

JUDICIAL TRUSTEE'S TENTH REPORT TO THE INVESTORS
MARCH 6, 2024

IN THE MATTER OF THE JUDICIAL TRUSTEE APPOINTMENT OF
WESTPOINT INVESTMENT TRUST

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Exhibits

1. Discharge Order granted on February 21, 2024
2. Statement of Receipts and Disbursements for the period March 8, 2019, to February 29, 2024.

Introduction

1. On March 8, 2019, the Court of Queen's Bench of Alberta (the "Court") granted an Order (the "Judicial Trustee Order") appointing BDO Canada Limited as a Judicial Trustee ("BDO" or the "Trustee") in respect of Westpoint Investment Trust ("WIT" or the "Trust"), pursuant to an application made on behalf of WIT, by Munir Virani and Marnie Kiel ("Former Trustees").
2. Copies of relevant documents in the Judicial Trustee proceedings are available on the Trustee website at <http://www.extranets.bdo.ca/WestpointInvestmentTrust/>
3. In addition to the above Judicial Trustee Order, the Court also granted an Interim Receiver Order (the "Interim Receiver Order") appointing BDO as Interim Receiver of Westpoint Capital Corporation ("WCC"), Westpoint Capital Management Corporation ("WCMC"), Westpoint Capital Services Corporation ("WCSC"), Westpoint Syndicated Mortgage Corporation ("WSMC"), Canadian Property Direct Corporation ("CPDC"), Westpoint Master Limited Partnership ("WMLP"), River's Crossing Ltd. ("RCL"), 1897849 Alberta, Ltd. ("1897849"), 1780384 Alberta Ltd. ("178 AB"), 1897837 Alberta Ltd. ("1897837"), (collectively the "Companies").
4. On April 10, 2019, the Court of Queen's Bench of Alberta (the "Court") granted an Order (the "Order") appointing BDO Canada Limited as Receiver ("BDO" or the "Receiver") of the Companies.
5. On May 30, 2019, the Court of Queen's Bench of Alberta (the "Court") granted a further Order, consented to by the sole director of The Village at Paldi Ent. Ltd. ("Paldi"), amending the Receivership Order to add Paldi as a party respondent in these proceedings, and to extend the terms of the Receivership Order to include Paldi as a party in receivership.
6. Copies of relevant documents in the interim receivership and receivership proceedings are available on the Receiver's website at <http://www.extranets.bdo.ca/WCC ET. AL.>

7. BDO believes it was important to communicate essential information regarding the investors' interest in WIT on a semi-annual basis. The Tenth Report to the Investors ("Investors Report"), will provide the investors with the following information:
 - a) Trustee's activities since its last report;
 - b) Update regarding recent Court applications; and,
 - c) Receipts and disbursements to date.
8. Investors should read this Report in conjunction with all other investors' reports and all information available on <http://www.extranets.bdo.ca/WCC ET. AL>.

Disclaimer and Limitations of the Report

9. This Investors Report has been prepared by BDO to provide the investors with the information as outlined above. In preparing this Investors Report, the Trustee necessarily relied upon unaudited financial statements and other information supplied and representations made to the Trustee by various parties. Although the information supplied has been reviewed for reasonableness, we have not independently verified the accuracy or completeness of the information, nor have we conducted an audit and, as a result, we are not providing any form of assurance of the information subject to our review. Our work may not necessarily disclose all significant matters about WIT or any errors, misstatements, irregularities, or illegal acts, if any such exist, on the part of WIT, or its former Trustees, or the officers, directors, employees, and advisors of the Companies or in the underlying information. Accordingly, the Trustee may refine or alter its observations as further information is obtained or is brought to its attention after the date of this Investors' Report.
10. The Trustee assumes no responsibility or liability for any loss or damage incurred by any party because of the Investors Report's circulation, publication, reproduction, or use. Any use that any party makes of this Report, or any reliance on or decision to be made based on it is such party's responsibility.

Trustee's Activities Since its Ninth Report

11. The Trustee has continued to answer questions from investors.
12. On February 21, 2024, the Receiver brought a Court application to address various matters including seeking its discharge as the Receiver of the Companies.
13. The Court granted an Order (the "Discharge Order") that did the following:
 - a. Approved the actions, conduct and activities of the Receiver;
 - b. Approved the fees and disbursements of the Receiver and its independent legal counsel;
 - c. Authorized the Receiver at his discretion to either return the books and records of the Corporations to the former directors or destroy the books and records of the Corporations without further notice; and
 - d. Discharging the Receiver upon the Receiver filing with the Clerk of the Court a Discharge Certificate signed by a licensed Trustee employed by the Receiver confirming that all matters for the administration of the Corporations estate have been completed.

A copy of the Discharge Order is attached as Exhibit 1.

Recent Court Applications

14. On August 30, 2023, the Trustee participated in a contested court application in which the Court heard arguments regarding the appropriate method of distributing the proceeds realized by the Receiver of Westpoint Capital Corporation *et al.* The Trustee had asked the Court at its application on July 5, 2023, to approve a method of distribution that the Trustee believed followed the procedure laid out in the Declaration of Trust.

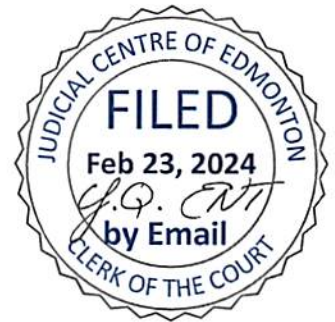
15. The Trustee's application on that issue was adjourned in order to give the various parties involved an opportunity to prepare and file written arguments setting out their respective positions on the issue and to present their positions in Court.
16. Legal counsel for both parties presented their arguments regarding the Trustee's proposed method of distribution and the Court reserved its decision on the issue.
17. As of the date of this report, the Court has given no indication when its decision will be forthcoming.

Receipts and Disbursements

18. The statement of receipts and disbursements from March 8, 2019, to February 29, 2024, is attached as Exhibit 2. The Trustee and Receiver currently have \$3,939,474 available for distribution.

EXHIBIT 1

The Tenth Report to the Investors Dated March 6, 2024



Clerk's stamp:

COURT FILE NUMBER

1903 04121

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

IN THE MATTER OF THE TRUSTEE ACT,
RSA 2000, C T-8 SECTIONS 43 AND 46

PLAINTIFF

WESTPOINT INVESTMENT TRUST BY ITS
TRUSTEE MUNIR VIRANI AND MARNIE KIEL

DEFENDANTS

WESTPOINT CAPITAL CORPORATION,
WESTPOINT CAPITAL MANAGEMENT
CORPORATION, WESTPOINT CAPITAL
SERVICES CORPORATION, WESTPOINT
SYNDICATED MORTGAGE CORPORATION,
CANADIAN PROPERTY DIRECT
CORPORATION, WESTPOINT MASTER
LIMITED PARTNERSHIP, RIVER'S
CROSSING LTD., 1897869 ALBERTA LTD.,
1780384 ALBERTA LTD., 1897837 ALBERTA
LTD. and THE VILLAGE AT PALDI ENT. LTD.

DOCUMENT

ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

MILLER THOMSON LLP
Barristers and Solicitors
2700, Commerce Place
10155-102 Street
Edmonton, AB, Canada T5J 4G8
Phone: 780.429.1751 Fax: 780.424.5866

Lawyer's Name: Terrence M. Warner
Lawyer's Email: twarner@millerthomson.com
File No.: 240413.1

DATE ON WHICH ORDER WAS PRONOUNCED: February 21, 2024

PLACE WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice J. Gill

ORDER

UPON the application of BDO Canada Limited in its capacity as the Court-appointed receiver (the "Receiver") of the Defendants Westpoint Capital Corporation *et al* (collectively the "Corporations"); AND UPON reviewing the Interim Receivership Order granted March 8, 2019 and filed March 13, 2019, the Receivership Order granted April 10, 2019 and filed April 11, 2019, the Consent Amending and Receivership Order granted and filed May 30, 2019, and the Order

granted July 22, 2019 and filed July 23, 2019; AND UPON being advised that parties on the service list with an interest in these proceedings were served with notice of the Application in this matter; AND UPON reviewing the Ninth Report to the Court of the Receiver, dated February 7, 2024 (the "Ninth Report"); AND UPON reviewing the Affidavit of David Lewis, sworn January 22, 2024 and attached as Exhibit 6 to the Ninth Report; AND UPON hearing the submissions of counsel for the Receiver and any other counsel or interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of notice of this application and all materials in support is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.
2. The actions, conduct and activities of the Receiver as described in the Ninth Report are hereby approved.
3. The accounts for the fees and disbursements of the Receiver and of its independent legal counsel, Miller Thomson LLP, as set out in the Ninth Report and the Affidavit of David Lewis, are hereby approved without the necessity of a formal passing of accounts.
4. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings 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 any fraud, gross negligence or willful 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 in its capacity as Receiver are hereby stayed, extinguished and forever barred.
5. No action or other proceedings 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.
6. The Receiver is authorized at his discretion to either return the books and records of the Corporations to the former directors or destroy the books and records of the Corporations without further notice, and at such time and in such manner as the Receiver deems advisable.
7. Upon the Receiver filing with the Clerk of the Court a Discharge Certificate signed by a licensed Trustee employed by the Receiver confirming that all matters for the administration of the Corporations' estate have been completed then the Receiver shall be discharged as Receiver of the Corporations, provided however, that notwithstanding its discharge herein (a) 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 (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.
8. 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 delivery or courier, and by posting a copy of this Order on the Receiver's website, and

service on any other person is hereby dispensed with. Service is deemed to be effected the next business day following transmission or delivery of this Order.



Justice of the Court of King's Bench of Alberta

EXHIBIT 2

**The Tenth Report to the Investors
Dated March 6, 2024**

**In the Matter of the Judicial Trustee of
Westpoint Investment Trust
Interim Statement of Receipts and Disbursements
for the period March 8, 2019 to February 29, 2024**

Receipts

Transferred from WCC	\$ 4,520,982
Interest allocation	245,388
	<u>4,766,370</u>

Disbursements

Judicial Trustee fees	488,328
Legal fees & disbursements	154,356
GST	65,462
Distribution to creditors	55,125
Postage, courier & printing expenses	28,504
Accounting services	5,576
Advertisements	2,555
Travel	203
	<u>800,109</u>

Funds held in trust	<u><u>\$ 3,966,261</u></u>
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