



COURT FILE NUMBER:

1603- 11387

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF

ROYAL BANK OF CANADA

DEFENDANTS

GRANDE PRAIRIE RAINBOW AUTOMOTIVE LTD., CW BUILDCO LTD., DUBAY PELOSKI HOLDINGS LTD., WAYNE TIMOTHY PELOSKI and CHANDRA ANNETTE DUBAY

DOCUMENT:

STATEMENT OF CLAIM

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

MacPherson Leslie & Tyerman LLP
Barristers and Solicitors
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Attention: Dean A. Hutchison
Solicitors for Royal Bank of Canada
File: 1480-126 DAH

NOTICE TO DEFENDANTS:

You are being sued. You are a defendant.

Go to the end of this document to see what you can do and when you must do it.

1. The claim of the Plaintiff, the Royal Bank of Canada ("**RBC**"), is in debt and breach of contract for monies owed by the Defendants, Grande Prairie Rainbow Automotive Ltd. ("**GP Auto**"), CW Buildco Ltd. ("**CW**"), Dubai Peloski Holdings Ltd. ("**DPHL**"), Wayne Timothy Peloski ("**Mr. Peloski**") and Chandra Annette Dubay ("**Ms. Dubay**").

Statement of facts relied on:

2. The Plaintiff, RBC, is a Canadian chartered bank formed in accordance with the laws of Canada and having branches located in the Province of Alberta.

3. The Defendant, GP Auto, is a corporation incorporated pursuant to the laws of the Province of Alberta. GP Auto operates an automotive repair and maintenance business in the City Grande Prairie, in the Province of Alberta.
4. The Defendants, CW and DPHL, are both corporations incorporated pursuant to the laws of the Province of Alberta, and are related corporations to GP Auto. CW is the owner of the lands upon which GP Auto operates, and DPHL is the sole voting shareholder of GP Auto.
5. The Defendants, Mr. Peloski and Ms. Dubay, are the sole directors and principals of each of GP Auto, CW and DPHL.

History of CW (Amalgamation of 1632628 Alberta Ltd. and 1506696 Alberta Ltd.)

6. The corporation now known as CW was initially 1632628 Alberta Ltd. As a result of a name change that occurred on September 18, 2014, 1632628 Alberta Ltd. became CW. On October 1, 2014, the entity amalgamated with 1506696 Alberta Ltd. to form the amalgamation predecessor entity CW.

History of DPHL (Amalgamation of 1632613 Alberta Ltd. and 1268280 Alberta Ltd.)

7. The corporation now known as DPHL was initially 1632613 Alberta Ltd. As a result of a name change that occurred on September 18, 2014, 1632613 Alberta Ltd. became DPHL. On October 1, 2014, the entity amalgamated with 1268280 Alberta Ltd. to form the amalgamation predecessor entity DPHL.

The Loan Agreements

A. The GP Auto Loan Agreement and GP Debt

8. By a Commitment Letter dated May 9, 2012, and accepted May 14, 2012, as amended by Amending Agreement dated April 1, 2013, and as further amended by an Amending Agreement dated September 26, 2014, (collectively, the "**GP Auto Loan Agreement**"), RBC agreed to advance funds to GP Auto on certain terms and conditions agreed to by GP Auto.

9. In accordance with the GP Auto Loan Agreement, RBC made the following credit facilities available to GP Auto:
 - (a) Demand Facility – a \$50,000 revolving demand facility, payable on demand, with interest accruing at a rate of RBC's prime rate, plus 4.90%, per annum (the "**Operating Line Facility**");
 - (b) Credit Card Facility – a VISA business credit card up to a maximum amount of \$50,000 (the "**Credit Card Facility**"); and
 - (c) RCAP Lease – an equipment financing lease (the "**Equipment Lease Facility**").
10. Advances of monies were made by RBC to GP Auto under the Operating Line Facility, the Credit Card Facility and the Equipment Lease Facility (collectively, the "**GP Auto Credit Facilities**").
11. As of June 27, 2016, GP Auto is indebted to RBC in respect of amounts advanced pursuant to the GP Auto Loan Agreement and the GP Auto Credit Facilities in the total amount of \$107,419.18, with interest accruing after June 27, 2016, at a daily rate of \$36.02 (collectively, the "**GP Auto Debt**").

B. The CW Loan Agreement and CW Debt

12. By a Commitment Letter dated May 9, 2012, and accepted May 14, 2012, as amended by Amending Agreement dated April 1, 2013, and as further amended by Amending Agreement dated June 16, 2015, (collectively, the "**CW Loan Agreement**"), RBC agreed to advance funds to 1506696 Alberta Ltd. (the predecessor entity to CW) on certain terms and conditions agreed to by 1506696 Alberta Ltd. (the predecessor entity to CW).
13. In accordance with the CW Loan Agreement, RBC made a \$2,492,000 non-revolving term facility (the "**Term Facility**"), payable on demand, available to 1506696 Alberta Ltd. (as the predecessor entity to CW), with interest accruing at a rate of 4.00% per annum.
14. Advances of monies were made by RBC to 1506696 Alberta Ltd. (the predecessor entity to CW) under the Term Facility.

15. As of June 27, 2016, CW is indebted to RBC in respect of amounts advanced pursuant to the CW Loan Agreement and the Term Facility in the amount of \$2,036,123.28, with interest accruing after June 27, 2016, at a daily rate of \$410.36 (collectively, the "**CW Debt**").
16. (The GP Auto Loan Agreement and the CW Loan Agreement shall hereinafter be collectively referred to as the "**Loan Agreements**". The GP Auto Credit Facilities and the Term Facility shall hereinafter be collectively referred to as the "**Credit Facilities**". The GP Auto Debt and the CW Debt, which totals the sum of \$2,143,542.46 as of June 27, 2016, shall hereinafter be collectively referred to as the "**Debt**".)

The General Security Agreements

A. The GP Auto GSA

17. As security for all amounts owing from GP Auto to RBC, GP Auto entered into a General Security Agreement – Floating Charge on Land dated June 4, 2007, in favour of RBC (the "**GP Auto GSA**"). The GP Auto GSA grants RBC a security interest in all of GP Auto's present and after-acquired personal property and real property, both for current indebtedness and future advances. The GP Auto GSA is governed by the laws of the Province of Alberta.
18. RBC registered the GP Auto GSA at the Alberta Personal Property Registry (the "**PPR**").

B. The CW GSA

19. As security for all amounts owing from CW to RBC, CW (through its predecessor entity, 1506696 Alberta Ltd.), entered into a General Security Agreement – Floating Charge on Land dated October 1, 2010, in favour of RBC (the "**CW GSA**"). The CW GSA grants RBC a security interest in all of CW's present and after-acquired personal property and real property, both for current indebtedness and future advances. The CW GSA is governed by the laws of the Province of Alberta.
20. RBC registered the CW GSA at the Alberta PPR as against 1506696 Alberta Ltd. (the predecessor entity to CW) and as against CW.

C. The DPHL GSA

21. As security for all amounts owing from 1268280 Alberta Ltd. (a predecessor to DPHL) to RBC, 1268280 Alberta Ltd. entered into a General Security Agreement – Floating Charge on Land dated October 1, 2010, in favour of RBC (the "**1268280 GSA**"). The 1268280 GSA grants RBC a security interest in all of 1268280 Alberta Ltd.'s (a predecessor to DPHL) present and after-acquired personal property and real property, both for current indebtedness and future advances. The 1268280 GSA is governed by the laws of the Province of Alberta.
22. RBC registered the 1268280 GSA at the Alberta PPR as against 1268280 Alberta Ltd. and DPHL.
23. As security for all amounts owing from 1632613 Alberta Ltd. (a predecessor to DPHL) to RBC, 1632613 Alberta Ltd. entered into a General Security Agreement – Floating Charge on Land dated October 1, 2010, in favour of RBC (the "**1632613 GSA**"). The 1632613 GSA grants RBC a security interest in all of 1632613 Alberta Ltd.'s (a predecessor to DPHL) present and after-acquired personal property and real property, both for current indebtedness and future advances. The 1632613 GSA is governed by the laws of the Province of Alberta.
24. RBC registered the 1632613 GSA at the Alberta PPR as against 1632613 Alberta Ltd. and DPHL.
25. (The 1268280 GSA and the 1632613 GSA shall hereinafter be collectively referred to as the "**DPHL GSA**". The GP Auto GSA, the CW GSA and the DPHL GSA shall hereafter be collectively referred to as the "**GSAs**")

The CW Collateral Mortgage

26. As security for amounts owed by CW to RBC, CW (through its predecessor entity, 1506696 Alberta Ltd.) granted RBC a Collateral Mortgage over lands legally described as:

Plan 0621904
Block 4
Lot 1
Excepting Thereout All Mines and Minerals
Area: 0.834 Hectares (2.06 Acres) More or Less

(the "**CW Lands**") in the amount of \$2,613,000 dated October 1, 2010, (the "**CW Collateral Mortgage**").

27. The CW Collateral Mortgage was registered against title to the CW Lands as Instrument No. 102 352 903 on October 5, 2010.

The Dubay Peloski Collateral Mortgage

28. As security for all amounts owed by Ms. Dubay and Mr. Peloski to RBC, Ms. Dubay and Mr. Peloski granted RBC a Collateral Mortgage over lands legally described as:

Plan 9524585
Lot 6
Excepting Thereout All Mines and Minerals

(the "**Lot 6 Property**") and over lands legally described as:

Plan 9524585
Lot 7
Excepting Thereout All Mines and Minerals

(the "**Lot 7 Property**") in the amount of \$188,000 dated June 5, 2010, (the "**Dubay Peloski Collateral Mortgage**").

29. The Dubay Peloski Collateral Mortgage was registered against title to each of the Lot 6 Property and the Lot 7 Property as Instrument No. 122 178 741 on June 7, 2010.

Guarantees of GP Auto Debt

30. By a Guarantee and Postponement of Claim executed May 14, 2012, in the amount of \$363,000 by each of Mr. Peloski and Ms. Dubay in favour of RBC (the "**Peloski Dubay GP Auto Guarantee**"), each of Mr. Peloski and Ms. Dubay agreed to pay on demand all indebtedness owed by GP Auto to RBC up to a maximum amount of \$363,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.
31. By a Guarantee and Postponement of Claim executed May 14, 2012, in the amount of \$363,000 by 1268280 Alberta Ltd. (as a predecessor entity to DPHL) in favour of RBC (the "**1268280 GP Auto Guarantee**"), 1268280 Alberta Ltd. (as a predecessor entity to DPHL) agreed to pay on demand all indebtedness owed by GP Auto to RBC up to a maximum amount of \$363,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.
32. By a Guarantee and Postponement of Claim executed May 14, 2012, in the amount of \$363,000 by 1632613 Alberta Ltd. (as a predecessor entity to DPHL) in favour of RBC (the "**1632613 GP Auto Guarantee**"), 1632613 Alberta Ltd. (as a predecessor entity to DPHL) agreed to pay on demand all indebtedness owed by GP Auto to RBC up to a maximum amount of \$363,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.
33. By a Guarantee and Postponement of Claim executed May 14, 2012, in the amount of \$363,000 by 1506696 Alberta Ltd. (as a predecessor entity to CW) in favour of RBC (the "**1506696 GP Auto Guarantee**"), 1506696 Alberta Ltd. (as a predecessor entity to CW) agreed to pay on demand all indebtedness owed by GP Auto to RBC up to a maximum amount of \$363,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.
34. By a Guarantee and Postponement of Claim executed May 14, 2012, in the amount of \$363,000 by 1632638 Alberta Ltd. (as a predecessor entity to CW) in favour of RBC (the "**1632638 GP Auto Guarantee**"), 1632638 Alberta Ltd. (as a predecessor entity to CW)

agreed to pay on demand all indebtedness owed by GP Auto to RBC up to a maximum amount of \$363,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.

35. (The Peloski Dubai GP Auto Guarantee, 1268280 GP Auto Guarantee, the 1632613 GP Auto Guarantee, the 1506696 GP Auto Guarantee and the 1632638 GP Auto Guarantee shall hereinafter be collectively referred to as the "**Guarantees of the CW Auto Debt**".)

Guarantees of CW Debt

36. By a Guarantee and Postponement of Claim executed October 1, 2010, in the amount of \$2,613,000 by GP Auto in favour of RBC (the "**GP Auto CW Guarantee**"), GP Auto agreed to pay on demand all indebtedness owed by 1506696 Alberta Ltd. (the predecessor entity to CW) to RBC up to a maximum amount of \$2,613,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.
37. By a Guarantee and Postponement of Claim executed October 1, 2010, in the amount of \$2,613,000 by 1268280 Alberta Ltd. (as a predecessor entity to DPHL) in favour of RBC (the "**1268280 CW Guarantee**"), 1268280 Alberta Ltd. (as a predecessor entity to DPHL) agreed to pay on demand all indebtedness owed by 1506696 Alberta Ltd. (the predecessor entity to CW) to RBC up to a maximum amount of \$2,613,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.
38. By a Guarantee and Postponement of Claim executed May 14, 2012, in the amount of \$2,502,000 by 1632613 Alberta Ltd. (as a predecessor entity to DPHL) in favour of RBC (the "**1632613 CW Guarantee**"), 1632613 Alberta Ltd. (as a predecessor entity to DPHL) agreed to pay on demand all indebtedness owed by 1506696 Alberta Ltd. (the predecessor entity to CW) to RBC up to a maximum amount of \$2,052,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.

39. By a Guarantee and Postponement of Claim executed May 14, 2012, in the amount of \$2,502,000 by 1632638 Alberta Ltd. (as a predecessor entity to CW) in favour of RBC (the "**1632638 CW Guarantee**"), 1632638 Alberta Ltd. (as a predecessor entity to CW) agreed to pay on demand all indebtedness owed by 1506696 Alberta Ltd. (the predecessor entity to CW) to RBC up to a maximum amount of \$2,052,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.
40. By a Guarantee and Postponement of Claim executed May 14, 2012, in the amount of \$2,502,000 by each of Mr. Peloski and Ms. Dubay in favour of RBC (the "**Peloski Dubay CW Guarantee**"), each of Mr. Peloski and Ms. Dubay agreed to pay on demand all indebtedness owed by 1506696 Alberta Ltd. (the predecessor entity to CW) to RBC up to a maximum amount of \$2,502,000 together with interest from the date of demand for payment at a rate of RBC's prime rate plus 5.0% per annum.
41. (The GP Auto CW Guarantee, the 1268280 CW Guarantee, 1632613 CW Guarantee, 1632638 CW Guarantee and the Peloski Dubay CW Guarantee shall hereinafter be collectively referred to as the "**Guarantees of the CW Debt**".)

February 2016 De-market Letter

42. By letter dated February 17, 2016, (the "**February 17 De-Market Letter**") addressed to GP Auto to the attention of Ms. Dubay and Mr. Peloski, RBC advised that RBC would not be renewing the Credit Facilities under the Loan Agreements and that arrangements should be made for the Debt to be repaid in full by April 30, 2016.
43. The Debt was not repaid by April 30, 2016, and remains outstanding.

Default Under the Loan Agreements and Demand for Payment

44. By a letter dated May 13, 2016, from its legal counsel, MacPherson Leslie & Tyerman LLP ("**MLT**"), RBC demanded immediate payment of the GP Auto Debt in full from GP Auto (the "**May 13 GP Auto Demand Letter**"). The May 13 GP Auto Demand Letter noted that GP Auto had defaulted under the terms of the GP Auto Loan Agreement.

Enclosed with the May 13 GP Auto Demand Letter was a Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**"). The May 13 GP Auto Demand Letter further noted GP Auto's obligations under the GP Auto CW Guarantee, that CW had defaulted under the terms of the CW Loan Agreement, and demanded payment of the CW Debt pursuant to GP Auto's obligations under the GP Auto CW Guarantee.

45. By a letter dated May 13, 2016, from its legal counsel, MLT, RBC demanded immediate payment of the CW Debt in full from CW (the "**May 13 CW Demand Letter**"). The May 13 CW Demand Letter noted that CW had defaulted under the terms of the CW Loan Agreement. Enclosed with the May 13 CW Demand Letter was a Notice of Intention to Enforce Security pursuant to section 244 of the BIA. The May 13 CW Demand Letter further noted CW's obligations under the 1506696 GP Auto Guarantee and the 1632638 GP Auto Guarantee, that GP Auto had defaulted under the terms of the GP Auto Loan Agreement, and demanded payment of the GP Auto Debt pursuant to CW obligations under the 1506696 GP Auto Guarantee and the 1632638 GP Auto Guarantee.
46. By a letter dated May 13, 2016, from its legal counsel, MLT, RBC demanded immediate payment of the Debt in full from DPHL (the "**May 13 DPHL Demand Letter**"). The May 13 DPHL Demand Letter noted that each of GP Auto and CW had defaulted under the terms of the Loan Agreements. Enclosed with the May 13 DPHL Demand Letter was a Notice of Intention to Enforce Security pursuant to section 244 of the BIA. The May 13 DPHL Demand Letter further noted DPHL's obligations under the 1268280 GP Auto Guarantee, the 1632613 GP Auto Guarantee, the 1268280 CW Guarantee and the 1632613 CW Guarantee (collectively, the "**DPHL Guarantees**"), that GP Auto and CW had defaulted under the terms of the Loan Agreements, and demanded payment of the Debt pursuant to DPHL's obligations under the DPHL Guarantees.
47. By a letter dated May 13, 2016, from its legal counsel, MLT, RBC demanded immediate payment of the Debt in full from Mr. Peloski and Ms. Dubay (the "**May 13 Peloski Dubay Demand Letter**"). The May 13 Peloski Dubay Demand Letter noted that each of GP Auto and CW had defaulted under the terms of the Loan Agreements. Enclosed with

the May 13 Peloski Dubai Demand Letter was a Notice of Intention to Enforce Security pursuant to section 244 of the BIA. The May 13 Peloski Dubai Demand Letter further noted Mr. Peloski's and Ms. Dubai's respective obligations under the Peloski Dubai GP Auto Guarantee and the Peloski Dubai CW Guarantee (collectively, the "**Peloski Dubai Guarantees**"), that GP Auto and CW had defaulted under the terms of the Loan Agreements, and demanded payment of the Debt pursuant to Mr. Peloski's and Ms. Dubai's respective obligations under the Peloski Dubai Guarantees.

48. The Defendants have failed, refused or neglected to pay the Debt to RBC, or any part thereof, and the full amount remains justly due and owing.
49. GP Auto and CW are each in default of their respective obligations under the terms of the Loan Agreements, and each of GP Auto, CW and DPHL are each in default of their respective obligations under the terms of the GSAs, which defaults include, but are not limited to:
 - (a) Failing to abide by financial covenants;
 - (b) Failing to pay the Credit Facilities upon RBC's demand;
 - (c) Generally failing to pay its debts as such debts become due; and
 - (d) Such other events of default as may be proven at trial.
50. Each of CW, DPHL, Mr. Peloski and Ms. Dubai are in default of their respective obligations under the Guarantees of the GP Auto Debt, including, but not limited to, failing to pay amounts owing to RBC under the Guarantees of the GP Auto Debt upon demand.
51. Each of GP Auto, DPHL, Mr. Peloski and Ms. Dubai are in default of their respective obligations under the Guarantees of the CW Debt, including, but not limited to, failing to pay amounts owing to RBC under the Guarantees of the CW Debt upon demand.
52. The GSAs respectively create a charge on all of the real and personal property of GP Auto, CW and DPHL respectively. The GSAs respectively provide for the appointment

of a Receiver and Manager over the undertakings, property and assets of GP Auto, CW and DPHL respectively.

Remedies sought:

A. As Against GP Auto

53. A declaration that GP Auto is in default of payment of its indebtedness pursuant to the GP Auto Loan Agreement and the GP Auto GSA, and that default has been made under the GP Auto Loan Agreement and the GP Auto GSA.
54. A declaration that GP Auto is in default of its obligations under the GP Auto CW Guarantee and that default has been made under the GP Auto CW Guarantee.
55. A declaration that pursuant to the terms of the GP Auto GSA:
 - (a) the principal, interest and other monies thereby secured have become due and payable;
 - (b) the security constituted thereby has become enforceable; and
 - (c) the charges created thereby have become specifically charged against all of GP Auto's assets thereby charged but not already specifically charged.
56. An Order for the appointment of a Receiver and Manager of all of the undertakings, property and assets of GP Auto.
57. Judgment against GP Auto in the amount of \$2,143,542.46, or such other amount as may be proven at trial, together with interest thereon at the rate or rates in effect from June 27, 2016, until judgment in this Action, and costs and fees in accordance with the terms of the GP Auto Loan Agreement, the GP Auto GSA, and the GP Auto CW Guarantee.

B. As Against CW

58. A declaration that CW is in default of payment of its indebtedness pursuant to the CW Loan Agreement, the CW GSA, and the CW Collateral Mortgage, and that default has been made under the CW Loan Agreement, the CW GSA, and the CW Collateral Mortgage.

59. A declaration that CW is in default of its obligations under the 1506696 GP Auto Guarantee and the 1632638 GP Auto Guarantee (collectively, the "**CW Guarantees of the GP Auto Debt**") and that default has been made under the CW Guarantees of the GP Auto Debt.
60. A declaration that pursuant to the terms of the CW GSA and the CW Collateral Mortgage:
 - (a) the principal, interest and other monies thereby secured have become due and payable;
 - (b) the security constituted thereby has become enforceable; and
 - (c) the charges created thereby have become specifically charged against all of CW's assets thereby charged but not already specifically charged.
61. An Order for the appointment of a Receiver and Manager of all of the undertakings, property and assets of CW.
62. Judgment against CW in the amount of \$2,143,542.46, or such other amount as may be proven at trial, together with interest thereon at the rate, or rates, in effect from June 27, 2016 until judgment in this Action, and costs and fees in accordance with the terms of the CW Loan Agreement, the CW GSA, the CW Collateral Mortgage and the CW Guarantees of the GP Auto Debt.

C. As Against DPHL

63. A declaration that DPHL is in default of its obligations under the DPHL Guarantees and that default has been made under the DPHL Guarantee.
64. A declaration that DPHL is in default under the DPHL GSA.
65. A declaration that pursuant to the terms of the DPHL GSA:
 - (a) the principal, interest and other monies thereby secured have become due and payable;
 - (b) the security constituted thereby has become enforceable; and

- (c) the charges created thereby have become specifically charged against all of DPHL's assets thereby charged but not already specifically charged.
- 66. An Order for the appointment of a Receiver and Manager of all of the undertakings, property and assets of DPHL.
- 67. Judgment against DPHL in the amount of \$2,143,542.46, or such other amount as may be proven at trial, together with interest thereon at the rate, or rates, in effect from June 27, 2016 until judgment in this Action, and costs and fees in accordance with the terms of the DPHL GSA and the DPHL Guarantees.

D. As Against Mr. Peloski and Ms. Dubai

- 68. A declaration that each of Mr. Peloski and Ms. Dubai are in default of their respective obligations under the Peloski Dubai Guarantees, and that default has been made under the Peloski Dubai Guarantees.
- 69. A declaration that the amount owing under the Dubai Peloski Collateral Mortgage, with interest, according to the rates and terms of the Dubai Peloski Collateral Mortgage, and in default of payment, sale to RBC, or otherwise, or foreclosure and in either case, possession of the Lot 6 Property and the Lot 7 Property.
- 70. In the alternative, immediate sale to RBC or otherwise, foreclosure and in either case, possession of the Lot 6 Property and the Lot 7 Property.
- 71. An Order:
 - (a) Shortening the period of redemption of the Dubai Peloski Collateral Mortgage to less than 6 months, or as this Honourable Court directs;
 - (b) Alternatively, a direct Order for Sale to RBC, or other party;
 - (c) Alternatively, a final Order for foreclosure; and
 - (d) For possession of the Lot 6 Property and the Lot 7 Property;
- 72. Judgment against each of Mr. Peloski and Ms. Dubai, jointly and severally, in the amount of \$2,143,542.46, or such other amount as may be proven at trial, together with

interest thereon at the rate, or rates, in effect from June 27, 2016, until judgment in this Action, and costs and fees in accordance with the terms of the Peloski Dubai Guarantees.

E. As Against All Defendants

73. Costs of this Action on a solicitor-client full indemnity basis.

74. Such further and other relief as this Honourable Court may deem appropriate.

NOTICE TO THE DEFENDANTS

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at EDMONTON, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's address for service.

WARNING

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff against you.