Against (2 Creditors)

Motion Carried – Amended Proposal Accepted.

ADJOURNMENT

There being no further business the chairman requested a motion from the creditors to adjourn the Meeting.

Moved by Pat Galloway

That the Meeting be adjourned.

Motion Carried and the meeting adjourned at 3:45 PM.

1143402 ALBERTA LTD.

GENERAL DISCUSSION REGARDING THE TERMS OF THE PROPOSAL

The chairman advised the creditors that the Meeting is open for general discussions from the creditors with respect to the terms of the Amended Division I Proposal.

The chairman summarized the discussions regarding the terms of the Division I Proposal.
Dustin Gillanders (Miller Thomson LLP) – Has there been a review of the amounts being claimed for the purposes of voting in relation to claims similar to my client's?

Karen Aylward (MNP Ltd.) – The claim you are referring to has been reviewed and addressed by the Trustee.

ADJOURNMENT OF THE MEETING FOR FURTHER APPRAISAL, INVESTIGATION OR EXAMINATION

The chairman advised the Meeting that the creditors may, pursuant to Section 52 of the Act, request an adjournment of the Meeting by ordinary resolution to such time and place as may be fixed by the chairman.

- iii) to enable a further appraisal and investigation of the affairs and property of the Insolvent Person be made; or
- iv) for the examination under Oath of the Insolvent Person or of such other person as may be believed to have knowledge of the affairs or the property of the Insolvent Person.

There was no motion made by the creditors for the adjournment of the Meeting or any motions being made by the creditors for an appraisal, investigation, or an examination of the Insolvent Person.

AMENDMENT(S) TO PROPOSAL OR FOR THE SUPERVISION OF THE INSOLVENT PERSON'S AFFAIRS

The chairman advised the Meeting that pursuant to Section 55 of the Act, the creditors, with the consent of the Insolvent Person, may include such provisions or terms in the Division I Proposal with respect to the supervision of the affairs of the Insolvent Person, as they may deem advisable. Furthermore, the creditors may prior to voting for the acceptance of the Division I Proposal request that certain amendments be made to the Division I Proposal.

Moved by Pat Galloway

That the following amendments to the Amended Division I Proposal be made, or that the following provisions or terms be included in the Amended Division I Proposal with respect to the supervision of the affairs of the Insolvent Person.

Motion Carried

Additional Amendments, Provisions or Terms

Amendment # 1:

That 1143402 Alberta Ltd. employ an outside accounting firm.

Amendment # 2:

That 1143402 Alberta Ltd. provide "T5 Statements of Investment Income" with correct "Recipient Identification Number", Box # 22.

Amendment # 3:

That 1143402 Alberta Ltd. have an outside yearly audit by an independent firm with copies to all investors.

Amendment # 4:

That 1143402 Alberta Ltd. issue a yearly "Statement of Adjustments and Disbursements".

Questions

Joe Seutter – Could the accountant prepared statements be review engagement as opposed to Audit?

Joyce Determan – Even small companies can have their financial statements audited.

Karen Aylward – An external accountant can prepare financial statements with different levels of review from Notice to Reader, to Review Engagement to Audit.

Lori Runzer – 1143402 Alberta Ltd. agrees to the four amendments including annual production of financial statements from an external accountant available to creditors.

Moved by Karen Aylward

That the following amendments to the Amended Division I Proposal be made, or that the following provisions or terms be included in the Amended Division I Proposal with respect to the supervision of the affairs of the Insolvent Person.

Motion Carried

Amendment #5

In addition to the Priority Payments contemplated at paragraph 7.5 of this Proposal, starting on January 15, 2023 114 and CDSI will make joint and aggregate monthly payments totaling no less than \$2,500 to the Trustee to be applied to the Proposal Costs (the “Payments”). By no later than June 15, 2022, 114 and CDSI will adjust to increase the minimum amount of the Payments based on its updated cash flow projections and based on good faith discussions with the Trustee regarding same.

Lori Runzer – 1143402 Alberta Ltd. agrees to the fifth amendment.

Questions

Dustin Gillanders (Miller Thomson LLP) – Could you clarify where the \$2,500 per month to pay for this amendment would be coming from?

Karen Aylward (MNP Ltd.) – The payment is an aggregate amount as between 1143402 Alberta Ltd. and Canadian Development Strategies Inc.

ACCEPTANCE OF THE PROPOSAL (OR AMENDED PROPOSAL)

The chairman advised the meeting that pursuant to subsection 54(2)(d) of the Act, the Proposal (or Amended Proposal) shall be deemed to be accepted by the creditors if, and only if, all the classes of unsecured creditors vote for the acceptance of the Proposal (or Amended Proposal) by a majority in number and two thirds (66.66%) in value of the unsecured creditors of each class present, personally or by proxy, at the meeting and voting on the resolution.

Furthermore, the chairman advised the Meeting that pursuant to Subsection 54(2)(c) of the Act, the votes of the secured creditors do not count for the purpose of voting for the acceptance of the Division I Proposal, but are only relevant for the purpose of subsection 62(2) of the Act, which

provides that approval of the Division I Proposal is binding on the secured claims in respect of which the Division I Proposal was made and that were in classes in which the secured creditors voted for the acceptance of the Division I Proposal by a majority in number and two thirds (66.66%) in value of the secured creditors present, personally or by proxy, at the Meeting and voting on the resolution to accept the Division I Proposal.

Unsecured Creditors

The chairman called for a motion from the unsecured creditors, to vote for the approval of the Division I Proposal (or amended Proposal).

Moved by Pat Galloway

Proven unsecured creditors representing a 86% majority in number with claims representing 71% in value voted **FOR** the approval of the Amended Proposal.

- \$1,747,457.89 For (6 Creditors)
- \$714,279.88 Against (1 Creditor)

Motion Carried with Amended Proposal being accepted by the creditors subject to the objection to the admission and/or rejection of the following proofs of claim:

Dan Gillanders (Miller Thomson LLP) advised of an objection to the admission of the proof of claim of Shurli Massell for the purposes of voting. The Shurli Massell claim was admitted by the Trustee for the sum of \$745,459 and voted in favour of the Amended Proposal.

Dana Nowak (MLT Aikins LLP) advised of an objection to the Trustee's disallowance of the following proofs of claim for voting purposes:

- Jayne Shipka - \$150,000
- Darcy Garbutt - \$150,000
- Donna Enick - \$150,000
- Orest Krokosh - \$150,000
- Orest Krokosh - \$200,000
- David McElheran - \$150,000
- George Loewen - \$150,000

Karen Aylward advised the meeting that the outcome of the Amended Proposal of 1143402 Alberta Ltd. would be subject to the Trustee's further review and determination of the admission or refusal of the claims that have been objected to.

ADJOURNMENT

There being no further business the chairman requested a motion from the creditors to adjourn the Meeting.

Moved by Pat Galloway

That the Meeting be adjourned.

Motion Carried and the meeting adjourned at 4:30 PM.

DEAN RUNZER AND LORI RUNZER (JOINT PROPOSAL)

QUESTIONS ARISING FROM THE TRUSTEE'S REPORT

The chairman read the Trustee's Report and thereafter the Meeting proceeded to questions from the creditors with respect to the Trustee's Report.

There were no questions from the creditors arising from the Trustee's Report.

GENERAL DISCUSSION PERTAINING TO THE AFFAIRS OF THE INSOLVENT PERSON

The Meeting proceeded to discussions pertaining to the affairs of the Insolvent Person.

No Discussion.

GENERAL DISCUSSION REGARDING THE TERMS OF THE PROPOSAL

The chairman advised the creditors that the Meeting is open for general discussions from the creditors with respect to the terms of the Amended Division I Proposal.

No Discussion.

ADJOURNMENT OF THE MEETING FOR FURTHER APPRAISAL, INVESTIGATION OR EXAMINATION

The chairman advised the Meeting that the creditors may, pursuant to Section 52 of the Act, request an adjournment of the Meeting by ordinary resolution to such time and place as may be fixed by the chairman.

- i) to enable a further appraisal and investigation of the affairs and property of the Insolvent Person be made; or
- ii) for the examination under Oath of the Insolvent Person or of such other person as may be believed to have knowledge of the affairs or the property of the Insolvent Person.

There was no motion made by the creditors for the adjournment of the Meeting or any motions being made by the creditors for an appraisal, investigation, or an examination of the Insolvent Person.

AMENDMENT(S) TO PROPOSAL OR FOR THE SUPERVISION OF THE INSOLVENT PERSON'S AFFAIRS

The chairman advised the Meeting that pursuant to Section 55 of the Act, the creditors, with the consent of the Insolvent Person, may include such provisions or terms in the Division I Proposal with respect to the supervision of the affairs of the Insolvent Person, as they may deem advisable. Furthermore, the creditors may prior to voting for the acceptance of the Division I Proposal request that certain amendments be made to the Division I Proposal.

No Motions.

ACCEPTANCE OF THE PROPOSAL (OR AMENDED PROPOSAL)

The chairman advised the meeting that pursuant to subsection 54(2)(d) of the Act, the Proposal (or Amended Proposal) shall be deemed to be accepted by the creditors if, and only if, all the classes of unsecured creditors vote for the acceptance of the Proposal (or Amended Proposal) by a majority in number and two thirds (66.66%) in value of the unsecured creditors of each class present, personally or by proxy, at the meeting and voting on the resolution.

Furthermore, the chairman advised the Meeting that pursuant to Subsection 54(2)(c) of the Act, the votes of the secured creditors do not count for the purpose of voting for the acceptance of the Division I Proposal, but are only relevant for the purpose of subsection 62(2) of the Act, which provides that approval of the Division I Proposal is binding on the secured claims in respect of which the Division I Proposal was made and that were in classes in which the secured creditors voted for the acceptance of the Division I Proposal by a majority in number and two thirds (66.66%) in value of the secured creditors present, personally or by proxy, at the Meeting and voting on the resolution to accept the Division I Proposal.

Unsecured Creditors

The chairman called for a motion from the unsecured creditors, to vote for the approval of the Division I Proposal (or amended Proposal).

Moved by Darcy Garbutt.

DEAN RUNZER

Proven unsecured creditors representing a 90% majority in number with claims representing 86% in value voted **FOR** the approval of the Amended Proposal.

- \$4,574,130.58 For (19 Creditors)
- \$724,279.88 Against (2 Creditors)

LORI RUNZER

Proven unsecured creditors representing a 91% majority in number with claims representing 87% in value voted **FOR** the approval of the Amended Proposal.

- \$4,644,043.11 For (20 Creditors)
- \$724,279.88 Against (2 Creditors)

Motion Carried, the joint proposal of Dean Runzer and Lori Runzer is accepted by the creditors.

ADJOURNMENT

There being no further business the chairman requested a motion from the creditors to adjourn the Meeting.

Moved by Paul Holden

That the Meeting be adjourned.

Motion Carried and the meeting adjourned at 4:40 PM.

OAK AND ASH FARMS LTD.

No Quorum

There having been due notice and a quorum of creditors **not** being present either personally or by proxy, the Meeting was adjourned.

2061778 ALBERTA LTD.

No Quorum

There having been due notice and a quorum of creditors **not** being present either personally or by proxy, the Meeting was adjourned.



Karen Aylward, Chairman

c Industry Canada
 Office of the Superintendent of Bankruptcy

Re-Convened Meeting of Creditors - September 15, 2022

Creditor Name	Amount Filed	Amount Admitted	Attendance
Arbor Vista	200,000.00	50,000.00	By Phone
Arbor Vista	150,000.00	-	By Phone
ATB Financial c/o Dentons	481,458.64	481,458.64	By Phone
Barber, Perry	30,000.00	30,000.00	By Phone
Corlett, Elaine	65,000.00	65,000.00	By Phone
Drewitz, Gabrielle	10,000.00	10,000.00	By Phone
Edam Credit	134,118.58		By Phone
Enick, Donna	114,000.00	114,000.00	By Phone
Estate of Donna Enick	150,000.00	-	By Phone
Estate of Helga Loewen	576,998.89	576,998.89	By Phone
Estate of Helga Loewen	324,884.29	324,884.29	By Phone
Florian, Ed	100,000.00	100,000.00	By Phone
Folkerts, Janelle	25,000.00	25,000.00	By Phone
Galloway, Pat and Ed	2,904,704.66	25,000.00	By Phone
Garbutt, Darcy and Tim	497,039.00	497,039.00	By Phone
Gilbert, Marielle	180,000.00	180,000.00	By Phone
Haverstock, Darren Kim and Nancy	1,973,219.74	714,279.88	By Phone
Holden, B. Paul	129,041.42	129,041.42	By Phone
Janelle Folkerts	25,000.00	25,000.00	By Phone
Jayne Shipka	150,000.00	150,000.00	By Phone
Jayne Shipka	322,321.20	322,321.20	By Phone
Joyce Determan	99,522.15	99,522.15	By Phone
Jubenville, Margaret	154,543.84	154,543.84	By Phone
Jubenville, Steve	150,000.00	-	By Phone
KLS Equipment	75,000.00	75,000.00	By Phone
Kory-Baker Henderson	521,011.29	521,011.29	By Phone
Krokosh Family	150,000.00	-	By Phone
Krokosh, Orest and Marlene	200,000.00	150,000.00	By Phone
Kurach, Lynn and Deborah	78,370.00	78,370.00	By Phone
LP Enterprises	100,425.00	100,425.00	By Phone
Margaret Jubenville	154,543.84	154,543.84	By Phone
Massell, Shurli	885,459.00	745,459.00	By Phone
Matheson, Gerald	17,000.00	17,000.00	By Phone
McElheran, David	150,000.00		By Phone
Pack, Kelly	5,000.00	5,000.00	By Phone
Seutter, Alma	45,000.00	15,000.00	By Phone
Seutter, Joe	898,054.75	768,054.75	By Phone
Seutter, Joel	1,000.00	1,000.00	By Phone
Shipka, Jayne	322,231.20	322,231.20	By Phone
Sorokowsky, Brettany	114,398.46	-	By Phone
Stribling, Keith and Kerri	48,000.00	48,000.00	By Phone
Strunk, Rob	150,000.00	-	By Phone
Swanson, Barry	150,000.00	-	By Phone
Turner, Angela	69,912.53	69,912.53	By Phone
Dana Nowak - MLT Aikins (counsel to Debtors)			By Phone
Mike Russell - W Law (counsel to Proposal Trustee)			By Phone
Lori Runzer			By Phone
Dean Runzer			By Phone
Tom Gusa - Dentons LLP (counsel to ATB Financial)			By Phone
Dustin Glanders - Miller Thomson LLP (counsel to Haverstock)			By Phone
Marie Duso - Miller Thomson LLP (counsel to Haverstock)			By Phone
Karen Aylward - MNP Ltd.			By Phone
Eric Sirrs - MNP Ltd.			By Phone