

March 25, 2019

Via Regular Mail

To the Creditors of
Schendel Management Ltd.

Dear Sir/Madam:

**Subject: In the Matter of the Notice of Intention to Make a Proposal by
Schendel Management Ltd. ("Schendel" or the "Company")**

Estate No: 25-2489976
Court No: 25-2489976

We are writing to advise that on March 22, 2019 the Company filed, a Notice of Intention to Make a Proposal (the "NOI") under the *Bankruptcy and Insolvency Act* (the "BIA") to its creditors (the "**Proposal Proceedings**") and Grant Thornton Limited ("**GTL**") was appointed as the Proposal Trustee (the "**Trustee**") to assist with the administration.

Please note that the Company is not bankrupt, but has sought creditor protection under the BIA pending the filing of a proposal to its creditors.

In our capacity as Trustee, we wish to clarify certain matters regarding the Proposal Proceedings:

- 1) The Company is continuing to operate during the restructuring period. Creditors who are owed money as at March 22, 2019 (the "**Pre-filing Creditors**") will be dealt with in the Proposal Proceedings. Any debts incurred from March 23, 2019 onwards (the "**Post-Filing Debt**") are not part of the Proposal Proceedings and arrangements must be made directly with the Company for payment.
- 2) Section 69(1) of the BIA places a Stay of Proceedings against all Pre-filing Creditors of the Company for any debts outstanding as at the NOI Date.
- 3) In addition, section 65.1 of the BIA provides that creditors may not terminate any agreements for the supply of goods and services to the Company. They are, however, not required to advance further credit and may proceed on a cash on delivery basis.

- 4) Some of the Pre-filing Creditors have indicated that the amount owing to them that was included on the initial creditor list was incorrect. Creditors will be giving an opportunity to prove their claims against Schendel once a proposal is filed. In the interim, if you are a Pre-filing Creditor and the amount of the debt owed to you is significantly different from what the Company's records indicate, we encourage you to contact the Company directly to advise them of the discrepancy.
- 5) By April 22, 2019 the Company must either file a proposal with the Official Receiver or it must apply to the Court requesting an extension of time to file a Proposal. The Company advises that it has every intention of filing a proposal and that it is working diligently towards restructuring its debt.

Enclosed for your reference are:

- A copy of the Certificate of Filing of a Notice of Intention to Make a Proposal issued by the Office of the Superintendent of Bankruptcy;
- A copy of the insolvent person's intention to make a proposal;
- A list of the Companies known creditors (amounts owing greater than \$250) which has been obtained from the Companies books and records; and
- A copy of the Trustee's Consent to Act in this matter

Should you have any questions or concerns, please contact one of the following GTL parties:

Mr. Evan MacKinnon at evan.mackinnon@ca.gt.com or 780-969-2693

Ms. Carla Arellano at Carla.arellano@ca.gt.com or 780-401-8220

Dated at Edmonton, Alberta, the 27th day of March 2019

Grant Thornton Limited
In its capacity as Trustee under the Proposal of
Schendel Mechanical Contracting Ltd.
And not in its personal capacity

Per:



Dan Woo, CPA, CMA, CIRP
 Licensed Insolvency Trustee
 Principal and Vice President



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-2489976
Estate No. 25-2489976

In the Matter of the Notice of Intention to make a
proposal of:

Schendel Management Ltd.
Insolvent Person

GRANT THORNTON LIMITED
Licensed Insolvency Trustee

Date of the Notice of Intention: March 22, 2019

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: March 25, 2019, 13:06

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

Canada

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

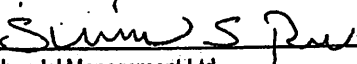
- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Schendel Management Ltd.
of the Town of Olds, in the Province of Alberta

Take notice that:

1. I, Schendel Management Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Grant Thornton Limited of 1701 Scotia Place 2, 10060 Jasper Avenue, Edmonton, AB, T5J 3R8, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Edmonton in the Province of Alberta, this 22nd day of March 2019.



Schendel Management Ltd.
Simone Schendel Reese

Schendel Management Ltd.
Martin Schendel

To be completed by Official Receiver:

Filing Date

Official Receiver

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

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Dated at the City of Edmonton in the Province of Alberta, this 22nd day of March 2019.

Schendel Management Ltd.
Simone Schendel Reese



Schendel Management Ltd.
Martin Schendel

To be completed by Official Receiver:

Filing Date

Official Receiver

District of: Alberta
Division No. 01 - Edmonton
Court No.
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List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1055781 Alberta Ltd.	154, 3437 - 42 ST Calgary AB T3A 2M7		251.00
941315 Alberta Ltd.	214, 3132 Parsons Road NW Edmonton AB T6N 1L6		251.00
Alberta Treasury Branch	2100, 10020 - 100 Street Edmonton AB T5J 0N3		2,101,895.07
Arundel Capital Corporation	Suite 420, 5119 Elbow Drive SW Calgary AB T2V 1H2		251.00
Calaken Leasing Ltd.	5525 - 92 Street Edmonton AB T6E 3A4		251.00
Dowen Holdings Ltd.	329 Hedley Way NW Edmonton AB T6R 1V1		251.00
Matand Enterprises Ltd.	39, 1225 Wanyand Road Edmonton AB T6M 2W7		251.00
Total			2,103,401.07

- Proposal Consent -
In the matter of the proposal of
Schendel Management Ltd.
of the Town of Olds, in the Province of Alberta

To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of Schendel Management Ltd..

Dated at the City of Edmonton in the Province of Alberta, this 22nd day of March 2019.

Grant Thornton Limited - Licensed Insolvency Trustee
Per:



Dan Woo - Licensed Insolvency Trustee
1701 Scotia Place 2, 10060 Jasper Avenue
Edmonton AB T5J 3R8
Phone: (780) 422-7114 Fax: (780) 426-3208