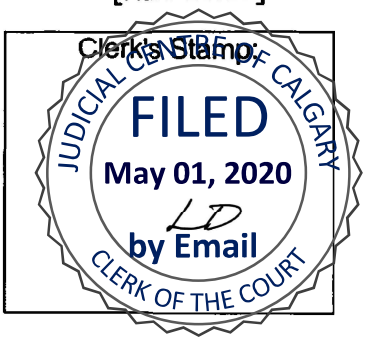
Form 49
[Rule 13.19]

Clerk's Stamp:



COURT FILE NUMBER	1801-10960
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	PRICEWATERHOUSECOOPERS INC., LIT, in its capacity as the TRUSTEE IN BANKRUPTCY OF SEQUOIA RESOURCES CORP. and not in its personal capacity
DEFENDANTS	PERPETUAL ENERGY INC., PERPETUAL OPERATING TRUST, PERPETUAL OPERATING CORP., and SUSAN RIDDELL ROSE
DOCUMENT	**AFFIDAVIT OF SUSAN RIDDELL ROSE**
PARTIES FILING THIS DOCUMENT	PERPETUAL ENERGY INC., PERPETUAL OPERATING TRUST, PERPETUAL OPERATING CORP., and SUSAN RIDDELL ROSE

INV #5417

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTIES FILING THIS DOCUMENT	Norton Rose Fulbright Canada LLP 3700, 400 Third Avenue SW Calgary, Alberta T2P 4H2 Lawyer: Steven H. Leitl, QC / Gunnar Benediktsson Phone: (403) 267-8140 Facsimile: (403) 264-5973 Email: steven.leitl@nortonrosefulbright.com File No.: 1001040549

AFFIDAVIT OF SUSAN RIDDELL ROSE

Sworn on May 1, 2020

I, Susan Riddell Rose, of the City of Calgary, of the Province of Alberta, SWEAR AND SAY THAT:

Introduction

1. I am a Defendant as well as the President, Chief Executive Officer and a director of the Defendants Perpetual Energy Inc. (**Perpetual**) and Perpetual Operating Corp.

2. I have personal information regarding the matters set out in this Affidavit.

SR

3. I swear this Affidavit in support of the Defendants' applications for costs following the Order of the Honourable Mr. Justice D.B. Nixon granted February 14, 2020. In so doing, I do not intend to waive any privilege.

4. Without any prior notice or warning, in August 2018, I was served with the Statement of Claim in this proceeding in which the Plaintiff made various allegations, among other things, concerning my conduct as an officer and director, and sought approximately $220,000,000 in damages. I was also served with an Application and the Affidavit of Paul Darby sworn August 2, 2018. The Application, returnable less than one month later, sought final judgment on all of the Plaintiff's claims. I was surprised and shaken by the Trustee's materials, particularly given Perpetual's good faith cooperation with the Trustee's inquiries (see my Affidavit sworn October 19, 2018, paragraphs 59-63); that the Trustee had never indicated that it may be filing a law suit; and that I was now facing a monetary claim against me personally for approximately $220 million. Since that time, the law suit has caused me unending stress, and has consumed significant personal and Perpetual resources.

5. The Perpetual defendants retained Burnet, Duckworth & Palmer LLP (**BDP**). I sought recommendations regarding legal counsel and retained Norton Rose Fulbright Canada LLP (**NRF**) over the August long weekend. In light of the Trustee's application, I, Perpetual, NRF and BDP had to immediately dedicate significant time and resources to review the matter and respond quickly. For example, on August 27, 2018, the Defendants filed applications to stay the Trustee's application, applications to summarily dismiss and/or strike the Trustee's claims, and Statements of Defence.

6. Attached as Exhibit '**A**' is a Bill of Costs prepared by NRF which sets out particulars of the work done by NRF on my behalf in this proceeding and the amounts billed and paid. Attached as Exhibit '**B**' is a Bill of Costs prepared by BDP on the same basis. The Bills of Costs have been redacted to remove entries that would otherwise disclose privileged information. I would be pleased to provide unredacted copies to Justice Nixon if that would assist the Court.

7. Over the course of this proceeding, NRF and BDP endeavoured to allocate work between them so as to avoid duplication where there were common issues. This is evident, for example, from the Defendants' Briefs filed in November 2018. Substantially all of the work allocated to and done by BDP would otherwise have had to be done by NRF at additional expense to me.

SR

8. I was not physically present before the Commissioner of Oaths who commissioned my affidavit, but as linked with the Commissioner utilizing video technology. We adhered to the process for the remote commissioning of affidavits as prescribed by the Court on April 1, 2020.

SWORN BEFORE ME at the City of Calgary, in the Province of Alberta this 1st day of May, 2020.	)	
	)	
A Commissioner for Oaths in and for the Province of Alberta	)	Susan Riddell Rose

Gunnar Benediktsson
Barrister & Solicitor

*The deponent, Susan Riddell Rose, was not physically present before me, but was linked with me utilizing video technology. The process for remote commissioning of Affidavits, as set out in NPP#2020-02, Notice To The Profession And Public: Remote Commissioning of Affidavits For Use In Civil And Family Proceedings During The COVID-19 Pandemic, dated March 25, 2020, was followed.

Gunnar Benediktsson
A Notary Public in and
for the Province of Alberta