Court File No. 2022 01G 1964

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.

Fourth Report of Grant Thornton Limited, in its Capacity as Monitor

February 3, 2023

GrantThornton

Grant Thornton Limited,
Monitor

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Fourth 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 authorized the Company, among other things:

   a. Confirmed the appointment of Grant Thornton Limited as Monitor;
   b. Authority to file, if deemed appropriate, a plan of compromise and arrangement;
   c. Authority to implement operational changes and pursue restructuring opportunities;
   d. 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 oversight 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 updating report on or before February 3, 2023;
   b. Materials filed in reply to the Monitor's report must be filed by February 10, 2023;
   c. The Parties shall return for an interim hearing on February 17, 2023 to review the contents of the Monitor's report;
   d. 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
   e. A combeback hearing on the matter will be held at 10:00 am on March 17, 2023.

   The Stay Extension Order is attached hereto as **Appendix "A".**

5. This is the fourth report of the Monitor (the "**Fourth 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 and a Supplement to the Third Report ("**Supplemental Third Report**") dated December 13, 2022. Readers are encouraged to review these reports and the related application materials for additional information on the proceedings.

Purpose of this Report

6. The purpose of this Fourth Report is to provide this Honourable Court and the Company's stakeholders with information in respect to the following:

   a. An update on the Company's operations since the last report;
   b. An update on the Monitor's activities since the last report;
   c. An update on the status of the Company's refinancing;
   d. An update on the status of the CRA trust examinations;
   e. An update on the Company's cash flow including budget to actual variance analysis;
   f. The status of legal disputes related to various contracts;
   g. An update on the status of the proposed sale of assets for the benefit of creditors; and
   h. Any other matter the Monitor considers material.

Background

7. ECC et al. consists of the legal entities, 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**"). The Company's main operating entity, ECC, was created in 1974 and for 48 years has operated in the heavy civil construction industry. The business's expertise includes road building, commercial site and subdivision development, water and sewer installation, ditching, culvert installation and subgrade road work, and heavy equipment rentals. The Company operates across Newfoundland and Labrador and does not have any operations or assets outside Newfoundland and Labrador.

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.

Terms of Reference and Disclaimer

9. In preparing this Fourth 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.

10. Some of the information used in preparing this Fourth Report consists of financial projections, including an updated Cash Flow Projection. The Monitor cautions that these projections are based upon assumptions about future events and conditions that are not ascertainable. The Company's actual results may vary from the Revised Cash Flow Projection, even if the hypothetical and probable assumptions set forth in the Cash Flow Projection contained therein materialize, and the variations could be significant. The Monitor's review of the future oriented information used to prepare this Second Report did not constitute an audit of such information under GAAS, GAAP or IFRS.

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 Fourth 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 Fourth Report contrary to the provisions of this paragraph.

13. Capitalized terms not defined in this Fourth 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.

Update on the Company's Restructuring Efforts

15. The Company continues to work towards streamlining its operations and enhancing financial performance. Nothing significant has changed in this regard since the last report.

16. The Company continues to operate within the constraints of the CCAA proceeding and is operating on a cash on delivery ("**COD**") basis with certain exceptions including utilities and lease payments.

17. The Company continues to engage its former external accountant to provide additional accounting support in the short term. As reported in the Third Report, internal financial statements for the 2022 fiscal year-end and internal interim financial statements to October 31, 2022, have been prepared. Subsequently, internal interim financial statements to December 31, 2022, have recently been prepared for ECC, FGC, 51037 and H&E. In addition, compilation reports for 2022 have been completed for FGC and H&E. The Company continues to search for a permanent solution to staff its finance and accounting function.

    a. ECC engaged Lori Haines CPA Professional Corporation to conduct a compilation report for ECC for the year ended July 31, 2022 as required by Traveler's as part of the refinancing efforts. That effort is complete.

    b. The Company has disclaimed one lease for equipment it deemed surplus and which the anticipated sale value was less than the contract buyout amount. The lessor has been advised of the conditions imposed on that release in the ARIO. The equipment disclaimed to date includes:

Creditor	**Lessor**	**Equipment**	**Balance Owing**
CWB National Leasing	FGC Holdings Inc.	2015 John Deere 350G Excavator (s/n 1FF350GXHED810283)	$ 371,148.99

    c. The Company has engaged with Ritchie Bothers to sell surplus equipment as contemplated in the restructuring, with the oversight required by the ARIO. Additional information on the sales of assets is described below.

18. The Company continues to bid on new contracts with a focus on smaller projects in the municipal infrastructure and private company market. No new contracts have been defaulted. The Company has won 2 new contracts in January 2023. The biggest impact on the operations has been that work on the two Monopile contracts where ECC is subcontractor to Universal Environmental Services Inc. Those contracts have commenced generating a significant receivable.

19. The Company has continued to operate within the constraints of the CCAA proceeding, including paying vendors, CRA, engaging with employees, and communicating with other stakeholders and creditors involved in the proceeding.

20. The Company continues to work with the Monitor and provide information to the Monitor and creditors as requested, continues to communicate with creditors, employees, customers, and other stakeholders, and assist its legal counsel with the various contract disputes.

21. The Company is also diligently working to prepare and provide the information requested by Traveler's as a pre- condition for their submission to underwriting. Questions and communications between Traveler's and the Company are ongoing. Further details on the status of this effort are discussed later in this report.

22. The Company has paid the $250,000 to the Monitor which the Monitor is holding in a separate trust account for the benefit of the creditors pursuant to the ARIO.

23. The Company is experiencing challenges collecting receivables and holdbacks. Given these challenges, the Company has commenced certain litigations to collect on balances owing.

24. A successful restructuring and the ability to submit a plan of arrangement to creditors continues to be based on the successful achievement of the following objectives:

    a. Maintaining neutral cash flow, or positive cash flow, in the short term to allow time for the Company to liquidate certain assets to both 1) reduce operational costs, and 2) generate cash to close the Traveler's funding gap.

       To date the Company still has NOT been able to generate significant positive cash flow from operations to generate a contribution on the Traveler's financing gap;

    b. Sell certain equipment for values at orderly liquidation values, or better, and close the sale of 30 Reid Lane, Deer Lake;

    c. Collect on accounts receivable, force account receivable, and holdbacks; and

    d. Closing the Traveler's refinancing.

25. The fundamental issue is whether the company can monetize 30 Reid's Lane, sell equipment, and collect on accounts receivable in a timeframe that is acceptable to Traveler's, the creditors, and the Court. Further details on these key issues are described below.

26. Classic is not intended to form part of any proposed Plan of Arrangement. Once its sole asset, the condominium is sold and the funds distributed to the creditors, it will play no further role. The condominium remains listed for sale with a realtor and is unsold. Updates on the status of the sale have been provided to RBC and CRA and the realtor continues to operate within the parameters established by RBC and CRA.

Update on the Operations of the Applicant

27. Since the date of the ARIO, the Company continues to work on existing project and contract work and continues to pursue new work and bid on new projects.

28. An updated listing of the Company contracts is attached hereto as **Appendix "B"**. The Company continues to bid on contracts in the normal course. The Company recently was awarded contracts for the Inspection and Maintenance of the Sir Ambrose Shea Lift Bridge in Placentia, NL to begin in February 2023, and the Town of Placentia Harbour Drive Phase 2 to begin in April 2023.

29. The Company has been working to complete contracts, collect AR, and negotiate settlements on disputed contracts where possible. A current accounts receivable listing dated January 31, 2023 is attached as **Appendix "C"**. The Company has reduced its outstanding receivables older than 60 days by $150,922.70 since the Third Report, but the overall balance has increased by $140,520.90 for a total balance of $2,042,077.50. There have been no new collection issues on new projects. Collection of receivables related to old projects remains an issue and timelines are uncertain. ECC has taken legal action to pursue collections. A significant portion of the 31–60-day old receivables is the result of the Company billing out its holdback claims on several projects. Additional information on the status of accounts receivable include:

    a. Of the total AR balance - $743,876 is considered at risk or subject to disputes;

    b. Department of Transportation & Infrastructure - The Company and Department of Transportation and Infrastructure ("**TI**") are in a dispute related projects 12-21 PHC Avalon Culvert Replacement Rehab, 45-20PHP Stephenville Paving and 46-21 Central Paving and Bridge Rehab. The total amount of AR disputed with TI is $359,480. Theses disputes are ongoing and resolution cannot be estimated at this time. There are no known issues with other projects with TI;

    c. Town of Placentia – The Company, creditors, and the Town of Placentia have a dispute over the remaining $237,785.76 holdback left from a water project. Competing applications will be brought before the Court on this matter.

    d. Flat Bay Inc. – There is a dispute between the Company and the Department of Municipal Affairs and TI, the funding entities to the project. The customer, Flat Bay Band Incorporated short paid $41,441.47, purportedly an amount approved by Department of Municipal Affairs. Department of Municipal Affairs agreed to withhold an amount from Flat Bay Band Incorporated on behalf of TI as a means of recovering a prefiling claim of $31,500 arising from a contract between TI and ECC, contract 45-20. Settlement discussions have failed. ECC brought an application against Flat Bay Band Incorporated on January 31, 2023 to collect this amount from Flat Bay Band Incorporated plus damages. In correspondence to ECC on the application, Flat Bay Band Incorporated have agreed to pay the outstanding $41,441.47.

30. Holdbacks as of January 31, 2023 total $58,917.90 and are listed in **Appendix "C"**.

31. Recoverable liquated damaged related to TI projects are unchanged at $363,378.69.

32. An updated trade accounts payable list is attached as **Appendix "D"**. The AP trial balance shows an increase in payables is related to the Ultramar supplier account. This cannot be accurate as Ultramar has ECC on COD via trust account cheque only. Certain invoices recorded in the ECC payables were purchased for Universal Environmental Services Inc. ("**UESI**"), for which UESI has prepaid. Adjusting entries are needed to match up prepayments on account made by UESI; that accounting had not yet taken place as of the date of this report.

The Monitor monitors the accounts payable and vendor accounts for unpaid invoices, or payment on pre-filing amounts. No significant changes were noted.

33. Bonding – As previously reported, Western Surety will not be providing any further bonding to the Company. The Company has not yet found a replacement service provider but has been bidding projects by using cash bonds and partnering with other entities.

34. WCB NL – The Company has an agreed payment plan in place to pay the WCB premiums due. WCB NL confirmed that the monthly payments were sufficient to pay the post filing projected payroll. Payments are current. The Monitor has reviewed the plan and payment and it does not appear to be paying pre-filing debts. The monthly payment effectively pays the premium due from the months estimated wages. The final amount due will be calculated in late February 2023 in the normal course.

35. The Company continues to pay post filing operating costs in the normal course. This includes the payment of the fees of the Monitor and legal counsel. The Monitor has been advised that Daimler Financial is owed $32,233.36 in payments post July 20, 2022, but pre-initial order in the CCAA proceeding. The Company is looking into these missed payments and expects to resolve the issue shortly.

36. Updated internal financial statements to December 31, 2022 for ECC are attached hereto as **Appendix "E",** for 51037 NL Inc. as **Appendix "F"**, H&E Designs Limited as **Appendix "G"**, and FGC Holdings Limited as **Appendix "H"**.

37. The Monitor notes the following related party transaction:

    a. The due from shareholders in FGC has increased by $39,000. The management fee income earned by Frank Collins from EUSI flows through FGC and is the reason for the increase in the due from shareholder's account. A copy of the actual cash flows to January 6, 2023 is attached in **Appendix "M"**; and

    b. As previously reported, ECC is subcontractor to UESI on 2 monopile projects with the Port of Argentia. The trade accounts receivable stands at $390,205 as of December 31, 2022. The Company has advised that the equipment rental agreement between ECC and UESI is at market terms. That project activity has substantially increased in December and January as expected.

    c. The Monitor is unaware of any other changes to related party account or of any other related party transactions.

Equipment Update

38. The Company has proceeded to list certain equipment for sale with Ritchie Brothers ("**RB**"), per the contract terms identified in the Third Report. The items for sale began to be listed live on December

8, 2022. To date, not all equipment previously identified as “sell now” has been listed, and most of the equipment listed to date has not received an acceptable offer. A list of the equipment being sold by RB and its sale status as of January 25, 2023, is attached as **Appendix “I”**. The items are listed for offers for a two week period. Offers received at the end of those 2 weeks are sent to the Company, with copy to the Monitor for review. Counteroffers are prepared and submitted or offers are accepted.

39. RB provides bi-weekly updates on the sale status of each piece of equipment. As of the January 25, 2023 report approximately 53 pieces of equipment have been listed for sale. Items are listed for sale for a 2 week period. Most offers received have been significantly below the target price for those assets. Those assets have been or will be re-listed with a later auction expiry date to give the assets more exposure to the market.

40. Inspections of 20 pieces of equipment were pending, and 6 pieces of equipment were awaiting proof of ownership documents so they can be listed.

41. Only one piece has been sold at values that was satisfactory to the Company. The sales are within the terms established by the ARIO.

42. The Monitor spoke with RB in advance of this report to get an update. RB provided the following update:

    - The overall market for equipment is down from previous high prices;
    - There is a lot of action on the listed equipment;
    - Bidders to date have mostly been local. They know the seller and are looking for a deal;
    - The time of year has been a challenge – starting to list over Christmas, and the time of year is slow for equipment sales / slow period in construction; and
    - The rural location is a challenge.

43. In response to the market feedback, the Company has reduced its targeted sales price expectations.

44. RB is also going to make a purchase proposal for the “sell now” assets, segregating the asphalt assets from the rest. That proposal is expected within the next few weeks.

45. The Company has disclaimed one piece of equipment to date as referenced in paragraph 17. Additional pieces previously identified as surplus by the Company, and unlikely to have any equity, have not yet been disclaimed or released. Those assets are indicated below:

Creditor	Lessor	Equipment	Balance Owing
De Lage Landen Financial Services Canada Inc.	Edward Collins Contracting Ltd.	2014 Wirtgen W200i Milling Machine Cold Planer	$ 267,419.55
Caterpillar Financial	Edward Collins Contracting Ltd.	2016 Caterpillar 272DXHP Skid Steer Loader(s/n CAT0272DLMD200479)	$ 28,613.70
Nissan Finance Canada	H&E Designs Ltd.	2019 Infiniti QX80 (VIN JN8AZ2NE2K9235111)	Unknown

46. Caterpillar has requested that the Company disclaim that lease and the Company has agreed. In addition, H&E is in the process of disclaiming the Nissan lease, in coordination with Nissan.

47. The 2008 Astec Self-Erect Silo is a key component of the asphalt plant and will be grouped with those assets. The 2018 John Deere 030G Compact Excavator is being used on contract and the lease being paid.

48. The Company intends to sell further equipment, estimated in February 2023 and June 2023. These items will be used in contract work expected to be completed by this date. Traveler's is aware of the plan and the ability to sell and repay Traveler's on an item-by-item basis has been agreed.

49. The Company has been making monthly lease payments since the date of the Initial Order for leased equipment it intends on keeping.

Sale of Real Estate

50. The Company determined that 35 Bonaventure Avenue, Unit 121 (owned by Classic) and 30 Reid's Lane (owned by ECC) are surplus and will be sold for the benefit of creditors.

51. The lots owned by H&E known as Morrissey's Place Subdivision in Placentia, NL (https://www.morrisseysplace.com/) remains listed for sale with Royal LePage in St. John's, NL (as it has been for some time). No lots have been sold since the date of insolvency. The development has 28 of 32 lots remaining to sell.

52. The Company has not made any further decisions on the sale of additional real property.

35 Bonaventure Avenue, Unit 121

53. Classic – 35 Bonaventure Avenue Unit 121. Classic is selling this unit for the benefit of its creditors. After originally listing the unit on October 29, 2022 at an asking price of $449,900 it has since been reduced to an asking price of $409,900. Classic is not a borrower in the proposed refinancing. The unit continues to be listed for sale with RE/Max Realty Specialists. The realtor has been provided with a copy of the ARIO. The Monitor continues to update RBC and CRA on the listing of the asset

and the feedback from the realtor. The sales process continues within the parameters established by both CRA and RBC.

<u>30 Reid's Lane</u>

54. ECC – The Company has a pending offer for 30 Reid's Lane in Deer Lake, NL. The sale of that property has yet to be finalized. There is an issue with lot 28 next door to the property, which is part of the offer. The title search on that lot shows it remains in the name of Evergreen Enterprises. The Company is working through that issue with the purchaser and have contacted legal counsel for Evergreen Enterprises to resolve the issue. No adjustment to the deal has been made and the purchaser remains very interested to acquire.

Canada Revenue Agency

55. The Company continues to file and remit to CRA in the normal course for HST and payroll remittances. All payroll and HST payable since July 20, 2022, has been remitted. A copy of the remittances made since the Third Report are attached as **Appendix "J"**.

56. HST returns have been filed for all periods between July 21 to December 31, 2022. Returns filed for October through December did not require a remittance due to the Company recording its HST collected and applying any unused input tax credits from prior periods to reduce the balance owing to $nil in a given period. The January 2023 HST return is not due until February 28, 2023.

57. The Monitor has recalculated the total amounts owing to the CRA to July 20, 2022, plus interest and penalties to November 23, 2022. The recalculation applies past remittances across the different types of deductions in accordance with CRA's internal policies which was different than in the previous calculation presented in the Third Report (previous calculations were a worst-case scenario). The recalculation reduces the Deemed Trust portion of the amounts owing for payroll deductions by $200,882. The Monitor has shared this recalculation with CRA's legal counsel who has indicated the Monitor's calculations are mostly consistent with CRA's. CRA is proposing adjustments to FGC corporate tax payable amount to $22,433.54 and FGC's HST account to #23,151.81 These adjustments do NOT impact the deemed trust calculation for the Traveler's refinancing. The Monitor has not received a formal notice from CRA regarding the FGC amount as such these proposed changes have not yet been reflected in the Monitor's calculation. A copy of the Monitor's recalculation is attached as **Appendix "K"**.

58. The Monitor had previously asked CRA to clarify their position regarding the payroll processed through Classic Security Ltd. between May 1 and July 20, 2022. CRA's position is that the payroll was for ECC employees, and its source deduction obligations belong to ECC. The unpaid source deductions related to this period are included as a debt of ECC in the Monitor's calculation in Appendix "K" to align with CRA's position.

59. An HST audit of Classic resulted in an assessment of additional $38,486.22 in HST payable. If it is recorded in Classic there should be a corresponding adjustment to reduce ECC's HST payable by the same amount. This will impact the prefiling HST due by ECC by reducing the prefiling HST amount by $38,486.22. This is outstanding.

60. The Monitor has received a notice from CRA dated January 16, 2023, regarding a proposed change to HST ITC's claimed by ECC prior to the date of the CCAA proceeding. The letter estimates the approximate amount of ITC's, possibly claimed by ECC on previous HST returns, associated with the debts on the Company's list of creditors. The proposed change is to increase ECC's HST owing by $501,567.11. This amount relates to pre-filing debt. A copy of the letter is attached as **Appendix "L"**.

61. ECC intends to dispute the reassessment on the basis that paragraph 296 (1) is not appropriate. Paragraph 296(1)(b) of the ETA allows the Minister to assess tax payable to a purchaser in unusual circumstances such as, where the person has claimed input tax credits ('ITCs') with respect to a purchase, did not pay the tax to the supplier, becomes bankrupt, and the supplier writes amounts off on account of bad debt. This is not the case. In addition, the calculation proposed by CRA is based on the Monitor's unsecured creditors as listed on the CCAA proceeding website. This list was created as required by the CCAA and was not intended to be used for tax filing purposes.

62. The Monitor acknowledges it is not likely that all the suppliers will be paid in full and therefore there is some adjustment required. The adjustment is related to HST amounts owing which do not impact Traveler's refinancing. It is the Monitor's view that once a proposed plan of arrangement is developed, a calculation can be completed on these ITC's and the amount added to CRA's claim.

63. The Monitor is of the opinion that the deemed trust amount is materially accurate. It has been shared with Traveler's and RBC.

Cash Flow Variance Report

64. The Monitor has prepared a budget to actual analysis for the 19 weeks ending January 27, 2023. That is attached as **Appendix "M"**.

65. The budget applies the revised cash flow forecast amounts presented in the Third Report, which reforecast amounts from December 3, 2022, onward. The variances in this cash flow report have accumulated during the eight weeks from December 3, 2022, to January 27, 2023.

66. Highlights of the cash flow statement include:

    a. Cash receipts of $2,924,928 which is $624,375 behind plan. The Company continues to experience delays in collection on existing projects. The largest differences during the eight-week period ending January 27, 2023, were:
        i. Bryant's Cove project ($109,110 behind plan);

    ii. Fox Harbour Armour Stone ($177,586 behind plan);
    iii. Freshwater Outfall ($220,129 behind plan)

b. The Fox Harbour Armour Stone project (Town of Fox Harbour) was completed on November 4, 2023. Payment is outstanding (no payments have been made to date on this project). The Freshwater Outfall project (Town of Placentia) has been deferred to the spring of 2023. Bryant's Cove is a holdback outstanding related to a complete project.

c. Direct expenses disbursements are $144,058 over budget. The Company has advised the over budget amounts relating to materials and subcontractors and fuel are related to the increased activity from the monopile projects.

d. Operating disbursements were $2,836 under budget excluding HST remittances which were $132,130 under budget. The main driver of the variance is lower than expected HST remittances related to slower than expected collection of cash and expenses largely on target. Other notable variances in operating disbursements include:
    i. Repairs and Maintenance costs were $65,978 greater than forecasted due to getting the equipment ready for lease into the monopile project; and
    ii. Legal fees and Monitor fees are showing under budget, but after accounting for accrued WIP will be at least on budget. The Monitor fees were paid after Week 19.

e. Additional over or unbudgeted disbursements include $24,646 in net contract bid deposits and $250,000 paid into the Monitor pursuant to the Order of this Honourable Court dated December 14, 2022.

67. The overall variance to plan is an unfavourable variance of $853,307; however adjusting for the $250,000 paid into the Monitor, which was not contemplated in the revised budget, adjusting for the proposed payment of $141,200 to a lien claimant from the funds held in trust by the Monitor, and unpaid legal and professional fees of $70,000 the adjusted operating variance would be $810,507 ($853,307 - $250,000 + $141,200+$70,000), largely the negative variance from slower than forecasted collection of accounts receivable which was $630,294.

Legal Disputes

68. The Company is involved in the following litigation/disputes related to ongoing projects. An update on open litigation files is as follows:

a. Town of Placentia – Water Systems – this project is the subject of a dispute between the bonding company, Western Surety, the Town of Placentia, and ECC. The Monitor requested documents from both Western and ECC in this matter. Western provided the documents and ECC has not. That dispute is ongoing and will likely have competing applications. Western Surety has advised parties that it intends to bring an application to complete/enforce settlements in place between ECC, Crane, Rodco, and Western on

February 10, 2023 as provided in the ARIO. ECC filed an application pursuant to the Mechanics Lien Act on February 2, 2023. The amount of the holdback is $237,785.76 and is being held by the Town of Placentia. Information on this dispute is attached as **Appendix "N"**.

b. Town of Humber Arm South – The Monitor, together with the Company, a lien claimant and the Town of Humber Arm South have come to an agreement on a process to resolve claims over payments and the collection of the outstanding account receivable related to this project. The agreed plan is to pay the funds to the Monitor, who will review claims against the funds and seek directions from the court on claims and distribution. The Monitor has received the full amount of $185,495.79 and is holding those funds in trust. The Town of Humber Arm South has retained the 10% holdback. There is a lien claimed against those funds in an amount of $149,503.01. The Monitor has reviewed the lien claim and has determined that $141,200 of the funds in trust should be paid to the lien claimant, with the balance of $44,295.79 paid to ECC on the condition the existing lien is removed. The Monitor has shared the results of its review with both ECC and Rodco. Information on this dispute is attached as **Appendix "O"**.

c. Flat Bay Inc. / TI /Municipal Affairs – ECC brought an application against Flat Bay Band Incorporated on January 31, 2023 to collect $41,441.47 from Flat Bay Band Incorporated plus damages. In correspondence to ECC on receiving the application, Flat Bay Band Incorporated have agreed to pay the outstanding $41,441.47. . Information on this dispute is attached as **Appendix "P"**.

d. 12-21 PHC (Avalon Culvert Replacement) – PNL issued a notice of default in relation to this contract and ECC has not performed (or been permitted to perform by PNL) any further work on this project. PNL advised that on October 21, 2022 the culvert was inspected by PNL Department of Transportation and Works. The inspection concluded there was an immediate need for an emergency culvert replacement citing safety concerns. PNL used a replacement contractor and completed the project. ECC has taken the position it was ready, willing, and able to complete the work. The project is complete and subject to litigation as between ECC and PNL. Information on this dispute is attached as **Appendix "Q"**.

e. 46-21 PHP (Central Paving and Bridge Rehabilitation) – Defaults have been issued by both parties. The Company has advised that PNL has awarded a portion of this contract to a third party. No progress has been achieved in resolving the dispute and it is likely this contract will also proceed to litigation.

f. Intact Insurance Company ("**Intact**") / Contract 012-19TSB with Province of Newfoundland and Labrador Department of Transportation Works – On October 24, 2022, Intact filed a statement of claim against ECC and other defendants to indemnify Intact for amounts paid out pursuant to the Intact bonding facility on this project. Intact is a secured creditor of ECC and is subrogated to the bond claims it has paid. The statement of claim is stayed as against

ECC, but not the other defendants. The impact, if any, on the CCAA proceeding is unknown at this time. Information on this dispute is attached as **Appendix "R"**.

g. Town of Bryants Cove – Certain claims have been settled and the funds received by ECC legal counsel, certain claims remain outstanding.

69. The Company and TI appear to be heading to litigation over projects 12-21 PNC (Avalon Culvert Replacement), 46-21 PHP (Central Paving and Bridge Rehabilitation), and 45-20PHP (Stephenville Paving). The Company is of the view it has taken the required action to preserve its rights under the contract. The preservation of the Company's rights does benefit the estate. ECC has filed a mechanic lien in the amount of $201,175.49 in relation to project 12-21 PNC.

70. The Company was name plaintiff by counter claim in an action filed by Dollard Holdings Inc. et al against Universal Environmental Services Inc. (2022 01G 4023)(**"UESI**"). The counter claim by the Company against Dollard Holdings Inc. et al includes a claim for damages related to losses suffered by the Company defending the RBC receivership application. The Monitor understands all parties are defending the claims, and UESI is funding the litigation. Information on this dispute is attached as **Appendix "S"**.

71. Given the volume of litigation and dispute related to project holdbacks, stakeholders and the court should consider agreeing to a court supervised claims process to expediate the resolution of the issues in a cost-effective manner for all parties. This could be the most efficient way to deal with various claims in an efficient way given:

    a. Likely competing legal proceedings to deal with the Town of Placentia Water Project holdback from ECC and Western Surety; and
    b. PNL requesting the Monitors view on the status of various claims by ECC with TI.

Refinancing Update

72. The Company continues to work thought the information required by Traveler's. The due diligence is ongoing with an update attached as **Appendix "T"**. It is easier to list what is left to provide, including any new requests by Traveler's:

    Key

    a. Definitive equipment list by February 7, 2023 that will be financed (accounting for equipment sales with RB, disclaimers, etc.), acknowledging that certain equipment is listed for sale and will continue to be listed for sale after the refinancing (should it proceed). TCC will allow ECC to continue to sell after submission but subject to fees to get releases after TCC's PPSA registration;

    b. The sources and uses shortfall, while not resolved, will not delay the submission of the proposed transaction to underwriting. It will be a pre-condition to disbursement;

Other

c. Quarry appraisal was completed. ECC is completing a survey at Traveler's request. The survey is ongoing and the engineer is line up to complete the third party reserve estimate. The target date for this report is February 14, 2023. Traveler's is prepared to submit to underwriting prior to receipt of this report;
d. Updated breakdown of holdbacks receivable by February 7, 2023;
e. Traveler's would like financial information on E&T Investments Limited;
f. Go forward contracting strategy and bonding strategy to go with the proforma financial statements;
g. Copies of the constituting documents;
h. Brief description of the nature and purpose of each borrowing entity; and
i. Additional information on the HASCAP loan

73. Traveler's has indicated they remain interested in moving toward completing the refinancing. They have reconfirmed that with the receipt of the above noted information by February 7, 2023 the previously reported timeline of a credit decision by the end of February 2023 remains reasonable.

74. Life Insurance – the Company has provided the Monitor with $250,000 to be put toward closing the Travelers financing gap, pursuant to the Order issued by this Honourable Court on December 14, 2022.

75. The Monitor has prepared re-calculated the amounts to be refinanced by Traveler's under two scenarios given the recently conducted real estate appraisals and updated RBC balances owing as of December 7, 2022:

a. Scenario 1 contemplates continuing with the plan to attempt to sell certain equipment, as identified in previous reports. The estimated funding gap, after removing sold assets and the debts associated with them, is $131,662.

b. Scenario 2 contemplates abandoning the equipment sales and refinancing all the equipment except those pieces which have been or will be disclaimed and released. The estimated funding gap by refinancing all equipment is $668,627.

c. The calculation for both scenarios is attached as **Appendix "U"**.

d. The updated calculation of the funding gap includes a revised CRA deemed trust claim amount, as well as an updated refinancing amount for real property based on the conclusions of updated appraisals, and updated payout information from RBC to December 7, 2022.

e. The Monitor has estimated the costs on the sale of the real estate and equipment selling costs to be $23,250 and $165,296 respectively.

76. The sale of 30 Reid's Lane is pending. An agreement on purchase price has been reached, but an agreement of purchase and sale has yet to be signed.

77. The equipment slated for immediate sale, with the exception of the asphalt plant, has few encumbrances (outside of RBC and CRA). The net proceeds of the sale by Ritchie Brothers would be paid to the Monitor to be held in trust, to be used toward closing the refinancing gap.

78. The anticipated sale proceeds of the asphalt plant will result in a shortfall on the RBC loan securing it. The gap analysis takes the position that the net proceeds from the sale of other equipment will be needed to pay out the remainder of the associated asphalt loan to RBC in order to secure a release of that loan.

79. The Company will have to realize cash from the collection of debt due to it, or generate cash from operations, to assist in closing the gap. The current analysis is that funds from the collection of accounts receivable and holdback receivable will be required to close the funding gap. The analysis contemplates that the $250,000 from each source is insufficient to completely close the gap under both Scenario 1 and 2.

80. The cashflow results through Week 19 do not appear to indicate sufficient cash flow will be generated from operations to cover the funding gap.

81. Risks/opportunities related to the gap analysis:

    a. Costs and expenses of the secured creditors continue to accrue. RBC provided updated payout statement as of December 7, 2023 which has accrued interest and accrued claim for protective disbursements of $288,529. No other creditor balance due has been updated. Certain secured creditors balances would be reduced on account of payments;

    b. Actual performance to date does not support the assumption that the funding gap could be financed with cash from operations;

    c. With the appraisals complete, no additional financing can be obtained on the value of the real property or equipment of the Company to close the refinancing gap;

    d. The Company has indicated it is willing to sell additional equipment to assist in closing the financing gap; however, preliminary results of the equipment sale indicate a slow market during the winter months. Relying on equipment sales to close the funding gap may require additional time beyond the Traveler's refinancing timelines. This could be alleviated / partially alleviated with an acceptable liquidation proposal from RB.

82. With all the appraisals completed and the CRA deemed trust claim materially determined, the critical path on determining whether the refinancing will proceed has narrowed significantly and is as follows:

a. The Company needs to accelerate the collection of accounts receivables and holdbacks. The Company has an accounts receivable collection issue. The sources and uses analysis still has $250,000 from each of accounts receivable and holdback that needs to be monetized to be available to fund the Traveler's transaction in the timelines proposed by Traveler's;

b. The sale of 30 Reid's Lane needs to close;

c. A final determination on how to fund the gap needs to be determined (assuming a positive decision from the Traveler's underwriters). The recent financial results indicate that it may not come from operations or the sale of equipment. It could come from / partially come from a liquidation proposal from RB;

d. The Company or another party provides a financial contribution to close the funding gap.

83. The security position of the primary secured creditors does not appear to be deteriorating:

a. CRA continues to be paid in the normal course;

b. The appraised values of the real estate assets to be included in the Traveler's refinancing have reported values greater than originally estimated by a net increase of $485,500 since the Third Report;

c. I high level analysis of the secured creditor position is as follows (with comparison to information in the Third Report):

	4th Report	3rd Report
Accounts Receivable	$ 2,042,077	$ 1,901,557
Holdback	58,918	265,689
Liquidated Damages	363,379	363,379
Less: Disputed/Doubtful	- 1,107,254	- 1,107,254
	$ 1,357,120	$ 1,423,371
Real Property	4,065,500	3,580,000
Equipment	4,607,000	4,607,000
Assets	**$ 10,029,620**	**$ 9,610,371**
CRA - Deemed Trust	2,130,704	2,331,417
RBC	5,273,636	4,945,453
Bank of Nova Scotia	15,675	15,675
Brandt Finance	205,057	205,057
Caterpillar Financial	-	-
CWB National Leasing	-	-
De Lage Landen Financial	120,630	120,630
Diamler Truck Financial	370,672	370,672
Honda Financial	10,158	10,158
John Deere Financial	762,405	762,405
Wells Fargo	213,279	213,279
Secured Creditors	**9,102,216**	**8,974,746**

Debtor Conduct

84. The Monitor is of the opinion that the Company continues to act with due diligence and in good faith.

Material Adverse Change

85. The Monitor is not aware of any issue or condition that could be considered a Material Adverse Change pursuant to s.23(1)(d)

86. The Monitor continues to be of the opinion that s.23(1)(h) does NOT apply and it would be more beneficial to the Company's creditors to continue with the Company's partial liquidation within the CCAA proceeding.

Monitors Activities

87. The Monitor's activities since the date of the last report include:

   a. Communications to secured creditors and lessors, Western Surety, PNL, various customers and unsecured creditors, including their advisors;

   b. Continuing discussions with Traveler's, and assisting the Company pull together the information required to satisfy the conditions precedent, and respond to queries as made;

   c. Working with the Company's management and legal counsel to:

      i. Refine operation planning;
      ii. Refine plans to sell non-core assets and develop a sales process that could maximize benefit to the creditors, and engage with those service providers on the process and terms of the ARIO;
      iii. Assisting in cash flow reporting;
      iv. Cash flow monitoring;
      v. Monitor the reporting of and payment of statutory remittances (CRA and WCB NL);
      vi. Assist with the review of the CRA trust exam and communications between the parties;
      vii. Work with stakeholder to assist in the resolution of disputes for the benefit of the estates stakeholders; and
      viii. The preparation of the Monitor's Third Report and this Fourth Report as required by the ARIO.

Dated at Halifax, Nova Scotia the 3rd day of February 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”

2022 01G 1964
IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

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

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

STAY EXTENSION ORDER

Before the Honourable Justice Alexander MacDonald on December 14, 2022:

THIS APPLICATION, made by Edward Collins Contracting Limited, Classic Security Ltd., FGC Holdings Ltd., 51037 Newfoundland and Labrador Inc. and H & E Designs Ltd. (collectively, the "**Applicants**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order extending the Stay Period (as defined herein) up to and including March 31, 2023, was heard on December 14, 2022.

ON READING the affidavits of Josh Collins, sworn December 8 and 12, 2022, and the Exhibits thereto; the affidavit of David Savoie dated August 8, 2022, the report of Grant Thornton Limited dated December 8 and 13, 2022 in its capacity as monitor of the Applicants (the "**Monitor**");

ON HEARING the submissions of counsel for the Applicants, the Monitor, the Royal Bank of Canada, and such other counsel that were present:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the materials filed, as set out in the Affidavit of Service, is hereby deemed adequate notice so that this Motion is properly returnable today and hereby dispenses with further service thereof.

STAY OF PROCEEDINGS

2. **THIS COURT ORDERS** that the Stay Period, as defined in the Order of the Honourable Justice Alexander MacDonald dated October 17, 2022 (the "**Initial Order**"), is hereby extended up to and including April 6, 2023.

INTERIM MATTERS

3. **THIS COURT ORDERS** that:

(a) the Monitor shall file with the Court an updating report on or before February 3, 2023 (the "**Monitors Interim Report**");

(b) any materials to be filed in reply to the Monitors Interim Report must be filed by February 10, 2023;

(c) that the Parties shall return for an interim hearing on February 17, 2023, to review the contents of the Monitors Interim Report;

(d) 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

(e) the comeback hearing in this matter shall be scheduled for 10:00 a.m. on March 17, 2023.

GENERAL

4. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Newfoundland time on the date of this Order.

ISSUED at St. John's, Newfoundland and Labrador this 15th day of December 2022.

COURT OFFICER

Receipt Number: **R202301G00117**

Supreme Court of Newfoundland and Labrador

St. John's General Division

Receipt Date: Jan-09-2023 **Amount Received:** $300.00

Payment Type: Cheque **Cheque Number:** 000055

Received From: O'Keefe & Company

Notes:

On Behalf Of	Classification	Event Type	Case		Amount
	Case Related	Order Filed	202201G1964	(5)	$300.00
				Total:	**$300.00**

Julia Hann

SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

This receipt is your only proof of payment, please retain.

Appendix “B”

ECC - Summary of Contracts as of January 31, 2023			
Status of Contract	**Number of Contracts**	**Total Value of Contracts**	**Estimated Remaining Work to be Completed**
Contracts in Progress (no default)	20	$ 12,241,662	$ 5,564,792
Contracts in Default	5	11,986,002	5,749,100
Contracts Awaiting to be Awarded	1	-	760,888
Total	**26**	**$ 24,227,664**	**$ 12,074,780**

ECC Contract List as of January 31, 2023

Contracts in progress (not in default):

Contract			Value	Est. Value of work to be Completed	Holdback	% Complete	Status	Included in Cashflow	Outstanding Defaults	Comment	Amount remaining after expenses
Town of Humber Arm Lift Station	The Town of Humber Arm South	aiting on the Town (See Commen	$ 370,170.05	$ 164,080.33	$ 20,594.55	80%	Awarded	YES	Issued by ECC	Town has delayed completion of this project because NL Power and easement permits were not in place	$ 62,562.00
Calm Waters Asphalt	Flat Bay Inc.	Complete	$ 115,471.50	$ -	$ 11,547.15	100%	Awarded	YES	None	Completed and awaiting payment	$ 70,287.00
Canadian Coast Guard Remediation	Canadian Coast Guard	Complete	$ 102,860.60	$ -	$ -	100%	Awarded	NO	None	Project Complete with no issues	Completed and Paid
Western Waste Management	Western Waste Management	On Going - July 2025	$ 7,980,000.00	$ 2,755,000.00	$ -	66%	Awarded	YES	None	On-Going with no issues	Approximately $25,000/Month
Town of Bryant's Cove Slope Stabilization	The Town of Bryant's Cove	Complete	$ 1,078,424.00	$ -	$ 109,109.99	100%	Awarded	YES	Rectified	Completed	$ 500,000.00
Extreme East Metals	Extreme East Metals	Dec 12, 2022 - Dec 16, 2022	$ 75,000.00	$ 29,613.00	$ -	60%	Awarded	YES	None	On-Going with no issues	$ 30,000.00
US Navy Security	US Navy	On Going - Aug 2029	$ 960,000.00	$ 780,000.00	$ -	19%	Awarded	YES	None	On-Going with no issues	Approximately $2,500/Month
Integrated Logistics - Lime Transport	Intergated Logistics	On Going	Hourly Rates/Rentals	$ 200,000.00	$ -	On-Going	On-Going	YES	None	On-Going with no issues	25% Profit/Month
Intersac - Building Rental	International Contractors	On Going	Building Rental	$ 46,000.00	$ -	On-Going	On-Going	YES	None	On-Going with no issues	75% Profit/Month
Huskey White Rose Project	SDP	On Going	Monthly Rentals	$ 475,000.00	$ -	On-Going	Rentals	YES	None	On-Going with no issues	70% Profit/Month
Cadillac Construction Inc. - Building Construction Argentia	Cadillac Construction Inc.	Complete	Unit Prices	$ -	$ -	100%	Awarded	YES	None	Project Complete with no issues	
61-18PSR - Sir Ambrose Shea Lift Bridge	The Department of Transportation and Infrastructure	On Going - Jan 31, 2023	Standing Offer	$ -	$ -	On-Going	Awarded	YES	None	On-Going with no issue - Contract will finish Jan 1, 2023 and be replaced with contract 103-22PSR	5-30% Profit depending on services required
East Coast Snow Clearing (addition of Eastern Health Snow clearing has increased the amount on this item)	Various Owners (The Town of Placentia, Intergrated Logistics, Star Hall, Eastern Health Care)	On Going	Monthly	$ 225,005.00	$ -	On-Going	Awarded	YES	None	On-Going with no issues	50 - 70% Profit depending on snow fall amounts
West Coast Snow Clearing	The Department of Transportation and Infrastructure	On Going - April 15, 2023	Monthly	$ 29,935.00	$ -	On-Going	Awarded	YES	None	On-Going with no issues	35 - 55% Profit depending on snow fall amounts
TI Sand Contracts (Placentia/St. Brides)	The Department of Transportation and Infrastructure	Complete	$ 121,412.20	$ -	$ -	100%	Awarded	YES	None	Completed	$ 41,255.00
Building Demolition Dunnville	The Town of Placentia	Complete	$ 14,260.00		$ -	100%	Awarded	NO	None	Completed without issue	$ 3,000.00
Freshwater Outfall	The Town of Placentia	Spring 2023	$ 210,159.00	$ 210,159.00	$ -	0%	Awarded	NO	None	Will schedule to complete in the Spring	$ 81,826.00
Fox Harbour Amour Stone	The Town of Fox Harbour	Complete	$ 188,904.80	$ -	$ -	100%	Awarded	YES	None	Completed and awaiting payment	$ 83,405.00
Monopile Road Widening Argentia, NL	Universal Environmental Services Inc.	Nov 2022 - Mar 2023	$ 150,000.00	$ 50,000.00	$ -	50%	Awarded	YES	None	On-Going with no issues	$ 150,000.00
Monopile Berm Construction (Includes Maintenance, Contract)	Universal Environmental Services Inc.	Nov 2022 - Jun 2023	$ 875,000.00	$ 600,000.00	$ -	31%	Awarded	YES	None	On-Going with no issues	$ 725,000.00
Total:			$ 12,241,662.15	$ 5,564,792.33	$ 141,251.69						

Contracts in default:

Contract			Value	Est. Value of work to be Completed	Holdback	% Complete	Status	Included in Cashflow	Outstanding Defaults	Comment	Amount remaining after expenses
Placentia Wellness Centre	Olympic Construction	N/A	$ 907,810.00	$ -	$ -		Awarded	NO	Issued by Both Parties	The Contract has been terminated and outstanding amounts owing have been paid	N/A
12-21PHC Avalon Culvert Replacement Rehab	The Town of Humber Arm South	N/A	$ 1,561,208.95		$ 123,050.00		Awarded	NO	Issued by Both Parties	TI terminated the contract when they hired another contractor to complete the work	N/A
45-20PHP Stephenville Paving	The Department of Transportation and Infrastructure	N/A	$ 2,949,517.68		$ 188,324.58		Awarded	NO	Issued by Both Parties	Intact surety awarded the remainder of the work to another contractor	N/A
46-21PHP Central Paving and Bridge Rehab	The Department of Transportation and Infrastructure	N/A	$ 6,263,549.00	$ 5,749,100.00	$ 48,106.20	10% ?	Awarded	NO	Issued by Both Parties	TI hired another contractor to complete a portion of the work on this contract	N/A
Town of Hughes Brook Steet Improvement	The Town of Hughes Brook	N/A	$ 303,916.25		$ -		Awarded	NO	Issued by Both Parties	Town Terminated without notice once ECC was onsite to complete	N/A
Total:			$ 11,986,001.88	$ 5,749,100.00	$ 359,480.78						

Contracts awarded in January:

Contract			Value	Est. Value of work to be Completed	Holdback	% Complete	Status	Included in Cashflow	Outstanding Defaults	Comment	Amount remaining after expenses
103-22PSR - Sir Ambrose Shea Lift Bridge	The Department of Transportation and Infrastructure	Feb 1, 2023 - Feb 1, 2025	Standing Offer	$ 602,887.50	$ -	0%	Awarded	YES - This contract is under cash flow tab 61-18PSR starting Feb 1,2023	None	Starting Feb 1, 2022 this contract will replace project 61-18PSR	50%-70% Profit (All line items were increased from the pervious contract 61-18PSR)
Town of Placentia, Harbour Drive Phase 2 Amour Stone	The Town of Placentia	March 15, 2023 - April 15, 2023	$ 158,000.00	$ 158,000.00	$ -	0%	Awarded		None		50% Profit
Total:			$ -	$ 760,887.50	$ -						

Grand Total:			**$ 24,227,664.03**	**$ 12,074,779.83**	**$ 500,732.47**						

Appendix “C”

Edward Collins Contracting Limited
Aged Overdue Sales Invoices Summary As at 31.01.23

Name	Total Due	1 to 30 Overdue	31 to 60 Overdue	61+ Overdue
Accounts Payable Eastern Health	17,025.75	17,025.75	0.00	0.00
Bird Heavy Civil Ltd	4,025.00	4,025.00	0.00	0.00
Brook Construction	8,234.57	0.00	0.00	8,234.57
Cahill Fabrication Structural	862.50	0.00	0.00	862.50
CAN-AM Platforms & Construction Ltd.	7,013.25	0.00	0.00	7,013.25
Department of Transportation & Infrastructure	465,420.23	45,971.55	359,480.78	59,967.90
DFB Driver	1,840.00	0.00	0.00	1,840.00
DFO-Accounts Payable	230.00	0.00	0.00	230.00
EXP	-103.50	0.00	0.00	-103.50
Extreme East Metals Inc.	26,473.00	1,150.00	5,968.50	19,354.50
Flat Bay Band Inc.	108,240.88	0.00	0.00	108,240.88
Fusion Elevator Inc.	132.02	0.00	0.00	132.02
Harvey's Salt	5,622.00	0.00	0.00	5,622.00
Integrated Logistics	12,296.41	11,247.00	0.00	414.00
National Diabetes Trust Corp.	230.00	115.00	115.00	0.00
Newco Metals	776.25	0.00	0.00	776.25
Provincial Ready Mix	137,756.78	0.00	0.00	137,756.78
Q.N.H Excavating & Landscaping Ltd.	3,714.50	0.00	3,714.50	0.00
SNC-Dragados-Pennecon G.P	161,506.00	55,464.50	68,517.00	37,524.50
Star of the Sea Association	1,178.75	776.25	0.00	402.50
TMSI Limited	97.75	0.00	97.75	0.00
Town of Bryants Cove	109,109.99	0.00	109,109.99	0.00
Town of Deer Lake	57,070.50	0.00	0.00	57,070.50
Town Of Fox Harbour	218,863.98	19,896.72	198,967.26	0.00
Town of Humber Arm South	29,938.54	0.00	20,594.55	9,343.99
Town of Placentia	258,591.51	18,054.95	237,785.76	2,750.80
TSMI Limited	2,663.33	0.00	0.00	2,663.33
Tulk Tire & Service Ltd.	13,062.16	0.00	0.00	13,062.16
Universal Environmental Services Inc	390,205.35	34,500.00	62,455.35	0.00
Total outstanding:	2,042,077.50	208,226.72	1,066,806.44	473,158.93

Edward Collins Contracting Limited
Holdback Accounts As at 31.01.23

Account Number	Account Description	Debits	Credits
1131	Holdback winter sand Bishop Falls	11,832.00	0.00
1132	Holdback winter sand - Badger	10,763.31	0.00
1139	Holdback Town of Long Harbour	9,006.05	0.00
1140	Holdbacks receivable-Town of Placen	12,937.51	0.00
1147	Holdback - Argentia small vessel st	2,352.00	0.00
1156	Holdback - paving Codroy Valley	12,027.03	0.00
		58,917.90	0.00

Appendix “D”

Edward Collins Contracting Limited
Aged Overdue Purchase Invoices Summary As at 31.01.23

Name	Total Due	1 to 30 Overdue	31 to 60 Overdue	61+ Overdue
2085107 Alberta Inc.	5,650.00	0.00	0.00	5,650.00
A & B Construction Limited	65,716.76	0.00	0.00	65,716.76
A. St. George & Sons Ltd.	22,149.00	0.00	0.00	22,149.00
Ace Cement Finishing Ltd.	2,012.50	0.00	0.00	2,012.50
Adam's Electrical Contracting	66,202.66	0.00	0.00	66,202.66
Adventure Quest Outfitters	11,569.00	0.00	0.00	11,569.00
AFN Engineering Inc.	2,287.35	0.00	0.00	2,287.35
Aggregate Equipment (Atlantic) Limited	9,406.81	0.00	0.00	9,406.81
Air Liquide Canada Inc.	13,158.17	0.00	0.00	13,158.17
AirCo Sheetmetal Inc.	2,673.75	0.00	0.00	2,673.75
All Rock Consulting Ltd.	19,271.08	0.00	0.00	19,271.08
Allstar Rebar Limited	7,609.70	0.00	0.00	7,609.70
Apex Construction Specialties Inc.	33,866.75	0.00	0.00	33,866.75
Argentia Freezers & Terminals	5,651.91	0.00	0.00	5,651.91
Argentia Port Corporation	11,845.00	0.00	0.00	11,845.00
Armtec Canada Culvert	114,791.00	0.00	0.00	114,791.00
Atlantic Container Line AB	-0.01	0.00	0.00	-0.01
Atlantic Ready Mix	7,282.37	0.00	0.00	7,282.37
Atlantic Tiltload	4,539.56	0.00	0.00	4,539.56
Ault	2,171.55	0.00	0.00	2,171.55
Auto Parts Network	632.50	0.00	0.00	632.50
Avalon Ready Mix	18,692.10	0.00	0.00	18,692.10
Aylwards Home Centre	30,183.55	0.00	0.00	30,183.55
B & S Trucking Ltd.	140,036.52	0.00	0.00	140,036.52
BABB Sales & Services	460.21	0.00	0.00	460.21
Battlefield Equipment Rentals	64,151.88	0.00	0.00	64,151.88
Baysteel Inc.	160.43	0.00	0.00	160.43
Belfor	1,787.10	0.00	0.00	1,787.10
Bell Aliant	10,300.94	568.16	0.00	9,732.78
Bennett's Construction and Supplies (2011) Ltd.	29,095.00	0.00	0.00	29,095.00
Black Ridge Construction Ltd.	3,845.65	0.00	0.00	3,845.65
Bond's Courier	17.25	0.00	0.00	17.25
Botwood Tire & Retread Ltd. (Nortop)	29,953.16	0.00	0.00	29,953.16
Brandt	133,650.46	0.00	0.00	133,650.46
Bruce Enterprises Limited	5,577.50	0.00	0.00	5,577.50
Bumper to Bumper	3,723.15	0.00	0.00	3,723.15
Burton Appraisal NL	-575.00	0.00	0.00	-575.00
C. Russell & Sons Limited	2,742.78	0.00	0.00	2,742.78
Cahill Technical Services	5,813.25	0.00	0.00	5,813.25
Cansel	122.06	0.00	0.00	122.06
Capital Ready Mix Limited	9,599.05	0.00	0.00	9,599.05
CBS Glass	-661.25	0.00	0.00	-661.25

Central Landscaping	860.78	0.00	0.00	860.78
Central Precast & Ready Mix	19,305.05	0.00	0.00	19,305.05
Certified Labratories	3,471.15	0.00	0.00	3,471.15
C-Gas Management Inc.	11,075.60	0.00	0.00	11,075.60
City of St. John's	3,730.18	0.00	0.00	3,730.18
Clarenville Rentals Ltd.	1,179.08	0.00	0.00	1,179.08
Clarke's Trucking & Exc. Ltd.	624.89	0.00	0.00	624.89
Concrete Products Limited	2,874.77	0.00	0.00	2,874.77
Construction Signs Limited	46,709.66	0.00	0.00	46,709.66
Control Works Inc.	4,887.94	0.00	0.00	4,887.94
Corner Brook Industrial Sales and Service	5,006.62	0.00	0.00	5,006.62
Crane Supply	46,853.67	0.00	0.00	46,853.67
Cummins Eastern Canada Inc.	2,744.23	0.00	0.00	2,744.23
Cummins Sales and Service	2,155.10	0.00	0.00	2,155.10
D.C. Alternator & Starter Ltd.	183.94	0.00	0.00	183.94
Dawe & Tuck	45,905.00	0.00	0.00	45,905.00
Day & Ross Inc.	506.02	0.00	0.00	506.02
Deer Lake Home Hardware	4,573.54	0.00	0.00	4,573.54
Deer Lake Truck and Tirecraft	57,175.94	0.00	0.00	57,175.94
Deloitte	44,783.98	0.00	0.00	44,783.98
Deluxe	1,406.13	0.00	0.00	1,406.13
Dennis Porter Trucking Limited	74,184.77	0.00	0.00	74,184.77
Devan Holdings Inc.	13,778.73	0.00	0.00	13,778.73
Dicks & company	498.46	0.00	0.00	498.46
DMG Consulting Ltd.	7,262.25	0.00	0.00	7,262.25
Double G Trucking & Repair Ltd.	2,472.50	0.00	0.00	2,472.50
Drive Line Machine Shop	3,409.68	0.00	0.00	3,409.68
Dyna Noble Canada Inc.	80,555.85	0.00	0.00	80,555.85
East Coast Hydraulics	2,474.83	0.00	0.00	2,474.83
East Coast International Trucks	-1,208.32	0.00	0.00	-1,208.32
ECO Contracting Ltd.	19,532.75	0.00	0.00	19,532.75
Eddy Services	2,445.25	0.00	0.00	2,445.25
Edison Electronics Inc.	8,316.81	0.00	0.00	8,316.81
Edison Security Services Inc.	5,095.08	0.00	0.00	5,095.08
EMCO Limited	210,554.84	0.00	0.00	210,554.84
EMM Hardchrome & Hydraulics Ltd.	4,047.77	0.00	0.00	4,047.77
Exploits Home Building Centre	1,223.53	0.00	0.00	1,223.53
Exploits River Motel	14,155.55	0.00	0.00	14,155.55
Exploits Valley Paving Ltd.	6,969.00	0.00	0.00	6,969.00
Express Signs Ltd.	2,842.24	0.00	0.00	2,842.24
F.A Haynes Transport Ltd.	6,362.90	0.00	0.00	6,362.90
Fortis Concrete Inc.	3,636.30	0.00	0.00	3,636.30
G & B Construction	40,491.50	0.00	0.00	40,491.50
Gales Septic Cleaning	2,357.50	0.00	0.00	2,357.50
GCR Tire Centres - (72)	918.72	0.00	0.00	918.72
Genevieve Bay Inn	10,239.00	0.00	0.00	10,239.00
Gillis Truckways Inc.	5,299.68	0.00	0.00	5,299.68

Grant Thornton Limited	20,000.00	0.00	0.00	0.00
Green Bay Waste Authority	20.00	0.00	0.00	20.00
H&F Electrical Ltd.	15,870.00	0.00	0.00	15,870.00
Heavy Civil Association of N.L.	2,530.00	0.00	0.00	2,530.00
Hebdraulique N.L.	6,082.73	0.00	0.00	6,082.73
Hickey's Greenhouse & Nursery	225.35	0.00	0.00	225.35
Hitech Communications Ltd	3,129.15	1,931.77	0.00	1,197.38
Hi-Tech Scales Ltd.	5,352.50	0.00	0.00	5,352.50
Hi-Vis Traffic Control Inc.	4,580.24	0.00	0.00	4,580.24
Horizon Machining Incorporated	3,157.90	0.00	0.00	3,157.90
Howley Tourist Lodge	1,656.00	0.00	0.00	1,656.00
Humber Arm Contracting Inc.	2,041.25	0.00	0.00	2,041.25
Humber Machine and Hydraulic Ltd.	7,517.47	0.00	0.00	7,517.47
Hunt's Concrete Ltd.	27,348.13	0.00	0.00	27,348.13
Irving Oil Commercial GP	99,839.55	0.00	0.00	99,839.55
Island Hose & Fittings Ltd.	73.12	0.00	0.00	73.12
Johnny Seay / Johnnys Lawn & Garden	2,050.00	0.00	0.00	2,050.00
Kal Tire	6,708.78	0.00	0.00	6,708.78
KC Reid Enterprises Limited	60.90	0.00	0.00	60.90
Kennedy's Disposal Services Ltd.	2,702.50	0.00	0.00	2,702.50
Keyano Motel	11,800.00	0.00	0.00	11,800.00
Major's Contracting Limited	5.14	5.14	0.00	0.00
Major's Logging	290.17	0.00	0.00	290.17
Marble RV	1,456.61	0.00	0.00	1,456.61
Margaret's Safety Services	898.99	0.00	0.00	898.99
McKay's Waste Management	184.00	0.00	0.00	184.00
Meridian Engineering Inc.	8,002.97	0.00	0.00	8,002.97
Mike Kelly & Sons Ltd.	3,146.06	0.00	0.00	3,146.06
Modern Paving Limited	10,184.75	0.00	0.00	10,184.75
Modern Pest Control Services LTD.	303.04	0.00	0.00	303.04
Mountainside General Store	1,196.20	0.00	0.00	1,196.20
Newco Metal and Auto Recycling	776.25	0.00	0.00	776.25
Newfoundland Power Inc.	49,528.91	4,508.79	0.00	45,020.12
Newport Capital Corp.	272,933.05	0.00	0.00	272,933.05
NLCSA	925.75	0.00	0.00	925.75
NORTHRIDGE DEVELOPMENTS LTD.	333.50	0.00	0.00	333.50
Notre Dame Drilling & Blasting	28,546.99	0.00	0.00	28,546.99
Nova Truck Centres	4,135.96	0.00	0.00	4,135.96
Oceanview Estates	8,241.58	0.00	0.00	8,241.58
Oil Filtration Solutions Ltd.	9,402.29	0.00	0.00	9,402.29
OMB Parts & Industrial Ltd.	82.55	0.00	0.00	82.55
OMB Parts & Industrial Ltd.1	696.20	0.00	0.00	696.20
On Grade Construction	15,194.38	0.00	0.00	15,194.38
On The Spot Welding Ltd.	1,460.15	0.00	0.00	1,460.15
Oram's Ready Mix	4,461.83	0.00	0.00	4,461.83
Orkin Canada Corporation	801.85	160.37	160.37	481.11
Paint Shop Placentia	7,856.27	0.00	0.00	7,856.27

Panatrol Automation and Controls	570.00	0.00	0.00	570.00
Patterson's Steel Products	3,947.19	0.00	0.00	3,947.19
Pinnacle Office Solutions	195.88	139.62	0.00	56.26
Placentia Area Chamber of Commerce	230.00	0.00	0.00	230.00
Placentia Rowing Club	57.50	0.00	0.00	57.50
PMW Newfoundland and Labrador Limited	2,357.50	0.00	0.00	2,357.50
Port Aux Basques Snow Clearing Limited	155.25	0.00	0.00	155.25
Port of Argentia	52,020.98	11,845.00	0.00	40,175.98
Port of Stephenville	10,626.00	0.00	0.00	10,626.00
Powers Gas Bar	43,462.19	0.00	0.00	43,462.19
Power's Oil	27,520.17	0.00	0.00	27,520.17
Power's Placentia Esso	42,533.30	0.00	0.00	42,533.30
PREMIUM ENTERPRISES	17,911.41	0.00	0.00	17,911.41
Pretty's Island Wide Concrete Inc.	3,749.00	0.00	0.00	3,749.00
Provall Parts Ltd.	57,622.37	0.00	0.00	57,622.37
Provincial Fence Products Ltd.	20,468.80	0.00	0.00	20,468.80
Provincial Ready Mix	52,789.94	0.00	0.00	52,789.94
Pure Water Sales	93.75	0.00	0.00	93.75
R&D Performance Center	634.40	0.00	0.00	634.40
Redline Automotive Supplies	26,324.43	0.00	0.00	26,324.43
Reinforced Earth Company Ltd.	59,880.50	0.00	0.00	59,880.50
Rigid Trucking and Excavating Ltd.	598.00	0.00	0.00	598.00
Riverview Motors	47.94	0.00	0.00	47.94
Rodco Mechanical (2014) Ltd.	189,849.99	0.00	0.00	189,849.99
Rogers Enterprises Ltd.	2,277.00	0.00	0.00	2,277.00
Royal Freightliner	706.90	88.07	550.68	68.15
Rudy's Gas Bar	4,640.89	0.00	0.00	4,640.89
SANCTON	29.90	0.00	0.00	29.90
Sharron's Sales & Services Ltd.	766.82	0.00	0.00	766.82
Simmons Tire and Service Centre Ltd.	847.32	0.00	0.00	847.32
SMS Equipment	14,950.00	0.00	0.00	14,950.00
South Coast Construction	103,842.79	4,511.54	0.00	99,331.25
Stantec Consulting Ltd.	4,249.88	0.00	0.00	4,249.88
Stephenville Truck Center 1991 LTD.	3,467.43	0.00	0.00	3,467.43
Subsurface Geotech Inc.	20.00	0.00	0.00	20.00
Taylor's Welding	1,667.50	0.00	0.00	1,667.50
The Cylinder Shoppe	3,646.04	0.00	0.00	3,646.04
Titan Environmental Containment Ltd.	733.70	0.00	0.00	733.70
Titan GPS	6,073.07	0.00	0.00	6,073.07
TNT Truck & Tractor Repair Ltd.	2,798.02	0.00	0.00	2,798.02
Tony's Diesel Repairs	7,144.91	0.00	0.00	7,144.91
Toromont Cat	49,141.14	0.00	0.00	49,141.14
Town of Deer Lake	5,923.86	5,923.86	0.00	0.00
Town of Placentia	14,928.32	0.00	0.00	14,928.32
TRACTION (UAP)	27,743.46	0.00	0.00	27,743.46
Tulk Tire & Service Ltd.	12,220.04	0.00	0.00	12,220.04
Ultramar (Badger)	-70,231.50	0.00	0.00	-70,231.50

Ultramar (Garage)	171,387.75	114,634.99	49,213.70	7,539.06
Ultramar (Stephenville)	94,601.71	0.00	0.00	94,601.71
United Rentals of Canada Inc.	39,249.21	0.00	0.00	39,249.21
Universal Fabricators Inc.	2,333.82	0.00	0.00	2,333.82
Valero Energy Inc.	96,952.39	0.00	0.00	96,952.39
Verna Mercer	2,050.00	0.00	0.00	2,050.00
VIC MOBILIER	10,087.97	0.00	0.00	10,087.97
Wajax Industrial Components LP	14,008.20	0.00	0.00	14,008.20
Wajax Mount Pearl	27,618.86	0.00	0.00	27,618.86
Walsh's Mechanical Services Inc.	2,010.40	0.00	0.00	2,010.40
Wayne Kelly	3,450.00	0.00	0.00	3,450.00
Weir's Construction Limited	207,470.16	0.00	0.00	207,470.16
Western Hydraulic and Mechanical Ltd.	13,359.62	0.00	0.00	13,359.62
Western Lock Inc.	1,333.98	0.00	0.00	1,333.98
Western Petroleum	1,700.00	0.00	0.00	1,700.00
Western Steel Works Inc.	2,695.42	0.00	0.00	2,695.42
Western Wood Works Incorporated	5,606.25	0.00	0.00	5,606.25
William Perry Trucking	12,420.00	0.00	0.00	12,420.00
Xplore Inc.	160.98	0.00	0.00	160.98
Zealous Heating & Cooling Inc.	10,084.03	0.00	0.00	10,084.03
Total outstanding:	3,914,699.38	144,317.31	49,924.75	3,700,457.32

Appendix “E”

Edward Collins Contracting Limited
Balance Sheet As at 31.12.22

ASSETS

CURRENT ASSETS		
Total Cash		104,397.16
Total Holdbacks		58,918.27
Bid deposits		110,354.00
Accounts receivable	1,954,773.51	
Miscellaneous receivables	3,200.00	
Receivable from 51037 ($ store)	(123,721.67)	
Due from H & E	167,925.00	
Due from Classic Security Limited	527,885.24	
REC FROM FGC	59,217.95	
A/R - Placentia Mall	(461,949.29)	
E & T Investments	(5,000.00)	
OCEAN FLOOR GRANITE INC	5,980.96	
O'Keefe trust account	239,761.16	
Grant Thornton trust account	185,296.29	
Receivable for liquidated damages, Dept of Trans	357,878.69	
Work in progress	152,012.00	
Allowance for d/f accts	(366,973.44)	
Total receivables		2,696,286.40
Total prepaids		86,306.00
Gravel pits		615,935.00
TOTAL CURRENT ASSETS		3,672,196.83
TOTAL CAPITAL ASSETS (net of accumulated amortization)		6,268,207.21
OTHER ASSETS		
Investment - Placentia Mall		180,000.00
Receivable from directors		139,065.29
TOTAL OTHER ASSETS		319,065.29
TOTAL ASSETS		10,259,469.33

Edward Collins Contracting Limited
Income Statement 01.08.22 to 31.12.22

TOTAL REVENUE	3,423,913.18
DIRECT COSTS	
Casual labour	4,735.22
Materials	237,956.21
Equipment rentals	44,256.04
Sub contracts	141,047.05
Total payroll expense	803,020.22
TOTAL DIRECT COSTS	1,231,014.74
GENERAL AND ADMINISTRATIVE	
Total professional fees	249,066.03
Advertising and donations	675.00
Amortization	409,255.00
Bad debts	357,878.69
Freight/courier services	2,895.20
Bank charges and interest	12,879.34
Electrical Service	38,006.06
Fees, dues, and licenses	15,908.31
Fuel-oil-gas	249,988.07
Insurance	42,658.10
Miscellaneous	34,505.64
Municipal taxes	2,540.82
Office	28,189.16
Rent	69,495.56
Repairs and maintenance	198,846.48
Telephone & Cell Phone	19,394.99
Meals and entertainement	4,137.22
Training	795.00
Travel	14,175.50
Meals	818.84
TOTAL GENERAL AND ADMIN EXPENSES	1,752,109.01
TOTAL EXPENSES	2,983,123.75
NET INCOME	440,789.43

Appendix “F”

51037 NL INC

BALANCE SHEET

DECEMBER 31, 2022

ASSETS

CURRENT	
Due from corporate shareholders	$ 126,569
LONG TERM INVESTMENTS	45,000
DUE FROM SHAREHOLDERS	4,779
	$ 176,348

LIABILITIES

CURRENT	
Bank indebtedness	$ 892
Accounts payable	37,139
Royal Bank of Canada line of credit	51,993
Harmonized sales tax payable	31,315
Employee deductions payable	6,270
	127,609
LONG TERM DEBT	40,000
DUE TO RELATED PARTIES	36,298
	203,907

SHAREHOLDERS' DEFICIENCY

SHARE CAPITAL	133
DEFICIT	(27,692)
	(27,559)
	$ 176,348

51037 NL INC
STATEMENT OF LOSS AND DEFICIT
YEAR ENDED DECEMBER 31, 2022

EXPENSES	
Interest and bank charges	$ 10,325
Miscellaneous	1,100
Office	957
	12,382
NET LOSS	(12,382)
DEFICIT - BEGINNING OF YEAR	(15,310)
DEFICIT - END OF YEAR	$ (27,692)

Appendix “G”

H & E DESIGNS LIMITED

BALANCE SHEET

DECEMBER 31, 2022

ASSETS

CURRENT		
Cash	$	258
Accounts receivable		211
Inventory		507,715
	$	508,184

LIABILITIES

CURRENT		
Royal Bank demand loan	$	290,000
Harmonized sales tax payable		5,424
		295,424
DUE TO RELATED PARTIES		376,625
		672,049

SHAREHOLDERS' DEFICIENCY

SHARE CAPITAL		1
DEFICIT		(163,866)
		(163,865)
	$	508,184

H & E DESIGNS LIMITED

STATEMENT OF LOSS AND DEFICIT

FIVE MONTH PERIOD ENDED DECEMBER 31, 2022

EXPENSES	
Interest and bank charges	$ 25
NET LOSS	(25)
DEFICIT - BEGINNING OF PERIOD	(163,841)
DEFICIT - END OF PERIOD	$ (163,866)

Appendix “H”

FGC HOLDINGS LIMITED

BALANCE SHEET

DECEMBER 31, 2022

ASSETS

CURRENT		
Cash	$	4,126
Prepaid expenses		2,990
Due from shareholders		474,849
		481,965
PROPERTY AND EQUIPMENT *(Net of accumulated amortization)*		516,829
	$	998,794

LIABILITIES

CURRENT		
Accounts payable	$	5,000
Income taxes payable		22,246
Harmonized sales tax payable		29,379
		56,625
LONG TERM DEBT		230,079
OBLIGATIONS UNDER CAPITAL LEASE		245,366
DUE TO RELATED PARTIES		269,678
		801,748

SHAREHOLDERS' EQUITY

SHARE CAPITAL		100
RETAINED EARNINGS		196,946
		197,046
	$	998,794

FGC HOLDINGS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

TWO MONTH PERIOD ENDED DECEMBER 31, 2022

REVENUES	**$ 37,500**
EXPENSES	
Interest and bank charges	**51**
NET INCOME	**37,449**
RETAINED EARNINGS - BEGINNING OF PERIOD	**159,497**
RETAINED EARNINGS - END OF PERIOD	**$ 196,946**

Appendix “I”

Edward Collins Contracting Limited
Ritchie Bros. Equipment Sale
As of January 25, 2023

Item #	Description	VIN #	Target Price	High Offer	Status
8444606	2005 CAT CB-335E	CATCB335TC5F00120	[redacted]	9,500	auction ended -
8444608	2005 CAT CB-534SXW	CATCB534HEAA00161	[redacted]	12,200	auction ended -
8444613	2015 John Deere 310SK	1T0310SKLEE273089	[redacted]	25,200	auction ended -
8444614	Lintec 50T Hot Asphalt Silo	48285400317-50TS-DMI10	[redacted]	1,000	auction ended -
8444615	2002 CAT PS-150B	CATPS150C3XR00606	[redacted]	3,700	auction ended -
8444643	NPK G-26 Concrete Crusher	50010451	[redacted]	2,250	auction ended -
8444669	2007 Skyjack SJ 3219	22000315	[redacted]	250	auction ended -
8444671	2016 CAT BA118C Skid Steer Broom	BX801323	[redacted]	1,200	auction ended -
8444672	72" Skid Steer Sweeper	215	[redacted]	600	auction ended -
8444620	2006 Fontaine 48'	13N24830061533598	[redacted]		auction period expires January 26th;
8444650	2006 Transcraft Eagle	1TTF4830661079884	[redacted]		auction period expires January 26th;
8444607	2013 CATCS54B	CATCS54BPMJ500108	[redacted]	26,600	intem re-listed , auction period expires January 25th;
8444602	2009 CAT AP655D	CATAP655AGNZ00312	[redacted]	60,169	item re-listed , auction period expires January 25th;
8444609	1993 Ingersol Rand 750P	130081	[redacted]	-	item re-listed , auction period expires January 25th;
8444610	2005 Roadtec SB-2500C	SB2500C806	[redacted]	500	item re-listed , auction period expires January 25th;
8444611	1998 Roadtec SB-2500	SB2500359	[redacted]	-	item re-listed , auction period expires January 25th;
8444617	1997 JC Trailer	2J9J3A1H2VK001036	[redacted]	5,000	item re-listed , auction period expires January 25th;
8444630	2001 Manac 53' Drop Step Deck Trailer	2M513161311073773	[redacted]	1,000	item re-listed , auction period expires January 25th;
8444632	1999 Manac 53' Drop Step Deck Trailer	2M5121557X1059228	[redacted]	100	item re-listed , auction period expires January 25th;
8444641	2006 Manac 53' Drop Step Deck Trailer	2M512161161105663	[redacted]	18,000	item re-listed , auction period expires January 25th;
8444644	2006 Midland End Dump Trailer	2MFB2R6C56R003767	[redacted]	3,200	item re-listed , auction period expires January 25th;
8444645	2012 Cross Country 28' End DumpTrailer	2C9EUL221CM183758	[redacted]	1,500	item re-listed , auction period expires January 25th;
8444646	2007 Larochelle End Dump Trailer	2P9R9A82672036591	[redacted]	3,100	item re-listed , auction period expires January 25th;
8444648	1995 Ford LTS900 Dump Truck	1FTYY90BXSVA06735	[redacted]	6,200	item re-listed , auction period expires January 25th;
8444663	2013 Chevrolet 2500HD	1GB1KVCG9DF225545	[redacted]	550	item re-listed , auction period expires January 25th;
8444664	2014 GMC 3500HD	1GT423CG0EF173933	[redacted]	4,300	item re-listed , auction period expires January 25th;
8444670	1992 Dynapac CA251A	58310724	[redacted]	8,100	item re-listed , auction period expires January 25th;
8444675	2011 Chevrolet Equinox	2CNFLCEC9B6380158	[redacted]	200	item re-listed , auction period expires January 25th;
8444676	1995 Advance B-Train Tanker Trailer	2AEABPCFXSR000271, 2AE	[redacted]	100	item re-listed , auction period expires January 25th;
8444677	2003 Advance 48000L Quad Tanker Trailer	2AEASZCK23R000162	[redacted]	3,000	item re-listed , auction period expires January 25th;
8444678	1989 Remtec 38500L Quad Tanker Trailer	2R9S1A8EXKC010070	[redacted]	-	item re-listed , auction period expires January 25th;
8444681	2013 Peterbilt 579	1XPBDP9X0DD195391	[redacted]	9,000	item re-listed , auction period expires January 25th;
8490635	48' Conveyor		[redacted]	-	item re-listed , auction period expires January 25th;
8444603	Lintec Ixon DMI	1001	[redacted]	-	item re-listed , auction period expires January 25th;
8444628	2005 Manac	2M512146451097622	[redacted]		Auction pending
8444666	2014 GMC 3500HD	1GT423CG9EF173557	[redacted]		Auction pending
8444661	2012 Chevrolet 3500	1GC4KZCG3CF163056	[redacted]		Auction pending
8444622	2005 Manac	2M513161061107241	[redacted]		Auction pending
8444605	2008 Landoll 35T Step Deck Trailer	1LH930VH781C16402	[redacted]		Auction pending
8444642	2006 BWS	2B953HD3461006789	[redacted]		Auction pending
8444639	1995 JC Trailers	2J9U3X3E7SK001046	[redacted]		Auction pending
8444635	2007 Reitnouer	1RND53A298R020403	[redacted]		Auction pending
8444633	2000 Manac	2M5131461Y1063672	[redacted]		Auction pending
8444631	2005 Manac	2M512161351100141	[redacted]		Auction pending
8444629	2006 Transcraft	1TTE4820561078741	[redacted]		Auction pending
8444621	2000 Wilson	4WWFG0805YN604621	[redacted]		Auction pending
8444668	2000 Raglan	2R9A4S3G2Y1011431	[redacted]		Auction pending
8444637	2005 Fontaine	13N24830X51528164	[redacted]		Auction pending
8444618	1989 Trail King 48' Step Deck Trailer	1TKS04826KM084691	[redacted]		Auction pending
8444660	1990 Transcraft	1TKS04837LM066808	[redacted]		Auction pending
8444656	2000 Manac	2M5121466Y1065095	[redacted]		Auction pending
8444653	2003 Transcraft Eagle	1TTF4430X32009939	[redacted]		Auction pending
8444682	2009 12' End Dump Trailer	5LEBC162491007267	[redacted]		Auction pending
8444619	1995 Talbert 48' Step Deck Trailer	40FL0482151011559	[redacted]		Asset not inspected - not yet listed
8444623	2006 Fontaine	13N24630561533595	[redacted]		Asset not inspected - not yet listed
8444624	1992 Manac 48' Step Deck Trailer	2M5131465N1026233	[redacted]		Asset not inspected - not yet listed
8444625	2000 Load King 48' Step Deck Trailer	2LDSD4821YA034488	[redacted]		Asset not inspected - not yet listed
8444626	2000 Wilson 50' Step Deck Trailer	4WWFG0805YN604621	[redacted]		Asset not inspected - not yet listed
8444627	2006 Load King Step Deck Trailer	2LDSD53316A043503	[redacted]		Asset not inspected - not yet listed
8444634	2007 BWS 53' Step Deck Trailer	2B953HD3671001028	[redacted]		Asset not inspected - not yet listed
8444636	2005 Transcraft 53' Step Deck Trailer	1TTE5130X51076145	[redacted]		Asset not inspected - not yet listed
8444638	1997 Lode King 48' Step Deck Trailer	2LDSD4827V9028031	[redacted]		Asset not inspected - not yet listed
8444640	2012 Doonan 53' Step Deck Trailer	1D9BG5324C1209702	[redacted]		Asset not inspected - not yet listed
8444649	1987 International Dump Truck		[redacted]		Asset not inspected - not yet listed
8444652	2003 Transcraft 48' Flatbed Trailer	1TTF4830732012837	[redacted]		Asset not inspected - not yet listed
8444654	2011 Manac 53' Flatbed Trailer	2M5131615B1126670	[redacted]		Asset not inspected - not yet listed
8444655	Manac 53' Flatbed Trailer	2M51214645109998	[redacted]		Asset not inspected - not yet listed
8444657	2004 Doepker 53' Flatbed Trailer	2DEADCZ2041015024	[redacted]		Asset not inspected - not yet listed
8444658	Utility 48' Flatbed Trailer		[redacted]		Asset not inspected - not yet listed
8444659	Tri County 48' Flatbed Trailer		[redacted]		Asset not inspected - not yet listed
8444662	2011 Chevrolet 3500	1GB4KZCG4BF123426	[redacted]		Asset not inspected - not yet listed
8444665	2014 GMC 3500HD	1GT423CG7EF177557	[redacted]		Asset not inspected - not yet listed

Edward Collins Contracting Limited
Ritchie Bros. Equipment Sale
As of January 25, 2023

Item #	Description	VIN #	Target Price	High Offer	Status
8444680	2009 Peterbilt	1XPXD49XX9N777391	[redacted]		Asset not inspected - not yet listed
8444647	1988 Volvo Dump Truck	8804V91638			Requires ownership documents - not yet listed
8444667	2010 Kenworth T370	2NKHHN8X6AM944365			Requires ownership documents - not yet listed
8444673	2003 Sterling L8500	2FZHAWBS03AL93012			Requires ownership documents - not yet listed
8444674	2011 Ford Edge	2FMDK4JC4ABB54668			Requires ownership documents - not yet listed
8444683	2007 Chevrolet Express Cargo Van	1GBJG316271231835			Requires ownership documents - not yet listed
8444680	2009 Peterbilt	1XPXD49XX9N777391			Requires ownership documents - not yet listed
Total			**2,475,940**	**206,519**	

Appendix “J”

Edward Collins Contracting Limited
CRA Remittances - July 20, 2022 to January 25, 2023

Payroll

	Cheque	Date	Total	Account	EI	CPP	Tax	Tax Year	Week-Ending	
	34691	3-Aug-22	16,488.33	101582641 RP0001	1,702.26	4,622.96	10,163.11	2022	29-Jul-22	
	34732	10-Aug-22	12,979.20	101582641 RP0001	1,364.33	3,624.90	7,989.97	2022	05-Aug-22	
	34794	17-Aug-22	12,538.05	101582641 RP0001	1,377.70	3,602.26	7,558.09	2022	12-Aug-22	
	34842	24-Aug-22	10,983.66	101582641 RP0001	1,224.05	3,248.54	6,511.07	2022	19-Aug-22	
	34939	31-Aug-22	10,322.01	101582641 RP0001	1,157.59	2,955.16	6,209.26	2022	02-Sep-22	
	34949	7-Sep-22	12,913.63	101582641 RP0001	1,379.21	3,635.10	7,899.32	2022	26-Aug-22	
	35071	14-Sep-22	13,626.83	101582641 RP0001	1,511.87	3,841.56	8,273.40	2022	09-Sep-22	
	35123	21-Sep-22	16,333.94	101582641 RP0001	1,752.51	4,509.88	10,071.55	2022	16-Sep-22	
	35173	29-Sep-22	15,082.52	101582641 RP0001	1,620.94	4,211.50	9,250.08	2022	23-Sep-22	
	35208	6-Oct-22	13,959.53	101582641 RP0001	1,531.10	4,035.82	8,392.61	2022	30-Sep-22	
	35261	12-Oct-22	11,095.60	101582641 RP0001	1,239.16	3,284.78	6,571.66	2022	07-Oct-22	
	35305	19-Oct-22	9,616.29	101582641 RP0001	1,064.61	2,930.54	5,621.14	2022	14-Oct-22	
	35322	25-Oct-22	11,256.92	101582641 RP0001	1,229.88	3,396.58	6,630.46	2022	21-Oct-22	
	35426	2-Nov-22	13,731.12	101582641 RP0001	1,531.85	3,807.78	8,391.49	2022	28-Oct-22	
	35482	9-Nov-22	12,729.66	101582641 RP0001	1,401.96	3,622.70	7,705.00	2022	04-Nov-22	
	35514	16-Nov-22	13,358.87	101582641 RP0001	1,448.43	3,577.88	8,332.56	2022	11-Nov-22	
	35612	23-Nov-22	11,043.49	101582641 RP0001	1,218.13	3,089.52	6,735.84	2022	18-Nov-22	
	35673	1-Dec-22	11,656.48	101582641 RP0001	1,274.26	3,381.64	7,000.58	2022	25-Nov-22	
	35744	8-Dec-22	12,070.06	101582641 RP0001	1,335.44	3,595.20	7,139.42	2022	02-Dec-22	A
	35785	14-Dec-22	11,593.50	101582641 RP0001	1,304.51	3,370.31	6,918.68	2022	09-Dec-22	B
	35876	21-Dec-22	8,878.22	101582641 RP0001	994.59	2,741.86	5,141.77	2022	16-Dec-22	C
	35888	3-Jan-23	8,005.39	101582641 RP0001	892.02	2,407.11	4,706.26	2023	30-Dec-22	D
	35949	11-Jan-23	7,057.11	101582641 RP0001	798.26	2,176.78	4,082.07	2023	06-Jan-23	E
	36001	18-Jan-23	7,466.25	101582641 RP0001	851.18	2,244.64	4,370.43	2023	13-Jan-23	F
	36041	25-Jan-23	8,093.47	101582641 RP0001	943.50	2,428.88	4,721.09	2023	20-Jan-23	G
Total:			292,880.13		32,149.34	84,343.88	176,386.91			
	Payroll Remittance		292,880.13		32,149.34	84,343.88	176,386.91			

HST

Period Start	Period End	Filing Date	Net Tax	Paid	Date Paid	Unpaid	
21-Jul-22	31-Jul-22	31-Aug-22	22,907.35	22,907.35	29-Nov-22	-	
01-Aug-22	31-Aug-22	06-Oct-22	38,310.40	38,310.40	29-Nov-22	-	
01-Sep-22	30-Sep-22	01-Nov-22	21,148.75	21,148.75	29-Nov-22	-	
01-Oct-22	05-Oct-22	08-Nov-22	42,848.20	42,848.20	29-Nov-22	-	
06-Oct-22	31-Oct-22	29-Nov-22	-	-	N/A	-	
01-Nov-22	30-Nov-22	13-Dec-22	-	-	N/A	-	H
01-Dec-22	31-Dec-22	12-Jan-23	-	-	N/A	-	I
Total			125,214.70	125,214.70		-	

* There is no HST activity in any of the other legal entities since July 20, 2022

Royal Bank Of Canada
PO BOX 70
PLACENTIA, NL
A0B 2Y0

Transaction Record

Transit: 09403
Date: 08 Dec 2022
Time: 14:47:02

Reference #: 8223424782277209403

Items Received
Cheque 12070.06 CAD

Other Payments
Miscellaneous 12070.06 CAD

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A

• online by setting up a pre-authorized debit agreement at **canada.ca/my-cra-business-account**
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• in person at a Canada Post retail outlet with cash or debit. Go to the CRA Make a Payment page, select Pay at Canada Post and follow the links to create a QR code

Note: The QR code contains all the information required to make your payment with cash or debit at a Canada Post retail outlet.

For more information on how to make a payment, go to **canada.ca/payments**.

Threshold 2 remitters must remit payroll deductions (CPP, EI and income tax) electronically or in person at their Canadian financial institution.

• en ligne en établissant un accord de débit préautorisé à **canada.ca/mon-dossier-entreprise-arc**;
• en personne, en présentant votre pièce de versement à votre institution financière canadienne;
• payer en personne à un point de vente au détail de Postes Canada avec de l'argent comptant ou par carte de débit. Visitez la page Faire un paiement à l'ARC, sélectionnez Payer à Postes Canada et suivez les liens pour créer un code QR.

Remarque : Le code QR contient toutes les informations requises pour effectuer votre paiement en argent comptant ou par carte de débit dans un point de vente au détail de Postes Canada.

Pour en savoir plus sur les façons de faire un paiement, allez à **canada.ca/paiements**.

Les auteurs de versements du seuil 2 doivent verser les retenues sur la paie (RPC, AE, impôt) par voie électronique ou en personne à leur institution financière canadienne.

Account No. / N° de compte	10158 2641 RP0001	Date	Dec. 8 / 22
Remitting period / Période de versement	Nov. 20 - Nov 26/22	Tax / Impôt	7,139.42
Payroll / Rémunération	35,663.41	C.P.P. / RPC	3,595.20
Employees / Employés	35	E.I. / A-E	1,335.44
Cheque no. / N° de chèque		Payment / Paiement	12,070.06

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PLACENTIA, NL
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RBC

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A0B 2Y0

Transaction Record

Transit: 09403
Date: 14 Dec 2022
Time: 13:33:39

Reference #: 0223484342015909403

Items Received

Cheque	11593.50 CAD

Other Payments

Miscellaneous	11593.51 CAD

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- en ligne à **canada.ca/mon-paiement-arc**;
- en ligne en établissant un accord de débit préautorisé à **canada.ca/mon-dossier-entreprise-arc**;
- en personne, en présentant votre pièce de versement à votre institution financière canadienne;
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- online or by phone using ...
- online at **canada.ca/cra-my-payment**
- online by setting up a pre-authorized debit agreement at **canada.ca/my-cra-business-account**
- in person at your Canadian financial institution with the remittance voucher
- in person at a Canada Post retail outlet with cash or debit. Go to the CRA Make a Payment page, select Pay at Canada Post and follow the links to create a QR code

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Threshold 2 remitters must remit payroll deductions (CPP, EI and income tax) electronically or in person at their Canadian financial institution.

Account No. / N° de compte	10158 2641 RP0001	Date	
Remitting period / Période de versement	NOV.27-Dec 3	Tax / Impôt	6,918.68
Payroll / Rémunération	34,401.36	C.P.P. / RPC	3,370.32
Employees / Employés	35	E.I. / A-E	1,304.51
Cheque no. / N° de chèque		Payment / Paiement	11,593.51

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PLACENTIA, NL
A0B 2Y0

Transaction Record

Transit: 09403
Date: 21 Dec 2022
Time: 12:23:57

Reference #: 62235539238788094O3

Items Received	
Cheque	8878.22 CAD
Other Payments	
Miscellaneous	8878.22 CAD

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How do you remit?
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- online by setting up a pre-authorized debit agreement at **canada.ca/my-cra-business-account**
- in person at your Canadian financial institution with the remittance voucher
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Threshold 2 remitters must remit payroll deductions (CPP, EI and income tax) electronically or in person at their Canadian financial institution.

Vous pouvez effectuer vos versements :
- en ligne ou par téléphone en utilisant les services d'une institution financière canadienne;
- en ligne à **canada.ca/mon-paiement-arc**;
- en ligne en établissant un accord de débit préautorisé à **canada.ca/mon-dossier-entreprise-arc**;
- en personne, en présentant votre pièce de versement à votre institution financière canadienne;
- payer en personne à un point de vente au détail de Postes Canada avec de l'argent comptant ou par carte de débit. Visitez la page Faire un paiement à l'ARC, sélectionnez Payer à Postes Canada et suivez les liens pour créer un code QR.

Remarque : Le code QR contient toutes les informations requises pour effectuer votre paiement en argent comptant ou par carte de débit dans un point de vente au détail de Postes Canada.

Pour en savoir plus sur les façons de faire un paiement, allez à **canada.ca/paiements**.

Les auteurs de versements du seuil 2 doivent verser **les** retenues sur la paie (RPC, AE, impôt) par voie électronique ou en personne à leur institution financière canadienne.

Account No. / N° de compte	10158 2641 RP0001	Date	Dec. 21 / 2022
Remitting period / Période de versement	Dec 4 - Dec 10	Tax / Impôt	5,141.77
Payroll / Rémunération	26,227.32	C.P.P. / RPC	2,741.86
Employees / Employés	28	E.I. / A-E	994.59
Cheque no. / N° de chèque	35876	Payment / Paiement	8,878.22

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PLACENTIA, NL
A0B 2Y0

Transaction Record

Transit: 09403
Date: 03 Jan 2023
Time: 11:45:29

Reference #: 9230033692932609403

Items Received
Cheque 8005.39 CAD

Other Payments
Miscellaneous 8005.39 CAD

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- online by setting up a pre-authorized debit agreement at **canada.ca/my-cra-business-account**
- in person at your Canadian financial institution with the remittance voucher
- in person at a Canada Post retail outlet with cash or debit. Go to the CRA Make a Payment page, select Pay at Canada Post and follow the links to create a QR code

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For more information on how to make a payment, go to **canada.ca/payments.**

Threshold 2 remitters must remit payroll deductions (CPP, EI and income tax)

- en ligne à **canada.ca/mon-paiement-arc**;
- en ligne en établissant un accord de débit préautorisé à **canada.ca/mon-dossier-entreprise-arc**;
- en personne, en présentant votre pièce de versement à votre institution financière canadienne;
- payer en personne à un point de vente au détail de Postes Canada avec de l'argent comptant ou par carte de débit. Visitez la page Faire un paiement à l'ARC, sélectionnez Payer à Postes Canada et suivez les liens pour créer un code QR.

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Pour en savoir plus sur les façons de faire

Account No. / N° de compte	10158 2641 RP0001	Date	January 3rd, 2023
Remitting period / Période de versement	Dec 18-24th/22	Tax / Impôt	4,706.26
Payroll / Rémunération	23,523.74	C.P.P. / RPC	2,407.11
Employees / Employés	27	E.I. / A-E	892.02
Cheque no. / N° de chèque	35888	Payment / Paiement	8,005.39

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PLACENTIA, NL
A0B 2Y0

Transaction Record

Transit: 09403
Date: 11 Jan 2023
Time: 11:24:53

Reference #: 3230113569400709403

Items Received

Cheque	7057.11 CAD

Other Payments

Miscellaneous	7057.11 CAD

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Comment faire vos versements?
Vous pouvez effectuer vos versements :
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- en ligne à **canada.ca/mon-paiement-arc;**
- en ligne en établissant un accord de débit préautorisé à **canada.ca/mon-dossier-entreprise-arc;**
- en personne, en présentant votre pièce de versement à votre institution financière canadienne;
- payer en personne à un point de vente au détail de Postes Canada avec de l'argent comptant ou par carte de débit. Visitez la page Faire un paiement à l'ARC, sélectionnez Payer à Postes Canada et suivez les liens pour créer un code QR

Remarque : Le code QR contient toutes les informations requises pour effectuer votre paiement en argent comptant ou par carte de débit dans un point de vente au détail de Postes Canada.

Pour en savoir plus sur les façons de faire un paiement, allez à **canada.ca/paiements.**

Les auteurs de versements du seuil 2 doivent verser les retenues sur la paie (RPC, AE, impôt) par voie électronique ou en personne à leur institution financière canadienne.

CA00135-34-57

Account No. / N° de compte	10158 2641 RP0001	Date	January 11, 2023
Remitting period / Période de versement	Dec 25-Dec 31	Tax / Impôt	4,082.07
Payroll / Rémunération	21,051.39	C.P.P. / RPC	2,176.78
Employees / Employés	23	E.I. / A-E	798.26
Cheque no. / N° de chèque	35949	Payment / Paiement	7,057.11

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JAN 1 1 2022
PLACENTIA, NL
09403-003

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Royal Bank Of Canada
PO BOX 70
PLACENTIA, NL
A0B 2Y0

Transaction Record

Transit: 09403
Date: 18 Jan 2023
Time: 14:25:03

Reference #: 5230184650472909403

Items Received
Cheque 7466.25 CAD

Other Payments
Miscellaneous 7466.25 CAD

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You can remit:
- online or by phone using a Canadian financial institution's services
- online at **canada.ca/cra-my-payment**
- online by setting up a pre-authorized debit agreement at **canada.ca/my-cra-business-account**
- in person at your Canadian financial institution with the remittance voucher
- in person at a Canada Post retail outlet with cash or debit. Go to the CRA Make a Payment page, select Pay at Canada Post and follow the links to create a QR code

Note: The QR code contains all the information required to make your payment with cash or debit at a Canada Post retail outlet.

For more information on how to make a payment, go to **canada.ca/payments**.

Threshold 2 remitters must remit payroll deductions (CPP, EI and income tax) electronically or in person at their Canadian financial institution.

Comment faire vos versements?
Vous pouvez effectuer vos versements :
- en ligne ou par téléphone en utilisant les services d'une institution financière canadienne;
- en ligne à **canada.ca/mon-paiement-arc**;
- en ligne en établissant un accord de débit préautorisé à **canada.ca/mon-dossier-entreprise-arc**;
- en personne, en présentant votre pièce de versement à votre institution financière canadienne;
- payer en personne à un point de vente au détail de Postes Canada avec de l'argent comptant ou par carte de débit. Visitez la page Faire un paiement à l'ARC, sélectionnez Payer à Postes Canada et suivez les liens pour créer un code QR.

Remarque : Le code QR contient toutes les informations requises pour effectuer votre paiement en argent comptant ou par carte de débit dans un point de vente au détail de Postes Canada.

Pour en savoir plus sur les façons de faire un paiement, allez à **canada.ca/paiements**.

Les auteurs de versements du seuil 2 doivent verser les retenues sur la paie (RPC, AE, impôt) par voie électronique ou en personne à leur institution financière canadienne.

CA00135-35-57

Account No. / N° de compte	10158 2641 RP0001	Date	Jan. 18, 2023
Remitting period / Période de versement	Jan. 1st - Jan 7th, 23	Tax / Impôt	4,370.43
Payroll / Rémunération	22,446.52	C.P.P. / RPC	2,244.64
Employees / Employés	24	E.I. / A-E	851.18
Cheque no. / N° de chèque		Payment / Paiement	7,466.25

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TIMBRE DU CAISSIER ICI
09403-008
ROYAL BANK OF CANADA
PLACENTIA BRANCH
JAN 1 8 2023
PLACENTIA, NL
09403-[illegible]

G

Royal Bank Of Canada
PO BOX 70
PLACENTIA, NL
A0B 2Y0

Transaction Record

Transit: 09403
Date: 25 Jan 2023
Time: 11:53:15

Reference #: 1230253739649709403

Items Received

Cheque	8093.47 CAD

Other Payments

Miscellaneous	8093.47 CAD

Thank you for choosing RBC Royal Bank.

How do you remit?
You can remit:

- online or by phone using a Canadian financial institution's services
- online at **canada.ca/cra-my-payment**
- online by setting up a pre-authorized debit agreement at **canada.ca/my-cra-business-account**
- in person at your Canadian financial institution with the remittance voucher
- in person at a Canada Post retail outlet with cash or debit. Go to the CRA Make a Payment page, select Pay at Canada Post and follow the links to create a QR code

Note: The QR code contains all the information required to make your payment with cash or debit at a Canada Post retail outlet.

For more information on how to make a payment, go to **canada.ca/payments**.

Threshold 2 remitters must remit payroll deductions (CPP, EI and income tax) electronically or in person at their Canadian financial institution.

Comment faire vos versements?
Vous pouvez effectuer vos versements :

- en ligne ou par téléphone en utilisant les services d'une institution financière canadienne;
- en ligne à **canada.ca/mon-paiement-arc**;
- en ligne en établissant un accord de débit préautorisé à **canada.ca/mon-dossier-entreprise-arc**;
- en personne, en présentant votre pièce de versement à votre institution financière canadienne;
- payer en personne à un point de vente au détail de Postes Canada avec de l'argent comptant ou par carte de débit. Visitez la page Faire un paiement à l'ARC, sélectionnez Payer à Postes Canada et suivez les liens pour créer un code QR.

Remarque : Le code QR contient toutes les informations requises pour effectuer votre paiement en argent comptant ou par carte de débit dans un point de vente au détail de Postes Canada.

Pour en savoir plus sur les façons de faire un paiement, allez à **canada.ca/paiements**.

Les auteurs de versements du seuil 2 doivent verser les retenues sur la paie (RPC, AE, impôt) par voie électronique ou en personne à leur institution financière canadienne.

CA00135-36-57

Account No. / N° de compte	10158 2641 RP0001	Date	January 25, 2023
Remitting period / Période de versement	Jan. 8 - Jan 14, 23	Tax / Impôt	4,721.09
Payroll / Rémunération	24,118.04	C.P.P. / RPC	2,428.88
Employees / Employés	25	E.I. / A-E	943.50
Cheque no. / N° de chèque		Payment / Paiement	8,093.47

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TIMBRE DU CAISSIER ICI

GST/HST NETFILE - confirmation

H

Your return has been successfully filed.

Your confirmation number is: 281295.

Thank you for using GST/HST NETFILE.

Business number: **101582641 RT0001**
Business name: **EDWARD COLLINS CONTRACTING LIMITED**
Reporting period: **2022-11-01 to 2022-11-30**
Filing date: **2022-12-13**

Line 101 - Sales and other revenue	$206,492.46
Line 135 - Total GST/HST new housing rebates (included in line 108)	$0.00
Line 136 - Deduction for pension rebate amount (included in line 108)	$0.00
Line 105 - Total GST/HST and adjustments for period	$30,973.87
Line 108 - Total ITCs and adjustments	$30,973.87
Line 109 - Net tax	$0.00
Line 110 - Instalments and other annual filer payments	$0.00
Line 111 - Rebates (note: rebate forms must be mailed separately)	$0.00
Line 205 - GST/HST due on purchases of real property or purchases of emission allowances	$0.00
Line 405 - Other GST/HST to be self-assessed	$0.00
Line 114 - Refund claimed	$0.00
Line 115 - Amount owing	$0.00

Canada Revenue Agency | Agence du revenu du Canada

Canada

GST/HST NETFILE - confirmation

Your return has been successfully filed.

Your confirmation number is: 986093.

Thank you for using GST/HST NETFILE.

Business number: **101582641 RT0001**

Business name: **EDWARD COLLINS CONTRACTING LIMITED**

Reporting period: **2022-12-01 to 2022-12-31**

Filing date: **2023-01-12**

Line 101 - Sales and other revenue	$297,569.06
Line 135 - Total GST/HST new housing rebates (included in line 108)	$0.00
Line 136 - Deduction for pension rebate amount (included in line 108)	$0.00
Line 105 - Total GST/HST and adjustments for period	$44,635.36
Line 108 - Total ITCs and adjustments	$44,635.36
Line 109 - Net tax	$0.00
Line 110 - Instalments and other annual filer payments	$0.00
Line 111 - Rebates (note: rebate forms must be mailed separately)	$0.00
Line 205 - GST/HST due on purchases of real property or purchases of emission allowances	$0.00
Line 405 - Other GST/HST to be self-assessed	$0.00
Line 114 - Refund claimed	$0.00
Line 115 - Amount owing	$0.00

Appendix “K”

Edward Collins Construction Ltd. et al
CRA Debt: November 23, 2022

	Program Account							
	RC	RT	RP					
Company			Deemed	Employer	Int. & Penalty	Total	Total
ECC	-	940,004	2,126,446	499,703	488,989	3,115,138	**4,055,142**
FGC	15,065	19,402					**34,467**
H&E	-	6,144					**6,144**
51037	-	31,315	4,258	927	1,039	6,224	**37,539**
Classic Security	**-**	210,713	361,270	89,919	197,890	649,080	**859,793**
	15,065	**1,207,579**	2,491,975	590,549	687,918	**3,770,442**	**4,993,085**

ECCL et al.
CRA Analysis
November 23, 2022

ECCL
Payroll Arrears by Year

	EI		CPP			Interest and	
	Employee	**Employer**	**Employee**	**Employer**	**Tax**	**Penalties**	**Total**
	52,281.34	73,193.88	160,070.29	160,070.29	802,718.94	235,999.57	1,484,334.31
2020 Remittances	(6,587.51)	(9,097.03)	(21,874.79)	(21,874.79)	(100,881.64)		(160,315.76)
	45,693.83	64,096.85	138,195.50	138,195.50	701,837.30	235,999.57	1,324,018.55
2021 Owing	58,200.13	81,480.18	184,994.47	184,994.47	893,154.98	226,446.72	1,629,270.95
2021 Remittances	(2,214.58)	(3,058.24)	(6,750.63)	(6,750.63)	(36,829.82)		(55,603.90)
	55,985.55	78,421.94	178,243.84	178,243.84	856,325.16	226,446.72	1,573,667.05
2022 Owing (up to Jul. 20th)	11,128.75	15,580.48	35,957.42	35,957.42	140,540.25	26,543.01	265,707.33
2022 Remittances	(2,439.49)	(3,368.83)	(7,424.50)	(7,424.50)	(27,597.32)		(48,254.64)
	8,689.26	12,211.65	28,532.92	28,532.92	112,942.93	26,543.01	217,452.69
Total Arrears	**110,368.63**	**154,730.45**	**344,972.26**	**344,972.26**	**1,671,105.39**	**488,989.30**	**3,115,138.29**
Payroll Arrears Summary							
Deemed Portion	***110,368.63***		***344,972.26***		***1,671,105.39***		***2,126,446.28***
Non-Deemed Portion		154,730.45		344,972.26		488,989.30	988,692.01
Total Arrears	**110,368.63**	**154,730.45**	**344,972.26**	**344,972.26**	**1,671,105.39**	**488,989.30**	**3,115,138.29**

CSL
Payroll

	EI		CPP			Interest and	
	Employee	**Employer**	**Employee**	**Employer**	**Tax**	**Penalties**	**Total**
2019 Owing	38,293.34	53,611.47	105,843.40	105,843.40	518,071.69	195,552.17	1,017,215.47
2019 Remittances	(17,189.39)	(23,737.72)	(45,798.08)	(45,798.08)	(239,788.58)		(372,311.85)
	21,103.95	29,873.75	60,045.32	60,045.32	278,283.11	195,552.17	644,903.62
2020 Owing	5,778.19	8,089.64	16,866.97	16,866.97	77,292.50	2,338.10	127,232.37
2020 Remittances	(5,778.19)	(8,089.64)	(15,029.02)	(16,866.97)	(77,292.50)		(123,056.32)
	-	-	1,837.95	-	-	2,338.10	4,176.05
Total Arrears	**21,103.95**	**29,873.75**	**61,883.27**	**60,045.32**	**278,283.11**	**197,890.27**	**649,079.67**
Payroll Arrears							
Deemed Portion	***21,103.95***		***61,883.27***		***278,283.11***		***361,270.33***
Non-Deemed Portion		29,873.75		60,045.32		197,890.27	287,809.34
Total Arrears	**21,103.95**	**29,873.75**	**61,883.27**	**60,045.32**	**278,283.11**	**197,890.27**	**649,079.67**

51037
Payroll

	EI		CPP			Interest and	
	Employee	**Employer**	**Employee**	**Employer**	**Tax**	**Penalties**	**Total**
2019 Owing					169.26	27.94	197.20
2019 Remittances							-
	-	**-**	**-**	**-**	**169.26**	**27.94**	**197.20**
2020 Owing	643.72	643.72	202.24	283.14	3,243.18	1,010.66	6,026.66
2020 Remittances							-
	643.72	**643.72**	**202.24**	**283.14**	**3,243.18**	**1,010.66**	**6,026.66**
Total Arrears	**643.72**	**643.72**	**202.24**	**283.14**	**3,412.44**	**1,038.60**	**6,223.86**
Payroll Arrears							
Deemed Portion	***643.72***		***202.24***		***3,412.44***		***4,258.40***
Non-Deemed Portion		643.72		283.14		1,038.60	1,965.46
Total Arrears	**643.72**	**643.72**	**202.24**	**283.14**	**3,412.44**	**1,038.60**	**6,223.86**

All 3 Entities

Payroll Arrears							
Deemed Portion	132,116.31	-	407,057.77	-	1,952,800.94	-	2,491,975.02
Non-Deemed Portion	-	185,247.91	-	405,300.72	-	687,918.17	1,278,466.80
Total Arrears	**132,116.31**	**185,247.91**	**407,057.77**	**405,300.72**	**1,952,800.94**	**687,918.17**	**3,770,441.82**

Edward Collins Contracting Ltd. et al
HST Account Balances at November 23, 2022

Company	Statement Balance	As of July 20-22	As of Oct 5-22	O/S Returns	
ECC	1,065,353.89	940,003.87	940,003.87	Nov 1-30, 2022	(1)
51037	31,315.33	31,315.33	31,315.33	Nov 1-30, 2022	
H&E	6,144.43	6,144.43	6,144.43	N/A	
FGC	21,276.81	19,401.81	19,401.81	N/A	(2)
Classic	210,713.08	210,713.08	210,713.08	Nov 1-30, 2022	

1. $125,350.02 incurred since July 20 will be paid; pending payment clearing.
2. October return was amended to $0.00 from initial $1,875; not yet processed by CRA.

Edward Collins Contracting Ltd. et al
Corporate Taxes Owing at November 23, 2022

Company	Statement Balance	Return Status	Next Return Due
ECC	-	Current	28-Feb-23
51037	-	Overdue	30-Jun-21
H&E	-	Current	28-Feb-23
FGC	15,064.81	Current	30-Apr-23
Classic	-	Overdue	30-Sep-21

Appendix “L”

Canada Revenue Agency / Agence du revenu du Canada

PROTECTED B

January 16, 2023

Allan MacDonald
Monitor for Edward Collins Contracting Limited
Grant Thornton Limited
Suite 1000 1675 Grafton Street
Halifax NS B3J 0E9

Dear Allan MacDonald:

Subject: Proposed change to the goods and services tax / harmonized sales tax (GST/HST) return
Audit period: October 1, 2022 to October 5, 2022
Account number: 10158 2641 RT0001

We understand the major personal and economic effects of COVID-19 on Canadians. We are aiming to be responsive and work in a way that balances these realities with our duty to manage Canada's tax laws and the obligations of all Canadians to follow them.

Further to our telephone conversation on January 10, 2023, the GST/HST return of Edward Collins Contracting Limited (the "registrant") for the above period was chosen for review. Our records show that Grant Thornton Limited was appointed as Monitor, when an Initial Order under the Companies' Creditors Arrangement Act (CCAA) was filed on October 5, 2022.

Based on information on the list of creditors filed for Edward Collins Contracting Limited, we are proposing to make a (re)assessment as shown below.

Under section 165 of the Excise Tax Act, every recipient of a taxable supply made in Canada is required to pay the GST/HST charged for that supply. The registrant has not paid the GST/HST owed to their suppliers, based on the list of creditors that was filed. Under paragraph 296(1)(b) of the Act, we are proposing to increase the registrant's tax payable by the amount of GST/HST owed on taxable supplies that they received where the tax was not paid to their suppliers.

Period ending	Description	Proposed change
2022-10-05	Increase to tax payable under 296(1)(b)	**$ 501,567.11**

PROTECTED B

The proposed amount of **$501,567.11** is based on calculations we made in the enclosed Schedule A – Calculation of GST/HST Included in Unpaid Amounts. Our calculations are based on the list of creditors provided in the creditor's package dated October 13, 2022, which was the most recent list available to us.

Please make sure that all input tax credits (ITCs) have been properly claimed in the registrant's GST/HST returns. If amounts were eligible and not previously claimed for purchases made on or before the CCAA date of October 5, 2022, they can be claimed as ITCs in a reporting period before that date if they are within the four-year time limit specified by subsection 225(4) of the Act. Amounts should be claimed in the proper reporting period because of the different policies and filing procedures in effect before and after the CCAA date.

If you have information that we should consider about the proposed changes, you can send it electronically with our "Submit documents" secure online service. You must be registered for My Business Account or Represent a Client. For more information, go to **canada.ca/cra-submit-documents-online**. Use **case number 95277051** to make sure your documents are sent properly. Failure to use the case number can result in delays with finalizing your file. You may use the same case number with our "Audit Enquiries" secure online service if you have any questions.

You can also send information by fax or mail to my attention and marked "Personal and confidential" using my contact information at the end of this letter.

We will consider any representations received on or before **February 16, 2023**. If you do not respond by that date, we will (re)assess the registrant's return based on the proposed change.

See the enclosed Schedule B – List of Recommended Representations, if you need help. We might ask for more information later.

To help you prepare for the audit, search our publications at **canada.ca/cra-forms** and get Pamphlet RC4188, What You Should Know About Audits. To help you understand your rights as a taxpayer, see Guide RC17, Taxpayer Bill of Rights, which you can get at **canada.ca/taxpayer-rights**.

PROTECTED B

If you have any questions or concerns during the audit, please call me at 587-338-9081. My team leader, Rachael Simpson, can be reached at 587-341-7644 if I am not available.

Sincerely,

M. Ward

Maegan Ward
GST/HST Audit Division
Alberta Tax Services Office

Telephone:	587-338-9081
Facsimile:	780-495-7369
Address:	Suite 10 9700 Jasper Avenue Edmonton AB T5J 4C8
Website:	**canada.ca/taxes**

Enclosures

PROTECTED B

Schedule A

Calculation of proposed audit adjustments for Edward Collins Contracting Limited:

Total amount unpaid to suppliers		14,160,380.48	
Less: Total amount where GST/HST was not charged or owed	(A)	10,315,032.63	
Total amount unpaid to suppliers where GST/HST was charged		3,845,347.85	
Calculate GST/HST included at 15%		x 15/115	
Total GST/HST included in unpaid amounts			501,567.11

List of unsecured creditors where no GST/HST was charged or owed:

Name of supplier	Unpaid amount	
Bank of Nova Scotia	13,630.00	
Brandt	133,650.46	
Brandt Finance	205,056.94	
Canada Revenue Agency	4,102,749.00	
Caterpillar Financial	24,489.10	
De Lage Landen Financial Services Canada Inc.	381,008.94	
Diamler Truck Financial	322,323.50	
Honda Financial	8,832.90	
Intact Insurance Company	1.00	
John Deere Financial	575,354.27	
Royal Bank of Canada	4,336,201.25	
Wells Fargo	211,735.27	
Total amount where GST/HST was not charged or owed	**10,315,032.63**	(A)

PROTECTED B

Schedule B – List of Recommended Representations

Subject: Proposed change to the goods and services tax / harmonized sales tax (GST/HST) return for the audit period October 1, 2022 to October 5, 2022

You can include information from this list with your representations. If possible, please send electronic files in spreadsheet format (.xls or .xlsx) or as a text file (.csv) for listings, and in PDF format for all other documents.

1. If you want to claim input tax credits (ITCs) that might be eligible for purchases made up to October 5, 2022, and they were not claimed previously, give a detailed listing that includes this information for each purchase:
   a. date of transaction
   b. name of supplier
   c. description of goods or services purchased
   d. purchase amount
   e. amount of GST/HST charged

2. An updated listing of all accounts payable as of October 5, 2022, for Edward Collins Contracting Limited.

3. Copies of original purchase documents for transactions from your listing of accounts payable where GST/HST was not charged, that includes this information for each purchase:
   a. date of transaction
   b. name of supplier
   c. description of goods or services purchased
   d. purchase amount
   e. explanation of why GST/HST was not charged

4. Information about payments made after October 5, 2022, that would affect your listing of accounts payable, including proof of payments.

5. Information about accounts that you expect will be paid after October 5, 2022, and the sources of funds for those payments. Please include a schedule of payments to be made at certain intervals that were approved by the Monitor.

6. List of suppliers to be paid that are considered critical for continuing business operations.

Appendix “M”

Edward Collins Contracting Ltd., H & E Designs Ltd., Classic Security Ltd., FGC Holdings Ltd., 51037 Newfoundland & Labrador Inc. (collectively, "ECC et al")
Budget vs Actual to January 27, 2023 ($CAD)

		Actual								Comparison		
		WEEK 12	WEEK 13	WEEK 14	WEEK 15	WEEK 16	WEEK 17	WEEK 18	WEEK 19	Actual to	Budget to	Variance at
Beginning Period		2022-12-03	2022-12-10	2022-12-17	2022-12-24	2022-12-31	2023-01-07	2023-01-14	2023-01-21	2023-01-27	2023-01-27	2023-01-27
Ending Period		2022-12-09	2022-12-16	2022-12-23	2022-12-30	2023-01-06	2023-01-13	2023-01-20	2023-01-27			
	NOTE											
Cash Receipts												
Existing Project Receipts	1,2, 14	972		117,631	109,271		113,599	126,500	403,840	2,049,676	2,679,970	(630,294)
Management fees (FGC Holdings)	15									-	-	-
Rental Income										5,750	28,750	(23,000)
Miscellaneous Receipts	3	18,427		1,351		2,892		1,429	2,848	133,915	116,968	16,947
Collection of Accounts Receivable	4			2,344			9,627			195,077	183,105	11,972
RBC Loan Augmentation	10									25,000	25,000	-
Life Insurance										515,510	515,510	-
Total Receipts from Operations		**19,399**	**-**	**121,326**	**109,271**	**2,892**	**123,227**	**127,929**	**406,688**	**2,924,928**	**3,549,304**	**(624,375)**
Direct costs												
Materials and Subcontracts		9,838	13,093	20,499		27,100	8,304	18,096	33,174	353,056	277,867	75,188
Direct Wages and Benefits		28,630	18,513	29,961		12,639	14,294	11,609	16,059	457,189	480,839	(23,650)
Fuel		25,939	23,462	1,542		393	474	818	57,518	282,527	216,417	66,111
Equipment Rental				11,500		3,984			13,800	29,284	-	29,284
Intersac AMA Fees										-	2,875	(2,875)
Direct Disbursements		**64,407**	**55,068**	**63,503**	**-**	**44,115**	**23,072**	**30,523**	**120,550**	**1,122,056**	**977,998**	**144,058**
Cash Flow Before Operating Activities		**(45,008)**	**(55,068)**	**57,823**	**109,271**	**(41,223)**	**100,155**	**97,406**	**286,138**	**1,802,872**	**2,571,305**	**(768,433)**
Operating expenses												
Business taxes, licences, memberships		289							11,598	12,168	3,081	9,087
Insurance	5									-	-	-
Bank fees (Interest & Charges)		610	195	180		1,057	135	225	135	4,395	2,158	2,236
Office		8,419	518	54		2,145	2,222	1,198	8,514	30,944	12,374	18,569
Professional fees	6	5,000				6,210			9,028	50,129	49,891	238
Property taxes										-	-	-
Rentals							12,679			20,134	8,175	11,959
Repairs & Maintenance		11,207	23,923	3,824		24,814	1,449	772	59,989	201,718	135,740	65,978
Workers compensation (WHSCC NL)							9,470			37,619	46,779	(9,160)
Salaries and wages		2,946	2,922	6,584		3,244	2,758	2,981	3,260	67,852	84,557	(16,705)
Travel		500	7,187	6,029		500	500	500	147	20,431	9,068	11,363
Utilities & Telephone		5,581	86			3,732	651		6,780	17,139	10,908	6,231
Vehicle										-	-	-
Garage wages and benefits		5,271	6,743	12,599		5,372	7,014	9,939	7,672	112,067	122,857	(10,790)
Equipment Lease Payments			12,962	30,488		4,594	3,135	10,981	7,043	155,402	170,199	(14,798)
Miscellaneous / Contingency		5,000								37,103	44,103	(7,000)
Legal Fees						300				32,743	62,443	(29,700)
Restructuring Fees	7	10,000				29,656				119,489	159,833	(40,344)
Admin Charge	8									-	-	-
HST Remitted (Refunded)	12									125,350	257,480	(132,130)
Operating Disbursements		**54,823**	**54,537**	**59,757**	**-**	**81,624**	**40,012**	**26,595**	**114,166**	**1,044,681**	**1,179,647**	**(134,967)**
Bid Deposits / Bonding	11	**(52,500)**	**(5,000)**			**32,854**				(60,000)	(35,354)	(24,646)
O'Keefe & Co Opening Bal. Adjustment		**(20,000)**								(20,000)	-	(20,000)
Deposit Held With Monitor	13							**(250,000)**		(250,000)	-	(250,000)
Net Cash Contribution (Use)		**(172,332)**	**(114,605)**	**(1,934)**	**109,271**	**(89,993)**	**60,143**	**(179,189)**	**171,972**	**428,192**	**1,356,304**	**(928,113)**
Opening Cash Position		**719,664**	**547,333**	**432,727**	**430,793**	**540,065**	**450,072**	**510,215**	**331,026**	**74,806**	**74,806**	**74,806**
Closing Cash Position		**547,333**	**432,727**	**430,793**	**540,065**	**450,072**	**510,215**	**331,026**	**502,997**	**502,997**	**1,431,110**	**(853,307)**
ECC Bank Balance		120,231	26,024	25,835	129,926	78,897	141,129	81,477	57,182			
O'Keefe Bank Balance		257,261	239,761	239,761	239,761	239,461	229,992	109,992	304,567			
GT Bank Balance		185,496	185,496	185,496	185,496	186,616	186,616	186,616	186,616			
Balance per Bank (all accounts)		**562,988**	**451,281**	**451,092**	**555,183**	**504,974**	**557,737**	**378,084**	**548,365**			
o/s Transactions	9	**(15,656)**	**(18,553)**	**(20,298)**	**(15,118)**	**(54,903)**	**(47,522)**	**(47,059)**	**(45,368)**			
Reconciled Balance		**547,333**	**432,727**	**430,793**	**540,065**	**450,072**	**510,215**	**331,026**	**502,997**			
Variance		**-**	**-**	**-**	**-**							

NOTES:

1. Receipts collected from active / budgeted projects (awarded contracts).
2. Funds received to $USD account transferred to $CAD operating account on day of receipt.
3. Receipts for one-off jobs not related to a specific projects.
4. Collection of pre-July 20 Accounts Receivable not related to active projects. Collectibility and timing of collection is presently unknown.
5. Insurance has been prepaid for the coming year.
6. Fees for external accounting services.
7. Includes fees of Proposed Monitor and its legal counsel for financial restructuring / CCAA proceeding.
8. No admin charge or DIP financing.
9. Cheques issued but not yet cleared.
10. RBC deposited $25,000 with memo "Loan Augmentation"
11. Current (refundable) deposits for contract bids and performance bonding total $77,500 and include:
    - Town of Placentia - $5,000
    - Eastern Health - $15,000
    - Eastern Health - $5,000
    - Province of NL - $52,500
12. HST remittances were made on time electronically but were unable to process. A cheque for the to cover outstanding HST since July 21, 2022 was issued in November 2022
13. Per Court Order dated December 14, 2022
14. Certain SNC receivables collected directly by Frank Collins and used to pay business expenses since Sep 17 were accounted for in Week 19.
15. See supplementary cash flow report for management fees collected by FGC and disbursements associated with those funds.

FGC Holdings Ltd.
Cash Flow Report to January 6, 2023

	NOTE	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	WEEK 6	WEEK 7	WEEK 8	WEEK 9	WEEK 10	WEEK 11	WEEK 12	WEEK 13	WEEK 14	WEEK 15	WEEK 16	Total
Beginning Period		2022-09-17	2022-09-24	2022-10-01	2022-10-08	2022-10-15	2022-10-22	2022-10-29	2022-11-05	2022-11-12	2022-11-19	2022-11-26	2022-12-03	2022-12-10	2022-12-17	2022-12-24	2022-12-31	
Ending Period		2022-09-23	2022-09-30	2022-10-07	2022-10-14	2022-10-21	2022-10-28	2022-11-04	2022-11-11	2022-11-18	2022-11-25	2022-12-02	2022-12-09	2022-12-16	2022-12-23	2022-12-30	2023-01-06	
	NOTE																	-
																		-
Cash Receipts																		-
Management fees	2		55,125									43,125					51,175	149,425.00
Other																		-
																		-
total Receipts		-	**55,125**	-	-	-	-	-	-	-	-	**43,125**	-	-	-	-	**51,175**	**149,425**
Cash Disbursements																		
Payroll	3	4,000	55,000									39,020					31,010	129,029.85
Bank Fees & Interest				10				7				23			0		9	49.23
HST Remittance								1,875				1,875						3,750.00
Other																		-
																		-
																		-
Total Disbursements		**4,000**	**55,000**	**10**	-	-	-	**1,882**	-	-	-	**40,918**	-	-	**0**	-	**31,018**	**132,829**
Net Cash Contribution (Use)		**(4,000)**	**125**	**(10)**	-	-	-	**(1,882)**	-	-	-	**2,207**	-	-	**(0)**	-	**20,157**	**16,596**
Opening Cash Position		**7,686**	**3,686**	**3,811**	**3,802**	**3,802**	**3,802**	**3,802**	**1,919**	**1,919**	**1,919**	**1,919**	**4,126**	**4,126**	**4,126**	**4,126**	**4,126**	**7,686**
Closing Cash Position		**3,686**	**3,811**	**3,802**	**3,802**	**3,802**	**3,802**	**1,919**	**1,919**	**1,919**	**1,919**	**4,126**	**4,126**	**4,126**	**4,126**	**4,126**	**24,282**	**24,282**

Notes:

1. Online bank activity is unavailable; cash flow goes to the date of the last bank statement received.
2. Management fees are paid by Universal Environmental Services Inc.
3. Compensation paid to Frank Collins for management services to Universal Environmental Services Inc.

Appendix “N”

O'KEEFE & SULLIVAN

BY COURIER

The Supreme Court of Newfoundland and Labrador
P.O. Box 937
313 Duckworth Street,
St. John's, NL
A1C 5M3

02 February 2023

To the Registry of the Supreme Court:

Re: 2022 01G 0563
In Re: Rodco Mechanical (2014) Inc. v. Edward Collins Contracting Ltd. et. al.

Please find the following documents enclosed herewith:

1. Interlocutory Application;
2. Supporting Affidavit of Darren D. O'Keefe; and
3. Our firm cheque in the amount of $13.00.

We trust the foregoing is satisfactory.

Regards,

DARREN D. O'KEEFE
dokeefe@okeefesullivan.com

2022 01G 0563

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

IN THE MATTER OF the *Mechanics' Lien Act*, Chapter M-3, of the Revised Statutes of Newfoundland and Labrador, 1990

- AND -

IN THE MATTER OF a claim for lien of a claim of lien by Rodeo Mechanical (2014) Ltd. against certain property of the Town of Placentia, as Owner, and against Edward Collins Contracting Limited, as General Contractor;

BETWEEN: RODCO MECHANICAL (2014) INC.

PLAINTIFF

AND: EDWARD COLLINS CONTRACTING LTD.

FIRST DEFENDANT

AND: THE TOWN OF PLACENTIA

SECOND DEFENDANT

SUMMARY OF CURRENT DOCUMENT	
Court File Number (s):	2022 01G 0563
Date of Filing of Document:	02 February 2023
Name of Filing Party or Person:	Edward Collins Contracting Ltd.
Application to which Document being filed relates:	Application pursuant to s. 5, 6, 12.4(1), 23(4) and 26(2)(b) of the *Mechanics' Lien Act,* R.S.N.L. 1990, c.M-3, as amended (the "**Act**") for an order that certain holdback funds (the "**Holdback**") held pursuant to s.6 of the Act be paid into Court and that the Second Defendant be released from any further obligation under the Act or connection with this proceeding.
Statement of purpose in filing:	To seek an order for Holdback funds to be paid into Court and the release of the Second Defendant in the within matter.
Court Sub-File Number, if any:	N/A

INTERLOCUTORY APPLICATION

The Interlocutory Application of Edward Collins Contracting Ltd. ("**ECC**"), seeks an order as follows:

1. Pursuant to sections 5, 6, 12.4(1), 23(4) and 26(2)(b) of Act that:

    (a) the Second Defendant be ordered to pay the Holdback into this Honourable Court in satisfaction of its obligations under the Act;

    (b) Pursuant to section 26(2) of the Act, that upon payment of the Holdback into this Honourable Court, an Order that Mechanics' Lien No.19963 registered on 03 December 2021 be vacated pursuant to section 12.4(1) of the Act;

    (c) That payment of the Holdback as aforesaid shall discharge the Second Defendant of any further obligation or liability as it relates to the claim of the Plaintiff in the within action; and

    (d) That upon payment of the Holdback into this Honourable Court, and the discharge of the lien as aforesaid, any interested party may apply to this Honorable Court for a determination of the ownership of the Holdback, including but not limited to any application concerning the correct procedural forum to resolve any disputes with respect to ownership of the Holdback.

MATERIAL FACTS:

2. The Plaintiff is a body corporate, duly incorporated and existing pursuant to the laws of the Province of Newfoundland and Labrador, and has its registered address situate at 257 Conception Bay Highway, in the Town of Conception Bay South, in the Province of Newfoundland and Labrador, with postal code AOA 2R0.

3. The First Defendant is a body corporate, incorporated and existing pursuant to the laws of the Province of Newfoundland and Labrador, and has its registered office situate at

Main Road, P.O. Box 51, in the Town of Jerseyside, Placentia Bay, in the Province of Newfoundland and Labrador, with postal code A0B 2G0.

4. The Second Defendant is a municipality, incorporated and existing under the *Municipalities Act,* 1999, SNL 1999, c.M-24, as amended, with its address at P.O. Box 99, 21 Patterson Drive, in the Town of Placentia, in the Province of Newfoundland and Labrador, with postal code A0B 2Y0. At all times material and relevant to the within action the Second Defendant was the "Owner" of the subject Property (defined below) within the meaning of the Act.

5. The Plaintiff alleges that under a contract between the Plaintiff and the First Defendant (the "**Contract**"), the Plaintiff agreed to supply materials and labour in connection with the construction, development and improvement of the municipal water system and associated structures upon the Owner's land or their interest in same (hereinafter referred to as the "**Property**"), and more particularly:

    (a) Pressure reducing building and associated structures situate at the corner of Harbour Drive and Route 100, in the Town of Placentia, in the Province of Newfoundland and Labrador;

    (b) Pressure reducing building and associated structures situate at the corner of Fox Harbour Road and Route 100, in the Town of Placentia, in the Province of Newfoundland and Labrador; and

    (c) Clarkes Pond pump house and associated structures situate at the corner of Route 100 and the entrance to the Town of Placentia, in the Province of Newfoundland and Labrador.

6. The Plaintiff further alleges that it supplied materials and labour to the First Defendant under the terms of the Contract up to and including 10 November 2021.

7. On 03 December 2021, pursuant to the provisions of the Act, the Plaintiff registered a Mechanics' Lien (bearing No. 19963) upon the interest of the Defendants in the Property (hereinafter the "**Lien**"). The total amount of the Lien was Five hundred eight thousand,

two hundred seventy-one dollars and fifty cents ($508,271.50), inclusive of HST, plus interest.

8. On 02 February 2022 the Plaintiff filed a Certificate of Action along with the within Statement of Claim.

9. The Plaintiff acknowledges having received a payment in the amount of One hundred thirty-five thousand dollars ($135,000.00) since the registration of the Lien.

10. The Plaintiff alleges that there remains due and owing from the Defendants to the Plaintiff, in respect of the said Contract, the amount of Three hundred eighty-one thousand, nine hundred fifty dollars and twenty-four cents ($381,950.24), plus interest at the invoiced rate, and that despite demand, the Defendants have failed to pay this remaining amount to the Plaintiff.

11. Since the date of the Certificate of Action and within claim, no further steps have been taken in the within proceeding.

12. On 15 July 2022, the First Defendant applied for creditor protection under the provisions of the *Company Creditors Arrangement Act* R.S.C 1985 (the "**CCAA**"). This Honorable Court granted an interim order under Rule 22 of the *Rules of the Supreme Court*, 1986 on 20 July 2022, followed by a first day CCAA order on 05 October 2022, and an amended and restated first day order (the "**ARIO**") on 17 October 2022.

13. As of the date hereof, the First Defendant is still subject to the ARIO.

14. Sometime between 01 December 2021 and 15 July 2022, the Plaintiff made a claim against the labour and materials bond of the First Defendant, in place with Western Surety Company of Canada ("**Western**") in the amount of $381,950.24, being the same amount claimed in the within action (the "**Bonding Claim**").

15. That sometime between 15 July 2022 and the date hereof, Western paid the Bonding Claim. Western alleges that during this period it obtained an assignment of the Plaintiff's lien rights.

16. That Western, the First Defendant and the Second Defendant have not been able to agree as to who is entitled to the Holdback given (i) the intervening ARIO and related CCAA proceedings; (ii) the payment of the Bonding Claim, and (iii) the alleged assignment of the Plaintiff's lien rights.

17. The First Defendant further says that the parties cannot agree as to which proceeding governs the adjudication of the payment of the Holdback, whether it be the within proceeding, or the CCAA proceeding.

18. The Second Defendant has indicated it has no interest in the Holdback, other than it does not wish to be part of any ongoing legal dispute concerning the payment of the Holdback. As a result, the Second Defendant has not paid the Holdback.

19. The First Defendant has no reason to further involve the Second Defendant in the within proceeding concerning ownership of the Holdback and says the dispute is between the First Defendant, Western (as alleged as assignee of Plaintiff) and any other person who may have an interest in the Holdback.

20. On the basis of the foregoing, the First Defendant seeks an order as follows:

    (a) That the Second Defendant be ordered to pay the Holdback into this Honourable Court in satisfaction of its obligations under the Act;

    (b) That pursuant to section 26(2) of the Act, upon payment of the Holdback into this Honourable Court, Mechanics' Lien No.19963 registered on 03 December 2021 shall be vacated as the Owner has met its obligations under section 12.4(1) of the Act;

    (c) That payment of the Holdback as aforesaid shall discharge the Second Defendant of any further obligation or liability as it relates to the claim of the Plaintiff and the within proceedings; and

(d) That upon payment of the Holdback into this Honourable Court, and the discharge of the Lien as aforesaid, any interested party may apply to this Honorable Court for a determination of the ownership of the Holdback, including but not limited to an application concerning the correct procedural forum to resolve any disputes with respect to ownership of the subject Holdback.

All of the foregoing is respectfully submitted.

DATED at St. John's, Newfoundland and Labrador, this 8th day of February, 2023.

O'KEEFE & SULLIVAN

DARREN D. O'KEEFE
Solicitors for Second Defendant
Edward Collins Contracting Ltd.
Suite 202, 80 Elizabeth Ave.
St. John's, NL
A1A 1W7

TO:

ISSUED at St. John's, Newfoundland and Labrador, this day of , 2023.

____

2022 01G 0563

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

IN THE MATTER OF the *Mechanics' Lien Act*, Chapter M-3, of the Revised Statutes of Newfoundland and Labrador, 1990

- AND -

IN THE MATTER OF a claim for lien of a claim of lien by Rodeo Mechanical (2014) Ltd. against certain property of the Town of Placentia, as Owner, and against Edward Collins Contracting Limited, as General Contractor;

BETWEEN: RODCO MECHANICAL (2014) INC.

PLAINTIFF

AND: EDWARD COLLINS CONTRACTING LTD.

FIRST DEFENDANT

AND: THE TOWN OF PLACENTIA

SECOND DEFENDANT

AFFIDAVIT

I, Darren D. O'Keefe, Solicitor for the ECC Group, of the City of St. John's, in the Province of Newfoundland and Labrador, MAKE OATH AND SAY THAT:

1. I have consulted with Josh Collins, Vice President of the ECC Group, who has provided the affidavit attached hereto as Schedule "A" to confirm that he is familiar with and status of the within application.

2. That to the best of my knowledge and belief, based on my discussions with Josh Collins, he has reviewed the within application and the facts as stated therein are true to the best of his knowledge, information and belief as set out in the attached affidavit.

3. That the original of the affidavit attached as Schedule "A" will be delivered to the Court within three (3) business days of the date hereof.

4. I make this affidavit in support of ECC's position in the within application and for no other or improper purpose.

[Signature page to affidavit of Darren O'Keefe dated 02 February 2023]

SWORN at St. John's, Newfoundland and Labrador, on the 02 day of February 2023, before me

Commissioner, notary ~~public, etc.~~

Darren D. O'Keefe

ANGELA De CARIA
A Commissioner for Oaths in and for
the Province of Newfoundland and Labrador.
My commission expires on December 31, 2025

SCHEDULE "A"

2022 01G 0563

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

IN THE MATTER OF the *Mechanics' Lien Act*, Chapter M-3, of the Revised Statutes of Newfoundland and Labrador, 1990

- AND -

IN THE MATTER OF a claim for lien of a claim of lien by Rodeo Mechanical (2014) Ltd. against certain property of the Town of Placentia, as Owner, and against Edward Collins Contracting Limited, as General Contractor;

BETWEEN: **RODCO MECHANICAL (2014) INC.**

PLAINTIFF

AND: **EDWARD COLLINS CONTRACTING LTD.**

FIRST DEFENDANT

AND: **THE TOWN OF PLACENTIA**

SECOND DEFENDANT

AFFIDAVIT

I, Josh Collins, Vice President of the First Defendant, resident of the Town of Placentia, in the Province of Newfoundland and Labrador, make oath and say as follows:

1. That I have reviewed the content of the within application, and the same is true to best of my knowledge information and belief.

2. I make this Affidavit truthfully, knowing it to be an offence to willfully swear a false affidavit.

SWORN TO at St. John's,
Newfoundland and Labrador,
this _____ day of February, 2023.
before me:

JOSH COLLINS

Appendix “O”

FORM 31

Proof of Claim
(Section 50.1, subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1), and paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:
257 conception bay Highway , PO BOX 169 ,Holyrood NL, A0A 2R0

In the matter of the bankruptcy (*or* the proposal, *or* the receivership) of edward collins contractiong Ltd (*name of debtor*) of Placentia, NL (*city and province*) and the claim of Rodco Mechanical (2014) Ltd., creditor.

I, Stephen Puddicombe (*name of creditor or representative of the creditor*), of Holyrood , NL (*city and province*), do hereby certify:

1. That I am a creditor of the above-named debtor (*or* that I am President (*state position or title*) of Rodco Mechanical (2104) Ltd(*name of creditor or representative of the creditor*)).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy (*or* the date of the receivership, *or in the case of a proposal,* the date of the notice of intention *or* of the proposal, *if no notice of intention was filed*), namely the 22 day of July , 22 and still is, indebted to the creditor in the sum of $ $149,503.01, as specified in the statement of account (*or* affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (*The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.*)

4. (*Check and complete appropriate category.*)

☐ A. UNSECURED CLAIM OF $__________

(*other than as a customer contemplated by Section 262 of the Act*)

That in respect of this debt, I do not hold any assets of the debtor as security and

(*Check appropriate description*)

☐ Regarding the amount of $ ______, I claim a right to a priority under section 136 of the Act.

☐ Regarding the amount of $ ______, I do not claim a right to a priority.

(*Set out on an attached sheet details to support priority claim.*)

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE $__________

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(*Give full particulars of the claim, including the calculations upon which the claim is based.*)

FORM 31 – *Concluded*

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (*or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length,* within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (*Provide details of payments, credits and transfers at undervalue.*)

(*Applicable only in the case of the bankruptcy of an individual.*)

☐ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at Holyrood, this 20th day of Oct / 2022.

Witness

Creditor - Rodco Mechanical

Phone Number: (709)728-2155
Fax Number: ____
Email Address: steve@rodcomechanical.com

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

(d) Costs.

2. The name and address of the Lien Claimant is:

   Rodco Mechanical (2014) Ltd.
   257 Conception Bay Highway
   PO Box 169
   Conception Bay South, NL
   A0A 2R0

3. The name and address of the person/party whom the Lien Claimant believes to be an Owner of the land, or the Owner of the buildings and erections upon the land, as defined in the *Mechanics' Lien Act* are:

   Town of Humber Arm South
   103 Hillview Road
   P.O. Box 10
   Benoit's Cove, NL A0L 1A0

4. The name and address of the General Contractor to whom the materials and appliances were supplied are:

   Edward Collins Contracting Limited
   Main Road, PO Box 51
   Jerseyside, Placentia Bay, NL
   A0B 2G0

5. The materials and appliances were supplied to the party identified as the General Contractor for the purposes of constructing, developing, and improving the water system and associated structures situate upon the Owner's land or their interest in the same as of the date of July 14, 2022.

IN THE MATTER of the *Mechanics' Lien Act*, R.S.N.L. 1990, c.M-3, as amended;

AND IN THE MATTER of a claim by Rodco Mechanical (2014) Ltd., a body corporate, carrying on business in the Province of Newfoundland and Labrador, against property of the Town of Humber Arm South, as Owner, and against Edward Collins Contracting Limited, a body corporate, of Jerseyside, in the Province aforesaid, as General Contractor;

AFFIDAVIT

I, Stephen Puddicombe, of the Town of Conception Bay South, in the Province of Newfoundland and Labrador, make oath and say as follows:

1. THAT I am the President of the Lien Claimant in the within matter, and I have full knowledge of the facts set forth in the Claim attached hereto, and the said Claim is true to the best of my knowledge, information and belief.

SWORN TO at the Town of Conception Bay South, in the Province of Newfoundland and Labrador, this 22 day of July, A.D., 2022, before me:

Witness
C. BRAD LEYTE
"A BARRISTER" (NL)

STEPHEN PUDDICOMBE

INVOICE

RODCO
MECHANICAL (2014) LTD

Rodco Mechanical (2014) Ltd.
257 Conception Bay Highway
Holyrood, NL A0A 2R0 - (P.O. Box 169)
709-231-2399
accountspayable@rodcomechanical.com
HST # 824615371RT0001

Date: 2022-07-18

Invoice # 6028

Payment due in business 30 days

BILL TO

Edward Collins Contracting Ltd.
Contact: Josh Collins

PROJECT

Humber Arm South, NL
New Lift Station and Generator

DESCRIPTION	This Invoice	Pre Invoice	To Date	UNIT PRICE	TOTAL
As per Quote # 5177					
Supply and install new sewage lift station and generator	0.65	0.05	0.70	$ 178,432.32	$ 124,902.62
Remove existing lift station piping/equipment	0.00	0.00	0.00	$ 4,200.00	$ -

Remarks / Payment Instructions:
(1) The Payment Term is 30 days after receipt of invoice. Interest at 2% per 30 days and 24% per annual will be charged on overdue accounts.

SUBTOTAL TO DATE	$ 124,902.62
PREVIOUS INVOICES	$ 8,921.62
SUBTOTAL THIS INVOICE	$ 115,981.00
TAX RATE	15.00%
TOTAL TAX	$ 17,397.15
Balance Due	$ 133,378.15

GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF MUNICIPAL AND PROVINCIAL AFFAIRS
MUNICIPAL ENGINEERING SERVICES DIVISION
CONTRACT PAYMENT

CONTRACT PAYMENT

Project:
Town of Humber Arm South
Lift Station Replacement - Part A

Contractor:
Edward Collins Contracting Ltd.
P O Box 51, Jerseyside, NL A0B 2G0

GST Registration Number: 101582641RT0001

Owner:
Town of Humber Arm South

Consultant:
SNC-Lavalin Inc.

PAYMENT PERIOD
FROM: June 10, 2022
15-Jul-22

JOB # 671696
DTI #17-RNC-20-00016

PAYMENT No.
One (1)

ORGINIAL CONTRACT (not including HST)	ADDITIONS/EXTRAS	DEDUCTIONS	HST	TOTAL AUTHORIZED
$241,754.00			$36,263.10	$278,017.10

1. (a) Total Value Work Completed	$112,007.98
(b) Less (10%) Hold Back	$11,200.80
(c) Sub-Total Work Completed	$100,807.18
2. (a) Total Value of Material Delivered on Site	$0.00
(b) Less (10%) Hold Back	$0.00
(c) Sub-Total Materials	$0.00
3. (a) Total Value Force Account	$0.00
(b) Less (10%) Hold Back	$0.00
(c) Sub-Total Force Account	$0.00
4. (a) Total Value, Work & Materials (1a,2a,3a)	$112,007.98
(b) Less Hold Back, Work & Materials (1b,2b,3b)	$11,200.80
(c) Net Total, Work & Materials (1c,2c,3c)	$100,807.18
(d) Less Previous Payments (item 4(c) from previous claim)	
(e) Amount Due	$100,807.18
(f) Harmonized Sales Tax 15% (of Item 4(e))	$15,121.08

TOTAL GST TO DATE: $15,121.08 **NET AMOUNT DUE:** **$115,928.26**

DATE

SEPT. 13/2022
DATE

SNC-LAVALIN INC.

CONTRACTOR

DATE

MUNCIPALITY OR DEPARTMENT

PROJECT: TOWN OF HUMBER ARM SOUTH LIFT STATION REPLACEMENT
JOB #: DTI# 17-RNC-20-00016 | SNCL# 671696
SCHEDULE "A" - QUANTITIES AND PRICES

SECTION	DESCRIPTION	UNITS	AUTHORIZED	THIS PERIOD	TO DATE	UNIT PRICE	TOTAL
02233	SELECTED GRANULAR BASE & SUB-BASE MATERIALS						
	Class "A" Granular Base	M³	25.00	25.00	25.00	$45.00	$1,125.00
02601	MANHOLES, CATCH BASINS, DITCH INLETS & VALVE CHAMBERS						
	Supply & Placement of Manhole Inflow Protectors	EACH	1.00	0.00	0.00	$200.00	$0.00
	Remove Top Section of Existing Lift Station and Replace With Typical Manhole Top c/w Frame and Cover. Elevation of Frame/Cover to be 300mm Below Shoulder	EACH	1.00	0.00	0.00	$16,000.00	$0.00
02650	SEWERAGE PUMPING STATION Supply & Place Lift Station, (1.8m Diameter x 7.1m Depth) Pre-Cast Structure, Two 5hp Pumps, Electrical Mounting Structure & All Other Electrical/Mechanical Components Including Logimac 220 Duplex Control Panel (or approved equal) And All Associated Works.	EACH	1.00	0.625	0.625	$160,000.00	$100,000.00
02702	PIPE SEWER CONSTRUCTION Supply & Place Sanitary Sewer Main Line PVC SDR 35 250 mm	M	16.00	8.00	8.00	$200.00	$1,600.00
	T.V. Camera Inspection Services	M	16.00	0.00	0.00	$10.00	$0.00
	Excavate Existing Overflow Pipe, Seal Manhole And Cap Existing 250mm Pipe.	EACH	1.00	0.00	0.00	$6,000.00	$0.00
	Break into & Connect to Existing Lift Station Including Rebenching as Required	EACH	1.00	0.00	0.00	$6,000.00	$0.00
	Locate & Connect to Existing Sewer Force Mains Including 150mm Megalug c/w Joint Restraints	EACH	1.00	0.00	0.00	$6,000.00	$0.00
02724	SEWAGE FORCEMAINS Supply & Install Sewage Forcemain 150 mm HDPE-DR-11	M	18.00	8.00	8.00	$200.00	$1,600.00
	Supply & Installation of Fittings: Bends 150 mm	EACH	2.00	1.00	1.00	$200.00	$200.00
	Less 10% Sanitary Sewer Test Allowance (on related Sections) 02702						($160.00)
	Less 10% Forcemain Test Allowance (on related Sections) 02724						$90.00
	Less 5% Manhole Test Allowance (on related Sections) 02601						$0.00
	Less 10% Water Main Test Allowance						$0.00
	Less 5% Maintenance Hole Test Allowance						$0.00
	Less 5% Reinstatement Holdback (on all Sections)						($6,027.55)
	Less Additional Engineering (See Invoice)						($2,445.47)

.) TOTAL - PART A $112,007.98

Shared by others Humber Arm South Clearance Letter (1) PDF Sign in

NL
Health Safety Compensation

Assessment Services Department

JULY 05 2022

EDWARD COLLINS CONTRACTING LIMITED
EDWARD COLLINS CONTRACTING LTD
P O BOX 51
JERSEYSIDE NL A0B 2G0

Clearance Letter
Confirmation Number: 0642432

TO. TOWN OF HUMBER ARM SOUTH

RE. EDWARD COLLINS CONTRACTING LIMITED
T/A EDWARD COLLINS CONTRACTING LTD

Request Purpose. Contract Work – Current Year

This confirms that the above referenced employer is in good standing with WorkplaceNL as of today's date for contract work. This clearance is provided for the purposes of Section 120 of the *Workplace Health, Safety and Compensation Act* only, which indicates that a person using a contractor or subcontr"ctor to perform work may be responsible for unpaid assessments of the contractor or subcontractor.

This clearance letter expires 45 days from the date of issue. If the contract work has not been completed by that date, we recommend that you request another clearance letter to protect your business from any potential assessment liability related to this employer

If you have any questions, please call us at 709 778.2902 or you may use our toll free number 1 800.563.9000 (ext. 2902) if calling within Newfoundland and Labrador

Sincerely.

Assessment Services Department

To alter this document constitutes fraud

WL1

PROJECT: TOWN OF HUMBER ARM SOUTH LIFT STATION REPLACEMENT
JOB #: DTI# 17-RNC-20-00016 | SNCL# 671696
SCHEDULE "A" - QUANTITIES AND PRICES

SECTION	DESCRIPTION	UNITS	AUTHORIZED	THIS PERIOD	TO DATE	UNIT PRICE	TOTAL
	DIVISION #1						
01010	MOBILIZATION & DEMOBILIZATION (Not greater than 5% if on the Island Or 10% if in Labrador, or 15% North of Cartwright of Item a "sub-total" on last page)	LS	UNIT	0.50	0.50	$2,000.00	$1,000.00
01020	CASH ALLOWANCE Contribution in Aid (Hydro)	LS	UNIT	0.00	0.00	$1,000.00	$0.00
1580	PROJECT SIGNS Project Sign	LS	UNIT	1.00	1.00	$1,000.00	$1,000.00
	DIVISION #2						
01580	STATIONARY POWER SUPPLY - LIFT STATION Supply/Install & Commission One 120/208V, 150A, 40kW 3 Phase, Tier 2 Diesel Engine, Inc Concrete Works, Fencing Controls as per Technical Specifications. Emergency Power Supply Located at Lift Station Benoits Cove	LS	1.00	0.20	0.20	$76,000.00	$15,200.00
	Less 10% Sanitary Sewer Test Allowance (on related Sections)						$0.00
	Less 10% Storm Sewer Test Allowance (on related Sections)						$0.00
	Less 10% Water Main Test Allowance						$0.00
	Less 5% Maintenance Hole Test Allowance						$0.00
	Less 5% Reinstatement Holdback (on all Sections)						($860.00)
	Less Additional Engineering						

a) TOTAL - PART B $16,340.00

NL
Health Safety Compensation

Assessment Services Department

JULY 05 2022

EDWARD COLLINS CONTRACTING LIMITED
EDWARD COLLINS CONTRACTING LTD
P O BOX 51
JERSEYSIDE NL A0B 2G0

Clearance Letter
Confirmation Number: 0642432

TO. TOWN OF HUMBER ARM SOUTH

RE EDWARD COLLINS CONTRACTING LIMITED
T/A EDWARD COLLINS CONTRACTING LTD

Request Purpose. Contract Work - Current Year

This confirms that the above referenced employer is in good standing with WorkplaceNL as of today's date for contract work. This clearance is provided for the purposes of Section 120 of the *Workplace Health, Safety and Compensation Act* only, which indicates that a person using a contractor or subcontr"ctor to perform work may be responsible for unpaid assessments of the contractor or subcontractor

This clearance letter expires 45 days from the date of issue. If the contract work has not been completed by that date, we recommend that you request another clearance letter to protect your business from any potential assessment liability related to this employer

If you have any questions, please call us at 709 778.2902 or you may use our toll free number 1.800.563 9000 (ext. 2902) if calling within Newfoundland and Labrador

Sincerely

Assessment Services Department

To alter this document constitutes fraud

WL1

Project: 671696

Backup for Invoice for Contractor Delays

Item Date	Employee/Supplier	Comment	Hours	Billing Rate	Amount to invoice
13-Jun-22	Morgan, Jason Ian	Travel from Mount Pearl to Site - Fuel			$ 66.45
13-Jun-22	Morgan, Jason Ian	Meal - Per Diem Dinner in Grand Falls			$ 18.87
14-Jun-22	Morgan, Jason Ian	Hotel - Overnight in Grand Falls on route to Site			$ 157.93
15-Jun-22	Morgan, Jason Ian	Mount Peyton Hotel Booking Fee AMEX Global Travel			$ 10.00
16-Jun-22	Morgan, Jason Ian	Airfare - Jason returned car rental and flew back due to delay in construction			$ 475.57
17-Jun-22	Morgan, Jason Ian	Taxi - Travel from Airport to Home for Jason			$ 65.22
17-Jun-22	Morgan, Jason Ian	Airfare Amex Booking Fee			$ 20.00
17-Jun-22	Morgan, Jason Ian	Vehicle rental (Daily Rate for to Airport)			$ 33.93
			Expenses Subtotal		$ 847.97
13-Jun-22	Morgan, Jason Ian	Travel to site as a result of Contractor revising scheduled start date from June 6/22. Jason originally was on West Coast ready to start inspection on June 6/22 but went back to Mt Pearl since Contractor was not ready. Contractor returned to site without prior notices and Jason was requested to leave asap to go to site. He left in the afternoon, drove to Grand Falls and then next morning to site. 5hrs travel claimed as Jason travelled part way to site and stayed overnight in Grand Falls(?) then left next morning and travelled to site.	5	$ 54.00	$ 270.00
14-Jun-22	Morgan, Jason Ian	Travel from Grand Falls to site	3	$ 54.00	$ 162.00
17-Jun-22	Morgan, Jason Ian	Travel from Site to Mt. Pearl Return to home base after inspection.	7	$ 54.00	$ 378.00
		Additional Contract Administration After Contractual Number of Working Days Expired			
23-Jun-22	Pike, Lesa M.	Request project update from contractor and Temporary Water Supply Request	0.5	$ 105.00	$ 52.50
24-Jun-22	Pike, Lesa M.	Contract Admin & Construction Coordination and Follow-up as required.	0.5	$ 105.00	$ 52.50
04-Jul-22	Pike, Lesa M.	Review documents and emails and response to request for extension.	2	$ 105.00	$ 210.00
05-Jul-22	Pike, Lesa M.	Coordinate project signage requirements	0.75	$ 105.00	$ 78.75
15-Jul-22	Pike, Lesa M.	Inform Contractor of Upcoming Coverage for Vacation Time and Reminder of Previous Request for Temporary Water Supply Quotation.	0.25	$ 105.00	$ 26.25
02-Aug-22	Pike, Lesa M.	Review revised Progress Claim - Claim was submitted in incorrect format. Revise the same again and discuss extra rock quantities with S Lundrigan. Contractor overclaimed on Rock Quantity as per Master Spec.	1	$ 105.00	$ 105.00
03-Aug-22	Pike, Lesa M.	Arrange inspection site visit to verify work completed and send info to inspector for project Larry Bussey	0.5	$ 105.00	$ 52.50
10-Aug-22	Pike, Lesa M.	Progress Claim revisions. Corrections to include Holdbacks and request for corrected Stat Dec (incorrect dates applied) and pics of Pumps in LS, etc.	1	$ 105.00	$ 105.00
10-Aug-22	Pike, Lesa M.	Review Holdbacks for claims and request additional info from Contractor i.e. Sign Pic that could not be opened.	1	$ 105.00	$ 105.00
		Salaries Subtotal			$ 1,597.50
		TOTAL INVOICE			**$ 2,445.47**

GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF MUNICIPAL AND PROVINCIAL AFFAIRS
MUNICIPAL ENGINEERING SERVICES DIVISION
CONTRACT PAYMENT

CONTRACT PAYMENT

Project:
Town of Humber Arm South
Lift Station Replacement - Part A

Contractor:
Edward Collins Contracting Ltd.
P.O. Box 51, Jerseyside, NL A0B 2G0

GST Registration Number: 101582641RT0001

Owner:
Town of Humber Arm South

Consultant:
SNC-Lavalin Inc.

PAYMENT PERIOD
FROM: July 16, 2022
28-Jul-22

JOB # 671696
DTI #17-RNC-20-00016

PAYMENT No.
Two (2) Rev 1

ORGINIAL CONTRACT (not Including HST)	ADDITIONS/EXTRAS	DEDUCTIONS	HST	TOTAL AUTHORIZED
$241,754.00			$36,263.10	$278,017.10

1. (a) Total Value Work Completed	$123,882.98
(b) Less (10%) Hold Back	$12,388.30
(c) Sub-Total Work Completed	$111,494.68
2. (a) Total Value of Material Delivered on Site	$0.00
(b) Less (10%) Hold Back	$0.00
(c) Sub-Total Materials	$0.00
3. (a) Total Value Force Account	$0.00
(b) Less (10%) Hold Back	$0.00
(c) Sub-Total Force Account	$0.00
4. (a) Total Value, Work & Materials (1a,2a,3a)	$123,882.98
(b) Less Hold Back, Work & Materials (1b,2b,3b)	$12,388.30
(c) Net Total, Work & Materials (1c,2c,3c)	$111,494.68
(d) Less Previous Payments (item 4(c) from previous claim)	$100,807.18
(e) Amount Due	$10,687.50
(f) Harmonized Sales Tax 15% (of Item 4(e))	$1,603.13

TOTAL GST TO DATE: $16,724.20 **NET AMOUNT DUE:** **$12,290.63**

DATE — SNC-LAVALIN INC.

Oct. 14/2022

DATE — CONTRACTOR

DATE — MUNCIPALITY OR DEPARTMENT

PROJECT: TOWN OF HUMBER ARM SOUTH LIFT STATION REPLACEMENT
JOB #: DTI# 17-RNC-20-00016 | SNCL# 671696
SCHEDULE "A" - QUANTITIES AND PRICES

SECTION	DESCRIPTION	UNITS	AUTHORIZED	THIS PERIOD	TO DATE	UNIT PRICE	TOTAL
02233	SELECTED GRANULAR BASE & SUB-BASE MATERIALS						
	Class "A" Granular Base	M^3	25.00	0.00	25.00	$45.00	$1,125.00
02601	MANHOLES, CATCH BASINS, DITCH INLETS & VALVE CHAMBERS						
	Supply & Placement of Manhole Inflow Protectors	EACH	1.00	0.00	0.00	$200.00	$0.00
	Remove Top Section of Existing Lift Station and Replace With Typical Manhole Top c/w Frame and Cover, Elevation of Frame/Cover to be 300mm Below Shoulder	EACH	1.00	0.00	0.00	$16,000.00	$0.00
02650	SEWERAGE PUMPING STATION Supply & Place Lift Station, (1.8m Diameter x 7.1m Depth) Pre-Cast Structure, Two Slip Pumps, Electrical Mounting Structure & All Other Electrical/Mechanical Components Including Logmac 220 Duplex Control Panel (or approved equal) And All Associated Works	EACH	1.00	0.075	0.700	$160,000.00	$112,000.00
02702	PIPE SEWER CONSTRUCTION						
	Supply & Place Sanitary Sewer Main Line PVC SDR 35 250 mm	M	16.00	0.00	8.00	$200.00	$1,600.00
	T.V. Camera Inspection Services	M	16.00	0.00	0.00	$10.00	$0.00
	Excavate Existing Overflow Pipe, Seal Manhole And Cap Existing 250mm Pipe.	EACH	1.00	0.00	0.00	$6,000.00	$0.00
	Break into & Connect to Existing Lift Station Including Rebenching as Required	EACH	1.00	0.00	0.00	$6,000.00	$0.00
	Locate & Connect to Existing Sewer Force Mains Including 150mm Megalug c/w Joint Restraints	EACH	1.00	0.00	0.00	$6,000.00	$0.00
02724	SEWAGE FORCEMAINS						
	Supply & Install Sewage Forcemain 150 mm HDPE-DR-11	M	18.00	0.00	8.00	$200.00	$1,600.00
	Supply & Installation of Fittings Bends 150 mm	EACH	2.00	0.00	1.00	$200.00	$200.00
	Less 10% Sanitary Sewer Test Allowance (on related Sections) 02702						($160.00)
	Less 10% Forcemain Test Allowance (on related Sections) 02724						$90.00
	Less 5% Manhole Test Allowance (on related Sections) 02601						$0.00
	Less 10% Water Main Test Allowance						$0.00
	Less 5% Maintenance Hole Test Allowance						$0.00
	Less 5% Reinstatement Holdback (on all Sections)						($6,652.55)
	Less Additional Engineering to Date (See Invoice on Claim 1)						($2,445.47)

a) TOTAL - PART A $123,882.98

WorkplaceNL
Health | Safety | Compensation

Assessment Services Department

OCTOBER 12 2022

EDWARD COLLINS CONTRACTING LIMITED
EDWARD COLLINS CONTRACTING LTD
P O BOX 51
JERSEYSIDE NL A0B 2G0

Clearance Letter
Confirmation Number: 0651767

TO: FLAT BAY BAND INCORPORATED

RE: EDWARD COLLINS CONTRACTING LIMITED
T/A EDWARD COLLINS CONTRACTING LTD

Request Purpose: Contract Work – Current Year

This confirms that the above referenced employer is in good standing with WorkplaceNL as of today's date for contract work. This clearance is provided for the purposes of Section 120 of the *Workplace Health, Safety and Compensation Act* only, which indicates that a person using a contractor or subcontractor to perform work may be responsible for unpaid assessments of the contractor or subcontractor.

This clearance letter expires 45 days from the date of issue. If the contract work has not been completed by that date, we recommend that you request another clearance letter to protect your business from any potential assessment liability related to this employer.

If you have any questions, please call us at 709.778.2902 or you may use our toll free number 1.800.563.9000 (ext. 2902) if calling within Newfoundland and Labrador.

Sincerely,

Assessment Services Department

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WL1

146-148 Forest Road, P.O. Box 9000, St. John's, NL A1A 3B8
t 709.778.1000 t 1.800.563.9000 f 709.778.1110 w workplacenl.ca

Department of Municipal Affairs
Municipal Water Sewer and Roads Specifications
CONTRACT PAYMENT
Form 15

Project Name	Town of Humber Arm South Emergency Generator - Part B		Payment Period	
Contractors Name	Edward Collins Contracting Ltd		From:	16 July '22
Address	P O Box 51, Jerseyside, NL A0B 2G0		To	28 July '22
GST Registration Number	101582641RT0001			
Owner's Name	Dept. of Municipal Affairs and Evironment		Claim NO:	2
Consultant's Name	SNC- Lavalin Inc.			

ORIGINAL CONTRACT (Not including HST)	ADDITIONS/EXTRAS	DEDUCTIONS	15% HST	TOTAL AUTHORIZED
$80,000.00	$0.00		$12,000.00	$92,000.00

1	(a)	Total Value of the Work Done	$55,200.00
	(b)	Less (__10__%) Hold Back	$5,520.00
	(c)	Sub-Total, Work Done	$49,680.00
2	(a)	Total Value of Material Delivered On Site	
	(b)	Less (______%) Hold Back	
	(c)	Sub-Total Material	
3	(a)	Total Value Force Account	
	(b)	Less (______%) Hold Back	
	(c)	Sub-Total Force Account	
4	(a)	Total Value Work & Materials (1a,2a,3a)	$55,200.00
	(b)	Less Hold Back, Work & Material (1b,2b,3b)	$5,520.00
	(c)	Net Total, Work & Material (1c,2c,3c)	$49,680.00
	(d)	Less Previous Payments (item 4(c) from previous claim)	$14,580.00
	(e)	Amount Due	$35,100.00
	(f)	Harmonized Sales Tax 15% (of item 4(e))	5,265.00
		NET AMOUNT DUE (e) + (f)	40,365.00

DATE: 28 July '22 CONTRACTOR: [signature]
DATE: CONSULTANT
DATE: MUNICIPALITY OR DEPARTMENT:

Appendix “P”

O'KEEFE & SULLIVAN

BY COURIER AND EMAIL

Civil Division-Office of the Attorney General
Department of Justice and Public Safety
Government of Newfoundland and Labrador
Confederation Building
4th Floor, East Block
PO Box 8700
St. John's, NL, A1B 4J6
Attn: David Hearn, Solicitor
Email: DavidHearn@gov.nl.ca

Flat Bay Band Inc.
P.O Box Site 2 RR#1
Flat Bay, NL, A0N 1Z0
Email: flatbayband@gmail.com

31 January 2023

Dear Sirs:

Re: 2022 01G 1964
In Re: Edward Collins Contracting Ltd. et. al.

Calm Waters Mi'kmaw Park Development Phase 2
Parking Area Development
MI # 17-CCR-21-00009

Please find enclosed herewith the following documents that have been sent to the Supreme Court on today's date for filing:

1. Notice of Motion in matter 2022 01G 1964; and
2. Supporting Affidavit of Josh Collins

We trust the foregoing is satisfactory.

Regards,

DARREN D. O'KEEFE
dokeefe@okeefesullivan.com

cc.

Phil Clarke
Grant Thornton Ltd.
phil.clarke@ca.gt.com

2022 01G 1964

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

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

NOTICE OF MOTION

A. PURPOSE OF THIS MOTION:

1. This motion is being filed pursuant to sections 9 (1), 11, and 18.6 (2) the CCAA.

2. The Applicant, Edward Collins Contracting Ltd. ("**ECC**"), is a body corporate created and existing under the laws of Newfoundland and Labrador, with its registered office at P.O. Box 51, Jerseyside, NL, Canada, A0B 2G0. ECC is a member of the ECC Group.

3. The ECC Group were granted a first day order for creditor protection pursuant to s.11 of CCAA on 05 October 2022 (the "**First Day Order**") with Grant Thornton Ltd. appointed as Monitor (hereinafter, the "**Monitor**"). The First Day Order was amended and restated by this Honourable Court on 17 October 2022 (hereinafter the "**ARIO**").

4. The First Respondent, Flat Bay Band Incorporated ("**FBBI**") is a corporation incorporated under the laws of the Province of Newfoundland and Labrador, with its registered office at P.O. Box 15, Site 2, RR #1, Flat Bay, NL, Canada, A0N 1Z0.

5. The Second Respondent His Majesty in Right of Newfoundland and Labrador acting through the Departments of Transportation and Infrastructure and Department of Municipal Affairs, each a division of the Government of Newfoundland and Labrador ("**GNL**") maintain a registered office at Ground Floor, Confederation Building, East Block, P.O. Box 8700, St. John's NL, A1B 4J6.

6. The within application concerns the recovery of assets of ECC for the benefit of the estate of the ECC Group's creditors. This includes money owed to ECC on the Calm Waters Project (defined below).

7. Specifically, the ECC Group seeks the assistance of this Honourable Court to recover the following:

   a. Amounts owed to ECC by FBBI on the Calm Waters Project (defined below);
   b. Punitive damages against GNL for acting in bad faith contrary to s.18.6 (1) of the CCAA, and knowingly breaching the ARIO, thereby causing harm to the estate of the ECC Group and its creditors.

8. And the ECC Group seeks an order, as follows:

   a. The payment to ECC of $40,441.47 from FBBI owed to ECC pursuant to the Contract (defined below);

   b. Punitive Damages in the amount of $25,000.00 or such other amount as this Honourable Court deems mete and just for the benefit of ECC's creditors who are being harmed through GNL's conduct and knowing breaches of the ARIO contrary to the terms of the ARIO and s.18(6)(2) of the CCAA;

   c. Interest pursuant to the *Judgment Interest Act,* R.S.N. 1990 c. J-2;

   d. Costs, together with any Harmonized Sales Tax or other taxes appertaining thereto on a fully indemnified basis; and

   e. Such other relief as this Honourable Court deems just and equitable.

B. MATERIAL FACTS:

9. The Applicants ECC, H&E, Classic, FGC, and 51037 are each bodies corporate incorporated under the laws of the Province of Newfoundland and Labrador and members of the "**ECC Group**". ECC is the primary contracting entity in the ECC Group.

10. In August, 2021, ECC bid as a contractor for FBBI on a project known as the "Calm Waters Project" owned by FBBI (the "**Project**"). ECC bid on a lump sum basis, to undertake a significant scope of work including site services, excavation, backfill, and paving. The total price quoted was $100,410.00 + HST.

11. The bid was accepted by FBBI on 25 August 2021 (hereinafter the "**Contract**").

12. The Contract is funded by the Department of Municipal Affairs ("**Municipal Affairs**"). Municipal Affairs are not party to the Contract.

13. ECC subcontracted part of the work under the Contract to Marine Contractors Inc. ("**MCI**"). ECC provided a direction to pay to FBBI to pay MCI from the amounts due and owing by it to ECC under the Contract. This direction to pay was provided on 09 September 2022 and was accepted by ECC, MCI and FBBI (the "**Direction to Pay**").

14. All work under the Contract was completed on 04 October 2022. MCI were paid in full for their work pursuant to the Direction to Pay.

15. The balance left owing to ECC upon completion of the Contract was $40,441.47 which was due and payable on 11 October 2022 (the "**Final Amount**").

16. FBBI has not disputed the Final Amount is owed.

17. There are no liens registered against the Project.

18. On 11 October 2022 ECC issued notice to FBBI to make payment on the Final Amount as aforesaid. FBBI did not make the Final Payment. FBBI indicated that Municipal Affairs would not allow the payments to be made as they wished to set off against these payments for an amount allegedly owed by ECC to the Department of

Transportation and Infrastructure ("**Transportation and Infrastructure**") on Contract 45-20. Contract 45-20 was a Government of Newfoundland and Labrador paving contract and has absolutely no connection to the Contract in question. Like Municipal Affairs, Transportation and Infrastructure are not a party to the Contract in question.

19. There is no connection between Transportation and Infrastructure's allegations concerning amounts it says it is owed on Contract 45-20 and the Contract. These are completely unrelated matters. Further, even if the allegations of Transportation and Infrastructure were true (which allegations are specifically defined) these allegations relate to matters that pre-date the ARIO.

20. On 12 October 2022 ECC wrote to Municipal Affairs and Transportation and Infrastructure setting out that their interference with the Final Payment was wrongful and in breach of the ARIO. David Hearn, solicitor for the Government of Newfoundland and Labrador ("**Hearn**"), was copied on this email. Hearn had previously notified counsel for ECC that he was representing Transportation and Infrastructure in this matter.

21. Hearn was present during the CCAA proceedings and had full knowledge of the ARIO. As a result, Municipal Affairs and Transportation and Infrastructure had full knowledge of the ARIO.

22. In defiance of the ARIO and the Contract, Municipal Affairs has refused to allow FBBI make the final payment to ECC.

23. On 21 January 2023 ECC issued a second letter requesting payment from FBBI and indicated that if payment was not made an application would be brought to the Honourable Supreme Court. FBBI were also informed, again, they were acting in breach of the ARIO.

24. FBBI still failed to pay.

25. On 23 January 2023 FBBI wrote to Municipal Affairs seeking approval to release funds to ECC.

26. No approval was given.

27. On 30 January 2023 ECC wrote to FBBI and indicated the timeline for payment had expired and an application would be filed forthwith. FBBI wrote again to Municipal Affairs seeking approval to pay.

28. Again, no approval was given.

28. The ARIO states at paragraphs 16 and 17 as follows:

NO EXERCISE OF RIGHTS OR REMEDIES

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being **"Persons"** and each being a **"Person"**) against or in respect of the Company or affecting the Business or the Property are hereby stayed and suspended except with the written consent of the Monitor and the Company, or leave of this Court, provided that nothing in this Order shall (i) empower the Company, to carry on any business which the Company is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the *CCAA*, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Company, except with the written consent of the Monitor and the Company, or leave of this Court.

29. ECC therefore requests an Order as set out above.

30. ECC intends to rely upon the affidavit of Josh Collins filed herewith.

All of which is respectfully submitted.

DATED at St. John's, Newfoundland and Labrador, this 31 January 2022.

O'KEEFE & SULLIVAN

Counsel for the ECC Group
Whose address for service is:

Suite 202, 80 Elizabeth Ave.
St. John's, NL, A1A 1W7
Attn: Darren D. O'Keefe

TO:

FLAT BAY BAND INC.
P.O. Box 15, Site 2, RR #1,
Flat Bay, NL,
Canada, A0N 1Z0.

AND TO:

GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF MUNICIPAL AFFAIRS
DEPARTMENT OF TRANSPORTATION AND INFRASTRUCTURE
Ground Floor, Confederation Building,
East Block, P.O. Box 8700,
St. John's NL, A1B 4J6
c/o David Hearn, Solicitor

2022 01G 1964
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

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

AFFIDAVIT

I, Josh Collins of the Town of Placentia, in the Province of Newfoundland and Labrador, MAKE OATH AND SAY THAT:

1. I am Vice President of the ECC Group and am familiar with and status of the within application.

2. I have reviewed the Notice of Motion (the "**Notice of Motion**") and the facts as stated therein are true to the best of my knowledge, information and belief.

3. I make this affidavit in support of ECC's position in the within Notice of Motion and for no other or improper purpose.

[Signature page follows]

[Signature page to affidavit of Josh Collins dated 31 January 2023]

SWORN at St. John's, Newfoundland and Labrador, on the 31 day of January 2023, before me

Commissioner, notary public, etc.
Darren D. O`Keefe, B.C.L, LL.B
Barrister, Solicitor, Notary Public
Newfoundland & Labrador, Canada

Josh Collins

Appendix “Q”

IN THE MATTER OF the *Mechanics' Lien Act*, R.S.N. 1990, c. M-3

AND

IN THE MATTER OF a Claim for Lien of **Edward Collins Contracting Ltd.** a body corporate, duly incorporated under the Laws of the Province of Newfoundland against certain holdback funds held by the His Majesty in right of Newfoundland and Labrador acting through Department of Transportation and Works, a division of the Government of Newfoundland and Labrador ("**GNL**") for highway paving contract concerning culvert replacements and rehabilitation on the Trans-Canada Highway ("**Contract 12-21**").

MECHANICS LIEN
No. 20205
Registered 9th day of November
20 22 at 3:30 O'Clock p m
Fee Paid $ 20.00 Receipt No. 80007 NDS
[signature]
Registrar of Deeds

CLAIM FOR LIEN

1. **Edward Collins Contracting Ltd.** (the "**Lien Claimant**"), of the Town of Placentia, in the Province of Newfoundland, under the *Mechanics' Lien Act*, claims a lien upon the holdback funds held by GNL with respect to Contract 12-21, in respect of the following work that is to say:

   All goods, services and materials to complete the following scope of work for culvert replacements and rehabilitations on the Trans Canada Highway in the Avalon Region of Newfoundland pursuant to the tender documents for Project 12-21, including:

   - Part "A" – Replacement of Trout Pond 1200mm CSP on the TCH km 29.5;
   - Part "B" - Culvert Rehabilitation of Soldier's Pond 1200mm CSP on the TCH km 35.3;
   - Part "C" - Replacement of Finnies Pond 1800mm CSP on the TCH km 44.2;
   - Part "E" – Replacement of Unnamed Stream 1200mm CSP on the TCH km 55.0

2. The address for service of the Lien Claimant is:

   c/o O'Keefe & Company
   84B Airport Road,
   St. John's, NL
   A1A 4Y3

O'Keefe and Company

IN THE MATTER OF the *Mechanics' Lien Act*, R.S.N. 1990, c. M-3

AND

IN THE MATTER OF a Claim for Lien of **Edward Collins Contracting Ltd.** a body corporate, duly incorporated under the Laws of the Province of Newfoundland against certain holdback funds held by the His Majesty in right of Newfoundland and Labrador acting through Department of Transportation and Works, a division of the Government of Newfoundland and Labrador ("**GNL**") for highway paving contract concerning culvert replacements and rehabilitation on the Trans-Canada Highway ("**Contract 12-21**").

CANADA
NEWFOUNDLAND AND LABRADOR
ST. JOHN'S

AFFIDAVIT

I, Josh Collins, of the Town of Placentia, in the Province of Newfoundland, make oath and say as follows:

1. That I am the Vice-President of Edward Collins Contracting Ltd., the Lien Claimant, in the within Claim for Lien.

2. That I have personal knowledge of the matters contained in the within Claim for Lien.

3. That the facts contained in the said Claim for Lien are true to the best of my knowledge, information and belief.

SWORN TO at St. John's, in the Province of Newfoundland and Labrador aforesaid, this 9th day of November, 2022 before me:

CANDACE SEYMOUR
A Commissioner for Oaths in and for the Province of Newfoundland and Labrador.
My commission expires on December 31, 2027.
Candace Seymour

JOSH COLLINS

2022 01G 5603
IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

BETWEEN: EDWARD COLLINS CONTRACTING LTD.

PLAINTIFF

AND: HIS MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR

DEFENDANT

STATEMENT OF CLAIM

1. The Plaintiff, Edward Collins Contracting Ltd. (**"ECC"**), is a body corporate created and existing under the laws of Newfoundland and Labrador, with its registered office at P.O. Box 51, Jerseyside, NL, Canada, A0B 2G0.

2. The Defendant, His Majesty in Right of Newfoundland and Labrador acting through the Department of Transportation and Works, a division of the Government of Newfoundland and Labrador (**"GNL"**) .

3. The Town is the owner of certain property situate at Trans-Canada Highway near Holyrood known as Project 12-21 (the "**Property**").

4. At the request of the Defendant the Plaintiff supplied materials, labour and services in the nature of materials and labour including the 13 October, 2022.

5. There is no agreement between the Plaintiff and the Defendant that the Plaintiff would not be entitled to a lien for the materials, labour and services supplied by the Plaintiff.

6. By reason of supplying the materials, labour and services the Plaintiff is entitled to a lien upon the holdback amount required to be held by GNL on the above noted contract, in the principal sum of **$201,175.49** together with interest thereon pursuant to the *Judgment Interest Act* and costs of this action pursuant to the provisions of the *Mechanics's Lien Act*, R.S.N. 1990, c. M-3 (the "**Act**").

Filed Dec 09/22

A1A 4Y3

TO:

Government of Newfoundland and Labrador
c/o Department of Justice and Minister of Justice
Confederation Building
4th Floor, East Block
PO Box 8700
St. John's, NL
A1B 4J6

ISSUED at St. John's, in the Province of Newfoundland, this 9th day of Dec , 2022.

COURT OFFICER

2022 01G __________

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

BETWEEN: **EDWARD COLLINS CONTRACTING LTD.**

PLAINTIFF

AND: **HIS MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR**

DEFENDANT

DRAFT

CERTIFICATE OF ACTION

I CERTIFY THAT the above named Plaintiff has commenced an action in the Supreme Court of Newfoundland, Trial Division, Judicial Centre of St. John's, to enforce against lands and/or holdback being **ALL THAT** piece or parcel of land known the TransCanada Highway, near Holyrood, Project 12-21, in the principal amount of **$201,175.00** together with costs and interest pursuant to the *Judgment Interest Act.*

AND at the request of the Plaintiff, this Certificate is given for the purpose of registration pursuant to s. 23(2) of the *Mechanics' Lien Act,* R.S.N. 1990, c. M-3.

IN WITNESS WHEREOF this Certificate of Action has been duly executed on behalf of the Supreme Court of Newfoundland, Trial Division, Judicial Centre of St. John's, at St. John's, in the Province of Newfoundland this_____ day of December, 2022.

____

COURT CLERK

Appendix “R”

1.

Form 5.03A
(rule 5.03)

File number: 20 22 01 G 4574

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

BETWEEN:	**INTACT INSURANCE COMPANY**	**PLAINTIFF**
AND:	**EDWARD COLLINS CONTRACTING LIMITED**	**FIRST DEFENDANT**
AND:	**UNIVERSAL ENVIRONMENTAL SERVICES INC.**	**SECOND DEFENDANT**
AND:	**E. & T. INVESTMENTS LIMITED**	**THIRD DEFENDANT**
AND:	**EDWARD COLLINS**	**FOURTH DEFENDANT**
AND:	**THERESA COLLINS**	**FIFTH DEFENDANT**
AND:	**FRANCIS COLLINS**	**SIXTH DEFENDANT**

Statement of Claim

Parties

1. The Plaintiff, Intact Insurance Company ("Intact"), is an insurer and surety operating throughout Canada. Intact was amalgamated with The Guarantee Company of North America ("GCNA") on April 1, 2021, and the legal entity resulting from said amalgamation is Intact.

2. The First Defendant, Edward Collins Contracting Limited ("ECCL"), is a body corporate incorporated pursuant to the laws of Newfoundland and Labrador, with a registered office and mailing address of P.O Box 51, Jerseyside, NL, A0B 2G0.

3. The Second Defendant, Universal Environmental Services Inc. ("UESI"), is a body corporate incorporated pursuant to the laws of Newfoundland and Labrador, with a registered office and mailing address of P.O Box 51, Jerseyside, NL, A0B 2G0.

4. The Third Defendant, E. & T. Investments Limited ("ETIL"), is a body corporate incorporated pursuant to the laws of Newfoundland and Labrador, with a registered office and mailing address of P.O Box 51, Jerseyside, NL, A0B 2G0.

5. The Fourth Defendant, Edward Collins, is an individual resident in Placentia, Newfoundland and Labrador and has a mailing address of P.O Box 51, Jerseyside, NL, A0B 2G0.

6. The Fifth Defendant, Theresa Collins, is an individual resident in Placentia, Newfoundland and Labrador and has a mailing address of P.O Box 51, Jerseyside, NL, A0B 2G0.

7. The Sixth Defendant, Francis Collins, is an individual resident in Placentia, Newfoundland and Labrador and has a mailing address of P.O Box 51, Jerseyside, NL, A0B 2G0.

Indemnity Agreements

8. On or about April 12, 2002, as a condition for GCNA providing a bonding facility to both or either ECCL and UESI; ECCL, UESI, Edward Collins and Theresa Collins provided a General Application and Indemnity Agreement ("Indemnity Agreement #1") for the benefit of GCNA, whereby; ECCL, UESI, Edward Collins and Theresa Collins agreed to, *inter alia*: indemnify GCNA for any expenses incurred in any way relating to the bonding of ECCL and UESI.

9. On or about May 15, 2020, as a condition for GCNA continuing to provide a bonding facility to both or either ECCL and UESI; EECL, UESI, ETIL, and Francis Collins provided a General Application and Indemnity Agreement ("Indemnity Agreement #2") for the benefit of GCNA, whereby; ECCL, UESI, ETIL and Francis Collins agreed to, *inter alia*: indemnify GCNA for any expenses incurred in any way relating to the bonding of ECCL and UESI.

10. Intact seeks rectification for any misspelling of ETIL in Indemnity Agreement #2.

The Bonds and Payments

11. On or about June 7, 2019, ECCL entered into contract titled Project #: 021-19TSB ("**Contract #1**") with Department of Transport and Works ("**DTW**").

12. On or about June 14, 2019, GCNA issued Labour and Material Payment Bond No. HS4222400 to ECCL, with GCNA as Surety, ECCL as Principal, and DTW as Obligee/Trustee ("**Bond #1**").

13. Bond #1 bound GCNA and ECCL to DTW in the amount of $888,520.19 such obligation being null and void if ECCL paid all claimants, as defined in Bond #1, for labour and material provided in fulfillment of Contract #1.

14. Intact received a claim on Bond #1 from Apex Construction Specialties Inc. ("**Apex**"). Intact investigated the claim, determined it to be valid, and paid Apex $33,866.75.

15. On or about July 22, 2020, ECCL entered into a paving contract titled Project 45-20PHP ("**Contract #2**") with DTW.

16. On or about July 24, 2020, GCNA issued Performance Bond No. HS4222419 to ECCL, with GCNA as Surety, ECCL as Principal, and DTW as Obligee ("**Bond #2**").

17. On or about July 24, 2020, GCNA issued Labour and Material Payment Bond No. HS4222419 to ECCL, with GCNA as Surety, ECCL as Principal, and DTW as Obligee/Trustee ("**Bond #3**").

18. Bond #2 bound GCNA and ECCL to DTW in the amount of $1,306,537.57, such obligation being null and void if ECCL met its obligations pursuant to Contract #2.

19. Intact received a claim on Bond #2 from DTW. Intact investigated the claim, determined on an interim basis that the claim was valid, and paid, or will pay, the limit of Bond #2, being $1,306,537.57, to DTW.

20. Bond #3 bound GCNA and ECCL to DTW in the amount of $1,306,537.57, such obligation being null and void if ECCL paid all claimants, as defined in Bond #3, for labour and material provided in fulfillment of Contract #2.

21. Intact received a claim on Bond #3 from On Grade Construction ("**OGC**"). Intact investigated the claim, determined it to be valid, and paid OGC $15,194.38.

22. On or about October 16, 2020, ECCL entered into contract titled Project #: 083 - 20PHG ("**Contract #3**") with Her Majesty the Queen in Right of the Province of Newfoundland and Labrador as represented by the Minister of Transportation and Infrastructure ("**HMQ**").

23. On or about October 20, 2020, GCNA issued Labour and Material Payment Bond No. HS4222428 to ECCL, with GCNA as Surety, ECCL as Principal, and HMQ as Obligee/Trustee ("**Bond #4**").

24. Bond #4 bound GCNA and ECCL to HMQ in the amount of $139,736.66, such obligation being null and void if ECCL paid all claimants, as defined in Bond #4, for labour and material provided in fulfillment of Contract #3.

25. Intact received a claim on Bond #4 from Atlantic Industries Limited ("**AIL**"). Intact investigated the claim, determined it to be valid, and paid AIL $61,642.67.

26. On or about October 28, 2020, ECCL entered into contract titled Project #: 084 - 20PHG ("**Contract #4**") with HMQ.

27. On or about October 30, 2020, GCNA issued Labour and Material Payment Bond No. HS4222430 to ECCL, with GCNA as Surety, ECCL as Principal, and HMQ as Obligee/Trustee ("**Bond #5**").

28. Bond #5 bound GCNA and ECCL to HMQ in the amount of $99,458.90, such obligation being null and void if ECCL paid all claimants, as defined in Bond #5, for labour and material provided in fulfillment of Contract #4.

29. Intact received a claim on Bond #5 from AIL. Intact investigated the claim, determined it to be valid, and paid AIL $42,993.13.

30. Alternatively, any reference to Intact above refers to GCNA.

Demand for Indemnification

31. Intact demanded indemnification from the Defendants for the above referenced payments, and the Defendants have failed to indemnify Intact; alternatively, Intact demands indemnification of the above reference payments by the service of the within Statement of Claim.

Intact therefore seeks the following relief for breach of Indemnification Agreement #1 and/or Indemnification Agreement #2 from the Defendants on a joint and several basis:

1. Judgment in the amount of $1,460,234.50.
2. Costs.
3. Interest.
4. Rectification.
5. Other such relief as requested and deemed appropriate by this Honourable Court.

[*signature page to follow*]

DATED at St. John's, Newfoundland and Labrador, on the 21st of October, 2022.

for

Trent Kulchar, Solicitor for Plaintiff

Whose address for service is:

Intact Financial Corporation
700, 10830 Jasper Avenue
Edmonton, AB T5J 2B3
c/o
Intact Financial Corporation
5th Floor, 20 Crosbie Place
St. John's, NL A1B 3Y8
Attn: Laura Brazil

TO: **EDWARD COLLINS CONTRACTING LIMITED**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **UNIVERSAL ENVIRONMENTAL SERVICES INC.**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **E. & T. INVESTMENTS LIMITED**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **EDWARD COLLINS**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **THERESA COLLINS**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **FRANCIS COLLINS**
P.O. Box 51
Jerseyside, NL A0B 2G0

ISSUED at St. John's (city/town) in the Province of Newfoundland and Labrador this 24th (day) of October (month), 2022 (year).

(*Affix seal of the court*)

Sgd. Stephanie Stevens

(*signature*)

Registrar/Registry Clerk

COURT OFFICER

File number: 2022 01 G 4574

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

BETWEEN:	**INTACT INSURANCE COMPANY**	**PLAINTIFF**
AND:	**EDWARD COLLINS CONTRACTING LIMITED**	**FIRST DEFENDANT**
AND:	**UNIVERSAL ENVIRONMENTAL SERVICES INC.**	**SECOND DEFENDANT**
AND:	**E. & T. INVESTMENTS LIMITED**	**THIRD DEFENDANT**
AND:	**EDWARD COLLINS**	**FOURTH DEFENDANT**
AND:	**THERESA COLLINS**	**FIFTH DEFENDANT**
AND:	**FRANCIS COLLINS**	**SIXTH DEFENDANT**

(Modify title of proceeding as necessary.)

Notice to Defendant(s)

You are hereby notified that the plaintiff(s) may enter judgment in accordance with the statement of claim or such order as, according to the practice of the Court, the plaintiff is entitled to, without any further notice to you unless within ten (10) days, after service hereof upon you, you cause to be filed with the Supreme Court of Newfoundland and Labrador at St. John's a defence and unless within the same time a copy of your defence is served upon the plaintiff(s) or the plaintiff's solicitor(s) at the plaintiff's solicitor(s) stated address(es) for service.

Provided that if the claim is for a debt or other liquidated demand and you pay the amount claimed in the statement of claim and the sum of $ 0 (or such sum as may be allowed on taxation) for costs to the plaintiff(s) or the plaintiff's solicitor(s) within ten (10) days from the service of this notice upon you, then this proceeding will be stayed.

TO: **EDWARD COLLINS CONTRACTING LIMITED**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **UNIVERSAL ENVIRONMENTAL SERVICES INC.**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **E. & T. INVESTMENTS LIMITED**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **EDWARD COLLINS**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **THERESA COLLINS**
P.O. Box 51
Jerseyside, NL A0B 2G0

AND TO: **FRANCIS COLLINS**
P.O. Box 51
Jerseyside, NL A0B 2G0

Appendix “S”

2022 01G 4023
IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
TRIAL DIVISION (GENERAL)

BETWEEN

DOLLARD HOLDINGS INC.

**FIRST PLAINTIFF/
FIRST DEFENDANT BY
COUNTERCLAIM**

AND:

TERRY DOLLARD

**SECOND PLAINTIFF/
SECOND DEFENDANT BY
COUNTERCLAIM**

AND:

DOLLARD MANAGEMENT INC.

**THIRD DEFENDANT
BY COUNTERCLAIM**

AND:

PHILIP J. BUCKINGHAM

**FOURTH DEFENDANT
BY COUNTERCLAIM**

AND:

GOODLAND BUCKINGHAM

**FIFTH DEFENDANT
BY COUNTERCLAIM**

AND:

UNIVERSAL ENVIRONMENTAL SERVICES INC.

**FIRST DEFENDANT/
FIRST PLAINTIFF BY
COUNTERCLAIM**

AND:

FRANCIS COLLINS

**SECOND DEFENDANT/
SECOND PLAINTIFF BY
COUNTERCLAIM**

AND:

EDWARD COLLINS CONTRACTING LTD.

**THIRD PLAINTIFF BY
COUNTERCLAIM**

AND:

FGC HOLDINGS LTD.

FOURTH PLAINTIFF BY COUNTERCLAIM

AND:

CLASSIC SECURITY LIMITED

FIFTH PLAINTIFF BY COUNTERCLAIM

AND:

H&E DESIGNS LTD.

SIXTH PLAINTIFF BY COUNTERCLAIM

AND:

51037 NEWFOUNDLAND AND LABRADOR INC.

SEVENTH PLAINTIFF BY COUNTERCLAIM

STATEMENT OF DEFENSE AND COUNTERCLAIM

BACKGROUND

1. The First Plaintiff/Defendant by Counterclaim, Dollard Holdings Inc. ("**Dollard Holdings**"), is a corporation duly incorporated pursuant to the *Corporations Act* with its registered office located at 5 Cambridge Avenue, St. John's, Newfoundland and Labrador, A1A 3N5.

2. The Second Plaintiff/Defendant by Counterclaim, Terry Dollard ("**Dollard**"), is a resident of 5 Cambridge Avenue, St. John's, Newfoundland and Labrador, A1A 3N5.

3. The Third Defendant by Counterclaim, Dollard Management Inc. ("**Dollard Management**") is a corporation duly incorporated pursuant to *Corporations Act* with its registered office located at 5 Cambridge Avenue, St. John's, Newfoundland and Labrador, AIA 3N5. Dollard Management operated by Dollard who provided certain

management services to the First Defendant/Plaintiff by Counterclaim, Universal Environmental Services Inc. ("**UESI**").

4. The Fourth Defendant by counterclaim, Philip J. Buckingham ("**Buckingham**"), is a solicitor practicing in the Province of Newfoundland and Labrador, an officer of this Honorable Court, and a partner of the Fourth Defendant, with a principal place of business situate at 16 Forest Rd Suite 200, St. John's, NL, A1C 2B9.

5. The Fifth Defendant by counterclaim, Goodland Buckingham ("**Goodland Buckingham**"), is a partnership of solicitors governed by the *Partnership Act*, RSNL 1990 Chapter P-3 (the "*Partnership Act*"), with its principal place of business at 16 Forest Rd Suite 200, St. John's, NL, A1C 2B9.

6. The First Defendant/Plaintiff by Counterclaim, UESI is a corporation continued pursuant to *Corporations Act* with its registered office is located at P.0. Box 51, Jerseyside, Newfoundland and Labrador, A0B 2G0. UESI is an environmental company that operates primarily in soil remediation and treatment.

7. The Second Defendant/Plaintiff by Counterclaim, Francis Collins ("**Collins**") is a businessperson residing at 45 Morrisey's Lane, Southeast Placentia, NL, A0B 2Y0 and is the President and sole director of UESI.

8. The Third Plaintiff by Counterclaim, Edward Collins Contracting Ltd. ("**ECC**"), is a body corporate created and existing under the laws of Newfoundland and Labrador, with its registered office at P.O. Box 51, Jerseyside, NL, Canada, A0B 2G0.

9. The Fourth Plaintiff by Counterclaim, FGC Holdings Ltd. ("**FGC**"), is a body corporate created and existing under the laws of Newfoundland and Labrador, with its registered office at P.O. Box 51, Jerseyside, NL, Canada, A0B 2G0.

10. The Fifth Plaintiff by Counterclaim, Classic Security Limited ("**Classic**"), is a body corporate created and existing under the laws of Newfoundland and Labrador, with its registered office at P.O. Box 51, Jerseyside, NL, Canada, A0B 2G0.

11. The Sixth Plaintiff by Counterclaim, H&E Designs Limited ("**H&E**"), is a body corporate created and existing under the laws of Newfoundland and Labrador, with its registered

office at P.O. Box 51, Jerseyside, NL, Canada, A0B 2G0.

12. The Seventh Plaintiff by Counterclaim, 51037 Newfoundland and Labrador Inc. ("**51037**"), is a body corporate created and existing under the laws of Newfoundland and Labrador, with its registered office at P.O. Box 51, Jerseyside, NL, Canada, A0B 2G0.

13. ECC, FGC, Classic, 51037 and H&E are hereinafter referred to as the "**Collins Group**".

STATEMENT OF DEFENSE

14. With respect to paragraph 6 of the within Statement of Claim, UESI and Collins admit that a unanimous shareholders agreement was executed between the parties on November 8, 2002 (the "**USA**").

15. With respect to paragraph 7 of the within Statement of Claim, UESI and Collins admit that the shareholdings as set out therein were accurate as of the date of incorporation and upon execution of the USA.

16. UESI and Collins admit that an application was filed with the Honourable Newfoundland and Labrador Supreme Court pursuant to which an order was issued on May 26, 2020 (the "**Rectification Order**"). UESI and Collins each challenge the validity of the Rectification Order as the same was issued based on mistake, and fraud, the latter which was discovered after the date of the subject Rectification Order. UESI and Collins say that the shares as set out in paragraph 8 of the within Statement of Claim do not accurately reflect the shareholding of UESI, and that the shareholding of UESI remains unchanged from its original distribution as set out in paragraph 7 of the within Statement of Claim.

17. UESI and Collins deny the allegations set out in paragraph 9 of the within Statement of Claim and puts Dollard and Dollard Holdings to the strict proof thereof. UESI and Collins say that the allegations set out in paragraph 9 of the Statement of Claim are spurious, vexatious, and advanced to conceal the fraudulent actions of Dollard, and various breaches of fiduciary and other legal duty owed by Dollard and Dollard Management.

18. UESI and Collins agree with the general statements as to the reasonable expectations

of shareholders as set out in paragraph 10 but denies that any such reasonable expectations of Dollard or Dollard Holdings were breached by UESI or Collins, and if the same is alleged, puts Dollard and Dollard Holdings to the strict proof thereof.

19. With respect to paragraph 11 of the within Statement of Claim, UESI and Collins deny that they breached any fiduciary or other duty owed to Dollard or Dollard Holdings and puts Dollard and Dollard Holdings to the strict proof thereof.

20. UESI and Collins generally agree with paragraphs 12-14 of the within Statement of Claim.

21. With respect to paragraph 15 and 16 of the within Statement of Claim, Collins admits that various guarantees were signed with the Royal Bank of Canada ("**RBC**") for the Collins Group, including UESI, between the period of 1974 to present, however, puts Dollard and Dollard Holdings to the strict proof of establishing which guarantees are referred to in paragraph 15-16 of the within Statement of Claim, including as to the allegations that these alleged guarantees were signed without the approval of the UESI shareholders or the then existing board of directors.

22. With respect to paragraph 15 and 16 of the within Statement of Claim, UESI and Collins each say that *after* Dollard was appointed as a director of UESI, Dollard and Collins did attend meetings at RBC with John Snow ("**Snow**") in March of 2018. Snow was the joint account manager for UESI and the Collins Group. During these meetings Snow explained the various banking relationships in place between UESI and the Collins Group, including the cross corporate guarantees in place and the provision of a new line of credit in an amount of approximately $750,000.00 for the benefit of UESI. UESI and Collins say that through these meetings Dollard had actual knowledge of the guarantees he now alleges were put in place without his knowledge. USEI and Collins also say that it was incumbent upon Dollard, as an incoming director of UESI, to educate himself on the companies' financial arrangements and banking arrangements with RBC and that he had plenty of opportunity to do so.

23. With respect to paragraph 17 and 24 of the within Statement of Claim, UESI and Collins deny that any guarantees signed were done without the approval of the UESI shareholders and directors and puts Dollard and Dollard Holdings to the strict proof

thereof. UESI and Collins repeat the foregoing and deny their actions were oppressive, unfairly prejudicial, and unfairly disregarded Dollard or Dollard Holding's interest as shareholders or stakeholders. Collins further denies that any actions taken by him in his capacity as a director, officer or shareholder of UESI was oppressive to Dollard or Dollard Holdings and puts Dollard and Dollard Holdings to the strict proof thereof.

24. With respect to paragraph 18, Collins denies that he has unduly used his position as a director to unfairly or improperly benefit himself (or the Collins Group) to the detriment of the shareholders of UESI as alleged. Collins further denies that his actions could be in breach of any reasonable expectation of Dollard or Dollard Holdings, are oppressive, or unfairly disregard or are unfairly prejudicial to Dollard or Dollard Holdings as shareholders.

25. With respect to paragraph 19 of the within Statement of Claim, UESI and Collins deny they breached any reasonable expectation that Dollard or Dollard Holdings could have had concerning UESI's guarantee of the debts of the Collins Group. The Collins Group, including UESI, had historically guaranteed the debts of each other and shared various banking products as part of the group's commercial relationship with RBC. Both UESI and Collins deny that they, or anyone acting on their behalf, breached any principles of corporate governance, good business judgment, the provisions of *Corporations Act,* or the USA, and puts Dollard and Dollard Holdings to the strict proof of each and every allegation thereof.

26. With respect to paragraph 20-21 of the within Statement of Claim, UESI and Collins each deny that there occurred any breach of the USA, or that any action taken by them on behalf of UESI or otherwise was oppressive, prejudicial, or unfairly disregarded Dollard or Dollard Holding's interest as a stakeholder and puts Dollard and Dollard Holdings to the strict proof thereof. UESI and Collins each deny that Dollard or Dollard Holdings have suffered any losses as alleged and puts each of them to the strict proof thereof.

27. With respect to paragraph 22-23 of the within Statement of Claim, UESI and Collins each deny the allegation that UESI was not a part of the Collins Group and puts Dollard and Dollard Holdings to the strict proof thereof. Further, Collins says that at no time did Dollard request that Collins "stop disseminating" the alleged "false connection" between UESI and the Collins Group.

28. With respect to paragraph 24 of the within Statement of Claim, UESI and Collins repeat the foregoing, and deny each and every allegation of fact contained therein and puts Dollard and Dollard Holdings to the strict proof thereof.

29. With respect to paragraph 25-31, UESI and Collins denies each and every allegation of fact as set out therein, and puts Dollard and Dollard Holdings to the strict proof thereof. Further, each of UESI and Collins repeats the foregoing and says that there was no indemnity agreement entered into with Western Surety. With respect to any alleged agreement with Intact Insurance, where the same is proven to exist, it would have been duly authorized by the directors and officers of UESI and would have been for the benefit of UESI and the Collins Group. UESI and Collins repeat the foregoing and say that the allegations contained within paragraph 25-31 are frivolous, vexatious, and designed to obfuscate Dollard and Dollard Holdings own fraudulent conduct and breach of fiduciary duty.

30. With respect to paragraph 30-34 of the within statement of claim, UESI and Collins say that Ambrose Griffiths was terminated for cause, *to wit*, based on Griffiths insubordination, theft, and collusion with Dollard, Dollard Holdings and Dollard Management to misappropriation funds and other company assets from UESI. The termination of Griffiths was in the best interest of the company and Collins states that the dismissal of Griffiths was designed to remove Griffiths from his position to protect UESI from further fraudulent conduct. Further, UESI and Collins each deny that Griffiths was a "key employee" of the Company and puts Dollard and Dollard Holdings to the strict proof thereof. With respect to each other statement or aversion of fact contained in paragraphs 30-34 of the within Statement of Claim, UESI and Collins puts Dollard and Dollard Holdings to the strict proof thereof.

31. With respect to each allegation of fact contained in paragraphs 35-38, UESI and Collins repeat the foregoing, and put Dollard and Dollard Holdings to the strict proof thereof.

32. With respect to paragraph 40 of the within Statement of Claim, UESI and Collins deny that Dollard or Dollard Holdings are entitled to any of the relief claimed.

33. With respect to the whole of the within Statement of Claim, UESI and Collins and UESI asks that the claim be dismissed, with costs to them on a fully indemnified basis.

STATEMENT OF COUNTERCLAIM

(A) MATERIAL FACTS:

34. As noted in paragraph 21 above, between 1974 and 2022, the Collins Group, which included UESI, dealt with RBC as their primary operating lender. The main RBC branch for all Collins Group banking matters was in Placentia, NL, the seat of office for the Collins Group, including UESI. During the aforementioned period numerous financings, credit agreements, and other banking contracts were entered into between the various members of the Collins Group and RBC. As its typical of group financing arrangements, RBC required various cross corporate guarantees and other cross collateralized agreements from the companies in the Collins Group to support the various banking facilities made available to the Collins Group businesses.

35. At all material times to the within action, Collins was an authorized director of every company in the Collins Group. Collins, and his father Edward Collins before him, were the primary contacts for all finance matters with RBC. Certain employees and directors (like Dollard) would be involved in the day-to-day banking activities for their respective companies.

36. In 2018 the Collins Group entered an ordinary course re-finance transaction with RBC as their existing term loans were up for renewal. In addition, the Collins Group (including UESI) sought certain joint credit products including a $500,000.00 joint vehicle line. During this time, consistent with past practice, RBC requested guarantees from the principals of the Collins Group and from each of the Collins Group companies on a cross collateralized basis to support the various products being used by the Collins Group. These cross collateralized guarantees were necessary for the companies within the Collins Group (including UESI) to access financing with RBC. For example, with respect to UESI, RBC would not loan money directly to UESI without the cross guarantee of ECC.

37. Over the course of its history, the Collins Group frequently conducted meetings in person or by telephone and did not document these meetings. This is not uncommon in closely held family companies. With respect to UESI, it was Collins practice, as was his fathers before him, to consult with Dollard as a minority shareholder on major banking matters with RBC, including the refinance of the companies operating lines and other products. Between 2002 and 2022 this informal manner of managing UESI's affairs ran smoothly and there were no material disputes between the Collins family and Dollard concerning how the Collins family managed RBC relationship.

38. In 2018, Edward Collins – the patriarch of the Collins family and lead director and officer of the Collins Group of Companies – passed away. Prior to his passing Edward Collins agreed to make Dollard a 50/50 shareholder in UESI in recognition of Dollard's hard work, honesty, and good faith in working with UESI over the period of 2002 to 2017. To affect this 50/50 ownership split, Dollard retained Greg London ("**London**") of Deloitte and Michael Duffy of Duffy Law ("**Duffy**") to assist in a share reorganization UESI's share capital (the "**2017 Share Reorganization**").

39. Unfortunately, the 2017 Share Reorganization was not done properly, *to wit*, documents effecting the reorganization were not properly executed or registered, nor was independent legal advice given to the parties. As a result, up until May 2022, the shareholdings in UESI remained unchanged by the proposed 2017 Share Reorganization.

40. In 2018 the Collins Group completed an ordinary course refinance with RBC (the "**2018 Refinance**"). As part of the 2018 Refinance, Collins spoke with Dollard both personally and in the presence of UESI's bankers at RBC, and received Dollard's approval to proceed with the execution of guarantees on behalf of UESI (hereinafter the "**UESI Guarantee**").

41. During the time frame the 2018 Refinance was completed, Collins was a director and the President of UESI. The Collins family were a 90% shareholder of UESI. Pursuant to the companies constating documents, including its articles and bylaws, Collins could execute the UESI Guarantee without the approval of any other director or shareholder. Notwithstanding this authority, consistent with past practice and as set out above, Collins consulted with Dollard throughout.

42. In 2021 the Collins Group fell into financial trouble and entered into a special loans program with RBC. In that connection, the Collins Group hired Deloitte Restructuring ("**Deloitte**") to assist with its restructuring efforts. The primary issues with RBC concerned ECC and H&E. The other companies in the Collins Group were not the initial focus of RBC's credit concerns, notwithstanding they had provided cross corporate guarantees to RBC during the 2018 Refinance.

43. In December 2021 ECC and H&E entered into a forbearance agreement with RBC whereby RBC would forbear on its debt until March, 2022. This forbearance agreement did not involve UESI. During this period Dollard was aware that the Collins Group were undertaking a corporate restructuring as a result of their financial problems, and at no time did he express any concern or protest concerning the proposed reorganization, or as to UESI's involvement with the 2018 Refinance or the related UESI Guarantee.

(B) DOLLARD'S PLAN TO REMOVE COLLINS

44. Sometime prior to the period the Collins Group were undertaking their proposed corporate restructuring, unbeknownst to Collins, Dollard began making plans to affect a "corporate divorce" of UESI from the Collins Group. In doing so, Dollard retained and instructed Adrienne Mercer of McInnes Cooper ("**Mercer**") – ostensibly on behalf of UESI – to "clean up" the botched 2017 Share Reorganization (the "**2022 Rectification Application**"). It was, in fact, later discovered that Mercer was retained to provide Dollard with advice on his "corporate divorce" options to remove UESI from the Collins Group and the Collins family from UESI.

45. In the fall of 2021, Collins was approached by a competitor of UESI from Corner Brook, namely, Marine Contractors Inc. ("**Marine**") who expressed an interest in buying UESI. Discussions were brief, and Collins quickly rebuffed the idea and indicated he was not interested in selling his stake in UESI.

46. Following the initial discussions with Marine, Dollard approached Collins in December of 2021, again, asking if Collins would consider selling his interest in UESI. Again, Collins indicated he was not interested in selling. Dollard indicated he had the financial backing buy out Collins but did not state who the financial backing was coming from.

47. After Collins refused for the second time to sell his shares Dollard went quiet. Between the period of December 2021 to May, 2022, Mercer was allegedly working on the 2022 Rectification Application in order to seek the approval of this Honourable Court to amend the records for UESI and effectively back date the proposed 2017 share issuance. At all material times Dollard knew that UESI was part of the Collins Group and that the Collins Group was in financial trouble. Notwithstanding, he reserved his protest regarding the UESI Guarantees until the 2017 Rectification Application was heard, with the obvious implication was that Dollard did not want to make any complaints or take any steps to oust Collins until the 2022 Rectification Application was heard and his shares were secured.

48. Also, during this time, Dollard incorporated a new company on 01 April 2022 with Marine, namely the **Mardo Group Inc.** ("**Mardo**"). The directors of Mardo are Daryl Bennett, Glynn Pike (both directors of Marine) and Terry Dollard. This was never disclosed to Collins, or the Collins Group notwithstanding Marine were a direct competitor of UESI.

49. As noted, Collins had refused to sell his interest in UESI, and as such, Dollard was effectively blocked from "divorcing" UESI from the Collins Group and bringing in a replacement partner. Following the issuance of the 2022 Rectification Order – Dollard's attitude and approach with the Collins family changed dramatically and immediately – he began execution of his takeover plan. While up to this point the parties had an amicable relationship – now that Dollard's shares were confirmed by the 2022 Rectification Order – he began making baseless accusations that the 2018 Refinance as well as the related UESI Guarantee were never approved. Dollard did this with full knowledge that the allegations were false, and full knowledge of the impact these allegations would have on the Collins Groups relationship with RBC.

50. Collins further says it was plain and obvious given the timing of Dollard's allegations that these allegations were part of a coordinated attempt to relieve UESI of its guarantee obligations with RBC in the context of the Collins Group financial troubles. Collins says that Dollard's motive in denying the legitimacy of the UESI Guarantee was to further the financial demise of the remaining members of the Collins Group and undermine the Collins Group relationship with RBC. The intended result was to allow Dollard to affect

the corporate divorce he desired once the Collins Group were placed into receivership and purchase the assets of UESI with Mardo or Universal Soils.

51. On June 17, 2022, RBC issued demand letters to each of the Collins Group companies, including UESI (the "**Demands**"). Following the issuance of the Demands, the Collins Group discussed a further forbearance agreement with RBC. A draft Forbearance Agreement was circulated to the Collins Group by RBC on June 27, 2022 in which RBC requested UESI to be a party notwithstanding Collins Group had previously indicated they would not agree to make UESI a party to the draft Forbearance. <u>On the same day</u>, Dollard sent a letter to RBC making various frivolous, vexatious and defamatory statements and allegations concerning Collins and the Collins Group (hereinafter the "**June 27 Letter**"). The following day Greg Smith (then counsel for Collins Group, "**Smith**") was informed that Dollard had already hired Buckingham to represent him.

52. The June 27 Letter contains several misleading, vexatious, malicious, and defamatory statements. Buckingham was retained by Dollard on or before June 27, 2022, when the June 27 Letter was sent and as such, there is no excuse that Dollard did not have access to legal counsel before embarking on his campaign to malign the reputation of Collins and the Collins Group because he indicates in the letter he had counsel in Corner Brook prior to sending the letter and was meeting with counsel in St. John's (presumably Buckingham) immediately following the letter. On that basis, Collins says these statements were deliberate and done with full knowledge of their potential impact on the Collins Group.

53. In the June 27 Letter, Dollar says as follows:

(a) That he was "<u>the President and CEO of Universal Environmental Services Inc.</u>".

This statement is not true. Dollard was never appointed as President or CEO of UESI. At all material times Edward Collins, and following him, Francis Collins were the Presidents of UESI. This statement was deliberately misleading and intended to give RBC the impression that Dollard had some official capacity to make the statements that follow, which he did not.

(b) That "Universal, nor I and/or DHL, had no knowledge, nor did any of us consent and/or authorize and/or give permission to Francis Collins to sign any guarantee on behalf ECCL and/or FGC in favour of RBC of Canada ("RBC")."

This statement is false and defamatory as follows:

a. Universal *had knowledge* of the guarantee because Collins had knowledge of the guarantee as the 90% shareholder, director, and the President of UESI at the time the UESI Guarantee was signed;

b. Dollard had *actual knowledge* of the guarantee because he met with Collins and Snow at RBC on March 3, 2018 to review the same;

c. This statement implies wrongdoing on behalf of Collins, that Collins acted outside the scope of his corporate authority, and that Collins misrepresented to RBC the efficacy of the UESI Guarantee. This is both false and defamatory.

(c) That "At no time did the Directors Francis Collins and/or I, Terry Dollard, have any Directors Meeting to consent and/or approve the signing of any resolutions regarding the signing of guarantee documents by the Directors of Universal on behalf of ECCL and/or FGC in favour of RBC dated April 3, 2018, and January 21, 2022, referred to in your letter of June 17, 2022"

This statement is false and defamatory as follows:

a. UESI's long standing practice was to have informal directors' meetings concerning RBC relationship, which was in turn always managed by the Collins family. Collins and Dollard had several telephone calls whereby Collins updated Dollard on RBC financing, including the UESI guarantees provided to RBC on April 3, 2018 and thereafter.

b. This statement implies wrongdoing on behalf of Collins, that Collins acted outside the scope of his corporate authority and that Collins misrepresented to RBC the efficacy of the UESI Guarantee. This is both false and defamatory.

(d) That "Francis Collins, a Director in Universal, did breach his Statutory and Common Law fiduciary duty and obligation and duty of care to Universal, and to DHL, a 50% Shareholder in Universal. This statutory duty is pursuant to Section 203(1)(a) of the Corporations Act of NL, which requires Directors to exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances."

This statement was untrue and defamatory as follows:

a. There is no evidence that Francis Collins breached his statutory or fiduciary duty to UESI by virtue of executing the UESI Guarantee.

b. This statement explicitly accuses Collins of wrongdoing and alleges Collins breached his statutory duties as a director. The purpose of this statement was to undermine Collins' position with RBC, his credibility, and his authority to deal with RBC on behalf of UESI.

(e) That "Frank Collins did not act in good faith when he favoured his own interest and the interest of RBC over the best interest of Universal and DHL, a 50% Shareholder in Universal. One is not to profit from one's fiduciary position, and one is not to put one's self in a position wherein one puts one's interest ahead of one's duty."

This statement is defamatory as follows:

a. There is no evidence that Frank Collins acted in bad faith at any time. The execution and delivery of the UESI Guarantee was part of a group refinancing that was undertaken two years prior, in the ordinary course, and with Dollard's full knowledge and consent. The fruits of the refinancing, being the credit products made available to the Collins Group, including but not limited to various operating lines of credit, vehicle lines of credit, and so forth, were shared by all companies in the Collins Group, including UESI.

b. This statement is defamatory in that it suggests Collins wrongfully obtained a *personal* benefit through the UESI Guarantee which he did not.

(f) That "Franks Collins and his companies and also RBC did obtain benefits from his breach of trust, his breach of his Statutory and Common Law fiduciary duties and obligations to Universal, and Universal has incurred economic loss and damages as a result of such actions."

This statement is defamatory as follows:

a. This statement explicitly alleges that Collins obtained an unlawful benefit from an alleged breach of trust. This statement is wholly untrue. Further, this statement was made to the main financier for the Collins Group, RBC, which could only result in RBCs opinion of Collins and his related companies being damaged.

b. This statement implies wrongdoing on behalf of Collins, that Collins acted outside the scope of his corporate authority and that Collins misrepresented to RBC the efficacy of the UESI Guarantee.

(g) That Collins conduct "was improper, wrongful, unlawful, fraudulent and illegal, and which was unfairly prejudicial, detrimental and unfairly disregarded the interests of Universal and DHL, a 50% Shareholder in Universal. Frank Collins provided false statements and also made false representations to RBC. Not only was there also material non-disclosure on the part of Frank Collins, but he also was dishonest, deceitful and acted in bad faith."

These statements were wholly untrue, and as such, wholly defamatory. The nature of these statements makes their malicious intent plainly obvious, and their defamatory nature is self-evident given they are entirely false.

54. As noted above, the June 27 Letter was sent on the same day RBC provided a new draft forbearance agreement to the Collins Group which included UESI, notwithstanding the Collins Group would not allow UESI to become a party to it. Eleven (11) days later, on 8 July 2022, RBC filed a Receivership motion against the Collins Group where UESI was not named as a party.

55. On July 13, 2022, Buckingham, on behalf of Dollard, wrote a second letter to RBC to endorse Dollard's prior correspondence (the "**July 13 Letter**"). This July 13 Letter was not copied to the Collins Group or counsel and was sent directly to RBC without the Collins Group's knowledge or input.

56. In the July 13, 2022 Letter, Buckingham says as follows:

> "We are writing as the solicitors acting on behalf of Mr. Terry Dollard, director of Universal Environmental Services Inc.
>
> Please be advised that effective immediately RBC - RBC of Canada is instructed that <u>Frank Collins no longer has the approval or authority to act in any way on behalf Universal Environmental Services Inc.</u>
>
> Internally, <u>Mr. Collin's access to the bank account of Universal Environmental Services Inc. held at RBC - RBC of Canada has been withdrawn.</u>
>
> RBC - <u>RBC of Canada is instructed not to negotiate any cheque which may be signed by Mr. Frank Collins. Mr. Frank Collins is forbidden, and lacks any authority to in any way deal with the finances of Universal Environmental Services Inc.</u>
>
> <u>Mr. Frank Collins is to be removed immediately from any authority previously given by Universal Environmental Services Inc. to RBC- RBC of Canada that confers on Mr. Collins any ability to negotiate, deal with, or otherwise access the bank account(s) or credit facilities of Universal Environmental Services Inc.</u>
>
> So that there is no confusion as to the instruction of our client, <u>Mr. Frank Collins has no authority from this point forward to act in any regard on behalf of Universal Environmental Services Inc."</u>

57. Buckingham's statements were false and misleading. At the time these statements were made he knew or ought to have known, had he exercised a reasonable amount of due diligence, that the following statements were defamatory and untrue:

(a) The statement that "*Mr. Frank Collins has no authority from this point forward to act in any regard on behalf of Universal Environmental Services Inc.*" was made without instructions or authorization from UESI. Buckingham was never retained by UESI. Buckingham knew or ought to have known that Collins was, at all material times, a Director and the President of UESI. Further, Buckingham knew or ought to have known that no corporate procedures had been taken to remove Collins as a Director or the President of UESI at the time this statement was made. At all material times Collins had full capacity to represent UESI as he had done in the past.

(b) The statement that "*Internally, Mr. Collin's access to the bank account of Universal Environmental Services Inc. held at RBC - RBC of Canada has been withdrawn.*" was false and misleading. Buckingham knew or ought to have known that no steps were taken internally or otherwise to alter Collins authority to act on behalf of UESI.

(c) The statements that the "*RBC of Canada is instructed not to negotiate any cheque which may be signed by Mr. Frank Collins. Mr. Frank Collins is forbidden and lacks any authority to in any way deal with the finances of Universal Environmental Services Inc.*" and that "*Mr. Frank Collins has no authority from this point forward to act in any regard on behalf of Universal Environmental Services Inc.*" were completely false and misleading. Buckingham knew or ought to have known that no steps were taken to remove or limit the authority conferred on Collins by UESI.

58. At the time Buckingham made these statements he was aware of the prior 27 June 2022 Letter sent by Dollard and the relationship between the Collins Group and RBC. As a result, his subsequent correspondence clearly implied that Collins had been removed as a signing authority for UESI due to the alleged fraudulent conduct complained of in the 27 June 2022 letter. Buckingham's 13 July 2022 letter was a clear endorsement of the allegations and defamatory statements made in the 27 June 2022 Letter and designed to give RBC the impression that these allegations were factual, and as a result, remedial action had been taken against Collins.

59. Given Buckingham's status as a senior solicitor and officer of this Honourable Court, his statements given to the Bank in writing carry significant weight. It is reasonable to assume that Buckingham's endorsement of the 27 June 2022 Letter, and his statement to the effect that "Mr. Frank Collins has no authority from this point forward to act in any regard on behalf of Universal Environmental Services Inc." provide credibility to the false, misleading, and defamatory allegations contained in the 27 June 2022 Letter. Buckingham's statements suggest that Collins authority to act on behalf of UESI was revoked due to the matters complained of in the 27 June 2022 Letter. Buckingham's willing participation in promulgating the defamatory content of the 27 June 2022 Letter makes him equally liable for the damages resulting from it.

60. As a result of Buckingham's July 13, 2022 Letter, RBC responded on July 22, 2022 and said that they "have been put on notice of a dispute among the Company's signing officers. In addition, [they have] received complaints and inconsistent instructions regarding signing authorizations on the [UESI Account]." As a result, RBC threated to take further remedial action on the accounts of UESI, including "closing the UESI accounts within fourteen (14) days" unless they received an opinion letter from a lawyer acting for UESI confirming the proper signing authorities on the UESI accounts, or alternatively, mutually agreeable instructions from UESI's signing officers and directors.

61. As a result of the foregoing, Collins called a directors meeting at 9:00 a.m. on August 5, 2022 to address these banking issues as well as other matters. Dollard did not attend the meeting, and shortly thereafter tendered his resignation to McInnes Cooper through the offices of Buckingham.

62. On August 5, 2022, Adam Baker ("**Baker**"), as solicitor for UESI, wrote to RBC. Baker indicated that following his review of the corporate records of UESI, "[Collins] has the necessary power, capacity, and authority to execute and deliver documents to RBC on behalf of UESI". This opinion directly contradicted the prior false and misleading statements made by Buckingham.

63. It is clear from RBCs receivership motion that the 27 June 2022 and 13 July 2022 Letters were a significant factor in the bank seeking a Receivership for the Collins Group. In their motion and supporting materials RBC stated as follows:

"[RBC] notes .... that it received two guarantees from Universal Environmental Services Inc. ("Universal") as more particularly described therein. There appears to be a conflict between the directors/owners of Universal which may require direction from this Honourable Court as to both the enforceability of the guarantees and as to realization in respect of same to ensure all parties are dealt with fairly and equitably."

64. In their subsequent supporting affidavit filed 05 August 2022, RBC said as follows:

"....... Mr. Dollard sent correspondence [to RBC] indicating that it was Mr. Dollard's position that the UESI Guarantees were unenforceable.... It is RBC's position that the UESI Guarantees are enforceable, however <u>Mr. Dollard's correspondence caused serious concerns for RBC who rely on the UESI Guarantees as security for the Respondents indebtedness to RBC</u>.

65. RBC continued that:

"That on July 13, 2022, Mr. Dollard through his counsel, Goodland Buckingham, provided correspondence to advise me that Francis Collins no longer has approval or authority to act in any way on behalf of UESI."

66. RBC further said that they were seeking a Receivership Order, in part, to "[determine] priority issues to resolve the Universal Guarantee matter in a timely fashion to ensure all creditors are being treated equally and fairly and to provide a forum for direction to ensure an orderly and efficient process can be followed in administering the Respondents' estate".

67. Based on the foregoing, Dollard and Buckingham's defamatory and misleading statements were a significant factor in RBC pursuing a receivership motion against the Collins Group.

(C) DOLLARD'S MISSAPPROPRIATION AND MISMANAGMENT OF ASSETS

68. Once Dollard and Buckingham launched their campaign to malign the Collins Group reputation with RBC and upset the banking discussions concerning the Collins Group restructuring, Dollard moved to the next step in his plan.

69. On July 17, 2022, Dollard, without authorization from UESI, began transferring UESI assets into his own name and/or the names of related parties. This included:

- 2017 Nissan Titan Crew Cab 4 x 4;
- 2020 Land Rover, Range Rover Sport;
- 2018 Chevrolet Equinox;
- 2011 Karvan Trailer;
- 2015 Commodore Trailer; and
- 2011 SD Challenger Boat.

(the "**Stolen Assets**").

70. On or around the same date Dollar wrote to the Registry of Companies for the Province of Newfoundland and Labrador and attempted to have the Registered Office for UESI changed from Jerseyside Placentia to 1 Quarry Road, Trans-Canada Highway, near St. Johns – a site location under the supervision of Griffiths.

71. Once Dollard completed his theft of these UESI assets, he then set up a new Company in preparation for the Receivership motion brought by RBC. This new company is called "Universal Soils Inc." and was incorporated on July 12, 2022 ("**Universal Soils**"). Dollard is the sole director of Universal Soils.

72. It is plainly obvious that Universal Soils was set up to trade on the name and goodwill of UESI. The timing of its incorporation and the steps taken by Dollard and Buckingham leading up to it are not a coincidence. The steps taken by Dollard and Buckingham, from the initial defamatory letters to RBC, up until the issuance of the within Statement of Claim were part of a coordinated effort further the financial demise of the Collins Group so that once RBC brought their receivership motion, Dollard could come in with his new company "Universal Soils" and the backing of his other new company "the Mardo Group" buy the assets of UESI.

73. On August 11, 2022, UESI demanded a return of the Stolen Assets. Dollard did not respond to this demand and UESI attempted to repossess the Stolen Assets but were unsuccessful in locating them.

74. On August 19, 2022, Buckingham responded to UESI's demand to say that the "beneficial ownership" of the Stolen Assets resides with Dollard "or others". Buckingham further advised that Dollard would "not be releasing any chattels" and that if UESI intended on recovering the Stolen Assets they would require a Recovery Order to do so.

75. Buckingham was clearly aware of the steps Dollard was taking and colluded with Dollard in taking these steps. Buckingham far exceeded his role as a solicitor and officer of this Court by actively participating in the defamation campaign with RBC, and by acting as counsel to Dollard when he misappropriated the Stolen Assets, all as part of a pre-meditated and coordinated plan to remove the Collins family from ownership in UESI.

76. It is clear that Dollard and Buckingham made an agreement, under the auspices of a professional retainer, to undermine the interests of the Collins Group to affect a transfer of the UESI business to Dollard and his cohorts. Buckingham and Dollard knew or ought to have known that the representations made to the Bank were false, untrue, fraudulent, and would have the effect of causing the Bank to terminate its commercial relationship with the Collins Group. Faced with no other options to remove the Collins family from UESI, Buckingham and Dollard conspired to destroy the Collins Group relationship with RBC and wait in the wings until such time as Dollard could make a bid for the assets.

(D) EVENTS FOLLOWING AUGUST 5, 2022:

77. Dollard resigned from UESI on August 5, 2022. Following Dollard's resignation, Collins and his employees began reviewing the financial records for UESI. Up to this point the management of UESI's day to day finances, including the management of accounts payable and receivable, were left to Dollard and Dollard Management.

78. Almost immediately upon taking control of UESI's records certain accounting discrepancies began to appear. These include, but are not limited to the following:

i) It appears as though Dollard and Dollard Management were engaged in the practice of "account skimming" – in other words, an invoice would be sent out for only a portion of the services provided by UESI, with the balance being invoiced separately by Dollard or Dollard Management. This practice was conducted in a fraudulent and deceitful manner;

ii) Unbeknownst to Collins, Dollard was issuing himself (or his related companies) various cash advances from UESI accounts for reasons unknown;

iii) Unbeknownst to Collins, Dollard was issuing unauthorized cash advances to Griffiths for reasons unknown, and

iv) Unbeknownst to Collins, Dollard was charging significant amounts of personal expenses to UESI corporate visa accounts and these amounts were never documented or re-imbursed.

79. Certain other matters also came to light following August 5, 2022, including but not limited to the following:

i) Between July 1, 2022 and July 31, 2022 Dollard misappropriated certain UESI company assets with no authorization from Collins, and no authority express or implied from UESI, including:

ii) Dollard was actively campaigning with UESI customers and attempting to convince them that UESI was "bankrupt" and "in serious financial trouble". The implication is that Dollard was trying to undermine UESI's business relationships in order that he could accelerate the demise of UESI and presumably position himself to purchase the UESI assets in Receivership (with Universal Soils).

iii) Dollard allowed the lease on the Wabush remediation site for UESI lapse with the Town of Wabush and obtained a lease in his own name of lands immediately adjacent to it. The obvious implication being that Dollard was positioning himself to take over this site with his new company, a site which is arguably the most lucrative of all the UESI sites given it services UESI's major customers in Labrador.

80. Dollard further attempted to undermine the Collins Group, and in turn, UESI, by filing the within frivolous shareholders oppression action on September 15, 2022. This action was filed by Buckingham and served on the Collins Group and RBC <u>one day before</u> the Court was to hear RBCs Receivership motion. The obvious implication is that Dollard was attempting to lend more weight to the concerns expressed by RBC in their Receivership motion – particularly as it relates to the efficacy of the UESI Guarantee - in hopes that this motion would be successful, and the Collins Group would be placed into receivership.

(E) CONSPIRACY, COLLUSION: DOLLARD AND BUCKINGHAM

81. The actions of Dollard and Buckingham, in particular the dissemination of the 27 June 2022 Letter and the 13 July 2022 were sent as part of a pre-mediated campaign to malign the reputation of Collins, further the demise of the Collins Group, position UESI such that it could be acquired by Mardo or Universal Soils, and to cover up Dollard and Dollard Managements misappropriation of UESI funds and assets.

82. Buckingham wholly failed in his duty as a solicitor and officer of this Court, *to wit*, he actively participated with Dollard in the execution of Dollard's scheme, with respect to the misappropriation of the Stolen Assets, and with respect to the defamation of the Collins Group with RBC.

83. Further, Dollard and Buckingham acted with actual malice in attempting to undermine the interest of Collins, the Collins Group, and UESI and with wanton disregard for each of these parties' commercial interests. Their actions were part of a concerted effort to seize control of UESI and conceal the misappropriation of funds and assets described above.

84. The interference referred to in paragraph 79 above was illegal and unlawful. With respect to Dollard, he breached his fiduciary duty to act in good faith with respect to the Company and its shareholders, as well as various other common law duties imposed on him as a director of UESI. Dollard secretly incorporated companies (Mardo Group and Universal Soils) who – in the very least – would be direct competitors of UESI. Dollard acted with wanton disregard for the interests of UESI.

85. Dollard misappropriated assets, and in collusion with Griffiths, and allowed Griffiths to take tens of thousands of dollars from UESI Griffiths was not entitled to.

86. With respect to Buckingham, he breached various common law duties owed by him as a solicitor and officer of this Honorable Court, as well as his professional obligation to provide competent opinions based on a sufficient knowledge of the relevant facts, with an adequate consideration of the applicable law. In this case, Buckingham did not have sufficient knowledge of the relevant facts to provide the statements to RBC that he did. Likewise, there was no legal basis for his statements. Buckingham failed in his duty as a solicitor by colluding with Dollard and participating in the scheme outlined above.

87. It is clear the Plaintiff's suffered economic harm as a result of the intentional interference in their contractual and economic relations. Dollard and Buckingham knew, or ought to have known, that their conduct would encourage RBC to proceed with their Receivership Motion against the Collins Group. This is, in fact, what happened.

88. Further, Dollard and Buckingham knew or ought to have known that enforcement action by RBC would cause Collins and the Collins Group to incur significant costs, both direct costs in terms of defending a Receivership motion, and economically in terms of the various business and operational issues enforcement by RBC would present.

(F) RELIEF SOUGHT:

89. Therefore, Collins, UESI and the Collins Group claim from Dollard, Dollard Holdings, Dollard Management, Buckingham, and Goodland Buckingham, on a joint and several basis, the following:

(i) A full accounting of the Stolen Assets and a return of the Stolen Assets;

(ii) A full accounting of all funds misappropriated by Dollard and Griffiths or any other person acting in concert with Dollard and Griffiths, and a return of these funds, disgorgement of the funds, and/or damages award in the amount of the stolen funds, in an amount to be determined at Trial;

(iii) Damages, for, *inter alia* the losses suffered by Collins, UESI, and the Collins Group as a result of RBCs receivership motion, including (a) all legal costs for the Collins Group, Collins, and UESI in defending the receivership motion in an amount to be determined at Trial;

(iv) Punitive damages against Dollard and Buckingham;

(v) Special damages in an amount to be assessed at Trial;

(vi) Non-pecuniary damages in favour Collins, in an amount to be determined at Trial;

(vii) Aggravated damages;

(viii) Costs on a solicitor and client basis;

(ix) Pre-judgment interest; and

(x) Such other relief as this Honourable Court deems mete and just.

DATED at St. John's, in the Province of Newfoundland and Labrador, this 16 day of December, 2022.

O'KEEFE & COMPANY

Darren D. O'Keefe
Solicitors for the Plaintiffs
84B Airport Road,
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TO:

Supreme Court of Newfoundland and Labrador Trial Division (General)
Court House, 309 Duckworth Street
P.O. Box 937
St. John's, NL A1C 5M3

AND TO:

The First Plaintiff/Defendant by Counterclaim
Dollard Holdings Inc.
5 Cambridge Ave.,
St. John's, NL,
A1A 3N5

The Second Plaintiff/Defendant by Counterclaim
Terry Dollard
5 Cambridge Ave.,
St. John's, NL,

A1A 3N5

The Third Defendant by Counterclaim
Dollard Management Inc.
5 Cambridge Ave.,
St. John's, NL,
A1A 3N5

The Fourth Defendant by Counterclaim
Philip J. Buckingham
16 Forest Rd Suite 200,
St. John's, NL,
A1C 2B9

The Fifth Defendant by Counterclaim
Goodland Buckingham
16 Forest Rd Suite 200,
St. John's, NL,
A1C 2B9.

ISSUED at St. John's, Newfoundland and Labrador this day of , 2022

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Appendix “T”

Traveler's ("TCC") Term Sheet Pre-Condition Tracking
as at February 2, 2023

COMPLETE
In Progress
To Be Completed

	Action	Status	Action Item	Estimated Delivery Date	Comments	
1	Stay Period satisfactory to the lender.	o/s	n/a	In Progress	Should an ARIO be granted send the ARIO to Traveler's for comment. Ongoing.	
2	Final approval of the subject Loan transaction and Loan Agreement by TCC's Credit Committee	o/s	-	28-Feb-23	TCC has advised that it will take approximately 3-4 weeks for approval from the time they receive all documentation.	
3	Execution of Loan Agreement	o/s	-	31-Mar-23	TBD	
4	Security Registration	o/s	-	31-Mar-23	TBD	
5	Lenders AML/KYC Documents	o/s	-	28-Feb-23	TBD	
6	Receipt by TCC of final amounts owing to CRA as it relates to source deductions, HST, and income taxes, including required settlement amounts	ECC	RP	COMPLETE	$3,115, 138 / Deemed trust of $2,126,466	
			RT	COMPLETE	$940,004	
			RC	COMPLETE	$Nil	
		Classic	RP	COMPLETE	ECC records on deemed trust is $361,270 (RP $649,080). CRA has $344,742.62 so going with the CRA number on the deemed trust.	
			RT	COMPLETE	$210,713	
			RC	COMPLETE	$Nil	
		51037	RP	COMPLETE	$4,258 deemend trust on a RP payable account of $6,244	
			RT	COMPLETE	No trust exam. Will use existing information. $31,315	
			RC	COMPLETE	$Nil	
		H&E	RP	COMPLETE	N/A - Never had employees	
			RT	COMPLETE	$6,144	
			RC	COMPLETE	$Nil	
		FGC	RP	COMPLETE	N/A - Never had employees	
			RT	COMPLETE	$19,402	
			RC	COMPLETE	$15,065	
7	Confirmation that borrower has the shortfall covered	In progress	-	In Progress	Need to finalize shortfall calculation by 1)updating payouts with creditors closer to closing date 2)Close sale of 30 Reids Lane 3)Receive settlement amounts 4) achieve at least the appraised value on equipment sales. The gap calculation will be a moving target due to accruing interest and costs. Process put in place to protect net proceeds - funds after payment of PMSI to be held in trust ordered via ARIO.	
8	Equipment Appraisal	COMPLETE	-	COMPLETE	-	
9 and 10	Real Property Appraisal	ECC	104 Charter Ave (Building 500)	COMPLETE	Appraisal completed.	Phase 1 Completed and report received. No issues.
		ECC	30 Reids Lane, Deer Lake NL	COMPLETE	Company intends to liquidate property in the restructuring pursuant to the ARIO.	Complete - Not required if sold.
		ECC	3 Lakeview Humber Valley Resort	COMPLETE	Appraisal completed.	COMPLETE - Phase 1 not required.
		ECC	Lot 27 Argentia	COMPLETE	AMA information provided to Traveler's	Not required. Partially covered by the Phase 1 on 104 Charter Avenue (Building 500).

		H&E	Morrisey's Place, Placentia	COMPLETE	Current Appraisal is November 2021. Accepted by Traveler's.	Details of all the excavation / servicing work you've done to date on these lots, that should suffice for ESA purposes. (this is part of the requirements anyway) - Outstanding
		FGC	26 Lakeview Humber Valley Resort	COMPLETE	Appraisal completed.	COMPLETE - Phase 1 not required.
		ECC	Quarry	In Progress	Appraisal Associated Limited (Todd Pickett, AACI, P.App) retained to complete the appraisal. Information is being shared with appraiser.On site Decemebr 9, 2022.	
11	Information on the borrower and guarantor					
			Organization Chart	COMPLETE		
			Comprehensive asset and liability summary for each borrower, including security and payment information.	TBD		
			Proforma Income Statement	Complete	To be developed using the year end statements and Company's decision on equipment it intends to keep.	
			Rolling 13 week CF statement	In Progress	On going. Included in Monitors Reports	
			2022 Financial statements (External)	Complete		
		31-Jul	ECC	Complete	Complete and shared with stakeholders.	
		31-Dec	51037	Complete	Have 2021 and internals for 2022.	
		31-Jul	H&E	Complete	Complete and shared with stakeholders.	
		31-Oct	FGC	Complete	Complete and shared with stakeholders.	
			Classic	Not required	Not required. Not a borrower.	
			2021 Financial Statement (External)	Complete	Complete and shared with stakeholders.	
			2020 Financial Statements (External)	Complete		
			2019 Financial Statements (External)	Complete		
			YTD 2023 (internal)	Complete	Complete and shared with stakeholders to December 31 2022	
		31-Oct	ECC	Complete	Internal Complete.	
			51037	Complete	Internal Complete.	
			H&E	Complete	Internal Complete.	
			FGC	Complete	None required - year end is October 31	
			Classic	Not required	Not required. Not a borrower.	
12	Itemized complete listing of equipment including make, model, serial numbers of all major components including pictures, invoices/registration certificates		-	Complete	Traveler's confirmed Ritchie Brothers work is sufficient.	
13	Deliver for review - evidence that priority payments are current		-	In Progress	Maintaining priority payments a requirement in the CCAA proceeding. On Going. In the Monitor's Report	
14	Satifactory completion of due diligence		TBD	TBD	TBD	
15	Other		Nothing to Note	Complete	Traveler's has not indicated that they are seeking other information.	
16	HASCAP		HASCAP Needs to be refinanced or paid out on the closing of the Traveler's Refinancing	In Progress	It is to be included in the Traveler's sources and uses funding gap.	
17	Court Deliverables			In Progress	Ongoing. Traveler's sources court filings from Monitor's website.	
18	Restructuring		Go Forward Work Plan / Contracting Strategy	In Progress		
			Go Forward Bonding Strategy	In Progress		
19	Updated AR and AP Schedules			In Progress	Included in Monitors Reports. Ongoing.	
20	Is a new operating lender being introduced concurrently?		New operating lender	TBD		
21	Constituting documents for the borrowers	ECC	Certificate of Incorporation	In Progress	Legal counsel to provide	
			By-Laws	In Progress	Legal counsel to provide	
			Certificate of Officers	In Progress	Legal counsel to provide	
		51037	Certificate of Incorporation	In Progress	Legal counsel to provide	
			By-Laws	In Progress	Legal counsel to provide	
			Certificate of Officers	In Progress	Legal counsel to provide	
		H&E	Certificate of Incorporation	In Progress	Legal counsel to provide	

			By-Laws	In Progress	Legal counsel to provide	
			Certificate of Officers	In Progress	Legal counsel to provide	
		FGC	Certificate of Incorporation	In Progress	Legal counsel to provide	
			By-Laws	In Progress	Legal counsel to provide	
			Certificate of Officers	In Progress	Legal counsel to provide	
22	Organization Chart and share breakdown (borrowers)		Org Chart	COMPLETE	Legal counsel to provide	
			ECC	COMPLETE	Legal counsel to provide	
			51037	COMPLETE	Legal counsel to provide	
			H&E	COMPLETE	Legal counsel to provide	
			FGC	COMPLETE	Legal counsel to provide	
23	Organization Chart and ownership of non-borrowing entities with background information		Classic	COMPLETE		
			Environmental Services Inc.	TBD		
			Placentia Mall Inc.	TBD		
24	Information on H&E sub-division			COMPLETE	Received by Traveler's	
	New Requests					
25	Updated list of work contracts award to ECC - to include name of project, name of counter party, type/nature of the contract, short description of the work, estimated start/end date, gross project value			COMPLETE	Sent December 6, 2022. Ongoing.	
26	E&T Investments		Financial Statements	TBD		
27	H&E		Sold any new lots? (4 sold 32 remaining)	COMPLETE	None since the CCAA proceeding. Subject to the ARIO.	
			Anticpate lowering the list price to accelerate the rate of sale?	COMPLETE	Still listed for sale online; Reducing Listing Price - Need to talk to realtor and seek support from secured creditors.	
			Confirm remaining scope of work to finalize these sites	TBD		
			Expected cost and start/end date of the site improvement	TBD		
28	Updated Debt Schedule			TBD		
29	Nature/purpose fo each borrowing entity		ECC	In Progress		
			51037	In Progress		
			H&E	In Progress		
			FGC	In Progress		
30	Nature/purpose fo each borrowing entity		Classic	In Progress		
			Environmental Services Inc.	In Progress		
			Placentia Mall Inc.	In Progress		

Appendix “U”

Edward Collins Contracting Ltd., FGC Holdings Ltd., H&E Designs Ltd., 51037 NL Inc.

Travelers Capital Corp. Refinancing Plan - Updated Feb 1, 2023
Scenario 1 - Sell Certain Equipment

Sources of Refinancing:

			Note:
Real Estate:			
Estimated Value	4,065,000		
Refinancing Factor	50%		
Refinancing Proceeds		**$ 2,032,500**	
Equipment:			
Forced Liquidation Value (FLV)	4,607,000		1
Refinancing Factor	90%		
Refinancing Proceeds		**$ 4,146,300**	
Total Refinancing		**$ 6,178,800**	

Refinanced Debt:

RBC Real Estate Mortgages:			
~~30 Reids Lane~~			
3 Lakeview	319,592		
Morrissey's Place	305,192		
26 Lakeview	237,246		
		$ 862,031	
Equipment Lenders:			
Bank of Nova Scotia	15,675		
Brandt Finance	205,057		
Caterpillar Financial	-		
CWB National Leasing	-		
De Lage Landen Financial Services Canada Inc	120,630		
Diamler Truck Financial	370,672		
Honda Financial	10,158		
John Deere Financial	762,405		
RBC Royal Bank	262,313		2
Wells Fargo	213,279		
		$ 1,960,189	
RBC Loans + Other:			
Line of Credit (ECC + 51037)	1,039,069		
Visa (ECC + 51037)	198,869		
Overdraft	865		
HASCAP	1,027,096		
Est. Fees & Interest	68,076		
		$ 2,333,975	
Canada Revenue Agency:			
Payroll Deemed Trust - ECC	2,126,446		3
Payroll Deemed Trust - 51037	4,258		
		$ 2,130,704	
Total Debt to Refinance		**$ 7,286,899**	
Refinancing Costs:			
Travelers estimate to close	185,636		

Claim for RBC Protective Disbursements	288,529		4
		$ 474,165	
Total Use of Refinancing		**$ 7,761,064**	
Net Surplus (Deficit) from Refinancing		**$ (1,582,264)**	
Cash From Sale of Assets - In Trust with Monitor			
30 Reid's Lane, net of secured charges	150,000		
Sale of Equipment, net of secured charges	735,709		
Less: Realtor Commission	(23,250)		
Less: Equipment Selling Costs	(161,856)		
		$ 700,603	
Cash From Company to Close Funding Gap			
Accounts Receivable	250,000		
Holdback Accounts Receivable	250,000		
Cash in Trust with Monitor	250,000		
		$ 750,000	
Net Funding Surplus (Deficit)		**$ (131,662)**	

Summary of RBC Debt:		
Refinanced:		
Mortgages	862,031	
Equipment	262,313	
Loans + HASCAP	2,265,899	
Estimated Fees & Interest	*68,076*	
RBC Recovery Costs	288,529	
		3,746,849
Paid Out:		
Mortgage - 30 Reid's Lane	288,102	
Equipment	1,306,002	
		1,594,104
Not Refinanced:		
CEBA	120,000	
		120,000
Total RBC Debt		**$ 5,460,953**

Notes:

1. Equipment to be refinanced excludes returned / disclaimed and equipment marked to sell now. Equipment to be sold in future is refinanced.

2. Includes term loans for 6 pieces of equipment; Travelers includes this under Mortgages.

3. Based on Monitor's re-calculation of deemed trust claim.

4. Professional fees incurred by RBC to Dec 7, 2022.

Edward Collins Contracting Ltd., FGC Holdings Ltd., H&E Designs Ltd., 51037 NL Inc.

Travelers Capital Corp. Refinancing Plan - Updated Feb 1, 2023
Scenario 2 - Refinance All Equipment

Sources of Refinancing:

			Note:
Real Estate:			
Estimated Value	4,065,000		
Refinancing Factor	50%		
Refinancing Proceeds		**$ 2,032,500**	
Equipment:			
Forced Liquidation Value (FLV)	6,099,100		1
Refinancing Factor	90%		
Refinancing Proceeds		**$ 5,489,190**	
Total Refinancing		**$ 7,521,690**	

Refinanced Debt:

RBC Real Estate Mortgages:			
~~30 Reids Lane~~			
3 Lakeview	319,592		
Morrissey's Place	305,192		
26 Lakeview	237,246		
		$ 862,031	
Equipment Lenders:			
Bank of Nova Scotia	15,675		
Brandt Finance	205,057		
Caterpillar Financial	-		
CWB National Leasing	-		
De Lage Landen Financial Services Canada Inc	120,630		
Diamler Truck Financial	370,672		
Honda Financial	10,158		
John Deere Financial	762,405		
RBC Royal Bank	1,568,316		2
Wells Fargo	213,279		
		$ 3,266,191	
RBC Loans + Other:			
Line of Credit (ECC + 51037)	1,039,069		
Visa (ECC + 51037)	198,869		
Overdraft	865		
HASCAP	1,027,096		
Est. Fees & Interest	68,076		
		$ 2,333,975	
Canada Revenue Agency:			
Payroll Deemed Trust - ECC	2,126,446		3
Payroll Deemed Trust - 51037	4,258		
		$ 2,130,704	
Total Debt to Refinance		**$ 8,592,901**	
Refinancing Costs:			
Travelers estimate to close	185,636		

Claim for RBC Protective Disbursements	288,529		4
		$ 474,165	
Total Use of Refinancing		**$ 9,067,067**	
Net Surplus (Deficit) from Refinancing		**$ (1,545,377)**	
Cash From Sale of Assets - In Trust with Monitor			
30 Reid's Lane, net of secured charges	150,000		
Sale of Equipment, net of secured charges			
Less: Realtor Commission	(23,250)		
Less: Equipment Selling Costs	-		
		$ 126,750	
Cash From Company to Close Funding Gap			
Accounts Receivable	250,000		
Holdback Accounts Receivable	250,000		
Cash in Trust with Monitor	250,000		
		$ 750,000	
Net Funding Surplus (Deficit)		**$ (668,627)**	

Summary of RBC Debt:		
Refinanced:		
Mortgages	862,031	
Equipment	1,568,316	
Loans + HASCAP	2,265,899	
Estimated Fees & Interest	68,076	
RBC Recovery Costs	288,529	
		5,052,851
Paid Out:		
Mortgage - 30 Reid's Lane	288,102	
Equipment	-	
		288,102
Not Refinanced:		
CEBA	120,000	
		120,000
Total RBC Debt		**$ 5,460,953**

Notes:

1. Equipment to be refinanced excludes returned / disclaimed and equipment.
2. Includes term loans for 6 pieces of equipment; Travelers includes this under Mortgages.
3. Based on Monitor's re-calculation of deemed trust claim.
4. Professional fees incurred by RBC to Dec 7, 2022.