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May 8, 2018

Clary

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COURT COURT OF QUEEN'S BENCH OF ALBERTA  
IN BANKRUPTCY

JUDICIAL CENTRE CALGARY

**Form 49**  
[Rule 13.19]  
BANKRUPTCY AND INSOLVENCY  
FAILLITE ET INSOLVABILITE  
Clerk's Stamp  
**MAY - 9 2018**  
JUDICIAL CENTRE  
OF CALGARY

IN THE MATTER OF THE BANKRUPTCY OF  
COGI LIMITED PARTNERSHIP  
IN THE MATTER OF THE BANKRUPTCY OF  
CANADIAN OIL AND GAS INTERNATIONAL  
INC.  
IN THE MATTER OF THE BANKRUPTCY OF  
CONSERVE OIL GROUP INC.

DOCUMENT **AFFIDAVIT**

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**AFFIDAVIT OF MONIKA GALBA**

Sworn on May 8, 2018 / *COA*

I, Monika Galba, of Berlin, Federal Republic of Germany, SWEAR AND SAY THAT:

1. I am a former managing director of the limited partners of COGI Limited Partnership. I have personal knowledge of the matters sworn to in this affidavit, except where my evidence is stated to be based upon information, in which case I believe that information to be true. This affidavit is intended for use in Canada only and is not

intended for use in any German court. English is not my mother tongue, although I am a fluent and I fully understand the contents of my affidavit.

2. The purpose of my affidavit is to respond to the inaccurate information contained in the Second Report of the Trustee in Bankruptcy, filed April 6, 2018 (the **Second Report**) and to clear up any misconceptions that may have arisen from the baseless suggestions contained in the Second Report. My affidavit is also in response to the Trustee's application to compel the delivery of a forensic image of Bauland Inc.'s server (the **Server**), which is likely to contain documents created or owned by me and my husband Jürgen Hainzl, and that have no relation to the business or affairs of the Bankrupt Entities, as that term is used in the Second Report.
3. I have reviewed the Second Report and have determined that Jürgen Hainzl and I are misidentified at paragraph 33 of the Second Report as "individuals who may have been involved in management and control of the Bankrupt Entities". This statement is categorically false as I never had management or control of the Bankrupt Entities. I was not involved in decisions and was not responsible for day to day business.

#### **Background**

4. Appendix B to the Second Report shows the corporate structure of the Bankrupt Entities.
5. The Bankrupt Entities are Canadian resident corporations. David Crombie was a director of both Conserve Oil Group Inc. (**Conserve**) and Canadian Oil and Gas International Inc. (**COGI Inc.**). I have never been a director of either Conserve or COGI Inc. and have not occupied any other managing or controlling position.
6. COGI Limited Partnership (**COGI LP**) had COGI Inc. as a general partner. COGI LP also had a number of limited partners, all of which are resident in the Federal Republic of Germany.
7. I was the managing director of the limited partners of COGI LP until my resignation on February 15, 2017. Some of these limited partners are defined in the Second Report as the "KG LPs". The KG LPs—and others described below—raised money from various investors in Germany, including Edmund Kockartz (**Kockartz**) and persons that he represented as sales agent. The funds raised in Germany were sent by the limited

partners to the Canadian LPs, which then invested in oil and gas properties held by the Bankrupt Entities.

8. The KG LP's are now under the management and control of Kockartz, who is also the court appointed Inspector of the Bankrupt Entities. Kockartz is also the director and controlling mind of the following German companies:

- (a) POC GmbH;
- (b) POC Energy Solutions GmbH;
- (c) POC Management Holding GmbH;
- (d) POC Verwaltungs GmbH;
- (e) POC Growth Verwaltungs GmbH;
- (f) POC Growth Verwaltungs 2. GmbH;
- (g) POC Growth 3 Plus Verwaltungs GmbH;
- (h) POC Growth 4. Verwaltungs GmbH;
- (i) POC Natural Gas Verwaltungs GmbH;
- (j) POC Oikos Verwaltungs GmbH;
- (k) POC Eins GmbH & Co. KG;
- (l) POC Zwei GmbH & Co. KG;
- (m) POC Growth GmbH & Co. KG;
- (n) POC Growth 2. GmbH & Co. KG;
- (o) POC Growth 3 Plus GmbH & Co. KG;
- (p) POC Growth 4. GmbH & Co. KG, and
- (q) POC Oikos GmbH & Co. KG.
- (r) POC Holding GmbH

(the **German Companies**)

and the following Canadian company:

(s) DEL Canada Ltd.

9. Kockartz, as managing director of the German Companies, has caused the German Companies to file a number of court actions, including actions against Jürgen Hainzl and against one of my companies. The German court actions are very closely related to the Alberta Receivership and Bankruptcy proceedings as they were filed by Kockartz in an attempt to enforce repayment of fees.
10. On March 13, 2017 I obtained an injunction from a German court against Kockartz and on March 17, 2017 against POC GmbH. The court enjoined Kockartz from making false statements such as his statement that "on February 23, 2017 all POC companies have terminated the employment contract of Monika Galba due to fundamental breaches of contract and she was dismissed from all functions". This was proven false as I resigned from my positions on February 15, 2017 and was not in fundamental breach.
11. There is presently tremendous animosity toward Juergen Hainzl and me from Kockartz as a result of the historic losses of the German Companies and the German court actions, as well as some objectionable conduct in the Canadian receivership.
12. In an application scheduled for February 7, 2018, the Receiver proposed the sale of several of the German Companies to POC Holding GmbH, a company controlled by Kockartz. The Receiver indicated in its ninth report filed with this Honourable Court on February 7, 2018, that the proposed sale transactions with respect to POC GmbH, POC Management Holding GmbH and POC Energy Solutions GmbH, pursuant to share sale agreements the Receiver had negotiated with POC Holding GmbH, that such transactions would streamline operations and ownership. At that time the Receiver reported that the Kockartz controlled entity POC Holding GmbH "is the only likely purchaser of the holdco shares", and went on to report that "as such, the Receiver is satisfied that the POC transaction contemplated by the POC PSAs represents a reasonable and satisfactory offer for the value of the Holdco shares even though no formal sales process was conducted".
13. The Receiver was aware of my interest in the German Companies and our view that there was a significant value, which remains to be the case. Upon our objection, and request for consideration of the transaction, the application was adjourned *sine die*.

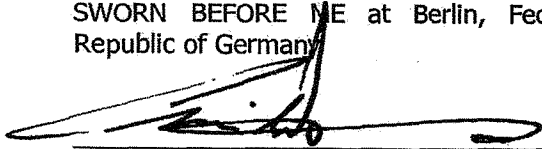
Kockartz has since made arrangements in Germany such that management has now simply been shifted to his controlled entity, which in my belief now enjoys a management fee of approximately € 1,100,000 for 2018. This is based on my review of public disclosure documents in Germany. It is my belief that the arrangements undertaken between Kockartz and the Receiver relative to the management of the German Companies evidences an overly accommodating and close relationship between Kockartz and the Receiver (and Trustee in Bankruptcy in this instance) against which parties external to that relationship require reasonable, if not significant, protections of this Honourable Court.

### **The Bauland Server**

14. I have review the Trustee's Application and proposed form of order. In light of the ongoing German court actions it causes me grave concern that the Trustee is seeking an order that "documents created or owned by third parties, including... Monika Galba and Jürgen Hainzl shall constitute COGI Records if they relate to the business, assets, or affairs of COGI".
15. Jüergen Hainzl and I both had communications with Alexander Gramatzki (former vice president of Conserve) over many years, even prior to the creation of COGI. We had no knowledge that our communications would be hosted on the Bauland Server. We do not know exactly what is contained on the Bauland Server, however, I believe it contains documents created or owned by me and Jürgen Hainzl that are confidential in nature or that may be used by Kockartz to advance the litigation in Germany, including litigation against us. I believe this agenda is the reason that we have been intentionally mis-identified in the Second Report as having been involved in management and control of the Bankrupt Entities.
16. I believe that Kockartz is in a conflict by acting as the Inspector and the promoter of the German court actions. I understand that the Trustee has renewed its efforts to compel production of the Bauland Server after a nearly two-year hiatus. The Trustee's renewed efforts coincide with Kockartz's appointment as Inspector and his litigation efforts in Germany. All the examinations of the COGI employees for two years did not prompt the receiver to assume that Jürgen Hainzl and I were ever in control. This only came up when Kockartz was appointed as Inspector.

17. I also have a concern about the authenticity of documents related to COGI's business and affairs. I have encountered a bill of sale with a forged signature applied to it that purported to be my own. I had never seen that particular document nor did I sign it.
18. In order for my and Jürgen Hainzl's interests to be protected I would like to see Kockartz disqualified from acting as a Court appointed Inspector and I believe a procedure should be put in place to permit our counsel, Burnet, Duckworth & Palmer LLP, to generate search terms to be applied to the Bauland Server so that any records created or owned by me or Jürgen Hainzl—and not pertinent to the business or affairs of the Bankrupt Entities—are excluded from disclosure or reviewed to ensure that the records are properly disclosable and authentic.
19. I make this affidavit in response to the Trustee's application and for no improper purpose.

SWORN BEFORE ME at Berlin, Federal )  
 Republic of Germany )

  
 Commissioner for Oaths and Notary Public )

MONIKA GALBA 

*I, Christopher Wright, am a notary public licensed for the Province of Ontario and a Commissioner for Oaths (Ontario), with office at Kantstraße 164, 10623 Berlin, Germany. I identified Ms. Monika Galba by way of her GERMAN PASSPORT with no. C3JP C2PLH on this 8<sup>th</sup> day of May 2018 at my office in Berlin, and witnessed her affix her signature to this document. I am unable to provide any confirmations or comments with respect to the contents of this document and/or the statements contained in it. She has duly sworn the truth and correctness of the contents.*

