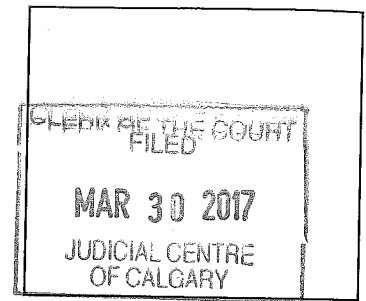


Clerk's stamp



[RULES 1.2, 1.3, AND 13.5]

COURT FILE NUMBER 1101-16994

COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

APPLICANT BRUCE BRANDER

RESPONDENTS COPESTONE CAPITAL INC., COPESTONE ASSET
MANAGEMENT INC., NUTERRA INVESTMENTS
CORPORATION, BROOKSTONE DEVELOPMENTS
INC., LUANO BAISI, LES BAISI, BRADLEY BAKER
AND MARY BAKER

IN THE MATTER OF THE APPOINTMENT OF A
RECEIVER OF COPESTONE CAPITAL INC. AND
COPESTONE ASSET MANAGEMENT INC.

DOCUMENT **APPLICATION BY BDO CANADA LIMITED, in its
capacity as Receiver and Manager of COPESTONE
CAPITAL INC.**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT **JENSEN SHAWA SOLOMON DUGUID HAWKES LLP**
Barristers
800, 304 - 8 Avenue SW
Calgary, Alberta T2P 1C2

Stacy Petriuk
Phone: 403 571 1523
Fax: 403 571 1528
File: 12531.001

**NOTICE TO RESPONDENT(S): COPESTONE ASSET MANAGEMENT INC., NUTERRA
INVESTMENTS CORPORATION, NUTERRA DEVELOPMENTS INC. AND ROYAL ESTATE HOMES
INC.**

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Justice.

To do so, you must be in Court when the application is heard as shown below:

Date: Thursday, April 13, 2017
Time: 10:00am
Where: Calgary Courts Centre
Before Whom: The Honourable Mr. Justice K.D. Yamauchi

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

Remedy claimed or sought:

The Receiver requests the advice and direction of the Court with respect to:

1. Passing of the Receiver's final account for fees and disbursements without the necessity of a formal passing of its accounts;
2. Passing of the accounts of the Receiver's legal counsel for its fees and disbursements without the necessity of a formal assessment of its accounts;
3. The discharge of the Receiver (see Schedule A);
4. Discharging the Receiver from the obligation to file an Inspector's Report;
5. The Discontinuance of Action against Copestone Asset Management Inc. in Action No. 1201-11805 and the discharge of any obligation to pursue collection on default judgments obtained against Nuterra Investment Corporation, Nuterra Developments Inc., and Royal Estate Homes Inc. in Action No. 1201-11805 (see Schedule B);
6. The final payment pursuant to the Shareholder Procedure Order;
7. Barring any claims against Copestone Capital Inc. by a potential claimant and any claims by a shareholder against any distribution by the Receiver;
8. Ratifying and approving the Receiver's activities as set out in all Receiver's Reports filed, including the Seventh Report of the Receiver;
9. Deeming service good and sufficient; and
10. An Order in the form attached as Schedule C.

Grounds

1. The Claims Process outlined in the Claims Process Order dated June 10, 2016 and filed June 13, 2016 was followed.

2. The Shareholder Procedure outlined in the Share Procedure Order dated June 10, 2016 and filed June 13, 2016 was followed.
3. The Settlement Funds pursuant to the Order dated June 20, 2016 and filed June 13, 2016 and the Trust Funds pursuant to the Order dated June 20, 2016 and filed June 13, 2016 were paid to the Receiver.
4. The funds held in trust were distributed to the shareholders pursuant to the Shareholder Procedure Order.
5. Action No. 1201-11805 has been discontinued against all Defendants, except:
 - (a) Copestone Asset Management Inc.;
 - (b) Nuterra Investments Corporation;
 - (c) Nuterra Developments Inc.; and
 - (d) Royal Estate Homes Inc.
6. Copestone Asset Management Inc. has not filed a Statement of Defence. However, Copestone Asset Management Inc. has not been noted in Default.
7. Nuterra Investments Corporation, Nuterra Developments Inc., and Royal Estate Homes Inc. did not file a Statement of Defence and were subsequently noted in default. However, a Discontinuance of Action has not been filed against these three Defendants.
8. The Receiver is also the Receiver of Copestone Asset Management Inc. There are no assets available in Copestone Management Inc.
9. Nuterra Investments Corporation, Nuterra Developments Inc., and Royal Estate Homes Inc. have been noted in default in Action No. 1201-11805, however, no steps have been taken to enforce judgment. Based on the information that the Receiver has obtained in this matter, which has been detailed in Receiver's reports, there is no money to obtain from these entities, and any steps taken to enforce the judgment would cost more money than would be recovered.
10. The Receiver can advise that in the Costs Order dated July 5, 2016, filed July 6, 2016, the investors, including Bruce Brander, were ordered reimbursement of their legal fees in the amount of \$70,000. These funds were provided to counsel for Bruce Brander and the other investors.
11. Given the steps that have been taken in the within matter and in Action No. 1201-11805, the activities of the Receiver as outlined in this Report and in all previous reports of the Receiver, filed, the settlement of Action No. 1201-11805, the payment of the shareholders pursuant to the Shareholder Procedure Order and the final proposed

payment pursuant to the Shareholder Procedure Order, there is nothing extant in the within Receivership.

12. The Receiver's accounts for fees and disbursements are fair and reasonable. The Receiver's legal counsel's account for fees and disbursements are fair and reasonable.
13. Pursuant to the Receivership Order, the Receiver was also appointed as an Inspector. The Receiver has not filed an Inspector's Report. Given the steps that have been taken since the filing of the Sixth Report of the Receiver, and the subsequent Court Orders as outlined above, there is no value or use in the filing of an Inspector's Report at this time in this matter. All relevant information has been provided to the Court through the filing of the Receiver's Reports. There is no additional information that the Receiver has obtained that would be included in an Inspector's Report.

Material or evidence to be relied on:

1. The pleadings and proceedings in this Action;
2. The pleadings and proceedings in Action No.: 1201-11805;
3. The First Report of the Receiver, filed February 28, 2012;
4. The Second Report of the Receiver, filed on August 30, 2012;
5. The Third Report of the Receiver, filed January 29, 2013;
6. The Fourth Report of the Receiver, filed June 14, 2013;
7. The Fifth Report of the Receiver, filed May 21, 2014;
8. Sixth Report of the Receiver, filed May 9, 2016;
9. Seventh Report of the Receiver, dated March 30, 2017; and
10. Such further and other material as this counsel may advise and this Honourable Court will permit.

Applicable rules:

11. Rules 1.2, 1.3, and 13.5 of the Alberta Rules of Court.
12. Such further and other Rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

13. Any applicable Acts and Regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

14. None.

How the application is proposed to be heard or considered:

15. In person before the presiding Justice in Chambers with some or all the parties present pursuant to Rule 6.9(1)(a).

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

**SCHEDULE A**

COURT FILE NUMBER 1101-16994

COURT OF QUEEN'S BENCH OF ALBERTA CALGARY
JUDICIAL CENTRE

APPLICANT BRUCE BRANDER

RESPONDENTS COPESTONE CAPITAL INC., COPESTONE ASSET
MANAGEMENT INC., NUTERRA INVESTMENTS
CORPORATION, BROOKSTONE DEVELOPMENTS
INC., LUANO BAISI, LES BAISI, BRADLEY BAKER AND
MARY BAKER

IN THE MATTER OF THE APPOINTMENT OF A
RECEIVER OF COPESTONE CAPITAL INC. AND
COPESTONE ASSET MANAGEMENT INC.

DOCUMENT

CERTIFICATE OF DISCHARGE

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

JENSEN SHAWA SOLOMON DUGUID HAWKES LLP
Barristers
800, 304 - 8 Avenue SW
Calgary, Alberta T2P 1C2

Stacy Petriuk
Phone: 403 571 1520
Fax: 403 571 1528
File: 12531.001

RECITALS

1. Pursuant to the Receivership and Attachment *Ex Parte* Order granted by Justice P.R. Jeffrey of the Alberta Court of Queen's Bench (the "Court") dated December 14, 2011 (the "Appointment Order"), BDO Canada Limited was appointed as the receiver and manager (the "Receiver") over the undertaking, property, and assets of Copestone Capital Inc. and Copestone Asset Management Inc. (together, "Copestone").
2. Pursuant to an Order of the Court dated April 13, 2017 (the "Discharge Order"), the Court approved the discharge of the Receiver, subject to the Receiver filing a Certificate of Discharge certifying that it has completed such other administrative activities

required to complete its administration of the Copestone receivership and in particular those matters set out in paragraphs 5 and 9 of the Order granted April 13, 2017.

3. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the First Report.

THE RECEIVER CERTIFIES the following:

- A. The Receiver has completed all other activities required to complete its administration of the receivership and in particular those matters set out in paragraphs 5 and 9 of the Order granted April 13, 2017.

This Certificate of Discharge was delivered by the Receiver at _____ on _____.

BDO CANADA LIMITED, in its capacity as Court-appointed Receiver and Manager of the undertaking, property, and assets of Copestone Capital Inc. and Copestone Asset Management Inc., and not in its personal capacity

By: _____
Richard Edwards, Senior Vice-President



SCHEDULE B

FORM 23
[RULE 4.36(4)]

COURT FILE NUMBER 1201-11805

COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

PLAINTIFFS BDO CANADA LIMITED in its capacity as Receiver
and Manager of COPESTONE CAPITAL INC.

DEFENDANTS COPESTONE ASSET MANAGEMENT INC., MARY
BAKER, THE ESTATE OF BRADLEY BAKER, THE
ESTATE OF BRADLEY BAKER by its Litigation
Representative, JOHN DOE 1, LES BAISI, LUANO
BAISI, RONALD LYLE SMITH, MAY PERIZZOLO,
NUTERRA INVESTMENTS CORPORATION,
NUTERRA DEVELOPMENTS INC., BROOKSTONE
DEVELOPMENTS INC., ECO-LIVING INC., ECOLOGIC
DEVELOPMENTS (2000) INC., 940035 ALBERTA
LTD., 1625183 ALBERTA LTD., ROYAL ESTATE
HOMES INC., COBELLA ENTERPRISES INC., JOHN
DOE 2, JOHN DOE 3, JOHN DOE 4, JOHN DOE 5,
JOHN DOE 6, JOHN DOE 7, JANE DOE 1, JANE DOE
2, JANE DOE 3, JANE DOE 4, JANE DOE 5 and JANE
DOE 6

DOCUMENT **PARTIAL DISCONTINUANCE OF CLAIM**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT **JENSEN SHAWA SOLOMON DUGUID HAWKES LLP**
Barristers
800, 304 - 8 Avenue SW
Calgary, Alberta T2P 1C2

Stacy Petriuk
Phone: 403 571 1520
Fax: 403 571 1528
File: 12531.001

The plaintiff discontinues the action against the defendant Copestone Asset Management Inc.

NOTE

If you discontinue the action/part of the action, the other party is entitled to costs unless the other party consents to a discontinuance without costs (Rule 4.36(4)).

NOTE

The discontinuance of the action/part of the action may not be raised as a defence to any subsequent action for the same or substantially the same claim (Rule 4.36(5)).

SCHEDULE C

COURT FILE NUMBER 1101-16994

COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

APPLICANT BRUCE BRANDER

RESPONDENTS COPESTONE CAPITAL INC., COPESTONE ASSET
MANAGEMENT INC., NUTERRA INVESTMENTS
CORPORATION, BROOKSTONE DEVELOPMENTS
INC., LUANO BAISI, LES BAISI, BRADLEY BAKER AND
MARY BAKER

IN THE MATTER OF THE APPOINTMENT OF A
RECEIVER OF COPESTONE CAPITAL INC. AND
COPESTONE ASSET MANAGEMENT INC.

DOCUMENT **ORDER (Distribution and Discharge)**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT **JENSEN SHAWA SOLOMON DUGUID HAWKES LLP**
Barristers
800, 304 - 8 Avenue SW
Calgary, Alberta T2P 1C2

Stacy Petriuk
Phone: 403 571 1520
Fax: 403 571 1528
File: 12531.001

DATE ON WHICH ORDER WAS
PRONOUNCED: Thursday, April 13, 2017

NAME OF JUDGE WHO MADE THIS
ORDER: JUSTICE K. D. YAMAUCHI

UPON THE APPLICATION of the Plaintiff, BDO CANADA LIMITED in its capacity as Receiver and Manager of COPESTONE CAPITAL INC. and COPESTONE ASSET MANAGEMENT INC. (collectively "COPESTONE") ("Receiver") for an Order for the approval of the Receiver's fees and disbursements, approval of the Receiver's counsel's fees and disbursements, approval of the Receiver's activities, discharging the Receiver from the obligation to file an Inspector's Report, approving the filing of a Discontinuance of Action against Copestone Asset Management Inc. in Action No. 1201-11805, approving the discharge of any obligation to pursue collection on default judgments obtained in Action No. 1201-11805, final payment pursuant to the Shareholder Procedure Order granted June 10, 2016 and filed June 13, 2016, and barring of any

claims against Copestone by a potential claimant or any claims against the Receiver by a shareholder regarding a proposed distribution by the Receiver and discharge of the Receiver; AND UPON READING the Seventh Report of the Receiver dated March 30, 2017 in Action No.: 1101-16994; AND UPON READING all previous Receiver's Reports, Orders and pleadings filed in this matter; AND UPON HEARING submissions from counsel for the Receiver and all other interested parties present; AND UPON NOTING THAT all shareholders were provided with notice of this Application; AND UPON BEING satisfied that it is hereby appropriate to do so; IT IS ORDERED AND DECLARED THAT:

1. Service of this application and all supporting materials is hereby declared to be good and sufficient, the application is properly returnable today, and further service is dispensed with.
2. The Receiver's accounts for fees and disbursements, as set out in the Seventh Report of the Receiver, dated March 30, 2017 (Schedule A) and all other Reports filed herein are hereby approved without the necessity of formal passing of accounts.
3. The accounts of the Receiver's legal counsel for its fees and disbursements, as set out in the Seventh Report of the Receiver, dated March 30, 2017, (Schedule A) and all other Reports filed herein are hereby approved without the necessity of a formal assessment of its accounts.
4. The Receiver's activities as set out in the Seventh Report of the Receiver, and all the other Reports filed herein, are hereby ratified and approved.
5. Following the payment of the accounts and disbursements of the Receiver and its legal counsel, the Receiver is authorized and directed to distribute the balance of the funds remaining in the Copestone estate pursuant to the shareholder procedure as approved in the Shareholder Procedure Order, granted June 10, 2016 and filed June 13, 2016.
6. As no applications were received pursuant to the Claims Process Order, dated June 10, 2016 and filed June 13, 2016, any potential claimant shall, unless otherwise ordered by the Court, be forever barred from asserting a claim against property, assets and undertakings of Copestone Capital Inc. and Copestone Asset Management Inc.
7. As no application was received pursuant to the Shareholder Procedure Order, dated June 10, 2016 and filed June 13, 2016, all shareholders are, unless otherwise ordered by the Court, forever barred from asserting a claim against any proposed distribution by the Receiver.
8. The Receiver has no obligation and shall take no steps to enforce the default judgments obtained against Nuterra Investments Corporation, Nuterra Developments Inc., and Royal Estate Homes Inc. in Action No. 1201-11805.
9. The Receiver is authorized to discontinue the action as against Copestone Asset Management Inc. in Action No. 1201-11805.

10. The Receiver is discharged from its obligations or duties to file an Inspector's Report.
11. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Receivership and Attachment Ex Parte Order, dated December 14, 2011, and all other Orders granted in the within proceedings and Action No. 1201-11805, up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of fraud, gross negligence or wilful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
12. No action or other proceeding shall be commenced against the Receiver in any way, arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver, and upon such terms as this Court may direct.
13. Upon the Receiver filing with the Clerk of the Court a Discharge Certificate in the form attached hereto as Schedule A confirming that all matters set out in paragraphs 5 and 9 of this Order have been completed, then the Receiver shall be discharged as Receiver, Manager and Inspector of the property of Copestone, provided however, that notwithstanding its discharge herein:
 - (i) The Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the Receivership herein; and
 - (ii) The Receiver shall continue to have the benefit and provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceeding in favour of the Receiver in its capacity as Receiver, Manager and Inspector.
14. The Receiver is at liberty to re-apply for further advice, assistance, and direction as may be necessary to give full force and effect to, and in carrying out the terms of, this Order.
15. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal deliver, or courier. Service is deemed to be effective the next business day following the transmission of delivery of such documents.
16. Service of this Order on any party not attending this application is hereby dispensed with.

17. No costs are payable to any party for this application.

Justice of the Court of Queen's Bench of Alberta