

NO. S148656
VANCOUVER REGISTRY

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36**

AND

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57

AND

**IN THE MATTER OF
PRETTY ESTATES LTD.**

PETITIONER

NOTICE OF APPLICATION

NAME OF APPLICANT:

Pretty Estates Ltd.

To:

All parties on the Service List maintained by G. Powroznik Group Inc., of G-Force Group, the Court-Appointed Monitor

TAKE NOTICE that an application will be made by the Applicant at the courthouse at **800 Smithe Street, Vancouver, B.C.** on **Thursday, July 23, 2015**, at **10:00 a.m.** before **Mr. Justice Burnyeat** for the order(s) set out in Part 1 below.

PART 1: ORDER(S) SOUGHT

1. An order substantially in the form attached as Schedule "A" to this Notice of Application:
 - (a) confirming that the relief granted in the Order pronounced November 10, 2014 (the "**Initial Order**"), as approved and amended by an Order granted December 10 and December 15, 2014 (the "**First Extension Order**") and

by an Order granted April 28, 2015 (the “**Second Extension Order**”) remains in full force and effect with the following amendments:

- (i) the stay of proceedings in the Initial Order is hereby extended from July 31, 2015 to September 30, 2015;

2. An order substantially in the form attached as Schedule “B” to this Notice of Application setting out the terms of the claims process (the “**Claims Process Order**”).

PART 2: FACTUAL BASIS

3. On November 10, 2014, the Initial Order was pronounced under the *Companies Creditors’ Arrangement Act* granting, among other things, a stay of proceedings until 11:59 p.m. on December 10, 2014. Capitalized terms used and not otherwise defined herein have the meaning set out in the Initial Order.

4. On December 15, 2014, pursuant to the First Amendment Order, the stay of proceedings was extended to April 30, 2015.

5. On April 28, 2014, pursuant to the Second Amendment Order, the stay of proceedings was extended to July 31, 2015.

6. Since pronouncement of the Initial Order, the Petitioner has acted with due diligence and good faith, and fully cooperated with the Monitor in respect of its reporting obligations and obligations as set out in the Initial Order, the particulars of which are described in the Monitor’s Second, Third, Fourth, Fifth and Sixth Reports filed herein.

7. In summary, since the First Extension Order was pronounced, with the assistance of Integrated Hospitality Management Ltd. (“**IHM**”), the Petitioner has:

- (a) implemented all of the 79 cost containment and revenue enhancement measures identified by IHM in the Operations Report attached to the Preliminary Report of the Monitor filed November 10, 2014 (the “**First IHM Report**”);

- (b) monitored the effectiveness of the above measures, which have resulted in a \$396,000 improvement in EBITDA over the eight month period ending June 30, 2015 as compared to the previous year;
- (c) implemented a process designed by the Monitor to attract investment partners and provided interested purchasers with information regarding the Petitioner's assets and financial status;
- (d) communicated with the Petitioner's secured creditors regarding the marketing process, interested parties, and offers received for the purchase of the Resort;
- (e) accepted a non-binding offer to sell the Resort to a third party purchaser (the "**Purchaser**") for an amount sufficient to repay the DIP Loan and all secured creditors in full, and make a meaningful payment to unsecured creditors;
- (f) agreed in principle to the terms of a Share Purchase Agreement with the Purchaser (the "**Share Purchase Agreement**"), to be finalized on or about July 27, 2015, which provides the Purchaser with a 53 day period to conduct its due diligence and remove subject clauses; and
- (g) continued to work with the Monitor to consider terms by which a Plan of Arrangement can be presented to its creditors.

Financial Results

8. IHM has prepared a report dated July 17, 2015 summarizing the Petitioner's financial results over the eight month period ending June 30, 2015 compared to the previous year (the "**IHM July Report**"). Among other things, the IHM July Report reveals that:

- (a) revenues have increased by \$120,800;
- (b) labour costs have been reduced \$123,300;

(c) other operating costs have been reduced by \$151,900;

resulting in the reduction of the operating loss for the 8 month period of \$396,000.

9. In addition, the cost of food and beverage was 37.4% of food and beverage revenue, which was 7.4 % better than the 44.8% cost of food and beverage in the 8 months ended June 30, 2014. Thus, there has been a cost reduction of approximately \$34,400/per month on average over the 8 month period. Room revenues were slightly less than forecasted. However, golf department revenues for June were \$172,200, approximately \$37,900 more than the golf revenues projected (3,593 golf rounds were recorded, 893 more than projected), and the average revenue per round was \$40.77, or \$5.77 more than the projected average green fee.

10. During the 8 months endings June 30, 2015, there has been a cash flow deficiency of \$793,432 which is approximately \$118,962 better than the revised projected cash flow deficiency of \$911,724.

11. IHM expects that the financial projections for the operations and cash flow of the Resort, presented in November 2014, are still achievable during the balance of the year ending October 31, 2015.

Extension Order

12. Since the date of the Second Extension Order, the Petitioner, with the assistance of the Monitor, has successfully implemented a marketing process designed to attract a purchaser of the Resort. It is anticipated that the Share Purchase Agreement will be executed by the Petitioner and the Purchaser on July 27, 2015. As outlined above, the Asset Purchase Agreement provides the Purchaser with a 53 day period to complete its due diligence and remove subject clauses. At the expiry of the due diligence period, the Purchaser shall pay a \$1,000,000 non-refundable deposit.

13. The consideration payable to the Petitioner under the Share Purchase Agreement is sufficient to pay out each of the Petitioner's secured creditors in full, and provide for a partial recovery to the Petitioner's unsecured creditors pursuant to a Plan of Arrangement.

14. Therefore, the Petitioner believes it is in the best interests of all stakeholders for the stay of proceedings to be extended to September 30, 2015, at which time the Petitioner expects to be able to file its Plan of Arrangement with the Court.

Claims Process Order

15. In order to permit the Petitioner to file a Plan of Arrangement, the Petitioner requires a procedure to identify all of its creditors and verify the amount owing to each (the “**Claims Process**”). As the Petitioner anticipates filing a Plan of Arrangement by September 30, 2015, the Petitioner wishes to complete the Claims Process prior to that date.

16. It is anticipated that the Monitor will assist the Petitioner by administering the Claims Process.

PART 3: LEGAL BASIS

17. The Petitioner submits that, on the basis of the facts set out above, it is appropriate and in the best interests of the stakeholders to grant the relief sought by the Petitioner so that it may present a Plan of Arrangement to its creditors.

PART 4: MATERIAL TO BE RELIED ON

18. Initial Order pronounced November 10, 2014, as amended by Orders pronounced on December 10th, 15th, 2014 and April 28, 2015;

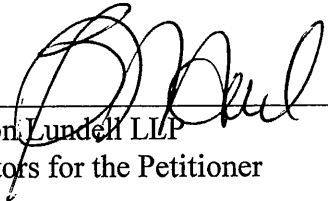
19. Monitor’s Sixth Report filed July 21, 2015; and

20. Such further materials filed herein.

The applicant(s) estimate(s) that the application will take **20 minutes**.

☒ This matter is **not** within the jurisdiction of a Master.

Dated at the City of Vancouver, in the Province of British Columbia, this 21st day of July, 2015.



Lawson Lundell LLP
Solicitors for the Petitioner

This Notice of Application is filed by Bonita Lewis-Hand of Lawson Lundell LLP, whose place of business and address for delivery is 1600 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

To be completed by the court only:

Order made

☐ in the terms requested in paragraphs _____ of
Part 1 of this Notice of Application

☐ with the following variations and additional terms:

Date:

Signature of ☐ Judge ☐ Master

APPENDIX

The following information is provided for data collection purposes only and is of no legal effect.

THIS APPLICATION INVOLVES THE FOLLOWING:

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ other matters concerning document discovery
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts
- ☒ **Other – CCAA**

SCHEDULE "A"

NO. S148656
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36**

AND

**IN THE MATTER OF THE BUSINESS CORPORATIONS ACT
S.B.C. 2002, c. 57**

AND

**IN THE MATTER OF
PRETTY ESTATES LTD.**

PETITIONER

ORDER

BEFORE THE HONOURABLE)
)
)
MR. JUSTICE BURNYEAT) TUESDAY THE 23RD DAY
) OF JULY, 2015

THE APPLICATION of the Petitioner coming on for hearing at Vancouver, British Columbia, on this day; AND ON HEARING Bonita Lewis-Hand, counsel for the Petitioner and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed herein;

THIS COURT ORDERS THAT:

1. The time for service of the Notice of Application herein be and is hereby abridged and the Notice of Application is properly returnable today and service thereof upon any interested party other than those parties on the Service List is hereby dispensed with.
2. The Initial Order pronounced herein November 10, 2014, as extended by court orders pronounced on December 10, 2014, December 15, 2014, and April 28, 2015, be and is hereby further extended to September 30, 2015, and all provisions and terms of the Initial Order shall remain in full force and effect.

3. The stay of proceedings in the Initial Order shall be extended and remain in full force and effect until September 30, 2015 at 11:59 pm.

4. Endorsement of this Order by counsel appearing on this application, other than Counsel for the Petitioner, is hereby dispensed with.

This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

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:

Bonita Lewis-Hand
Solicitor for the Petitioner

BY THE COURT

REGISTRAR

SCHEDULE "B"

NO. S-148656
VANCOUVER REGISTRY

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36 as amended**

AND

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*
S.B.C. 2002, c.57**

AND

**IN THE MATTER OF
PRETTY ESTATES LTD.**

PETITIONER

CLAIMS PROCESS ORDER

BEFORE THE HONOURABLE) THURSDAY THE 23RD DAY
MR. JUSTICE BURNYEAT) OF JULY, 2015

THE APPLICATION of the Petitioner coming on for hearing at Vancouver, British Columbia, on this day; AND ON HEARING Bonita Lewis-Hand, counsel for the Petitioner and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the material filed, including the Monitor's Report to Court, dated July 21, 2015, AND pursuant to the provisions of the *Companies' Creditors Arrangement Act* R.S.C. c. C-36 (the "**CCAA**") and the inherent jurisdiction of this Honourable Court:

DEFINITIONS

1. For purposes of this Order the following terms shall have the following meanings:

- (a) "**Business Day**" means a day, other than a Saturday or a Sunday on which banks are generally open for business in Vancouver, British Columbia;
- (b) "**Claim**" shall exclude an Excluded Claim but shall include any other right or claim of any Person against the Petitioner, or any of them, whether or not asserted, in connection with any indebtedness, liability or of any kind of the

Petitioner owed to such Person, and any interest accrued thereon or costs payable in respect thereof, including any indebtedness, liability or obligation owed to such Person as a result of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty), any right of ownership of or title to property or assets or to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise) against any property or assets, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, not matured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim of contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts existing prior to the Filing Date, and any indebtedness, liability or obligation of any kind arising out of the repudiation, restructuring or termination of any contract, lease, employment agreement, or other agreement after the Filing Date and other steps taken in pursuance of a Plan under the CCAA;

- (c) **"Claims Package"** means the document package which shall consist of a copy of this Order (without schedules), the Instruction Letter, a form of Proof of Claim, and such other materials as the Petitioner considers necessary or appropriate;
- (d) **"Claims Process"** means the procedures outlined in this Order in connection with the assertion of Claims against the Petitioner;
- (e) **"Court"** means the Supreme Court of British Columbia;
- (f) **"Creditor"** means any Person asserting a Claim other than an Excluded Claim against the Petitioner;
- (g) **"Excluded Claim"** means the Directors' Charge, Administration Charge and the DIP Lender's Charge created and approved by the Court in the Initial Order, as amended from time to time thereafter;

- (h) **"Filing Date"** means November 10, 2014;
- (i) **"Initial Order"** means the Order of Mr. Justice Myers of the Supreme Court of British Columbia pronounced November 10, 2014, as extended and amended from time to time thereafter;
- (j) **"Instruction Letter"** means the letter to Creditors, which letter shall be substantially in the form attached hereto as **Schedule "B"**;
- (k) **"Known Creditors"** includes all Creditors shown on the books and records of the Petitioner as having a Claim against the Petitioner in excess of \$250;
- (l) **"Monitor"** means G. Powroznik Group Inc. of G-Force Group Inc., in its capacity as the Court-appointed Monitor of the Petitioner;
- (m) **"Notice to Creditors"** means the notice substantially in the form attached hereto as **Schedule "C"**;
- (n) **"Person"** means any individual, partnership, firm, joint venture, trust, entity, corporation, unincorporated organization, trade union, employee or other association, governmental agency, or similar entity, howsoever designated or constituted;
- (o) **"Notice of Disallowance or Revision"** means the notice substantially in the form attached hereto as **Schedule "E"**;
- (p) **"Petitioner"** means Pretty Estates Ltd.;
- (q) **"Plan"** means plan of compromise or arrangement presented or to be presented by the Petitioner to the Creditors in accordance with the CCAA; and
- (r) **"Proof of Claim"** means the form completed and filed by a Creditor setting forth its Claim (if necessary) with supporting documentation, which proof of claim shall be substantially in the form attached hereto as **Schedule "D"**.

2. For purposes of this Order the following terms are defined to refer to the following dates, subject to agreement of all affected parties or a further Order of this Court:
- (a) **"Claims Bar Date"** means Wednesday, September 9, 2015;
 - (b) **"Claims Disallowance Date"** means any date on or before September 30, 2015 when the Monitor may issue a Notice of Disallowance or Revision to a Creditor with respect to any Proof of Claim delivered to the Monitor;
 - (c) **"Claims Disallowance Appeal Date"** means the day which is fourteen (14) days from the date the Monitor delivers a Notice of Disallowance or Revision;
 - (d) **"Claims Disallowance or Revision Hearing Date"** means the day which is fourteen (14) days from the date a Creditor files and serves the Notice of Application and supporting affidavit materials pursuant to paragraph 14 of this Order; and
 - (e) **"Claims Package Transmittal Date"** means Friday, August 7, 2015.

APPROVAL OF CLAIMS PROCESS

3. The Claims Process is hereby approved.

NOTICE OF CLAIMS PACKAGE

4. On or before the Claims Package Transmittal Date, the Monitor shall:
- (a) cause a Claims Package to be sent to:
 - (i) all Known Creditors of the Petitioner at the last known address (or e-mail address if applicable) except for Creditors with an Excluded Claim;
 - (ii) to the Federal Crown by delivery to the Department of Justice at 900- 840 Howe Street, Vancouver, BC V6Z 2S9, Attention: Melissa Nicolls.
 - (b) cause the Notice to Creditors to be placed in the Vancouver Sun and Mission Record; and

- (c) cause the Notice to Creditors, the Claims Package and a list of creditors to be posted on the Monitor's website, www.g-forcegroup.ca, and such posting shall remain in effect until the Claims Bar Date.
- 5. The Monitor shall cause a copy of the Claims Package to be sent to any Person requesting such material as soon as practicable.
- 6. If the Monitor becomes aware of further Claims of Persons not included in the initial mailing to Known Creditors after the date of initial distribution, the Monitor shall forthwith distribute copies of the Claims Package to such Persons, but the entitlement of each Person to receive notice is abridged to the date the Claims Package is distributed to each such Person, subject to further Order of this Court.
- 7. The delivery of the Claims Package and publication of the Notice to Creditors, in accordance with this Order, shall constitute good and sufficient service of such materials to any Person and no further notice or service need be given or made and no other document or material need be served.

FILING OF PROOFS OF CLAIM

- 8. A Creditor who wishes to assert a Claim must file a Proof of Claim, with supporting documentation, with the Monitor, by delivering the Proof of Claim, with supporting documentation, by registered or electronic mail, courier, facsimile, or personal delivery to the Monitor on or before the Claims Bar Date at:

G. Powroznik Group Inc. of G-Force Group
 Suite 780
 333 Seymour Street
 Vancouver, BC V6B 5A6
Attention: Patricia Foster
 Tel: 778-371-0003 Fax: 778-370-0043
pfoster@g-forcegroup.ca

- 9. Any Creditor who does not file a Proof of Claim on or before the Claims Bar Date shall be forever barred from advancing any Claim against the Petitioner and shall not be entitled to participate in the Plan.

DETERMINATION OF CLAIMS

9. Subject to paragraph 11 of this Order, the Monitor shall review each Proof of Claim received by the Claims Bar Date and, shall accept, revise or disallow the Claim.
10. The Monitor:
 - (a) shall, upon receipt of a Proof of Claim, provide a copy of the Proof of Claim to the Petitioner if it hasn't already received a copy, and the Petitioner shall be at liberty to provide the Monitor with information and documents concerning a Claim asserted in the Proof of Claim;
 - (b) may request further information and documents in respect of a Proof of Claim from the Creditor and the Petitioner as reasonably necessary to review the Proof of Claim; and
 - (c) shall consult with the Petitioner regarding the subject of the Proof of Claim and the Monitor shall consider the Petitioner's position regarding the subject Proof of Claim before deciding whether to either allow in whole or in part the Claim or issue a Notice of Disallowance or Revision.
11. The Monitor is hereby authorized and directed to use reasonable discretion as to the adequacy of compliance in the manner in which Proofs of Claim are completed and executed and where the Monitor is satisfied that a Claim has been adequately proven, it may agree to waive strict compliance with the requirements of this Order as to the completion of the Proof of Claim.

NOTICE OF DISALLOWANCE OR REVISION

12. If the Monitor determines to disallow a Claim in whole or in part it shall send a Notice of Disallowance or Revision to the Creditor at the address as shown on the subject Proof of Claim by the Claims Disallowance Date.

CLAIM DISPUTES

13. Any Creditor who disputes a Notice of Disallowance or Revision may appeal the decision of the Monitor and seek a determination by the Court of the validity and value of and particulars of its Claim by filing and serving upon (i) counsel for the Petitioner and (ii) the Monitor, an application, supported by Affidavit material by 4:00 p.m on the Claims

Disallowance Appeal Date, and a hearing to determine an appeal of a Notice of Disallowance shall be conducted as a true appeal, and not as a trial *de nova*.

14. Any Creditor who fails to file and serve the applicable Notice of Application and Affidavit material by the deadline set forth in paragraph 14 of this Order shall be deemed to accept the amount of its Claim as set forth in the Notice of Disallowance or Revision and such amounts set forth in the Notice of Disallowance or Revision shall constitute a proven Claim.

GENERAL PROVISIONS

15. The Monitor 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, registered mail, courier, personal delivery or electronic transmission to Creditors or other interested parties at their respective addresses as last shown on the records of the Petitioner and that any such service or notice by prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission shall be deemed to be received on the next Business Day following the date of forwarding thereof, or if sent by ordinary mail, on the third Business Day after mailing.

17. Any notice or communication required to be delivered to the Monitor pursuant to this Order shall be in writing and may be delivered by registered mail, facsimile, electronic mail, personal delivery, or courier addressed as follows:

G. Powroznik Group Inc. of G-Force Group
 Suite 780
 333 Seymour Street
 Vancouver, BC V6B 5A6
Attention: Patricia Foster
 Tel: 778-371-0003 Fax: 778-370-0043
pfoster@g-forcegroup.ca

18. In the event that the day on which any notice or communication required to be delivered pursuant to this Claims Process is not a Business Day then such notice or communication shall be required to be delivered on the next Business Day.
19. All notices and communications shall be deemed to have been received, in the case of

notice by personal delivery, courier or electronic mail prior to 5:00 p.m. (local time) on a Business Day, when received, if received after 5:00p.m. (local time) on a Business Day or at any time on a non-Business Day, on the next following Business Day, and in the case of a notice mailed as aforesaid, on the third Business Day following the date on which such notice or other communication is mailed.

20. References in this Order to the singular shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender.
21. Approval as to the form of the Order herein by counsel appearing, other than counsel for the Petitioner, be and is hereby dispensed with.

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:

Bonita Lewis-Hand
Solicitor for the Petitioner

BY THE COURT

REGISTRAR

Schedule "A"
(List of Counsel)

Dennis Fitzpatrick	Jim Young

SCHEDULE "B"
INSTRUCTION LETTER

**FOR THE CLAIMS AGAINST
PRETTY ESTATES LTD.**

Dear Creditor/Shareholder:

PLEASE REVIEW THE FOLLOWING CAREFULLY AS YOUR LEGAL RIGHTS AND CLAIMS IN THE FOREGOING COMPANY MAY BE IMPACTED.

By Order of the British Columbia Supreme Court pronounced July 23, 2015 (the "**Claims Process Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") G. Powroznik Group Inc., of G-Force Group, in its capacity as the court-appointed Monitor (the "**Monitor**"), has been authorized to conduct a claims process for the determination of any and all claims ("**Claims**") against Pretty Estates Ltd. as at November 10, 2014 (the "**Claims Process**").

A copy of the Claims Process Order can be obtained from the Monitor's website at www.g-forcegroup.ca

Under the Claims Process Order all Known Creditors are to receive the attached "**Claims Package**", that being:

1. This instruction letter; and
2. A form of Proof of Claim; and
3. The Claims Process Order.

In addition, the Monitor is required to publish a Notice to Creditors in the Vancouver Sun and Mission Record. Subsequently, any other creditors who request a Claims Package will receive one as soon as practicable.

Under the terms of the Claims Process Order, you must file a Proof of Claim, with supporting documentation, on or before Wednesday, September 9, 2015, (hereafter referred to as the "**Claims Bar Date**") by delivering it to the Monitor at its address Suite 780, 333 Seymour Street, Vancouver, B.C. V6B 5A6 (Fax No. 778- 370-0043 Attention: Patricia Foster or by email at pfoster@g-forcegroup.ca).

If you do NOT file a Proof of Claim on or before the Claims Bar Date your rights and recoveries against Pretty Estates Ltd. will be compromised, without any further notice.

In particular, a person who does not file a Proof of Claim with supporting documentation on or before the Claims Bar Date shall be forever barred from participating in any Plan of Arrangement subsequently filed by Pretty Estates Ltd. in the CCAA proceedings, and its claim may not be enforced against Pretty Estates Ltd., unless otherwise ordered by the Court.

All enquiries and notices to the Monitor with respect to the Claims Process should be addressed to:

G. Powroznik Group Inc. of G-Force Group
Suite 780
333 Seymour Street
Vancouver, BC V6B 5A6
Attention: Patricia Foster
Tel: 778-371-0003 Fax: 778-370-0043
pfoster@g-forcegroup.ca

SCHEDULE "C"
NOTICE TO CREDITORS
IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
(CANADA) ("CCAA")
AND
IN THE MATTER OF
PRETTY ESTATES LTD.

TAKE NOTICE that by Order of the Supreme Court of British Columbia pronounced July 23, 2015, G. Powroznik Group Inc. of G-Force Group, in its capacity as the Monitor, has been authorized to conduct a claims process for the determination of any and all claims against Pretty Estates Ltd.

In order to participate in any voting or distribution associated with Pretty Estates Ltd.'s CCAA proceedings and Pretty Estates Ltd.'s Plan of Arrangement, any creditor, having a claim against Pretty Estates Ltd., must file a Proof of Claim on or before **September 9, 2015**, that being the Claims Bar Date.

If a creditor does not file a Proof of Claim by the Claims Bar Date its claim will be forever barred and it will not be entitled to participate in any way in Pretty Estate Ltd.'s Restructuring Plan of Arrangement.

A Proof of Claim form may be obtained from the Monitor's website at www.g-forcegroup.ca or by sending a written request to:

G. Powroznik Group Inc. of G-Force Group
Suite 780
333 Seymour Street
Vancouver, BC V6B 5A6
Attention: Patricia Foster
Tel: 778-370-0003 Fax: 778-370-0043
pfoster@g-forcegroup.ca

SCHEDULE "D"
PROOF OF CLAIM

IN THE MATTER OF
PRETTY ESTATES LTD.

Pursuant to the *COMPANIES' CREDITORS ARRANGEMENT ACT (CANADA)*
("CCAA")

Please read the Instruction Letter carefully prior to completing this Proof of Claim. Please print legibly.

1. Full Legal Name of Creditor _____ (the "**Creditor**").
2. Full Mailing Address of the Creditor (*All notices and correspondence regarding your Claim will be forwarded to this address or to the e-mail address below if applicable*):

3. Telephone Number: _____
4. E-mail: _____
5. Facsimile Number: _____
6. Attention: _____

CLAIM DETAILS

Amount of Claim (Canadian Dollars): _____

THE UNDERSIGNED HEREBY CERTIFIES AS FOLLOWS:

1. I am the Creditor of Pretty Estates Ltd.

OR, I am _____ (*state position or title*) of
_____ (*name of creditor or representative of the*
creditor).
2. I have knowledge of all the circumstances concerning the Claim hereafter referred to.
3. Attached as Schedules to this Proof of Claim are:

- (a) documents which establish the validity, amount and particulars of the Claim in Canadian Dollars
- (b) a description of the transaction or agreement giving rise or relating to the Claim; and
- (c) any security held for the Claim.

DATED at _____ this _____ day of _____, 2015.

Per:

[Name of Creditor- please print]

Signature of Creditor

Note: all relevant documentation on which you rely in making your claim must be attached to this Proof of Claim, as the validity of your claim will be determined solely on this Proof of Claim and attachments thereto. If the claim is disallowed for any reason, and you file an appeal of that disallowance, the appeal will be heard as a true appeal and your ability to introduce fresh or new evidence in support of your claim will be limited accordingly.

The duly completed Proof of Claim, together with all schedules and accompanying documents, must be delivered to G. Powroznik Inc. of G-Force Group, in its capacity as the Monitor of Pretty Estates Ltd. in the CCAA proceedings, on or before the Claims Bar Date of **September 9, 2015.**

G. Powroznik Group Inc. of G-Force Group
Suite 780
333 Seymour Street
Vancouver, BC V6B 5A6
Attention: Patricia Foster
Tel: 778-370-0003 Fax: 778-370-0043
pfooster@g-forcegroup.ca

If your Claim is disputed in whole or in part, by September 30, 2015, the Monitor will send you a Notice of Disallowance or Revision along with particulars as to how you may dispute the Notice of Disallowance. If you do not receive a Notice of Disallowance or Revision by that deadline, the Monitor has accepted your Claim for the purpose of receiving distribution under the Plan of Arrangement.

SCHEDULE "E"
NOTICE OF DISALLOWANCE OR REVISION
IN THE MATTER OF
PRETTY ESTATES LTD.

To: Name of Creditor: _____

Pursuant to the Claims Process, G. Powroznik Group Inc. of G-Force Group, in its capacity as the Monitor of Pretty Estates Ltd. gives you notice that your Proof of Claim dated _____, 2015 has been reviewed and the Monitor has rejected/disallowed, either partially or in full, your Claim for the following reasons:

Subject only to an appeal of this disallowance being successfully brought by you in full compliance with the provisions of the Claims Process Order, including the prescribed time for any appeal to be filed, your claim will be allowed as follows:

Name of Creditor	Amount Claimed	Amount Allowed

DATED at _____, British Columbia, this ____ day of _____, 2015.

G. Powroznik Group Inc. of G-Force
Group, in its capacity as court-appointed
Monitor of the Petitioner, Pretty Estates Ltd.

Per:

Authorized Signatory

If you wish to appeal this Notice of Disallowance or Revision you must file a Notice of Application and supporting Affidavit within fourteen (14) days of the date of this notice.

A copy of the Claims Process Order is available on the Monitor's website at www.g-forcegroup.ca

NO. S-148656
VANCOUVER REGISTRY

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT,
R.S.C. 1985, c. C-36
AND**

**IN THE MATTER OF THE CANADA BUSINESS
CORPORATIONS ACT
S.B.C. 2002, c. 57**

AND

**IN THE MATTER OF
PRETTY ESTATES LTD.**

CLAIMS PROCESS ORDER



Barristers & Solicitors
1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2

Phone: (604) 685-3456
Attention: Bonita Lewis-Hand

File No. 30404-124090

NO. S148656
VANCOUVER REGISTRY

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36

AND

IN THE MATTER OF THE BUSINESS
CORPORATIONS ACT, S.B.C. 2002, c. 57

AND

IN THE MATTER OF

PRETTY ESTATES LTD.

PETITIONER

NOTICE OF APPLICATION



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