

COURT OF APPEAL OF ALBERTA

COURT OF APPEAL FILE NUMBER: 1901-0255AC

TRIAL COURT FILE NUMBER: 1801-10960

REGISTRY OFFICE: CALGARY

APPLICANT: PAUL J. DARBY

STATUS ON APPEAL: Non-party

STATUS ON APPLICATION: Applicant

APPLICANT: PRICEWATERHOUSECOOPERS INC., LIT, in its capacity as Trustee in bankruptcy of SEQUOIA RESOURCES CORP., and not in its personal capacity

STATUS ON APPEAL: Appellant

STATUS ON APPLICATION: Applicant

RESPONDENTS: SUSAN RIDDELL ROSE, PERPETUAL ENERGY INC., PERPETUAL OPERATING TRUST, and PERPETUAL OPERATING CORP.

STATUS ON APPEAL: Respondents

STATUS ON APPLICATION: Respondents

DOCUMENT: ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: **Norton Rose Fulbright Canada LLP**
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Lawyers for the Respondent, Susan Riddell Rose,
File no.: 1001040549

DATE ON WHICH ORDER WAS PRONOUNCED:	June 18 th , 2020
LOCATION OF HEARING:	Calgary, Alberta
NAME OF JUDGES WHO GRANTED THIS ORDER: <i>(LIST EACH JUDGE IN ORDER OF SENIORITY)</i>	The Honourable Mr. Justice T.W. Wakeling The Honourable Madam Justice M.G. Crighton The Honourable Madam Justice R. Khullar

ON THE APPLICATION OF Paul J. Darby (**Mr. Darby**) filed February 26th, 2020 (the **Darby Application**); AND ON THE APPLICATION OF PricewaterhouseCoopers Inc., LIT, in its capacity as trustee in bankruptcy of Sequoia Resources Corp. and not in its personal capacity (the **Trustee**) filed February 10th, 2020 (the **Trustee Application**); AND ON THE APPLICATIONS of Susan Riddell Rose (**Ms. Rose**) and Perpetual Energy Inc., Perpetual Operating Corp. and Perpetual Operating Trust (collectively, **Perpetual**) dated May 1st, 2020 requesting escalated or enhanced costs in respect of their applications for security for costs granted by this Court on January 29th, 2020 (the **Security for Costs Applications**); AND UPON HAVING READ the Affidavits of Mr. Darby sworn February 10th, 2020 and February 13th, 2020 (the **Darby Affidavits**); AND UPON HAVING READ the cross-examination of Mr. Darby on the Darby Affidavits; AND UPON HAVING READ the Affidavit of Ms. Rose sworn May 1st, 2020; AND UPON HAVING READ written argument in respect of the Darby Application from Mr. Darby, Ms. Rose, and Perpetual; AND UPON HAVING READ written argument in respect of the Trustee Application from the Trustee, Ms. Rose, and Perpetual; AND UPON HAVING READ written argument in respect of the Security for Costs Applications from Ms. Rose, Perpetual, and the Trustee;

AND UPON HEARING from counsel for Mr. Darby, the Trustee, Rose, and Perpetual;

IT IS ORDERED THAT:

1. The Darby Application is dismissed.
2. The Trustee Application is dismissed.
3. The costs of all of the above applications are reserved pending further submissions by the parties in accordance with paragraph 4 hereof.
4. Rose and Perpetual are granted permission to make further submissions as to the costs of the Darby Application, the Trustee Application, and the Security for Costs Applications, to be submitted in writing within 5 business days of the parties' receipt of this Court's written reasons, not to exceed 5 pages for each of Rose and Perpetual. Within 5 business days of

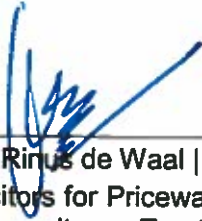
receipt of such written requests from Rose and Perpetual, the Trustee and Mr. Darby may each submit written argument in reply, such reply not to exceed 5 pages.

5. The Court will render its decisions on the costs of the Darby Application, the Trustee Application and the Security for Costs Applications based on the existing record and the further written argument set out in paragraph 4 hereof, without hearing further oral argument.



for Registrar, Court of Appeal

**APPROVED AS BEING THE ORDER GRANTED:
De Waal Law**



Per: Rinus de Waal | Luke Rasmussen
Solicitors for PricewaterhouseCoopers Inc., LIT, in
its capacity as Trustee in bankruptcy of Sequoia
Resources Corp. and not in its personal capacity

Borden Ladner Gervais LLP



Per: Josef G.A. Kruger, Q.C.
Solicitors for Paul J. Darby

I hereby certify this to be a true copy.



**For Deputy Registrar
Court of Appeal of Alberta**

Burnet, Duckworth & Palmer LLP

Per: D. J. McDonald, Q.C. | Paul Chiswell
Solicitors for Perpetual Energy Inc., Perpetual
Operating Trust, and Perpetual Operating Corp.

business days of receipt of such written requests from Rose and Perpetual, the Trustee and Mr. Darby may each submit written argument in reply, such reply not to exceed 5 pages.

5. The Court will render its decisions on the costs of the Darby Application, the Trustee Application and the Security for Costs Applications based on the existing record and the further written argument set out in paragraph 4 hereof, without hearing further oral argument.

Registrar, Court of Appeal

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