

COURT FILE NUMBER

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**COURT
JUDICIAL CENTRE
APPLICANT
RESPONDENTS**

**COURT OF KING'S BENCH OF ALBERTA
CALGARY
ROYNAT INC.**

**1919929 ALBERTA LTD., KATRINA
BONNYCASTLE AND ANDREW BURTON**

DOCUMENT

**SECOND INTERIM REPORT OF THE COURT
APPOINTED RECEIVER AND MANAGER OF
1919929 ALBERTA LTD.**

**DATED September 28, 2026
PREPARED BY HUDSON & COMPANY
INSOLVENCY TRUSTEES INC.**

**ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT**

**RECEIVER:
Hudson & Company Insolvency Trustees Inc.
Attention: Breanna Burkard-Smith
200, 625 - 11th Avenue SW
Calgary, Alberta T2R 0E1
Ph. (587) 392-9662
Fx. (403) 234-8770
Email: bburkard-smith@hudsoninc.ca**

**LEGAL COUNSEL:
Dentons Canada LLP
Attention: Derek Pontin
Bankers Court, 15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Ph. (403) 268-6301 Fx. (403) 268-3100
Email: derek.pontin@dentons.com**

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INTRODUCTION AND BACKGROUND

Introduction

1. Pursuant to an Order (the “**Receivership Order**”) granted by the Court of King’s Bench of Alberta (the “**Court**”) on October 2, 2025 (the “**Date of Receivership**”), Hudson & Company Insolvency Trustees Inc. was appointed as receiver and manager (the “**Receiver**”) of 1919929 Alberta Inc. (the “**Debtor**” or “**191 AB**”).
2. The Receivership Order was granted as a result of an application by Roynat Inc. (“**Roynat**”), applying on the grounds they held registered security over all of the Debtor’s present and after acquired property pursuant to a general security agreement and a collateral mortgage against specific real property.
3. The Receiver has retained Dentons Canada LLP (“**Dentons**”) as its independent legal counsel.
4. The Receiver’s counsel is in the process of preparing a legal opinion in respect of the validity and enforceability of Roynat’s security.

Notice to Reader

5. In preparing this report, the Receiver has relied on unaudited financial information, the Debtor’s books and records and discussions with former management, interested parties and other stakeholders. The Receiver has not performed an independent audit or review of the information provided, or otherwise made any attempt to verify the accuracy or completeness of the information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the use of this Report, or the reproduction, publication or circulation thereof.

Background

6. 191 AB owns a commercial condo unit in Edmonton, Alberta. This real property is legally described as:

CONDOMINIUM PLAN 0840761
UNIT 1
AND 1221 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON
PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the “**Property**”).

7. The First Interim Report (the “**First Interim Report**”), issued on April 1, 2026, outlined the activities of the Receiver since the Date of the Receivership.
8. This, the Second Interim Report (“**Second Interim Report**”) outlines the activities of the Receiver since the date of the First Interim Report.
9. As noted in the First Interim Report, it is the understanding of the Receiver that management of 191 AB have an operating entity called Pyxis Customer Solutions Ltd. (“**Pyxis**”) that was operating out of the Property. At one point in time, there was a formal lease agreement (the “**Lease**”) between 191 AB as landlord and Pyxis as tenant. However, on January 1, 2025, the Lease was terminated by Pyxis. While the Lease had been terminated, Pyxis continued to occupy the Property up to the Date of the Receivership and as such maintained the Property expenses, including property taxes, utilities, etc
10. In addition, the Receiver understands prior to the Date of Receivership, 191 AB had made multiple claims of impending refinancing and expressed an intention to pay its indebtedness to Roynat in full. As no funds were received, Roynat continued with the appointment of the Receiver.
11. The director of 191 AB, Katrina Bonnycastle (“**Ms. Bonnycastle**”), has maintained the claims of refinancing and payout of Roynat’s debt throughout the Receivership. The Receiver is not aware of any payments being made to Roynat.

ACTIVITIES SINCE THE DATE OF RECEIVERSHIP

Operations

12. As noted above, at the Date of Receivership Pyxis was occupying the space in the Property but there was no formal Lease. Ms. Bonnycastle proposed that Pyxis would continue to service the operating expenses if they could remain in the space during the sales process. The Receiver advised that would only be agreeable if Pyxis consented to giving vacant possession when notified by the Receiver, which Ms. Bonnycastle agreed to.
13. The Receiver was provided with verification that the operating expenses related to the Property were being paid. The Receiver has not consented to any express tenancy or tenancy at will for Pyxis.
14. As the Property insurance was in the name of Pyxis, at the Date of the Receivership, the Receiver took steps to ensure the Property was insured and the Receiver named as loss payee.
15. On December 17, 2025, the Receiver was notified by Ms. Bonnycastle that a pipe had burst in the unit directly above the Property, resulting in water damage. The condo board had arranged for a restoration company to complete the emergency services needed with regards to the damage and are in the process of completing the necessary repairs. It was understood that the costs would be paid through the condo board insurance.
16. At the beginning of June 2026, the Receiver was notified by the property manager that 191 AB was in arrears on the condo fees of approximately \$32,000. The condo board had issued two special assessments, totalling approximately \$23,000, and many of the monthly condo fee payments made by Ms. Bonnycastle, which had been previously sent to the Receiver as verification, had bounced and remain owing.
17. The Receiver notified Ms. Bonnycastle of the condo fee arrears. At the date of this Second Interim Report, the condo fee arrears have not been paid by Pyxis or Ms. Bonnycastle, even though payment of ongoing expenses was and is a condition for Pyxis occupying the Property.
18. At the same time, the Receiver requested copies of the special assessments and condo bylaws from the property manager. Upon receiving those documents in July 2026, Dentons prepared an analysis on

the security priority of the condo fees relative to Roynat's mortgage against the Property. Dentons determined the outstanding condo fees would have priority over the Roynat. Accordingly, the Receiver issued a Receiver Certificate on July 14, 2026, to borrow funds to pay the condo fee arrears. At the date of this report, due to processing delays, there have been no funds received by the Receiver in respect of priority borrowings.

19. Also, at the beginning of June 2026, the Receiver was notified by the property manager that due to the significant rainfall in Edmonton (in May / June 2026) there were various leaks throughout the building, including the unit owned by 191AB. The property manager advised that the condo board had retained an engineering firm to prepare a condition report of the building and determine the best steps to mitigate the leaks. While the condition report was being prepared, steps were taken to clear and dry water from the building.
20. In late July 2026, the Receiver was notified of further leaking in the Property and reached out to the property manager to inquire if the condition report had been completed. The property manager provided the Receiver with a copy of the engineer's condition report ("**Condition Report**") that had been finalized July 20, 2026.
21. The Condition Report recommended various repairs to stop the continuous leaks. The Receiver understands that the condo board is considering approaches for the repairs and is holding a meeting with all the unit holders on September 29, 2026, to discuss next steps.

MARKETING AND SALES PROCESS

22. In October, 2025, the Receiver engaged Newmark Real Estate Canada Limited ("**Newmark**") to prepare an independent current appraisal on Property. Newmark toured the Property in order to prepare a property valuation effective January 20, 2026.
23. Following its appointment, the Receiver contacted several commercial brokers to submit listing proposals to the Receiver, to list and market the Property for sale. Ultimately, two commercial brokers submitted proposals to the Receiver for consideration.

24. The Receiver, in discussion with counsel, elected to retain Colliers Macaulay Nicolls Inc. (“Colliers”) for an initial term that would be in effect until July 31, 2026, in which Colliers would solicit potential buyers.
25. Colliers posted the listing on MLS and on its website, on February 27, 2026.
26. As of the date of the First Interim Report no offers had been received for the Property. Following a discussion with Colliers and Roynat on June 4, 2026, the listing price of the Property was reduced.
27. The initial term with Colliers expired on July 31, 2026. The Receiver, in discussion with Roynat, did not extend the listing agreement with Colliers due to the findings in the Condition Report and lack of offers solicited during the initial listing period.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

28. Attached as **Appendix A** to this Second Interim Report is the actual receipts and disbursements of the receivership estate from October 2, 2025, up to and including September 28, 2026.

HUDSON & COMPANY INSOLVENCY TRUSTEES INC.

In its capacity as Court-Appointed Receiver and Manager of
1919929 Alberta Inc., and not in its personal capacity



Breanna Burkard-Smith, CIRP, LIT

Appendix A

**IN THE MATTER OF THE RECEIVERSHIP OF
1919929 Alberta Ltd.
Hudson & Company Insolvency Trustees Inc., Receiver
Interim Statement of Receipts and Disbursements for 1919929 Alberta Ltd.
For the period of October 2, 2025 to September 28, 2026**

RECEIPTS	Totals
Loan from Trustee	\$ 10,083.96
Interest income	52.16
Cash on Hand - cash balance as of Date of Receivership	34.75
TOTAL RECEIPTS	<u>\$ 10,170.87</u>
DISBURSEMENTS	
Appraisal	\$ 2,950.00
Insurance	1,867.00
Administrative costs (ascend, search fees, filing, land titles)	520.26
Travel costs & out of pocket expenses	441.00
GST paid on operating expenses	163.75
TOTAL DISBURSEMENTS	<u>\$ 5,942.01</u>
Funds on Hand - September 28, 2026	<u><u>\$ 4,228.86</u></u>