

**SHAAE (2001) Master Limited Partnership (“MLP”)
Tax Court of Canada Appeals 2009-2247(IT)G and 2009-2248(IT)G**

Litigation Update July 13, 2016

By Order of the Court dated March 14, 2016, the Court granted an extension to June 30th, by which time the parties were to write to the Hearings Coordinator.

On June 20, 2016, the Department of Justice (“Crown”) lawyers, acting for the Minister of National Revenue, wrote to the Court and the lawyers for Sentinel Hill, GLGM LLP.

In that letter, the Crown lawyers raised several issues they now claim are central to the proceedings. Despite the long-standing agreement with the Crown that there is neither need nor utility in commencing 72 additional appeals for each of the other sub-partnerships (the “PLPs”), the Crown lawyers are now arguing that this is necessary.

The filing of 72 additional appeals would significantly delay the hearing of this matter, which concerns the correctness of the MLP determinations. It is that determination which will dictate the tax obligations, if any, of the investors.

GLGM replied with their submissions, and the parties are now waiting to hear from the Court in order to schedule a case management conference so the matter can be discussed with the case management judge.

Further updates will be posted as matters develop.