

**JUDICIAL TRUSTEE'S NINETH REPORT TO THE INVESTORS
SEPTEMBER 1, 2023**

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

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Exhibits

1. Statement of Receipts and Disbursements for the period March 8, 2019, to August 31, 2023.

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 Ninth 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 Eighth Report

11. On March 15, 2023, the Trustee attended an application to address the City of Spruce Grove's Application seeking an Order to set aside the Notice of Disallowance.
12. The Trustee instructed its counsel to make a proposal to the City of Spruce Grove (the "City") at the application, and while discussing the proposal, the application was adjourned to allow the Trustee to formalize its proposal and to permit the City some time to consider the Trustee's proposal.
13. The City accepted the Trustee's proposed settlement and on April 28, 2023, the Trustee and the City entered into a settlement agreement.
14. The underlying premise of the settlement agreement is to put the City in the same position it would have been had proper notice of the First Claims Process Order, had submitted a Proof of Claim in accordance with the First Claims Process Order and had participated in the distribution.
15. The settlement agreement is subject to Court approval and requires a transfer of \$134,773 from the WIT to the Receiver of WCC and payment of this amount by the Receiver of WCC to the City to satisfy the agreement. This is discussed further in the following paragraphs.

Recent Court Applications

July 5, 2023, Court Application

16. On June 29, 2023, the Trustee's legal counsel informed the Trustee that Keely Cameron of Bennett Jones LLP was being retained by a group of unitholders who wished to oppose the method of distribution proposed by the Trustee.
17. On July 5, 2023, the Trustee attended an application to address various matters and at which time the Honorable Court granted an Order that:
 - a. Approved the activities of the Trustee;
 - b. Approved the professional fees of the Trustee and its legal counsel;

- c. Approved payment to PWC of \$55,125;
 - d. Approved the settlement with the City of Spruce Grove and payment of \$134,773;
 - e. Adjourned the method of distribution to August 30, 2023, at 10:00 am;
 - f. Adjourned the discharge of the Trustee;
 - g. Set the following timelines for legal briefs regarding the distribution matters as follows:
 - i. July 20, 2023, for the Brief of counsel for the group of investors opposing the method of distribution proposed by the Trustee; and
 - ii. August 15, 2023, for responding briefs.
- and,
- h. Directed the Trustee to provide information regarding this application and notice for application on August 30, 2023.
18. On July 17, 2023, the Trustee paid the amount approved by the Court to PWC and the City of Spruce Grove.
19. On July 19, 2023, the Trustee prepared the First Supplemental Report to the Trustee's Fourth Report.

August 30, 2023, Court Application

20. On August 30, 2023, the Trustee attended an application to address the Trustee's proposed method of distribution to investors that was adjourned at the July 5, 2023, application.
21. Legal counsel for both parties presented their arguments regarding the Trustee's proposed method of distribution to investors and creditors. The Court reserved its decision. The Trustee is unable to provide a timeline for when a decision will be granted.

Receipts and Disbursements

22. The statement of receipts and disbursements from March 8, 2019, to August 31, 2023, is attached as **Exhibit 1**. The Trustee and Receiver currently have \$3,939,474 available for distribution to the investors and creditors.

**In the Matter of the Judicial Trustee of
Westpoint Investment Trust
Interim Statement of Receipts and Disbursements
for the period March 8, 2019 to September 1, 2023**

Receipts

Transferred from WCC	\$ 4,655,755
Interest allocation	158,489
	<hr/> 4,814,245

Disbursements

Receivers Fees	486,826
Distribution to creditors	189,898
Legal fees & disbursements	134,184
GST	32,600
Postage, courier & printing expenses	28,504
Advertisements	2,555
Travel	203
	<hr/> 874,770

Funds held in trust	<hr/> \$ 3,939,474 <hr/>
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