

**IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, C. C-36**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGMENT OF
EDWARD COLLINS CONTRACTING LIMITED, H & E DESIGNS LTD.,
CLASSIC SECURITY LTD., FGC HOLDINGS LTD. AND
51037 NEWFOUNDLAND & LABRADOR INC.**

**Supplemental Fifth Report of Grant Thornton Limited,
in its Capacity as Monitor**

April 13, 2023



**Grant Thornton Limited,
Monitor**

Suite 300 - 15 International Place
St. John's, NL A1A 0L4

Supplemental Fifth Report of the Monitor

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Introduction

1. Pursuant to an order of the Supreme Court of Newfoundland and Labrador (the “**Court**”) made on October 5, 2022 (the “**Initial Order**”), Edward Collins Contracting Limited (“**ECC**”), H&E Designs Ltd. (“**H&E**”), Classic Security Ltd. (“**Classic**”), FGC Holdings Ltd. (“**FGC**”) and 51037 Newfoundland and Labrador Inc. (“**51037**”) (collectively, “**ECC et al.**” or the “**Company**”) were granted protection under the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended, (the “**CCAA**”).
2. The Initial Order appointed Grant Thornton Limited as monitor (“**GTL**” or the “**Monitor**”) in the CCAA proceedings and established an initial stay of proceedings (the “**Stay Period**”) until October 17, 2022.
3. On October 17, 2022, the Court issued an Amended and Restated Initial Order (“**ARIO**”) which affirmed the terms of the Initial Order and among other things:
 - a. Confirmed the appointment of Grant Thornton Limited as Monitor;
 - b. Granted the authority to file, if deemed appropriate, a plan of compromise and arrangement;
 - c. Granted the authority to implement operational changes and pursue restructuring opportunities;
 - d. Granted authority under s. 32 of the CCAA to disclaim or rescind agreements for real property;
 - e. Granted an extension of the stay of proceedings to December 15, 2022;
 - f. Empowered the Company to permanently downsize, cease, or shut down any of its business operations and dispose of assets subject to the written consent of the Royal Bank of Canada (“**RBC**”) and the Canada Revenue Agency (“**CRA**”), and oversight of the Court; and
 - g. Pursue all avenues of refinancing of its Business and Property, in whole or in part, subject to prior approval of the Court being obtained before any material refinancing.
4. On December 14, 2022, the Court issued a Stay Extension Order granting an extension of the stay of proceedings until April 6, 2023. In addition, the Court ordered:
 - a. The Monitor to file an updated report on or before February 3, 2023;
 - b. The Parties shall return for an interim hearing on February 17, 2023 to review the contents of the Monitor’s report;
 - c. The Company shall pay to the monitor the amount of \$250,000.00 to be held by the Monitor, in trust, pending an application to this Honourable Court for distribution and a determination of entitlement to such amounts recognizing the relative priorities of the parties to such amounts as at the date of the stay of proceedings in the Initial Order; and
 - d. An update hearing on the matter will be held at 10:00 am on March 17, 2023.
5. On March 14, 2023 the Court issued a Scheduling Order to set out a timetable to schedule the comeback hearing and adjudicate a Stay Extension Motion. The Court ordered the following:

- a. The Monitor shall serve its report by 2:00 pm on March 27, 2023;
 - b. The Debtors shall serve its material, which may include any affidavits and written submissions, by 2:00 pm on March 29, 2023;
 - c. RBC shall serve its supplementary material, which may include any supplemental affidavits and written submissions, by 2:00 pm on March 31, 2023; and
 - d. The Stay Extension Motion shall be heard on April 4, 2023.
6. On March 17, 2023, the Court approved a limited claims procedure order (the **"Claims Procedure Order"**) pursuant to which the Monitor solicited proofs of claim from claimants identified on the Company's books as withholding monies otherwise due to the Company such as holdbacks, liquidated damage claims, and forced account claims, and from the Canada Revenue Agency (**"CRA"**) in respect of its deemed trust super priority claim. This claims procedure order is attached hereto as **Appendix "A"**.
7. This is the Fifth Supplemental Report of the Monitor (the **"Fifth Supplemental Report"**). The Monitor previously filed with the Court a Pre-filing Report (the **"Pre-filing Report"**) dated September 13, 2022, a Supplemental to the Pre-filing Report (the **"Supplemental Pre-Filing Report"**) dated September 23, 2022, a First Report (**"First Report"**) dated October 13, 2022, a Second Report (**"Second Report"**) dated November 17, 2022, a Third Report (**"Third Report"**) dated December 8, 2022, a Supplement to the Third Report (**"Supplemental Third Report"**) dated December 13, 2022, a Fourth Report (**"Fourth Report"**) dated February 3, 2023 and a Fifth Report dated March 27, 2023 (**"Fifth Report"**). Readers are encouraged to review these reports and the related application materials for additional information on the proceedings.
8. Additional background information on ECC et al. and the CCAA Proceedings along with all the unsealed documents filed with the Court are available on the Monitor's website, located at: www.grantthornton.ca/ecc (the **"Monitor's Website"**). The Monitor continues to update this website as appropriate.

Purpose of this Report

9. The purpose of this Supplemental Fifth Report is to provide this Honourable Court and the Company's stakeholders with information in respect to the following:
 - a. RBC's requested amendment to the extension of the stay of proceedings.

Terms of Reference and Disclaimer

10. In preparing this Supplemental Fifth Report, the Monitor has relied upon unaudited financial information, the Company's records, financial information and projections, and discussions with the Company's management. While the Monitor reviewed various documents provided by the Company (including, among other things, unaudited internal financial documents and financial projections) and believes that the information therein provides a fair summary of the transactions as

reflected in the documents, such work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Assurance Standards ("GAAS"), Generally Accepted Accounting Principles ("GAAP"), or International Financial Reporting Standards ("IFRS"). Accordingly, the Monitor expresses no opinion or other form of assurance pursuant to GAAS, GAAP or IFRS with respect to such information.

11. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the Company, its management and other stakeholders, within the context in which such information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of these assumptions, or accuracy of the information. The Monitor has requested that management bring to its attention any significant matters which were not addressed in the course of the Monitor's specific inquiries. Accordingly, this Report is based solely on the information (financial or otherwise) made available to the Monitor by the Company, its Management, and other stakeholders.
12. This Supplemental Fifth Report has been prepared for the use of this Honourable Court and the Company's stakeholders as general information relating to the Company and to assist the Court in administering this proceeding. Accordingly, the reader is cautioned that this Report may not be appropriate for any other purpose. The Monitor will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Fifth Report contrary to the provisions of this paragraph.
13. Capitalized terms not defined in this Supplemental Fifth Report have the meanings ascribed to them in the Initial Order, the Originating Application, or the previous reports of the Monitor.
14. All references to dollars are in Canadian currency unless otherwise noted.

Status update on the Claims Procedure Order

15. The Claims Procedure Order is attached hereto as **Appendix "A"**. The claims procedure order was issued March 17, 2023.
16. A listing of the claims included in the Claims Procedure Order and their status as of April 13, 2023 is attached hereto as **Appendix "B"**.
17. It is the Monitors understanding that Western Surety and the Company has been unable to come to an agreement on the process to resolve the dispute over the Town of Placentia – Waterline Project holdback in the amount of \$237,785.76. This claim is NOT included in the Claims Procedure Order.
18. The listing of claims is broken into two groups:
 - a. The listing titled "CF", represents Cash Flow and are those accounts receivable included in the Company's cashflow forecasts in this proceeding and for which there was a temporary

negative variance in cash flow receipts (Company had forecasted it to be collected and it had not been collected creating a temporary negative cash receipts variance until collected). The Company had contemplated those funds be retained in the ongoing operations.

- b. The listing titled "GAP" represents accounts receivable NOT included in the Company's cashflow forecasts in this proceeding. The Company has represented to the Monitor that any collection on these amounts would be used to close any sources and uses gap. The total under GAP of \$953,488 is included in the most recent Traveler's Refinancing Gap Analysis (Fifth Report dated March 27, 2023 – Appendix N).

19. The following claims included in the order that were paid in advance or on the same day the order was issued:

- a. Town of Bryant's Cove - Slope Stabilization Project – Holdback of \$109,109.99 was paid on March 17, 2023. This was paid to the Company;
- b. Town of Fox Harbour – Armour Stone Project – Claim of \$179,070.53 was paid on February 22, 2023, and the holdback of \$19,896.72 was paid on March 15, 2023. These payments went to the Company; and
- c. Town of Humber Arm South – Life Station Upgrades – The \$185,495.79 was paid to the Monitor in the fall of 2022 and remains in trust with the Monitor.

20. Paragraph 19 of the Claims Process Order says, "and the Monitor without any further act or notification and the Claimant shall be required to immediately remit to the Monitor, on behalf of the Debtors, the amount of the Claims Process Claim as set out in the Notice of Determination of Claim".

21. These amounts were either paid directly to the Company or to the Company's legal counsel and forward to the Company in the normal course of business without the filing of a claim and without the requirement of the Monitor to make a determination and send out a Notice of Determination of Claim.

22. These amounts are included in the Company's bank account balance as of March 17, 2023 of \$337,423 (Appendix L of the Monitor's Fifth Report).

23. The outstanding claims in the Claims Procedure Order are:

- a. Town of Humber Arm South – Life Station Upgrades – The \$185,495.79. These funds are currently held in trust by the Monitor pending resolution of the Rodco Lien Claim. The Company has indicated that any funds determined to be payable to the Company in a Notice of Determination of Claim would be retained by the Company as the collection is currently a negative temporary cash receipts variance of approximately \$40,000.

- b. Town of Deer Lake – Paving Upgrades 2020 – No claim was filed pursuant to the claims Procedure Order. The Monitor is following up with the Town of Deer Lake to seek payment to the Monitor pursuant to the Claims Procedure Order of \$57,070.50.
- c. Department of Transportation and Infrastructure – Projects - 12-21 PHC, 46-20 PHP, and 46-21 PHP) for a collective amount of \$896,417.37. The Department of Transportation and Infrastructure has filed a claim for the entire amount. The Monitor is currently reviewing the claim and that review process is ongoing.

24. Assuming the Company's position on the claims is substantiated (the Monitor has not yet completed a review of the Department of Transportation and Infrastructure's claim) the Company has advised that the payment of cash receipts from future claims will be as follows:

- a. Town of Humber Arm South – Lift Station Upgrades – Any funds determined to be on account of the Company in a Notice of Determination of Claim would be retained by the Company on account of operations.
- b. Any funds determined to be on account of the Company in a Notice of Determination of Claim would be used to close any refinancing gap for the following projects:

Project	Owner	Date Project was Completed	Unpaid Claims	Holdback (10%)	Unpaid Liquated Damages Due to ECC	Unpaid force accounts/chan ge orders Due to ECC	Total	GAP
12-21PHC Avalon Culvert Rehab	Department of Transportation and Infrastructure	Unknown (Sometime in October 2022) TI hired Farrells Excavating to complete the contract	\$ -	\$ 123,114.99	\$ 78,060.50	\$ -	\$ 201,175.49	\$ 201,175.49
45-20PHP Stephenville Paving	Department of Transportation and Infrastructure	Unknown (Sometime in September/October 2022) Intact Insurance hired Marine to complete the remaining work	\$ -	\$ 188,324.58	\$ 259,325.00	\$ 118,986.10	\$ 566,635.68	\$ 566,635.68
46-21PHP Central Paving and Bridge Rehab	Department of Transportation and Infrastructure	Not Completed or Terminated, TI hired J1 Contracting to complete a portion of the contract	\$ -	\$ 48,106.20	\$ 80,500.00	\$ -	\$ 128,606.20	\$ 128,606.20
Town of Deer Lake Paving Upgrades 2020	Town of Deer Lake	November 4, 2020	\$ -	\$ 57,070.50	\$ -	\$ -	\$ 57,070.50	\$ 57,070.50
								\$ 953,487.87

25. It is the Monitor's understanding that the reference to legacy receivables of \$953,488 would be in reference to the amounts listed in paragraph 24 (b).

26. It is the Monitor's understanding that the following are the issues disputed by the parties:

- a. What to do with the funds already been received and paid to the Company?
- b. What to do with any expected future cash receipts to the Company originating from the Claims Procedure Order?

- c. How to account for any costs incurred in running the Claims Process? The cost issue is related to how the Claims Procedure Order is funded. The Claims Procedure Order contemplates that the cash receipts received by the Monitor are on account of the debtor, and that the debtor will fund the costs of the Claims Procedure Order.

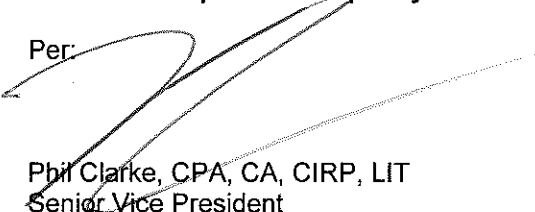
Recommendation

27. It would be the Monitor's recommendation that any funds received and already paid to the Company, being the Town of Bryant's Cove - Slope Stabilization Project – Holdback of \$109,109.99 (paid on March 17, 2023), and the Town of Fox Harbour – Armour Stone Project – Claim of \$179,070.53 (paid on February 22, 2023) and the holdback of \$19,896.72 (paid on March 15, 2023) remain with the Company. There was no agreement or acknowledgement on behalf of the Monitor or the Company that they would be paid in trust.
28. It would be the Monitor's recommendation that any future cash receipts to the Company on account of the Claims Procedure Order be paid to the Canada Revenue Agency ("**CRA**") on account of the deemed trust claim, which has a first ranking charge on accounts receivable. This would have the same effect as the Company's objective of using these funds to close the refinancing gap, would recognize CRA's priority charge over the accounts receivable on account of the deemed trust claim, and it indirectly benefit RBC as it would reduce CRA's deemed trust claim.
29. On the issue of costs and funding the Claims Procedure Order, it is the Monitor's recommendation that the costs of the Monitor and its legal counsel to adjudicate the claims in the Claims Procedure Order be deducted from any future cash receipts to the Company on account of the Claims Procedure Order. The effect would be that all other parties would then be bearing their own costs in administering the Claims Procedure Order.

Dated at Halifax, Nova Scotia the 13th day of April 2023.

Grant Thornton Limited,
in its capacity as Monitor of
EDWARD COLLINS CONTRACTING LIMITED, H & E DESIGNS LTD., CLASSIC SECURITY LTD.,
FGC HOLDINGS LTD. AND 51037 NEWFOUNDLAND & LABRADOR INC.
and not in its personal capacity

Per:


Phil Clarke, CPA, CA, CIRP, LIT
Senior Vice President

Appendix “A”

**IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF The *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended (the "CCAA")

AND IN THE MATTER OF an application Of Edward Collins Contracting Limited, Classic Security Ltd, FGC Holdings Ltd, 51037 Newfoundland & Labrador Inc., and H & E Designs Ltd. (collectively "ECC" or the "Company")

CLAIMS PROCEDURE ORDER

Before the Honourable Justice Alexander MacDonald on March 14, 2023:

THIS MOTION made by Grant Thornton Limited.. in its capacity as the monitor (the "Monitor") of Edward Collins Contracting Limited, H&E Designs Ltd., Classic Security Ltd., FGC Holdings Ltd. and 51037 Newfoundland and Labrador Inc. (collectively, the "Debtors"), for an order that, among other things: establishes a procedure for the determination and resolution of certain claims against the Debtors related to construction project receivables, holdbacks, liquidated damages and forced account balances owing.

UPON HEARING the submissions of counsel for the Monitor, and upon the Monitor confirming that he has consulted, through counsel, with each person affected by the within order (each an "Affected Party"), and that the comments and changes requested by all Affected Parties have been incorporated in the draft order.



A handwritten signature in blue ink, consisting of a stylized 'J' followed by a cursive 'K'.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service hereof.

DEFINITIONS AND INTERPRETATION

2. **THIS COURT ORDERS** that for the purposes of this Order, the following terms shall have the following meanings:

- (a) **"Act"** means the *Mechanic Lien Act*, RSNL 1990 Chapter M-3;
- (b) **"Business Day"** means a day, other than a Saturday or a Sunday, on which banks are generally open for business in St. John's, Newfoundland and Labrador;
- (c) **"Bryant's Cove Claim"** means the Claim of the town of Bryant's Cove against the Debtors in respect to the town of Bryant's Cove slope stabilization construction project, pursuant to which the Statutory Holdback of \$109,109.99 is being held;
- (d) **"CCAA"** means the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36;
- (e) **"Claim"** means the entirety of any right or claim against the Debtors, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of the Debtors and does not include an Excluded Claim;
- (f) **"Claimants"** means collectively:
 - (i) the town of Bryant's Cove in respect to the Bryant's Cove Claim;

- (ii) the town of Fox Harbour in respect to the town of Fox Harbour Claim;
 - (iii) the Government of Newfoundland and Labrador, Intact Insurance Company and Western Surety in respect to the GNL Claims;
 - (iv) the town of Deer Lake in respect to the Town of Deer Lake Claim;
 - (v) Rodco Mechanical (2014) Ltd. in respect to the Town of Humber Arm South Rodco Claim; and
 - (vi) the CRA in respect to the CRA Priority Claim;
- (g) **"Claims Process Claims"** means collectively:
- (i) the Bryant's Cove Claim;
 - (ii) the Town of Fox Harbour Claim;
 - (iii) the GNL Claims;
 - (iv) the Town of Deer Lake Claim;
 - (v) Town of Humber Arm South Rodco Claim; and
 - (vi) the CRA Priority Claim;
- (h) **"Claims Bar Date"** means 5:00 PM Newfoundland Standard Time on March 27, 2023, or such later date as may be ordered by this Court;
- (i) **"Claims Process"** means the process outlined in this Order for the resolution of the Claims;

- (j) “**Court**” means the Supreme Court of Newfoundland and Labrador sitting in Bankruptcy and Insolvency;
- (k) “**CRA**” means the Canadian Revenue Agency;
- (l) “**CRA Priority Claim**” means the statutory deemed trust claim of the CRA in respect of amounts designated under section 37(2) of the CCAA, including amounts deemed to be held in trust under subsection 227(4) or (4.1) of the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.);
- (m) “**Debtors**” means Edward Collins Contracting Limited, H&E Designs Ltd., Classic Security Ltd., FGC Holdings Ltd. and 51037 Newfoundland and Labrador Inc.;
- (n) “**Excluded Claim**” means, subject to further order of this Court, all Claims other than the Claims Process Claims;
- (o) “**GNL**” means the Government of Newfoundland and Labrador;
- (p) “**GNL Claims**” means the respective Claims of GNL, Western Surety and Intact Insurance Company relating to the payment or withholding of Liquidated Damages, billed, earned and unpaid contract funds, Statutory Holdbacks or force account claims in connection with 12-21 PCP (“**Contract 12-21**”), 46-21 PHP (“**Contract 46-21**”), and 45-20 PHP (“**Contract 45-20**”);
- (q) “**Initial Order**” means the amended and restated initial order of the Supreme Court of Newfoundland and Labrador made on October 17, 2022;

- (r) **"Liquidated Damages"** means Claims for liquidated damages, which damages were deducted from progress payments due to ECC in connection with Contract 12-21, Contract 46-21 and Contract 45-20,
- (s) **"Monitor"** means Grant Thornton Limited;
- (t) **"Notice of Determination of Claim"** means the notice provided by the Monitor pursuant to paragraph 17 of this Order, substantially in the form attached as Schedule "B" to this Order;
- (u) **"Notice of Objection"** means the notice provided pursuant to paragraph 18 of this Order, substantially in the form attached as Schedule "C" to this Order;
- (v) **"Proof of Claim"** means the proof of claim referred to herein, substantially in the form attached as Schedule "A" and including all supporting documentation, to be filed in connection with any Claims Process Claim;
- (w) **"Statutory Holdback"** means funds related to the services or materials supplied under a contract or subcontract and which were required to be withheld and released pursuant to and in accordance with the Act;
- (x) **"Town of Deer Lake Claim"** means the Claim of the Town of Deer Lake against the Debtors in respect to the paving construction project, pursuant to which the amount of \$57,070.50 in Statutory Holdback is being withheld;

- (y) **"Town of Humber Arm South Rodco Claim"** means the lien Claim of Rodco Mechanical (2014) Ltd. in connection with the Town of Humber Arm South project, in the amount of \$149,503.01;
- (z) **"Town of Fox Harbour Claim"** means the Claim of the town of Fox Harbour against the Debtors in respect to the town of Fox Harbour's armour stone construction project, pursuant to which the amount of \$19,896.72 in Statutory Holdback and \$179,070.53 in progress payments are being withheld; and
- (aa) **"Western Surety"** means Western Surety Company

3. **THIS COURT ORDERS** that all references as to time herein shall mean local time in St. John's, Newfoundland, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m Newfoundland Standard Time on such Business Day unless otherwise indicated herein.

4. **THIS COURT ORDERS** that all references to the word "including" shall mean "including without limitation", and that all references to the singular herein include the plural, the plural include the singular, and that any gender includes all genders.

5. **THIS COURT ORDERS** that the form and substance of each of the Proof of Claim, Notice of Determination of Claim and Notice of Objection, substantially in the forms attached as Schedules "A", "B" and "C" respectively, to this Order are hereby approved. Notwithstanding the foregoing, the Monitor may, from time to time, make changes to such forms as the Monitor considers necessary or advisable.

MONITOR'S ROLE

6. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA and under the Initial Order, shall administer this Claims Process and engage in the determination of the Claims Process Claims, and is hereby directed and empowered to take such actions and fulfill such other roles as are contemplated by this Order.

7. **THIS COURT ORDERS** that the Monitor is authorized to call for the Claims Process Claims.

8. **THIS COURT ORDERS** that (a) in carrying out the terms of this Order, the Monitor shall have all of the protections given to it by the CCAA, the Initial Order, this Order, and as an officer of the Court, (b) the Monitor shall incur no liability or obligation as a result of the carrying out of the provisions of this Order, except for claims based on gross negligence or wilful misconduct, (c) the Monitor shall be entitled to rely on the books and records of the Debtors and any information provided by the Debtors, all without independent investigation, and (d) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information or in any information provided by any Claimant, except for claims based on gross negligence or wilful misconduct.

9. **THIS COURT ORDERS** that the Monitor, with the consent of the Debtors is authorized to enter into settlement negotiations with a Claimant at any stage of this Claims Process and is further authorized to enter into agreements with such Claimant to resolve the applicable Claims Process Claims.

10. **THIS COURT ORDERS** that the Monitor shall, no later than two (2) Business Days after the date of this Order, send the Proof of Claim by electronic mail or courier to each of the Claimants and/or their legal counsel holding a Claims Process Claim.

11. **THIS COURT ORDERS** that the service of this Order on Claimants holding a Claims Process Claim is the good and sufficient service of the Claims Bar Date on the Claimants and no other notice or service needs to be given or made.

CLAIMS BAR DATE

12. **THIS COURT ORDERS** that the Claimants shall deliver to the Monitor a Proof of Claim, together with all relevant supporting documentation in respect of the Claims Process Claim on or before the Claims Bar Date. The Monitor shall provide copies of the Proofs of Claim submitted by Claimants in respect of their Claims Process Claims to counsel for the Royal Bank of Canada as they are received by the Monitor.

13. **THIS COURT ORDERS** that those Claimants who do not deliver a Proof of Claim to the Monitor by the Claims Bar Date shall be forever extinguished and barred, shall be required to immediately remit to the Monitor any and all amounts being held by such Claimant in connection with their applicable Claims Process Claims and all such Claimants shall be deemed to have fully and finally released and discharged all such Claims Process Claims as against the Debtors and the Monitor.

PROOFS OF CLAIM

14. **THIS COURT ORDERS** that the Monitor shall maintain a list of all Proofs of Claim received by it, including the name of the Claimant, the amount claimed, and the status of the Claims Process Claims.

DETERMINATION OF CLAIMS

15. **THIS COURT ORDERS** that following the Claims Bar Date, the Monitor shall: (i) review the Proofs of Claim filed on or before the Claims Bar Date by Claimants and shall, after consultation with the Debtors and at the Monitor's discretion, determine either to allow, partially allow, partially disallow or entirely disallow the Claims Process Claims.

16. **THIS COURT ORDERS** that the Monitor may attempt to consensually resolve the amount of any asserted Claims Process Claims with the Claimant prior to partially allowing, partially disallowing or entirely disallowing such Claims Process Claims.

17. **THIS COURT ORDERS** that, where a Claims Process Claim is to be partially allowed, partially disallowed or entirely disallowed pursuant to the process contained in this Order, the Monitor shall deliver to the Claimant a written notice of such determination setting out the reasons for the determination (a "Notice of Determination of Claim") as soon as reasonably practicable.

RESOLUTION OF DISPUTES

18. **THIS COURT ORDERS** that in the event that a Claimant objects to the Monitor's determination of a Claims Process Claim, and intends to contest the Notice of Determination of Claim, such Claimant shall deliver written notice of its objection and a brief description of the grounds for such objection (a "Notice of Objection") so that such Notice of Objection is received

by the Monitor no later than 5:00 p.m. on the day which is seven (7) days after the date the Notice of Determination of Claim is deemed to be received.

19. **THIS COURT ORDERS** that any Claimant that does not provide the Monitor with a Notice of Objection within the deadline set forth in paragraph 18 shall be deemed to have agreed with the Notice of Determination of Claim pertaining to that Claimant's Claim Process Claim. Any Claim Process Claim, or any portion thereof, that is disallowed pursuant to a Notice of Determination of Claim, and in respect of which no Notice of Objection is received by the Monitor by the deadline set forth in paragraph 18, shall be forever extinguished, barred, discharged and released as against the Debtors and the Monitor without any further act or notification and the Claimant shall be required to immediately remit to the Monitor, on behalf of the Debtors, the amount of the Claims Process Claim as set out in the Notice of Determination of Claim

20. **THIS COURT ORDERS** that where a Claimant who receives a Notice of Determination of Claim agrees to same, or where the Claims Process Claim is otherwise determined in accordance with paragraph 19 of this Order, the value and status of such Claimant's Claim Process Claim shall be deemed to be as set out in the Notice of Determination of Claim or as determined in accordance with paragraph 19 of this Order, as the case may be, and such value and status, if any, shall constitute such Claimant's determined Claims Process Claim (a "**Determined Claim**").

21. **THIS COURT ORDERS** that where a Claimant provides the Monitor with a Notice of Objection within the deadline set forth in paragraph 18, the resolution of the applicable Claims Process Claim for which a Notice of Objection has been sent shall be referred to the Court for judicial determination pursuant to a timetable established by the Court;

NOTICES AND COMMUNICATIONS

22. **THIS COURT ORDERS** that, except as set out in this Order, any notice or communication (including Notices of Determination of Claims) to be given under this Order by the Monitor to a Claimant shall be in writing and may be delivered by prepaid ordinary mail, by courier, by delivery or electronic mail to the Claimant to such address or e-mail address, as applicable, for such Claimant as shown on the books of the Debtors or as set out in such Claimant's Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Newfoundland and Labrador, the fifth Business Day after mailing within Canada (other than within Newfoundland and Labrador) and the tenth Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by email by 5:00 p.m. on a Business Day, on such Business Day, and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

23. **THIS COURT ORDERS** that any document, notice or other communication (including, without limitation, Proofs of Claim) required to be delivered to the Monitor under this Order shall be in writing and, where applicable, substantially in the form provided for in this Order, and will be sufficiently delivered only if delivered to:

Grant Thornton Limited
in its capacity Monitor of the Debtors

Nova Centre, North Tower
Suite 1000 - 1675 Grafton Street
Halifax NS Canada, B3J 0E9

Attention: Allan MacDonald
Phone: (902) 491.4179

Email: Allan.MacDonald@ca.gt.com

24. **THIS COURT ORDERS** that in the event that the day on which any notice or communication required to be delivered pursuant to the Claims Process is not a Business Day, then such notice or communication shall be required to be delivered on the next Business Day.

GENERAL

25. **THIS COURT ORDERS** that the Monitor may, from time to time, apply to this Court for advice and directions in connection with the discharge or variation of its powers and duties under this Order.

26. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Monitor and its agents in carrying out the terms of this Order.

27. **THIS COURT ORDERS** that the Monitor be at liberty, and is hereby authorized and empowered, to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.



**COURT
OFFICER**

SCHEDULE A

PROOF OF CLAIM IN RESPECT OF CLAIMS AGAINST EDWARD COLLINS CONTRACTING LIMITED, H&E DESIGNS LTD., CLASSIC SECURITY LTD., FGC HOLDINGS LTD. AND 51037 NEWFOUNDLAND AND LABRADOR INC (the "Debtors")

1. PARTICULARS OF CLAIMANT

Full Legal Name of Claimant: _____ (the "Claimant")
(the full legal or corporate name should be the name of the original Claimant)

Full Mailing Address of the Claimant:

Telephone Number of the Claimant: _____

Facsimile Number of the Claimant: _____

Contact Person of the Claimant: _____

Email Address of Contact Person: _____

Was the Claim sold or assigned to another party? ☐ Yes ☐ No

2. PROOF OF CLAIM

I, _____ [name of the Claimant or the Representative], do hereby
certify:

That I: ☐ am the Claimant; or
☐ hold the following position _____ of the
Claimant and having personal knowledge of all of the circumstances
connected with the Claim as described herein.

3. PARTICULARS OF CLAIM

	Amount	Currency	Claim Specification
Total \$	_____		

Description of transaction, agreement or event giving rise or relating to the Claim. Please include contract, invoices, and evidence of preservation and perfection of lien (if applicable) along with any other relevant information:

If the Claim includes an amount for any accrued interest thereon and costs payable in respect thereof, state the basis for such interest and/or cost claim, the rate of interest, and provide evidence upon which the claim for interest and/or costs is being made:

If the Claim is contingent or unliquidated, state the basis and provide evidence upon which the Claim has been valued:

IF CLAIMANTS REQUIRE ADDITIONAL SPACE, PLEASE ATTACH A SCHEDULE HERETO. CLAIMANTS SHOULD PROVIDE PARTICULARS OF THE CLAIM AND COPIES OF ALL SUPPORTING DOCUMENTATION, INCLUDING AMOUNT AND DESCRIPTION OF TRANSACTION(S), AGREEMENT(S) OR LEGAL BREACH(ES) GIVING RISE TO THE CLAIM.

4. PARTICULARS OF ASSIGNEE(S) (IF ANY):

Full Legal Name of Assignee(s) of the Claim (if all or a portion of the Claim has been sold). If there is more than one assignee, please attach separate sheets with the following information (the "Assignee(s)")

Amount of Claim Assigned: \$ _____

Amount of Claim Not Assigned: \$ _____

Total Amount of Claim: \$ _____

(should equal total amount of Claim in Section 3 above)

Mailing Address of Assignee(s):

Telephone Number of the Assignee: _____

Facsimile Number of the Assignee: _____

Contact Person of the Assignee: _____

Email Address of Contact Person: _____

5. FILING CLAIMS:

The duly completed Proof of Claim together with supporting documentation must be returned and received by the Monitor, no later than 5:00 p.m. local St. John's time on March 27, 2023, to the email address or address listed below.

FAILURE TO FILE YOUR PROOF OF CLAIM BY SUCH DATE WILL RESULT IN YOUR CLAIM BEING FOREVER EXTINGUISHED AND BARRED AND YOU WILL BE PROHIBITED FROM MAKING OR ENFORCING A CLAIM AGAINST THE DEBTORS.

This Proof of Claim must be delivered by email, facsimile, personal delivery, courier or prepaid mail at the following address:

Grant Thornton Limited
in its capacity Monitor of the Debtors

Nova Centre, North Tower
Suite 1000 - 1675 Grafton Street
Halifax NS Canada, B3J 0E9

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Attention: Allan MacDonald
Phone: (902) 491.4179
Email: Allan.MacDonald@ca.gt.com

DATED the _____ day of _____ 2023.

(Signature of Witness)

(Signature of Claimant)

If the Claimant is not an individual, print name of Claimant, and name and title of authorized signatory:

Per: _____

Name: _____

Title: _____

I have the authority to bind the corporation



SCHEDULE B

NOTICE OF DETERMINATION OF CLAIM

To: _____ (the "Claimant")

Date: _____

IN THE MATTER OF THE CCAA PROCEEDINGS OF EDWARD COLLINS CONTRACTING LIMITED, H&E DESIGNS LTD., CLASSIC SECURITY LTD., FGC HOLDINGS LTD. AND 51037 NEWFOUNDLAND AND LABRADOR INC (the "DEBTORS")

Take notice that Grant Thornton Limited., in its capacity as Monitor (in such capacity, the "Monitor") appointed pursuant to the Order of Justice MacDonald dated October 5, 2022, has reviewed the Claim in respect of the above-noted Claimant and has assessed the Claim in accordance with the Claims Procedure Order of the Supreme Court of Newfoundland and Labrador dated February 9, 2023 (the "Claims Procedure Order").

All capitalized terms not defined herein have the meaning given to such terms in the Claim Procedure Order.

The Monitor has reviewed your Claim in accordance with the Claims Procedure Order, and has made the following determination:

☐ Claim Allowed

Claim Determination

☐ Claim Partially Allowed/Claim Partially Disallowed

☐ Claim Disallowed

The Monitor has made the above-noted determination in respect of your Claim for the following reason(s):

Subject to further dispute by you in accordance with the Claims Procedure Order, your Claim will be allowed as follows:

Name of Claimant	Claim Amount per Proof of Claim	Amount of Claim Allowed (if any)
	\$	\$

IF YOU WISH TO DISPUTE THIS NOTICE OF DETERMINATION OF CLAIM AS SET FORTH HEREIN, YOU MUST TAKE THE STEPS OUTLINED BELOW.

The Claims Procedure Order provides that if you disagree with the determination of your Claim herein, you must deliver to the Monitor a completed Notice of Objection **before 5:00 p.m. on the day which is fourteen (14) days after the date the Notice of Determination of Claim is deemed to be received.**

If you do not dispute the determination of your Claim herein in accordance with the above instructions and the Claim Procedure Order, the amount of your Claim will be deemed to be accepted in the amount set forth herein.

If you have any questions or concerns regarding the Claims Procedure Order, please contact the Monitor directly.

DATED the _____ day of _____ 2023.

**Grant Thornton Limited, solely in its capacity as
Monitor of the Debtors.**

Per: _____
Name:
Title:

SCHEDULE C

NOTICE OF OBJECTION

IN THE MATTER OF THE CCAA PROCEEDINGS OF EDWARD COLLINS CONTRACTING LIMITED, H&E DESIGNS LTD., CLASSIC SECURITY LTD., FGC HOLDINGS LTD. AND 51037 NEWFOUNDLAND AND LABRADOR INC (the "DEBTORS")

To: Grant Thornton Limited, in its capacity as Monitor of the Debtors (the "Monitor")

Date: the _____ day of _____ 2023

Claimant: _____ (the "Claimant")

Pursuant to the Claims Procedure Order dated ●, 2023, the Claimant hereby gives notice that it disputes the Notice of Determination of Claim dated ●, 2023, issued by the Monitor.

The Claimant disputes the Claim as partially allowed, partially disallowed or disallowed in the said Notice of Determination of Claim as follows:

Amount of Claim determined by the Monitor as set out in the Notice of Determination of Claim	Amount of Claim per Claimant
\$	\$
\$	\$

Reason for the dispute *(attach copies of any supporting documentation)*

Address for service of this Notice of Objection:

Grant Thornton Limited



in its capacity Monitor of the Debtors

Nova Centre, North Tower
Suite 1000 - 1675 Grafton Street
Halifax NS Canada, B3J 0E9

Attention: Allan MacDonald
Phone: (902) 491.4179
Email: Allan.MacDonald@ca.gt.com

THIS FORM AND ANY REQUIRED SUPPORTING DOCUMENTATION MUST BE RETURNED TO THE MONITOR BY REGISTERED MAIL, PERSONAL SERVICE, EMAIL (IN PDF FORMAT), FACSIMILE OR COURIER TO THE ABOVE-NOTED ADDRESS AND MUST BE RECEIVED BY THE MONITOR BEFORE 5:00 P.M. ON THE FOURTEENTH (14) CALENDAR DAY AFTER THE DATE THE NOTICE OF DETERMINATION OF CLAIM IS DEEMED TO BE RECEIVED.

DATED the _____ day of _____ 2023.

(Signature of Witness)

(Signature of Claimant)

If the Claimant is not an individual, print name of Claimant, and name and title of authorized signatory:

Per: _____
Name: _____
Title: _____
I have the authority to bind the corporation



Appendix “B”

