

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE TRUSTEE ACT R.S.B.C. 1996 c. 464

BETWEEN:

257955 B.C. LIMITED, BRENDA BENNETT, PETER
HIEBERT and KIM HIEBERT

PLAINTIFFS

AND:

STRATEGIC CONCEPTS INVESTMENT TRUST

DEFENDANT

ORDER MADE AFTER APPLICATION

BEFORE)
)
) THE HONOURABLE MR. JUSTICE)
) McEwan) September 4, 2015
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)
)
)

ON THE APPLICATION of the Plaintiffs dated September 2, 2015 coming on for hearing at 800 Smithe Street, Vancouver, B.C. on Friday, September 4, 2015 and on hearing Daniel S. Parlow, Counsel for the Plaintiffs and John McEown, C.A., representative of the Judicial Trustee for the Defendant, Strategic Concepts Investment Trust and by Consent of the Judicial Trustee for the Defendant, Strategic Concepts Investment Trust;

THIS COURT ORDERS:

1. That Strategic Concepts Investment Trust (the "Trust") be wound up as at December 30, 2015.
2. That the activities of Boale, Wood and Company Ltd. ("Boale Wood"), Judicial Trustee (the "Judicial Trustee") of the Trust as set out in its Report #3 herein, be and they are hereby approved.

3. That the accounts of the Judicial Trustee since appointment of Boale, Wood, as set out in the Affidavit and Report #3 of John McEown, be and they are hereby approved.
4. That the Judicial Trustee be and it is hereby authorized to incur on behalf of the Trust additional costs and expenditures of up to \$30,000.00 without the need for further approval of the Court.
5. That should either of the Judicial Trustee or the Plaintiffs consider that additional costs and expenditures in excess of \$30,000 on behalf of the Trust be reimbursed from the assets of the Trust, they shall have liberty to apply to this Court for payment of the excess amounts from the assets of the Trust; provided however that should the Plaintiffs incur fees and disbursements related to the recovery of amounts which, but for this Order, would be paid to other beneficiaries of the Trust or to holders of Challenged Class D Shares, all as set out herein, such fees and disbursements shall be paid by, and for the sole account of, the Plaintiffs.
6. That the Judicial Trustee, upon holding back funds sufficient to make the payment of the amounts contemplated in paragraph 4 and holding back for or paying any other amounts due to creditors and arising in the ordinary course of business, shall:
 - (a) pay to the shareholders of the 599768 British Columbia Ltd. (the "**McBride Parent**") all remaining funds, whether held on account of the Trust, the McBride Parent or McBride Forest Industries Ltd. ("**McBride**") (the "**Net Distributable Funds**") as and when the Judicial Trustee may determine and in the manner set out below:
 - (i) 99.36% of the Net Distributable Funds shall be paid directly to the beneficiaries of the Trust or to their respective executors, administrators, personal representatives or successors in title (collectively, the "**Beneficiaries**") proportionate to their respective units in the Trust;
 - (ii) 0.64% of the Net Distributable Funds to Kornfeld LLP, counsel for the Plaintiffs, in trust, on account of the alleged shares of the remaining

registered holders of Class "D" shares of the McBride Parent (the "**Challenged Class D Shares**") the validity of which has been challenged by the Judicial Trustee and by the Plaintiffs;

- (b) not later than the first payment contemplated in paragraph (a):
 - (i) cause a notice, in the form set out in **Schedule "A"**, to be placed in the Vancouver Sun and Prince George Citizen newspapers, and the date which is 90 days following the later of these publications shall be the **Beneficiary Claims Bar Date**; and
 - (ii) cause a copy of the said notice to be posted on the Judicial Trustee's Website <http://www.boalewood.ca>, and to remain posted there for at least 90 days;
- (c) not later than the first payment contemplated in paragraph (a):
 - (i) send a letter to the last-known address of the registered holders of the Challenged Class D Shares in the form set out in **Schedule "B"**;
 - (ii) cause a notice, in the form set out in **Schedule "C"**, to be placed in the Vancouver Sun and Prince George Citizen newspapers, and the date which is 90 days following the later of these publications shall be the **Challenged Shares Claims Bar Date**; and
 - (iii) cause a copy of the said notice to be posted on the Judicial Trustee's website <http://www.boalewood.ca>, and to remain posted there for at least 90 days;
- (d) the registered holders of the Challenged Class D Shares or their successors shall have until the Challenged Shares Claims Bar Date to notify counsel for the Plaintiffs of their claim thereto, such notice to be delivered by registered mail to Kornfeld LLP, attention: Daniel S. Parlow, 1100 – 505 Burrard St., Vancouver, BC V7X 1M5, and received no later than the Challenged Shares Claims Bar Date;
- (e) Plaintiffs' counsel shall, forthwith after the Challenged Shares Claims Bar Date:

- (i) pay into Court the proportionate share, if any, of the said Net Distributable Funds represented by claimants who have delivered such notifications;
 - (ii) pay to the Plaintiffs, net of any outstanding fees and disbursements, the portion of the Net Distributable Funds attributable to Challenged Class "D" Shares not so claimed.
7. Any Beneficiaries who do not, on or before the Beneficiary Claims Bar Date, furnish sufficient information to the Judicial Trustee to enable it to effect payment of the amounts contemplated herein, shall be forever barred from asserting such claim against the Plaintiffs and the Judicial Trustee and such claim shall be forever extinguished. The Judicial Trustee is hereby authorized and directed to use reasonable discretion as to the adequacy of information required by it to establish to whom and how to effect such payments.
8. Any registered holders of Challenged Class "D" Shares who, or whose successors, do not, on or before the Challenged Shares Claims Bar Date, deliver notice of their claims to counsel for the Plaintiffs, shall be forever barred from asserting such claim against the Plaintiffs and the Judicial Trustee and such claims shall be forever extinguished.
9. The Judicial Trustee shall, as soon as practicable after the Beneficiary Claims Bar Date, cancel all outstanding cheques to Beneficiaries and pay to Kornfeld LLP in trust for the Plaintiffs all amounts otherwise due to Beneficiaries who have not, on or before the Beneficiary Claims Bar Date, furnished sufficient information to the Judicial Trustee to enable it to effect payment of funds contemplated herein.
10. Except as otherwise expressly provided herein, the Judicial Trustee shall be at liberty to serve any materials and orders in these proceedings, or any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to Beneficiaries, to the holders of Challenged Class "D" Shares or to other interested parties at their respective addresses as last shown on the records of the Judicial Trustee and any such service or notice by courier, personal

delivery or electronic transmission shall be deemed to be received, and any payment therein contained shall be deemed to have been paid, on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

11. Upon payment of the amounts set out herein and upon the Judicial Trustee filing an affidavit certifying that it has completed the remaining outstanding activities described in its Report #3 and ordered herein:

- (a) The Judicial Trustee shall thereupon be discharged as trustee of the Trust, provided, however, that notwithstanding its discharge herein, the Judicial Trustee shall continue to have the benefit of the provisions of all orders made in this proceeding in favour of Campbell Saunders Limited and Boale Wood;
- (b) Boale Wood shall thereupon be released and discharged from any and all liability that it now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions while acting in its capacity as Judicial Trustee herein. Without limiting the generality of the foregoing, Boale Wood shall thereupon be forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within proceedings.

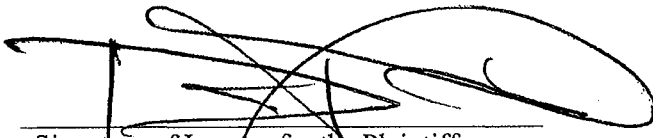
BY THE COURT

REGISTRAR

Thomas Samson] AS TO FORM
] .

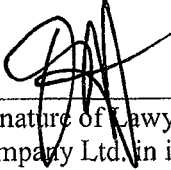
ENDORSEMENTS ATTACHED

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Lawyer for the Plaintiffs
Kornfeld LLP

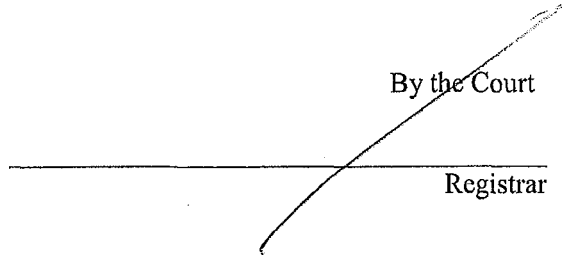
[Daniel S. Parlow]



Signature of Lawyer for Boale Wood &
Company Ltd. in its capacity as Court
Appointed Judicial Trustee for Strategic
Concepts Investment Trust

[Daniel D. Nugent]

By the Court



Registrar

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SCHEDULE "A"

[LETTERHEAD OF JUDICIAL TRUSTEE]

[Insert Date and Last-Known Address of the Holder of Challenged Class "D" Shares]

We are Judicial Trustee for Strategic Concepts Investment Trust (the "Trust"). The Trust was established on November 19, 1998 by initial settlor Scott Cramer with Capital Financial Securities Inc. as trustee.

On May 30, 2002, the B.C. Supreme Court appointed a Judicial Trustee to replace the original trustee of the Trust. On December 19, 2011, the Court appointed our firm as Judicial Trustee.

On *[insert date]*, 2015, the Court ordered that the Trust be wound up and that the Judicial Trustee distribute funds to the Trust's beneficiaries. The Court also ordered that McBride Forest Industries Ltd. ("McBride") and 599768 B.C. Ltd. ("599768") be wound up. McBride is wholly owned by 599768.

Most of the funds to be distributed come from McBride or 599768. The Trust owns all of the Class "A" shares of 599768 and 99.36% of its Class "D" shares.

The remaining 0.64% of the Class "D" shares (the "Challenged Class "D" Shares") were issued to salespersons of Trust units. The validity of those shares is in dispute. The Court has ordered that the registered owners of the Challenged Class "D" Shares, or their successors, shall have 90 days from the date of this notice to make a claim for payment of funds on account of shares registered to them. The total value of all outstanding Challenged Class "D" Shares is estimated to be \$12,800.

Take notice that if you are the registered owner of any Challenged Class "D" Shares, or the successor of such person, and wish to make a claim to a portion of the undistributed funds, you must deliver a notice of your claim by registered mail to Kornfeld LLP, attention: Daniel S. Parlow, 1100 – 505 Burrard St., Vancouver, BC V7X 1M5, by no later than *[insert the date that is 90 days following the date of this notice]* The amount represented by your claim will then be paid into Court pending resolution of your entitlement.

If you do not give this notice in this time and manner you will forever lose your entitlement to a portion of the undistributed funds.

Per: Boale, Wood & Company, Judicial Trustee

SCHEDULE "B"

We are Judicial Trustee for Strategic Concepts Investment Trust (the "Trust").

On [insert date], 2015, the Court ordered that the Trust be wound up and that the Judicial Trustee distribute funds to the Trust's beneficiaries. The Court also ordered that McBride Forest Industries Ltd. ("McBride") and 599768 B.C. Ltd. ("599768") be wound up. McBride is wholly owned by 599768.

McBride and 599768 are the source of the funds to be distributed. The Trust owns all of the Class "A" shares and 99.36% of the Class "D" shares of 599768.

The remaining 0.64% of the Class "D" shares (the "Challenged Class "D" Shares") were issued to salespersons of Trust units. The validity of those shares is in dispute. The Court has ordered that the registered owners of the Challenged Class "D" Shares, or their successors, shall have 90 days from the date hereof to make a claim for payment of funds on account of shares registered to them. The total value of all outstanding Challenged Class "D" Shares is estimated to be \$12,800.

Take notice that if you are the registered owner of any Challenged Class "D" Shares, or the successor of such person, and wish to make a claim to a portion of the undistributed funds, you must deliver a notice of your claim by registered mail to Kornfeld LLP, attention: Daniel S. Parlow, 1100 – 505 Burrard St., Vancouver, BC V7X 1M5, for receipt no later than [insert the date that is 90 days following the date of this notice]. The amount represented by your claim will then be paid into Court pending resolution of your entitlement.

If you do not give this notice in this time and manner you will forever lose your entitlement to a portion of the undistributed funds.

Per: Boale, Wood & Company, Judicial Trustee

SCHEDULE "C"

We are Judicial Trustee for Strategic Concepts Investment Trust (the "Trust"). The Trust was established on November 19, 1998 by initial settlor Scott Cramer with Capital Financial Securities Inc. as trustee.

On May 30, 2002, the B.C. Supreme Court appointed a Judicial Trustee to replace the original trustee of the Trust. On December 19, 2011, the Court appointed our firm as Judicial Trustee.

On July 24, 2012, we made an interim distribution of funds to the beneficiaries (investors) of the Trust or their successors. On *[insert date]*, 2015, the Court ordered that the Trust be wound up and that the Judicial Trustee make one or more further distributions to the beneficiaries.

Some of the Trust's beneficiaries (investors) have not yet been located. If you or someone you know is or was a beneficiary of the Trust, you must provide the beneficiary's name and current address, by prepaid mail addressed to:

Strategic Concepts Investment Trust c/o Boale, Wood & Company Ltd.
800 W Pender St, Vancouver, BC, V6C 2V6

If the beneficiary is no longer alive, you should include a copy of the beneficiary's letters probate or letters of administration as filed with the Court.

TAKE NOTICE that any beneficiaries of the Trust, and their successors, for whom we have not received this notification within 90 days of this notice will forever lose their entitlement to share in distributions from the Trust.

Per: Boale, Wood & Company Ltd., Judicial Trustee