

BANKRUPTCY AND INSOLVENCY ACT
PART III, SECTION 108
1 FILED

ORIGINAL

APR 25 2018
Clerk's stamp:
JUDICIAL CENTRE
OF CALGARY

QUESTIONING OF ARCHIBALD ANTHONY TIMMERMAN
BY G.B. DAVISON, QC
HELD JUNE 9, 2016

ESTATE NUMBER/S: 25-2071993
 25-2071994
 25-2071996

COURT: COURT OF QUEEN'S BENCH OF
 ALBERTA IN BANKRUPTCY

JUDICIAL DISTRICT: CALGARY

IN THE MATTER OF THE
BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1985 c. B-3, AS AMENDED

AND IN THE MATTER OF CONSERVE
OIL GROUP INC., COGI LIMITED
PARTNERSHIP, CANADIAN OIL &
GAS INC. AND CONSERVE OIL 1ST
CORPORATION

1 A No, never. Never had an office, not in their
2 facilities anyway.

3 Q And who did you report to?

4 A David Crombie.

5 Q And what were your responsibilities aside from what
6 you've told me about driving, transportation,
7 orientation, promotion?

8 A Well, clients, guests, would come to Calgary, and I
9 would take them out to different things to see in the
10 city, so like take them to restaurants; take them to,
11 say, SAIT to see the -- the oil facilities they have
12 there; take them to Schlumberger office, Sproule, that
13 sort of thing, Deloitte. Take them to the Conserve
14 office, bring them there. My company would lease them
15 a bus 'cause we would usually have 10 or 12 people, and
16 then we would take them out to Joffre, which was one of
17 the company's assets, and show them the plant out
18 there, and they'd take pictures, and I'd bring them
19 back to the airport, and that was it. So I got calls
20 from time to time doing that.

21 Q Were you involved in any management decisions made by
22 COGI or Conserve Oil Group?

23 A No, never. No, sir.

24 Q Did you understand who was in the management group of
25 those entities?

26 A Well, Juergen Hainzl and David Crombie were the
27 prominent figures. There was another lady involved,

1 Monika Galba, but these were -- from Germany.

2 Q What about in Canada? For example, what did you
3 understand, or did you have any relationships with
4 Yoshiki Nakamura?

5 A Yes.

6 Q And what was your relationship with Yoshiki Nakamura?

7 A They would give me directions on things to do, tasks to
8 perform, people to pick up, give me schedules, things
9 like that.

10 Q What tasks to perform come to mind, Mr. Timmerman?

11 A Just going out to the field with -- with the groups of
12 people that they brought. This was a regular
13 occurrence where they'd bring over clients, 4, 6, 8, 12
14 at a time, and they would -- they were investors, I
15 would gather. I'm not sure. Not all of them were.
16 Some of them were people that wanted to write stories
17 and such.

18 Q What did you understand Mr. Nakamura's position was
19 with Conserve or COGI?

20 A I don't know. He was one of the first there. I think
21 he was always there, as far as I know, so him and David
22 Crombie were -- worked hand and glove, I think.

23 Q What about Alexander Gramatzki [sic]? What did you
24 understand him to do?

25 A Well, my understanding and my -- was that he supported
26 Juergen Hainzl because he spoke German.

27 Q What was Alexander Gramatzki's function?

1 back at this now, and I wish -- but Hainzl, of course
2 Juergen Hainzl would have to agree on that, and it
3 never came to fruition at all. Nobody acted on my
4 suggestion.

5 Q MR. DAVISON: Juergen Hainzl is married to
6 Monika Galba?

7 A That's correct. That's probably why he didn't ...

8 Q What I want to talk to you about, Mr. Timmerman, is
9 that you, Crombie, and Hainzl are management committee
10 members of Conserve Oil Inc.?

11 A Only in theory. The idea was that Hainzl, David
12 Crombie, Archie Timmerman would -- they were growing to
13 appreciate what I was doing and my understanding, that
14 I had a pretty good understanding of what was
15 happening, and that I would work with David as his
16 assistant, but we never met. We never had any
17 meetings. They wouldn't -- they wouldn't meet.

18 MR. DAVISON: May this be the next exhibit,
19 please.

20 MR. BOURCHIER: That's fine.

21 EXHIBIT 20 - Email sent to Archiabald
22 Timmerman dated June 22, 2015

23 Q MR. DAVISON: The next document I'm going to
24 show you, Mr. Timmerman, is an email from Alex to
25 yourself June 22, 2015. Can you identify that, please?

26 A Yes. I recall this, and I don't know if -- let's see.
27 I don't know which one preceded which. Yeah.

1 Basically I was -- I was agreeing, but nothing came of
2 it because David and Juergen Hainzl basically told us
3 to punt.

4 Q I'm sorry?

5 A They didn't agree to meet.

6 MR. DAVISON: Next exhibit, please.

7 EXHIBIT 21 - Email from Alex von Gramatzki to
8 Archiabald Timmerman dated June 22, 2015

9 Q MR. DAVISON: What I'm interested in knowing
10 from you, Mr. Timmerman, pursuant to Exhibits 20 and
11 21, you are on the management committee of Conserve Oil
12 Group Inc., and that would appear to be what Alex is
13 saying in his email to you June 22, 2015, at 10:43 AM,
14 which we have entered as Exhibit 21. And then
15 following that, you send your email, June 22, 2015, at
16 4:09 PM requesting a management group. So what I want
17 to talk about in these next few minutes is what is this
18 management committee meeting -- or what is this
19 management committee, who appointed you, and what did
20 it do?

21 A David Crombie appointed me, thought it was in a --
22 well, that I would fill a spot to -- so there would be
23 three to vote. I think that was it, on different
24 matters. But David and Juergen Hainzl and Monika
25 refused to have any part of it or do anything with it.
26 They didn't -- they didn't recognize it --

27 Q Okay.

1 A -- to be anything.

2 Q When did Mr. Crombie appoint you to this management
3 committee?

4 A It was just a short time before this. They were having
5 concerns about clients and what -- what they were doing
6 with the clients. I don't know. I didn't have any
7 inside information on that, but as far as your
8 question, I never carried out any management decisions
9 before, during, or after.

10 Q After what?

11 A I attempted to. This is the only thing that I've tried
12 to do after getting directions from Alex, and he was
13 trying to get David and Hainzl to agree that they
14 should review Monika's performance, Monika Galba.

15 Q I'm going to show you a resolution of Conserve Oil
16 Corporation which is made effective as of 30 June 2014
17 and ask you if it bears your signature.

18 A Yeah. That would be correct. Juergen Hainzl, David
19 Crombie, Archie Timmerman. Yes, sir.

20 MR. DAVISON: May that be the next exhibit.

21 EXHIBIT 22 - Resolution of Conserve Oil
22 Corporation made effective as of June 30,
23 2014

24 A I wrote this particular email to have it on record that
25 I did not appreciate what was -- what Hainzl and Monika
26 were doing and what I was hearing, and I thought if
27 that was correct, what she was doing, that she should

1 be dismissed and perhaps replaced by someone else.

2 Q MR. DAVISON: You're referring to
3 Exhibit 20?

4 A Yes. I did that basically to -- no one would listen to
5 me, so I thought I would write this and let the world
6 now.

7 Q Sure. The resolution is Exhibit 21 -- 22.

8 So let's go back to Exhibit 20, Mr. Timmerman.

9 A Yes, sir.

10 Q What is it that you were particularly upset about with
11 Monika and what you had been hearing?

12 A Well, they had actually been attempting to take over
13 and run everything the way they wanted to run it. And
14 they were doing so anyways because they had -- my
15 understanding -- I don't know personally, but my
16 understanding is that obviously they were the source of
17 the funds for this entire venture. They were
18 collecting monies in Germany and advancing the monies
19 to the Calgary office.

20 Q Who is "they"?

21 A Monika Galba and Hainzl, Juergen Hainzl.

22 Q Right.

23 A And Pat Mills and David Crombie would purchase the
24 assets and manage them.

25 Q And what upset you most about Monika and Hainzl trying
26 to take over?

27 A Well, they came to the offices on many occasions, to

1 Calgary, and they started speaking with the staff, and
2 my understanding is they -- none of them had any
3 experience in the oil and gas business.

4 Q Okay.

5 A Limited, if any.

6 Q Go on.

7 A So, you know, getting investors to invest is one thing,
8 but to assume and to be able to run an oil company with
9 their knowledge -- limited knowledge was contrary to a
10 lot of the professionals that were working there. We
11 had engineers of various descriptions with wonderful
12 resumes, and they were getting into arguments on a
13 regular basis with the people in Calgary. They were
14 telling them how they should do the things, how they
15 should spend the money, where they should -- just
16 basically management decisions coming from them. And
17 so I wasn't in on any of the meetings, but I got a lot
18 of the stories afterwards whereby people were very
19 upset and thought about quitting and so forth because
20 they're working -- who are they working for? Are they
21 working for David Crombie, or are they working for
22 Monika Galba who knows nothing about the oil and gas
23 business? And it -- it got pretty difficult around
24 there, and a lot of people were going to quit,
25 including people like Pat Mills, and I wasn't about to
26 just stand by and listen to this woman talk about
27 business when she knew nothing about it. I think --

1 you know, I sort of basically said, You stick to the
2 investment side of it, and let us run that, but then I
3 was basically pushed aside, and, like, you know,
4 they -- they didn't do anything about it.

5 Q Let's go to the resolution which I think is Exhibit 22.

6 A Yes, sir.

7 Q I'm interested here because this would appear to be a
8 management committee appointed pursuant to a unanimous
9 shareholders' agreement back in at least June of 2014.

10 A Right.

11 MR. BOURCHIER: Where? I see. You're
12 referencing the reference to "committee members" at the
13 bottom, Brian? Or is it at the -- are we looking at
14 the top?

15 MR. DAVISON: It's at the bottom and the
16 effective date is at the top.

17 A What is your question?

18 Q MR. DAVISON: I mean, do you recall being on
19 a management committee of Conserve Oil Corporation back
20 in June of 2014?

21 A If -- if this is when I was appointed, yes.

22 Q Well, do you have a recollection of you being appointed
23 in 2014 or 2015? I'm confused.

24 A No. I thought it was earlier than that. I thought it
25 was possibly 2014.

26 Q And were there any meetings held?

27 A Never one. Every time I tried to suggest one, even

1 when they were available, they refused. That would be
2 Mr. Crombie and Juergen Hainzl.

3 Q And they weren't available or no meetings were held for
4 what reason?

5 A Just refused to meet.

6 Q Okay. We're going to adjourn at this point in time.
7 We'll have to continue. Thank you, Mr. Timmerman.

8 (WHICH WAS ALL THE EVIDENCE TAKEN AT 12:13 PM)
9

10

11 CERTIFICATE OF TRANSCRIPT:

12

13 I, Toni Rizzoli, certify that the foregoing pages
14 are a complete and accurate transcript of the
15 proceedings, taken down by me in shorthand and
16 transcribed from my shorthand notes to the best of my
17 skill and ability.

18 Dated at the City of Calgary, Province of Alberta,
19 this 15th day of June 2016.

20

21

22

23

Toni Rizzoli



24

Toni Rizzoli, CSR(A)

25

Official Court Reporter

26

27

Exhibit 20

Smith, Mitchell

From: Flaggair <flaggair@shaw.ca>
Sent: June 22, 2015 4:09 PM
To: Alex
Subject: Management Committee Meeting

To: Juergen Hainzl
Cc: flaggair ; dcrombie@conserveoil.com
Sent: Monday, June 22, 2015 4:05 PM
Subject: Management Committee Meeting

June 22 2015

Dear Management Committee Members

To whom it may concern regarding the following business of **Conserve Oil Group Inc. and Monica Galba**

Mr **David Crombie** and I request that **Mr Juergen Hainzl** meet together as soon as possible to discuss the following

It has come to our attention that **Monica Galba** has directed, or is about to direct an erroneous statement of claim against **Conserve Oil Group Inc.**

Monica Galba resides in **Germany** and is the **Managing Director of POC GmbH and all of the German KGs.**

Should any erroneous claim be directed by **Monica Galba**, or her representatives a vote by the COG Inc. **Management Committee Members** will be held as soon as possible to decide the future business relationship with **Monica Galba**

The **Management Committee Members** will vote accordingly on any directed statement of claim by Monica Galba

The outcome of such a vote will determine the future relationship between **Monica Galba & Conserve Oil Group Inc.**

Let there be no misunderstanding any and all erroneous or inflammatory remarks relating to **Conserve Oil Group Inc.** by **Monica Galba** or her agents will be grounds for removal as the **Director of POC GmbH and all German KGs.**

Conserve Oil Group Inc.

Management Committee Members

David Crombie

Archie Timmerman

Juergen Hainzl

EXHIBIT 20
DATE JUNE 9, 2016
EXAM OF ARCHIBALD TIMMERMAN
TONI RIZZOLI
COURT REPORTER TR

Exhibit 21

Smith, Mitchell

From: Alex
Sent: June 22, 2015 10:43 AM
To: Flaggair Flaggair; Alex Global Advisory
Subject: RE: Removal of Monika Galba as Managing Director

The members of the management committee are Juergen Hainzl, David Crombie and yourself. Email should be sufficient

Juergen Hainzl is jhainzl@can-direct.com David Crombie is dcrombie@conserveoil.ca

-----Original Message-----

From: Flaggair Flaggair [mailto:flaggair@shaw.ca]
Sent: Monday, June 22, 2015 10:31 AM
To: Alex Global Advisory
Subject: Re: Removal of Monika Galba as Managing Director

Alex
Please confirm the best address to send out your email message.

> On Jun 21, 2015, at 13:14, Alex Global Advisory <alex@globaladvisory.ca> wrote:

>
> Hi Archie,

> As discussed please see some recommended wording below:

> "Dear Management Committee Members,

>
> I would like to inform both of you that in the event Monika Galba or on behalf of any entity submits a Statement of Claim against Conserve Oil Group Inc. and/or any management of Conserve Oil Group Inc. I would request a Management Committee Meeting.

>
> At the Management Committee meeting I would vote for the removal of Monika Galba as Managing Director of POC GmbH and all German KGs."

>
> The below email should be sent to David Crombie and Juergen Hainzl on Monday when Hainzl is in Calgary. He arrives at 2:00pm on Monday and an email received sent anytime thereafter should be received by him.

EXHIBIT 21
DATE JUNE 9, 2016
EXAM OF ARCHIBALD JEMERMAN
TONI RIZZOLI TR
COURT REPORTER

Exhibit 22

RESOLUTIONS OF THE SHAREHOLDERS OF CONSERVE OIL CORPORATION (THE "CORPORATION"), PASSED PURSUANT TO THE PROVISIONS OF THE UNANIMOUS SHAREHOLDERS AGREEMENT DATED EFFECTIVE OCTOBER 7TH, 2005 AS AMENDED AND PURSUANT TO THE PROVISIONS OF THE CANADA BUSINESS CORPORATIONS ACT, EFFECTIVE AS OF THE 30TH DAY OF JUNE, 2014.

APPOINTMENT OF OFFICERS

WHEREAS all officers hold office until the next annual meeting following their appointment or until their successors are elected and it is necessary for new officers to be appointed;

AND WHEREAS pursuant to a resolution dated July 9th, 2013 David W. Crombie was appointed Chairman of the Board and President and Yoshiki Nakamura as Vice President;

AND WHEREAS David W. Crombie tendered his resignation as President effective June 30th, 2014 and therefore it is desirable to appoint Yoshiki Nakamura as President of the Corporation effective as of the date hereof;

NOW THEREFORE, BE IT RESOLVED THAT:

1. Yoshiki Nakamura be appointed as President of the Corporation effective as of June 30th, 2014;
2. The following persons be confirmed as officers of the Corporation effective as of the date hereof to hold office until their successor is appointed:
 - (a) David W. Crombie - Chairman of the Board
 - (b) Yoshiki Nakamura – President
3. This resolution may be signed in as many counterparts as may be necessary, and may be signed by facsimile or other means of electronic communication producing a printed copy, each of which so signed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument and, notwithstanding the date of execution, shall be deemed to bear the date first written above.

WITNESS the signatures of the Committee Members who are entitled to cast at least a majority of the votes that are available to be cast as contemplated by Section 3.9 of the Unanimous Shareholder Agreement.

David Crombie

Juergen Hainzl

Archie Timmerman

EXHIBIT 22
DATE JUNE 9, 2016
EXAM OF ARCHIBALD JIMMY BREAN
TONI RIZZOLI
COURT REPORTER TR