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.

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

May 22, 2023

Grant Thornton Limited,
Monitor

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

Seventh 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 granted an initial stay of proceedings (the "**Stay Period**") until October 17, 2022.

3. On October 17, 2022, the Court issued an Amended and Restated Initial Order ("**ARIO**") which affirmed the terms of the Initial Order and among other things:

    a. Confirmed the appointment of Grant Thornton Limited as Monitor;
    b. Granted the authority to file, if deemed appropriate, a plan of compromise and arrangement;
    c. Granted the authority to implement operational changes and pursue restructuring opportunities;
    d. Granted authority under s. 32 of the CCAA to disclaim or rescind agreements for real property;
    e. Granted an extension of the stay of proceedings to December 15, 2022;
    f. Empowered the Company to permanently downsize, cease, or shut down any of its business operations and dispose of assets subject to the written consent of the Royal Bank of Canada ("**RBC**") and the Canada Revenue Agency ("**CRA**"), with the oversight of the Court; and
    g. Pursue all avenues of refinancing of its Business and Property (as defined therein), in whole or in part, subject to prior approval of the Court being obtained before any material refinancing.

4. On December 14, 2022, the Court issued a Stay Extension Order granting an extension of the stay of proceedings until April 6, 2023. In addition, the Court ordered:

    a. The Monitor to file an updated report on or before February 3, 2023;
    b. The Parties shall return for an interim hearing on February 17, 2023 to review the contents of the Monitor's report;
    c. Inter alia, that the Company shall pay to the monitor the amount of $250,000.00 to be held by the Monitor, in trust, pending an application to this Honourable Court for distribution and a determination of entitlement to such amounts recognizing the relative priorities of the parties to such amounts as at the date of the stay of proceedings in the Initial Order; and
    d. An update hearing on the matter will be held at 10:00 am on March 17, 2023.

5. On March 14, 2023 the Court issued a Scheduling Order to set out a timetable to schedule the comeback hearing and adjudicate a Stay Extension Motion. The Court ordered the following:

a. The Monitor shall service its report by 2:00 pm on March 27, 2023;
b. The Debtors shall serve its material, which may include any affidavits and written submissions, by 2:00 pm on March 29, 2023;
c. RBC shall serve its supplementary material, which may include any supplemental affidavits and written submissions, by 2:00 pm on March 31, 2023; and
d. The Stay Extension Motion shall be heard on April 4, 2023.

6. On March 17, 2023, the Court approved a limited claims procedure order (the **"Claims Procedure Order**") pursuant to which the Monitor solicited proofs of claim from claimants identified on the Company's books as those withholding monies otherwise due to the Company such as holdbacks, liquidated damage claims, and forced account claims, and from the Canada Revenue Agency (**"CRA"**) in respect of its deemed trust super priority claim.

7. On April 14, 2023, the Court issued a Stay Extension Order granting an extension of the stay of proceedings until May 31, 2023. In addition, the Court ordered:

   a. The Monitor shall provide RBC with weekly updates as to the status of the Travelers refinancing, a copy of the term sheet and amendments, and shall respond to questions posed to the Monitor by RBC; and
   b. Amounts recovered pursuant to the Claims Procedure Order shall be remitted to the CRA on account of its deemed trust claim, net of reasonable fees of the Monitor and legal fees of the Company's counsel).

   A copy of the most current Stay Extension Order is attached as **Appendix "A".**

8. On April 18, 2023, the Court issued an Approval and Vesting Order regarding the sale of the condominium property at 35 Bonaventure Avenue, Suite 121, St. John's, NL (the "**Condominium Property**") owned by Classic Security Ltd. The Court ordered and declared, among other things:
   a. The approval of the Purchase Agreement and authorized Classic to complete the sale.
   b. The right, title and interest of the Condominium Property shall vest with the Purchaser upon delivery of a Monitor's Certificate, and all claims affecting or relating to the Condominium Property are expunged and discharged as against the Condominium Property.
   c. The net proceeds of the sale of the Condominium Property shall stand in the place and stead of the Condominium Property and claims shall attach to the net proceeds with the same priority as they had with the Condominium Property prior to the sale.

   A copy of the Approval and Vesting Order is attached as **Appendix "B".**

9. This is the Seventh report of the Monitor (the "**Seventh Report**"). The Monitor previously filed with the Court a Pre-filing Report (the "**Pre-filing Report**") dated September 13, 2022, a Supplement to the Pre-filing Report (the "**Supplemental Pre-Filing Report**") dated September 23, 2022, a First Report ("**First Report**") dated October 13, 2022, a Second Report ("**Second Report**") dated November 17, 2022, a Third Report ("**Third Report**") dated December 8, 2022, a Supplement to the Third Report ("**Supplemental Third Report**") dated December 13, 2022, a Fourth Report ("**Fourth**

Report") dated February 3, 3023, a Fifth Report ("**Fifth Report**") dated March 27, 2023, a Fifth Supplemental Report ("**Fifth Supplemental Report**") dated April 13, 2023, and a Sixth Report ("**Sixth Report**") dated April 18, 2023. Readers are encouraged to review these reports and the related application materials for additional information on the proceedings.

10. Additional background information on the Company and the CCAA Proceedings along with all the unsealed documents filed with the Court are available on the Monitor's website, located at: www.grantthornton.ca/ecc (the "**Monitor's Website**"). The Monitor continues to update this website as appropriate.

Purpose of this Report

11. The purpose of this Seventh 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 through the last stay period;
    b. The application of ECC and H&E to approve a stalking horse sales and investment solicitation process ("**SISP**")
    c. The receipts and disbursements of the Company for the prior stay period with a variance analysis;
    d. An updated cash flow projection through to and until August 4, 2023 to support the Company's request to an extension of the stay of proceedings to August 4, 2023 in order to be able to implement the SISP;
    e. The status of the Claims Process; and
    f. Any other matter the Monitor considers material.

Terms of Reference and Disclaimer

12. In preparing this Seventh 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.

13. Some of the information used in preparing this Seventh 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 Revised 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 Seventh Report did not constitute an audit of such information under GAAS, GAAP or IFRS.

14. 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.

15. This Seventh 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 Seventh Report contrary to the provisions of this paragraph.

16. Capitalized terms not defined in this Seventh Report have the meanings ascribed to them in the Initial Order, the Originating Application, or the previous reports of the Monitor.

17. All references to dollars are in Canadian currency unless otherwise noted.

Update on Operations Generally

18. The Company 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.

19. The sole asset of Classic, the condominium, was sold for the benefit of creditors. Further information is outlined below. Classic will not be included in any go forward plan. 51037 has no assets or operations. 51037 will not be included in any go forward plan.

20. The Company continues to work on existing projects and contract work and continues to pursue new work and bid on new projects. An updated list of ongoing contracts is attached hereto as

Appendix "C". One significant change is that the Company has one a contract with the Town of Placentia valued at $1,829,524 with an expected start date in August 2023.

21. The Company has been working to complete contracts, collect receivables, and negotiate settlements on disputed contracts where possible. A current accounts receivable listing dated May 16, 2023 is attached as **Appendix "D"**. The Company's outstanding receivables have reduced by $232,966.99 to $1,410,938.70. The key collections include collections from related company Universal Environmental Services Inc. ("**UESI**") related to the ongoing monopile project equipment rentals. The account from SNC – Dragados-Pennecon GP has increase due to payment delays on the customer side. The customers AP department was waiting for an increase to their purchase order to process the payments to the Company. The Monitor understands this issue is now resolved. A summary of the accounts receivable compared to the figures in the last report is noted below:

Accounts Payable	**16-May-23**	**22-Mar-23**	**Net Change**
1 to 30 Overdue	125,864.44	194,443.54	(68,579.10)
31 to 60 Overdue	96,364.25	421,407.96	(325,043.71)
61+ Overdue	1,188,710.01	1,028,054.19	160,655.82
	1,410,938.70	1,643,905.69	(232,966.99)
Holdbacks	58,917.90	58,917.90	-
Liquidated Damages	363,378.69	363,378.69	-
	1,833,235.29	2,066,202.28	(232,966.99)

22. Unbilled Holdbacks as of May 16, 2023 remain unchanged at $58,917.90 and are included in **Appendix "D"**.

23. Recoverable liquated damaged related to provincial Department of Transportation & Infrastructure ("**TI**") projects are unchanged at $363,378.69 (net of HST). A listing of liquidated damages by project are included in **Appendix "D"**.

24. An updated trade accounts payable list dated May 16, 2023 is attached as **Appendix "E"**. A summary is as follows:

Accounts Payable	16-May-23	22-Mar-23	Net Change
1 to 30 Overdue	78,745.75	64,859.22	13,886.53
31 to 60 Overdue	769.13	108,001.84	(107,232.71)
61+ Overdue	3,716,953.29	3,757,932.23	(40,978.94)
	3,796,468.17	3,930,793.29	(134,325.12)

25. The balance of payables due has decreased slightly since Fifth Report to $3,796,468.17. Supplier invoices incurred since the date of the Initial Order are paid in the normal course and any account balance changes are due to the timing of payments. A reconciliation of the Ultramar account is underway, which is the main reason for the reduction in the payables balance, as previously made lump-sum payments are applied to Ultramar invoices.

26. The Monitor reviews the accounts payable subledger and vendor accounts for unpaid invoices, or payment on pre-filing amounts. Nothing unusual was noted by the Monitor.

27. Bonding – As previously reported, Western Surety Company ("**Western Surety**") will not be providing any further bonding to the Company. The Company has not yet found a replacement surety. It has been bidding on projects using cash bonds and by partnering with other entities who can provide the necessary bonding, if required. This approach to bonding continues.

28. Workplace NL – As described in the Fifth Report the net owing for the 2023 estimated payroll is $24,208.74 and the Company is working to arrange a payment plan with Workplace NL for the 2023 calendar year. No payments have been made to the date of this report.

29. HAPSET – As described in the Fifth Report the Company had outstanding returns for Health and Post Secondary Education Tax ("**HAPSET**"). A total of $8,372.00 in HAPSET was accrued in the post-CCAA period and the Company has paid this amount. An amount of $56,297.12 is owing for pre-CCAA HAPSET and that amount will be paid as a priority claim as part of the restructuring. This amount is included in any sources and uses analysis for the proposed stalking horse bid.

30. 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 and post-Initial Order lease payments.

31. The Company intends on disclaiming 2 additional leases as there is no equity in the equipment, and the stalking horse bid does not contemplate retaining these 2 items:

    a. Wells Fargo - 2014 John Deere 644K Wheel Loader – SN 1DW644KZCED663184
    b. De Lage Landen Financial Services – 2014 Wirtgen W200i Milling Machine Cold Planer

32. The Company has successfully recruited an experienced and qualified CPA to serve as Financial Controller. The Financial Controller joined the Company in late April and has begun the process of

onboarding and working to improve the Company’s financial reporting capacity. The Controller has taken over the operational tasks previously being done by the Company’s former external accountant.

33. The Company continues to bid and obtain new contracts with a focus on smaller projects in the municipal infrastructure and private company market. The Monitor understands that these new projects and contracts are in good standing, except as noted herein. There are no new contracts that have been terminated. The Company has issued a notice of default to the Town of Humber Arm South Lift Station Replacement Project DTI #17-RNC-20-00016.

34. 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.

35. The Monitor continues to work through the receivables contained in the Claims Procedure Order. Receivables generated from more recent work have generally been collected in the normal course.

36. The Company has determined that it would be in the best interest of the CCAA proceeding that it enter into a Sales Investment and Solicitation Process (“**SISP**”) for the assets of ECC and H&E. The Company has solicited a bid from 92712 Newfoundland and Labrador Inc. (“**Stalking Horse Bid**”) for these assets. The Stalking Horse Bid, which will participate in the SISP, will create a “floor price” for the participants in the SISP process.

37. The cost of a SISP will be paid by ECC out of cash generated through operations.

38. It is anticipated that the successful bidder within the SISP will acquire the assets of the Company through an agreement of purchase and sale. ECC and H&E do not intend to submit a plan of arrangement. Further details on the proposed SISP are outlined below.

39. The ability of the Company to be able to complete the proposed SISP, continues to be based on the successful achievement of the following objectives:

    a. Continue to maintain neutral cash flow, or positive cash flow, in the short term to allow time for the Company to complete the collection of collect accounts receivable to generate cash, continue to deliver on profitable ongoing contracts, pay the ongoing holding costs of the assets, and fund the costs of the CCAA proceeding;
    b. Complete the proposed SISP; and
    c. Closing the refinancing of the assets of ECC and H&E to fund the Stalking Horse Offer and Plan of Arrangement contemplated by FGC.

Sale of Assets

40. The sale of the condominium located at 35 Bonaventure Avenue Unit 121 owned by Classis is complete. A copy of the statement of adjustments is attached hereto as **Appendix “F”**.

41. The Monitor has received the $364,608.18 from Classic and is holding them in trust.

42. The Monitor is proposing to distribute the funds as follows:

    a. RBC – Classic is indebted to RBC in the amount of $83,174.73 as of March 7, 2023. The Monitor is proposing to distribution these funds to RBC, plus accrued interest and fees to the date of payment; and
    b. CRA – The balance is proposed to be paid to CRA on account of the CRA deemed trust claim in Classic with a balance outstanding of $347,742.63.

43. H&E has received an offer on Lot 7 within the Morrisey's Place residential development. The offer is for an amount in excess of appraised value and asking price. The lots have been listed with Royal LePage in the region since at least May 2022. The listing is for all the lot and describes that the list price is "starting at $57,500". The Royal LePage realtor believes the offer is a good offer.

44. Should the offer close, the Monitor will be proposed to pay the net proceeds to RBC, who holds a first ranking mortgage on the Morrisey's Place residential development.

45. No other assets have been sold by the Company.

Sales and Investment Solicitation Process (“SISP”)

46. The path forward for the various entities of the Company is as follow:

    a. Classic – Has no remaining assets and significant debts, specifically to CRA. Classic will not be participating in the SISP or filing a plan of arrangement.
    b. 51037 – Has no assets and certain debts. Classic will not be participating in the SISP or filing a Plan of arrangement.
    c. ECC and H&E – These entities have determined it is in the best interest of stakeholders to run a SISP and market the assets of both ECC and H&E.
    d. FGC has determined it is in the best interest of its creditors to file a plan of arrangement.

47. This section is specific to the proposed SISP to be run by ECC and H&E.

48. ECC and H&E has determined that in order to be able to exit these proceedings it is in the best interest of stakeholders to run a SISP, and market the assets of these entities for the benefit of creditors. The intent of the SISP is to:

    a. Allow ECC and H&E to go to market and solicit bids for their assets (and provides for the possibility to assume certain liabilities);
    b. The proposed SISP allows for any party to submit a bid in a competitive, fair, open, and transparent process;
    c. Includes a stalking horse offer, which will be discuss further below. The stalking horse offer will provide a floor price for participants in the SISP, and
    d. Provide a process by which the operations of the business will exit the CCAA proceedings.

49. ECC and H&E management believes there is value in ECC and H&E’s operations and that they can remain profitable. A court supervised SISP process will assist the CCAA proceeding in evaluating the options available in the restructuring, and provide market information to the stakeholders on the assets owned by ECC and H&E. The Company will fund the SISP process through ongoing operations.

50. The framework of the SISP was developed by the ECC, H&E, and the Monitor and will be implemented by the Monitor. The contemplated SISP is two phased; the first phase allots a 34-day period prior to the provision of a non-binding letter of intent, and the second phase provides a deadline of 15 days to submit a formal binding offer for the purchase of the assets or the business of ECC and H&E. In order to be a bidder in Phase 1 of the SISP, the bidder must provide, among other things, specific indication of the sources of debt and equity (as applicable) for the transaction and preliminary evidence of the sources of financing of the purchase price. In Phase2, a bidder is to provide among other things a definitive purchase agreement with a 10% deposit.

51. The Company has, to date, not materially canvassed the market for offers for the assets and/or the business. The SISP will provide for a process to canvass the market to see if there are superior options for the sale of the assets and the business.

52. The following is a summary of the proposed timeline for the SISP:

Milestone	Deadline
Phase 1	
Application for the Sale Process Approval	May 24, 2023
Commencement of the Marketing including Teaser Letter and CIM for Due Diligence	June 1, 2023
Phase 1 Bid Deadline	July 4, 2023
Phase 2	
Further Due Diligence, including data room, site visits, management meetings, etc.	July 5, 2023
Due Diligence Period Closes	July 19, 2023
Phase 2 Bid Deadline	July 19, 2023
Notification of Auction (if applicable)	Two days after the Phase 2 Bid Deadline
Auction (if applicable)	Fives days after the Phase 2 Bid Deadline
Selection of Successful Bid (assuming Auction)	Five days after the Phase 2 Bid Deadline
Schedule the Sale Approval Hearing	As soon as reasonably practical following the execution and delivery of the Successful Bid
Closing Date Deadline	No later than 7 days following Court approval of the Successful Bid

53. The detailed SISP procedures are attached as **Appendix** "**G**".

54. The SISP provides interested parties 34 days (effectively 30 days when accounting for the July 1, 2023 long weekend) to submit a nonbinding letter of intent ("**Non-Binding LOI**") to the Monitor, and a further 15 days to submit a binding offer. The investment opportunity could be in the market for a total of 49 day, which is a reasonable amount of time to canvass the market.

55. The SISP requires that the purchase price must be an amount that is $250,000 in cash in excess of the purchase price contemplated in the Stalking Horse Bid.

56. The Monitor is of the view that the proposed process is fair, open, and transparent. The two phase process is one that is typical in insolvency proceedings. The process will be run by the Monitor, and ECC and H&E, so that third parties can participate in the SISP in a confidential manner. The process provides sufficient time for a party to express interest and evaluate the opportunity and is open to all parties.

57. The process is designed to be transparent and contains certain checks and balances on the process for the benefit of the creditors:

    a. The SISP will be supervised by the Court;
    b. Should the Monitor make any modification to the SISP, notice of that modification will be served on the service list;
    c. The process and criteria of the SISP are clearly articulated and the Monitor is tasked to execute on the process, subject to court supervision; and
    d. The ultimate approval of an offer, including the stalking horse offer, is subject to further order of the Court.

58. The SISP process provides a path to exit the CCAA proceeding, being whatever transaction(s) are proposed in the SISP, or via the stalking horse offer submitted within the SISP, all within a reasonable period of time.

59. The Monitor is of the view that the proposed SISP is appropriate in the circumstances and provides wide exposure of the investment opportunity in the market, flexibility to the Monitor to solicit the market for offers in order for a successful exit from the CCAA proceedings and contains such protections in the proposed SISP to make the process, fair, open and transparent.

Stalking Horse Agreement

60. ECC and H&E seeks approval of the Court for a SISP process to canvass the market for offers for the assets / and the business for an amount and on terms which are superior to the transaction contemplated by the stalking horse asset purchase agreement submitted by 92712 Newfoundland & Labrador Inc. ("**Stalking Horse Bid**").

61. 92712 Newfoundland & Labrador Inc. ("**92712**") is not an arms length entity to ECC and H&E. 92712 is related to Newport Capital Corp. by common control. Newport is also a creditor of ECC. A copy of the Companies and Deeds Online for 92712 is attached hereto as **Appendix "H"**.

62. A copy of the Stalking Horse Bid is attached hereto as **Appendix** "**I**". The Stalking Horse Bid will constitute the "floor price" for the sale of the assets / business of ECC and H&E contemplated in the SISP.

63. Key terms of the Stalking Horse Bid include:

    a. The purchase of all of the assets of ECC and H&E, including most ongoing contracts (the only excluded contract is 46-21 with PNL), on a going concern basis;

    b. Provides a process for 92712 to acquire the employees of ECC;

    c. The assumption of ongoing contracts and their related liabilities;

    d. Includes in the consideration a credit bid of ECC's liabilities of Placentia Mall Ltd. and Newport Capital Corp which have an approximate balance outstanding of $340,000 ("**Assigned Debt**");

    e. A purchase price comprising the aggregate of:

        i. Payment in cash of $6,900,000;
        ii. Assumption of the Assigned Debt; and
        iii. Assumption of ongoing contracts and related liabilities;

    f. A deposit of $200,000 on delivery of the Stalking Horse Bid. The Monitor can confirm that the $200,000 was sent by wire to the Monitor on Friday May 19, 2023 to be held in trust subject to the SISP;

    g. A further $490,000 deposit top up to be paid to the Monitor before the commencement of Phase 2 of the SISP. The Stalking Horse Bid is only a qualified bid on payment of the total deposit contemplated in the SISP. This payment is due before any other SISP participant (Stalking Horse Bid total deposit is due before the commencement of Phase 2, third party deposits are due on submission of binding offers in Phase 2).

h. Allows for he continued sale of assets, subject to the restrictions placed on ECC and H&E in the various ARIOS's;

i. Provides for the payment of cure costs to cure any monetary defaults on any consent required contracts;

j. Break fee of 2% of the Purchase Price of the Stalking Horse Bid which is currently estimated at $144,800 (Cash Consideration and Assigned Debt); and

k. A maximum $30,000 expense reimbursement is payable to the Stalking Horse Bidder for its expense reasonably incurred in connection with the Stalking Horse Bid, which amount is payable upon termination of the Stalking Horse Bid; and

l. Certain releases from RBC in favour of UESI, Frank Collins and Josh Collins.

64. The proposed SISP is a key component of ECC and H&E's restructuring and exit from the CCAA proceeding. The Stalking Horse Bid provides for the full payment of the CRA's ECC deemed trust claim and makes a substantial payment to RBC.

65. The Stalking Horse Bid, should it be accepted and approved, has the following projected impact on the creditors of ECC and H&E as follows (in order of priority):

a. CRA – Repayment of CRA's deemed trust claim in full. No other recovery.

b. RBC – The cash proceeds from the Stalking Horse Bid is expected to be sufficient to repay all mortgages, lines of credit, equipment leases, visa and overdrafts with an estimated balancing outstanding of $3,817,957 (excludes the mortgage on 26 Lakeview which will be repaid in the FGC plan of arrangement). The Stalking Horse Bid does not contemplate any payment on the HASCAP Loan (secured by a 90% guarantee from the Business Development Bank of Canada), protective disbursements claimed, and the CEBA loans. This amount is estimated at $1,641,310.

c. Western Surety and Intact – Both Western Surety and Intact have general security registrations on ECC that are subordinate to CRA's deemed trust claim, and RBC's security. The Stalking Horse Bid does not contemplate any payment to these secured creditors.

d. Leases and Purchased Money Security Interests ("**PMSI's**") - The Stalking Horse Bid contemplates the following payments to these groups of creditors:

    i. Bank of Nova Scotia – The Stalking Horse Bid contemplates the payment in full of the outstanding balance, estimated at $15,675;
    ii. Brandt' Finance – There is no balance outstanding to this creditor. The lease was acquired by Wells Fargo.

iii. Caterpillar Financial – ECC has disclaimed this lease. This was the only lease with Caterpillar Financial. Any deficiency claim will be an unsecured claim in the proceeding. The Stalking Horse Bid does not contemplate any payment to Caterpillar Financial.
iv. CWB National Leasing – This lease, in FGC, was disclaimed. Any deficiency will be dealt with in FGC's plan of arrangement.
v. De Lage Landen Financial Services – After considering the disclaimer of a lease for a 2014 Wirtgen W200i Milling Machine, the Stalking Horse Bid contemplates the payment in full of the remaining outstanding leases, estimated at $112,079.
vi. Daimler Truck Financial - The Stalking Horse Bid contemplates the payment in full of the remaining outstanding leases, estimated at $297,867.
vii. Honda - The Stalking Horse Bid contemplates the payment in full of the remaining outstanding lease, estimated at $10,158.
viii. John Deere Financial - The Stalking Horse Bid contemplates the payment in full of the remaining outstanding leases, estimated at $764,053.
ix. Wells Fargo – After considering the disclaimer of the lease for the 2014 John Deere 644K Wheel Loader, the Stalking Horse Bid contemplates the payment in full of the remaining outstanding leases, estimated at $219,189.

66. Under the Stalking Horse Bid no proceeds would be available for secured creditors subordinated to RBC.

67. There would be no proceeds for unsecured creditors.

68. There will be no proceeds for creditors of 51037.

69. There will be no proceeds for the unsecured creditors of Classic.

70. A forecasted sources and uses of funds from the Stalking Horse Bid is attached hereto as **Appendix "J"**.

71. Should a Superior Offer be received in the SISP, it could change the forecasted distribution to creditors.

72. The Stalking Horse Bid provides reassurance to the Company's employees, vendors, suppliers and customers that work on ongoing projects not in default will continue under the purchaser, post filing trade debt will continue to be paid in the normal course and allows ECC to continue to source and win new work, and H&E to continue to sell the lots in the residential development.

73. The SISP, together with a Stalking Horse Bid, is designed to maximize realization to the benefit of ECC's and H&E's stakeholders and creditors as a whole. A Stalking Horse Offer signals value in the assets and could encourage others to submit higher bids which would enhance recovery to creditors.

74. A reasonable break fee and expense reimbursement are standard terms in staking horse bid processes and the amounts contemplated in the Stalking Horse Bid does not create a hurdle of such significance to dampen or reduce interest in the SISP from third parties. The break fee and expense reimbursement are lower than those typically sought in CCAA proceedings of a similar nature.

75. The cash component of the Stalking Horse Bid is to be funded as follows:

    a. \$6,100,000 through financing provided by Pillar Capital Corp. to 92712. The Monitor understands that 92712 expecting to receive a commitment letter from Pillar Capital Corp. in advance of the May 24, 2023 court hearing;
    b. \$600,000 – From various financial sponsors; and
    c. \$205,000 – In order close the sources and uses gap, ECC is required to contribute approximately \$205,000.

76. 92712 is confident that Pillar will provide an acceptable commitment letter in the very near future of sufficient value and under terms that will be acceptable and therefore has paid the \$200,000 initial deposit to the Monitor as contemplated in the Stalking Horse Bid.

77. There is no update on the Traveler’s proposed refinancing.

FGC Holdings Ltd.

78. FGC intends to file a plan of arrangement with its creditors. FGC has sourced financing from a private lender in the amount of $315,000 sourced from refinancing 26 Lakeview Drive, Humber Valley Resort. The only special condition being an approved vesting order. A court order is required prior to any refinancing as stipulated in the ARIO, so it is not expected to be an issue.

79. The amount of $315,000 is sufficient amount to repay all the creditors of FGC, with the exception of an unlimited guarantee provided by FGC to RBC over ECC's debt.

80. The proposed uses of the funds sourced in the refinancing are as follows:

    a. RBC – Repayment of the RBC mortgage on 26 Lakeview Drive with a balance outstanding as at March 7, 2023 of $240,103. It is anticipated that RBC would be paid in full;
    b. CRA – Repayment of the estimated $15,065 in corporate income tax and $19,402 in HST owing. It is anticipated that CRA would be paid in full;
    c. Unsecured creditors – It is anticipated that the unsecured creditors with an estimated balance owing of $5,000 would be paid in full.

81. The Monitor has been advised by FGC that CWB's claim for a deficiency, if any, on the disclaimer of the lease has been settled with CWB. They are not expected to file a claim in the plan of arrangement.

82. FGC expects that its unlimited guarantee of ECC's debt will not be called upon as RBC's debt will be dealt with within ECC's and H&E's SISP process.

Canada Revenue Agency

83. 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 Fifth Report are attached as **Appendix "K"**.

84. HST returns have been filed for all periods between July 21 to March 31, 2023. Returns filed for October through December 2022 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. HST returns are current and any amounts owing incurred since July 21, 2022 have been remitted to CRA.

Cash Flow Variance Report

85. The Monitor has prepared a budget to actual analysis to May 12, 2023. That is attached as **Appendix "L"**.

86. The budget applies the revised cash flow forecast amounts presented in the Fifth Report, which reforecast amounts from March 18, 2023 onward. The variances in this cash flow report have accumulated during the six weeks from March 18, 2023 to May 12, 2023.

87. Highlights of the cash flow statement include:

    a. Cash receipts total $4,971,688 which is $53,260 ahead of the projected amounts. Cash receipts on existing projects is $299,792 behind the projected amounts, but there was $365,515 in unbudgeted receipts from UESI related to fuel consumption on the ECC Ultramar account. The projects tat are behind plan during the six-week period include:

        i. Monopile Road Widening ($94,925 behind plan). The Company advises this is related to weather-related delays on the project and is a timing difference.
        ii. SNC Dragados-Pennecon ($82,010 behind plan). The Company advises SNC had to replenish ECC's allocation fund, which was completed on May 17, 2023 and payments will resume shortly.
        iii. Bryant's Cove ($109,109 behind plan) - This was collected just prior to March 18, 2023 but was included in the budget, creating a permanent negative variance.

    b. Direct expense disbursements are $246,484 over budget. Most of this variance related to increased fuel costs which are over budget by $193,172 but offset by the receipts from UESI related to its fuel consumption. Materials and subcontracts have also exceeded projected amounts by $40,521 in the six-week period which the Company advises is related to a prepayment made to a subcontractor for work to be completed over the coming weeks.

    c. Operating disbursements were $59,588 over budget. Notable variances in operating disbursements include:

        i. Repairs and maintenance costs were $38,868 greater than forecasted. The Company advises $20,000 of this relates to unexpected repairs to a crusher.
        ii. Rentals relate to rent paid to the Argentia Port Authority. This is a timing issue as monthly bills had accumulated in AP and rent for several months was paid in April.
        iii. Legal fees are under-budget by $66,000 which is a timing issue as legal costs have not been paid in recent weeks.
        iv. Restructuring fees, which are the fees of the Monitor, and its legal counsel, are tracking significantly over budget. They are currently over budget by $58,047 with

approximately $50,000 in unpaid fees. The professional fee costs are tracking significantly over budget

v. Bid deposits and bonding is over-budget by $50,000 due to a significant bid deposit of $170,000 made at the end of March 2023. This is for a significant project which ECC has been awarded.

88. The overall variance to plan is an unfavourable variance of $505,060; however the following items help explain much of this gap:

a. $50,000 variance in bid deposits related to a larger than expected project bid, which will yields future work and cash receipts;
b. $189,252 related to the Humber Arm South project; the funds were held with the Monitor in trust and have been removed from the cash flow as the full amount will be used to settle the claim of a lienholder in the amount of $141,200 with the residual going to CRA.
c. $176,935 of variance on existing projects is temporary and will soon be collected relating to the SNC and Monopile projects.

89. Overall, the Company has seen a reduction in its cash balance in the six-week period since March 17, 2023. However, this appears to be mostly driven either by temporary variances which will correct in the coming weeks or the significant one-time payment for a bid deposit which has resulted in a significant contract win, which is expected to increase future net receipts. The Company expects to increase profitability as it moves into construction season.

Revised Cash Flow Forecast

90. The Revised Cash Flow Forecast has been prepared through to August 4, 2023 and is attached as **Appendix "M"**.

91. The revised forecast includes updated timelines on project receipts and disbursements; new projects won; and modifications to certain operating expenses assumptions based on new information and historical results, and the contemplation of running a SISP. The projections contemplate the payment of all professional fees of the Company counsel, the Monitor, and the Monitor's legal counsel.

92. The revised cash flow forecast projects the Company will remain cash flow neutral throughout the period ending August 4, 2023 and ending at an estimated closing cash position of $109,089.

93. The revised cash flow forecast has been prepared by the Company using probable and hypothetical assumptions set out therein (the "Probable and Hypothetical Assumptions").

94. The requirement of s. 23(1)(b) of the CCAA states that the Monitor is to review the revised cash flow forecast for reasonableness. The Monitor has reviewed the revised cash flow forecast based on the actual expenses incurred since the date of the Initial Order and the Company's forecasted

operations. The Monitor is of the opinion that the revised cash flow forecast is reasonable in all material respects:

a. The Probable and Hypothetical Assumptions are consistent with the purpose of the revised cash flow forecast;
b. As at the date of this Third Report, the Probable and Hypothetical Assumptions developed by the Company are suitably supported and consistent with the Company's plans and provide a reasonable basis for the revised cash flow forecast;

The revised cash flow forecast reflects the Probable and Hypothetical Assumptions.

Claims Process Update

95. As described in the Fifth Report this Honourable Court granted the Claims Procedure Order on March 17, 2023. The Monitor solicited proofs of claim from claimants identified on the Company's books as withholding monies otherwise due to the Company such as holdbacks, liquidated damage claims, and forced account claims, and from the Canada Revenue Agency (**"CRA"**) in respect of its deemed trust claim in ECC.

96. The Claims Procedure Order set a Claims Bar Date of 5:00 PM Newfoundland Standard Time on March 27, 2023. Claims are to be received by the Monitor by that date. The claim form and submission instructions are included in the Claims Procedure Order.

97. The status of the potential claims identified in the Claims Procedure Order is indicated below:

Claimant	Date Filed	Time Filed (NL)	Status	Claim Amount	Decision
Town of Bryant's Cove	N/A	N/A	Settled	N/A	N/A
Town of Fox Harbour	N/A	N/A	Settled	N/A	N/A
Government of Newfoundland & Labrador					
Contract 46-21	27-Mar-23	6:12 PM	Claim Filed	128,606.18	
Contract 45-20	27-Mar-23	6:12 PM	Claim Filed	423,086.09	O/S
Contract 12-21	27-Mar-23	6:12 PM	Claim Filed	164,120.72	
Town of Deer Lake			Not Filed	N/A	N/A
Rodco Mechanical (2014) Ltd.			Claim Filed	149,503.01	Settled
Canada Revenue Agency	14-Mar-23	3:09 PM			
ECC			Claim Filed	2,127,872.52	Admitted

a. The Town of Bryant's Cove and Town of Fox Harbour had paid any balances outstanding prior to issuance of the Claims Procedure Order. The funds received were used in the Company's operations as had been contemplated in the previous cash flow forecasts.

b. The Government of Newfoundland & Labrador has filed claims related to three contracts for amounts owing to ECC for Holdbacks and Liquidated Damages that covers the entirety of the amount the Company is seeking being $896,417.37. The Monitor is currently reviewing the claims and intends to work will all stakeholder to resolve the claims.

c. The Town of Deer Lake did not file a claim related to the Holdback sought by the Company in the amount of $57,070.50. The Monitor has been following up on payment as at the date of this report the balance due remains unpaid.

d. The Monitor has negotiated a settlement on the Rodco Claim. Rodco will be paid $141,200 with the balance of funds paid to CRA on account of the deemed trust claim and the most recent ARIO.

e. As previously advised, CRA filed a deemed trust claims for ECC which was accepted as filed.

98. The Court has requested that the Monitor provide a recommendation to address the completing claims over the holdback funds related to the Town of Placentia – Water Project. The Court has ordered those funds be paid to the Monitor in trust.

99. The Monitor would recommend the Court leverage the existing claims process established in the Claims Procedure Order. Western Surety, Rodco Mechanical (2014) Ltd. and /or Crane Supply (a Division of Crane Canada Co.) could file a claim (if any) with the Monitor pursuant to the Claims Procedure Order with a revised Claims Bar date of June 15, 2023.

Debtor Conduct

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

Material Adverse Change

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

102. 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

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

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

b. Continuing discussions with various financing parties, and assisting the Company pull together the information required to satisfy the conditions precedent, respond to queries as made and participate in various call and communications;

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

    i. Refine operational planning;
    ii. Continue to explore options and refine plans to sell non-core/redundant 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. Work with stakeholders to assist in the resolution of disputes for the benefit of the estates stakeholders;
    vii. Various correspondence with stakeholders in relation to the Claims Procedure Order and attended various hearings on same;
    viii. Various correspondence with stakeholders on the dispute between Western Surety and ECC on the Town of Placentia holdback;
    ix. Refine plans for the development of the Sales and Investment Solicitation Process;
    x. Work with the Company and the 92712 to facilitate a Stalking Horse Bid;
    xi. The preparation of the Monitor's Reports as required by the various Court Orders in this proceeding.

Request for Extension of Stay of Proceeding

104. The stay of proceedings currently expires on May 31, 2023.

105. The Company is requesting of this Court an extension of the stay of proceedings to August 4, 2023 to allow for the implementation and completion of a SISP.

106. As demonstrated in the revised cash flow forecast, the Company is forecasting sufficient liquidity to fund operations, the costs of the CCAA proceeding, and the SISP through the end of the requested extension of the stay of proceedings.

107. The security position of the secured creditors does appear to be deteriorating slightly in an amount of $390,852 primarily as a result a reduction in accounts receivable balances due to collections outpacing new contract work being billed. There still appears to be sufficient value in the assets to cover the senior secured creditor claims using forced liquidation values (excluding any cost of liquidation, and the impact of a liquidation process on certain assets like accounts receivable):

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

b. A high-level analysis of the secured creditor position is as follows:

		7th Report		5th Report		4th Report		3rd Report	
Cash	$	134,088	$	461,973	$	361,797	$	578,464	d i
Funds in Trust	$	250,000	$	250,000	$	250,000	$	-	
Bid Deposits	$	297,575	$	127,575	$	60,000	$	35,354	
Accounts Receivable	$	1,410,939	$	1,643,906	$	2,042,077	$	1,901,557	d ii
Holdback		58,918		58,918		58,918		265,689	d iii
Liquidated Damages		363,379		363,379		363,379		363,379	d iii
Less: Disputed/Doubtful									
Accounts Receivable	-	418,687	-	418,687	-	384,395	-	384,395	
Holdbacks (TI)	-	359,480	-	359,480	-	359,480	-	359,480	d iv
Liquidated Damages (TI)	-	363,379	-	363,379	-	363,379	-	363,379	d iv
	$	1,373,353	$	1,764,205	$	2,028,917	$	2,037,189	
Real Property		3,890,000		3,890,000		4,065,500		3,580,000	e
Equipment		6,324,100		6,324,100		6,324,100		6,324,100	f
Assets	**$**	**11,587,453**	**$**	**11,978,305**	**$**	**12,418,517**	**$**	**11,941,289**	
CRA - Deemed Trust		2,079,821		2,132,131		2,130,704		2,331,417	g
HAPSET		56,297		56,297		56,297		56,297	
RBC									
Demanded - June 17 2022		4,877,377		4,877,377		4,877,377		4,877,377	h
Accrued Interest		167,642		167,642		107,730		-	h
Protective Disbursements		484,351		484,351		288,529		68,076	h
		5,529,370		5,529,370		5,273,636		4,945,453	
Bank of Nova Scotia		15,675		15,675		15,675		15,675	h
Brandt Finance		-		205,057		205,057		205,057	h
Caterpillar Financial		-		-		-		-	
CWB National Leasing		-		-		-		-	
De Lage Landen Financial Serv		410,945		410,945		388,050		388,050	h
Diamler Truck Financial		297,867		297,867		370,672		370,672	h
Honda Financial		10,158		10,158		10,158		10,158	h
John Deere Financial		764,053		764,053		762,405		762,405	h
Wells Fargo		514,189		219,466		213,279		213,279	h
Secured Creditors	**$**	**9,678,374**	**$**	**9,641,019**	**$**	**9,425,932**	**$**	**9,298,462**	

c. The net change in the security position analysis has been updated with the most current information available and reflects certain adjustments retroactively for comparison purposes.

d. Since the Fifth Report a decrease of $390,852 in working capital which can be explained by:
    i. Decrease in cash of $327,885 which has been reduced by $48,052 being the residual from the Humber Arm South project receivable to be applied against the CRA deemed trust debt pursuant to the last ARIO, and an increase in bid deposits of $170,000;

    ii. Reduction in accounts receivable the of $232,967 as a result of collections outpacing new contract work being billed;

    iii. No change to the holdback and liquidated damages amounts due; and

    iv. To be consistent and conservative this analysis assumes the liquidated damages and amounts from TI are disputed and doubtful. The Company is of the position that these are due and owing. These amounts are part of the Claims Procedure Order and are included in the sources and uses as being collected. If collected the security position of the Company based on this analysis will be substantially improved.

e. Real property valuation has been adjusted to reflect a reduction in value related to Morrisey Place. The value does not include any estimate of for cos of liquidation.

f. The equipment line notes the forced liquidation value of all equipment prior to any estimation of cost.

g. The CRA debt has been reduced by $48,052 as the net proceeds of the Humber Arm South receivable is pending payment to CRA.

h. The secured creditors have provided the Monitor with updated balances owing at various points in time. The most recent amounts provided are reflected in the security position calculation. It was determined that the equipment financed by Brandt Finance was transferred to Wells Fargo so the balances owing to those creditors have been updated accordingly.

108. This analysis excludes Western Surety and Intact who have general security agreement charges over the assets of ECC which rank behind the CRA deemed trust claim and RBC's security position.

Recommendation

109. For the reasons set out in this Seventh Report, the Monitor is of the view that the relief requested is reasonable and respectfully recommends that this Court approve the Stalking Horse Bid, the SISP and extend the stay of proceedings to August 4, 2023.

Dated at Halifax, Nova Scotia the 22nd day of May 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 IN THE MATTER OF an application of Edward Collins Contracting Ltd., Classic Security Limited, 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 April 4, 2023:

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 31 May 2023 was heard on the 14th day of April 2023.

ON READING the affidavit of Josh Collins, sworn 29 March 2023, and the Exhibits thereto, the Fifth Report of Grant Thornton Limited dated 27 March 2023 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, no one else appearing for any party although duly served:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the materials

Filed Apr. 13/23

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 as extended is **hereby** further extended up to and including 31 May 2023.

UPDATE AND DISTRIBUTIONS

3. **THIS COURT ORDERS** that the Monitor shall provide weekly updates to the Royal Bank of Canada ("**RBC**") as to the status of the Travelers refinancing, provide RBC with a copy of the term sheet (including any pre-disbursement conditions) and subsequent amendments thereto, if any, and shall respond in a timely manner to questions posed to the Monitor by RBC acting reasonably. Such updates commencing from and after the date hereof shall be without prejudice to the Applicants' right to challenge the fees and disbursements incurred by RBC in these proceedings.

4. **THIS COURT ORDERS** that the Applicants shall remit to the Canada Revenue Agency, to the account of its deemed trust claim in respect to source deductions only and not for any other part of its claim, any amounts (net of the reasonable fees of the Monitor and the legal fees of Applicants' counsel) recovered by the Applicants on account of the determination of any claims subject to the Claims Process Order dated March 14, 2023.

GENERAL

5. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

ISSUED at St. John's, Newfoundland and Labrador this 14th day of April 2023.

Linda Doyle.

COURT OFFICER

Appendix “B”

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

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

APPROVAL AND VESTING ORDER

Before the Honourable Justice Alexander MacDonald on April 17, 2023:

THIS MOTION made by Grant Thornton Limited., in its capacity as the monitor (the "**Monitor**") of Edward Collins Contracting Limited, H&E Designs Ltd., Classic Security Ltd. ("**Classic**"), FGC Holdings Ltd. and 51037 Newfoundland and Labrador Inc., for an order, *inter alia*, approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Purchase Agreement**") dated February 19, 2023 between Classic, Francis Collins (together, the "**Vendors**") and Kelly G. McCarthy (the "**Purchaser**"), as amended.

ON READING the Sixth Report of the Monitor dated April 14, 2023 and on hearing the submissions of counsel for the Monitor, and any other parties appearing on April 14, 2023:

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.

Filed Apr 19/23

APPROVAL OF SALE TRANSACTION

2. **THIS COURT ORDERS AND DECLARES** that the Purchase Agreement and the Transaction contemplated thereunder are hereby approved. The execution of the Purchase Agreement by the Vendors is hereby authorized and approved, with such minor amendments as the Vendors (with the approval of the Monitor) and the Purchaser may deem necessary. Classic is hereby authorized and directed to perform its obligations under the Purchase Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Property (as defined in the Sixth Report) to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Monitor's Certificate**"), all of the Vendors' right, title and interest in and to the Property shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing (i) any encumbrances or charges created by the Amended and Restated Initial Order of the Honourable Justice MacDonald dated October 17, 2023; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Newfoundland and Labrador) or any other personal property registry system and, for greater certainty, this Court orders that all of the Claims affecting or relating to the Property are hereby expunged and discharged as against the Property.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Property (the "**Net Proceeds**") shall stand in the place and stead of the Property, and that from and after the delivery of the Monitor's Certificate, all Claims shall attach to the Net Proceeds from the sale of the Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

6. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Vendors and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the Vendors;

the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendors and shall not be void or voidable by creditors of the Vendors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

GENERAL

7. **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.

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

to this Order and to assist the Company, the Vendors, the Purchaser, the Monitor and their respective agents in carrying out the terms of this Order.

ISSUED at St. John's, Newfoundland and Labrador this 18 day of April 2023.

COURT OFFICER

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 as amended

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

MONITOR'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Alexander MacDonald of the Supreme Court of Newfoundland and Labrador in bankruptcy and insolvency (the "**Court**") dated October 17, 2022, Grant Thornton Limited was appointed as the Monitor (the "**Monitor**") of the undertaking, property and assets of the Company.

B. Pursuant to an Order of the Court dated April 17, 2023, the Court approved the agreement of purchase and sale attached to the Sixth Report of the Monitor dated April 14, 2023 (the "**Purchase Agreement**") between Classic Security Ltd. ("**Classic**"), Francis Collins (together, the "**Vendors**") and Kelly G. McCarthy (the "**Purchaser**") and provided for the vesting in the Purchaser of the Vendors' right, title and interest in and to the Property, which vesting is to be effective with respect to the Property upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the purchase price for the Property; (ii) that the conditions to closing as set out in the Purchase Agreement have been satisfied or waived by the Vendors and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

Filed Apr 19/23

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor has received the purchase price for the Property payable on the closing date pursuant to the Purchase Agreement;

2. The conditions to closing as set out in the Purchase Agreement have been satisfied or waived by the Vendors and the Purchaser; and

3. The Transaction has been completed to the satisfaction of the Monitor.

4. This Certificate was delivered by the Monitor at _______ [TIME] on _______ [DATE].

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: ______________________________

Name:

Title:

Appendix “C”

ECC Contract List May 17, 2023

Contract	Counter Party	Start Date/Finish Date	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	Waiting on the Town (See Comments)	$ 370,170.05	$ 164,080.33	$ 20,594.55	80%	Awarded	NO	Issued by ECC	Awaiting response from the Town on a change order before a new schedule can be submitted to complete this contract	$ 62,562.00
Calm Waters Asphalt	Flat Bay Inc.	Complete	$ 115,471.50	$ -	$ -	100%	Awarded	NO	None	Completed	$ -
Western Waste Management	Western Waste Management	On Going - July 2025	$ 7,980,000.00	$ 2,585,000.00	$ -	68%	Awarded	YES	None	On-Going with no issues	Approximately $25,000/Month
Building Demolition Dunville	The Town of Placentia	Complete	$ 14,260.00		$ -	100%	Awarded	NO	None	Completed without issue	$ -
Freshwater Outfall	The Town of Placentia	2023-05-15 - June 15, 2023	$ 210,159.00	$ 199,651.05	$ -	5%	Awarded	YES	None	On-Going	$ 81,826.00
Fox Harbour Amour Stone	The Town of Fox Harbour	Complete	$ 188,904.80	$ -	$ -	100%	Awarded	YES	None	Completed - awaiting payment on holdback	
Monopile Road Widening Argentia, NL	Universal Environmental Services Inc.	Nov 2022 - July 2023	$ 150,000.00	$ 100,000.00	$ -	50%	Awarded	YES	None	Freezing conditions in late Feb caused the project to pause. The project has recently resumed	$ 150,000.00
Monopile Berm Construction (Includes Maintenance, Contract)	Universal Environmental Services Inc.	Nov 2022 - July 2023	$ 875,000.00	$ 643,250.00	$ -	27%	Awarded	YES	None	Freezing conditions in late Feb caused the project to pause. The project has recently resumed	$ 725,000.00
Town of Bryant's Cove Slope Stabilization	The Town of Bryant's Cove	Complete	$ 1,078,424.00	$ -	$ -	100%	Awarded	NO	Rectified	Completed	$ -
Extreme East Metals	Extreme East Metals	Complete	$ 75,000.00	$ -	$ -	100%	Awarded	YES	None	On-Going with no issues	$ -
US Navy Security	US Navy	On Going - Aug 2029	$ 960,000.00	$ 750,000.00	$ -	22%	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	Complete	Building Rental	$ -	$ -	100%	Awarded	NO	None	Completed - In Negoations with new tentant. Expected higher rental income and to start late summer/early fall	$ -
Huskey White Rose Project	SDP	On Going	Monthly Rentals	$ 850,000.00	$ -	On-Going	Rentals	YES	None	On-Going with no issues	70% Profit/Month
61-18PSR - Sir Ambrose Shea Lift Bridge	The Department of Transportation and Infrastructure	Complete	Standing Offer	$ -	$ -	100%	Awarded	NO	None	Completed	$ -
103-22PSR - Sir Ambrose Shea Lift Bridge	The Department of Transportation and Infrastructure	Feb 1, 2023 - Feb 1, 2025	Standing Offer	$ 590,829.75		2%	Awarded	Yes	None	On-Going with no issues	50%-70% Profit
East Coast Snow Clearing	Various Owners (The Town of Placentia, Intergrated Logistics, Star Hall, Eastern Health Care)	On Going	Monthly	$ 142,384.75	$ -	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	$ 9,770.00	$ -	On-Going	Awarded	YES	None	On-Going with no issues	35 - 55% Profit depending on snow fall amounts
Berth 2 Apron Demolition, Argentia, NL	Port of Argentia	Complete	$ 131,610.60	$ -	$ -	100%	Awarded	YES	None	Completed	$ -
Town of Placentia Harbour Drive Phase II	Town of Placentia	Complete	$ 157,999.65	$ -	$ -	100%	Awarded	YES	None	Completed	$ -
TI Sand Contracts (Placentia/St. Brides)	The Department of Transportation and Infrastructure	Complete	$ 121,412.20	$ -	$ -	100%	Awarded	NO	None	Completed	$ -
Town of Placentia - Jerseyside Strom Collection System	Town of Placentia	Jul-23	$ 1,829,524.65	$ 1,829,524.65	$ -	0%	Awaiting Award	NO	None	Awaiting Award	$ -
Total:			$ 14,257,936.45	$ 8,064,490.53	$ 20,594.55						

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
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:			$ 11,078,191.88	$ 5,749,100.00	$ 359,480.78						

Grand Total:			**$ 25,336,128.33**	**$ 13,813,590.53**	**$ 380,075.33**						

Appendix “D”

Edward Collins Contracting Limited
Aged Overdue Sales Invoices Summary As at 16.05.23

Name	Total Due	1 to 30 Overdue	31 to 60 Overdue	61+ Overdue
Accounts Payable Eastern Health	1,891.75	1,891.75	0.00	0.00
Brook Construction	5,292.29	-2,942.28	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	550,577.14	0.00	0.00	550,577.14
DFB Driver	1,840.00	0.00	0.00	1,840.00
DFO-Accounts Payable	230.00	0.00	0.00	230.00
Extreme East Metals Inc.	33,574.25	13,225.00	0.00	20,349.25
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	6,894.25	1,943.50	4,536.75	414.00
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	0.00	3,714.50
SNC-Dragados-Pennecon G.P	302,013.00	103,109.00	91,540.00	107,364.00
TMSI Limited	3,048.58	0.00	287.50	2,761.08
Town of Deer Lake	57,070.50	0.00	0.00	57,070.50
Town of Humber Arm South	29,938.54	0.00	0.00	29,938.54
Town of Placentia	241,594.53	603.06	0.00	240,991.47
Tulk Tire & Service Ltd.	13,062.16	0.00	0.00	13,062.16
Western Regional Waste Management	8,034.41	8,034.41	0.00	0.00
Total outstanding:	1,410,938.70	125,864.44	96,364.25	1,188,710.01

Edward Collins Contracting Limited
Holdback Accounts As at 16.05.23

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

Liquidated Damages

project #	name			amount
12-21 PHC A	Trout Pond			60,378.69
12-21 PHC B	Soldiers Pond			-
12-21 PHC C	Finnes Pond			7,500.00
46-21	South Brook, South Brook Bridge			
	Penstock, overpasses			70,000.00
45-20 PHP B	Culverts, Stephenville			115,000.00
45-20 PHP C	Paving, Codroy Valley			-
	Robinsons washout			-
45-20 PHP D	Paving, Burgeo Highway	OHS non compliance	5,500.00	
		late completion	67,500.00	73,000.00
45-20 PHP A	Gull Pond			37,500.00
				363,378.69

Appendix “E”

Edward Collins Contracting Limited
Aged Overdue Purchase Invoices Summary As at 16.05.23

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 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	16,294.16	14,122.61	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	9,732.78	0.00	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	322.58	0.00	0.00	322.58

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
College of the North Atlantic	230.00	0.00	0.00	230.00
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	45,792.50	-112.50	0.00	45,905.00
Day & Ross Inc.	506.02	0.00	0.00	506.02
Deer Lake Home Hardware	11,473.54	0.00	0.00	11,473.54
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	703.08	0.00	0.00	703.08
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.	80,555.87	0.00	0.00	80,555.87
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	198,729.60	0.00	0.00	198,729.60
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	36,939.14	36,939.14	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
Hiscocks Spring Service	969.87	0.00	0.00	969.87
Hitech Communications Ltd	3,129.15	0.00	0.00	3,129.15
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	0.00	0.00	5.14
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.	45,350.00	329.88	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	506.77	346.40	0.00	160.37

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	56.26	0.00	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	52,652.12	11,845.00	631.14	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
Receiver General RP0001	11,423.71	11,423.71	0.00	0.00
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	68.15	0.00	0.00	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	99,331.25	0.00	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
Summit Safety Consulting	460.00	0.00	0.00	460.00
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	0.00	0.00	5,923.86
Town of Placentia	15,088.32	0.00	0.00	15,088.32

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)	23,785.43	3,851.51	0.00	19,933.92
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.	298.97	0.00	137.99	160.98
Zealous Heating & Cooling Inc.	10,084.03	0.00	0.00	10,084.03
Total outstanding:	3,796,468.17	78,745.75	769.13	3,716,953.29

Appendix “F”

O'KEEFE & SULLIVAN
80 Elizabeth Avenue
Suite 202
St. John's, NL A1A 1W7

Classic Security Limited

Invoice Number:
File Number: SLT-1457-00001
April 21, 2023

HST Registration # 725278527RT0001

RE: **Sale of 35 Bonaventure Avenue, Unit 121, St. John's, NL**

TRUST ACCOUNT

Purchase Price			$	401,050.00
Less:				
	Deposit		$	1,000.00
Plus:				
	Condo Fee Adjustment	$13.60 per day x 12 days	$	163.20
	Property Tax Adjustment	$ 8.66 x 73 days	$	632.18
	Poll Tax Adjustment	$ 1.84 x 73 days	$	134.32
		Adjusted Purchase Price	$	400,979.70
		Payable to O'Keefe & Sullivan "In Trust"	$	400,979.70
Disbursements				
	Paid to the City of St. John's for total outstanding taxes owing		$	10,299.14
	Commission Due to Remax Realty Specialists		$	22,060.38
	For Registration of Vesting and Approval Order		$	100.00
	Our Fees		$	3,912.00
		Total Fees and Disbursements	$	36,371.52
	Net proceeds payable to Grant Thornton Halifax Downtown - CORP		**$**	**364,608.18**

INTEREST CHARGED AT 1% PER MONTH (12% PER ANNUM) ON ACCOUNTS OVER 30 DAYS.

Appendix “G”

STALKING HORSE SALE PROCESS ("SALE PROCESS")

For the sale of the business of Edward Collins Contracting Ltd. ("ECC")
and H & E Designs Ltd.
(together, the "Company")

Overview of the Company

1. The Company's main operating entity, ECC, was created in 1974 and for 48 years has operated in the heavy civil construction industry. The Company'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. (the "**Business**").

2. The Company obtained protection under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**") pursuant to an Amended and Restated Initial Order (the "**ARIO**") granted by the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency (the "**Court**") on October 17, 2022.

3. Pursuant to the ARIO, Grant Thornton Limited. was appointed as monitor (the "**Monitor**") in order to assist the Company with its restructuring.

4. To effectuate a restructuring, the Company has entered into a Stalking Horse Share Purchase Agreement with 92712 Newfoundland & Labrador Inc. (the "**Stalking Horse Purchaser**"), dated May 18, 2023 (the "**Stalking Horse Agreement**"), pursuant to which the Stalking Horse Purchaser has agreed to acquire the Company, including its Business and to assume certain of the liabilities of the Company (the "**Purchased Entities**").

5. The Stalking Horse Agreement as well as these sale procedures will be submitted to the Court for approval on May 24, 2023 (the "**Sale Process Order**").

6. All capitalized terms contained herein, but not otherwise defined herein, shall have the meanings ascribed thereto in the Stalking Horse Agreement to which this schedule is appended.

Objectives and Commencement of the Sale Process

7. The objective of the Sale Process is to obtain offers to effect a sale of the Purchased Entities' Business, including their property, assets, and undertakings (the "**Assets**") on a going concern basis for an amount and on terms which are superior to the transaction contemplated by the Stalking Horse Agreement (the "**Stalking Horse Bid**").

8. The roles and responsibilities of the Monitor are described in further detail throughout this Sale Process, however, the Monitor's role herein does not include managing, operating, or taking possession or control of the Purchased Entities' Business and/or Assets.

9. Any transaction consummated pursuant to this Sale Process will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature or description by the Monitor, the Company, or any of their respective directors, officers, agents, advisors, or other representatives unless otherwise agreed in a definitive agreement.

10. All of the shares of the Purchased Entities including their Assets sold pursuant to any transaction(s) contemplated herein will be sold free and clear of all liens, security interests, mortgages, charges, and other encumbrances, except those expressly assumed by the purchaser, pursuant to a Court order approving such sale.

Timeline

11. The following table sets out the key milestones and deadlines under the Sale Process, which milestones and deadlines may be extended or amended by the Monitor, in its discretion:

Milestone	**Deadline**
Phase 1	
Application for the Sale Process Approval	May 24, 2023
Commencement of the Marketing including Teaser Letter and CIM for Due Diligence	June 1, 2023
Phase 1 Bid Deadline	July 4, 2023
Phase 2	
Further Due Diligence, including data room, site visits, management meetings, etc.	July 5, 2023
Due Diligence Period Closes	July 19, 2023
Phase 2 Bid Deadline	July 19, 2023
Notification of Auction (if applicable)	Two days after the Phase 2 Bid Deadline
Auction (if applicable)	Fives days after the Phase 2 Bid Deadline
Selection of Successful Bid (assuming Auction)	Five days after the Phase 2 Bid Deadline
Schedule the Sale Approval Hearing	As soon as reasonably practical following the execution and delivery of the Successful Bid
Closing Date Deadline	No later than 7 days following Court approval of the Successful Bid

12. Any extensions or amendments (other than the Closing Date Deadline) shall be communicated to all bidders in writing via email and posted on the Monitor's Website at: www.grantthornton.ca/ECC

13. The Monitor may make any modification to the Sale Process it considers appropriate in the circumstance and notify such modification on service to the parties to the Service List. Where the Monitor considers such modification to be material, it may seek Court approval of such modification on service to the parties to the Service List.

Solicitation of Interest: Notice of Sale Process

14. The Monitor shall be entitled, but not obligated, to arrange for a notice to be published in any newspaper or industry journal as the Monitor considers appropriate if it believes that such advertisement would be useful in the circumstances.

15. The Monitor, with the assistance of the Company, shall prepare:

(a) a list of potential buyers ("**Interested Parties**");

(b) an initial offering summary ("**Teaser Letter**");

(c) a form of non-disclosure agreement ("**NDA**");

(d) a confidential information memorandum describing the opportunity ("**CIM**");

(e) an electronic data room ("**Data Room**"); and

(f) the Stalking Horse Agreement for use and markup by Interested Parties.

16. The Monitor will have responsibility for managing all communication with Interested Parties prior to and after receipt of binding offers ("**Offers**"). This shall include facilitating the delivery of all communications, contacting prospective bidders and providing them with the Teaser Letter and CIM, coordinating the execution of NDAs, facilitating any requests for tours of the facilities, managing the process of answering inquiries from prospective bidders, coordinating any presentations that may be requested by Potential Bidders (defined below), soliciting and tracking all Offers, and reviewing and negotiating transaction documentation.

17. The Monitor will send the Teaser Letter and the form of NDA to all applicable Interested Parties as soon as reasonably practicable after granting the Sale Process Order and to any other Interested Party who requests a copy of the Teaser Letter and NDA, or who is identified by the Company or the Monitor as an Interested Party, as soon as reasonably practicable after such request or identification, as applicable.

Sale Process – Phase 1

18. During Phase 1 of the Sale Process, the Monitor, with the assistance of the Company, will solicit non-binding letters of intent from Interested Parties to acquire the Business and/or Assets and/or assume liabilities of the Purchased Entities.

19. Any Interested Party who wishes to participate in the Sale Process must provide to the Monitor:

(a) an NDA executed by it, and a letter setting forth the identity of the Interested Party, the contact information for such Interested Party, and full disclosure of the direct and indirect principals of the Interested Party. The NDA shall include an acknowledgement of the Sale Process terms; and

(b) if the Monitor considers it necessary, such form of financial disclosure that allows the Monitor to make a reasonable determination as to the Interested Party's financial and other capabilities to consummate a sale transaction.

20. If an Interested Party: (i) has delivered an executed NDA; and (ii) has provided the Monitor with satisfactory evidence of its capability based on the availability of financing, its experience, and other considerations, to be able to consummate a sale transaction pursuant to the Sale Process, then such Interested Party will be determined by the Monitor to be a "**Potential Bidder**". The Stalking Horse Purchaser shall be deemed to be a Potential Bidder.

21. The Monitor will provide each Potential Bidder with a copy of the CIM and access to the Data Room. Potential Bidders must rely solely on their own independent review, investigation, and/or inspection of all information and of the Business and/or Assets in connection with their participation in the Sale Process and any transaction they enter into with the Purchased Entities. The Company, the Monitor, and their respective directors, officers, agents and advisors make no representation or warranty whatsoever as to the information (including, without limitation, with respect to its accuracy or completeness): (i) contained in the CIM or the Data Room; (ii) provided through the due diligence process or otherwise made available pursuant to the Sale Process; or (iii) otherwise made available to a Potential Bidder except to the extent contemplated in any definitive documentation duly executed and delivered by the Successful Bidder (as defined below) duly executed by the Purchased Entities and approved by the Court.

22. At any time during the Sale Process, the Monitor may, in its reasonable business judgment, eliminate a Potential Bidder from the Sale Process, in which case such party will no longer be a Potential Bidder for the purposes of the Sale Process.

23. The Monitor shall afford each Potential Bidder such access to applicable due diligence materials and information pertaining to the Business and the Assets of the Purchased Entities as the Monitor deems appropriate in its reasonable business judgment. Due diligence access may include access to the Data Room, on-site inspections, and other matters which a Potential Bidder may reasonably request and which the Monitor deems appropriate. The Monitor will designate one or more representatives to coordinate all reasonable requests for additional information and due diligence access from each Potential Bidder and the manner in which such requests must be communicated.

24. The Monitor shall not be obligated to furnish any information relating to the Business or the Assets to any person other than to Potential Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Potential Bidders, if the Monitor in consultation with the Company determines such information to represent proprietary or sensitive competitive information related to the Business and/or the Assets of the Purchased Entities that should not be provided to a Potential Bidder.

Phase 1 Bid Deadline

25. Bidders that wish to make a formal binding Offer pursuant to the Sale Process must submit by email a non-binding letter of intent (a "**Phase 1 Bid**") so as to be received by the Monitor not later than 5:00 PM (St. John's Time) on June 30, 2023 (the "**Phase 1 Bid Deadline**"), with a copy to each of the persons specified in Schedule "A" hereto.

26. A Phase 1 Bid will be considered a "**Qualified Phase 1 Bid**" only if (collectively, the "**Phase 1 Bid Criteria**"):

(a) it is submitted on or before the Phase 1 Bid Deadline;

(b) it is accompanied by a letter setting forth:

 (i) the identity of the bidder and full disclosure of any entities and/or individuals that control the bidder; and/or the beneficial owner (if any) with the power, directly or indirectly to cause the direction of the management and policies of the bidder;

 (ii) a specific indication of the sources of debt and equity (as applicable) capital/financing for the transaction and preliminary evidence of the sources of financing of the purchase price, the availability of such financing, steps necessary and timing to obtain such financing, and any related contingencies and financial information that would allow the Monitor to make a reasonable determination as to the bidder's financial capabilities to consummate the transaction;

 (iii) include written evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Phase 1 Bid;

 (iv) a statement that the bidder expects to be able to consummate a sale transaction pursuant to the Sale Process on or before the Closing Date Deadline (as defined herein); and

 (v) such other information as reasonably requested by the Monitor, in consultation with the Company;

(c) the Phase 1 Bid identifies or contains the following;

 (i) the purchase price in Canadian dollars, including details of all Assets to be purchased and liabilities to be assumed by the bidder. The purchase price must be in an amount that is at least $250,000 in cash in excess of the purchase price contained in the Stalking Horse Agreement, or is otherwise a better offer than the offer contemplated under the Stalking Horse Agreement (a "**Superior Offer**");

 (ii) any anticipated approvals and consents required to close the transaction and any anticipated impediments to such approvals or consents;

 (iii) specific due diligence required to be conducted during Phase 2, if any;

 (iv) all conditions to Closing sought by the bidder; and

 (v) any other terms or conditions that the bidder believes are material to the transaction.

27. The Monitor may, if it deems appropriate or desirable in the circumstances, modify or amend the Phase 1 Bid Criteria and will notify such modification on service to the parties to the Service List.

Assessment of Phase 1 Bids

28. Promptly after the Phase 1 Bid Deadline, the Monitor, in consultation with the Company:

 (a) will review and assess the Phase 1 Bids to determine whether they are qualified (such qualified bids being the "**Qualified Phase 1 Bids**" and the bidder thereof, a "**Qualified Phase 1 Bidder**"); and

 (b) may request clarification of the terms of the Phase 1 Bids.

29. In assessing whether the Phase 1 Bids received are Qualified Phase 1 Bids, the Monitor, in consultation with the Company, will consider, among other things, the following:

 (a) whether they meet the Phase 1 Bid Criteria;

 (b) the form and amount of consideration being offered, including any purchase price adjustments and/or any non-cash consideration;

 (c) the demonstrated financial capability of the bidder to consummate the proposed transaction;

 (d) the conditions to closing of the proposed transaction; and

 (e) the estimated time required to complete the proposed transaction and whether, in the Monitor's reasonable business judgment, the transaction is reasonably likely to close on or before the Closing Date Deadline.

30. Notwithstanding anything herein to the contrary, upon payment of the Deposit (as provided in the Stalking Horse Agreement) the offer represented by the Stalking Horse Agreement shall be deemed to be a Qualified Phase 1 Bid and a Qualified Phase 2 Bid for all purposes under, and at all times in connection with, this Sales Process.

31. If the Monitor, after consultation with the Company determines that no Qualified Phase 1 Bid has been received other than the Stalking Horse Agreement, the Monitor shall be authorized to terminate the Sale Process, in which case, the Stalking Horse Agreement will be deemed to be the Successful Bid (as defined below).

32. If the Monitor, after consultation with the Company determines that two or more Qualified Phase 1 Bids are received, including the Stalking Horse Agreement, then the Sale Process shall proceed to Phase 2.

Sale Process- Phase 2

33. During Phase 2 of the Sale Process, each Qualified Phase 1 Bidder will be granted further access to such due diligence materials and information as the Monitor, in its reasonable business judgment and in consultation with the Company, determines is appropriate and available.

Phase 2 Bid Deadline, Phase 2 Bids and Removal of Conditions

34. Qualified Phase 1 Bidders that wish to make a formal binding Offer pursuant to the Sale Process (a "**Phase 2 Bid**") must submit by email such Offer so as to be received by the

Monitor not later than 5:00 PM (St. John's Time) on July 19, 2023 (the "**Phase 2 Bid Deadline**"), with a copy to each of the persons specified in Schedule "A" hereto.

35. In order to be considered a "**Qualified Phase 2 Bid**", the offer shall (collectively, the "**Phase 2 Bid Criteria**"):

(a) be a Superior Offer;

(b) include a sealed, duly authorized and executed, definitive purchase agreement consistent with the form of the Stalking Horse Agreement, together with all completed schedules thereto, containing the detailed terms and conditions of the proposed transaction, the obligations to be assumed, the purchase price for the Business proposed to be acquired, the detailed structure and financing of the proposed transaction, and a blackline comparing the purchase agreement submitted to the Stalking Horse Agreement;

(c) be binding and irrevocable until the earlier of: (i) 45 days after the Phase 2 Bid Deadline, and (ii) approval by the Court of the Successful Bid;

(d) include a non-refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor or such other form of deposit as is acceptable to the Monitor), payable to the Monitor, in trust, in an amount equal to 10% of the purchase price contemplated by the Bid (the "**Deposit**"). All Deposits submitted by bidders who did not submit the Successful Bid shall be returned, without interest, as soon as practicable following the date on which any such offers are rejected hereunder. The Deposit forming part of the Successful Bid shall be dealt with in accordance with the asset purchase agreement submitted by the Successful Bidder;

(e) include acknowledgments and representations of the bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Business and/or Assets, the Purchased Entities, or otherwise, prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of the Business and/or Assets (including, without limitation, any documents in connection therewith) in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory, or otherwise, regarding the Business and the Assets or the Purchased Entities or the completeness of any information provided in connection therewith, except as expressly contemplated in any definitive documentation duly executed by the Successful Bidder and the Purchased Entities and approved by the Court;

(f) not be subject to further due diligence;

(g) not be subject to financing;

(h) includes a description of any regulatory or other third-party approvals required to consummate the proposed transaction, if any, and the time period within which the bidder expects to receive such regulatory and/or third-party approvals, and those actions the bidder will take to ensure receipt of such approvals as promptly as possible;

(i) include a description of any desired arrangements with respect to transition services that may be required from the Company in connection with the transaction, including funding for same; not be subject to any conditions precedent except those that are customary in a transaction of this nature; not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment; and

(j) be received by the Phase 2 Bid Deadline; and contemplate closing the transaction set out therein no later than seven days following Court approval of the Successful Bid (the "**Closing Date Deadline**").

36. The Monitor may, if it deems appropriate or desirable in the circumstances, modify or amend the Phase 2 Bid Criteria.

Selection of Successful Bidders

37. Following the Phase 2 Bid Deadline, the Monitor will determine if each Phase 2 Bid delivered to the Monitor meets the Phase 2 Bid Criteria, provided that each Phase 2 Bid may be negotiated among the Monitor and the applicable bidder and may be amended, modified or varied to improve such Phase 2 Bid as a result of such negotiations. The Monitor shall be under no obligation to negotiate identical terms with, or extend identical terms to, each bidder.

38. If a Phase 2 Bid meets the Phase 2 Bid Criteria, as determined by the Monitor in its sole discretion in consultation with the Company, such Phase 2 Bid will be deemed to be a Qualified Phase 2 Bid and the bidder in respect of each such Qualified Phase 2 Bid shall be a "**Qualified Bidder**" in respect to the Sale Process.

39. If no Qualified Phase 2 Bid (other than the Stalking Horse Bid) is received by the Phase 2 Bid Deadline, the Stalking Horse Bid shall be deemed the Successful Bid (defined below).

40. If more than two Qualified Phase 2 Bid are received by the Phase 2 Bid Deadline the Monitor shall extend invitations by email by 10:00 a.m. on the second business day after the Phase 2 Bid Deadline to the Qualified Bidders and to the Stalking Horse Purchaser to attend an auction (the "**Auction**"). The Auction shall be held at 10:00 a.m. on the fifth business day after the Phase 2 Bid Deadline at the offices of the Monitor or by teleconference, video conference, or other form of electronic telecommunications, as the Monitor may deem fit.

41. The Monitor shall conduct the Auction. At the Auction, the bidding shall begin initially with the highest Qualified Bid, and subsequently continue in multiples of $100,000, or such other amount as the Monitor determines to facilitate the Auction. Additional consideration in excess of the amount set forth in the highest Qualified Bid must be comprised only of cash consideration. The format and other procedures for the Auction shall be determined by the Monitor in its sole discretion.

42. The successful bid (the "**Successful Bid**") by the successful Bidder (the "**Successful Bidder**") shall be, either:

(a) in the event that no Qualified Phase 1 Bid other than the Stalking Horse Bid is received by the Phase 1 Bid Deadline, the Stalking Horse Agreement;

(b) in the event that no Qualified Phase 2 Bid other than the Stalking Horse Bid is received by the Phase 2 Bid Deadline, the Stalking Horse Agreement; or

(c) in the event that multiple Qualified Phase 2 Bids are received, following the conclusion of the Auction, the Qualified Bidder submitting the highest and/or best offer through the Auction.

Sale Approval Hearing

43. At the hearing of the motion to approve any transaction with a Successful Bidder (the "**Sale Approval Hearing**"), the Company shall seek, among other things, approval from the Court to consummate any Successful Bid. All the Qualified Phase 2 Bids other than the Successful Bid, if any, shall be deemed to be rejected on and as of the date of approval of the Successful Bid by the Court.

Confidentiality and Access to Information

44. Each Interested Party and Qualified Bidder shall not be permitted to receive any confidential or competitive information that is not made generally available to all participants in the Sale Process relating the number or identity of bidders. The details of any Bids submitted or the details or existence of any confidential discussions or correspondence among the Company, the Monitor, and any bidder in connection with the Sale Process.

45. The Stalking Horse Purchaser shall not be entitled to review, or in any way be involved in, the consideration, negotiation, or selection of any Qualified Bid or the Successful Bid.

Supervision of the Sale Process

46. Subject to any consultation rights and other similar rights provided for herein, the Monitor will conduct the Sale Process in the manner set out herein and in the Sale Process Order. All discussions or inquiries to the Company regarding the Sale Process shall be directed to the Monitor. Under no circumstances should a representative of the Company be contacted directly or indirectly in respect of the Sale Process, including diligence requests, without the prior written consent of the Monitor. Any such unauthorized contact or communication could result in exclusion from the Sale Process, in the Monitor's sole discretion.

47. The Company and its principals, employees and professional advisors shall cooperate fully with the Monitor and provide documents and information requested as part of the Sale Process to the Monitor in a prompt fashion.

48. Other than as specifically set forth in a definitive agreement between the Company and a Successful Bidder, the Sale Process does not, and will not be interpreted to, create any contractual or other legal relationship among the Company, the Monitor, any Interested Party, any Qualified Bidder, the Successful Bidder, or any other party.

49. Neither the Company nor the Monitor shall be liable for any claim for a brokerage commission, finder's fee or like payment in respect of the consummation of any of the transactions consummated under the Sale Process. Any such claim shall be the sole liability of the bidder that consummates a transaction under the Sale Process pursuant to which the claim is being made.

Appendix “H”

Companies and Deeds Online - CADO

Detailed Company Information

Company Name: 92712 NEWFOUNDLAND & LABRADOR INC.

In Good Standing

Company Number:	92712	**Corporation Type:**	Company
Status:	Active	**Category:**	Local
Last Annual Return:		**Business Type:**	With Share Capital
Incorporation Jurisdiction:	NL	**Filing Type:**	Incorporation With Share Capital
Incorporation Date:	2023-05-10	**Min/Max Directors:**	1 / 5

Additional Information:

(Latest addresses on file)

Registered Office:
Wells PLC Inc.
P.O. Box 26111
10 Freshwater Rd.
St. John's
NL Canada
A1C 5T9

Mailing Address:
Same as Registered Office

Obtain a Certificate of Good Standing (Fee $10.00)

Return

[Previous Names] [Amalgamated Information] [Current Directors] [Historical Remarks]

Current Directors

Records Found: 1 Viewing Records: 1-1

Director Name

Peter Byrne

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Appendix “I”

92712 Newfoundland & Labrador Inc., a corporation governed by the laws of the Province of Newfoundland and Labrador;
the "Purchaser"

and

Edward Collins Contracting Ltd. and
H & E Designs Ltd.;
collectively, the "Vendors"

ASSET PURCHASE AGREEMENT

May 17, 2023

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ASSET PURCHASE AGREEMENT

RECITALS:

(1) Edward Collins Contracting Ltd., Classic Security Limited, FGC Holdings Ltd. and H & E Designs Ltd. (collectively, "**ECC**") together operate as an integrated entity in the heavy civil construction industry (the "**Business**") across Newfoundland and Labrador;

(2) ECC commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (the "**CCAA**") and an amended and restated initial order was granted by the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency (the "**Court**") on October 17, 2022 (as amended and restated or otherwise modified from time to time, the "**ARIO**") pursuant to which Grant Thornton Limited was named monitor (in such capacity, the "**Monitor**");

(3) 92712 Newfoundland & Labrador Inc (the "**Purchaser**") as a "**Stalking Horse Bidder**", wishes to purchase, and the Vendors have agreed to sell, the Purchased Assets (as defined below) pursuant to and in accordance with the terms of a Stalking Horse Sale Process (the "**Sale Process**") and subject to and in accordance with the conditions of this Agreement; and

(4) The transactions contemplated by this Agreement are subject to the approval of the Court and will be consummated only pursuant to the Approval and Vesting Order to be entered in the CCAA Proceedings.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

ARTICLE 1
INTERPRETATION

Section 1.1 Defined Terms.

As used in this Agreement, the capitalized terms listed below shall have the corresponding meanings.

"**Affiliate**" of a Person means any other Person that directly or indirectly controls, is controlled by or is under common control with such Person, where "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"**Agreement**" means this Asset Purchase Agreement and all attached Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and all attached Schedules and unless otherwise indicated, references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Agreement.

"**Ancillary Agreements**" means all agreements, certificates and other instruments delivered or given pursuant to this Agreement.

"**Approval and Vesting Order**" means an approval and vesting order of the Court in form and in substance satisfactory to the Vendors and the Purchaser, each acting reasonably, approving this Agreement and vesting in and to the Purchaser the Purchased Assets, free and clear of and from any and all Encumbrances to the extent and as provided for in such approval and vesting order.

"**Assigned Debt**" means the full-face amount of the security held by Newport Capital Corp. and Placentia Mall Ltd. over the assets of the Vendors, which was assigned to the Purchaser on May 17, 2023, in a combined amount of $340,000.00 plus accrued interest.

"**Assignment Order**" means an order or orders of the Court, in form and substance satisfactory to the Purchaser, acting reasonably, authorizing and approving the assignment of one or more Consent Required Contracts for which the consent, approval or waiver of the party or parties thereto (other than the Vendors) are required to assign such Consent Required Contracts has not been obtained by Closing.

"**Assumed Contracts**" means all of the Contracts of the Vendors used in the Business other than the Excluded Contracts.

"**Assumed Liabilities**" has the meaning given to such term in Section 3.1.

"**Books and Records**" means all information in any form relating to the Purchased Assets, including books of account, financial, operations, sales books, tax, business, marketing, personnel and research information and records, technical information, drill logs, equipment logs, technical reports, operating guides and manuals and all other documents, files, correspondence and other information, including all data, information and databases stored on computer-related or other electronic media, but excluding the minute books and corporate records of the Vendors.

"**Business**" has the meaning specified in the preamble to this Agreement.

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major Canadian chartered banks are closed for business in the Province of Newfoundland and Labrador or the federal laws of Canada applicable in the Province of Newfoundland and Labrador.

"**CCAA**" has the meaning given to such term in the preamble to this Agreement.

"**CCAA Proceedings**" has the meaning given to such term in the preamble to this Agreement.

"**Claims Process**" means the claims process for the CCAA proceedings of Edward Collins Contracting Ltd. et. al. by way of order of the Honourable Supreme Court dated 14 March 2023 in matter 2022 01G 1964.

"**Closing**" means the completion of the transaction of purchase and sale contemplated in this Agreement.

"**Closing Date**" means the date on which the Closing occurs, which date shall be no later than five (5) days from the issuance of the Approval and Vesting Order or such other date as mutually agreed between the Parties and the Monitor.

"**Closing Deposit**" has the meaning specified in Section Section 3.2.

"**Consent Required Contract**" means any Assumed Contract or License which is not assignable in whole or in part without the consent, approval or waiver of the party or parties thereto (other than the Vendors).

"**Contract**" means all contracts, letters of intent, licenses, leases, agreements, obligations, promises, undertakings, arrangements, documents, commitments, bonding contracts (including without limitation the contract for services with Western Waste Management and the associated bonding contract with Guarantee Company of North America) entitlements or engagements to which the Vendors are a party or by which the Vendors are bound relating to the Purchased Assets and/or the Business, all as may be amended and/or restated, and including any and all related quotations, orders, proposals or tenders which remain open for acceptance, warranties and guarantees and documents ancillary thereto.

"**CRA**" means the Canada Revenue Agency.

"**Cure Costs**" means, in respect of any Consent Required Contract for which an Assignment Order is required, all amounts owing as at the Closing Date by the Vendors pursuant to such Consent Required Contract and all amounts required to be paid to cure any monetary defaults thereunder, if any, required to effect an assignment thereof from the Vendors to the Purchaser, together with any fee or other monetary concession approved by the Purchaser and granted in connection with obtaining any Assignment Order for such Consent Required Contract, including all administrative fees and counsel fees of the counterparties required to be paid to obtain such Assignment Order.

"**Deposit**" has the meaning specified in Section Section 3.2.

"**Employees**" means any and all (i) employees who are actively at work (including full-time, part-time or temporary employees) of the Vendors; and (ii) employees of the Vendors who are on leaves of absence (including maternity leave, parental leave, disability leave, sickness leave, workers' compensation and other statutory leaves) as at the Closing Date;

"**Encumbrance**" means any mortgage, charge, pledge, hypothec, security interest, deemed trust (statutory or otherwise), assignment, lien (statutory or otherwise), leases, rights of way, title defects, options, claim, adverse claims, encumbrances, easement, title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant or other encumbrance of any nature which, in substance, secures payment or performance of an obligation.

"**Excluded Assets**" has the meaning specified in Section 2.2.

"**Excluded Contracts**" means all of the Contracts listed in Schedule 1.1(a).

"**Excluded Liabilities**" means, other than the Assumed Liabilities, any and all liabilities and obligations of the Vendors including, without limitation, any liabilities or claims with respect to or arising in connection with, the Excluded Contracts, and the Non-Transferred Employee Liabilities;

"**Expense Reimbursement**" has the meaning specified in Section 7.2(a).

"**First Deposit**" has the meaning specified in Section Section 3.2.

"**Governmental Authorities**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

"**Intellectual Property**" means all intellectual property of the Vendors used by or currently being developed for use in the Business, and all rights of the Vendors therein, including without limitation:

(a) all patents, patent applications and other patent rights, including provisional and continuation patents;

(b) all registered and unregistered trade-marks, service marks, logos, slogans, corporate names, business names and other indicia of origin, and all applications and registrations therefor;

(c) registered and unregistered copyrights and mask works, including all copyright in and to computer software programs and applications and registrations of such copyright;

(d) internet domain names, applications and reservations for internet domain names, uniform resource locators and the corresponding internet sites;

(e) industrial designs; and

(f) trade secrets and proprietary information not otherwise listed in (a) through (e) above, including, without limitation, all inventions (whether or not patentable), invention disclosures, moral and economic rights of authors and inventors (however denominated), confidential information, technical data, customer lists, corporate and business names, trade names, trade dress, brand names, know-how, mask works, circuit topography, formulae, methods (whether or not patentable), designs, processes, procedures, technology, business methods, source codes, object codes, computer software programs (in either source code or object code form), databases, data collections and other proprietary information or material of any type, and all derivatives, improvements and refinements thereof, howsoever recorded or unrecorded.

"**Laws**" means any principle of common law and all applicable (i) laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws, (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any governmental entity and (iii) to the extent that they have the force of law, standards, policies, guidelines, notices and protocols of any governmental entity.

"**Monitor's Certificate**" has the meaning specified in Section 9.3.

"**Non-Transferred Employee Liabilities**" means all liabilities relating to the Non-Transferred Employees, including Wages, vacation pay, termination costs, notice or pay in lieu of notice, severance, wrongful and constructive dismissal damages, human rights claims, all liabilities pursuant to any employee plan and any other damages arising from the loss of employment by any Non-Transferred Employee.

"**Non-Transferred Employees**" means all Employees who are not Transferred Employees.

"**Notice**" has the meaning specified in Section 11.1.

"**Offerees**" has the meaning given in Section 6.4(a).

"**Parties**" means the Vendors and the Purchaser and any other Person who may become a party to this Agreement.

"**Person**" means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity and pronouns have a similarly extended meaning.

"**Purchase Price**" has the meaning specified in Section 3.1, subject to any change pursuant to Section 3.1.

"**Purchased Assets**" has the meaning specified in Section 2.1.

"**Purchaser**" has the meaning specified in the preamble to this Agreement.

"**RBC**" means the Royal Bank of Canada.

"**Sale Process**" has the meaning specified in the preamble to this Agreement.

"**Sale Process Approval Order**" means the Court order approving the Sale Process.

"**Stalking Horse Bidder**" has the meaning specified in the preamble to this Agreement.

"**Successful Bid**" has the meaning specified in the Sale Process.

"**Successful Bidder**" has the meaning specified in the Sale Process.

"**Tax Act**" means the *Income Tax Act* (Canada), as amended and any relevant legislation of a province imposing tax similar to the *Income Tax Act* (Canada).

"**Tax Returns**" means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and other documents filed or required to be filed in respect of Taxes.

"**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies, rates, withholdings, dues, contributions and other charges, collections or assessments of any kind whatsoever; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed on or in respect of amounts of the type described in clause (i) above or this clause (ii); and (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

"**Transferred Employees**" means Offerees who accept an offer of employment made by the Purchaser and attend work on their next regularly scheduled work day following the Closing Date;

"**Vendors**" means Edward Collins Contracting Ltd. and H & E Designs Ltd.

"**Wages**" has the meaning given in Section 6.4(d).

Section 1.2 References and Usage.

Unless expressly stated otherwise, in this Agreement:

(a) reference to a gender includes all genders;

(b) the singular includes the plural and vice versa;

(c) "or" is used in the inclusive sense of "and/or";

(d) "any" means "any and all";

(e) the words "including", "includes" and "include" mean "including (or includes or include) without limitation";

(f) the phrase "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of";

(g) $ or dollars refers to the Canadian currency unless otherwise specifically indicated;

(h) a statute includes all rules and regulations made under it, if and as amended, re-enacted or replaced from time to time;

(i) a Person includes its predecessors, successors and permitted assigns;

(j) the term "notice" refers to oral or written notices except as otherwise specified;

(k) the term "Agreement" and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be amended, restated, replaced, supplemented or novated and all schedules to it, except as otherwise provided in this Agreement; and

(l) whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be required to be made or such action will be required to be taken on or not later than the next succeeding Business Day and in the computation of periods of time, unless otherwise stated, the word "from" means "from and excluding" and the words "to" and "until" each mean "to and including".

Section 1.3 Headings, etc.

The use of headings (e.g. Article, Section, etc.) in this Agreement is reference only and is not to affect the interpretation of this Agreement. References in the Agreement to Article, Section etc., unless otherwise specified, shall mean the applicable Article, Section, etc. of this Agreement.

Section 1.4 Schedules.

The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.

Schedule 1.1(a)	Excluded Contracts
Schedule 1.1(b)	Excluded Liabilities
Schedule 1.1(c)	Sale Process
Schedule 2.2(d)	Excluded Assets
Schedule 3.3	Purchase Price Allocation

ARTICLE 2
PURCHASE AND SALE

Section 2.1 Purchased Assets.

Subject to the terms and conditions of this Agreement, the Vendors agree to sell, assign and transfer to the Purchaser and the Purchaser agrees to purchase from the Vendors on the Closing Date, on an "as is, where is" basis, all of the Vendors' right, title and interest in the Vendors' property, assets and undertakings of every kind and description and wheresoever situate, of the Business, other than the Excluded Assets (collectively, the "**Purchased Assets**"), free and clear of all Encumbrances, and the Purchased Assets shall include:

(a) **Equipment and Supplies.** All machinery, equipment, furnishings, furniture, parts, dies, molds, tooling, tools, computer hardware, supplies, accessories and other tangible personal and moveable property (other than inventory) owned by the Vendors;

(b) **Contracts.** All Assumed Contracts and all rights, title, interests and obligations thereunder;

(c) **Vehicles**. All motor vehicles, including all trucks, vans, cars and forklifts registered in the name of the Vendors and used for the Business;

(d) **Computer Software.** All software and documentation used in the Business, including, all electronic data processing systems, program specifications, input data, report layouts, formats, algorithms, record file layouts, diagrams, functional specifications, narrative descriptions, flow charts, operating manuals;

(e) **Cash and Accounts Receivable.** All cash in bank accounts of the Vendors and all accounts receivable (including unbilled revenue from work in progress), bills receivable, bid deposits, accounts receivable, proceeds of the Claims Process, set-offs (contractual, legal and equitable), contractual hold-backs, trade accounts, trade debts and book debts due or accruing due in connection with the Business, including any refunds and rebates receivable relating to the Business or the Purchased Assets and the full benefit of all security (including cash deposits), guarantees and other collateral held by the Vendors relating to the Business, and amounts receivable (or which may become receivable) by the Vendors under agreements whereby the Vendors have disposed of a business, facility or other assets, or under royalty (or other) agreements or documents related thereto and all bank accounts;

(f) **Proceeds from Litigation Claims.** All proceeds and amounts received in connection with or obtained from any litigation between the Vendors and any other Person;

(g) **Prepaid Expenses**. All prepaid expenses of the Business;

(h) **Real Property**. The real or immoveable property owned by the Vendors including but not limited to those properties listed on Schedule 2.1(h), including and all plants, buildings, structures, improvements, appurtenances and fixtures (including fixed machinery and fixed equipment) thereon or forming part thereof (the "**Real Property**");

(i) **Intellectual Property**. All right, title and interest of the Vendors in and to the Intellectual Property owned by or licensed to the Vendors for use in connection with the Business or the Purchased Assets, including domain names;

(j) **Books and Records**. The Books and Records of the Vendors related to the Business, the Purchased Assets, the Assumed Liabilities, or the Assumed Liabilities;

(k) **Claims**. All claims of the Vendors relating to the Business or the Purchased Assets whether choate or inchoate, choses in action, known or unknown, contingent or otherwise;

(l) **Tax Refunds**. The benefit of any refundable Taxes payable or paid by the Vendors net of any amounts withheld by any taxing authority, and any claim or right of the Vendors to any refund, rebate, claims for tax losses (if applicable), or credit of Taxes including but not limited to any investment tax credits payable in connection with the Purchaser's acquisition of the Vendors' asphalt plant;

(m) **Goodwill**. The goodwill of the Business, including the exclusive right of the Purchaser to represent itself as carrying on the Business in continuation of and in succession to the Vendors;

(n) **Licenses**. All license agreements relating to the Business, to the extent the foregoing are transferable (the "**Licenses**");

(o) **Insurance**. The interest of the Vendors in all contracts of insurance, insurance policies and insurance plans which are assets of or maintained in connection the Purchased Assets, (b) any insurance proceeds net of any deductibles recovered by the Vendors under all other contracts of insurance, insurance policies (excluding D&O policies) and insurance plans between the date of this Agreement and the Closing Date, and (c) the full benefit of the Vendors' rights to insurance claims relating to the Business and amounts recoverable in respect thereof net of any deductible to the extent any of the foregoing are transferable;

(p) **Warranty Rights**. All warranty rights against manufacturers or suppliers relating to any of the Purchased Assets, to the extent the foregoing are transferable; and

(q) **Other Property**. All other property, assets and undertakings of the Vendors of whatever nature or kind used in connection with the Business and/or the Purchased Assets.

Section 2.2 Excluded Assets.

The Purchased Assets shall not include any of the following assets (collectively, the "**Excluded Assets**"):

(a) the Excluded Contracts; and

(b) the Excluded Assets listed on Schedule 2.2(d).

Section 2.3 Assumed Liabilities.

Subject to this transaction Closing, from and after the Closing Date the Purchaser agrees to discharge, perform and fulfil the obligations and liabilities of the Vendors with respect to the Purchased Assets (the "**Assumed Liabilities**")

Section 2.4 Excluded Liabilities.

The Purchaser shall not assume and shall have no obligation to discharge, perform or fulfil any of the Excluded Liabilities.

Section 2.5 Assignment and Assumption of Consent Required Contracts.

(a) Notwithstanding anything in this Agreement, the Purchaser shall not assume and has no obligation to discharge any liability or obligation under or in respect of any Consent Required Contract unless: (a) the consent, approval or waiver of the party or parties to such Consent Required Contract (other than the

Vendors) required to assign such Consent Required Contract has been obtained on terms satisfactory to the Purchaser, acting reasonably and the value of such Consent Required Contract has enured to the Purchaser; or (b) such Consent Required Contract is subject to an Assignment Order.

(b) The Vendors and the Purchaser shall use reasonable commercial efforts to obtain the consent, approval or waiver of the party or parties to each Consent Required Contract (other than the Vendors) to the assignment of such Consent Required Contract prior to the filing of the motion materials for the Approval and Vesting Order. For greater certainty, neither the Vendors nor the Purchaser are under any obligation to pay any money, incur any obligations, commence any legal proceedings (other than as set forth below with respect to Assignment Orders), or offer or grant any accommodation (financial or otherwise) to any third party in order to obtain any such consent, approval or waiver.

(c) In the event that the consent, approval or waiver required to assign any Consent Required Contract is not obtained before the date the motion materials are filed for the Approval and Vesting Order, the Vendors shall, at the request of the Purchaser and prior to Closing, seek the Assignment Order for such Consent Required Contract in form and substance satisfactory to the Vendors and the Purchaser, each acting reasonably.

(d) Subject to Closing, in the event that the consent to assign any Consent Required Contract is not obtained and the Vendors are required to obtain the Assignment Order for one or all of the Consent Required Contracts, the Purchaser shall pay the applicable Cure Costs related to such Consent Required Contracts on Closing.

ARTICLE 3
PURCHASE PRICE

Section 3.1 Purchase Price.

The purchase price payable by the Purchaser to the Vendors for the Purchased Assets (the "**Purchase Price**") shall be the aggregate of the following:

(a) the payment in cash, of the amount of $6,900,000.00.

(b) the amount of the Assigned Debt as a credit bid;

(c) the amount of any Cure Costs; and

(d) the assumption of the Assumed Liabilities.

Section 3.2 Deposit

Subject to the terms herein, the Parties agree that the Purchaser shall pay to the Monitor:

(a) on the execution and delivery of this Agreement, a non-refundable deposit of $200,000 Canadian Dollars (the "**First Deposit**")

(b) upon commencement of Phase 2 of the Sales Process (as defined therein), a non-refundable deposit of $490,000 Canadian Dollars (the "**Closing Deposit**").

The First Deposit and the Closing Deposit are collectively referred to as the "**Deposit**". The Deposit shall be held by the Monitor in a non-interest-bearing account in accordance with the provisions of this Agreement pending completion or termination of this Agreement. The Purchaser agrees that Deposit shall be non-refundable and may only be returned to the Purchaser if this Agreement is terminated pursuant to Article 10 hereof.

Section 3.3 Payment of the Purchase Price.

The Purchaser shall pay and satisfy the Purchase Price at Closing by:

(a) the payment in cash of $6,210,000 , net of the Deposit;

(b) the tender and cancellation of the Assigned Debt by way of credit bid;

(c) the payment of Cure Costs to the applicable counter-party in respect to a Consent Required Contract that is an Assumed Contract; and

(d) by the assumption of the Assumed Liabilities.

Section 3.4 Adjustment of the Purchase Price

In the event that the Vendors dispose of any equipment or other assets prior to the Closing Date, the Purchase Price shall be reduced on a dollar-for-dollar basis by the amount of the proceeds of such sale, provided that the proceeds of the sale are applied to either the indebtedness owed by the Vendors to RBC or the CRA. For greater certainty, any sale of assets contemplated herein must be made in accordance with the ARIO.

Section 3.5 Purchase Price Allocation.

The Purchase Price shall be allocated among the Purchased Assets in the manner and form set out in Schedule 3.5. Such allocation shall be binding and the Purchaser and Vendors shall report the purchase and sale of the Purchased Assets and file all filings which are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

Section 3.6 No Effect on Other Rights.

The determination of the Purchase Price in accordance with the provisions of this Article will not limit or affect any other rights or causes of action either the Purchaser or the Vendors may have with respect to the representations, warranties or covenants in its favour contained in this Agreement.

ARTICLE 4
TAX MATTERS

Section 4.1 Transfer Taxes.

The Purchaser shall be liable for and shall pay all sales Taxes and all other similar Taxes properly payable upon and in connection with the sale, assignment and transfer of the Purchased Assets from the Vendors to the Purchaser, other than any taxes payable on the Vendors' net income, profits or gains.

Section 4.2 Tax Elections.

The Parties shall use their commercially reasonable efforts in good faith to minimize (or eliminate) any taxes payable under the *Excise Tax Act* (Canada) in respect of the Closing by, among other things, making such elections and taking such steps as may be provided for under that Act, including, for greater certainty, making a joint election in a timely manner under Section 167 of that Act or Section 22 of the Tax Act as may reasonably be requested by the Purchaser in connection with the Closing.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

Section 5.1 Representations and Warranties of the Vendors.

The Vendors represent and warrant as follows to the Purchaser and acknowledges and agrees that the Purchaser is relying upon the representations and warranties in connection with its purchase of the Purchased Assets and its assumption of the Assumed Liabilities.

(a) **Incorporation and Qualification**. Each of the Vendors is a corporation incorporated and existing under the laws of jurisdiction of its formation. Each of the Vendors have the corporate power and authority to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is a party.

(b) **Corporate Authorization**. Subject to the issuance of the Approval and Vesting Order, the execution and delivery of and performance by the Vendors of this Agreement and each of the Ancillary Agreements to which they are a party and the consummation of the transactions contemplated by them have been duly authorized by all necessary and corporate action on the part of each of them.

(c) **Execution and Binding Obligation**. Subject to the issuance of the Approval and Vesting Order, this Agreement and each of the Ancillary Agreements to which the Vendors are a party have been duly executed and delivered by the Vendors and constitute legal, valid and binding agreements of it, enforceable against them in accordance with their respective terms.

(d) **Residence of the Vendors.** None of the Vendors are a non-resident of Canada within the meaning of the *Tax Act*. None of the Vendors are a non-Canadian within the meaning of the *Investment Canada Act*.

(e) **HST Registrant**. The Vendors are registrants for the purposes of the tax imposed under Part IX of the *Excise Tax Act* (Canada) and their registration numbers are 10158 2641 RT0001 and 816702161 RT0001.

Section 5.2 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants as follows to the Vendors and acknowledges and agrees that each Vendor is relying on such representations and warranties in connection with its sale of the Purchased Assets:

(a) **Incorporation and Corporate Power**. The Purchaser is an entity that is duly formed and validly existing under the laws of the jurisdiction of its formation, has full power and capacity to own the Purchased Assets and to carry on the Business as now conducted has the power and authority to enter into and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is a party.

(b) **Corporate Authorization**. The execution and delivery of and performance by the Purchaser of this Agreement and each of the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated by them have been duly authorized by all necessary action on the part of the Purchaser.

(c) **Execution and Binding Obligation.** This Agreement and each of the Ancillary Agreements to which the Purchaser is a party have been duly executed and delivered by the Purchaser and constitute legal, valid and binding agreements of the Purchaser, enforceable against it in accordance with their respective terms subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(d) **HST Registrant**. The Purchaser will be as at Closing, a registrant for the purposes of the tax imposed under Part IX of the *Excise Tax Act* (Canada) and its registration number is 75208 8419 RT0001.

Section 5.3 No Other Representations or Warranties.

The representations and warranties given by the Vendors in Section 5.1 are the only representations and warranties of the Vendors in connection with this Agreement and the transactions contemplated by them. Except for the representations and warranties given by the Vendors in Section 5.1, the Purchaser is purchasing the Purchased Assets on an "as is, where is" basis and does not rely upon any statements, representations, promises, warranties, conditions or guarantees whatsoever by the Vendors or the Monitor, whether express or implied (by operation of law or otherwise), oral or written, legal, equitable, conventional, collateral or otherwise, regarding any of the assets to be acquired or any of the liabilities to be assumed or the completeness of any information provided in connection therewith. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets, the Business, the Assumed Liabilities or the Assumed Liabilities.

Section 5.4 As is, Where is.

THE PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE PURCHASED ASSETS AND THE BUSINESS ARE PURCHASED AND THE ASSUMED LIABILITIES ARE ASSUMED BY THE PURCHASER "**AS IS, WHERE IS**" AS THEY SHALL EXIST AT THE CLOSING DATE WITH ALL FAULTS AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN FACT OR BY LAW WITH RESPECT TO THE PURCHASED ASSETS, THE BUSINESS, AND THE ASSUMED LIABILITIES, AND WITHOUT ANY RECOURSE TO ANY OF THE VENDORS, THE MONITOR OR ANY OF THEIR DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES, AGENTS, REPRESENTATIVES OR ADVISORS, OTHER THAN FOR KNOWING AND INTENTIONAL FRAUD. THE PURCHASER AGREES TO ACCEPT THE PURCHASED ASSETS, THE BUSINESS, THE ASSUMED LIABILITIES AND THE ASSUMED LIABILITIES IN THE CONDITION, STATE AND LOCATION THEY ARE IN ON THE CLOSING DATE BASED ON THE PURCHASER'S OWN INSPECTION, EXAMINATION AND DETERMINATION WITH RESPECT TO ALL MATTERS AND WITHOUT RELIANCE UPON ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE MADE BY OR ON BEHALF OF OR IMPUTED TO ANY OF THE VENDORS OR THE MONITOR, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT. Unless specifically stated in this Agreement, the Purchaser acknowledges and agrees that no representation, warranty, term or condition, understanding or collateral agreement, whether statutory, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, is being given by the Vendors or Monitor in this Agreement or in any instrument furnished in connection with this Agreement, as to description, fitness for purpose, sufficiency to carry on any business, operate, merchantability, quantity, condition, ownership, quality, value, suitability, durability, environmental condition, assignability or marketability thereof, or in respect of any other matter or thing whatsoever, and all of the same are hereby expressly excluded.

ARTICLE 6
PRE-CLOSING COVENANTS OF THE PARTIES

Section 6.1 Access by Purchaser.

Subject to applicable Law, from the date that this Agreement is selected, or deemed to be selected as, the Successful Bid in accordance with the Sale Process until the Closing, the Vendors shall (i) upon reasonable notice, permit the Purchaser and its partners and Affiliates, its and their respective employees, agents, counsel, accountants or other representatives, lenders, potential lenders and potential investors to have reasonable access during normal business hours to (a) the premises of the Vendors, (b) the Purchased Assets, including all Books and Records and all minute books and corporate records of the Vendors using commercially reasonable efforts and (c) the Assumed Contracts; and (d) furnish to the Purchaser or its partners, employees, agents, counsel, accountants or other representatives, lenders, potential lenders and potential investors such financial and operating data and other information with respect to the Purchased Assets and the Vendors (to the extent such data or information is in the Vendors' possession or, using commercially reasonable efforts, can be obtained by the Vendors or the Monitor) as the Purchaser from time to time reasonably requests.

Section 6.2 Access by Monitor.

From the Closing Date, the Purchaser shall, upon reasonable notice, permit representatives of the Monitor to have reasonable access during normal business hours to the Books and Records for the purpose of completing its mandate as the Monitor from time to time reasonably requests.

Section 6.3 Title and Risk.

The Purchased Assets shall remain at the risk of the Vendors until Closing and at the risk of the Purchaser from and after Closing. The Vendors covenant to the Purchaser that, during the period from and including the date hereof through and including the Closing Date or the earlier termination of this Agreement, the Vendors shall use commercially reasonable efforts to conduct the Business in substantially the same manner as conducted as of the date hereof.

Section 6.4 Employees.

(a) The Purchaser shall prior to the Closing Date, offer employment conditional on Closing and effective as of the Closing Date to the all of the Employees whom the Purchaser wishes, in its sole discretion (subject to the requirements of applicable Law, if any), to employ after the Closing (collectively, the "**Offerees**") on such employment terms and conditions as the Purchaser considers appropriate or as may be required in accordance with applicable Law.

(b) At least two (2) Business Days prior to the Closing Date, the Purchaser shall provide the Vendors and the Monitor with a schedule setting forth a list of the names of all Offerees.

(c) The Vendors shall terminate the employment of all Employees no later than the Closing.

(d) Prior to the Closing Date, the Vendors shall process, or cause to be processed, the payroll for, and pay (or cause to be paid), all compensation, including the base wages, base salary, vacation pay and ordinary course sales commissions for all Employees (collectively, "**Wages**") as and when due for the period prior to Closing. The Vendors shall withhold and remit all applicable payroll taxes and deductions from Wages at source as required by Law.

(e) Following the Closing, the Purchaser shall process the payroll for, and pay (or cause to be paid), as and when due, (i) all unpaid Wages accrued but which did not become due prior to the Closing Date with respect to each Transferred Employee, and (ii) all Wages accrued on and after the Closing Date with respect to each Transferred Employee.

(f) As of the Closing Date, the Purchaser shall become the participating employers and sponsors under the benefit plan, if any. The Vendors shall take all appropriate and necessary action to transfer control of and liability and responsibility for the benefit plan, if any, to the Purchaser.

(g) All Non-Transferred Employee Liabilities shall be dealt with in the CCAA Proceedings or any subsequent bankruptcy of the Vendors in accordance with the entitlement and priority afforded to such claims under applicable Law. The Purchaser shall not assume or be liable for any Non-Transferred Employee Liabilities.

Section 6.5 Notices and Requests for Consents.

(a) Subject to the selection or deeming of this Agreement as the Successful Bid in accordance with the Sale Process, the Vendors shall use commercially reasonable efforts to obtain or cause to be obtained prior to Closing, at its expense, all consents, approvals and waivers that are required by the terms of the Consent Required Contracts, or an Assignment Order in order to complete the transactions contemplated by this Agreement.

(b) The Vendors and the Monitor shall provide notices (in form and substance acceptable to the Purchaser, acting reasonably) that are required by the terms of the Assumed Contracts in connection with the transaction contemplated pursuant to the Approval and Vesting Order and this Agreement.

Section 6.6 Transfer of the Purchased Assets.

The Vendors shall take all necessary steps and proceedings to permit title to the Purchased Assets to be duly and validly transferred and assigned to the Purchaser at the Closing pursuant to the Approval and Vesting Order and this Agreement, free from all Encumbrances.

Section 6.7 Actions to Satisfy Closing Conditions.

(a) The Vendors shall use commercially reasonable efforts to take or cause to be taken all such actions so as to ensure compliance with all of the conditions set forth in Section 8.1.

(b) The Purchaser shall use its commercially reasonable efforts to take or cause to be taken all such actions so as to ensure compliance with all of the conditions set forth in Section 8.2.

ARTICLE 7
SALES PROCESS

Section 7.1 Compliance with Sale Process.

The Parties each agree to comply with the Sale Process.

Section 7.2 Expense Reimbursement.

(a) In consideration for the Purchaser's expenditure in the preparation of this Agreement, and in performing due diligence with respect to the Vendors and the Purchased Assets, if this Agreement is terminated pursuant to Section 10.1(1) and Section 10.1(2)(a), then the Vendors shall reimburse the Purchaser for its expenses reasonably incurred in connection with this

Agreement up to a maximum amount of $30,000 (the "**Expense Reimbursement**").

(b) The Purchaser agrees that the Expense Reimbursement will be the sole and exclusive remedy of the Purchaser against the Vendors in the event that this Agreement is terminated pursuant to Section 10.1(1) or Section 10.1(2)(a).

Section 7.3 Transaction Fee

(a) If the Purchaser is not selected as the Successful Bidder pursuant to the Sale Process, the Purchaser shall be entitled to a transaction fee in connection with the transaction in this Agreement amount of 2% of the Purchase Price, being 2%, (the "**Transaction Fee**"). The Transaction Fee shall represent consideration as time and effort spent negotiating this Agreement and serving as the Stalking Horse Bidder. The Transaction Fee shall be payable by the Vendors to the Purchaser in immediately payable funds to an account designated by the Purchaser from the proceeds of the Successful Bid concurrently with the closing of such Successful Bid.

(b) If the Purchaser is not selected as, or deemed to be, the Successful Bidder, the Vendors shall request that the order of the Court approving the sale of the assets of the Vendors to the Successful Bidder to include a provision requiring that the Expense Reimbursement and the Transaction Fee be paid to the Purchaser in accordance with the Sale Process and that the payment of the Expense Reimbursement be approved as part of such sale and not be voidable as a matter of bankruptcy law or otherwise.

(c) The Vendors shall seek the approval of the Court to the transactions contemplated by this Agreement in accordance with the following:

(i) Promptly upon execution of this Agreement, the Vendors shall seek approval of the (i) Sale Process, (ii) filing of this Agreement as a "stalking horse bid", (iii) the Expense Reimbursement, and (iv) the Transaction Fee.

(ii) The Vendors and the Purchaser acknowledge that: (i) this Agreement is subject to Court approval, and (ii) Closing the transactions contemplated herein is subject to this Agreement being determined to be the "Successful Bid" in accordance with the Sale Process and to the issuance of the Approval and Vesting Order.

(iii) As soon as practicable if the Purchaser is selected as, or deemed to be, the Successful Bidder, the Vendors shall file motion materials seeking the issuance of the Approval and Vesting Order.

(iv) If the Purchaser is selected, or deemed to be selected as the Successful Bidder, as soon as practicable, the Purchaser shall advise the Vendors and the Monitor in writing of the Consent Required Contracts for which the Purchaser requires the Vendor to seek an Assignment Order.

(v) The Vendors and the Purchaser shall cooperate with filing and serving the motion for issuance and entry of the Approval and Vesting Order and any Assignment Orders required pursuant to Section 2.5(c).

(vi) The Vendors, in consultation with the Purchaser, shall determine all Persons required to receive notice of the motions for the Approval and Vesting Order and any Assignment Order under applicable Laws and the requirements of the CCAA, the Court and any other Person determined necessary by the Vendors or the Purchaser.

ARTICLE 8
CONDITIONS OF CLOSING

Section 8.1 Conditions for the Benefit of the Purchaser.

The purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities are subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the exclusive benefit of the Purchaser and may be waived, in whole or in part, by the Purchaser in its sole discretion:

(a) **Successful Bid.** The Purchaser shall have been selected as, or deemed to be, the Successful Bidder, following the completion of the Sale Process.

(b) **Truth of Representations and Warranties**. The representations and warranties of the Vendors contained in this Agreement were true and correct as of the date of this Agreement and are true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Vendors shall have executed and delivered a certificate of a senior officer to that effect. Upon the delivery of such certificate, the representations and warranties of the Vendors in Section 5.1 will be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date.

(c) **Performance of Covenants**. The Vendors shall have fulfilled or complied with all covenants contained in this Agreement required to be fulfilled or complied with by it at or prior to the Closing, and the Vendors shall have executed and delivered a certificate of an authorized representative to that effect.

(d) **Consents for Consent Required Contracts**. All consents, approvals or waivers for each Consent Required Contract shall have been obtained on terms acceptable to the Purchaser, acting reasonably, or an Assignment Order will have been obtained in respect thereof. All such consents, approvals, waivers or Assignment Orders will be in force and will not have been modified, rescinded, appealed or stayed.

(e) **Legal Action**. There shall be no order issued by any Governmental Authority delaying, restricting or preventing consummation of the transactions contemplated herein.

(f) **Deliveries**. The Vendors shall have delivered or caused to be delivered to the Purchaser the following in form and substance satisfactory to the Purchaser acting reasonably:

(i) consents to the assignment of the Consent Required Contracts to the extent that an Assignment Order was not obtained;

(ii) the certificates referred to in Section 8.1(b) and Section 8.1(c);

(iii) the issued and entered Approval and Vesting Order, which Order will not have been modified, rescinded, appealed or stayed;

(iv) a copy of the Monitor's Certificate (such certificate shall be filed with the Court by the Monitor following Closing and a copy of such filed Monitor's Certificate shall be delivered to the Purchaser promptly thereafter);

(v) the originals of the Books and Records, excluding those Excluded Assets but including all Tax Returns pertaining to corporate income Taxes of the Vendors for the previous 5 years from the Closing Date, that are available to the Vendors using commercially reasonable efforts;

(vi) the Purchased Assets, which shall be delivered in situ, other than the cash held in the Vendors' bank accounts on the Closing Date, which shall be transferred to the Purchaser;

(vii) a full and final release from the **RBC** in form satisfactory to the Purchaser and the Vendors releasing the Vendors, Universal Environmental Services Inc. ("**UESI**"), Francis Collins, and Josh Collins from any and all obligations owed to RBC including but not limited to any obligations owed to RBC pursuant to RBC's credit facilities with the Vendors and UESI; and

(viii) an assignment and assumption agreement, bill of sale or such other conveyances, assignments, documents and instruments of transfer as may be reasonably required by the Purchaser to complete the transaction contemplated herein.

Section 8.2 Conditions for the Benefit of the Vendors.

The purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities are subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the exclusive benefit of the Vendors and may be waived, in whole or in part, by the Vendors in their sole discretion.

(a) **Truth of Representations and Warranties**. The representations and warranties of the Purchaser contained in this Agreement were true and correct as of the date of this Agreement and are true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Purchaser shall have executed and delivered a certificate of a senior officer to that effect. Upon delivery of such certificate, the representations and warranties of the Purchaser in Section 5.2 will be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date.

(b) **Performance of Covenants**. The Purchaser shall have fulfilled or complied with all covenants contained in this Agreement required to be fulfilled or complied with by it at or prior to Closing and the Purchaser shall have executed and delivered a certificate of a senior officer to that effect.

(c) **Deliveries**. The Purchaser shall have delivered or caused to be delivered to the Vendors the following in form and substance satisfactory to the Vendors, acting reasonably:

(i) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by appropriate government official of the jurisdiction of its incorporation; and

(ii) the certificates referred to in Section 8.2(a) and Section 8.2(b).

(d) **Proceedings**. All proceedings to be taken in connection with the transactions contemplated in this Agreement and any Ancillary Agreement are reasonably satisfactory in form and substance to the Vendors, acting reasonably, and the Vendors shall have received copies of all the instruments and other evidence as it may reasonably request in order to establish the consummation of such transactions and the taking of all proceedings in connection therewith.

(e) **Legal Action**. There shall be no order by issued by any Governmental Authority delaying, restricting or preventing consummation of the transactions contemplated herein.

Section 8.3 Conditions for the Benefit of the Purchaser and the Vendors.

The purchase and sale of the Purchased Assets is subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the benefit of the Vendors and the Purchaser and may be jointly waived, in whole or in part, by the Vendors and the Purchaser.

(a) **Approval and Vesting Order.** The Approval and Vesting Order shall have been obtained and shall not have been appealed, set aside, varied or stayed or, if appealed or stayed, all appeals shall have been dismissed and all stays shall have been lifted, respectively.

(b) **Monitor's Certificate.** The Monitor shall have delivered the Monitor's Certificate confirming the satisfaction of all conditions under this Agreement, payment of the Purchase Price and the vesting of the Purchased Assets pursuant to the Approval and Vesting Order.

ARTICLE 9
CLOSING

Section 9.1 Date, Time and Place of Closing.

Closing will take place on the Closing Date by exchanging signature pages of the Parties electronically or at the offices of counsel to the Vendors in, St. John, Newfoundland and Labrador, or at such other place, on such other date and at such other time as may be consented to by the Monitor and agreed upon in writing between the Vendors and the Purchaser.

Section 9.2 Closing Procedures.

Subject to satisfaction or waiver by the relevant Party of the conditions of closing, on the Closing Date, the Closing shall be deemed completed upon the delivery of the Monitor's Certificate.

Section 9.3 Monitor's Certificate.

The Parties hereby acknowledge and agree that the Monitor shall be entitled to file a certificate, substantially in the form attached to the Approval and Vesting Order (the "**Monitor's Certificate**"), with the Court upon receiving written confirmation from the Purchaser and the Vendors that all conditions of Closing have been satisfied or waived.

ARTICLE 10
TERMINATION

Section 10.1 Termination Rights.

(1) This Agreement will be terminated automatically, without any action by either Party, if:

(a) this Agreement is not selected as the Successful Bid pursuant to and in accordance with the terms of the Sale Process; or

(b) if the Approval and Vesting Order is not granted by September 30, 2023, or such later date as may be agreed to be the Parties.

(2) This Agreement may, by Notice in writing given on or prior to the Closing Date, be terminated on or prior to the Closing Date:

(a) by the Purchaser, if:

(i) there has been a material breach of this Agreement by the Vendors and where such breach is capable of being cured, such breach has not been waived by the Purchaser in writing or cured within 15 days following written Notice of such breach by the Purchaser; or

(ii) any of the conditions in Section 8.1 have not been satisfied and it becomes reasonably apparent that any of such conditions will never be satisfied (other than as result of the failure of the Purchaser to perform any of its material obligations) and the Purchaser has not waived such condition in writing at or prior to Closing;

(iii) if the CCAA Proceedings are terminated prior to the Closing Date;

(b) by the Vendors, if:

(i) there has been a material breach of this Agreement by Purchaser and where such breach is capable of being cured, such breach has not been waived by the Vendors in writing or cured within 15 days following written Notice of such breach by the Vendors; or

(ii) any of the conditions in Section 8.2 have not been satisfied and it becomes reasonably apparent that any of such conditions will never be satisfied (other than as result of the failure of the Vendors to perform any of their material obligations) and the Vendors have not waived such condition in writing at or prior to Closing.

Section 10.2 Effect of Termination.

The rights of termination under this Article 10 are, subject to Section 7.2(b), in addition to any other rights the respective Party may have under this Agreement or otherwise, and the exercise of a right of termination by a Party will not constitute an election of remedies. If this Agreement is terminated pursuant to Section 10.1, this Agreement will be of no further force or effect; provided, however, that Section 7.2(b) (*Expense Reimbursement*), Section 7.3 (*Transaction Fee*), this Section 10.2 (*Effect of Termination*), and Article 11 (*Miscellaneous*) and provisions that by their nature should survive, will survive the termination of this Agreement.

ARTICLE 11
MISCELLANEOUS

Section 11.1 Notices.

Any notice, direction or other communication given regarding the matters contemplated by this Agreement (each a "**Notice**") must be in writing, sent by personal delivery, courier or email addressed:

(a) **to the Purchaser at:**

92712 Newfoundland & Labrador Inc.
c/o Wells PLC Inc.
P.O. Box 26111
10 Freshwater Rd.
St. John's
NL Canada
A1C 5T9

Attn: Alex Wells
Email: a.wells@wellslaw.ca

(b) **to the Vendors at:**

Edward Collins Contracting Ltd., *et al.*
c/o O'Keefe & Sullivan
Suite 202, 80 Elizabeth Ave.
St. John's,
NL, Canada,
A1A 1W7 NL
Attn: Josh Collins
Email: josh__4@hotmail.com

with a copy by email to:

O'KEEFE & SULLIVAN
80 Elizabeth Ave., 2nd Floor
St. John's, NL A1A 4Y3

Attn: Darren O'Keefe
Email: darren@okeefeandcompany.com

(c) to the Monitor at:

Grant Thornton LLP
Nova Centre, North Tower
Suite 1000 - 1675 Grafton Street
Halifax, NS B3J 0E9
Attn: Phil Clarke
Email: Phil.Clarke@ca.gt.com

with a copy by email to:

Reconstruct LLP
200 Bay Street, Suite 2305, Box 120
Toronto, ON M5J 2J3

Attn: Caitlin Fell
Email: cfell@reconllp.com

A Notice is deemed to be given and received (i) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, or (ii) if sent email, on the next Business Day. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party.

Section 11.2 Time of the Essence.

Time shall be of the essence in respect of the obligations of the Parties arising prior to Closing under this Agreement.

Section 11.3 Announcements.

No press release, public statement or announcement or other public disclosure with respect to this Agreement or the transactions contemplated in this Agreement may be made prior to Closing except with the prior written consent and joint approval of the Vendors and the Purchaser. Where such disclosure is required by Law, the Party required to make such disclosure will use its commercially reasonable efforts to obtain the approval of the other Party as to its form, nature and extent of the disclosure. After the Closing, any disclosure by the Vendors may be made only with the prior written consent and approval of the Purchaser unless such disclosure is required by Law, in which case the Vendors shall use their commercially reasonable efforts to obtain the approval of the Purchaser as to the form, nature and extent of the disclosure. Notwithstanding the foregoing, this Agreement may be disclosed publicly in court materials filed in connection any motion to Court by the Vendors to for the Sale Process Approval Order or for the Approval and Vesting Order.

Section 11.4 Third Party Beneficiaries.

Except as otherwise provided in this Agreement, (i) the Vendors and the Purchaser intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties and (ii) no Person, other than the Parties, is entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. The Parties reserve their right to vary or rescind the rights at any time and in any way whatsoever, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person.

Section 11.5 Expenses.

Except as otherwise expressly provided in this Agreement, each Party will pay for its own costs and expenses (including the fees and expenses of legal counsel, accountants and other advisors) incurred in connection with this Agreement or any Ancillary Agreements and the transactions contemplated by them.

Section 11.6 Amendments.

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Vendors and the Purchaser.

Section 11.7 Waiver.

No waiver of any of the provisions of this Agreement or any Ancillary Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's acceptance of any certificate delivered on Closing or failure or delay in exercising any right under this Agreement will not operate as a waiver of that. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

Section 11.8 Entire Agreement.

This Agreement together with the Ancillary Agreements, (i) constitutes the entire agreement between the Parties; (ii) supersedes all prior agreements or discussions of the Parties; and (iii) sets forth the complete and exclusive agreement between the Parties, in all cases, with respect to the subject matter herein.

Section 11.9 Successors and Assigns.

(1) Upon execution of this Agreement by the Parties, it will be binding upon and enure to the benefit of the Vendors, the Purchaser and their respective successors and permitted assigns.

(2) Except as provided in this Section 11.9, neither this Agreement nor any of the rights or obligations under this Agreement may be assigned or transferred, in whole or in part, by any Party without the prior written consent of the other Party. Upon giving Notice to the Vendors at any time on or prior to the Closing Date, the Purchaser may assign this Agreement or any of its rights and/or obligations under this Agreement to any of its Affiliates, provided that such Affiliate and the Purchaser shall be jointly and severally liable with respect to all of the obligations of the Purchaser, including the representations, warranties, covenants, indemnities and agreements of the Purchaser.

Section 11.10 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 11.11 Governing Law.

(1) This Agreement is governed by and will be interpreted and construed in accordance with the laws of the Province of Newfoundland and Labrador and the federal laws of Canada applicable therein.

(2) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Court (and appellate courts therefrom) and waives objection to the venue of any proceeding in such court or that such court provides an inappropriate forum.

Section 11.12 Counterparts.

This Agreement may be executed (including by electronic means) in any number of counterparts, each of which (including any electronic transmission of an executed signature page), is deemed to be an original, and such counterparts together constitute one and the same instrument.

[*Signature pages follow*]

IN WITNESS WHEREOF the Parties have executed this Asset Purchase Agreement.

May 17th, 2023

EDWARD COLLINS CONTRACTING LTD.

Per: ______________________________
Authorized Signing Officer
Francis Collins

H & E DESIGNS LTD.

Per: ______________________________
Authorized Signing Officer
Francis Collins

Alexander T. Wells
NOTARY PUBLIC
Newfoundland & Labrador

92712 NEWFOUNDLAND & LABRADOR INC.

Per: ______________________________
Authorized Signing Officer
Peter J. Byrne

GRANT THORNTON LTD.

Per: ______________________________
Authorized Signing Officer

SCHEDULES

Schedule 1.1(a) – Excluded Contracts

(1) All contracts in default not otherwise specified herein;

(2) Contract 46-21 between Edward Collins Contracting Ltd. and the Government of Newfoundland and Labrador concerning road and bridge rehabilitation work in the central Newfoundland and Labrador, also referred to as Project No. 46-21 PHP and all related amendments, additions or revisions thereto

Schedule 1.1(c) – Sale and Investment Solicitation Process

See attached.

Schedule 2.1(h) – Real Property

The Real Property shall include:

(1) 3 Lakeview Drive, Humber Valley Resort, NL;

(2) 30 Reids Lane, Deer Lake, NL;

(3) Lot 27 Charter Ave., Argentia, NL;

(4) 104 Charter Ave., Argentia, NL; and

(5) Morrisey's Place, Placentia, NL

Schedule 2.2(d) – Excluded Assets

The Excluded Assets shall include:

(a) the rights of Vendors under this Agreement; and

(b) all rights under or arising out of insurance policies not relating to the Business or the Purchased Assets or non-assignable as a matter of law.

Schedule 3.5 – Purchase Price Allocation

Purchase Price Allocation to be provided on Closing.

Appendix “J”

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

Sales and Investment Solicitation Process - May 17, 2023

			Note:
Sources of Funds:			
Newco Bid - Stalking Horse Offer	6,955,000		
FGC Refinancing	240,103		1
Assumption of Liabilities - Ongoing Contracts	1		
Refinancing Proceeds		**$ 7,195,104**	
Total Funds		**$ 7,195,104**	
Paid Out Debt:			
RBC Real Estate Mortgages:			
30 Reids Lane	293,903		
3 Lakeview	320,652		
Morrissey's Place	311,668		
26 Lakeview	240,103		
		$ 1,166,326	
Equipment Buyouts by Lender:			
Bank of Nova Scotia	15,675		
Brandt Finance	-		
Caterpillar Financial	-		
CWB National Leasing	-		
De Lage Landen Financial Services Canada Inc.	112,079		
Daimler Truck Financial	297,867		
Honda Financial	10,158		
John Deere Financial	764,053		
Wells Fargo	219,189		
		$ 1,419,020	
RBC Loans + Other:			
Line of Credit (ECC + 51037)	1,063,061		
RBC Equipment	1,569,965		
Visa (ECC + 51037)	207,331		
Overdraft	1,377		
Est. Fees & Interest	50,000		
		$ 2,891,734	2
Payroll Taxes:			
CRA Payroll Deemed Trust - ECC	2,127,873		3
Less - Funds Held in Trust	(250,000)		
Less - Humber Arm South	(48,052)		
Province of NL HAPSET - ECC	56,297		
		$ 1,886,118	
Total Debt to Pay Out		**$ 7,363,197**	
Cure Costs:			
Outstanding Equipment Lease	-		4
Claim for RBC Protective Disbursements	-		5

		$	-
Total Use of Refinancing		**$**	**7,363,197**
Net Surplus (Deficit) from Refinancing		**$**	**(168,093)**
Cash From Company to Close Funding Gap			
Payment from ECC	205,000		
		$	**205,000**
Net Funding Surplus (Deficit)		**$**	**36,907**

Summary of RBC Payout:			
Refinanced:			
Mortgages	$ 1,166,326		
Line of Credit (ECC + 51037)	1,063,061		
RBC Equipment	1,569,965		
Visa (ECC + 51037)	207,331		
Overdraft	1,377		
HASCAP	-		
Est. Fees & Interest	*50,000*		
			4,058,060
Not Refinanced:			
HASCAP	1,036,958.90		
Protective Disbursements	484,351.33		
CEBA	120,000		
			1,641,310
Total RBC Debt		**$**	**5,699,370**

Notes:

1. Separate refinancing will be obtained to pay out FGC loans.
2. HASCAP loan is assumed to not be paid out.
3. Based on deemed trust claim filed by CRA on March 14, 2023.
4. Assumes all equipment leases will be bought out. If leases are assumed cure costs will be required.
5. Professional fees incurred by RBC excluded.

Appendix “K”

Edward Collins Contracting Limited
CRA Remittances - July 20, 2022 to May 17, 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	
35785	14-Dec-22	11,593.50	101582641 RP0001	1,304.51	3,370.31	6,918.68	2022	09-Dec-22	
35876	21-Dec-22	8,878.22	101582641 RP0001	994.59	2,741.86	5,141.77	2022	16-Dec-22	
35888	3-Jan-23	8,005.39	101582641 RP0001	892.02	2,407.11	4,706.26	2023	30-Dec-22	
35949	11-Jan-23	7,057.11	101582641 RP0001	798.26	2,176.78	4,082.07	2023	06-Jan-23	
36001	18-Jan-23	7,466.25	101582641 RP0001	851.18	2,244.64	4,370.43	2023	13-Jan-23	
36041	25-Jan-23	8,093.47	101582641 RP0001	943.50	2,428.88	4,721.09	2023	20-Jan-23	
36083	1-Feb-23	8,604.83	101582641 RP0001	987.49	2,343.84	5,273.50	2023	27-Jan-23	
36132	10-Feb-23	8,699.33	101582641 RP0001	1,005.73	2,498.48	5,195.12	2023	03-Feb-23	
36138	15-Feb-23	8,313.58	101582641 RP0001	961.02	2,320.74	5,031.82	2023	10-Feb-23	
36209	22-Feb-23	8,650.79	101582641 RP0001	982.47	2,385.62	5,282.70	2023	17-Feb-23	
36261	2-Mar-23	9,559.22	101582641 RP0001	1,081.30	2,582.32	5,895.60	2023	24-Feb-23	
36300	8-Mar-23	8,492.05	101582641 RP0001	980.36	2,506.74	5,004.95	2023	03-Mar-23	
36343	15-Mar-23	8,517.51	101582641 RP0001	984.09	2,537.52	4,995.90	2023	10-Mar-23	
36356	22-Mar-23	9,153.52	101582641 RP0001	1,034.21	2,449.66	5,669.65	2023	17-Mar-23	
36429	29-Mar-23	8,605.48	101582641 RP0001	981.60	2,472.28	5,151.60	2023	24-Mar-23	A
36471	5-Apr-23	7,636.85	101582641 RP0001	899.78	2,378.98	4,358.09	2023	31-Mar-23	B
36514	12-Apr-23	8,351.59	101582641 RP0001	954.95	2,298.60	5,098.04	2023	07-Apr-23	C
36529	18-Apr-23	11,296.74	101582641 RP0001	1,257.99	3,265.58	6,773.17	2023	14-Apr-23	D
36607	26-Apr-23	11,838.64	101582641 RP0001	1,274.65	3,333.62	7,230.37	2023	21-Apr-23	E
36648	3-May-23	8,837.96	101582641 RP0001	2,483.46	1,007.04	5,347.46	2023	28-Apr-23	F
36647	10-May-23	8,747.97	101582641 RP0001	2,493.70	984.77	5,269.50	2023	05-May-23	G
	17-May-23	11,423.70	101582641 RP0001	3,205.62	1,247.35	6,970.73	2023	12-May-23	H
Total:		439,609.89		53,717.76	120,957.02	264,935.11			
Payroll Remittance		439,609.89		53,717.76	120,957.02	264,935.11			

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	-	
01-Dec-22	31-Dec-22	12-Jan-23	-	-	N/A	-	
01-Jan-23	31-Jan-23	08-Feb-23	4,428.58	4,428.58	28-Feb-23	-	
01-Feb-23	28-Feb-23	16-Mar-23	15,083.56	15,083.56	22-Mar-23	-	
01-Mar-23	31-Mar-23	26-Apr-23	34,454.07	34,454.07	28-Apr-23	-	I
Total			179,180.91	179,180.91		-	

* 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

Account No. / N° de compte	10158 2641 RP0001	Date	March 29th, 2023
Remitting period / Période de versement	Mar 12 - Mar 18	Tax / Impôt	5,151.60
Payroll / Rémunération	25,090.96	C.P.P. / RPC	2,472.28
Employees / Employés	27	E.I. / A-E	981.60
Cheque no. / N° de chèque	36429	Payment / Paiement	8,605.48

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TIMBRE DU CAISSIER ICI
09403-003
ROYAL BANK OF CANADA
MAR 30 2023
PLACENTIA, NL
09403-003

Transaction Record

Transit: 09403
Date: 30 Mar 2023
Time: 12:09:43

Reference #: 3230893838475009403

Items Received
Cheque 8605.48 CAD

Other Payments
Miscellaneous 8605.48 CAD

Thank you for choosing RBC Royal Bank.

A

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

Transaction Record

Transit: 09403
Date: 05 Apr 2023
Time: 12:33:56

Reference #: 9230953983655109403

Items Received

Cheque	7636.85 CAD

Other Payments

Miscellaneous	7636.85 CAD

Thank you for choosing RBC Royal Bank.

CA00135-46-57

Account No. / N° de compte	10158 2641 RP0001	Date	April 5th, 2023
Remitting period / Période de versement	March 26-Apr 1	Tax / Impôt	4,358.09
Payroll / Rémunération	22,999.78	C.P.P. / RPC	2,378.98
Employees / Employés	26	E.I. / A-E	899.78
Cheque no. / N° de chèque	36471	Payment / Paiement	7,636.85

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TIMBRE DU CAISSIER ICI
ROYAL BANK OF CANADA
PLACENTIA BRANCH
APR 0 5 2023
PLACENTIA, NL
09403-003

B

C

CA00135-47-57

Account No. / N° de compte	10158 2641 RP0001	Date	April 12, 2023
Remitting period / Période de versement	Mar 26 - Apr 1st	Tax / Impôt	5,098.04
Payroll / Rémunération	24,410.25	C.P.P. / RPC	2,298.60
Employees / Employés	26	E.I. / A-E	954.95
Cheque no. / N° de chèque	36514	Payment / Paiement	8,351.59

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TIMBRE DU CAISSIER ICI

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.

RBC

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

Transaction Record

Transit: 09403
Date: 13 Apr 2023
Time: 12:30:07

Reference #: 6231033960813809403

Items Received
Cheque 8351.59 CAD

Other Payments
Miscellaneous 8351.59 CAD

Thank you for choosing RBC Royal Bank.

D

Account No. / N° de compte	10158 2641 RP0001	Date	April 18, 2023
Remitting period / Période de versement	April 2 - April 8	Tax / Impôt	6,773.17
Payroll / Rémunération	32,156.72	C.P.P. / RPC	3,265.58
Employees / Employés	32	E.I. / A-E	1,257.99
Cheque no. / N° de chèque	36529	Payment / Paiement	11,296.74

ROYAL BANK OF CANADA
PLACENTIA BRANCH
APR 18 2023
PLACENTIA, NL
09403-003

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

Transaction Record

Transit: 09403
Date: 18 Apr 2023
Time: 12:45:59

Reference #: 9231084055928409403

Items Received	11296.74 CAD
Cheque	
Other Payments	11296.74 CAD
Miscellaneous	

Thank you for choosing RBC Royal Bank.

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

Account No. / N° de compte	10158 2641 RP0001	Date	April 26, 2023
Remitting period / Période de versement	Apr 9th - Apr 15th	Tax / Impôt	7,230.37
Payroll / Rémunération	32,582.31	C.P.P. / RPC	3,333.62
Employees / Employés	29	E.I. / A-E	1,274.65
Cheque no. / N° de chèque	36607	Payment / Paiement	11,838.64

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TIMBRE DU CAISSIER ICI
ROYAL BANK OF CANADA
APR 2 6 2023
PLACENTIA, NL
09403-003

Transaction Record

Transit: 09403
Date: 26 Apr 2023
Time: 14:37:42

Reference #: 2231164726231409403

Items Received
Cheque 11838.64 CAD

Other Payments
Miscellaneous 11838.64 CAD

Thank you for choosing RBC Royal Bank.

E

F

Account No. / N° de compte	10158 2641 RP0001	Date	May 3rd /2023
Remitting period / Période de versement	Apr 16 - Apr 22/23	Tax / Impôt	5,347.46
Payroll / Rémunération	25,740.83	C.P.P. / RPC	2,483.46
Employees / Employés	26	E.I. / A-E	1,007.04
Cheque no. / N° de chèque	36648	Payment / Paiement	8,837.96

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TIMBRE DU CAISSIER ICI

ROYAL BANK OF CANADA
PLACENTIA BRANCH
MAY 0 4 2023
PLACENTIA, NL
09403-003

CA00135-50-57

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.

CA00135-51-57

Account No. / N° de compte	10158 2641 RP0001	Date	May 5th, 2023
Remitting period / Période de versement	Apr 23 - Apr 29	Tax / Impôt	5,269.50
Payroll / Rémunération	25,172.60	C.P.P. / RPC	2,493.70
Employees / Employés	26	E.I. / A-E	984.77
Cheque no. / N° de chèque	36647	Payment / Paiement	8,747.97

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ROYAL BANK OF CANADA
MAY 1 0 2023
PLACENTIA, NL
09403-003

G

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

Transaction Record

Transit: 09403
Date: 10 May 2023
Time: 13:04:35

Reference #: 7231304167654809403

Items Received
Cheque 8747.97 CAD

Other Payments
Miscellaneous 8747.97 CAD

Thank you for choosing RBC Royal Bank.

CA00135-52-57

Account No. / N° de compte	10158 2641 RP0001	Date	May 16th, 2023
Remitting period / Période de versement	Apr 30-May 6th	Tax / Impôt	6,970.73
Payroll / Rémunération	31,883.75	C.P.P. / RPC	3,205.62
Employees / Employés	31	E.I. / A-E	1,247.35
Cheque no. / N° de chèque		Payment / Paiement	11,423.70

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TIMBRE DU CAISSIER ICI
094
ROYAL BANK OF CANADA
MAY 17 2023
PLACENTIA, NL
09403-003

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

Transaction Record

Transit: 09403
Date: 17 May 2023
Time: 13:05:11

Reference #: 7231374171288009403

Items Received
Cheque 11423.71 CAD

Other Payments
Miscellaneous 11423.71 CAD

Thank you for choosing RBC Royal Bank.

H

GST/HST NETFILE - confirmation

Your return has been successfully filed.

Your confirmation number is: 970305.

Thank you for using GST/HST NETFILE.

Business number: **101582641 RT0001**
Business name: **EDWARD COLLINS CONTRACTING LIMITED**
Reporting period: **2023-03-01 to 2023-03-31**
Filing date: **2023-04-26**
Payment due date: **2023-04-30**

Line 101 - Sales and other revenue	$496,813.80
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	$74,522.07
Line 108 - Total ITCs and adjustments	$40,068.00
Line 109 - Net tax	$34,454.07
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	$34,454.07

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

Transaction Record

Transit: 09403
Date: 28 Apr 2023
Time: 13:56:03

Reference #: 8231184476341209403

Items Received
Cheque 34454.07 CAD

Other Payments
Miscellaneous 34454.07 CAD

Thank you for choosing RBC Royal Bank.

EDWARD COLLINS CONTRACTING LTD.

REMITTANCE VOUCHER
Goods and Services Tax/Harmonized Sales Tax

Protected A when completed

Date	March 27, 2023
Business Number	10158 2641 RT0001

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Total

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CHEQUE

Amount paid

Appendix “L”

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 May 12, 2023 ($CAD)

			Actual								Comparison		
		Actual (Restated)	**WEEK 27**	**WEEK 28**	**WEEK 29**	**WEEK 30**	**WEEK 31**	**WEEK 32**	**WEEK 33**	**WEEK 34**	**Actual to**	**Budget to**	**Variance at**
Beginning Period		***2022-09-17***	2023-03-18	2023-03-25	2023-04-01	2023-04-08	2023-04-15	2023-04-22	2023-04-29	2023-05-06	2023-05-12	2023-05-12	2023-05-12
Ending Period		***2023-03-17***	2023-03-24	2023-03-31	2023-04-07	2023-04-14	2023-04-21	2023-04-28	2023-05-05	2023-05-12			
	NOTE												
Cash Receipts													
Existing Project Receipts	1, 2, 13	3,083,715	7,567	2,990	98,000	159,896	39,510	40,337	211,104	5,675	3,648,793	3,948,586	(299,792)
Fuel Recovery		-	155,515	-	60,000	-	100,000	50,000	-	-	365,515	-	365,515
Garage		-	-	-	-	-	-	51,750	-	-	51,750	46,000	5,750
Management fees (FGC Holdings)		-	-	-	-	-	-	-	-	-	-	-	-
Rental Income		9,775	-	-	-	-	-	-	-	-	9,775	26,275	(16,500)
Miscellaneous Receipts	3	141,980	-	3,615	632	4,715	1,840	3,610	717	3,161	160,268	161,980	(1,712)
Collection of Accounts Receivable	4	195,077	-	-	-	-	-	-	-	-	195,077	195,077	-
RBC Loan Augmentation	10	25,000	-	-	-	-	-	-	-	-	25,000	25,000	-
Life Insurance		515,510	-	-	-	-	-	-	-	-	515,510	515,510	-
Total Receipts from Operations		**3,971,056**	**163,082**	**6,605**	**158,631**	**164,611**	**141,350**	**145,697**	**211,820**	**8,836**	**4,971,688**	**4,918,427**	**53,260**
Direct costs													
Materials and Subcontracts		390,282	6,445	27,847	13,726	50,160	13,461	20,235	4,551	3,655	530,364	489,842	40,521
Direct Wages and Benefits		548,249	13,405	11,445	14,092	23,561	25,048	16,569	17,425	23,879	693,673	682,834	10,839
Fuel	11	419,091	1,016	696	51,946	19,360	51,811	639	51,152	771	596,484	403,311	193,172
Equipment Rental		41,440	1,811	-	-	-	-	-	-	140	43,391	41,440	1,951
Intersac AMA Fees		-	-								-	-	-
Direct Disbursements		**1,399,062**	**22,678**	**39,989**	**79,764**	**93,081**	**90,320**	**37,444**	**73,129**	**28,445**	**1,863,911**	**1,617,427**	**246,484**
Cash Flow Before Operating Activities		**2,571,994**	**140,404**	**(33,384)**	**78,867**	**71,530**	**51,030**	**108,253**	**138,692**	**(19,609)**	**3,107,776**	**3,301,000**	**(193,223)**
Operating expenses													
Business taxes, licences, memberships		13,266	-	661	-	17	-	-	55	-	13,999	14,766	(767)
Insurance	5	-	-	-	-	-	-	-	-	-	-	-	-
Bank fees (Interest & Charges)		7,028	270	190	711	180	270	270	779	154	9,853	9,028	824
Office		41,034	534	502	349	161	-	-	412	-	42,992	53,034	(10,042)
Professional fees	6	89,240	-	-	10,118	-	-	-	-	-	99,357	113,240	(13,883)
Property taxes		5,000	-	-	-	-	-	-	-	-	5,000	7,500	(2,500)
Rentals		21,704	-		-	60,304	71	-	-	-	82,080	28,704	53,376
Repairs & Maintenance		263,724	24,347	1,123	12,674	12,444	9,250	30,730	11,028	17,273	382,592	343,724	38,868
Workers compensation (WHSCC NL)		37,619	-	-	-	-	-	-	-	-	37,619	42,619	(5,000)
Salaries and wages		89,716	3,101	3,020	3,085	2,766	3,609	3,053	3,069	5,230	116,647	117,716	(1,069)
Travel		32,286	3,755	943	953	1,109	1,137	1,629	2,229	1,775	45,816	40,286	5,530
Utilities & Telephone		31,146	368	5,887	2,613	566	-	-	6,475	-	47,055	41,146	5,910
Vehicle		-	-	-	-	-	-	-	-	-	-	-	-
Garage wages and benefits		186,093	10,394	8,882	8,940	6,831	6,336	6,581	6,500	6,500	247,057	254,293	(7,236)
Equipment Lease Payments		241,695	12,235	10,027	4,594	3,135	18,417	13,456	1,547	6,042	311,147	325,695	(14,548)
Miscellaneous / Contingency		37,103	-	8,368	-	-	-	-	-	-	45,471	49,103	(3,632)
Legal Fees		221,541	-	-	-	-	-	-	-	-	221,541	287,541	(66,000)
Restructuring Fees	7, 11	278,079	34,612	-	-		38,431	12,098	27,906	-	391,127	333,079	58,047
Admin Charge	8	-	-	-	-	-	-	-	-	-	-	-	-
HST Remitted (Refunded)		129,779	15,084	-	-	-	-	34,454	-	-	179,316	157,609	21,708
Operating Disbursements		**1,726,053**	**104,700**	**39,604**	**44,036**	**87,512**	**77,521**	**102,272**	**60,000**	**36,974**	**2,278,671**	**2,219,083**	**59,588**
Bid Deposits / Bonding		**(127,575)**	**-**	**(170,000)**	**-**	-	-	-	-	-	(297,575)	(247,575)	(50,000)
O'Keefe & Co Opening Bal. Adjustment	11	**(32,996)**	**-**	**-**	**-**	-	-	-	-	-	(32,996)	(20,000)	(12,996)
Settlement Humber Arm South Funds		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(189,252)**	(189,252)	-	(189,252)
Deposit Held With Monitor		**(250,000)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	(250,000)	(250,000)	-
Net Cash Contribution (Use)		**435,371**	**35,704**	**(242,988)**	**34,831**	**(15,982)**	**(26,491)**	**5,981**	**78,691**	**(245,835)**	**59,282**	**564,342**	**(505,060)**
Opening Cash Position		**74,806**	**510,177**	**545,881**	**302,893**	**337,724**	**321,741**	**295,251**	**301,232**	**379,923**	**74,806**	**74,806**	**74,806**
Closing Cash Position		**510,177**	**545,881**	**302,893**	**337,724**	**321,741**	**295,251**	**301,232**	**379,923**	**134,088**	**134,088**	**639,148**	**(505,060)**
ECC Bank Balance		337,423	306,413	66,187	117,371	48,002	63,142	63,303	126,896	70,349			
O'Keefe Bank Balance	11	66,996	66,996	66,996	66,996	116,996	66,996	66,996	66,996	66,996			
GT Bank Balance		186,616	188,018	188,018	188,649	188,649	188,649	188,649	189,252	-			
Balance per Bank (all accounts)		**591,035**	**561,428**	**321,201**	**373,016**	**353,646**	**318,787**	**318,948**	**383,143**	**137,344**			
o/s Transactions	9	**(80,858)**	**(15,547)**	**(18,308)**	**(35,292)**	**(31,905)**	**(23,536)**	**(17,716)**	**(3,220)**	**(3,256)**			
Reconciled Balance		**510,177**	**545,881**	**302,893**	**337,724**	**321,741**	**295,251**	**301,232**	**379,923**	**134,088**			
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 project.
4. Collection of pre-July 20 Accounts Receivable not related to active projects.
5. Insurance has been prepaid for the coming year.
6. Fees for external accounting services.
7. Includes fees of 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"

Appendix “M”

Edward Collins Contracting Ltd., H & E Designs Ltd., Classic Security Ltd., FGC Holdings Ltd., 51037 Newfoundland & Labrador Inc. (collectively, "ECC et al")
Statement of Projected Cash Flow May 13, 2023 to August 4, 2023 (in CAD)

	NOTE	*Actual*	WEEK 35	WEEK 36	WEEK 37	WEEK 38	WEEK 39	WEEK 40	WEEK 41	WEEK 42	WEEK 43	WEEK 44	WEEK 45	WEEK 46	Total Projected
Beginning Period		*2022-09-17*	2023-05-13	2023-05-20	2023-05-27	2023-06-03	2023-06-10	2023-06-17	2023-06-24	2023-07-01	2023-07-08	2023-07-15	2023-07-22	2023-07-29	
Ending Period		*2023-05-12*	2023-05-19	2023-05-26	2023-06-02	2023-06-09	2023-06-16	2023-06-23	2023-06-30	2023-07-07	2023-07-14	2023-07-21	2023-07-28	2023-08-04	
Cash Receipts															
Existing Project Receipts	1,2	*3,648,793*	167,800	111,352	207,970	111,500	161,935	-	27,875	111,500	-	263,250	42,875	106,500	4,961,350
Fuel Recovery		*365,515*	-	-	-	-	-	-	-	-	-	-	-	-	365,515
Garage		*51,750*	-	5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750	115,000
Management fees (FGC Holdings)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income		*9,775*	-	5,000	-	-	-	-	-	-	-	-	-	-	14,775
Miscellaneous Receipts	3	*160,268*	8,366	9,999	-	-	-	10,350	7,013	-	-	-	-	-	195,996
Collection of Accounts Receivable	4	*195,077*	-	-	-	-	-	-	-	-	-	-	-	-	195,077
RBC Loan Augmentation		*25,000*	-	-	-	-	-	-	-	-	-	-	-	-	25,000
Life Insurance		*515,510*	-	-	-	-	-	-	-	-	-	-	-	-	515,510
Total Receipts from Operations		***4,971,688***	**176,166**	**132,101**	**213,720**	**117,250**	**167,685**	**16,100**	**40,638**	**117,250**	**5,750**	**269,000**	**48,625**	**112,250**	**6,388,223**
Direct costs															
Materials and Subcontracts		*530,364*	12,783	12,726	12,726	12,726	12,783	12,726	12,726	12,726	12,783	12,726	12,726	12,726	683,242
Direct Wages and Benefits		*693,673*	27,013	26,800	17,616	17,616	17,829	17,616	17,616	17,616	17,829	17,616	17,616	17,616	924,072
Fuel		*596,484*	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	615,864
Equipment Rental		*43,391*	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	60,191
Intersac AMA Fees		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct Disbursements		***1,863,911***	**42,811**	**42,541**	**33,357**	**33,357**	**33,627**	**33,357**	**33,357**	**33,357**	**33,627**	**33,357**	**33,357**	**33,357**	**2,283,369**
Cash Flow Before Operating Activities		***3,107,776***	**133,355**	**89,561**	**180,364**	**83,894**	**134,058**	**(17,257)**	**7,282**	**83,894**	**(27,877)**	**235,644**	**15,269**	**78,894**	**4,104,854**
Operating expenses															
Business taxes, licences, memberships		*13,999*	200	200	200	200	200	200	200	200	200	200	200	200	16,399
Insurance	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank fees (Interest & Charges)		*9,853*	475	475	475	475	475	475	475	475	475	475	475	475	15,553
Office		*42,992*	600	600	600	600	600	600	600	600	600	600	600	600	50,192
Professional fees	6	*99,357*	-	-	1,000	-	-	-	1,000	-	-	-	1,000	-	102,357
Property taxes		*5,000*	-	-	-	-	-	-	-	-	-	-	-	-	5,000
Rentals		*82,080*	-	12,000	-	-	-	-	12,000	-	-	-	12,000	-	118,080
Repairs & Maintenance		*382,592*	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	502,592
Workers compensation (WHSCC NL)	7	*37,619*	2,500	-	-	-	2,500	-	-	-	2,500	-	-	-	45,119
Garage & Office Wages		*363,704*	10,922	10,922	10,922	10,922	10,922	10,922	10,922	10,922	10,922	10,922	10,922	10,922	494,768
Travel		*45,816*	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	57,816
Utilities		*47,055*	-	4,600	-	-	-	4,000	-	-	-	-	3,500	-	59,155
Vehicle		-	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	43,800
Equipment Lease Payments		*311,147*	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	431,147
Miscellaneous / Contingency		*45,471*	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	63,471
Legal Fees		*221,541*	-	-	75,000	-	-	-	-	-	-	35,000	-	35,000	366,541
Restructuring Fees	8	*391,127*	-	100,000	-	35,000	60,000	-	-	-	-	30,000	20,000	45,000	681,127
Admin Charge		-													- -
HST Remitted (Refunded)		*179,316*	-	-	13,950	-	-	-	34,308	-	-	-	-	20,055	247,629
Operating Disbursements		***2,278,671***	**40,847**	**154,947**	**128,297**	**73,347**	**100,847**	**42,347**	**85,655**	**38,347**	**40,847**	**103,347**	**74,847**	**138,402**	**3,300,747**
Bid Deposits / Bonding		***(297,575)***													**(297,575)**
O'Keefe & Co Opening Bal. Adjustment		***(32,996)***													**(32,996)**
Settlement Humber Arm South Funds		***(189,252)***													**(189,252)**
Deposit Held With Monitor		***(250,000)***													**(250,000)**
Net Cash Contribution (Use)		***59,282***	**92,508**	**(65,387)**	**52,067**	**10,547**	**33,211**	**(59,604)**	**(78,373)**	**45,547**	**(68,724)**	**132,297**	**(59,579)**	**(59,508)**	**34,283**
Opening Cash Position		***74,806***	**134,088**	**226,596**	**161,210**	**213,276**	**223,823**	**257,034**	**197,430**	**119,057**	**164,604**	**95,880**	**228,176**	**168,598**	**74,806**
Closing Cash Position		***134,088***	**226,596**	**161,210**	**213,276**	**223,823**	**257,034**	**197,430**	**119,057**	**164,604**	**95,880**	**228,176**	**168,598**	**109,089**	**109,089**

NOTES:

1. Receipts of active and awarded contracts as of March 22, 2023
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 through August 31, 2023.
6. Fees for accounting services.
7. Estimated based on assumed payment plan of 10 equal payments for 2023 amount due.
8. Includes fees of the Monitor and its legal counsel for financial restructuring / CCAA proceeding.