

COURT FILE NUMBER           KBG-SA-00204-2023

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

JUDICIAL CENTRE            SASKATOON

IN THE MATTER OF THE RECEIVERSHIP OF THE LIGHTHOUSE SUPPORTED LIVING INC.

**AFFIDAVIT OF VANESSA WARKENTIN**

I, VANESSA WARKENTIN, of the City of Saskatoon, in the Province of Saskatchewan, Legal Assistant, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Legal Assistant employed by MLT Aikins LLP ("**MLT Aikins**"), counsel to the Receiver, MNP Ltd., in respect of this matter. As such, I have personal knowledge of the facts and matters herein deposed to, except where stated to be on information and belief, and where so stated, I verily believe the same to be true.
2. Attached to this Affidavit and marked as **Exhibit A** is a City of North Battleford property tax certificate dated April 25, 2023, addressed to the law firm of "Eisner Mahon" and delivered to lawyer Emily Barlas and paralegal Corinne Doering of MLT Aikins on May 3, 2023.
3. Attached to this Affidavit and marked as **Exhibit B** is a true copy of a trust letter delivered by Emily Barlas of MLT Aikins to Michael Mahon of Eisner Mahon Forsyth on or about May 4, 2023 (enclosures omitted; relevant portion highlighted).
4. Attached to this Affidavit and marked collectively as **Exhibit C** are copies of title to the lands in the City of North Battleford legally described as Surface Parcel #131460780, Lot 3 Blk/Par 24 Plan No B1929CNV Extension 0, obtained from the Saskatchewan Land Titles Registry on
  - (a) May 4, 2023; and
  - (b) June 2, 2023,respectively.
5. Attached to this Affidavit and marked as **Exhibit D** is a true copy of the Vendor's Final Statement of Adjustments delivered by Emily Barlas and/or Corinne Doering to the Eisner Mahon Forsyth firm on or about June 1, 2023.
6. Attached to this Affidavit and marked as **Exhibit E** is a true copy of correspondence sent by Paul Olfert of MLT Aikins to David Smith of Department of Justice Canada and Warren Sproule of Kanuka Thuringer LLP on June 1, 2023 (enclosures omitted).

7. Attached to this Affidavit and marked as **Exhibit F** is a true copy of correspondence received by Paul Olfert of MLT Aikins from Allison Sproule of Kanuka Thuringer LLP on June 6, 2023.
8. I make this affidavit in relation to a matter in which MLT Aikins acts as counsel, on the basis that the matters herein are uncontroverted.

**SWORN BEFORE ME** at the City of Saskatoon, )  
in the Province of Saskatchewan, this 8th day of )  
June, 2023. )



A COMMISSIONER FOR OATHS for  
Saskatchewan.

My commission expires: Jan 31, 2024

~~-OR- Being a Solicitor.~~



  
\_\_\_\_\_  
**VANESSA WARKENTIN**

**CONTACT INFORMATION AND ADDRESS FOR SERVICE:**

Name of firm:	MLT Aikins LLP
Lawyer in charge of file:	Jeffrey M. Lee, K.C. and Paul Olfert
Address of firm:	1201, 409 3 <sup>rd</sup> Avenue South, Saskatoon SK S7K 5R5
Telephone number:	306.975.7100
Email address:	JMLee@mltaikins.com / POlfert@mltaikins.com
File No:	31617.41

City of North Battleford  
291 101 ST PO Box 460  
NORTH BATTLEFORD SK S9A 2Y6  
306) 445-1700



THIS IS EXHIBIT " A " referred to in  
the Affidavit of Vanessa Warkentin  
SWORN before me at Saskatoon  
this 2 day of June, 2023  
[Signature]  
A COMMISSIONER FOR OATHS for  
Saskatchewan  
My Commission expires Jan 31, 2024  
- OR - Being a Solicitor en

**TAX CERTIFICATE**

Mail To : **EISNER MAHON**  
**P. O. BOX 2680**  
**MELFORT SK S0E 1A0**

File : Certificate # : **8169**  
Date : **25-Apr-23**  
Folio No.: **303016550**

Name of Registered Owner(s): **THE LIGHTHOUSE SUPPORTED LIVING INC.**

304 2 AVENUE S  
SASKATOON SK S7K 1L1

(306) 653-8275

Property Address: 1322 103 ST

**LOT: 3 BLOCK: 24 PLAN: B1929CNV**  
**ACTUAL USE: 1110 ZONE: C11 YEAR BUILT: 2014**  
**PARCEL: 131460780**

DCT No. : **90B06950**

Property ID No. **1. 1185008**

	Gross	Exempt	NET
Faxable Assessment:	286535	0	286535
	58140	0	58140
<b>Total :</b>	<b>344675</b>	<b>0</b>	<b>344675</b>

<b>Current Levy :</b>	<b>77941.72</b>	<b>Current Total :</b>	<b>79800.93</b>
<b>Previous Levy :</b>	<b>9071.67</b>	<b>Arrears Total :</b>	<b>10998.78</b>
		<b>Tax Enforcement Total :</b>	<b>0.00</b>
		<b>Total :</b>	<b>90799.71</b>

Note: UTILITIES ARE CURRENT. FINAL UTILITY ACCOUNT HAS NOT YET BEEN PROCESSED BUT IS ESTIMATED TO BE \$1,735.67 TO MAY 5, 2023. AMOUNT OUTSTANDING INCLUDES WORKERS COMPENSATION BOARD LEVY IN THE AMOUNT OF \$77,941.72. LOCAL IMPROVEMENTS ARE NOT APPLICABLE. ANY OUTSTANDING BALANCES MAY BE TRANSFERRED TO TAXES.

I, FINANCIAL MANAGER FOR THE CITY OF NORTH BATTLEFORD CERTIFY THAT THE ABOVE IS A CORRECT STATEMENT AS TO TAXES OWING AGAINST THE LANDS DESCRIBED HEREIN:

DATED AT: North Battleford, Saskatchewan.



[Signature]  
Margarita Pena FINANCE MANAGER

THIS IS EXHIBIT " B " referred to in  
the Affidavit of Vanessa Warkentin  
SWORN before me at Saskatoon  
this 8 day of June, 20 23

erin Neuter  
A COMMISSIONER FOR OATHS for  
Saskatchewan  
My Commission expires Jan 31, 2024  
- OR - Being a Solicitor en

Emily A. Barlas  
Direct Line: (306) 956-2184  
E-mail: ebarlas@mltaikins.com

Corinne B. Doering  
Real Estate Paralegal  
E-mail: cdoering@mltaikins.com

May 4, 2023

Eisner Mahon Forsyth  
101 MacLeod Avenue W  
Melfort, SK S0E 1A0

Attention: Mike Mahon

Dear Sir:

**Re: Vendor: The Lighthouse Supported Living Inc. c/o MNP Ltd.**  
**Purchaser: Cobalt Bay Capital Ltd.**  
**Property: 1322 103rd Street, North Battleford**  
**Completion Day: the date of possession being May 5, 2023**  
**MLT Aikins File No 31617.41**

We are solicitors for the Vendor in the above noted transaction and we enclose the following:

1. Sale Approval and Vesting Order;
2. Receiver's Certificate (the "Receiver's Certificate");
3. Statement of Adjustments;
4. Affidavit of Value; and
5. GST Certificate.

#### TRUST CONDITIONS

1. On or before the Completion Day, you will:
  - (a) Confirm that the within trust conditions and undertakings are acceptable to you. Such confirmation will allow us to authorize the Purchaser's possession of the Property on Completion Day. Failure by you to notify us that the trust conditions and undertakings are acceptable to you will not relieve you of your obligations. By submitting the enclosed documentation for registration in the Saskatchewan Land Registry, you are deemed to have accepted and to be bound by all of the trust conditions and undertakings contained herein;
  - (b) Contact us immediately if any of the trust conditions or undertakings are not acceptable to you;

- (c) Subject to an alternate written agreement between us to the contrary, immediately return the enclosed documents to us unused should you be unable or unwilling to accept all of the within trust conditions and undertakings;
  - (d) Deliver to us, not less than the difference between the balance due to close as set out in the enclosed Statement of Adjustments, and the Purchaser's net mortgage proceeds; and
  - (e) Ensure that the Purchaser has executed all mortgage documentation required by the Purchaser's mortgagee and that you have, or will have within a reasonable period of time, all other documents required by the Purchaser's mortgagee.
2. Not later than one(1) business day after the Completion Day, you will submit the Receiver's Certificate and any intertest registration required by the Purchaser's mortgagee to the Saskatchewan Land Registry for registration.
  3. Immediately upon receiving notification that title has registered in the Purchaser's name, you will requisition mortgage proceeds from the Purchaser's mortgagee, or, if the balance due to close has previously been paid to us prior to registration, you will notify us that title registration has been completed and provide our office with a copy of the title showing the Property registered in the name of the Purchaser.
  4. Conditional upon you receiving the mortgage proceeds from the Purchaser's mortgagee, you will immediately deliver to us the balance due to close, less funds previously forwarded by you pursuant to trust condition number 1(d) herein, together with interest thereon at the Bank of Canada Overnight Rate Target at the Possession Date plus 4% per annum calculated from the Completion Day to the date that the balance due to close is paid to us.
  5. If you are forwarding mortgage proceeds to us for unconditional release to the Vendor prior to the Purchaser's name registering on title to the Property, you will advise us in writing, and concurrently provide us with your written release of us from undertaking 1(a) below.
  6. If any of documents submitted by you to the Saskatchewan Land Registry are rejected for registration for any reason, you will notify us if you are unable to immediately rectify, and if so, you will return to us any Vendor documentation requiring correction. If we are able to correct the deficiency in the Vendor's documentation, we will do so and return the corrected documents to you for re-submission to the Saskatchewan Land Registry in accordance with trust condition number 2 no later than one (1) business day of the documents having been returned to you, if the Completion Day has already passed.
  7. In the event the Purchaser's mortgagee refuses to advance the mortgage proceeds, you will immediately notify us in writing.

8. Within a reasonable period of time after the Completion Day, you will notify the appropriate municipal taxing authority of the change in ownership of the Property.
9. Within a reasonable period of time after the Completion Day, you will pay any and all outstanding municipal taxes (excluding the WCB Levy, as per Undertaking #1 below) owing in accordance with the Statement of Adjustments.
10. Within a reasonable period of time you will forward to this office a signed Purchaser's GST Certificate in a format similar to the sample attached or alternatively, you will forward to our office 5% of the purchase price.
11. You may directly deposit your trust cheque or a bank draft into our firm's trust account, provided that if you do so, you will contemporaneously provide us with the following items:
  - (1) A photocopy of your signed trust cheque or the bank draft; and
  - (2) A photocopy of the deposit slip or other satisfactory confirmation evidencing the deposit of your trust cheque into our trust account.

Until we receive the items listed above, any funds deposited directly to our trust account will be deemed to not be received by us and you will continue to pay interest on such funds pursuant to Trust Condition 4 above until the items listed in this Trust Condition have been delivered to our office.

## UNDERTAKINGS

We undertake as follows:

1. In regard to the Workers Compensation Board Levy in the amount of \$77,941.72 which has been added to the property tax roll in respect of the Property (the "**WCB Levy**"), to maintain the sum of \$77,941.72 plus any applicable penalties (the "**WCB Holdback**") in our trust account pending agreement between your office and ours regarding the proper distribution of the WCB Holdback or an Order of the Court of King's Bench for Saskatchewan (the "**Court**") in respect of the WCB Holdback. In that regard, we will, as soon as reasonably possible, apply to the Court for an Order which either (a) permits us to release the WCB Holdback to you or (b) declares that the WCB Levy can no longer attach to the Property and directs the City of North Battleford to remove the WCB Levy from the property tax roll.
2. Upon your written demand, we shall return to you all money paid by you pursuant to trust condition numbers 1(d) and 4 in the event that either of the following circumstances occur:

- (a) Subject to any release provided to us of undertaking 1(a) as contemplated in trust condition 5, in the event that title to the Property does not issue in the Purchaser's name free and clear of all registered interests or encumbrances, save and except for the following:
- (i) Any interest or encumbrance registered by or against or relating to your clients;  
or
- (b) The Purchaser does not receive possession of the Property on the Completion Day and you have so advised us in writing prior to your submission of the Receiver's Certificate and prior to our release of funds.


In the event that you authorize us to release funds prior to registration of the enclosed Receiver's Certificate on the basis of title insurance GAP coverage, you accordingly also release us from this undertaking.

3. In the event that Interest Register #119522639 is not discharged pursuant to the Sale Approval and Vesting Order and conditional upon you paying us the balance due to close as set out in the enclosed statement of adjustments, at such time as possession of the Property is delivered to the Purchaser, and either your release of us from undertaking 1(a), or, title registering in the Purchaser's name, we will, within a reasonable amount of time, work with Saskatchewan Land Registry to have the packet processed and/or apply to Court in order to amend the Sale Approval and Vesting Order as may be necessary in order for Interest Register #119522639 to be discharged.

We trust that the foregoing is satisfactory. However, if you have any questions or require anything further, please contact either of the above named.

Sincerely,

**MLT AIKINS LLP**

Per:   
Emily A. Barlas

# Province of Saskatchewan Land Titles Registry Title

**Title #:** 154337238  
**Title Status:** Active  
**Parcel Type:** Surface  
**Parcel Value:** \$450,000.00 CAD  
**Title Value:** \$450,000.00 CAD  
**Converted Title:** 99B20239  
**Previous Title and/or Abstract #:** 151043004

**As of:** 04 May 2023 05:00:00  
**Last Amendment Date:** 04 Aug 2021 11:35:38.530  
**Issued:** 04 Aug 2021 11:35:38.390

**Municipality:** CITY OF NORTH BATTLEFORD

THE LIGHTHOUSE SUPPORTED LIVING INC. is the registered owner of Surface Parcel #131460780

Reference Land Description: Lot 3 Blk/Par 24 Plan No B1929CNV Extension 0  
As described on Certificate of Title 99B20239.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

## Registered Interests:

**Interest #:**  
**191628412**

Mortgage

**Value:** \$425,000.00 CAD  
**Reg'd:** 16 Oct 2013 08:41:52  
**Interest Register Amendment Date:** N/A  
**Interest Assignment Date:** N/A  
**Interest Scheduled Expiry Date:** N/A  
**Expiry Date:** N/A

**Holder:**  
 SASKATCHEWAN HOUSING CORPORATION  
 1920 BROAD ST.  
 REGINA, SK, Canada S4P 3V6  
**Client #:** 100319633

**Int. Register #:** 119522639

## Addresses for Service:

Name	Address
<b>Owner:</b> THE LIGHTHOUSE SUPPORTED LIVING INC. Client #: 100030239	304 - 2ND AVE. S. SASKATOON, SK, Canada S7K 1L1

## Notes:

Parcel Class Code: Parcel (Generic)

THIS IS EXHIBIT " C " referred to in the Affidavit of ~~Vincenta Kerkin~~ SWORN before me at Saskatoon this 8 day of June, 2023

*Erin Alton*

A COMMISSIONER FOR OATHS for Saskatchewan  
My Commission expires Jan 31, 2024  
- ~~OR Being a Solicitor~~ *en*



Back to top



# Province of Saskatchewan Land Titles Registry Title

**Title #:** 156472241

**Title Status:** Active

**Parcel Type:** Surface

**Parcel Value:** \$315,000.00 CAD

**Title Value:** \$315,000.00 CAD

**Converted Title:** 99B20239

**Previous Title and/or Abstract #:** 156462879

**As of:** 02 Jun 2023 10:02:18

**Last Amendment Date:** 11 May 2023 12:14:14.440

**Issued:** 11 May 2023 12:14:14.370

**Municipality:** CITY OF NORTH BATTLEFORD

TREVIS VENTURES LTD. is the registered owner of Surface Parcel #131460780

Reference Land Description: Lot 3 Blk/Par 24 Plan No B1929CNV Extension 0  
As described on Certificate of Title 99B20239.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

## **Registered Interests:**

None

## **Addresses for Service:**

### **Name**

#### **Owner:**

TREVIS VENTURES LTD.

Client #: 100749090

### **Address**

BOX 216 MELFORT, SK, Canada S0E 1A0

## **Notes:**

Parcel Class Code: Parcel (Generic)



[Back to top](#)

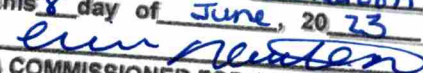

## Vendor's Final Statement of Adjustments

**Vendor:** The Lighthouse Supported Living Inc. c/o MNP Ltd.  
**Purchaser:** Cobalt Bay Capital Ltd.  
**Property:** 1322 103rd Street, North Battleford  
**Closing Date:** May 5, 2023

---

<b>Sale Price:</b>		<b>\$315,000.00</b>
<b>Pay Real Estate Commissions</b>	\$17,482.50	
<b>Pay current utilities - City of North Battleford</b>	\$1,617.47	
<b>Rent Adjustment</b>		
Suite 102	27/31 x \$665.00	\$579.19
Suite 201	27/31 x \$665.00	\$579.19
<b>Eisner Mahon Forsyth pay o/s 2022 property taxes includes penalty up to May, 2023</b>		\$11,096.03
		\$1,859.21
<b>Eisner Mahon Forsyth pay o/s utilities Nov/22, Dec/22, Jan/23</b>		\$890.22
<b>Blue Shield Locksmiths Invoice</b>		
<b>Property Tax Adjustment</b>		
Estimated 2023 Taxes:	\$9,071.67	
Vendors's Days:	124	
Vendor's Portion of 2023 Property Taxes:		\$3,081.88
<hr/> <b>Sale proceeds</b>		<hr/> <b>\$277,814.31</b>
<hr/> <b>Totals</b>		<hr/> <b>\$315,000.00</b> <b>\$315,000.00</b>

MLT Aikins LLP  
 Lawyers  
 1201-409 3rd Ave S  
 Saskatoon SK S7K 5R5  
 cbd  
 E. & O.E.

THIS IS EXHIBIT " D " referred to in  
 the Affidavit of Vanessa Warkentin  
 SWORN before me at Saskatoon  
 this 8 day of June, 2023  
  
 A COMMISSIONER FOR OATHS for  
 Saskatchewan  
 My Commission expires Jan 31, 2024  
 -OR- Being a Solicitor 

THIS IS EXHIBIT " E " referred to in  
the Affidavit of Vanessa Markentin  
SWORN before me at Saskatoon  
this 1 day of June, 20 23  
Erin Newton  
A COMMISSIONER FOR OATHS for  
Saskatchewan  
My Commission expires Jan 31, 2024  
~~- OR - Being a Solicitor~~

MLT Aikins LLP  
Suite 1201 - 409 3rd Avenue S  
Saskatoon, SK S7K 5R5  
T: (306) 975-7100  
F: (306) 975-7145

**Paul Olfert**  
Direct Line: (306) 956-6970  
E-mail: polfert@mltaikins.com

June 1, 2023

**Department of Justice Canada**  
Via E-mail: [David.Smith@justice.gc.ca](mailto:David.Smith@justice.gc.ca)  
**Attention: David Smith**

**Kanuka Thuringer LLP**  
Via E-mail: [wsproule@kanuka.ca](mailto:wsproule@kanuka.ca)  
**Attention: Warren Sproule, K.C.**

Dear Mr. Smith and Mr. Sproule:

**Re: Re The Lighthouse Supported Living Inc.**  
**Court of King's Bench for Saskatchewan KBG-SA-00204-2023**  
**Distribution of Proceeds from Sale of 103 Street Property**

We are counsel to MNP Ltd. (the "**Receiver**"), the Court-appointed receiver in respect of the above-described proceedings pursuant to the Receivership Order granted on April 13, 2023 (the "**Receivership Order**", a copy of which is enclosed) by the Honourable Madam Justice A.R. Rothery of the Court of King's Bench for Saskatchewan (the "**Court**").

On April 28, 2023, Court approved the Receiver's sale of certain property civically described as 1322 103<sup>rd</sup> Street, North Battleford, Saskatchewan and legally described as Surface Parcel #131460780, Lot 3 Blk/Par 24 Plan No B1929CNV Extension 0 (the "**103 Street Property**") by means of a Sale Approval and Vesting Order, a copy of which is enclosed (the "**103 Street SAVO**"). Notably, the 103 Street SAVO does not contain any directions regarding the distribution of the net sale proceeds therefrom.

The sale of the 103 Street Property closed on May 5, 2023. However, after the date of the 103 Street SAVO but prior to closing, we became aware that the Saskatchewan Workers' Compensation Board (the "**WCB**") had caused a levy in the amount of \$77,941.72 (the "**WCB Levy**") to be added to the City of North Battleford property tax roll in respect of the 103 Street Property. (A copy of the relevant property tax certificate is enclosed.)

Although the Receiver made an adjustment in the purchaser's favour regarding the outstanding property taxes, the Receiver did not make an adjustment in the purchaser's favour in regard to the amount of the WCB Levy. Instead, our office is holding all of the proceeds (net only of commissions and closing adjustments) from the sale of the 103 Street Property in the approximate amount of **\$290,000.00** (the "**Sale Proceeds**") in trust pending a Court Order as to how the Sale Proceeds are to be distributed (as well as certain non-material post-closing adjustments for rent and utilities which are still being addressed).

A copy of title to the 103 Street Property, obtained before closing, is enclosed. The only registration against title was a mortgage (the "**SHC Mortgage**") in favour of Saskatchewan Housing Corporation ("**SHC**") in the amount of \$425,000.00. Although our security opinion

regarding the validity of the SHC Mortgage has not yet formally been completed, our preliminary view is that the SHC Mortgage was, immediately prior to 103 Street SAVO, a valid and binding obligation of The Lighthouse Supported Living Inc. (the “**Debtor**”), was properly registered, charged the 103 Street Property, and now charges the Sale Proceeds by the operation of the 103 Street SAVO.

Paragraph 17 of the Receivership Order establishes a “**Receiver’s Charge**” securing the fees and disbursements of the Receiver and its legal counsel, which attaches to the property of the Debtor “in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise”.

We further understand that the Debtor is in arrears in remitting source deduction amounts to Canada Revenue Agency (“**CRA**”). We understand that, although CRA’s trust audit is not yet complete, the estimated amount of the Debtor’s unremitted source deductions exceeds the amount of the Sale Proceeds.

The Receiver has obtained a date before the Honourable Madam Justice A.R. Rothery to hear its application for, among other things, a distribution of the Sale Proceeds, on Thursday, June 15, 2023 at 10:00 a.m. The Receiver intends to serve the materials in support of its application on or before Thursday, June 8, 2023.

The Receiver is an officer of the Court. Its duties are owed to the Court and, via the Court, to the Debtor’s stakeholders collectively. As such, the Receiver does not intend to take a “hard” position as to the proper distribution of the Sale Proceeds among the creditors of the Debtor, nor does the Receiver intend at this time to expend the limited resources of the receivership estate briefing the legal issues which may be need to be determined in order to settle any priority dispute (unless specifically directed to do so by the Court).

As a result of the foregoing, the Receiver intends to propose to the Court the following distribution of the Sale Proceeds:

1. to MLT Aikins LLP, legal counsel to the Receiver, the sum of **\$24,644.89**, being the legal fees incurred by the Receiver in respect of this matter up to and including March 31, 2023 and approved by the Court;
2. to SHC, the full amount which remains outstanding on the SHC Mortgage; namely, **\$82,316.40**; and
3. to CRA, all remaining Sale Proceeds, in the approximate amount of **\$183,000.00**.

We will then request that the Court direct the City of North Battleford to remove the WCB Levy from the property tax roll for the 103 Street Property, in order that the purchaser can enjoy the property free and clear of the WCB Levy.

The purpose of this letter is:

1. to notify CRA and WCB of the Receiver's upcoming application to Court to approve a distribution of the Sale Proceeds, and the initial position that the Receiver intends to take therein; and
2. to give CRA and WCB an opportunity to provide evidence or argument to the Receiver and/or to the Court if they disagree with the Receiver's proposed distribution of the Sale Proceeds.

Accordingly, if CRA or WCB has any evidence or argument that it wishes the Receiver to consider when finalizing its report to the Court and making its recommendation as to the distribution of the Sale Proceeds, the Receiver respectfully requests that any such evidence or argument be provided no later than **4:00 p.m. on Tuesday, June 6, 2023**. Any evidence or argument that is not presented by that time may not be taken into consideration in the Receiver's report and other application materials, but it remains open to CRA and/or WCB (as the case may be) to put such evidence and argument before the Court on June 15.

We trust that the foregoing sets out the position of the Receiver with clarity.

Sincerely,

**MLT AIKINS LLP**

Per:   
Paul Olfert

Encl. (4)

cc: MLT Aikins LLP, Attention: Jeffrey M. Lee, K.C., Emily Barlas, and Shay Brehm  
MNP Ltd., Attention: Eric Sirrs and Chelene Riendeau  
Leland Kimpinski LLP, Attention: Ryan Pederson  
Saskatchewan Housing Corporation, Attention: Louise Michaud



THIS IS EXHIBIT " F " referred to in  
the Affidavit of Vanessa Warkentin  
SWORN before me at Saskatoon  
this 8 day of June, 20 23

Lin Newton  
A COMMISSIONER FOR OATHS for  
Saskatchewan  
My Commission expires Jan 31, 2024  
~~- OR - Being a Solicitor~~

Kanuka Thuringer LLP  
Barristers & Solicitors  
1400 - 2500 Victoria AVE  
Regina SK S4P 3X2  
Tel: 306.525.7200  
Fax: 306.359.0590  
www.kanuka.ca

Allison P. Sproule  
Direct: 306.525.7209  
Email: [asproule@kanuka.ca](mailto:asproule@kanuka.ca)  
KT File: 23119-0001

June 6, 2023

MLT Aikins LLP  
Suite 1201 - 409 3rd Avenue S  
Saskatoon, SK S7K 5R5

Attention: Paul Olfert

Dear Mr. Olfert:

**Re: The Lighthouse Supported Living Inc.  
Court of King's Bench for Saskatchewan KBG-SA-00204-2023  
Distribution of Proceeds from Sale of 103 Street Property**

We are in receipt of your letter dated June 1, 2023.<sup>1</sup> We regret that, given the short timeline, we are unable to provide fulsome submissions regarding the appropriate priority of payments from the proceeds of sale of the 103 Street Property.

That said, our position is that WCB has a valid secured claim to the proceeds, to be paid in priority to all other claims pursuant to the *Workers' Compensation Act, 2013*, SS 2013, c. W-17.11. Section 157 of the *Act* allows outstanding premium assessments to be collected as if they were municipal tax debts, and therefore registered as a security interest against a delinquent employer's real property. Section 160 provides that outstanding assessment amounts constitute a lien to be paid "in priority to all other debts".

WCB's position is that the WCB Levy enjoys priority over all other debts registered against or secured by the property, in the same manner as a secured municipal tax debt. We therefore object to the receiver paying SHC or CRA in advance of paying out the WCB Levy.

Furthermore, our position is that the WCB Levy has attached to the property in the manner of a municipal tax lien. If the outstanding amount cannot be paid from the sale proceeds, WCB may be entitled to pursue collection from the purchasers. It would be premature at this stage to recommend that the Court order removal of the WCB Levy, as such an order may prejudice WCB's legal rights.

We have also been in talks with CRA regarding the lien and the appropriate priority between debts, and understand CRA is likewise looking into the issue. Although we plan to attend the hearing on June 15, we are uncertain if we will be in a position to provide submissions on that date.

---

<sup>1</sup> Defined terms herein have the same meaning as in your letter.



KANUKA

MLT Aikins LLP  
Attention: Paul Olfert  
June 6, 2023  
Page 2

In light of the above, we suggest you seek an order allowing you to keep the proceeds of the sale—with the exception of amounts to be paid to the receiver—in trust pending a proper canvassing and final determination or settlement of the priority issue.

Yours truly,

for: Allison P. Sproule

APS/hs  
DM3604766v1