

COURT FILE NUMBER	QBG 1076 of 2021
COURT	COURT OF QUEEN'S BENCH OF SASKATCHEWAN IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE	SASKATOON
IN THE MATTER OF THE DIVISION I PROPOSAL OF	CANADIAN DEVELOPMENT STRATEGIES INC., 1143402 ALBERTA LTD., CROSSROADS ONE INC., 1216699 ALBERTA LTD., OAK AND ASH FARM LTD., 2061778 ALBERTA LTD., LORI RUNZER AND DEAN RUNZER
DOCUMENT	<b>EIGHTH REPORT OF THE PROPOSAL TRUSTEE, MNP LTD., DATED MARCH 27, 2023</b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	W Law LLP Attention: Mike Russell Suite 300, 110 21 <sup>st</sup> St. E Saskatoon, SK S7K 0B6 Phone: 306.244.2242 Counsel to the Proposal Trustee, MNP Ltd.

### **Introduction and Purpose of the Report**

1. Canadian Development Strategies Inc. ("**CDSI**"), 1143402 Alberta Ltd. ("**114**"), Crossroads One Inc. ("**Crossroads**"), 1216699 Alberta Ltd. ("**121**"), Oak and Ash Farm Ltd. ("**Oak and Ash**") and 2061778 Alberta Ltd. ("**206**") (collectively referred to as the "**FireSong Group**") each filed a Notice of Intention to Make a Proposal ("**NOI**") on September 29, 2021, and MNP Ltd. consented to act as proposal Trustee. The Trustee issued a copy of the NOI to all known creditors on October 1, 2021.
2. Lori Runzer and Dean Runzer (the "**Runzers**"), both of whom are directors and shareholders of the FireSong Group (hereinafter referred to in this capacity as "**Management**"), also filed NOIs in their personal capacities on September 30, 2021, and MNP Ltd. consented to act as proposal Trustee for each. The Trustee issued a copy of the NOI to all known creditors on October 1, 2021.
3. The Trustee has prepared the Trustee's Eighth Report to Court (the "**Eighth Report**") for the sole purpose of responding to the Affidavit of Lori Runzer, filed in the within action on March 20, 2023 (the "**Lori Affidavit**").
4. The Eighth Report should be read in conjunction with the Trustee's First Report to Court dated October 21, 2021 (the "**First Report**"), the Trustee's Second Report to Court dated December 6, 2021 (the "**Second Report**"), the Trustee's Third Report to Court (the "**Third Report**") dated December 17, 2021, the Trustee's Fourth Report to Court (the "**Fourth Report**") dated January 20, 2022, the Trustee's Fifth Report to Court dated June 30, 2022 (the "**Fifth Report**"), the Trustee's Sixth Report to Court dated October 24, 2022 (the "**Sixth Report**") and the Trustee's Seventh Report dated February 27, 2023 (the "**Seventh Report**").
5. The Trustee has also filed the following Material Adverse Change Reports in respect of 114 and the FireSong Group (collectively, the "**MAC Reports**") in these proceedings
  - a. MAC Report dated December 1, 2021;

- b. MAC Report dated January 17, 2022;
  - c. MAC Report dated June 8, 2022; and,
  - d. MAC Report dated December 21, 2022.
6. The reports referenced in paragraphs 4 and 5 above are hereinafter collectively referred to as the "**Reports**".

**1216699 Alberta Ltd.**

7. Regarding the bankruptcy of 1216699 Alberta Ltd. ("**121**") and the allegations set out in the Lori Affidavit:
- a. 121 carried on no active business operations;
  - b. 121 held no assets other than two vehicles financed through Ford Credit Canada Limited (the "**Vehicles**");
  - c. On March 9, 2022 (prior to the first meeting of creditors ("**FMOC**") for the FireSong Group) the Trustee received an email from counsel to the Runzers confirming that no proposal for 121 was forthcoming and that the intention was to have 121 deemed bankrupt for failure to file a proposal at the FMOC. A copy of the March 9, 2022, email is attached as **Schedule "A**;
  - d. No proposal was formulated and 121 was deemed bankrupt on March 14, 2022;
  - e. The Trustee did not bankrupt 121;
  - f. On April 29, 2022, the Trustee advised the Runzers that due to the bankruptcy the Vehicles would need to be liquidated for the benefit of the 121's estate, as is the normal course in a bankruptcy assignment and the normal obligation of the Trustee;
  - g. The Runzers expressed interest in retaining the Vehicles;
  - h. The Trustee obtained the black book values for the Vehicles which showed estimated equity of \$34,000 and communicated to the Runzers that, upon payment of the equity, the Vehicles could be retained;
  - i. While not obligated to, the Trustee provided the Runzers a total of 7 months to source the equity payment for the Vehicles, during which time the Runzers had full use of the Vehicles;
  - j. The Runzers were ultimately unable to fund the purchase the equity in the Vehicles and the Trustee sold the Vehicles at auction in or around November 22, 2023, for the benefit of the estate of 121; and
  - k. Attached as **Schedule "B"** are copies of the various correspondence between Lori Runzer and the Trustee in respect of the Vehicles. Certain parts of the email correspondence have been redacted as it is not relevant to the particular issue being addressed.

**2061778 Alberta Ltd. ("206") and Oak and Ask Farms Ltd. ("Oak and Ash")**

8. Regarding 206 and Oak and Ash and the allegations set out in the Lori Affidavit:

- a. The inclusion of 206 and Oak and Ash in the insolvency proceedings was a decision of Management and not that of the Trustee;
- b. 206 and Oak and Ash each owned farmlands (the "**Farmland**") and no other assets;
- c. ATB, the primary lender for both 206 and Oak and Ash, had obtained a judicial foreclosure order in respect of the Farmlands prior to Oak and Ash and 206 entering insolvency proceedings;
- d. The Farmland was listed by Management (i.e., the Runzers) and it was the Runzers who involved realtors, both prior to the NOI;
- e. ATB agreed to pause its foreclosure action to allow the Runzers to close a sale of the Oak and Ash Lands which the Runzers had negotiated with a third party prior to the NOI. Ultimately that transaction did not close, so ATB carried on with its foreclosure proceedings;
- f. The 206 Farmland debt was restructured by the Runzers which resulted in ATB being paid in full. After the restructure, the 206 Farmlands had no equity;
- g. At the FMOC, the Runzers, specifically Lori Runzer, solicited and obtained a claim from a creditor of Oak and Ash, Wiggins Adjustments Ltd. ("**Wiggins**"), for the sole intention of seeking to adjourn the Oak and Ash and 206 FMOC scheduled for April 1, 2022. A copy of the email from Lori Runzer to Wiggins is attached as **Schedule "C"**;
- h. An adjournment of the FMOC has the effect of delaying the vote;
- i. At the subsequent meeting of creditors for Oak and Ash and 206 held on September 15, 2022, there was no quorum of creditors present at the meeting entitled to vote, despite notice having been provided. As such, 206 and Oak and Ash were deemed automatically bankrupt in accordance with the provisions of the *Bankruptcy and Insolvency Act* (the "**BIA**"); and
- j. The Trustee did not bankrupt 206 and Oak and Ash.

#### **1143402 Alberta Ltd. ("114")**

9. Regarding 114 and the allegations set out in the Lori Affidavit:
  - a. The FMOC of 114 held on April 1, 2022, was adjourned for the purposes of allowing Management (i.e., the Runzers) to provide the Trustee with financial and other records to address various queries posed by a creditor in relation to the business affairs of 114 (and the FireSong Group as a whole). A copy of the creditor inquiry detailing the information sought is attached as **Schedule "D"**.
  - b. The questions posed in Schedule D were deemed material to the proposal and required to be addressed prior to the 114 Proposal being voted upon.
  - c. At the 114 FMOC the creditors voted to adjourn the meeting for the purposes of allowing Management to satisfactorily respond to the creditor inquiries.
  - d. The Trustee and its counsel made several, consistent attempts to seek clarification and information from the Runzers in respect of the various outstanding matters. Attached as **Schedule "E"** is:

- i. Correspondence from the Trustee to the Runzers (via counsel) dated May 1, 2022;
  - ii. Correspondence from W Law LLP ("**W Law**"), counsel to the Trustee, to the Runzers (via counsel) dated May 19, 2022;
  - iii. Correspondence from the Runzers (via counsel) to W Law; and,
  - iv. Correspondence from W Law LLP to the Runzers (via counsel) dated June 13, 2022.
- e. Upon review of the information produced by the Runzers in response to the May 19, 2022, letter, the information was deemed by the Trustee to be inadequate to address the questions raised. For example:
  - I. One of the issues to be addressed by the Runzers was providing information to support monetary or other contributions made by Benjamin Runzer related to the Cranbrook Property which would have the effect of offsetting the financial interest of 114 and/or CDSI (related to mortgage payments 114/CDSI made against the loan on the Cranbrook Property); and
  - II. Attached as **Schedule "F"** is a copy of the information provided to the Trustee which contains, among other things, some written verbiage and photographs of work purported to be done. The information provided does not meet the test of adequate support expected in a financial restructuring for a transaction of this size and nature.
- f. As noted in the June 13 Letter, the Trustee expressed concern to the Runzers with the ongoing delays in carrying out the functions of the administration of the insolvency proceedings.
- g. The Trustee, on its own accord and being mindful of the passage of time, elected to reconvene the meeting of creditors of 114 on August 25, 2022, for the purposes of providing the creditors with the option to extend additional time to the Runzers to satisfy the information request or to move to a formal vote at a date certain. The creditors, at the August 25<sup>th</sup> meeting, voted to reconvene the meeting for the purposes of holding the vote on September 15, 2022.
- h. The various notices issued by the Trustee related to the reconvening of the August 25, 2022, meeting and the September 15, 2022, meeting were detailed and attached to the Sixth Report.
- i. It is the Trustee's opinion that the repeated delays in moving forward the insolvency proceedings are directly attributed to the Runzers' failure to keep proper business records and inability to produce (often rudimentary) operational and financial information requested by both the creditors and the Trustee.

#### Cranbrook Property

#### 10. Regarding the Cranbrook Property:

- a. title to the Cranbrook Property remained in the name of 114 as of the date of the NOI; and,
- b. the Court of King's Bench for Saskatchewan issued an order on December 21, 2022, directing the Trustee to review and opine on the validity and enforceability of the Hoeller mortgage (among other issues) and directing that the Cranbrook Property proceeds were not authorized to be distributed until further Order of the Court.

### Fractional Reservation Agreements

11. Regarding the fractional reservation agreements;

- a. The Trustee was not involved in drafting, completing, or signing the fractional reservation agreements; and,
- b. The Trustee does not have discretion to grant leniency on the timeline for submission of claims as this is mandated by the BIA.

### Home of the Brave

12. Regarding Home of the Brave:

- a. The Trustee has not seen or been provided with sufficient detail on this program, nor has any form of contract been produced to the Trustee that would establish any of the particulars set out in the Lori Affidavit.

### First Nation Sale

13. Regarding the First Nation sale described in the Lori Affidavit:

- a. The Trustee advised the Runzers that, for the Court to approve a sale, the sale price and the sale process would need to be demonstrated to be fair and reasonable in the circumstances, and benefit the estate and creditors of 114;
- b. The Trustee has not, at any time, been presented with a formal offer to purchase by a First Nation for review or comment; and,
- c. At no time did the Trustee suggest or advise that further amounts could have been negotiated (or otherwise have any input on a recommended selling price).

### Foreclosures

14. The allegation that any delay in the proposal proceedings led to the foreclosure actions is patently false. The 206 and Oak and Ash Farmlands were already in foreclosure proceedings prior to the FireSong Group filing the NOI.

15. The proposal of 114 was not made to its secured creditors and, therefore, the secured creditors of 114 are not stayed from enforcing their security should they choose to do so.

16. All remaining assets of 114 are encumbered, including by the first-priority administration charge in respect of the professional fees.

### Dean and Lori

17. Regarding the matters affecting Dean and Lori as set out in the Lori Affidavit:

- a. The Runzers were advised of their ability to waive the condition contemplated in article 2.4 of their proposal should they choose to do so. The Runzers have chosen not to waive that condition the effect of which will cause the Runzers to become automatically bankrupt if the 114 proposal fails;
- b. The Trustee communicated the effect of the non-waiver to Lori Runzer on March 20, as evidenced in **Schedule "G"**, and has had no reply;
- c. The sales proceeds from 438 Estate Drive have not been released given the consent needed by all parties to agree to the final form of distribution;

- d. the consent order appeared to have been finalized on March 20, 2023, but soon after the Trustee received notice that Lori Runzer, who previously agreed to the scheme of distribution, was no longer in agreement;
- e. The builders' lien constitutes an approximately \$50,000 debt resulting from the Runzers hiring a contractor to perform work on its principal residence while they were in insolvency proceedings;
- f. The contractor who performed the work subject to the builders' lien is known to the Runzers;
- g. The Runzers were insolvent at the time of hiring the contractor, and based on their financial circumstances, knew or ought to have known that they had no reasonable possibility of paying the debt; and
- h. The builders' lien is subordinate to the administrative charge granted in these proceedings; however, the Trustee has agreed to allow the contractor to be paid \$5,000 from the proceeds of sale of the principal residence notwithstanding that it had no legal entitlement to the sales proceeds.

### **Restructuring Process**

18. As it relates to the comments on the restructuring process set out in the Lori Affidavit:

- a. The escalating cost of these insolvency proceedings, for which none of the professionals have been paid to date, are a direct result of:
  - i. the convoluted, complicated, and intertwined nature of the various entities;
  - ii. the Runzers' systematic failure to keep proper and adequate books and records for its business operations throughout its operating years;
  - iii. the Runzers' inability to produce rudimentary financial information to satisfy inquiries of its creditors and of the Trustee; and,
  - iv. The Runzers' inability to adequately manage in good faith and with due diligence their businesses or comply with the requirements of the restructuring proceedings;
- b. Paragraphs 13-16 of the Fifth Report of the Trustee are emblematic of the many issues that the professionals have been required to deal with throughout these proceedings, with the consequential escalation in costs;
- c. The Trustee communicated the dates and purposes for each of the reconvened meetings in accordance with the requirements of the BIA;
- d. The various notices to creditors were set out and appended to the Sixth Report;
- e. The creditors, in total, had a period of 7 months to submit claims to the Trustee for voting purposes;
- f. All creditors present at the original FMO for 114 were also present at the reconvened September 15, 2023, meeting and participated in the vote as evidenced by copies of attendance sheets for each meeting which are attached as **Schedule "H"**; and
- g. The allegation that the Trustee asked the Runzers to amend any of the proposals to increase the administrative charge is false.

19. The alleged facts set out in the Lori Affidavit as they relate to the restructuring proceedings demonstrate a fundamental lack of understanding of the insolvency proceedings and the duties of a trustee in insolvency proceedings.
20. The Trustee takes serious issue with the baseless allegations and attacks on this court officer, contained in the Lori Affidavit. These allegations and misrepresentations constitute a collateral attack on these insolvency proceedings, and it is the opinion of the Trustee that the Runzers are not acting in good faith.
21. Based on all of the foregoing, the Trustee is not able to support the restructuring of the FireSong Group in light of the misconduct of the debtors and failure of the debtors to meet the basic requirements of commercial morality and the integrity of the bankruptcy regime.

All of which is respectfully submitted on this 27<sup>th</sup> day of March 2023.

**MNP Ltd.**

In its capacity as Trustee in the Division I Proposal of  
**Canadian Development Strategies Inc., 1143402 Alberta Ltd., Oak and Ash Farms Ltd.,  
2061778 Alberta Ltd., Lori Runzer and Dean Runzer**  
and not in its personal capacity



Per: Karen Aylward, CIRP, Licensed Insolvency Trustee  
Vice President

# SCHEDULE "A"



## Karen Aylward

---

**From:** Dana M. Nowak <dnowak@mltaikins.com>  
**Sent:** March 9, 2022 2:21 AM  
**To:** Lori Runzer; Karen Aylward; Eric Sirrs  
**Cc:** Jeff Lee; Taylor J. Watts  
**Subject:** FireSong - Updated Proposals  
**Attachments:** Proposal to Creditors (CDSI).DOCX; Proposal to Creditors (Lori and Dean Runzer).DOCX; Proposal to Creditors (Oak and 206).DOCX; Proposal to Creditors (114).DOCX; Proposal to Creditors (114) (compared with Proposal to Creditors (114)-1).pdf; Proposal to Creditors (Oak and 206) (compared with Proposal to Creditors (Oak and 206)-1).pdf; Proposal to Creditors (Lori and Dean Runzer) (compared with Proposal to Creditors (Lori and Dean Runzer)-1).pdf; Proposal to Creditors (CDSI) (compared with Proposal to Creditors (CDSI)-1).pdf

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Hello All,

My sincere apologies for the late night email. I took the time tonight to update the proposals to be as finalized as possible.

I have attached the updated proposals (along with redlines to the last versions circulated).

Key updates to the proposals include the following:

- Removal of all references to Crossroads and 121 making proposals to creditors, as the intention is to have these entities be deemed bankrupt.

# SCHEDULE "B"

## Karen Aylward

---

**From:** Lori Runzer <lrunzer@me.com>  
**Sent:** October 11, 2022 9:25 AM  
**To:** Karen Aylward  
**Cc:** Dana M. Nowak  
**Subject:** Re: Cashflows

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Karen,

We have had such restricted cashflows but we have tried diligently to find the money for the equity and we just cannot.

Dean has been dealing with Ford and they know we were trying hard to keep them but they are aware that if we could not raise money for you we would have to turn them in to you. They would allow us to transfer them to another company and continue paying, it is the equity that you are requiring that is the issue.

We completely understand that these are your vehicles and we need to get to a city where we can access a car until we can do more. We do not have any other vehicles.

We are trying to save a little face and keep in business by not having a bailiff come pick them up.

We can bring them directly to MNP if you prefer?

We have been paying our bills so they are not in default with Ford except for this last payment for Dean's truck. Ford is not taking our vehicles, the trustee is.

Please tell us where you want us to bring them in Edmonton

Lori

On Oct 11, 2022, at 9:14 AM, Karen Aylward <[Karen.Aylward@mnp.ca](mailto:Karen.Aylward@mnp.ca)> wrote:

Thanks. Is there a reason these need to be brought to Edmonton rather than dropped off earlier a local dealer?

Do you have anything you can send me which shows that you've contacted Sherwood Ford and that they've agreed to take the vehicles this week? As 121 is bankrupt, MNP, as Trustee, will need to be involved in this transaction and we will be required to complete the paperwork, agree to the sale, collect the proceeds, etc.

As you know, we've been trying to deal with these vehicles for a while and so we're looking to have this resolved as soon as possible. If the vehicles aren't returned by Friday we will involve a bailiff which will increase the cost to realize.

**Karen Aylward, CIRP, LIT** <image001.jpg>  
VICE PRESIDENT

**DIRECT 780.969.1400**

PH. 780.451.4406  
FAX 780.454.1908  
TOLL FREE 1.800.661.7778  
10235 101St N.W.  
Suite 1300  
Edmonton, AB  
T5J 3G1  
[karen.aylward@mnp.ca](mailto:karen.aylward@mnp.ca)  
[mnpdebt.ca](http://mnpdebt.ca)

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**From:** Lori Runzer <[lrunzer@me.com](mailto:lrunzer@me.com)>  
**Sent:** October 11, 2022 9:07 AM  
**To:** Karen Aylward <[Karen.Aylward@mnp.ca](mailto:Karen.Aylward@mnp.ca)>  
**Subject:** Re: Cashflows

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The vehicles remain insured  
The keys are with them  
The truck is in Saskatchewan  
The flex is in Cranbrook

Everybody was planning on meeting in Edmonton on Friday to turn them in.. is this okay?

Please let me know asap so we work together.

Lori

On Oct 7, 2022, at 3:53 PM, Karen Aylward <[Karen.Aylward@mnp.ca](mailto:Karen.Aylward@mnp.ca)> wrote:

Lori,

I will get back to the rest of your email, but regarding the vehicles, please confirm for me right away:

- Where these are located right now;
- Who has the keys; and,
- Whether they are insured.

Thanks,

**Karen Aylward, CIRP, LIT** <image001.jpg>  
VICE PRESIDENT

**DIRECT 780.969.1400**  
PH. 780.451.4406  
FAX 780.454.1908  
TOLL FREE 1.800.661.7778  
10235 101St N.W.  
Suite 1300  
Edmonton, AB  
T5J 3G1  
[karen.aylward@mnp.ca](mailto:karen.aylward@mnp.ca)  
[mnpdebt.ca](http://mnpdebt.ca)

<image002.png> <image003.png> <image004.png>

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**From:** Lori Runzer <[lrunzer@me.com](mailto:lrunzer@me.com)>

**Sent:** October 7, 2022 2:58 PM

**To:** Karen Aylward <[Karen.Aylward@mnp.ca](mailto:Karen.Aylward@mnp.ca)>; Maha Shah <[Maha.Shah@mnp.ca](mailto:Maha.Shah@mnp.ca)>; Eric Sirrs <[Eric.Sirrs@mnp.ca](mailto:Eric.Sirrs@mnp.ca)>; Dana M. Nowak <[dnowak@mltaikins.com](mailto:dnowak@mltaikins.com)>

**Subject:** Cashflows

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## 1216699 Vehicles

We have tried everything to find enough money to payout the equity but just last night it fell through again.

We have made arrangements to have both vehicles brought to Sherwood Ford for October 15

We have no option without being allowed to make payments.

Lori

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# SCHEDULE "C"

## Karen Aylward

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**From:** Dana M. Nowak <dnowak@mltaikins.com>  
**Sent:** March 30, 2022 3:14 PM  
**To:** Lori Runzer  
**Cc:** Karen Aylward; Jeff Lee  
**Subject:** FW: 2061778 Alberta Ltd vs SOS BOOKKEEPING & ACCOUNTING

**Importance:** High

Hi Lori,

I connected with Wiggins (the debt collector for SOS bookkeeping). Good news - they will complete the proof of claim and proxy so that MNP can adjourn the Oak/206 meeting.

I need the SOS invoice(s). Could you please send this to me asap?

Thank you,  
Dana

**Dana M. Nowak**  
**Partner**

**P:** +1 (780) 969-3506 | **E:** dnowak@mltaikins.com

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**MLT Aikins LLP**

Suite 2200, 10235 - 101st Street  
Edmonton, AB T5J 3G1

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# MLT AIKINS

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**From:** Lori Runzer <lrunzer@me.com>  
**Sent:** Wednesday, March 30, 2022 1:38 PM  
**To:** Noureen Ebrahim <noureen@wiggins-adj.com>  
**Cc:** Dana M. Nowak <dnowak@mltaikins.com>  
**Subject:** 2061778 Alberta Ltd vs SOS BOOKKEEPING & ACCOUNTING

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 External Sender

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Good morning

Our lawyer has asked us to confirm that you have received the packages from MNP regarding the creditor meeting scheduled on Friday, April 1. It would be best if we postpone the meeting so you have time to file your claim



Dana Nowak of MLT has asked us to contact you regarding a request for adjournment to a later date.

Please call me at 1 306 837 9103 or Dana and 780 969 3506 at your earliest convenience

thank you

Lori Runzer  
2061778 Alberta Ltd

On Feb 24, 2022, at 12:04 PM, Noureen Ebrahim <[noureen@wiggins-adj.com](mailto:noureen@wiggins-adj.com)> wrote:

Hello Mr.Runzer

AS per the phone conversation this morning , I hereby attached the copy of Invoice from SOS booking and Accounting for your reference, in case of any questions or concerns feel free to get in touch with me on the below number.

Best Regards,

Noureen Ebrahim  
Account Manager  
Wiggins Adjustments Ltd.

-----  
TCM Group International, ehf.

-----  
Toll-Free Phone: (888) 376-6611 Ext. 205  
Toll-Free Fax: (866) 710-5119

**WIGGINS**  
Adjustments Ltd.



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<Invoice 4475.pdf>

# SCHEDULE “D”



March 25, 2022

**Private and Confidential**

W Law  
Suite 300, 110 21<sup>st</sup> St E,  
Saskatoon SK S7K 0B6

Attention: Mike Russell

**Susy Trace**

Direct Line: 1 780.429.9713  
strace@millerthomson.com

File: 9990302.0006

Dear Sir:

**Re: In the Matter of the Notice of Intention to Make a Proposal of Canadian Development Strategies Inc.**  
**and**  
**In the Matter of the Notice of Intention to Make a Proposal of Crossroads One Inc.**  
**and**  
**In the Matter of the Notice of Intention to Make a Proposal of Oak and Ash Farm Ltd.**  
**and**  
**In the Matter of the Notice of Intention to Make a Proposal of 1143402 Alberta Ltd.**  
**and**  
**In the Matter of the Notice of Intention to Make a Proposal of 2061778 Alberta Ltd.**  
**and**  
**In the Matter of the Notice of Intention to Make a Proposal of 1216699 Alberta Ltd.**  
**and**  
**In the Matter of the Notice of Intention to Make a Proposal of Dean Runzer**  
**and**  
**In the Matter of the Notice of Intention to Make a Proposal of Lori Runzer (collectively the "Proposal Proceedings")**

As you are aware, we act for Shurli Massell ("**Shurli**") and Marielle Gilbert ("**Marielle**"), who are creditors/investors of Canadian Development Strategies Inc. ("**CDSI**"), Lori Runzer ("**Lori**"), and Dean Runzer ("**Dean**"). I understand from the limited information contained in affidavits filed by Lori in the Proposal Proceedings, that our clients are also beneficiaries of trust property owned by 1143402 Alberta Ltd. ("**114**"). Shurli is and has at all material times, been acting as Marielle's enduring power of attorney.

We are in receipt of three proposals (the "**Proposals**") to creditors, one consolidated proposal from Dean and Lori (the "**Joint Proposal**"), one from CDSI, and one from 114

(114, CDSI, Dean and Lori are collectively referred to in this letter as the “**Debtors**”). Finally we obtained from MNP Ltd.’s website a copy of the consolidated proposal filed by Oak and Ash Farm Ltd. (“**Oak**”) and 2061778 Alberta Ltd. (the “**Oak Proposal**”). We are also in receipt of the Trustee’s report to the creditors regarding each proposal.

We write with several concerns and inquiries that we require addressing in order for our clients to meaningfully participate in these Proposal Proceedings, and have a reasonable opportunity to consider the Proposals. Please note that the order of placement of our concerns is not reflective of their relative importance to our clients.

### **Concern Number 1 - The Benjamin Property and the Hoeller Mortgage**

We note that we have not received any correspondence or update respecting the following court ordered report and opinion, that were ordered to be done by MNP Ltd. in its capacity as proposal trustee of, among others, the Debtors (the “**Trustee**” or the “**Proposal Trustee**”), and its legal counsel three months ago, on December 22, 2021:

1. To review the circumstances surrounding the creation of the trust declaration dated May 16, 2008 whereby 114 (as trustee) agreed to hold legal title to the property legally described as:

Lot 25  
District Lots 10353 and 10354  
Kootenay District Plan 14398  
(the “**Benjamin Property**”)

in trust for Dean and Lori’s child, Benjamin Runzer, and whether and to what extent (if any) 114 has a financial interest in the property.

2. To review the mortgage currently registered against the Benjamin Property in favour of Yvonne Hoeller to provide the Trustee with an independent legal opinion regarding:
  - (a) the validity and enforceability of the Hoeller Mortgage;
  - (b) whether and to what extent Yvonne Hoeller has dealt with 114, CDSI, Crossroads One Inc., Oak and Ash Farm Ltd., 1216699 Alberta Ltd., 2061778 Alberta Ltd., Dean, Lori, Benjamin Runzer and Dallas Runzer “at arm’s length”, within the meaning of that phrase in section 4(5) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”); and,
  - (c) whether the Hoeller Mortgage constitutes a preference or transfer at undervalue in accordance with sections 95 and 96 of the BIA or equivalent provincial legislation.

We also note the status of the reports and findings are omitted from the Proposals and from the Trustee’s reports provided concurrently with the Proposals. We are unable to properly give advice to our clients respecting the Proposals without seeing the report and opinion. The last communication we received regarding the status of the report and opinion was



contained in the Fourth Report Of The Proposal Trustee, MNP Ltd., dated January 20, 2022, at paragraphs 30-34, which say, in part:

“31. As of the date of the Fourth Report, the Trustee’s counsel is still waiting on receipt of certain information required to finalize the Hoeller Mortgage Opinion.

32. In addition to a review of the Hoeller Mortgage, the Court has directed the Trustee to review and opine on the trust declaration dated May 16, 2008 (the “Trust Declaration”) whereby 114 agreed to hold legal title to the Cranbrook Property in trust for Benjamin Runzer. The review of the Trust Declaration is to also include a report setting out:

- a. The validity of the Trust Declaration; and,
- b. Whether and to what extent (if any) 114 had a financial interest in the Cranbrook Property.

33. The Trustee has requested that Management provide the Trustee with information specifying whether 114 made payments to maintain or improve the Cranbrook Property during the time which it was held in trust in accordance with the Trust Declaration. As of the date of the Fourth Report, this information has not been provided to the Trustee.

**We are requesting the following information from the Proposal Trustee as soon as possible in order for our clients to determine their position on the Proposals:**

1. Please advise as to the status of the court mandated reports discussed above.
2. We also note that the net financing proceeds obtained from Pioneer West Acceptance Corporation by Benjamin Runzer in respect of the property were to be held in trust with the Proposal Trustee and are not to be released without further court order. Assuming this transaction has closed, please confirm that these funds are still held in trust by the Proposal Trustee and please advise how much is held in trust.
3. Please advise if the Debtors are seeking a compromise of any claim that 114 may have in the Benjamin Property and Pioneer Financing Proceeds in any of the Proposals.

**Concern Number 2 – Assertion that the Debtor’s Financial Problems began three years ago and were caused by an economic downturn and COVID 19**

The Trustee’s reports filed in support of the Proposals indicate that the reason for the Debtor’s financial difficulty is:

“The Saskatchewan economy for the past three years together with global pandemic have resulted in a deterioration of the



financial status of the Fire Song Group of Companies as well as delaying the development of the resort property”.

We understand that the Trustee has not yet completed its review of creditor claims in these Proposal Proceedings. We are of the respectful view that this description is not accurate and take this opportunity to provide the Trustee with additional facts that it may not be aware of that suggest that the Debtors’ financial problems began prior to 2019 and are at the very least partially the result of the Debtors’ borrowing more money than they could ever hope to repay, or to borrow a phrase from the BIA, by engaging in “rash and hazardous speculations”, using other people’s money.

Our clients are senior citizens and both live on a fixed income. In September of 2015, Shurli was induced by Dean and Lori to invest with them, for the purpose of developing a resort located in Saskatchewan called “**Firesong**”. Among other investments and loans made to the Debtors by our clients, Lori convinced Shurli to borrow \$390,000 from TD Bank in Shuri’s name, which is secured by a mortgage on Shurli’s home, and then to give the money to one or more of Lori, Dean, or CDSI. In exchange, the Debtors promised and agreed to not only pay the interest on the loan from TD, but to pay Shurli interest at the rate of 10% on the \$390,000 investment.. The Debtors made the interest payments on the TD Loan in 2015 and 2016, as well as some payments in 2017, but ceased making all payments at some time in 2017, or 5 years ago. This suggests that the Debtors’ financial status began deteriorating long before the timeline reported in the Trustee’s reports. We also note that Lori and Dean orchestrated the obtaining of at least two mortgages after they stopped paying the interest on the TD loan, one to ATB Financial through Oak in 2018, and one to Ms. Yvonne Hoeller in 2020.

Our clients had entered judgment against the Defendants by May 2018. The Debtors have not made any payments to my clients on the judgment, and in fact, have taken several steps to evade paying such judgment. All of this pre-dates the timeline indicated in the Trustee’s reports. In speaking with other creditors, we understand that their investments occurred, in one case, more than a decade prior to the commencement of the Proposal Proceedings and that the Debtors defaulted on repayment long before the pandemic and the timing indicated in the Report.

We are also troubled by the prospect that the Debtors may have continued to trade after becoming aware that they were insolvent. If the Debtor’s took on additional indebtedness from and after, at the very least, May of 2018, either directly or indirectly through a corporation, we respectfully suggest that this is a relevant factor to the creditors’ and the court’s consideration of the Proposals by reason of s. 59(3) of the BIA:

### **Reasonable security**

(3) Where any of the facts mentioned in section 173 are proved against the debtor, the court shall refuse to approve the proposal unless it provides reasonable security for the payment of not less than fifty cents on the dollar on all the unsecured claims provable against the debtor’s estate or such percentage thereof as the court may direct.



As you are aware, continuing to trade after becoming aware of being insolvent is a fact mentioned in s.173 of the BIA. At the very least, by May of 2018, Dean and Lori had a judgment against them, had defaulted on their repayment obligations owing to my clients a year prior, were failing, neglecting and refusing to pay that judgment, and were very likely insolvent at the time. As will be discussed in further detail below, we know that Dean and Lori are personally liable to ATB Financial pursuant to guarantees of the indebtedness of Oak borrowed in 2018, and are personally liable to Ms. Hoeller for moneys allegedly borrowed in 2020, as they are named on the mortgage registered by Ms. Hoeller as co-covenantors, a copy of which is enclosed with this letter.

**We respectfully request that in the event that the Trustee is aware, or becomes aware, that the Debtors continued to trade from and after May of 2018, that it file amended reports informing creditors and the court of this new finding.**

**Concern Number 3 – The Joint Proposal**

Dean and Lori were previously bankrupt. Please find enclosed bankruptcy searches confirming the same. This is a fact that is mentioned in section 173 of the BIA, and therefore the Court will not be able to approve the Joint Proposal as it does not provide for payment to unsecured creditors in the amount of 50 cents on the dollar, and does not provide sufficient security for the same. We note that this is not reflected in the Trustee's report filed in support of the Joint Proposal and respectfully suggest that it is an important factor that impacts the viability of the Joint Proposal, as if the Court is unable to approve it regardless, we respectfully suggest that valuable estate assets ought not be further diluted to pursue a futility.

**We respectfully request that the Proposal Trustee file an amended report to the Joint Proposal advising the creditors and the Court of Dean and Lori's prior bankruptcy, and the potential that the Joint Proposal does not comply with the BIA.**

**Concern Number 4 - Oak and Ash Property and 48 Dawson Crescent**

As you are aware, Oak and Ash Farm Ltd. ("**Oak**") owns the following lands:

Plan 0324002  
Block 1  
Lot 1  
(the "**Oak and Ash Property**").

The Oak and Ash Property has a 4356 sq. ft. home with a 3242 sq. ft. shop/office garage, and is 50.66 acres. We have just recently been advised by Dean and Lori that Dean, Lori and their daughter Brettany Sorokowsky, also know as Brettany Runzer ("**Brettany**") paid \$200,000 toward the down payment for the Oak and Ash Property, and that \$100,000 was paid by a third party. In our view, this transaction is likely a transfer at undervalue pursuant to s.96 of the BIA. The following are the grounds for our concerns:

1. Dean and Lori are sole directors and shareholders of Oak, which was incorporated on December 1, 2017. Please find enclosed a copy of a corporate search for Oak confirming the same.



2. The Transfer of Land to Oak was executed on January 25, 2018 for the sum of \$1,200,000, and title was transferred on March 29, 2018. Dean swore the Affidavit of Transferee on January 15, 2018 and swore that the consideration paid was “cash to new mortgage”. We have enclosed a copy of the transfer for your records.
3. ATB Financial has a registered mortgage against the property in the amount of \$900,000.00, which means that Oak had to raise at least \$300,000 as a down payment for the property in four months. We know that at least some of these funds came from Dean and Lori, but the source of the remaining down payment funds remains unknown at this time. Enclosed with this letter are copies of ATB’s mortgage and commitment letter respecting the mortgage. We note that both Dean and Lori had to give a guarantee in support of the loan; we also note that no one else guaranteed the loan, including Brittany.
4. Based upon the evidence in Lori’s Fourth Affidavit sworn on January 20, 2022, it does not appear that Oak generates income, either by operating the equestrian business, or as a landlord. For example:
  - (i) the appraisal done on August 23, 2019 appended to Lori’s Affidavit did not value the property using an income approach. This suggests that either Oak earned no income, or financial statements or rent rolls were not provided to the appraiser. If this is the case:
    - (A) How has Oak historically paid its mortgage payments to ATB. We know that ATB has commenced foreclosure proceedings, but presumably Oak made some mortgage payments over the years.
5. This morning, Dean and Lori advised that Oak generated rental income in the past, but the combination of the pandemic and a foreclosure action commenced by ATB impacted Oak in a manner that it no longer generates rental income. However, the Province of Alberta declared a public state of emergency on March 17, 2020 due to COVID 19. The appraisal was obtained 7 months prior. We do note that ATB demanded repayment of its loans on July 24, 2019, which is one month prior to the appraisal being obtained.
6. Our clients entered a consent judgment against Dean, Lori and CDSI on May 14, 2018; Dean, Lori and CDSI consented to the judgment on February 27, 2018.
7. As of May 16, 2018, Dean owned a property municipally described as 48 Dawson Crescent. We have enclosed a Certificate of Title and Strathcona County Property Summary Report regarding this property.
8. 48 Dawson Crescent was sold for the amount of \$412,500. Dean Runzer executed the transfer of land on May 11, 2018 (after consenting to the judgment but before it was entered in Court). There was a mortgage in favour of Scotia Mortgage Corporation in the amount of \$355,352 registered on title at the time. We have attached a historical title of this property, as well as the subject transfer for your records. We were advised this morning by Dean and Lori that Brittany and her husband took over the mortgage and all of the net sale proceeds were paid to





Brettany. However, we also note that the corporate search for Oak that is appended to the Affidavit of Default filed by ATB in its foreclosure action on July 6, 2020, indicates that 48 Dawson Crescent is its registered office, and ATB's credit letter to Oak in respect of the loan and mortgage is addressed to 48 Dawson Crescent. Finally, we note that Brettany is not listed as a creditor of Oak in the Oak Proposal, and she is not a shareholder of Oak. Please find enclosed the corporate search that was appended to the Affidavit of Default filed by ATB in its foreclosure action.

We first raised these concerns with counsel for the Debtors on January 26, 2022 at 2:23pm by email. We note the Trustee, and its legal counsel were copied with this email. However, subsequent to this email, counsel for the Debtors advised that Dean and Lori would address these concerns between counsel, hopefully by February 4, 2022, though the Trustee was not copied with this correspondence. Unfortunately, through no fault of our own, we have not until today been able to fully particularize our findings respecting the above referenced potential transfer at undervalue, and take this opportunity to inform the Trustee thereof.

We received some information from Dean and Lori respecting our concerns with the Oak and Ash Property and the 48 Dawson Crescent sale proceeds this morning. Although we have further questions respecting these transactions, in our respectful view, Dean and Lori paying up to \$200,000 to purchase the Oak and Ash Property at a time that they were failing to make payments to our client, and then registering the property in Oak's name, with no apparent value coming back to Dean and Lori is a transfer at undervalue pursuant to s.96 of the BIA. We are also of the view that it is likely that the sale proceeds from the sale of 48 Dawson Crescent were transferred to Oak given the timing of the sale and its concurrence with the negotiation, execution and entry of our clients' consent judgment, this is the address that was provided to ATB when the ATB loan was obtained, and it was Oak's registered office.

We note that the Court granted a sale and vesting order respecting the Oak and Ash Property, and approved a transaction that will see Oak receive \$1,500,000 for the Oak and Ash Property. As of June 4, 2020, ATB was owed \$893,274.23, with a *per diem* of \$81.31. The estimated surplus from the sale of the Oak and Ash Property amounts to approximately \$510,053.14, according to the Oak Proposal. The Proposal Fund in the Oak Proposal is \$60,000.00, which will pay 105% of the unsecured indebtedness of Oak. If this is accurate, Lori and Dean stand to gain at least \$450,000 from the sale of the Oak and Ash Property, while Shurli, a senior citizen on a fixed income, is left with having to pay a loan (that was given to the Debtors) in the amount of \$400,000 just to keep her home.

In our respectful view, just based on the evidence currently available, the payment of the down payment to purchase the Oak and Ash Property would very likely be found by the court to be a transfer at undervalue. It is also possible that the Debtors made the mortgage payments, or that some or all of the sale proceeds from the sale of 48 Dawson Crescent were transferred to Oak, and if so, these payments may also constitute a fraudulent transaction.

In light of our concerns raised in this letter, we are requesting that the Trustee:

- 1. As soon as possible file an amended report concerning the Joint Proposal and the Oak Proposal, revising paragraph C to advise creditors, as well as the**



**Court of this potential transfer at undervalue. We appreciate that more information would be required to prove that Dean and Lori made mortgage payments against the mortgage registered on the Oak and Ash Property, but in our respectful view, we have raised sufficient evidence to ground at least a *prime facie* case that is not frivolous, is not a fishing expedition, and merits mention in the Trustee's Report accompanying these Proposals;**

- 2. Schedule an examination pursuant to s.163 of the BIA of Dean, Lori, and Brettany respecting the Oak and Ash Property and 48 Dawson Crescent; and**
- 3. Depending upon the result of the 163 examination, bring an application pursuant to ss. 95 and/or 96 of the BIA to declare all payments made by Dean and Lori to Oak to be transfers at undervalue, and such other ancillary relief as may be appropriate in the circumstances.**

#### **Concern Number 5 - Proposal of 114**

In the Trustee's report respecting 114 it is noted that:

"The Trustee notes that the estimated net realizable value of the assets of 114 have changed since the filing of the Liquidation Analysis in accordance with the January 27, 2022 Court Order. Management has advised the Trustee that after preparing and filing the Liquidation Analysis it was determined that fractional ownership units in the real property owned by 114 had been sold and that, in the event of a liquidation, the owners of the fraction shares would likely assert a property claim against the assets of 114. Based on the assumption that these fractional ownerships are valid the Trustee has accepted this assumption in the estimated net realization value in its calculations."

We note that it was just over two weeks between the filing of the Liquidation Analysis and the filing of the Proposals.

Did the Trustee review the sale agreements or other evidence between 114 and the alleged buyers of the fractional interests and if so:

1. When did these sales occur?
2. What consideration was paid to 114?
3. Did 114 receive market value for the transfer?
4. Are the transferees related parties to any of the Debtors?
5. Where did the sale proceeds go?

We do appreciate that it is not practical to expect a proposal trustee to review every single transaction of a proposal debtor for indicators of a potential fraudulent transaction. However, we believe the following factors create a reasonable suspicion that the Debtors and 114 have engaged in transactions that could be caught by ss. 95 and 96 of the BIA, as



well as analogous provincial legislation, and therefore that further inquiries respecting the transfers of these fractional interests are warranted in the circumstances:

1. Prior to the Proposal Proceedings commencing, Lori approached Shurli indicating that her writ of enforcement was making it difficult for the Debtors to obtain financing and offering to give Shurli a mortgage instead (without Shurli advancing any new consideration for the same). Had Shurli agreed to this request, there is no doubt it would be considered a fraudulent preference and/or transfer at undervalue. We have spoken to other creditors of the Debtors, and the same offer was made to them. This demonstrates that the Debtors considered the swap of unsecured to secured debt, without requiring fresh consideration to be given, to be an acceptable strategy in dealing with their creditors. This is of course, not so.
2. We are concerned with the timing of the revelation of management to the Trustee that fractional interests had been sold, as presumably, management had to be involved at least in some way in preparing the Liquidation Analysis. We assume that the Trustee is referring to Dean and Lori when it uses the term "management" in its report. If we are incorrect in this assumption, please advise. If 114 held property in trust for investors in Living Water's Limited Partnership, the Debtors would have heightened obligations to their beneficiaries to take steps in their best interests, and to make prudent investments with their property. If 114 liquidated trust property, these transactions must have been done in the best interest of the beneficiaries, there should be an accounting of the transactions, and our client's would have a trust interest in the proceeds of such transactions. Respectfully, it is not sufficient for 114 to simply say (and of course to paraphrase) "oops, we forgot that we sold fractional interests", in these circumstances; these sales necessitate further inquiry.
3. As discussed above, Dean has demonstrated that he is capable of liquidating property and giving the sale proceeds to his daughter while concurrently executing a consent judgment in favour of our client, but without advising our client that he was in the process of disposing of assets.
4. Commensurate with the time that the Debtors ceased paying our clients and their consent judgment was being negotiated and executed, Dean and Lori contributed at least a portion of the \$200,000 down payment to purchase the Oak and Ash Property. As noted above, we believe that this payment would likely be caught by s. 96 of the BIA. In our respectful view, if Dean and Lori are capable of this behaviour once, deference as to the bona fides of the fractional interests sales is not warranted in the circumstances.
5. We just today discovered properties, we believe located at Firesong, owned by Brettany and her spouse, Russell William Sorokowsky. We enclose copies of title for your review. There are now several instances where real property has been found that is owned, or asserted to be owned, by Dean and Lori's children. Millions of dollars of borrowed money from ordinary citizens has vanished, there has been no reasonable explanation for the same in these Proposal Proceedings, and Dean and Lori's children now assert a claim to millions of dollars in real property. It is respectfully submitted that an investigation into the sales of the fractional interests,



and into any property purportedly owned by Dean and Lori's children is warranted in the circumstances.

We are also concerned that 114 liquidated trust property with no ostensible benefit to 114's beneficiary, CDSI. It is our position that requesting a release of the directors and officers of 114 when there may be a fiduciary breach is inappropriate, especially where such directors and officers have contributed nothing to the Proposal.

It is also our position that unless any directors, officers, or other third parties have financially contributed to this Proposal in a material way, that it is inappropriate for any releases to be provided to such parties.

As we note above, there is information that our client requires before it is able to meaningfully participate in these Proposal Proceedings, and therefore we do not know whether our clients will vote in favour of the Proposals. Moreover, given the existence of the previous bankruptcies of Dean and Lori, it is very likely that the Court is unable to approval the Joint Proposal in any event. However, given the issues raised, we will be asking that the Proposals in the very least, and without limitation, be amended to:

1. Remove any releases of Dean, Lori and their children from the Proposals;
2. Carve out all claims that can be raised against the Debtors (and Oak in the Oak proposal) based in fraud, breach of fiduciary responsibility, fraudulent preferences, fraudulent conveyances and transfers at undervalue; and
3. Request an order that all proceeds from the sale of the Oak and Ash Property be held in trust either by our firm or the Proposal Trustee pending the result of an application brought to set aside the payment of the down payment for the Oak and Ash Property and other other payments that the Court may order.

Thank you and we look forward to hearing from you at your earliest convenience, as we are considering bringing an application pursuant to s. 38 of the BIA respecting all fraudulent transaction claims belonging to the Trustee.

Yours truly,

MILLER THOMSON LLP

Per:



Susy Trace  
ST/



# SCHEDULE "E"

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**Dana M. Nowak**  
**Partner**

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**MLT AIKINS**

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**From:** Karen Aylward <[Karen.Aylward@mp.ca](mailto:Karen.Aylward@mp.ca)>

**Sent:** Friday, April 29, 2022 2:40:26 PM

**To:** Lori Runzer <[lrunzer@me.com](mailto:lrunzer@me.com)>; Dana M. Nowak <[dnowak@mltaikins.com](mailto:dnowak@mltaikins.com)>; Jeff Lee <[jmlee@mltaikins.com](mailto:jmlee@mltaikins.com)>

**Cc:** Eric Sirrs <[Eric.Sirrs@mp.ca](mailto:Eric.Sirrs@mp.ca)>; Mike Russell <[mrussell@wlaw.com](mailto:mrussell@wlaw.com)>

**Subject:** Fire Song et al - Follow up and discussion items

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 External Sender

Hi Lori, Dana and Jeff :

We have compiled a list of information, questions, requests and concerns from the Trustee's perspective in relation to the ongoing Division I Proposal Proceedings which we've set out below:

**General:**

- The current cash flow projection covers into the period ending May 31, 2022. It is unlikely that court approval will be obtained by that time so there is a requirement to file amended cash flow statements that cover the extended period. Can you please work on having that to us by May 15<sup>th</sup> so that we can review and file it before the end of the current projected period;

**Oak and Ash/206 Restructuring:**

- Based on recent discussions, we have been advised that there have been some developments in the offer to purchase previously entered into with the purchaser in relation to the Oak and Ash property. We further understand that ATB has commenced foreclosure proceedings on the 206 property (if any of this is not accurate, please let me know). Can you please advise:
  - Has ATB commenced foreclosure proceedings on the Oak property? Has there been any further actions taken by ATB to do so?
  - What is the intention with the Oak property? Is it listed for sale? Is there an intention to list it for sale (provided ATB has not foreclosed)?

- Recent discussions have implied that based on the events described above, it is unlikely that there will be equity in the Oak and 206 properties after payment of the ATB debt and professional fees meaning that there will be no monies available for the creditors of Oak and 206 in a restructuring;
- If there is no equity in the properties, the Trustee would currently not be in a position to support the proposal or recommend the proposal to the creditors.
- The directors will want to consider the cost/benefit of continuing restructuring proceedings in these entities.

#### **114**

- Based on recent discussions with the mortgage broker, David Robson, we understand that the secured creditors are exploring options as it relates to dealing with their security, being the mortgages registered against the 114 properties. The secured creditors, as the proposal was not made to them, are currently no longer stayed by the Division I Filing and if they choose to enforce their security, they would most likely be at liberty to do so.
- Have the secured creditors communicated the commencement of any enforcement steps to 114?
- We understand that Lori is working to provide additional information with respect to the Cranbrook property that would enable the Trustee to review the enforceability of the Benjamin Runzer trust agreement and determine whether 114 has an interest in the equity (after payment of the mortgage to Hoeller) that is currently held with the Trustee's counsel. We would suggest that, in the interest of time and efficiency, Lori collect all relevant bank statements of 114 from September 2016 through September 2021 and provide those statements to the Trustee as part of its review.
- It is our position that the issue of the equity in Cranbrook needs to either be resolved prior to an amended proposal being voted upon or that there be a clause in the proposal addressing 114's potential interest in the equity and how that would be handled as it relates to the distribution to creditors (including a definitive timeline for resolution).
- We require documentation evidencing the transactions between 114/CDSI and the legal owners (Shipka and the Galloways) for those properties that were purported be held in trust for the benefit of the LWLP. Based on prior communications, the Trustee was advised that the Trust Agreements were likely not enforceable and that the legal owners hold valid title to the property, including any equity. Please provide appropriate evidence that 114 received fair consideration for the properties at the time of transfer to the legal owners and copies of the relevant trust agreements.

#### **Lori and Dean Runzer Proposals**

- As recently came to light, there is a requirement to provide security as a result of a prior insolvency on the part of Dean and Lori. Based on discussions with counsel, a suggestion was made to make available the \$40,000 provincial equity exemption of Dean and Lori in the Sherwood Park home as security to satisfy this requirement. It is the trustee's position that since Lori and Dean did not reside at the property at the date of bankruptcy, therefore confirming that the property was not their principal residence, they have lost the right to that exemption and therefore this cannot be offered as security to satisfy subsection 59(3) of the BIA. Lori and Dean were advised of same and confirmed that their principal residence was in Fowler Lake, SK at the outset of the NOI filing.

#### **CDSI:**

- Given the number of questions raised by creditors in respect of transactions made by the debtor companies prior to the date of the NOI filings, coupled with the lack of books and records kept by the debtors, we request that you compile and provide to the Trustee copies of bank statements for all of the CDSI accounts from September 2016 though to the date of filing the NOI. You should be able to contact your bank for these if you don't have them in paper form.

Happy to discuss these matters as needed at any time.

Thank you,

**Karen Aylward, CIRP, LIT**  
VICE PRESIDENT

**DIRECT 780.969.1400**

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Suite 300 110 – 21st Street E.  
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May 19, 2022

Reply To: Michael J. Russell  
mrussell@wlaw.com

MLT Aikins LLP  
Suite 2200, 10235 – 101<sup>st</sup> St.  
Edmonton, AB T5J 3G1

Attention: Dana Nowak.

Via Email: dnowak@mltaikins.com

Dear Madam:

**Re: In the Matter of the Proposals of 1143402 Alberta Ltd., Canadian Development Strategies Inc., Crossroads One Inc., Oak and Ash Farm Ltd., 1216699 Alberta Ltd., 2061778 Alberta Ltd., Lori Runzer and Dean Runzer in Q.B. 1076 of 2021 (collectively, the “FireSong Group”) Our File No.: 46151-2**

We write further to our discussion of May 18, 2022, with our client, MNP Ltd., Proposal Trustee in regard to the above-captioned matter.

In order to be in a position to evaluate and report further to creditors in regard to the Proposals of the FireSong Group under the *Bankruptcy and Insolvency Act* (the “**BIA**”), following the adjournments of the Creditors’ Meetings to further investigate the affairs of the FireSong Group, the Proposal Trustee requires the following to be delivered to it by the applicable FireSong Group parties **no later than 4:00 p.m. on Friday, May 20, 2022:**

1. updated and extended cash flow statements;
2. amended Proposals, including explanation and justification for the anticipated reduction in value/equity in the assets of Oak and Ash Farm Ltd. and 2061778 Alberta Ltd.;
3. position of Lori Runzer and Dean Runzer in regard to any exemption claimed in relation to 438 Estate Drive, Sherwood Park, Alberta, and support for such position;
4. position of the applicable FireSong Group parties in response to Concern 3 (the BIA s. 173 matter) raised in the enclosed letter of Susie Trace, dated March 25, 2022 (the “**Trace Letter**”);
5. the requisite Records for consideration by the Proposal Trustee as to whether it is in a position to fulfil paragraph 8 of the December 22, 2021, Order Winding up Trust and Vesting Property in Beneficiary;
6. evidentiary support for the shareholder loans and payments made by the Runzers’ daughter and son-in-law referenced in your letter of May 12, 2022, in response to Concern 4 raised in the Trace Letter;

7. evidentiary support for the trust agreements and position that 1143402 Alberta Ltd. was paid fair value for transfer of title referenced in your letter of May 12, 2022, in response to Concern 5 raised in the Trace Letter; and
8. an explanation and any other information which Canadian Development Strategies Inc. wishes to provide to the Proposal Trustee in regard to its overdrawn bank account.

Irrespective of delivery satisfactory to the Proposal Trustee by the FireSong Group in accordance with the foregoing, the Proposal Trustee will be filing a notice of a Material Adverse Change in accordance with section 50(10) of the BIA in regard to the failure of Oak and Ash Farm Ltd. and 2061778 Alberta Ltd. to complete the sale of the properties referenced in your letter of May 12, 2022.

A Material Adverse Change notice will also likely be required to be filed in regard to the cash position of Canadian Development Strategies Inc. and any other issues which are not addressed to the satisfaction of the Proposal Trustee by delivery of the items requested above.

Finally, if the Proposal Trustee is not satisfied with the delivery of the items above, it may be required to report to creditors that it cannot recommend the acceptance of one or more of the FireSong Group Proposals.

We trust that this letter makes clear the requirements of the Proposal Trustee in regard to its evaluation of the Proposals and its statutory duties under the BIA in that regard.

Yours truly,

  
W Law LLP

MICHAEL J. RUSSELL  
For MJR LEGAL PROF. CORP.  
MJR:af

May 20, 2022

VIA EMAIL: [mrossell@wlaw.com](mailto:mrossell@wlaw.com)

**W Law Group**  
Suite 300 110-21 Street E.  
Saskatoon, Saskatchewan S7K 0B6

**Attention: Mike Russell**

Dear Sir:

**Re: In the Matter of the Proposals of Canadian Development Services Inc. ("CDSI"),  
1143402 Alberta Ltd. ("114"), 2061778 Alberta Ltd. ("206"), Oak and Ash Farm Ltd.  
("Oak"), Lori Runzer, and Dean Runzer**

We acknowledge receipt of your letter dated May 19, 2022 and reply as follows:

1. The updated cashflows are appended to this letter as Schedule 1.
2. The updated draft proposals are attached to this letter as Schedule 2. Our clients advise that the anticipated reduction in the value of the Oak and Ash Farm Ltd. and 2061778 Alberta Ltd. properties was primarily caused by ATB's foreclosure proceedings. As a direct result of ATB foreclosure listings, the prospective purchasers have refused to close the court approved sale. Our clients are now working to obtain takeout financing with West Grove Capital in order to address the foreclosure proceedings.
3. Lori and Dean advise that up until they made the decision in February of 2022 to list 438 Estate Drive, Sherwood Park (the "**SP Property**"), their intention was to continue to own and use it. As at the date of the filing of their NOIs, Lori and Dean split their time between both the SP Property and an apartment located at the FireSong resort, although they were more frequently at the resort in the fall of 2021 for operational reasons, given that they had reduced their staff for budgetary reasons. In particular, Lori and Dean:
  - a. in 2019 and then again in 2021, typically returned to the SP Property at least 20 days a month in the winter and 8 days a month in the summer; further in 2020 and to mid 2021, the Runzers resided full time at the SP Property checking on the resort while it was closed.
  - b. have always had possession of the SP Property to reside in when they were in Sherwood Park, Alberta;
  - c. relied on the SP Property in order to be close to some of their immediate family, who also live in Sherwood Park; and

- d. used the Property as their residence at all times when they were able to return to Sherwood Park.

Lori and Dean made the decision to sell the SP Property in February of 2022, in order to simplify their estates and to try to extract available equity for the purpose of their proposals.

Other salient considerations regarding the SP Property are that Lori and Dean have maintained their Alberta drivers' licenses and health care, and have continued to maintain personal Alberta bank accounts. It is their intention to resume residence in Alberta once their finances permit them to do so.

Based on the foregoing, Lori and Dean assert that if they were to be deemed bankrupt, they would be entitled to an exemption in the SP Property notwithstanding that they were physically at the resort for operational reasons in September of 2021.

4. In respect of Concern 3 in the Trace Letter, the Runzers will not be in a position to offer 50% security in their proposal, but they maintain that they will grant security in any net equity in the SP Property. This could be secured in the form of a charge on the SP Property regarding any net equity. We have updated the Runzers' proposal to reflect this.
5. The requisite Records regarding the property in Cranbrook, British Columbia are being organized by Lori Runzer and will be provided under separate cover by no later than May 24, 2022 at noon.
6. The shareholder loans regarding 114 are have not been memorialized because the Runzers have not had the liquidity to update 114's books and records. However, the Runzers did memorialize this obligation at the time it came into existence. Lori Runzer is attempting to locate documents reflecting the shareholder loan at the time it was created. We will send these documents to the Proposal Trustee is Lori Runzer is able to locate same. It should be noted that the Runzers have not taken any wages or salaries from any of the FireSong corporations since December of 2017. In respect of 48 Dawson, the Runzers have requested back-up documentation from their daughter and son-in-law confirming that their payment of the mortgage on this property from 2010 until when it was sold. The Runzers' daughter has advised that she will provide the back-up documents next week as she is away this week. The Runzers will press their daughter for these documents and provide them to the Proposal Trustee as soon as they receive them.
7. Evidentiary support regarding the value that 114 received in respect of the developed FireSong properties held in trust are being organized by Lori Runzer and will be provided under separate cover by no later than May 24, 2022 at noon.
8. BMO closed the CDSI bank account, which has not been used other than for nominal operational costs, since 2020. The CDSI bank account was originally used to collect invested and loaned funds for the purpose of the initial development of the FireSong resort, and to build the first 5 cabins. Given that any further capital will be generated through fractional sales using a different entity, the CDSI BMO bank account is not required.

In addition to the foregoing, we have attached as Schedule A the CDSI Bank statements regarding Bank of Montreal account number 2791-1036-661 for the period starting April of 2019 to when the bank account was closed by the bank on May 12, 2022. The Runzers have requested older bank statements from the bank, but the bank has not yet provided these to the Runzers. The Runzers have also requested the historical bank statements regarding 114 from Scotiabank, but the bank has not yet provided these to the Runzers. Lori Runzer will follow-up with Scotiabank and, as an alternative, also try to access the historical accounts online and provide any statements that she can access by no later than noon on May 24, 2022.

The Runzers have requested further, older bank statements from BMO regarding the closed CDSI account, but BMO has been unable to provide same. The Runzers continue to press BMO for these missing statements.

The Runzers have also requested bank statements from Scotiabank regarding 114, but they have not yet received the statements from Scotiabank. The Runzers continue to follow-up with Scotiabank regarding the statements and will provide them to the Proposal Trustee as soon as they receive them.

In respect of the vehicles held by 1216699 Alberta Ltd., the Runzers advise as follows:

- both vehicles are insured;
- the Ford Flex is parked at the Cranbrook property;
- the Ford F150 is located at the FireSong resort. In order that the Runzers are able to run the resort, they do require use of the Ford F150, so it has not been parked. Seizure of this vehicle will cripple their operations, and so they are asking for the Proposal Trustee to work with them as they discuss interim financing with a prospect before taking any steps regarding the F150;
- the Runzers are looking to transfer the loan on the F150 to the FireSong Homeowners' association, which the dealer is prepared to do;
- the Runzers are willing to pay any equity in the Ford F150 (to be determined at the date of bankruptcy to the Proposal Trustee, but require 3 weeks to make arrangements to do so. The Runzer request that the Proposal Trustee work with the Runzers regarding the F150 so as to not cripple operations of the FireSong resort.

**Conclusion**

We would be pleased to discuss any of the foregoing with you at your convenience. Please do not hesitate to contact us.

Sincerely yours,

**MLT AIKINS LLP**

Per: 

Dana M. Nowak

DMN:mag

Cc: MNP Ltd. (Attention: Eric Sirrs / Karen Aylward)  
Jeff Lee, QC



T: 306.244.2242 TF: 1.888.244.2242  
E: info@wlaw.com  
W: wlaw.com

Suite 300 110 – 21st Street E.  
Saskatoon SK S7K 0B6

June 13, 2022

Reply To: Michael J. Russell  
mrussell@wlaw.com

MLT Aikins LLP  
Suite 2200, 10235 – 101<sup>st</sup> St.  
Edmonton, AB T5J 3G1

Attention: Dana Nowak.

Via Email: dnowak@mltaikins.com

Dear Madam:

**Re: In the Matter of the Proposals of 1143402 Alberta Ltd., Canadian Development Strategies Inc., Crossroads One Inc., Oak and Ash Farm Ltd., 1216699 Alberta Ltd., 2061778 Alberta Ltd., Lori Runzer and Dean Runzer in Q.B. 1076 of 2021 (collectively, the “FireSong Group”) Our File No.: 46151-2**

We write further to our enclosed letters of May 19, 2022, and our recent discussion in regard to the above-captioned matter on behalf of the Proposal Trustee, MNP Ltd. (the “**Proposal Trustee**”).

As you are aware, the Proposal Trustee must prepare a written report to the creditors of the FireSong Group to provide them with the necessary information to make a well-informed decision on the acceptance or refusal of the applicable Proposals. At present, the Proposal Trustee is not able to confirm that it will support or recommend one or more of the FireSong Group Proposals.

In particular:

- responses by the applicable FireSong Group entities to the substantially all of the questions posed and issues raised by the Proposal Trustee in the enclosed correspondence are unsatisfactory;
- the Material Adverse Changes which have occurred in regard to the applicable FireSong entities are concerning to the Proposal Trustee; and
- the Proposal Trustee has significant concerns about whether the FireSong Group entities have been acting in “good faith”.

In addition, the Proposal Trustee has not been provided with sufficient evidence to determine the Trust Declaration claim of Benjamin Runzer.

At this juncture, the Proposal Trustee must proceed diligently with carrying out its duties, and cannot permit any further delays. The Proposal Trustee will be scheduling a Court application in

the near future to report to the Court regarding the matters set forth in the December 22, 2021, Order, based on the information available to it, and for an increase and expansion to the Administration Charge. The Proposal Trustee will also be reconvening the First Meetings of Creditors and preparing its Report to Creditors on the Proposals, again, with the information available to it.

If there is any further information that your clients deem important for the Proposal Trustee's consideration, kindly forward that to our office at your earliest opportunity.

Yours truly,

  
W Law/LLP

MICHAEL J. RUSSELL  
For MJR LEGAL PROF. CORP.  
MJR:af

Encl.




# SCHEDULE "F"

## Karen Aylward

---

**From:** Lori Runzer <lrunzer@me.com>  
**Sent:** May 24, 2022 11:49 AM  
**To:** Dana M. Nowak  
**Subject:** Ben's contribution to FireSong Project

 External Sender

Our kids have contributed all of their talents without expectation of handouts.

Ben Runzer has assisted on the build of 5 of the cabins ,helping his dad with drywall, taping and finishing work.

As you can see from these photos the finishings are extensive and the buildings are not small cabins.


We value his contribution across 5 cabins as he help get Firesong established.  
This was unbilled work that we value at 30,000 to \$40,000 per cabin



## Karen Aylward

---

**From:** Lori Runzer <lrunzer@me.com>  
**Sent:** May 24, 2022 11:37 AM  
**To:** Dana M. Nowak  
**Subject:** Cranbrook property supplied the rock to 1143402 AB Ltd  
**Attachments:** Fowler Falls copy.pdf

 External Sender

The narrative detailing the Cranbrook property.

When Ben was headhunted and left for Cranbrook BC he was young, an apprentice and not able to qualify for a mortgage .

1143402AB purchased the property on his behalf and it has never been included as an asset of FireSong and has always been documented as a property held in a baretrust agreement on Ben's behalf.

Ben Runzer is exceptionally hardworking and never takes anything for granted. He was always more than cognizant of his responsibility to cover the payments and any expenses incurred on his or his properties behalf.

For some time the payments were made through 1143402 Alberta Limited however the accountant opted to move the asset and payments out of 1143402 Alberta Ltd so there could never be any confusion as to whether or not that asset comprised an asset of the investor group / shareholders.

Ben built a shop that was bigger than he required looking to use his rental income as a means to payoff his mortgage.

He did so by renting to an individual that privately owned a quarry in the Cranbrook area. By doing so he was able to supply the majority of the rock required to build these waterfalls to FireSong. This arrangement was in place 2013 - 2016

They bartered rent for rock and over the course of several months Ben was able to be the supplier of majority of the rock required for the FireSong build. As the majority of the granite and flagstone was shipped from Cranbrook ... he more than adequately covered his mortgage payments

We have credited 22 loads as Ben's contribution

There were days that 10 semi liner were lined up waiting to unload.

Attached is a weigh bill for a typical load - as we needed more in 2019 we found some samples of the bills

**www.RsssRocksBc.com**

RSSS Stone Quarries LTD.  
3007 Badger Road  
Cranbrook, British Columbia V1C 6X6  
(250 )464-9991

**Sold to:**

FireSong  
1143402 AB Ltd. O/A Fire Song  
Box 72210  
Sherwood Park, Alberta  
Canada T8H 0M6

**Ship to:**

FireSong  
Dean or Lori Ru  
contact 780.975  
email : Acctspay  
email Runzer@

**Business No.:** 890258130RT0002

Item No.	Unit	Quantity	Description
ticket 298663	tonne(metric)	18.32	small and medium stackable Moyie F Iron Stone, bulk loaded on wood due flat deck FOB Pit 1
ticket 298662	pounds (LBS)	25,331.00	Quartzite Large pattern Gold leaf and West Coast Brown 2 inch flagstone
ticket 298661	pounds(LBS)	24,471.00	Quartzite Small Pattern, Gold Leaf and West Coast Brown 2 inch flagstone
freight			Freight was supplied by Gurpreet, R not responsible for freight this load.
			Subtotal:
			G - GST 5%
			GST





Avery Weigh-Tronix

298662

Aver

00 KG GR

1 1990 KG GR

2 3900 KG GR

3 5890 KG GR

4 7820 KG GR

5 9780 KG GR

6 11490 KG GR

25 331 POUNDS

1, 2, 3 IS GL LARGE

7

11





# SCHEDULE "G"

## Karen Aylward

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**From:** Karen Aylward  
**Sent:** March 20, 2023 8:40 AM  
**To:** Lori Runzer; Mike Russell  
**Subject:** RE: Our response to the issues documented prior.

Hello Lori,

Further to below:

1. Please confirm your understanding that by choosing not to waive that condition in your proposal, in the event that 1143402 Alberta Ltd. becomes bankrupt, you and Dean will also automatically become bankrupt.
2. You can email your deposit to [mnpedmontonta@vbpaymentservices.com](mailto:mnpedmontonta@vbpaymentservices.com) – provide your name and estate number along with the transfer so it can be properly allocated.

Regards,

**Karen Aylward, CIRP, LIT**  
VICE PRESIDENT

**DIRECT 780.969.1400**  
PH. 780.451.4406  
FAX 780.454.1908  
TOLL FREE 1.800.661.7778  
10235 101St N.W.  
Suite 1300  
Edmonton, AB  
T5J 3G1  
[karen.aylward@mnp.ca](mailto:karen.aylward@mnp.ca)  
[mnpdebt.ca](http://mnpdebt.ca)



---

**From:** Lori Runzer <lrunzer@me.com>  
**Sent:** March 17, 2023 2:09 PM  
**To:** Karen Aylward <Karen.Aylward@mnp.ca>; Mike Russell <mrussell@wlaw.com>  
**Subject:** Our response to the issues documented prior.

**CAUTION:** This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.  
**MISE EN GARDE:** Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Karen

In response to the fiat received March 3rd and your message following receipt of same. We thank the court for acknowledging short notice and adjourning to such time that we can file material opposing the re fees/ costs claimed. I will do so under separate cover.

As it pertains to the remaining topics;

SECURITY

We agree to contributing \$1000 in trust but question why this is being addressed in the final hour. We are not challenging the scenario and requirement given this is our second bankruptcy.

We question why this is being addressed as an amendment when full disclosure occurred in the very early meetings with all.

The details of our farming disaster in the early 90's was fully disclosed with copies of the absolute discharge made available from the beginning.

As we have only been able to raise those funds today.. we are wondering if it is possible to e-transfer the \$1000 to you in trust.?

The WAIVER

Lori:

Please take a look at Article 2.4 of the attached Proposal and let me know by reply to this email if you and Dean are waiving the condition.

If so, I will need an email back from you on behalf of Dean and yourself stating "Lori Runzer and Dean Runzer hereby waive the condition contained at Article 2.4 of our Proposal."

This is urgent, as the matter will be raised in court this afternoon and I need to be able to address it.

Thanks, Lori.

-Mike

**Mike Russell**

This communication is response to our concerns that I responded in error to Mike's urgent request (copied above) without having anyone discuss the pros and cons with me .

I did not understand the extent of its impact or the ramifications.

I felt pressured to agree in order to move any part of moving this process forward.

I, Lori Dianne Runzer, DO NOT waive the condition noted in 2.4 of my proposal.

I, Dean Clifford Runzer, DO NOT waive the condition noted in 2.4 of my proposal

The CONDITION

After reviewing the actual condition with 3rd party counsel we do not waive the condition.

**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).

## **OUR POSITION**

**1143402 Alberta Ltd would not be deemed bankrupt had it not been for the confusion and misinformation that occurred in the management of this file. Had the second vote been deferred to confirm those who voted in support of the proposal the first time were in agreement with the slight modifications the second time we would have passed. Bob Elgert alone would have said yes and all would be over on Sept 15.**

**CDSI passed the proposal with 93% support of the investor group and no desire to put a monitor in place.**

**Dean and Lori Runzer have tried diligently to act responsibly bringing forward programming, service contracts and potential rentals / buyers to generate revenue only to lose those opportunities because of the repeated delays and ongoing association with this process.**

## **CALL TO ACTION**

**There was no need to sue us  
There was no need to bankrupt us**

**Tell us what MNP needs to have in place to let this process be over.**

## **No REPRESENTATION OF THOSE WHO DEPEND ON THIS INVESTMENT FOR THEIR RETIREMENT**

**A number of investors will be submitting affidavits and impact statements either through me or directly to you over the next few days.  
It is our belief that they should have had a voice all along however this was discouraged and they deserve to be heard..**

**They have no money to defend themselves and nobody has represented them.  
We can not stay silent.**

**I will keep sending documents as completed or received.**

**take care**

**Lori and Dean Runzer**



# SCHEDULE “H”





**1143402 ALBERTA LTD. - SEPTEMBER 15, 2022 MEETING OF CREDITORS**

<b>Name</b>	<b>Amount Filed</b>	<b>Amount Admitted</b>	<b>Date Filed</b>	<b>Attended</b>
Arbor Vista	\$ 200,000.00	\$ 50,000.00	07-Apr-22	Yes
Brettany Sorokowsky	\$ 114,398.46	-	31-Mar-22	Yes
Estate of Helga Loewen	\$ 576,998.89	\$ 576,998.89	29-Mar-22	Yes
Harverstock, Darren Kim & Na	\$ 714,279.88	\$ 714,279.88	29-Mar-22	Yes
Jayne Shipka	\$ 150,000.00	\$ 150,000.00	01-Apr-22	Yes
KLS Equipment	\$ 75,000.00	\$ 75,000.00	14-Sep-22	Yes
Orest and Marlene Krokosh	\$ 200,000.00	\$ 150,000.00	14-Sep-22	Yes
Shurli Massell	\$ 885,459.00	\$ 745,459.00	31-Mar-22	Yes
Ed and Pat Galloway	\$ 1,100,000.00	\$ -		Yes
Arbor Vista	\$ 150,000.00	\$ -	15-Sep-22	Yes
Barry Swanson	\$ 150,000.00	\$ -	15-Sep-22	Yes
David McElheran	\$ 150,000.00		15-Sep-22	Yes
Estate of Donna Enick	\$ 150,000.00	\$ -	15-Sep-22	Yes
Jayne Shipka	\$ 150,000.00	\$ -	15-Sep-22	Yes
Krokosh Family	\$ 150,000.00	\$ -	15-Sep-22	Yes
Orest Krokosh	\$ 150,000.00	\$ -	15-Sep-22	Yes
Rob Strunk	\$ 150,000.00	\$ -	15-Sep-22	Yes
Steve Jubinville	\$ 150,000.00	\$ -	15-Sep-22	Yes
<b>Total Unsecured Claims</b>	<b>\$ 5,366,136.23</b>	<b>\$ 2,461,737.77</b>		