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LAW OFFICE**

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OUR FILE: 68,887/3

February 6, 2020

Thomas Beyer  
809, 4438 10<sup>th</sup> Avenue W  
Vancouver, BC V6R 4R8

Dear Sir:

**RE: RYAN & COLD LAKE ESTATES INC. v. PRESTIGIOUS PROPERTIES KINGS CASTLE GP INC. carrying business under the firm name and style of KINGS CASTLE LIMITED PARTNERSHIP and PRESTIGIOUS INVESTMENT AND MANAGEMENT (PRISM) A- INC. carrying on business under the firm name and style of PRESTIGIOUS INVESTMENT AND MANAGEMENT (PRISM) A-LIMITED PARTNERSHIP**

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Please be advised that we are solicitors for Barbara Ryan and Cold Lakes Estates Inc.

Enclosed please find the Amended Statement of Claim, the Defendants are as follows:

1. **PRESTIGIOUS PROPERTIES KINGS CASTLE GP INC.;**
2. **KINGS CASTLE LIMITED PARTNERSHIP;**
3. **PRESTIGIOUS INVESTMENT AND MANAGEMENT (PRISM) A- INC. ; and**
4. **PRESTIGIOUS INVESTMENT AND MANAGEMENT (PRISM) A-LIMITED PARTNERSHIP.**

You are shown on the Government of Alberta Corporation System as being a Director of Prestigious Investment Management (Prism) A-Inc. and Prestigious Properties Kings Castle GP Inc.

At the present time the Statement of Claim is being served on all four (4) Defendants at their registered offices.

This letter and the Statement of Claim are sent to you, so that you have notice that the Defendant companies are being sued.

Yours truly,

**WHEATLEY SADOWNIK**

  
**ROSTYK SADOWNIK**

RS/sj  
Encl.

COURT FILE NUMBER **2003 - 02258**  
COURT **COURT OF QUEEN'S BENCH OF ALBERTA**  
JUDICIAL CENTRE **EDMONTON**  
PLAINTIFFS **BARBARA RYAN and COLD LAKE ESTATES INC.**

Clerk's Stamp

DEFENDANTS **PRESTIGIOUS PROPERTIES KINGS CASTLE GP INC. carrying business under the firm name and style of KINGS CASTLE LIMITED PARTNERSHIP and PRESTIGIOUS INVESTMENT AND MANAGEMENT (PRISM) A- INC. carrying on business under the firm name and style of PRESTIGIOUS INVESTMENT AND MANAGEMENT (PRISM) A-LIMITED PARTNERSHIP**

DOCUMENT **AMENDED STATEMENT OF CLAIM**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **Wheatley Sadownik Barristers and Solicitors #331, 7 St. Anne Street St. Albert, Alberta T8N 2X4 T: 780-423-6671 F: 780-420-6327 Attention: Rostyk Sadownik Our File: 68,887/3**

**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.

**Statement of facts relied on:**

1. On the 11<sup>th</sup> day of April 2016, Prestigious Properties Inc. sued the Plaintiff Cold Lake Estates Inc. in the Court of Queen's Bench of Alberta, Judicial Center of Edmonton QB Action No.: 1603 06360 and on April 18<sup>th</sup>, 2016 obtained a Pre-judgment Order without notice to any Defendant, as follows:

" 1. A Pre-Judgment Attachment Order shall issue against Cold Lake Estates Inc., Charles Ryan and Barbara Ryan (the "Respondents") in the amount of \$6,535,000.00.

2. Pursuant to s. 17(3)(b) of the *Civil Enforcement Act, R.S.A. 2000, c. C-15 (the "Act")*, Charles Ryan and Cold Lake Estates are prohibited from dealing with any of their exigible property.

AMENDED THIS 4 DAY OF FEB 18 AD 20 20  
PERSUANT TO RULE 363 ORDER ORDER-CONSENT DATE  
DATE NO. 20

3. The Registrar of the North Alberta Land Registration District is hereby directed to immediately and forthwith register this Attachment Order against title to the property currently registered in the name of Barbara Ryan, as described in Schedule "A" to this Order.
  4. The Registrar of the North Alberta Land Registration District is hereby directed to immediately and forthwith register this Attachment Order against the caveat registered as Instrument No.: 112 395 513 regarding memorandum charging land for \$4,000,000 between Cold Lake Estates and the Applicant, as registered on title to lands described in Schedule "B" to this order.
  5. Section 18(3) of the Act is hereby invoked and the within Order shall remain in effect until further order of the Court, or upon application to vary or terminate the Order by the Applicant or Respondent 5 clear days' notice to the affected party (the "Come-Back Application").
  6. The Come-Back Application shall be without prejudice to the Respondents and shall be a hearing *de novo* of the within Application. "
2. On September 7<sup>th</sup>, 2016 Prestigious Properties Inc. sued the Plaintiffs Cold Lake Estates Inc. and Barbara Ryan in the Court of Queen's Bench of Alberta Judicial Center of Edmonton for various remedies, as setout in QB Action No.: 1603 15766. This action was consolidated with the aforesaid QB Action No.: 1603 06360.
  3. At all times material to this action the Plaintiff Barbara Ryan and Cold Lake Estates Inc. were Defendants or a third person to which the aforesaid Pre-Judgment Order applied.
  4. On the 8<sup>th</sup> day of June 2016 the Defendants provided the Court of Queen's Bench of Alberta an undertaking  
  
"to pay to and indemnify the Defendants for any damages that by subsequent decision of this Honourable Court are held to have resulted from the granting of the Pre-Judgment Order by this Honourable Court filed on April 18<sup>th</sup>, 2016."
  5. On the 1<sup>st</sup> day of February 2018 Associate Chief Justice J.D. Rooke ordered that "the Pre-Judgment Attachment Order of April 18<sup>th</sup>, 2016 is hereby vacated " and the Defendants were entitled to costs, one set of costs in the appropriate column of Schedule "C" in any event of the cause payable forthwith for all steps in setting aside the Pre-Judgment Attachment Order.

6. The Plaintiff Barbara Ryan has incurred the following damages which have resulted from the granting of the Pre-Judgment Attachment Order, dated April 18<sup>th</sup>, 2016:

(a) Property sold for less than they were worth because the financial institution upon becoming aware of the Pre-Judgment Attachment Order demanded immediate payment in full of any loans and would no longer provide any financing. These properties were:

i.	SE-35-62-2-W4	
	NE-26-62-2-W4	
	NW-26-62-2-W4	
		Loss : \$465,000.00

ii.	NE-28-63-4-W4	Loss: \$40,000.00
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(b)	Sale commission payable to Real Estate Company re: sale of property	\$67,600.00
(c)	Interest and costs added to loan foreclosure Re: (NE-6-55-26-W4)	\$12,767.37
(d)	Paid re Doctor's Report	\$240.00
(e)	Legal fees incurred to set aside Pre-Judgment Attached Order	\$60,000.00
(f)	Court costs to be taxed	<u>\$248,000.00</u>
	<b>Total:</b>	<b>\$893,607.37</b>

7. The Plaintiff Cold Lake Estates Inc. has incurred the following damages which have resulted from the granting of the Pre-Judgment Attachment Order dated April 18<sup>th</sup>, 2016:

(a) Sale of farm machinery as a result of the said Plaintiff's financial institution refusing to provide financing upon learning that there was a Pre-Judgment Attachment Order against the said Plaintiff. Particulars of damages incurred by the said Plaintiff are:

i.	Sale of John Deere hoe	\$40,000.00
ii.	John Deere loader	\$20,000.00
iii.	C-FIGU Airplane	\$150,000.00
iv.	2005 Cat 257B	\$23,000.00
v.	2001 Bobcat unloader	\$12,000.00

(b) The Pre-Judgment Attachment Order did not allow the sale of the cows and calves to pay off the debt of the equipment:

i.	Total value received from the sale of 30 cows and 28 calves \$10,000.00, fair market value at the time \$75,000.00, loss was	\$65,000.00
ii.	Cost to feed cattle and calves	\$22,000.00

(c) The said Plaintiff's farming operations for the years 2016 And 2017 were not carried on because of the Pre-Judgment Attachment Order- no financial Institution would provide financing to continue the said Plaintiff's farming operations - loss

	\$196,000.00
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(d) Legal fees incurred on a solicitor/ own client basis

	<u>\$185,432.91</u>
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**Total: \$713,452.91**

8. At all times material to this action – Prestigious Properties Inc., which obtained the Pre-Judgment Attachment Order, knew or ought to have known at that time that such an order obtained would result in shutting down the business of Cold Lake Estates Inc. and impact Barbara Ryan's management of her properties. And, having regard to Prestigious Properties Inc.'s conduct from the date of the said Pre-Judgment Attachment Order, namely, a deliberate intention to bankrupt the Plaintiffs, disable them in making a living, decrease their cash flow, and their ability to operate, this is a proper case to award the Plaintiffs costs on a solicitor/ own client full indemnification basis

9. **REMEDY SOUGHT BY THE PLAINTIFF, BARBARA RYAN:**

(a) Damages in the sum of \$893,607.37.

(b) Costs of this action on a solicitor/ own client full indemnification basis.

10. **REMEDY SOUGHT BY THE PLAINTIFF, COLD LAKES ESTATES INC.:**

(a) Damages in the sum of \$528,000.00.

(b) Costs of this action on a solicitor/ own client full indemnification basis.

11. The Plaintiffs propose that the trial of this action be held at the Law Courts Building in Edmonton, Alberta and will not exceed 25 days.

**NOTICE TO THE DEFENDANT**

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 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 the time period, you risk losing the ability to have your side heard in the lawsuit. If you do not file, or do not serve, or are late in doing either of these things, a court may grant a Divorce Judgment and other relief to the Plaintiff. In addition, if you do not file and serve a Statement of Defence or a Demand for Notice within the time period, you will not be entitled to receive notice of any further proceedings in this action.