

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

Litigation Update October 25, 2016

A brief case management conference was held on October 25, 2016, via telephone conference.

The main issue for the parties and the Court is the further conduct of the Court proceedings. The Department of Justice (“Crown”) lawyers submitted it is necessary for the Appellants to commence 72 additional appeals (for each of the remaining production limited partnerships) in order to resolve the dispute. Counsel for Sentinel Hill, GLGM LLP, disagree and provided submissions to the Court in response to Crown’s arguments.

To expand the proceedings at this stage in order to commence and encompass 72 additional appeals would obviously be connected to further significant delays in bringing this dispute to a conclusion.

In recognition of the importance of this issue, the Case Management Judge, Justice Pizzitelli, suggested an in-person case management conference be conducted at the earliest opportunity. Since Justice Pizzitelli will be in Vancouver in early December, a case management conference has now been scheduled for December 9, 2016, in Vancouver.

Further updates will be posted as matters develop.