

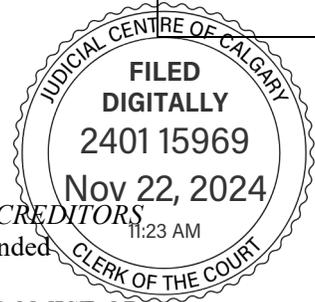
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Clerk's Stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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



AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF A2A CAPITAL SERVICES CANADA INC., SERENE COUNTRY HOMES (CANADA) INC., A2A DEVELOPMENTS INC., and the other entities listed in Appendix "A" hereto

DOCUMENT **FIRST SUPPLEMENT TO THE FIRST REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.**

November 21, 2024

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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INTRODUCTION

1. On November 14, 2024, on the application of an ad hoc group of Canadian investors in various real estate and land investment projects (the "**Applicant Investors**"), the Court of King's Bench of Alberta (the "**Court**") issued an initial order (the "**Initial Order**") which, among other things, commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**") and appointed Alvarez & Marsal Canada Inc. ("**A&M**") as the CCAA monitor with enhanced powers (the "**Monitor**").
2. On November 18, 2024, the Monitor filed an application returnable on November 21, 2024 (the "**Comeback Application**") seeking an amended and restated initial order (the "**ARIO**").
3. The entities which are subject to relief under the CCAA are A2A Capital Services Canada Inc. ("**A2A CSC**"), Serene Country Homes (Canada) Inc. ("**Serene**"), A2A Developments Inc. ("**Developments**"), Angus A2A GP Inc. ("**Angus GP**"), Angus Manor Park A2A Developments Inc. ("**Angus Manor Developments**"), Angus Manor Park Capital Corp. ("**Angus Manor Capital**"), Angus Manor Park A2A GP Inc. ("**Angus Manor GP**") Fossil Creek A2A GP Inc. ("**Fossil GP**"), Hills of Windridge A2A GP Inc. ("**Windridge GP**") and US entities Fossil Creek A2A Developments, LLC ("**Fossil USA**") and Windridge A2A Developments, LLC ("**Windridge USA**" and collectively, the "**Debtor Companies**").
4. The Initial Order also extended the stay of proceeding to certain non-Debtors: Canadian entities Angus A2A Limited Partnership ("**Angus LP**"), Angus Manor Park A2A Limited Partnership ("**Angus Manor LP**"), Fossil Creek A2A Trust, Hills of Windridge A2A Trust, Fossil Creek A2A Limited Partnership ("**Fossil LP**") and Hills of Windridge A2A Limited Partnership ("**Windridge LP**" and collectively, the "**Additional Debtor Stay Entities**"). The Debtor Companies and the Additional Debtor Stay Entities are collectively referred to as the "**A2A Group**".

5. In support of the Initial Order, various Affidavits¹ of the Applicant Investors have been sworn (the "**Original Investor Affidavits**").
6. Capitalized terms not otherwise defined in this Supplement (this "**Supplement**") to the Monitor's First Report dated November 20, 2024 (the "**First Report**") are as defined in the Initial Order, the Pre-Filing Report of the Monitor dated November 13, 2024 (the "**Pre-Filing Report**"), the Original Investor Affidavits or such other materials filed by the Applicant Investors in support of the Initial Order.
7. This morning the Monitor was served with, among other things, the Affidavit of Allan Whiteford Lind sworn November 21, 2024 (the "**Lind Affidavit**") and the Affidavit of Grayson James Ambrose sworn November 21, 2024 (the "**Ambrose Affidavit**"). The Lind Affidavit states, among other things, that to permit the CCAA Initial Order to proceed will cause financial harm and damages to the global investor class solely because a handful of Canadian investors, representing a "tiny fraction" of the investor class, misunderstand the investment product they bought. Likewise, the Grayson Affidavit suggests that the Offshore Investors in Angus Manor (as defined in the First Report) voted almost unanimously consenting to the sale.

PURPOSE

8. The purpose of this Supplement is to provide information to this Honourable Court with additional support received by the Monitor from Offshore Investors, in response to the Ambrose Affidavit and the Lind Affidavit.
9. This Report should be read in conjunction with the Applicant Investors' materials filed in support of the CCAA Application.

¹ As of the date of this Report, the Original Investor Affidavits include the Affidavit of Michael Edwards sworn November 12, 2024 (the "**Edwards Affidavit**"), the Affidavit of Paul Lauzon sworn November 12, 2024 (the "**Lauzon Affidavit**"), the Affidavit of Isabelle Brousseau sworn November 8, 2024, the Affidavit of Pat Wedlund sworn November 12, 2024 and the Affidavit of Brian Richards sworn November 12, 2024.

OFFSHORE INVESTOR COMMUNICATION

10. As discussed in the First Report, the Monitor received in-bound communication between November 15 – 20, 2024 from 27 additional A2A Investors (the majority being Offshore Investors) requesting assistance in having the Monitor investigate their various investments in any of Angus Manor, Fossil Creek and/or Windridge. Many such investors also advised the Monitor that they have not received any communication or information from Management for several years (and in some cases, since the inception of their investment), and requested the Monitor put them in contact with Offshore Rep Counsel. Some investors also raised concerns about investments in other projects/properties, including seven other properties in Ontario and one other property in Texas, on which there was also an alleged lack of communications and transparency².
11. Since filing the First Report (November 20, 2024), the Monitor and their advisors have received 45 additional in-bound communication. Most emails allege a significant lack of communication and transparency experienced by the investors from the A2A Group for several years. As such, a total of 72 in-bound communication over the course of 6 days and the Monitor and their advisors continue to receive additional in-bounds communication regularly.
12. Attached hereto as Appendix "A" are multiple emails (with related attachments) received directly by the Monitor, from Offshore Investors of Angus Manor, Fossil Creek and Windridge (separately, and in some instances, combined in multiple projects), who advise they have not received any communication regarding their investment.

Chapter 15 Proceedings

² One particular offshore Investor who communicated with Azimuth advised that they held UFI's in 11 different projects, for a total investment amount of \$120,000 CDN and a further \$80,000 USD. This offshore investor further advised that no communications have been received from the A2A Group regarding the status of the investments, and no payments have been received.

13. As discussed in the First Report, this morning US counsel to the Monitor (“**Reed Smith**”) sought from US Bankruptcy Court for the Northern District of Texas, amongst other things a preliminary injunction and temporary restraining order, recognizing the Initial Order on a preliminary basis and granting recognition to the Monitor as “Foreign Representative.”

14. Reed Smith was successful in its motion and the Monitor has been granted recognition as “Foreign Representative” in the United States.

All of which is respectfully submitted this 21st day of November, 2024.

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as Monitor of A2A Capital Services Canada Inc., Serene Country Homes (Canada) Inc., A2A Developments Inc., Serene Country Homes, LLC, Serene Development, LLC, and the other entities listed in Appendix "A" hereto
and not in its personal or corporate capacity**



Orest Konowalchuk, CPA, CA, CIRP, LIT
Senior Vice-President



Duncan MacRae, CPA, CA, CIRP, LIT
Vice-President

APPENDIX "A"

Debtors

Canadian Entities

- A2A CAPITAL SERVICES CANADA INC.
- SERENE COUNTRY HOMES (CANADA) INC. ¹
- A2A DEVELOPMENTS INC. ²
- ANGUS A2A GP INC.
- ANGUS MANOR PARK A2A DEVELOPMENTS INC. ³
- ANGUS MANOR PARK CAPITAL CORP.
- ANGUS MANOR PARK A2A GP INC.
- FOSSIL CREEK A2A GP INC.
- HILLS OF WINDRIDGE A2A GP INC.

US Entities

- FOSSIL CREEK A2A DEVELOPMENTS, LLC ⁴
- WINDRIDGE A2A DEVELOPMENTS, LLC ⁵

Affiliate Entities

Canadian Entities

- ANGUS A2A LIMITED PARTNERSHIP
- ANGUS MANOR PARK A2A LIMITED PARTNERSHIP
- FOSSIL CREEK A2A TRUST
- HILLS OF WINDRIDGE A2A TRUST
- FOSSIL CREEK TRUST
- HILLS OF WINDRIDGE TRUST
- FOSSIL CREEK A2A LIMITED PARTNERSHIP
- HILLS OF WINDRIDGE A2A LIMITED PARTNERSHIP

¹ f/k/a A2A CAPITAL MANAGEMENT INC.

² f/k/a A2A MEAFORD INC.

³ f/k/a 2327812 ONTARIO INC.

⁴ f/k/a RIVERS EDGE A2A DEVELOPMENTS, LLC

⁵ f/k/a WHITE SETTLEMENT A2A DEVELOPMENTS, LLC

APPENDIX "B"

Archived: Thursday, November 21, 2024 12:48:12 PM

From: [Lim Yong Seng](#)

Mail received time: Tue, 19 Nov 2024 18:06:30

Sent: Tue, 19 Nov 2024 18:06:15

To: [Rob Petersen](#)

Subject: A2A Offshore Investors - Total Invested USD640K and CAD70K

Importance: Normal

Sensitivity: None

Dear Mr Rob Petersen

I have read about the CCAA proceeding on A2A group of companies and understand that you are the contact person for offshore investors.

I am an investor from Singapore and am representing a group of investors in this correspondence with you. In total, we have invested the following:

Hills of Windridge: USD350,000 (35 units of UFI)

Trails of Fossil Creek: USD290,000 (29 units of UFI)

Angus Manor Park: CAD70,000 (7 units of UFI)

Please let me know what details are required and I shall compile for the group.

I do not fully understand what our participation in this means. Are we asking for the Monitor to represent us to salvage whatever is left of our investment? As this is a Canadian court order, does it have jurisdiction over USA-based A2A companies and projects?

Greatly appreciate your time and advice on the above and on how to proceed.

Thank you

Lim Yong Seng

Archived: Thursday, November 21, 2024 12:48:09 PM

From: [Simon Tan](#)

Mail received time: Tue, 19 Nov 2024 07:58:25

Sent: Tue, 19 Nov 2024 07:58:09

To: [Rob Petersen](#)

Subject: A2A Investor from Singapore

Importance: Normal

Sensitivity: None

Dear Rob Petersen,

1. My name is Tan Chong Ing and I am an investor from Singapore.
2. I noted there is a CCAA proceeding on A2A-related group of companies and I have also noted that you are a consultant of the Monitor for this CCAA.
3. As such, here are the details of my investment with A2A :
 - a. 15 units of Hills of Windridge
 - b. 6 units of Trails of Fossil Creek
 - c. 11 units of Angus Manor Park
4. I appreciate your assistance to coordinate with Norton Rose on my investments and advise me on what I need to do to move forward.
5. I can be contacted via the following methods :
 - a. Email : simon.tan22@gmail.com
 - b. Mailing address : 7 Bishan Street 15 #36-08, Singapore 573908)

Best Rgds

Tan Chong Ing

Archived: Thursday, November 21, 2024 12:48:17 PM

From: russellseet@gmail.com

Mail received time: Mon, 18 Nov 2024 04:50:25

Sent: Mon, 18 Nov 2024 04:50:10

To: [Rob Petersen](#)

Subject: Offshore investor - Singapore

Importance: Normal

Sensitivity: None

Attachments:

[D214196479_WD_SEETCHUNHOI_7UNITS.pdf](#) 

Hi Mr. Rob Petersen,

You can call me by Russell and I together with many other Singaporeans are UFI owners of Fossil Creek Trust and Sendera Ranch and other affected projects. I have attached the county record for my holdings in fossil creek. I had also shared the "A2A Group Investors FAQs" document to our Telegram group.

Regards,
Russell

From: Rob Petersen <RobP@azimuth.support>
Sent: Thursday, November 21, 2024 12:45 PM
To: MacRae, Duncan; Konowalchuk, Orest; Park, Quinn; Oliver, Jeffrey; Marechal, Danielle; Thompson, Natalie
Subject: FW: CCCA proceedings for A2A Windridge and Fossil Creek

From: Vijayan Nambiar <vjnambiar@yahoo.com.sg>
Sent: November 20, 2024 7:17 AM
To: Rob Petersen <RobP@azimuth.support>
Subject: Re: CCCA proceedings for A2A Windridge and Fossil Creek

Hi Rob,
I spoke to the other investors, and I went through some of the documents and affidavits.

I noticed that there is an offer for the purchase of bonds and there were documents about the law suits against Windridge and Fossil Creek. The plaintiffs were awarded \$3.85 million for each suit. We would like to know if the plaintiffs actually received any payment from A2A or did A2A declare insolvency because they could not pay the plaintiffs?

We would also like to know if the Monitor is planning to complete the uncompleted houses and sell them to bring in more income.

Thanks

Vijayan

On Wednesday, 20 November 2024 at 10:05:02 pm GMT+8, Vijayan Nambiar <vjnambiar@yahoo.com.sg> wrote:

Hi Rob,
That was a very prompt reply.

I led a group of over 200 investors for a lawsuit against A2A Windridge and Fossil Creek to get accounts of what happened to our money. We found out that they bought the land at \$10,000 an acre ie Windridge was 415 acres so it cost them \$4.15 mill(USD). They had collected more than USD\$44 million from investors. So Dirk Foo marked up the cost of land to \$20 million USD and pocketed \$15 million for his team. With only \$24 million left to develop the land, they started claiming that they ran into financial difficulties. When I visited Forth Worth in 2018, the land was cleared for development but half the houses were abandoned. A2A had pocketed the money and ran into hiding. Fossil Creek and Windridge collected nearly USD 70 million from investors like us.

I have forwarded your reply to our group in FB. Hope more of them will agree to sign the affidavits.

Thanks
Vijayan

On Wednesday, 20 November 2024 at 09:54:10 am GMT+8, Rob Petersen <robp@azimuth.support> wrote:

Hello Vijayan

The costs associated with a CCAA are borne by the assets – What I mean is that there is generally a loan against the lands to pay for the costs of CCAA. Inevitably, this may reduce the recovery by a small amount but my experience is that not doing anything sometimes leads to very little or no recovery at all.

There is always some risk in these processes. The risk under CCAA is that the eventual recovery (sale of land) isn't what the investors were hoping for but again, the alternative can sometimes be \$nil.

This is a court authorized process, so the ultimate goal is to determine the best path (sale, approvals, subdivision, etc.) and implement that plan.

Right now, we need to dig into each property and see what debts/claims are against them. Resolve outstanding issues and then begin to build a strategy for investor recovery.

I will be investor facing on this and will always work to try and respond to any questions or concerns.

Please let me know if I haven't answered your questions satisfactorily or if you have any other questions.

Take care,

From: Vijayan Nambiar <vinambiar@yahoo.com.sg>
Sent: November 19, 2024 6:34 PM
To: Rob Petersen <RobP@azimuth.support>
Subject: Re: CCCA proceedings for A2A Windridge and Fossil Creek

Hi Rob,

So nice of you to respond so quickly.

I have contact with a large group of investors who have been scammed by A2A. We need to know if there are any costs and risks involved before we sign any affidavits.

Thanks

Vijayan Nambiar

On Wednesday, 20 November 2024 at 01:32:12 am GMT+8, Rob Petersen <robp@azimuth.support> wrote:

Hello Vijayan & Jacqueline

Thank you for your email.

I am working to compile an investor database and will be providing updates as information is made available. We may still be looking for investors willing to sign affidavits. If so, would you be willing to participate?

Please advise.

From: Vijayan Nambiar <vinambiar@yahoo.com.sg>
Sent: November 19, 2024 6:07 AM
To: Rob Petersen <RobP@azimuth.support>
Subject: CCAA proceedings for A2A Windridge and Fossil Creek

Dear Mr Rob Petersen,

1. My name is Vijayan s/o Nambiar. I am from Singapore.

I have noted that there is a CCAA proceeding on A2A-related group of companies

<https://www.alvarezandmarsal.com/A2A>

I have also read the "A2A Group Investor FAQs" and noted that you are a consultant of the Monitor for this CCAA.

2. My wife, Jacqueline Ann Lee-Nambiar and I are investors in A2A Hills of Windridge and A2A Fossil Creek. We entered into an Agreement of Purchase and Sale with WINDRIDGE A2A DEVELOPMENTS, LLC (a Texas LLC) on October 29, 2012 and with Fossil Creek A2A DEVELOPMENTS, LLC on December 23, 2013.

3. I have invested US\$20,000 to purchase 2 units (2/4410) of A2A Windridge undivided fractional interests of the project, with the following UDI UIN: THOW-0870 and THOW-0871 and my wife and I have jointly invested another US\$20,000 for 2 units (2/2100) of A2A Fossil Creek with the following UDI UIN: FC-0984, and FC-1087

4. I have not received any communications regarding the status of my investment from A2A or payments from A2A, since 2020.

5. I appreciate your assistance to coordinate my concerns with Norton Rose, and also help me understand what do I need to do in order to move forward.

Best Regards,

Vijayan Nambiar and Jacqueline Ann-Lee Nambiar

vnambiar@yahoo.com.sg

Hp: 65-98004907