

APPENDIX A

August 3, 2018

By E-Mail

Phil Clarke
BDO Canada Limited
255 Lacewood Drive, Suite 201
Halifax, NS B3M 4G2

Dear Mr. Clarke:

Review of Security – PTL Holding Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. Our File Number: 4182445

I understand that you are the Court Appointed Receiver for PTL Holdings Limited (“PTL Holdings”), PTL Services (Equipment) Limited (“PTL Services”), CSL Services (Industrial) Limited (“CSL”) and 9263357 Canada Inc. (“926”), all of which are collectively referred to as the “Companies”.

I have been asked to provide you with my opinion on the enforceability of the security granted by the Debtors to the Canadian Imperial Bank of Commerce (“CIBC”) (“CIBC Security”).

Documents Reviewed

In giving this opinion, you have provided me with and I have reviewed the following documentation:

1. Guarantee of PTL Holdings by Parsons Trucking Limited (“Parsons”) (now PTL Services) dated December 31, 2014;
2. Guarantee of PTL Holdings by 51411 Newfoundland & Labrador Inc. (“514”) (now 926) dated December 31, 2014;
3. Guarantee of PTL Holdings by CSL dated December 31, 2014;
4. Guarantee of Parsons by PTL Holdings dated December 31, 2014;

5. Guarantee of Parsons by 514 (now 926) dated December 31, 2014;
6. Guarantee of Parsons by CSL dated December 31, 2014;
7. Guarantee of PTL Services by 926 dated April 21, 2015;
8. Guarantee of PTL Services by CSL dated April 21, 2015;
9. Guarantee of PTL Holdings by CSL, Parsons and 514 dated December 31, 2014;
10. Guarantee of PTL Holdings and Parsons by Terry Roy King dated December 31, 2014;
11. Guarantee of PTL Holdings and Parsons by Gregory Dale Drodge dated December 31, 2014;
12. Guarantee of PTL Holdings and Parsons by Barry Dale Joseph Whelan dated December 31, 2014;
13. Guarantee of PTL Holdings and Parsons by Keith Maxwell Way dated December 31, 2014;
14. Demand Debenture dated December 31, 2014 between Parsons, CSL, 514 and CIBC ("**Debenture**");
15. Securities Pledge Agreement between CIBC and PTL Holdings dated December 31, 2014;
16. Securities Pledge Agreement between CIBC and PTL Holdings dated December 31, 2014 for liabilities of Parsons;
17. Share Certificate Ticksheets July 13, 2015 and September 10, 2015;
18. General Security Agreement between CIBC and PTL Holdings (in relation to Parsons Credit Agreement) dated December 31, 2014;
19. General Security Agreement between PTL Holdings and CIBC (in relation to PTL Holdings Credit Agreement) dated December 31, 2014;
20. General Security Agreement between CSL and CIBC (in relation to Parsons Credit Agreement) dated December 31, 2014, related to Parson's debt;
21. General Security Agreement between CSL and CIBC (in relation to PTL Holdings Credit Agreement) dated December 31, 2014;

22. General Security Agreement between 514 and CIBC (in relation to PTL Holdings Credit Agreement) dated December 31, 2014;
23. General Security Agreement between 514 and CIBC (in relation to Parsons Credit Agreement) dated December 31, 2014;
24. General Security Agreement between Parsons and CIBC (in relation to PTL Holdings Credit Agreement) dated December 31, 2014;
25. General Security Agreement between Parsons and CIBC (in relation to Parsons Credit Agreement) dated December 31, 2014;
26. Inter-Creditor Priority Agreement dated December 31, 2014; and
27. PPRS Search Result Report dated July 23, 2018 under search criteria "PTL Holdings Limited"; PTL Services (Equipment) Limited; CSL Services (Industrial) Limited; and 9263357 Canada Inc."

Personal Property Security

We have reviewed searches under the name "PTL Holdings Limited", "PTL Services (Equipment) Limited", "CSL Services (Industrial) Limited" and 9263357 Canada Inc." dated July 23, 2018 which included financing statements recorded in the Personal Property Security Registry for Newfoundland and Labrador pursuant to the *Personal Property Security Act* (Newfoundland and Labrador) (the "PPSA") which search revealed the following:

PTL Holdings

1. A financing statement registered by CIBC on December 30, 2014 as Registration No. 12578951 and expiring on December 30, 2024, showing CIBC as a Secured Party and PTL Holdings as a Debtor in respect of: "all of the Debtor's present and after-acquired personal property (the "Collateral") together with all attachments, accessories, accessions, replacements, substitutions, additions, and improvements thereto and all proceeds in any form derived directly or indirectly from any dealings with the Collateral, and a right to any insurance payment or any other payment that indemnifies or compensates for loss or damage to the Collateral or proceeds of the Collateral" and in respect of "all of the Debtor's present and future rights, title and interests in and to the shares of capital stock of Parsons Trucking Limited, CSL Services Ltd., and 51411 Newfoundland & Labrador Inc. (the "Corporations"), or any successors of any of the Corporations, owned by the Debtor, together with all replacements thereof, substitutions therefor, accretions thereto, interest and

dividends thereon (whether in cash, kind or stock) and proceeds thereof in any form including goods, documents of title, chattel paper, investment property, instruments, money and intangibles and including, without limitation, any proceeds arising out of any consolidation, subdivision, reclassification, conversion, stock dividend or similar increase or decrease in or alteration of capital or any other event.

2. A financing statement registered by Kevin Parsons and Bruce Fancy, as Trustees on December 30, 2014 as Registration No. 12578977 and expiring on December 30, 2024, showing Kevin Parsons and Bruce Fancy, as Trustees as a Secured Party and PTL Holdings as a Debtor in respect of: "all of the Debtor's present and after-acquired personal property."
3. A financing statement registered by Northbridge General Insurance Corporation ("Northbridge") on May 31, 2018 as Registration No. 15985419 and expiring on May 25, 2023, showing Northbridge as a Secured Party and PTL Holdings, PTL Services, CSL and 926 as a Debtors in respect of: "all the right, title and interest of the debtors in and to every contract, whether a bonded contracted or unbonded contract, and whether or not any event of default has occurred with regard to any of the debtors in respect of such contract, including all retained percentages, holdbacks, progress payment, deferred payments, earned moneys, compensation for extra work, proceeds of damage claims, insurance policies and claims thereunder, and all other funds and properties whatever (whether or not similar to the foregoing) that may be due or become due under any contract(s) or that may be due, become due, awarded or allowed in connection with or under circumstances growing out of any contracts or work done thereunder subcontract let or that may be let in connection therewith claim which the debtors may have or acquire against any person furnishing or agreeing to furnish any labour, equipment and material or other contract assets in connection with any such contract or any such subcontract and bond securing any such subcontract or claim all contract equipment and material all equipment and material and all other contract assets" and in respect of "All contract equipment and material, all equipment and material, and all other contract assets."

PTL Services

1. A financing statement registered by Paccar Financial Ltd. ("Paccar") on September 22, 2015 as Registration No. 13308234 and expiring on September 22, 2021, showing Paccar as a Secured Party and PTL Services (Equipment) Inc. as a Debtor in respect of various serial numbered collateral outlined below in addition to "all attachments, accessories and all proceeds thereof" as follows:
 - (a) 1XKZD40X2GJ979500, Motor Vehicle, 2016 Kenworth T800; and
 - (b) 3WKDP4EX4GF981697, Motor Vehicle, 2016 Kenworth T880.

This registration was amended on September 30, 2015 as Registration No. 13332119, adding PTL Services (Equipment) Ltd. as debtor and adding the two serial numbered collateral noted above as secured collateral of PTL Services (Equipment) Ltd. This registration was renewed on September 30, 2015 as Registration No. 13332127 with a new expiry date of September 22, 2022.

2. A financing statement registered by Trailer Wizards Ltd. ("Trailer Wizards") on March 27, 2017 as Registration No. 14789069 and expiring on March 27, 2019, showing Trailer Wizards as a Secured Party and PTL Services as a Debtor, in respect of serial numbered collateral identified as "5V8VC532XCM203060, Trailer, 2012 Vanguard Van-Ewer-Highwa."
3. A financing statement registered by Trailer Wizards on June 6, 2017 as Registration No. 15008253 and expiring on June 6, 2019, showing Trailer Wizards as a Secured Party and PTL Services as a Debtor, in respect of serial numbered collateral identified as "2MN01JAH451005834, Trailer, 2005 Trailmobile Van-Cartage-5."
4. A financing statement registered by CIBC on December 30, 2014 as Registration No. 12578852 and expiring on December 30, 2024, showing CIBC as a Secured Party and Parsons Trucking Limited as a Debtor in respect of: "all of the Debtor's present and after-acquired personal property (the "Collateral") together with all attachments, accessories, accessions, replacements, substitutions, additions, and improvements thereto and all proceeds in any form derived directly or indirectly from any dealings with the Collateral, and a right to any insurance payment or any other payment that indemnifies or compensates for loss or damage to the Collateral or proceeds of the Collateral."; "All present and future rights, titles and interests in and to any and all Quarry Permits and Subordinate Quarry Permits issued to the Debtor by the Department of Natural Resources, Government of Newfoundland and Labrador, or successor thereto, including, but not limited to, Quarry Permit numbers 128110, 128111, 128112, 128113, 128114, and 128115, together with all renewals or replacements thereof, or substitutions therefore."; and a number of serial numbered collateral as set out in the attached PPRS Search Results. This registration was amended on April 23, 2015 as Registration No. 12826244, adding PTL Services as a Debtor.
5. A financing statement registered by Kevin Parsons and Bruce Fancy, as Trustees on December 30, 2014 as Registration No. 12578902 and expiring on December 30, 2024, showing Kevin Parsons and Bruce Fancy, as Trustees as a Secured Party and Parsons Trucking Limited as a Debtor in respect of: "all of the Debtor's present and after-acquired personal property (the "Collateral") together with all attachments, accessories, accessions, replacements, substitutions, additions, and improvements thereto and all proceeds in any form derived directly or indirectly from any dealings

with the Collateral, and a right to any insurance payment or any other payment that indemnifies or compensates for loss or damage to the Collateral or proceeds of the Collateral” and a number of serial numbered collateral as set out in the attached PPRS Search Results. This registration was amended on April 23, 2015 as Registration No. 12826251, adding PTL Services as a Debtor.

6. A financing statement registered by Kevin Parsons and Bruce Fancy, as Trustees on December 30, 2014 as Registration No. 12578902 and expiring on December 30, 2024, showing Kevin Parsons and Bruce Fancy, as Trustees as a Secured Party and Parsons Trucking Limited as a Debtor in respect of a number of serial numbered collateral as set out in the attached PPRS Search Results. This registration was amended on April 23, 2015 as Registration No. 12826251, adding PTL Services as a Debtor.
7. A financing statement registered by CNH Industrial Capital Canada Ltd. on November 30, 2015 as Registration No. 13519855 and expiring on November 30, 2020, showing CNH Industrial Capital Canada Ltd. as a Secured Party, and PTL Services and Greg Drodge as a Debtor in respect of serial numbered collateral identified as “NFC725110, Motor Vehicle, 2015 Case 590SN” and “NFC725108, Motor Vehicle, 2015 Case 590SN”.
8. A financing statement registered by National Leasing Group Inc. on December 20, 2017 as Registration No. 15577679 and expiring on December 20, 2020, showing National Leasing Group Inc. as a Secured Party and PTL Services as a Debtor in respect of: “ALL SNOW PLOWS, SANDER AND RELATED COMPONENTS OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 2850577, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.” This registration was amended on June 4, 2018 as Registration No. 16007783, removing National Leasing Group Inc. and adding CWB National Leasing Inc. as a Secured Party.
9. A financing statement registered by Northbridge General Insurance Corporation (“Northbridge”) on May 31, 2018 as Registration No. 15985419 and expiring on May 25, 2023, showing Northbridge as a Secured Party and PTL Holdings, PTL Services, CSL and 926 as a Debtors in respect of: “all the right, title and interest of the debtors in and to every contract, whether a bonded contracted or unbonded contract, and whether or not any event of default has occurred with regard to any of the debtors in respect of such contract, including all retained percentages, holdbacks, progress payment, deferred payments, earned moneys, compensation for extra work, proceeds of damage claims, insurance policies and claims thereunder, and all other funds and properties whatever (whether or not similar to the foregoing) that may be due or become due under any contract(s) or that may be due, become due, awarded

or allowed in connection with or under circumstances growing out of any contracts or work done thereunder subcontract let or that may be let in connection therewith claim which the debtors may have or acquire against any person furnishing or agreeing to furnish any labour, equipment and material or other contract assets in connection with any such contract or any such subcontract and bond securing any such subcontract or claim all contract equipment and material all equipment and material and all other contract assets” and in respect of “All contract equipment and material, all equipment and material, and all other contract assets.”

CSL

1. A financing statement registered by CIBC on December 30, 2014 as Registration No. 12578829 and expiring on December 30, 2024, showing CIBC as a Secured Party and CSL Services Ltd. as a Debtor in respect of: “all of the Debtor’s present and after-acquired personal property (the “Collateral”) together with all attachments, accessories, accessions, replacements, substitutions, additions, and improvements thereto and all proceeds in any form derived directly or indirectly from any dealings with the Collateral, and a right to any insurance payment or any other payment that indemnifies or compensates for loss or damage to the Collateral or proceeds of the Collateral.” This registration was amended on April 30, 2015 as Registration No. 12847927, adding CSL as a Debtor.
2. A financing statement registered by 11230 Newfoundland Ltd. and 11231 Newfoundland Ltd. on December 30, 2014 as Registration No. 12578845 and expiring on December 30, 2024, showing 11230 Newfoundland Ltd. and 11231 Newfoundland Ltd. as a Secured Party and CSL Services Ltd. as a Debtor in respect of: “all of the Debtor’s present and after-acquired personal property (the “Collateral”) together with all attachments, accessories, accessions, replacements, substitutions, additions, and improvements thereto and all proceeds in any form derived directly or indirectly from any dealings with the Collateral, and a right to any insurance payment or any other payment that indemnifies or compensates for loss or damage to the Collateral or proceeds of the Collateral.” This registration was amended on April 30, 2015 as Registration No. 12847935, adding CSL as a Debtor.
3. A financing statement registered by Northbridge General Insurance Corporation (“Northbridge”) on May 31, 2018 as Registration No. 15985419 and expiring on May 25, 2023, showing Northbridge as a Secured Party and PTL Holdings, PTL Services, CSL and 926 as Debtors in respect of: “all the right, title and interest of the debtors in and to every contract, whether a bonded contracted or unbonded contract, and whether or not any event of default has occurred with regard to any of the debtors in respect of such contract, including all retained percentages, holdbacks, progress payment, deferred payments, earned moneys, compensation for extra work,

proceeds of damage claims, insurance policies and claims thereunder, and all other funds and properties whatever (whether or not similar to the foregoing) that may be due or become due under any contract(s) or that may be due, become due, awarded or allowed in connection with or under circumstances growing out of any contracts or work done thereunder subcontract let or that may be let in connection therewith claim which the debtors may have or acquire against any person furnishing or agreeing to furnish any labour, equipment and material or other contract assets in connection with any such contract or any such subcontract and bond securing any such subcontract or claim all contract equipment and material all equipment and material and all other contract assets" and in respect of "All contract equipment and material, all equipment and material, and all other contract assets."

926

1. A financing statement registered by CIBC on December 30, 2014 as Registration No. 12578761 and expiring on December 30, 2024, showing CIBC as a Secured Party and 514111 Newfoundland & Labrador Inc. as a Debtor in respect of: "all of the Debtor's present and after-acquired personal property (the "Collateral") together with all attachments, accessories, accessions, replacements, substitutions, additions, and improvements thereto and all proceeds in any form derived directly or indirectly from any dealings with the Collateral, and a right to any insurance payment or any other payment that indemnifies or compensates for loss or damage to the Collateral or proceeds of the Collateral." This registration was amended on April 30, 2015 as Registration No. 12847893, adding 926 as a Debtor.
2. A financing statement registered by Kevin Parsons and Bruce Fancy, as Trustees on December 30, 2014 as Registration No. 12578803 and expiring on December 30, 2024, showing Kevin Parsons and Bruce Fancy, as Trustees as a Secured Party and 514111 Newfoundland & Labrador Inc. as a Debtor in respect of: "all of the Debtor's present and after-acquired personal property (the "Collateral") together with all attachments, accessories, accessions, replacements, substitutions, additions, and improvements thereto and all proceeds in any form derived directly or indirectly from any dealings with the Collateral, and a right to any insurance payment or any other payment that indemnifies or compensates for loss or damage to the Collateral or proceeds of the Collateral." This registration was amended on April 30, 2015 as Registration No. 12847901, adding 926 as a Debtor.
3. A financing statement registered by Northbridge General Insurance Corporation ("Northbridge") on May 31, 2018 as Registration No. 15985419 and expiring on May 25, 2023, showing Northbridge as a Secured Party and PTL Holdings, PTL Services, CSL and 926 as a Debtors in respect of: "all the right, title and interest of the debtors in and to every contract, whether a bonded contracted or unbonded contract, and

whether or not any event of default has occurred with regard to any of the debtors in respect of such contract, including all retained percentages, holdbacks, progress payment, deferred payments, earned moneys, compensation for extra work, proceeds of damage claims, insurance policies and claims thereunder, and all other funds and properties whatever (whether or not similar to the foregoing) that may be due or become due under any contract(s) or that may be due, become due, awarded or allowed in connection with or under circumstances growing out of any contracts or work done thereunder subcontract let or that may be let in connection therewith claim which the debtors may have or acquire against any person furnishing or agreeing to furnish any labour, equipment and material or other contract assets in connection with any such contract or any such subcontract and bond securing any such subcontract or claim all contract equipment and material all equipment and material and all other contract assets" and in respect of "All contract equipment and material, all equipment and material, and all other contract assets."

We have reviewed the financing statements listed above, as well as the CIBC Security noted above. We have not reviewed any prior loan agreements, security agreements, the minute books for the Companies nor any resolutions of the shareholders or directors authorizing the Companies to grant the CIBC Security. We have assumed, where necessary for the purposes of these opinions, that any resolutions were duly passed and that each of the agreements and security documents has been duly authorized, and that the Companies had the corporate authority and capacity to execute and deliver the documents to which they are a party.

We have also assumed, unless otherwise specified herein, that CIBC has not agreed to delay the time of attachment of any security interest.

With respect to the security interest in the present and future rights, title and interests in and to the shares of capital stock of Parsons, CSL and 514, we assume that the shares of these companies pledged in the various Share Pledge Agreements constituted all of PTL Holdings' of shares in these companies.

The security interests set out in the CIBC personal property security referred to above have been perfected by the registration of the financing statements set out above in the PPSA under the registration numbers referenced above.

With respect to after-acquired property, subject to the remaining provisions under the PPSA, security interests are perfected when a debtor acquires rights, or the power to transfer rights, in such collateral.

With respect to the serial numbered collateral, we have confirmed that the serial numbers and descriptions of the collateral set out in the CIBC Security match the serial numbers and descriptions in the PPSA registrations. We assume that for the serial numbered collateral,

that the serial numbers and the descriptions set out in the CIBC Security match the actual serial numbers and descriptions of the serial numbered collateral.

With respect to the security interest registered in relation to the quarry permits of PTL Services noted above, there are two potential issues with respect to validity and enforceability of this security, as follows:

1. Based on the materials I have reviewed, there appears to be no security documentation granting any such security permits and subordinate quarry permits.
2. The *Quarry Materials Act*, SNL 1998, C. Q-1.1 directs that a quarry permits and subordinate quarry permits are not assignable or renewable.

We express no opinion as to any security interest – including a PMSI security interest – created by the CIBC Security with respect to any proceeds of property of the Companies that are not identifiable or traceable.

No opinion as to the priority between the various registrations is expressed or implied in this opinion.

We have given no opinion as to the priority of the security interests as there are a number of factors which can impact priority. If an opinion on priority is required, please advise and we will have to obtain further documentation for our review.

Mortgage Security

We have reviewed the real property security that you have provided in relation to real property owned the Companies, namely the Debenture dated December 31, 2014, which revealed that there are four real properties secured by the CIBC Security.

The descriptions to the four separate properties are contained within the Debenture.

We assume that the Debenture contains the correct property descriptions of the lands purportedly secured by the Debenture.

The Debenture contains sufficient language to effectively grant security to CIBC in the lands. However, property boundaries can only be determined by a survey and we offer no opinion with respect to the property boundaries.

The Debenture contains three affidavits sworn by Terry King a President of Parsons, CSL Services and 512, swearing that the properties described in the Debenture have never been occupied a director, officer or shareholder of the Companies. There appears to be no issue about the execution of this Debenture or that anyone improperly encumbered the

properties as a matrimonial home as contemplated under the *Family Law Act*, RSNL 1990, c. F-2.

We have not reviewed any prior security agreements, the minute books for the Companies nor any resolutions of the shareholders or directors authorizing the Companies to grant the CIBC Security. We have assumed, where necessary for the purposes of these opinions, that any resolutions were duly passed and that each of has been duly authorized, and that the Companies had the corporate authority and capacity to execute and deliver the documents to which they are a party.

We assume for the purposes of this opinion that the Debenture was registered in the Newfoundland & Labrador Registry of Deeds as Registration No. 688983 on January 2, 2015 as we have been advised.

Therefore, subject to the limitations and qualifications expressed throughout our opinion, in our opinion the real property security interest in the Debenture in favour of CIBC is valid and enforceable against the lands purported to be secured, subject to any prior recorded interests and burdens applicable to the lands and subject to the priority agreements and other agreements among parties that may affect the mortgages.

Therefore, subject to the limitations and qualifications expressed herein, in our opinion the CIBC Security is valid and enforceable in respect of the personal property and real property of the Debtor located in Nova Scotia.

This opinion is further subject to the following limitations and qualifications:

1. We have not conducted our own search of the registry of deeds. We express no opinion with respect to the priority of the CIBC Security against any real property of the Companies or any personal property affixed to real property, including, without limitation, any interest which a third party may have acquired as a result of the personal property becoming a fixture;
2. We express no opinion on the priority of any of the charges contained in the CIBC Security against any assets of the Companies with respect to any other creditor claiming a security interest in them, including security claimed under the *Bank Act* (Canada) or for any liens or trusts arising under the laws of Canada or the Province of Newfoundland and Labrador;
3. We express no opinion with respect to the title of the Companies to any of their personal property;

4. We express no opinion on the validity of the name changes of the Companies and the impact of those name changes on the validity or enforceability of the CIBC Security;
5. We express no opinion on the amount owing under and secured by the CIBC Security;
6. We assume that the copies of the CIBC Security provided to us by you are true copies of the original documents and have not been amended;
7. We assume where necessary, the CIBC Security has been duly authorized by the Shareholders and Director(s) of the Companies and that the signature appearing thereon is that of the officer or director so authorized to execute it or duly executed in a personal capacity and that such security has been duly delivered; and
8. **We express no opinion about whether the security created by the GSA could be set aside upon application by a creditor as a fraudulent preference under the relevant legislation.**

Should you have any questions or require a further opinion with respect to any of the matters raised in our limitations and qualifications, please do not hesitate to contact the undersigned.

Yours truly,



Adam D. Crane

acrane@pattersonlaw.ca

Tel: 902.405.8145

ADC/adc

APPENDIX B

2018 01G 3114

WJ

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

IN THE MATTER OF an application by Canadian Imperial Bank of Commerce for an order appointing BDO Canada Limited as Court-Appointed Receiver of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc.

AND IN THE MATTER OF the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended

Estate No.

Court No.

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE

APPLICANT

AND:

PTL HOLDINGS LIMITED

FIRST RESPONDENT

AND:

PTL SERVICES (EQUIPMENT) LIMITED

SECOND RESPONDENT

AND:

CSL SERVICES (INDUSTRIAL) LIMITED

THIRD RESPONDENT

AND:

9263357 CANADA INC.

FOURTH RESPONDENT

RECEIVERSHIP ORDER

BEFORE THE HONOURABLE JUSTICE

UPON APPLICATION by the Applicant for an order, under subsection 243(1) of the *Bankruptcy and Insolvency Act* (the "BIA") to appoint BDO Canada Limited as receiver (the "Receiver") without security, of all of the assets, undertakings and property of the Respondents.

Filed *M 20 11 18 mh*

AND UPON HEARING Carl Holm, Q.C., counsel for the Applicant, and other counsel appearing;

AND UPON READING the Application, and the Affidavits of Supriya Sarin, Phil Clarke, Carl Holm, Q.C. and Marc Dunning, filed herein:

THIS COURT HEREBY ORDERS AS FOLLOWS:

Service

1. The time for service of the notice of application and the supporting materials is hereby abridged and validated so that the Application is properly returnable today and further service thereof is hereby dispensed with.

Appointment

2. Pursuant to subsection 243(1) of the BIA, and Rule 25(1) of the *Rules of the Supreme Court, 1986* the Receiver is hereby appointed receiver, without security, of all of the assets, undertakings, and property of the PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. (the "Respondents"), acquired for, or used in relation to a business carried on by the Respondents, including any bank accounts/trust accounts in the name of any one of the Respondents or in the name of the Receiver on behalf of any one of the Respondents, and including all proceeds thereof (the "Property").

Receiver's Powers

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without limiting the generality of the foregoing, the Receiver is hereby empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession and control of the Property and any proceeds or receipts arising from the Property but, while the Receiver is in possession of any of the Property, the Receiver must preserve and protect it;

- (b) to change locks and security codes, relocate the Property to safeguard it, engage independent security personnel, take physical inventories, and place insurance coverage;
- (c) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel, and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (d) to purchase or lease such machinery, equipment, inventories, supplies, premises, or other assets to continue the business of the Respondents, or any part or parts thereof;
- (e) to receive and collect all monies and accounts now owed or hereafter owing to any one of the Respondents and to exercise all remedies of the Respondents in collecting such monies, including, without limitation, to enforce any security held by the Respondents;
- (f) to settle, extend, or compromise any indebtedness owing to any one of the Respondents;
- (g) to execute, assign, issue, and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Respondents, for any purpose pursuant to this Order;
- (h) to undertake environmental or workers' health and safety assessments of the Property and operations of the Respondents;
- (i) to initiate, prosecute, and continue the prosecution of any proceedings and to defend proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings, which authority extends to appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to manage, operate, and carry on the business of the Respondent, including the powers to enter into any agreement, incur, and pay any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Respondent;
- (k) to make payment of any and all costs, expenses, and other amounts that the Receiver determines, in its sole discretion, are necessary or advisable to preserve, protect, or maintain the Property, including, without limitation taxes, municipal taxes, insurance premiums, repair and maintenance costs, costs or charges related to security, management fees, and any costs and disbursements incurred by any manager appointed by the Receiver;
- (l) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (m) to sell, convey, transfer, lease, or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000.00, provided that the aggregate consideration for all such transactions does not exceed \$500,000.00, except that the Receiver is hereby authorized to run an auction sale of any Property that is equipment so that title to equipment can be given at the auction without the need for Court approval of the auction process and passing of title; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause, except that the Receiver is hereby authorized to run an auction sale of any Property that is equipment so that title to equipment can be given at the auction without the need for Court approval of the auction process and passing of title;

and in each such case notice under section 60 of the *Personal Property Security Act* shall not be required.

- (n) to sell the right, title, interest, property, and demand of the Respondents in and to the Property at the time the Respondents are granted a security interest or at any time since, free of all claims including the claims of subsequent encumbrancers;
- (o) to report to, meet with, and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (p) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property;
- (q) to apply for any permits, licences, approvals, or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Respondents;
- (r) to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondents including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by any one of the Respondents;
- (s) to exercise any shareholder, partnership, joint venture, or other rights which the Respondents may have; and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps it shall be authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Respondents, and without interference from any other Person.



Duty to Provide Access and Co-Operation to the Receiver

4. The Respondents, all of their current and former directors, officers, employees, agents, accountants, legal counsel, and shareholders, and all other persons acting on their instruction or behalf, and all other individuals, firms, corporations, governmental bodies, or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.
5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records, and information of any kind related to the business or affairs of the Respondents, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall, subject to their right to seek a variation of this Order, provide to the Receiver or permit the Receiver to make, retain, and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software, and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall, subject to their right to seek a variation of this Order, forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper, making copies of computer disks, or such other manner of retrieving and copying the information as the Receiver in its discretion

deems expedient, and shall not alter, erase, or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

No Proceedings Against the Receiver

7. No proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

No Proceedings Against the Respondents or the Property

8. No Proceeding against or in respect of the Respondents or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Respondents or the Property are hereby stayed and suspended pending further order of this Court.

No Exercise of Rights or Remedies

9. All rights and remedies of any individual, firm, corporation, governmental body or agency or any other entities against the Respondents, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Respondents to carry on any business which the Respondents are not lawfully entitled to carry on, (ii) exempt the Receiver or the Respondents from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration

of a claim for lien and the related filing of an action to preserve the right of a lien holder, provided that the Applicant shall not be required to file a defence to same as the further prosecution of any such claim is stayed except with the written consent of the Applicant or the Receiver, or leave of this Court.

Personal Property Lessors

10. All rights and remedies of any Person pursuant to any arrangement or agreement to which any of the Respondents are a party for the lease or other rental of personal property of any nature or kind are hereby restrained except with consent of the Receiver in writing or leave of this Court. The Receiver is authorized to return any Property which is subject to a lease from a third party to such Person on such terms and conditions as the Receiver, acting reasonably, considers appropriate and upon the Receiver being satisfied as to the registered interest of such Person in the applicable Property. The return of any item by the Receiver to a Person is without prejudice to the rights or claims of any other Person to the property returned or an interest therein.

No Interference with the Receiver

11. Subject to paragraph 16 of this Order related to the Respondents' employees, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate, or cease to perform any right, renewal right, contract, agreement, licence, or permit in favour of or held by any of the Respondents, without written consent of the Receiver or leave of this Court.

Continuation of Services

12. All Persons having oral or written agreements with any of the Respondents or statutory or regulatory mandates for the supply of goods or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility, or other services to the Respondents are hereby restrained until further order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the

Respondents' current telephone numbers, facsimile numbers, internet addresses, and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Respondents or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

13. The Receiver, in its sole discretion, may, but shall not be obligated to, establish accounts or payment on delivery arrangements with suppliers in its name on behalf of the Respondents for the supply of goods or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility, or other services to the Respondents, or any of them, if the Receiver determines that the opening of such accounts is appropriate.
14. No creditor of the Respondents shall be under any obligation as a result this Order to advance or re-advance any monies or otherwise extend any credit to the Respondents.

Receiver to Hold Funds

15. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts opened by the Receiver or to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

Employees

16. All employees of the Respondents shall remain the employees of the Respondents until such time as the Receiver, on the Respondents' behalf, may terminate the employment of

such employees or they resign in accordance with their employment contract. The Receiver shall not be liable as a result of this Order for any employee-related liabilities, including any successor employer liabilities as provided for in subsection 14.06(1.2) of the BIA, wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under subsections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, such amounts as may be determined by a court or tribunal of competent jurisdiction.

17. Pursuant to paragraph 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale") as permitted at law. Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. A prospective purchaser or bidder requesting the disclosure of personal information shall execute such documents to confirm the agreement of such Person to maintain the confidentiality of such information on terms acceptable to the Receiver. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Respondents, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

Limitation on Environmental Liabilities

18. Nothing herein contained shall require or obligate the Receiver to occupy or to take control, care, charge, occupation, possession, or management (separately or collectively, "Possession") of any of the Property that might, or any part thereof, which may be environmentally contaminated, might be a pollutant or a contaminant, or might cause or

contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial, or other legislation, statute, regulation or, rule of law or equity respecting the protection, conservation, enhancement, remediation, or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, *Canadian Environmental Protection Act, 1999*, the *Newfoundland and Labrador Environmental Protection Act*, or the *Newfoundland and Labrador Water Resources Act* (collectively, the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

Limitation on Liability

19. BDO Canada Limited and, without limitation, a director, officer, or employee of the Receiver, shall incur no liability or obligation as a result of its appointment as the Receiver or the carrying out the provisions of this Order, or in the case of any party acting as a director, officer, or employee of the Receiver so long as acting in such capacity, save and except for any negligence, breach of contract, or actionable misconduct on the part of such party, or in respect of the Receiver's obligations under subsections 81.4(5) and 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

Receiver's Accounts

20. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge to a maximum of \$100,000.00 (the "Administrative Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and the Administrative Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges, and encumbrances, statutory or otherwise, in favour of any Person, but subject to subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. The Receiver and its legal counsel shall pass its accounts from time to time before a judge of this Court or a referee appointed by a judge.
22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees, expenses and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

Receiver's Indemnity Charge

23. The Receiver shall be entitled to and is hereby granted a charge (the "Receiver's Indemnity Charge") upon all of the Property as security for all of the obligations incurred by the Receiver including obligations arising from or incident to the performance of its duties and functions under this Order, under the *Bankruptcy and Insolvency Act*, or otherwise, saving only liability arising from negligence or actionable misconduct of the Receiver.
24. The Receiver's Indemnity Charge shall form a second charge on the Property in priority to all security interests, trusts, liens, charges, and encumbrances, statutory or otherwise, in favour of any Person, but subject to subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA and subordinate in priority to the Administrative Charge.

Allocation of Costs

25. The Receiver shall file with the Court for its approval a report setting out the costs, fees, expenses, and liabilities of the Receiver giving rise to the Administrative Charge, the Receiver's Indemnity Charge, and the Receiver's Borrowings Charge, as defined below, and, unless the Court orders otherwise, all such costs, fees, expenses, and liabilities shall be paid as agreed by the senior secured creditors, in the following manner:
 - (a) Firstly, applying the costs incurred in the receivership proceedings specifically attributable to an individual asset or group of assets against the realizations from such asset or group of assets;

- (b) Secondly, applying the costs *pro rata* against all of the assets based on the net realization from such asset or group of assets; and
- (c) Thirdly, applying non-specific costs incurred in the receivership proceedings *pro rata* against the assets based on the net realization from such asset or group of assets.

Funding of the Receivership

- 26. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00, or such greater amount as this Court may by further order authorize, at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of making payments, including interim payments, required or permitted to be made by this Order, including, without limitation, payments of amounts secured by the Administrative Charge and the Receiver's Indemnity Charge. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Indemnity Charge, the Administrative Charge and the charges as set out in subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
- 27. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court on seven days' notice to the Receiver and the Applicant.
- 28. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.
- 29. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or

any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

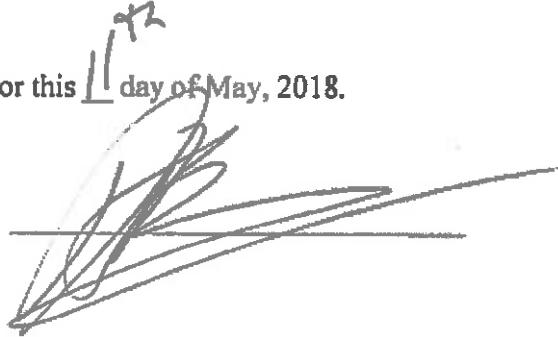
General

30. The Receiver may from time to time make a motion for advice and directions in the discharge of its powers and duties hereunder.
31. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Respondents and, notwithstanding the stay of proceedings in respect of the Respondents and the Respondents' assets imposed by this order, the Receiver is authorized to make an assignment in bankruptcy in respect of the Respondents in accordance with the *Bankruptcy and Insolvency Act*.
32. The aid and recognition of any court, tribunal, or regulatory or administrative body having jurisdiction outside Newfoundland and Labrador is hereby requested to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, and regulatory or administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
33. The Receiver is hereby authorized and empowered to apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
34. The Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Respondents' estates with such priority and at such time as this Court may determine.

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35. Any interested party may make a motion to vary or amend this Order upon such notice required by the *Rules of the Supreme Court, 1986* or on such notice as this Court may order.
36. Any Person affected by this Order which did not receive notice in advance of the hearing may make a motion to vary or amend this Order within five days of such Person being served with a copy of this Order.
37. In addition to the reports to be filed by the Receiver under legislation, the Receiver shall file a report of its activities with the Court when the Receiver determines that a report should be made, when the Court orders the filing of a report on the motion of an interested party or on the Court's own motion, and at the conclusion of the receivership.
38. The Receiver shall not be discharged without notice to such secured creditors and other parties as the Court directs.

DATED AT St. John's, Newfoundland and Labrador this 11th day of May, 2018.

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and difficult to decipher, but appears to be a name starting with 'J' and 'B'.



Schedule "A"

Receiver Certificate

Certificate No.

Amount \$

This is to certify that BDO Canada Limited, the receiver (the "Receiver") of the assets, undertakings, and property of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. (the "Debtors") acquired for, or used in relation to, a business carried on by the Debtors, including all proceeds thereof (collectively, the "Property") appointed by order of the Supreme Court of Newfoundland and Labrador (the "Court") dated the day of , 2018 (the "Order") made in an action having court file number , has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$, being part of the total principal sum of \$, which the Receiver is authorized to borrow under and pursuant to the Order.

The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [*monthly/semi-annually/annually/other*] not in advance on the day of each month after the date hereof at a rate per annum equal to the rate of per cent above the prime commercial lending rate of from time to time.

Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at

Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any



person other than the holder of this certificate without the prior written consent of the holder of this certificate.

The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.

The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

Dated the day of , 2018.

BDO Canada Limited, solely in its capacity as Receiver of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc., and not in its personal capacity

Per: _____

Name:

Title:

APPENDIX C

2018 01G 3114

D7A

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

IN THE MATTER OF the
Bankruptcy and Insolvency Act, RSC
1985 c. B-3, as amended

AND IN THE MATTER OF the
Receivership of PTL Holdings
Limited, PTL Services (Equipment)
Limited, CSL Services (Industrial)
Limited and 9263357 Canada Inc.

**Estate No. 51-126100
Court No. 21491**

APPROVAL AND VESTING ORDER

UPON reading the Notice of Motion of BDO Canada Ltd., in its capacity as receiver of the assets, undertaking and property of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. (the Receiver) pursuant to section 243 of the *Bankruptcy and Insolvency Act, RSC 1985 c. B-3, as amended* (the BIA), **AND UPON** hearing the submissions of counsel, **AND UPON** reading the material as filed by counsel, **IT IS HEREBY ORDERED AS FOLLOWS:**

Approval of Sale

1. The Receiver is hereby authorized to complete the transaction between Locke's Electrical Limited (the Purchaser) and the Receiver contemplated by asset purchase agreement made between the Purchaser and the Receiver dated the 14th day of June, 2018 (the Purchase Agreement) in relation to certain property of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. (the "PTL Group") as described in the Purchase Agreement.

Filed Aug. 23/18 B#

0718

2. **The Purchase Agreement be and is hereby approved.**
3. **The Receiver is authorized and empowered to do all things and execute and deliver all such documents as it deems necessary in order to complete the transactions contemplated by the Purchase Agreement.**

Vesting of Assets

4. **Effective immediately upon the filing with this Court of a Receiver's Certificate substantially in the form attached hereto as Schedule A (the Receiver's Certificate), signed by the Receiver confirming that all terms and conditions under the Purchase Agreement have been either satisfied or waived and that the transactions contemplated by the Purchase Agreement have been completed to the satisfaction of the Receiver, all right, title and interest of the PTL Group in and to the Property, (also referred to as the Purchased Assets), shall vest and are hereby vested in and to the Purchaser, absolutely and forever, without limitation, 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, Claims) provided however that from and after the filing of the Receiver's Certificate with this Court, any and all Claims of or by any persons in or to the Purchased Assets shall attach to the proceeds derived from the completion of the transactions contemplated by the Purchase Agreement with the same priority as they had with respect to the Purchased Assets immediately prior to the completion of the transactions contemplated by the Agreement.**
5. **The purchase price set out in the Purchase Agreement is fair and commercially reasonable and was arrived at in a commercially reasonable manner.**

D2N

6. Notwithstanding:

- (a) the pendency of these proceedings;**
- (b) any applications for a bankruptcy order now or in the future issued pursuant to the BIA in respect of the PTL Group and any bankruptcy order issued pursuant to any such applications; and**
- (c) any assignment in bankruptcy made in respect of the PTL Group;**

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the PTL Group and shall not be void or voidable by creditors of the PTL Group, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA 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.

- 7. Any and all third parties holding Purchased Assets are hereby directed to release such Purchased Assets forthwith upon receiving instructions to that effect from the Receiver, or, after the closing of the transactions contemplated by the Purchase Agreement, from the Receiver, the Purchaser or both.**
- 8. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States in connection with the authority granted hereunder to proceed with and conclude the transactions contemplated by the Purchase Agreement.**

DATED the 23rd day of August, 2018 at St. John's, Newfoundland and Labrador.

Bob Evans

**COURT
OFFICER**

DAK

APPENDIX D

ASSET PURCHASE AGREEMENT

BETWEEN

**BDO CANADA LIMITED., solely in its capacity as Court
appointed receiver of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL
Services (Industrial) Limited, & 9263357 Canada Inc., and not in its personal capacity**

AND

LOCKE'S ELECTRICAL LIMITED

MADE AS OF

June 14, 2018

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ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of June 14, 2018

BETWEEN

LOCKE'S ELECTRICAL LIMITED, a corporation incorporated under the laws of the Province of Newfoundland and Labrador (the "**Purchaser**"),

- and -

BDO CANADA LIMITED, solely in its capacity as court appointed receiver of **PTL Holdings Limited**, **PTL Services (Equipment) Limited**, **CSL Services (Industrial) Limited**, & **9263357 Canada Inc.**, and not in its personal capacity

WHEREAS on May 11, 2018, the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency granted an Order (the "**Receivership Order**") appointing BDO Canada Limited (the "**Receiver**") as receiver of the assets, undertakings and properties of **PTL Holdings Limited** ("**PTL Holdings**"), **PTL Services (Equipment) Limited** ("**PTL Services**"), **CSL Services (Industrial) Limited** ("**CSL Services**"), and **9263357 Canada Inc.** ("**9263357**"), collectively (the "**PTL Group**")

AND WHEREAS pursuant to the Receivership Order, the Receiver was authorized to market and sell the assets, undertakings and properties of the PTL Group.

AND WHEREAS the Receivership Order, providing for, among other things, a process under which offers would be solicited for the sale of all, or substantially all of the PTL Group's assets and business.

AND WHEREAS the Purchaser desires to purchase the Purchased Assets (as defined herein) upon and subject to the terms and conditions set out in this Agreement. **NOW THEREFORE**, in consideration of the covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.01 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

"**Affiliates**" means, with respect to any Person, any other Person that controls or is controlled by or is under common control with the referent Person.

“Agreement” means this agreement, including its recitals and schedules, as amended from time to time.

“Applicable Law” means:

- (i) any applicable domestic or foreign law including any statute, subordinate legislation or treaty, as well as the common law; and
- (ii) any applicable and enforceable rule, requirement, order, judgment, injunction, award or decree of a Governmental Authority.

“Approval and Vesting Order” means an order of the Court substantially in the form attached hereto as Exhibit A: (i) approving the sale of the Purchased Assets by the Receiver to the Purchaser pursuant to the terms of this Agreement, and (ii) providing for the vesting of the right, title, benefit and interest of the PTL Group in and to the Purchased Assets in and to the Purchaser, free and clear of all Liens, other than the Permitted Encumbrances.

“Assigned Contracts” means those Contracts and Permits set out in Exhibit B.

“Assignment and Assumption Agreement” means an agreement pursuant to which the Receiver will assign the Assigned Contracts to the Purchaser and the Purchaser will assume the Assumed Liabilities at the Time of Closing, substantially in the form of the document set out in Exhibit C.

“Assumed Liabilities” has the meaning set out in Section 2.08

“Binding APA Deadline” means the time at which the asset purchase agreement becomes legally binding as set out in the Sale Process.

“Books and Records” means all personnel records, inspection records, financial records, and other records, books, documents and data bases recorded or stored by means of any device, including in electronic form, relating to the business and the Purchased Assets as are in the possession or under the control of the PTL Group.

“Business Day” means a day other than a Saturday, Sunday, statutory or civic holiday in St. John’s NL.

“Claim” means any actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any loss, claim or demand relating thereto or resulting therefrom, or any other claim or demand of whatever nature or kind.

“Closing Date” means ten (10) business days following the date of the Approval and Vesting Order, or such other date as may be agreed in writing between the parties hereto.

“Confidential Information Memorandum” means a certain confidential information memorandum prepared by the Receiver and dated May 2018.

“Contract” means any contract, agreement, license, instrument or commitment recognized at law or equity, whether express or implied, or arising by a course of conduct or usage of trade.

“Court” means the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency.

“Due Diligence Condition” has the meaning set out in 5.01.

“Environmental Law” means any Applicable Law relating to the natural or indoor environment including those pertaining to (i) reporting, licensing, permitting, investigating, remediating or controlling the presence or Release or threatened Release of Hazardous Substances, or (ii) the use, treatment, storage, disposal, transport, handling and the like of Hazardous Substances, including, for greater certainty, any such Applicable Law pertaining to occupational health and safety.

“Excluded Assets” has the meaning set out in Section 2.02.

“Excluded Contracts” means any Contracts or Permits that are not assignable as contemplated in Section 2.09(3).

“Governmental Authority” means any domestic or foreign legislative, executive, judicial or administrative body or person having jurisdiction in the relevant circumstances.

“Hazardous Substance” means any substance, material or emission whose storage, handling, use, transportation or Release is prohibited, controlled or regulated by any Governmental Authority having jurisdiction pursuant to Environmental Laws, including any contaminant or pollutant as defined in the *Environmental Protection Act* (Newfoundland and Labrador).

“Intellectual Property” means intellectual property of any nature and kind including all domestic and foreign trade-marks, business names, trade names, domain names, trading styles, patents, trade secrets, confidential information, software, industrial designs and copyrights, whether registered or unregistered, and all applications for registration thereof, and inventions, formulae, recipes, product formulations and chemistries, processes and processing methods, technology and techniques and know-how.

“Inventories” means all inventories owned by and in possession of the PTL Group including all supplies, goods, work in progress, raw materials and spare parts.

“Lands” means the lands owned by the PTL Group and more particularly set out in **Exhibit D**.

“Liabilities” means all costs, expenses, charges, debts, liabilities, commitments and obligations of any nature or kind, whether accrued or fixed, actual, absolute, contingent, latent or otherwise, matured or unmatured or determined or undeterminable, including those arising under any Applicable Law or Claim and those arising under any Contract or undertaking or otherwise, including any tax liability or tort liability of the PTL Group.

“Liens” means any lien (statutory or otherwise), mortgage, pledge, security interest (whether contractual, statutory or otherwise), hypothecation, trust or deemed trust (whether contractual,

statutory, or otherwise), execution, levy, charge, encumbrance, interest in property, or other financial or monetary claim which, in each case, in substance, secures payment or performance of an obligation, or similar charge of any kind.

"Machinery and Equipment" means the machinery equipment owned by the PTL Group and more particularly set out in **Exhibit E**.

"Non-Disclosure Agreement" means the non-disclosure agreement dated May 28, 2018 between the Purchaser and the Receiver.

"Outside Date" has the meaning set out in Section 5.05(b).

"Permits" means all permits, licences, certificates, approvals, authorizations, and registrations, or any item with a similar effect, issued or granted by any Governmental Authority.

"Permitted Encumbrances" means only those Liens related to the Purchased Assets set forth on **Exhibit F**.

"Person" means any individual, corporation, limited liability company, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.

"Personal Information" means information about an identifiable individual, but does not include the name, title or business address or telephone number of an employee of an organization.

"Proceeds" has the meaning set out in Section 6.07(1)(b)(i).

"Purchase Price" has the meaning set out in Section 2.03.

"Purchased Assets" has the meaning set out in Section 2.01.

"Release" means any release or discharge of any Hazardous Substance including any discharge, spray, injection, inoculation, abandonment, deposit, spillage, leakage, seepage, pouring, emission, emptying, throwing, dumping, placing, exhausting, escape, leach, migration, dispersal, dispensing or disposal.

"Receiver" has the meaning set out in the recitals hereto.

"Receiver's Certificate" means a certificate signed by the Receiver substantially in the form attached as **Schedule A** to the Approval and Vesting Order confirming that: (i) the Purchaser has paid, and the Receiver has received payment of, the Purchase Price in relation to the purchase by the Purchaser of the Purchased Assets, and (ii) the conditions to be complied with at or prior to the Time of Closing as set out in Sections 5.02 and 5.03, respectively, have been satisfied or waived by the Receiver or the Purchaser, as applicable, pursuant to Section 5.04.

"Receivership Order" has the meaning set out in the recitals hereto.

“Sale Process” means the sale process administered by the Receiver, as outlined in Confidential Information Memorandum.

“Tax Act” means the *Income Tax Act* (Canada).

“Time of Closing” means 4:00 p.m. (Newfoundland and Labrador time) on the Closing Date.

“Transfer Taxes” has the meaning set out in Section 2.07.

1.02 Headings

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Exhibits are to Articles and Sections of and Exhibits to this Agreement.

1.03 Extended Meanings

In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing” and the term “third party” means any Person other than the Receiver and the Purchaser.

1.04 Capacity of Receiver

The Receiver, in executing this Agreement, is entering into this Agreement solely in its capacity as the court appointed receiver of the PTL Group, and not in its personal or any other capacity. The Receiver shall have no personal or corporate liability of any kind whether in contract, tort or otherwise.

1.05 Statutory References

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

1.06 Currency

All references to currency herein are to lawful money of Canada.

1.07 **Exhibits**

The following are the Exhibits to this Agreement:

- Exhibit A** - Form of Approval and Vesting Order
- Exhibit B** - Assigned Contracts and Permits
- Exhibit C** - Form of Assignment and Assumption Agreement
- Exhibit D** - Lands
- Exhibit E** - Machinery and Equipment
- Exhibit F** - Permitted Encumbrances
- Exhibit G** - Other Excluded Assets
- Exhibit H** - Allocation of Purchase Price

ARTICLE 2 - SALE AND PURCHASE

2.01 **Assets to be Sold and Purchased¹**

Upon and subject to the terms and conditions hereof, the Receiver will sell to the Purchaser and the Purchaser will purchase from the Receiver, as of and with effect from the Time of Closing, all of the right, title, benefit and interest of the PTL Group in and to the following assets (collectively, the "Purchased Assets"):

- (a) all structures, erections, improvements, appurtenances and fixtures situate on or forming part of the Lands;
- (b) the Lands detailed in Exhibit D;
- (c) all machinery and equipment listed in Exhibit E;
- (d) all Inventories
- (e) all Intellectual Property owned by the PTL Group used in connection with the Purchased Assets; and,
- (f) the Books and Records that pertain primarily to the Purchased Assets;

but excluding, for greater certainty, in each and every case the Excluded Assets (as hereinafter defined).

2.02 **Excluded Assets²**

Notwithstanding Section 2.01 or any other provision in this Agreement to the contrary, the PTL Group will retain its right, title, benefit and interest in and to, and the Purchaser will have no rights with respect to the right, title, benefit and interest of the PTL Group in and to the following assets (collectively, the "Excluded Assets"):

¹ Purchaser to outline assets to be purchased.

² Purchaser to outline excluded assets.

- (a) the cash and cash equivalents, short-term investments, bank account balances, bank deposits, including any deposits posted in respect of letters of credit, and petty cash of PTL Group;
- (b) all rights of the PTL Group to tax refunds, credits, rebates or similar benefits relating to the Purchased Assets;
- (c) the Excluded Contracts;
- (d) shares and other interests or capital of the PTL Group;
- (e) the tax records and insurance policies of the PTL Group;
- (f) any Claim of the PTL Group to reimbursement under any insurance policy applicable to PTL Group;
- (g) Books and Records not pertaining primarily to the Purchased Assets;
- (h) all funds or deposits held by suppliers, customers or any other person in trust for or on behalf of the PTL Group; and
- (i) any other assets listed in Exhibit G.³

2.03 Purchase Price

The aggregate purchase price payable by the Purchaser to the Receiver for the Purchased Assets excluding all applicable Taxes (such amount being hereinafter referred to as the "Purchase Price") is an amount equal to a sum of the following:

- (a) \$Four Million One Hundred Thousand Dollars for the Purchased Assets;
- (b) plus or minus customary adjustments on account of municipal property taxes for the Lands from Date of Closing; and
- (c) plus the amount of the Assumed Liabilities.

2.04 Allocation of Purchase Price

The Purchase Price will be allocated among the Purchased Assets as set out in Exhibit H. The Receiver and Purchaser will make and file all tax returns and filings on a basis which is consistent with the amount and allocation of the Purchase Price.

2.05 Elections

The Receiver and the Purchaser will on or before the Time of Closing jointly execute an election (if applicable), in the prescribed form and containing the prescribed information, to have

³ The Purchaser should specify any additional assets it will be excluding on the Other Excluded Assets Exhibit appended to this Agreement.

subsection 167(1.1) of the *Excise Tax Act* (Canada) apply to the sale and purchase of the Purchased Assets hereunder so that no tax is payable in respect of such sale and purchase under Part IX of the *Excise Tax Act* (Canada). The Purchaser will file such election with the Minister of National Revenue within the time prescribed by the *Excise Tax Act* (Canada).

2.06 Property Taxes

Municipal property taxes for the Lands being purchased shall be adjusted for from the Date of Closing to December 31, 2018

2.07 Transfer Taxes

(1) The Purchaser will be liable for and, subject to Section 2.05, will pay, or will cause to be paid, all transfer, land transfer, value added, *ad-valorem*, excise, sales, use, consumption, goods or services, harmonized sales, retail sales, social services, or other similar taxes or duties (collectively, "Transfer Taxes") payable under any Applicable Law on or with respect to the sale and purchase of the Purchased Assets under this Agreement. The Purchaser will prepare and file any affidavits or returns required in connection with the foregoing at its own cost and expense.

(2) The Purchaser shall indemnify and save harmless the Receiver and its employees, advisors and agents from all Claims incurred, suffered or sustained as a result of a failure by the Purchaser:

- (a) to pay any Transfer Taxes payable by the Purchaser; and/or
- (b) to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial or other taxing authorities in connection with the conveyance or transfer of the Purchased Assets.

2.08 Assumption of Liabilities

(1) At the Time of Closing, the Purchaser will assume and thereafter fulfil, perform and discharge when due the following Liabilities of the PTL Group outstanding as at the Closing Date (collectively, the "Assumed Liabilities")

- (a) all Liabilities arising from or in connection with any tax, levy, penalty, interest or costs for which the Purchaser is responsible pursuant to Sections 2.06 and 2.07 and any Permitted Encumbrances; and
- (b) all Liabilities relating to or arising from the Purchased Assets under Environmental Laws.

(2) In addition to any other provision for indemnification by the Purchaser contained in this Agreement, the Purchaser will, on and after the Closing Date, indemnify and save harmless the Receiver on its own behalf and as trustee for its Affiliates and its and their current and former directors and officers, employees, agents, advisors and representatives (including the

Receiver) (collectively, the "Indemnitees") from and against all Claims asserted against any of the Indemnitees in any way directly or indirectly arising from, relating to or in connection with any of the Assumed Liabilities.

2.09 Assigned Contracts

- (1) [Intentionally Omitted];
- (2) [Intentionally Omitted];
- (3) Nothing in this Agreement will constitute an agreement to assign or an attempted assignment of any assignable rights or any Contracts or Permits for which any requisite consent or approval has not been obtained or which as a matter of Applicable Law or by its terms is assignable.

2.10 Payment of Purchase Price

- (1) The Purchase Price will be satisfied by the Purchaser as follows:
 - (a) an amount equal to 15% of the Purchase Price forthwith upon the Purchaser submitting a Binding APA (as defined in the Sale Process), by wire transfer of immediately available funds to an account specified by the Receiver, to be held in trust at a Canadian chartered bank and paid as provided in Section 2.10 (2);
 - (b) \$3,485,000.00 by wire transfer at the Time of Closing of immediately available funds to an account specified by the Receiver;
 - (c) by paying adjustments, if any, to the Purchase Price pursuant to Section 2.06 and 2.07; and,
 - (d) by the Purchaser assuming the Assumed Liabilities.
- (2) The deposit paid to the Receiver by the Purchaser pursuant to Section 2.1010 (1)(a) will be paid by the Receiver as follows:
 - (a) to the Receiver at the Time of Closing, with any interest that has been paid by the applicable bank thereon being paid to the Purchaser, in each case net of any applicable bank fees or charges, if the sale and purchase of the Purchased Assets provided for herein is completed in accordance with the terms and conditions hereof;
 - (b) to the Receiver on or after the fifth Business Day after the date of termination of this Agreement, together with any interest that has been

paid by the applicable bank thereon (net of any applicable bank fees or charges), if this Agreement is terminated by the Receiver pursuant to Section 5.05(a), Section 5.05(c) (unless with respect to a condition in Section 5.03(c) or (d)), or Section 5.05(f) (where the Purchaser has failed to comply with its obligations under this Agreement); or

- (c) to the Purchaser on or after the fifth Business Day after the date of termination of this Agreement, together with any interest that has been paid by the applicable bank thereon (net of any applicable bank fees or charges), if this Agreement is terminated by the Purchaser pursuant to Section 5.05(a) or Section 5.05(b), or by the Receiver pursuant to Section 5.05(c) (solely with respect to a condition in Section 5.03(c) or (d)) or Section 5.05(f) (unless the Purchaser has failed to comply with its obligations under this Agreement),

provided that if the sale and purchase of the Purchased Assets provided for herein is not completed in accordance with the terms and conditions hereof and, prior to 10:00 a.m. on the fifth Business Day referred to in Section 2.10 (2)(b) or (c), as the case may be, written notice is given by either the Receiver or the Purchaser to the other counterparty that such party in good faith disputes that the other is entitled to receive the deposit and/or any accrued interest thereon, then such deposit and all accrued interest thereon may, at the option of the Receiver, be paid into Court as soon as reasonably possible (net of any applicable bank fees or charges), and further provided that the Receiver shall be entitled to seek the direction of the Court at any time in respect of any matter relating to the deposit, including the payment thereof to any Person.

2.11 Delivery of Purchased Assets

At the Time of Closing, the Purchaser will take possession of the Purchased Assets where situated. The Purchaser acknowledges that the Receiver has no obligation to deliver possession of the Purchased Assets to the Purchaser.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

3.01 Receiver's Representations and Warranties

The Receiver represents and warrants to the Purchaser that, as at the date hereof and as of the Closing Date:

- (a) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, the Receiver has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (b) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, this Agreement constitutes a valid and legally binding obligation of the Receiver, enforceable against the Receiver in accordance with its terms;

- (c) **PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited, & 9263357 Canada Inc.** are registered under Part IX of the *Excise Tax Act* (Canada) with registration number 82365 8398 RT0001, 10408 5097 RT0001, 865356067 RT0001 and 839169745 RT0001 respectively; and
- (d) The PTL Group is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

3.02 Purchaser's Representations and Warranties

The Purchaser represents and warrants to the Receiver that:

- (a) the Purchaser is a corporation duly incorporated, organized and existing under the laws of the Province of Newfoundland and Labrador;
- (b) the Purchaser has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (c) this Agreement constitutes a valid and legally binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (d) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement and completion of the transactions contemplated herein and the entering into of this Agreement in completion of the transactions contemplated herein will not breach its constating documents, any agreement binding on the Purchaser, or Applicable Laws relating to the Purchaser;
- (e) there are no orders of or proceedings before or pending before any Governmental Authority, or threatened to be brought by or before any Governmental Authority by or against the Purchaser affecting the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby by the Purchaser;
- (f) no authorizations, consents or approvals of, or filing with or notice to, any Governmental Authority is required in connection with the execution, delivery or performance of this Agreement;
- (g) except for the Approval and Vesting Order, no consent, waiver, authorization or approval of any Person and no declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by the Purchaser of this Agreement;
- (h) the Purchaser has available, or prior to the delivery of the Binding APA (as defined in the Sale Process) and at the Time of Closing will have, sufficient funding to enable the Purchaser to consummate the purchase of the Purchased Assets on the terms set forth herein and otherwise to perform all of the Purchaser's obligations under this Agreement;

- (i) the Purchaser is registered under Part IX of the *Excise Tax Act* (Canada) with registration number 103370623 RT0001; and
- (j) the Purchaser is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

3.03 "As Is, Where Is"

(1) The Purchaser acknowledges and agrees that it is purchasing the Purchased Assets on an "as is, where is" basis and on the basis that the Purchaser has conducted to its satisfaction an independent inspection, investigation and verification of the Purchased Assets (including a review of title), Assumed Liabilities and all other relevant matters and has determined to proceed with the transaction contemplated herein and will accept the same at the Time of Closing in their then current state, condition, location, and amounts, subject to all Permitted Encumbrances.

(2) Except as otherwise expressly provided in Section 3.01, no representation, warranty or condition whether statutory (including under the *Sale of Goods Act* (Newfoundland and Labrador), the *International Sale of Goods Contracts Convention Act* (Canada) and the *International Sale of Goods Act* (Newfoundland and Labrador) or any international equivalent act which may be applicable to the subject matter pursuant to the provisions of this Agreement, including but not limited to the *United Nations Convention on Contracts for the International Sale of Goods*), or express or implied, oral or written, legal, equitable, conventional, collateral, arising by custom or usage of trade, or otherwise is or will be given including as to title, outstanding liens or encumbrances, description, fitness for purpose, merchantability, merchantable quality, quantity, condition (including physical and environmental condition), suitability, durability, assignability, or marketability thereof or any other matter or thing whatsoever, and all of the same are expressly excluded and disclaimed and any rights pursuant to such statutes have been waived by the Purchaser. The Purchaser acknowledges and agrees that it has relied entirely and solely on its own investigations as to the matters set out above and in determining to purchase the Purchased Assets and assume the Assumed Liabilities pursuant to this Agreement.

(3) The description of the Purchased Assets and Assumed Liabilities contained herein is for the purpose of identification only and the inclusion of any item in such description does not confirm the existence of any such items or that any such item is owned by the PTL Group. Except as otherwise explicitly set forth in Section 3.01, no representation, warranty or condition has been given by the Receiver concerning the completeness or accuracy of such descriptions and the Purchaser acknowledges and agrees that any other representation, warranty, statements of any kind or nature, express or implied, (including any relating to the future or historical financial condition, results of operations, prospects, assets or liabilities of the PTL Group or the quality, quantity or condition of the Purchased Assets) are specifically disclaimed by the Receiver.

(4) Any documents, materials and information provided by or on behalf of the Receiver to the Purchaser with respect to the Purchased Assets or Assumed Liabilities (including any confidential information memorandums, management presentations, or material made available in the electronic data room) have been provided to the Purchaser solely to assist the

Purchaser in undertaking its own due diligence, and the Receiver has not made and is not making any representations or warranties, implied or otherwise, to or for the benefit of the Purchaser as to the accuracy and completeness of any such documents, materials or information or the achievability of any valuations, estimates or projections. The Purchaser acknowledges that it has not and will not rely upon any such documents, materials or information in any manner, whether as a substitute for or supplementary to its own due diligence, searches, inspections and evaluations. The Receiver and their respective affiliates, directors, officers, employees, agents and advisors shall not be liable for any inaccuracy, incompleteness or subsequent changes to any such documents, materials or information.

ARTICLE 4 - COVENANTS

4.01 Covenants of the Receiver

(1) The Receiver will ensure that the representations and warranties of the Receiver set out in Section 3.01 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Purchaser set out in Section 5.02 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.

(2) The Receiver shall file with the Court, as soon as practicable after its execution and delivery of this Agreement, an application seeking the Court's issuance of the Approval and Vesting Order.

4.02 Covenants of the Purchaser

(1) The Purchaser will ensure that the representations and warranties of the Purchaser set out in Section 3.02 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Receiver set out in Section 5.03 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.

(2) The Purchaser will provide the Receiver with all information within its possession or control that the Receiver may reasonably request to assist the Receiver in obtaining the Approval and Vesting Order.

(3) The Purchaser will preserve the Books and Records that pertain to the Purchased Assets that are delivered to it at the Time of Closing for a period of six years from the Closing Date, or for such other period as is required by any Applicable Law, and will permit the Receiver and their respective authorized representatives reasonable access thereto in connection with the affairs of the PTL Group, and the right to make copies thereof at their expense. For further clarification, the Books and Records to be delivered to the Purchaser at the Time of Closing shall be strictly limited to Books and Records that pertain to the assets being conveyed to the Purchaser at the Time of Closing. All other Books and Records shall remain with the Receiver.

(4) The Purchaser will comply with the *Personal Information Protection and Electronic Documents Act* (Canada) and other similar Applicable Laws relating to privacy and

the protection of Personal Information in respect of the Books and Records, Contracts and any other business and financial records related to the Purchased Assets.

ARTICLE 5 - CONDITIONS AND TERMINATION

5.01 Due Diligence Condition – Binding APA

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following condition:

the Purchaser and its representatives shall have completed their due diligence in respect of the Purchased Assets and the Assumed Liabilities and the Purchaser shall be satisfied in its sole discretion with such due diligence on or prior to the Binding APA Deadline (as defined in the Sale Process).

(collectively, the “Due Diligence Condition”).

The Due Diligence Condition is for the exclusive benefit of the Purchaser and is to be performed, waived or complied with at or prior to the earlier of: (i) the submission of a Binding APA (as defined in the Sale Process), or (ii) the Binding APA Deadline.

5.02 Conditions for the Benefit of the Purchaser⁴

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Purchaser and which are to be performed or complied with at or prior to the Time of Closing:

- (a) the representations and warranties of the Receiver set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Receiver will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Receiver at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the sale and purchase of the Purchased Assets; and
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal shall have been dismissed with no further appeal therefrom);

⁴ Purchaser to outline all conditions in Non-Binding APA.

5.03 Conditions for the Benefit of the Receiver

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Receiver and which are to be performed or complied with at or prior to the Time of Closing:

- (a) the representations and warranties of the Purchaser set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Purchaser will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Purchaser at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the purchase and sale of the Purchased Assets; and
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal shall have been dismissed with no further appeal therefrom).

5.04 Waiver of Condition

The Purchaser, in the case of a condition set out in Section 5.02, and the Receiver, in the case of a condition set out in Section 5.03 (other than Section 5.03(d)), will have the exclusive right to waive the performance or compliance of such condition in whole or in part and on such terms as may be agreed upon without prejudice to any of its rights in the event of non-performance of or non-compliance with any other condition in whole or in part. Any such waiver will not constitute a waiver of any other conditions in favour of the waiving party. Such waiving party will retain the right to complete the purchase and sale of the Purchased Assets herein contemplated.

5.05 Termination

This Agreement may be terminated, by notice given prior to or on the Closing Date:

- (a) by the Receiver or the Purchaser if a material breach of any representation, warranty, covenant, obligation or other provision of this Agreement has been committed by the other party and such breach has not been waived or cured within five days following the date on which the non-breaching party notifies the other party of such breach;
- (b) by the Purchaser if a condition in Section 5.02 becomes impossible to satisfy prior to **September 15, 2018** or such later date as the parties may determine (the "**Outside Date**") (other than through the failure of the Purchaser to comply with its obligations under this Agreement) and the Purchaser has not waived such condition;

- (c) by the Receiver if a condition in Section 5.03 becomes impossible to satisfy prior to the Outside Date (other than through the failure of the Receiver to comply with its obligations under this Agreement) and the Receiver has not waived such condition;
- (d) by the Receiver pursuant to Section 6.07(1)(a);
- (e) by written agreement of the Purchaser and the Receiver;
- (f) by the Receiver or the Purchaser if the completion of the sale of Purchased Assets herein contemplated has not occurred (other than through the failure of the party seeking termination to comply with its obligations under this Agreement) on or before the Outside Date.

5.06 Effect of Termination

Each party's right of termination under Section 5.05 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 5.05, all further obligations of the parties under this Agreement will terminate, except that the obligations in Sections 2.10 (2), 6.04, 8.03 and 8.04 will survive; provided, however, that if this Agreement is terminated by a party because of a material breach of a representation or warranty, covenant, obligation or other provision of this Agreement by the other party or because one or more of the conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the other party's failure to comply with its obligations under this Agreement, the terminating party's right to pursue all legal remedies with respect to such breach will survive such termination unimpaired.

ARTICLE 6 - CLOSING ARRANGEMENTS

6.01 Closing

The sale and purchase of the Purchased Assets will be completed at the Time of Closing at the offices of Cox & Palmer, Suite 1100, 235 Water Street, St. John's, NL A1C 5N8.

6.02 Receiver's Closing Deliveries

On or before the Time of Closing, the Receiver will deliver or cause to be delivered to the Purchaser the following:

- (a) a certificate executed by the Receiver confirming that the representations and warranties of the Receiver in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Receiver to be performed prior to the Time of Closing have been performed in all material respects;
- (b) a copy of the issued and entered Approval and Vesting Order;

- (c) if available, the tax election as contemplated by Section 2.05 executed by the Receiver;
- (d) a bill of sale, duly executed by the Receiver, if necessary;
- (e) the Assignment and Assumption Agreement executed by the Receiver, if necessary; and
- (f) such other documents or instruments as contemplated or required to be delivered by the Receiver pursuant to this Agreement, all of which shall be in form and substance satisfactory to the parties, acting reasonably.

6.03 Purchaser's Closing Deliveries

On or before the Time of Closing, the Purchaser will deliver or cause to be delivered to the Receiver the following:

- (a) payment of the Purchase Price to the Receiver as contemplated by Section 2.10(1).
- (b) a certificate executed by a senior officer of the Purchaser confirming that the representations and warranties of the Purchaser in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Purchaser to be performed prior to the Time of Closing have been performed in all material respects;
- (c) if available, the tax election as contemplated by Section 2.05 executed by the Purchaser;
- (d) the Assignment and Assumption Agreement executed by the Purchaser, if necessary;
- (e) if required, a land transfer tax affidavit or equivalent; and
- (f) such other documents or instruments as contemplated or required to be delivered by the Purchaser pursuant to this Agreement, all of which shall be in form and substance satisfactory to the parties, acting reasonably.

6.04 Confidentiality

Subject to the terms of the Non-Disclosure Agreement, both prior to the Closing Date and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason thereafter, the Purchaser will not disclose to anyone or use for its own or for any purpose other than the purpose contemplated by this Agreement any confidential information concerning the PTL Group or the operations obtained by the Purchaser pursuant hereto, and will hold all such information in the strictest confidence and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason, will return all documents, records and all other

information or data relating to the PTL Group or to the operations which the Purchaser obtained pursuant to this Agreement.

6.05 Delivery of Receiver's Certificate

When the Receiver is satisfied that all conditions hereunder have been satisfied or waived, and all documents to be delivered under the terms hereof have been delivered at or before the Time of Closing, the Receiver will deliver an executed copy of the Receiver's Certificate to the Purchaser's counsel in escrow upon the sole condition of receipt by the Receiver of the amounts referred to in Section 2.10(1). All of the foregoing amounts will then be paid by the Purchaser, by wire transfer of immediately available funds to an account designated in writing by the Receiver for this purpose pursuant to Section 2.10(1) hereof. Following written confirmation of receipt by the Receiver of such funds (or such person directed by the Receiver to receive such funds), the Receiver's Certificate will be released from escrow to the Purchaser. Upon such delivery, the closing will be deemed to have occurred at the Time of Closing. The Receiver will file a copy of the Receiver's Certificate with the Court on the next Business Day following the Closing Date and provide evidence of such filing to the Purchaser.

6.06 Intentionally Omitted

6.07 Risk of Loss

(1) Until the Time of Closing, the Purchased Assets will remain at the risk of the Receiver. If any destruction or damage in excess of \$2 million occurs to the Purchased Assets on or before the Time of Closing or if any or all of the Purchased Assets are appropriated, expropriated or seized by governmental or other lawful authority on or before the Time of Closing:

- (a) the Receiver will forthwith give notice thereof to the Purchaser, and the Receiver shall have the right to terminate this Agreement prior to the Time of Closing and shall notify the Purchaser in a reasonable period of time whether it is exercising this right; and
- (b) in the event the Receiver does not exercise its right of termination under Section 6.07(1)(a), the Purchaser will have the option, exercisable by notice to the Receiver on or before the Time of Closing:
 - (i) to reduce the Purchase Price by an amount equal to the proceeds of insurance (and, if any such policy provided for a deductible amount, by an amount equal to such deductible amount) or compensation for destruction or damage or appropriation, expropriation or seizure and business interruption with respect thereto (in this Section 6.07 referred to as the "Proceeds"), and to complete the purchase; or
 - (ii) to complete the purchase without reduction of the Purchase Price, in which event all Proceeds will be payable to the Purchaser and all Claims of the

Receiver to any such amounts not paid by the Closing Date will be assigned to the Purchaser.

(2) If the Purchaser elects to reduce the Purchase Price pursuant to Section 6.07(1)(b)(i), the Receiver will at the Time of Closing determine the amount of the reduction to the extent that it is then determinable and will undertake to adjust such amount after the Closing Date, if necessary.

ARTICLE 7 - SURVIVAL

7.01 Survival

No covenants, representations and warranties of each party contained in this Agreement will survive the completion of the sale and purchase of the Purchased Assets and assumption of the Assumed Liabilities hereunder, except for the covenants that by their terms are to be satisfied or survive after the Time of Closing (including without limitation Sections 2.07, 2.10 (2), 4.02(3), 8.03, 8.04, and 8.16), which covenants will continue in full force and effect in accordance with their terms.

ARTICLE 8 - GENERAL

8.01 Further Assurances

Each of the Receiver and the Purchaser will from time to time at the request and expense of the other execute and deliver all such further documents and instruments and do all acts and things as the other party may, either before or after the Closing Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

8.02 Time of the Essence

Time is of the essence of this Agreement.

8.03 Fees, Commissions and other Costs and Expenses

Each of the Receiver and the Purchaser will pay its respective legal and accounting costs and expenses and any real estate or other commissions incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs and expenses whatsoever and howsoever incurred and will indemnify and save harmless the other from and against any Claim resulting from any broker's, finder's or placement fee or commission alleged to have been incurred as a result of any action by it in connection with the transactions under this Agreement.

8.04 Public Announcements

Except as required by Applicable Law, no public announcement or press release concerning the sale and purchase of the Purchased Assets may be made by the Receiver or the Purchaser without the prior consent and joint approval of the Receiver and the Purchaser.

8.05 Benefit of the Agreement

This Agreement will enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the parties.

8.06 Entire Agreement

This Agreement (including the agreements contemplated hereby) and the Non-Disclosure Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and such agreements cancel and supersede any prior understandings and agreements between the parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement (including the agreements contemplated hereby) or in the Non-Disclosure Agreement.

8.07 Amendments and Waivers

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.

8.08 Assignment

This Agreement may not be assigned by the Receiver or the Purchaser without the written consent of the other provided that the Purchaser may assign this Agreement without the consent of the Receiver to an Affiliate of the Purchaser provided that: (i) such Affiliate enters into a written agreement with the Receiver to be bound by the provisions of this Agreement in all respects and to the same extent as the Purchaser is bound, (ii) that the Purchaser will continue to be bound by all the obligations hereunder as if such assignment had not occurred and perform such obligations to the extent that such Affiliate fails to do so, and (iii) such assignment occurs prior to the issuance of the Approval and Vesting Order.

8.09 Notices

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by electronic means of communication addressed to the recipient as follows:

To the Receiver:

BDO Canada Limited
25 Main Street West, Suite 805
Hamilton, ON L8P 1H1

Fax No.: 905-570-0249
Email: aconsoli@bdo.ca

Attention: Angelo Consoli

With copies to (which will not constitute notice)

Cox & Palmer
Suite 1100, 235 Water Street,
St. John's, NL
A1C 5N8

Fax No: 709 738 7999

Attention: Darren O'Keefe
Email: dokeefe@coxandpalmer.com

To the Purchaser:

Locke's Electrical Limited

4 Hemlock Avenue

PO Box 99

Corner Brook, NL A2H 6C3

Fax No.: 709 639 8951

Email: Elizabeth@lockeselectrical.ca

Attention: Elizabeth Randell

or to such other street address, individual or electronic communication number or address as may be designated by notice given by either party to the other. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day.

8.10 Remedies Cumulative

The right and remedies of the parties under this Agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

8.11 No Third Party Beneficiaries

This Agreement is solely for the benefit of:

- (a) the Receiver, and its heirs, executors, administrators, successors and permitted assigns, with respect to the obligations of the Purchaser under this Agreement, and
- (b) the Purchaser, and its heirs, executors, administrators, successors and permitted assigns, with respect to the obligations of the Receiver under this Agreement,

and this Agreement will not be deemed to confer upon or give to any other person any Claim or other right or remedy.

8.12 Governing Law

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

8.13 Attornment

For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the Province of Newfoundland and Labrador and the courts of the Province of Newfoundland and Labrador will have jurisdiction to entertain any action arising under this Agreement. The Receiver and the Purchaser each attorns to the jurisdiction of the courts of the Province of Newfoundland and Labrador.

8.14 Appointment of Agent for Service

The Purchaser nominates, constitutes and appoints King Penney & Brown, Barristers and Solicitors, of the City of Corner Brook its true and lawful agent to accept service of process and to receive all lawful notices in respect of any action arising under this Agreement (other than any notice that is to be given by one party to another pursuant to Section 8.09). Until due and lawful notice of the appointment of another and subsequent agent in the Province of Newfoundland and Labrador has been given to and accepted by the Receiver, service of process or of papers and such notices upon Katrina E. Warren will be accepted by the Purchaser as sufficient service.

8.15 Severability

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

8.16 No Registration of Agreement

The Purchaser agrees that it will not register or cause or permit to be registered this Agreement and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to the Lands and/or

any part thereof. The Purchaser shall indemnify and save the Receiver harmless from and against any and all Claims whatsoever arising from or with respect to any such registration. This Section shall survive the expiration and/or termination of this Agreement for any reason.

8.17 Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument.

8.18 Electronic Execution

Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

[The balance of this page has been intentionally left blank]

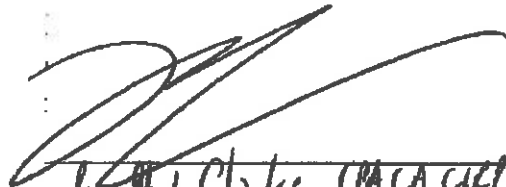
IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

LOCKE'S ELECTRICAL LIMITED

Per: Elizabeth Randell, Director



BDO CANADA LIMITED, solely in its capacity as receiver of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited, & 9263357 Canada Inc and not in any other capacity



Per: Mr. I. Clarke CPA, CA, CMA, CIT, LLT
Senior Vice President
BDO Canada Limited.

EXHIBIT A

Form of Approval and Vesting Order

2018 01G 3114

D7A

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

IN THE MATTER OF the
Bankruptcy and Insolvency Act, RSC
1985 c. B-3, as amended

AND IN THE MATTER OF the
Receivership of PTL Holdings
Limited, PTL Services (Equipment)
Limited, CSL Services (Industrial)
Limited and 9263357 Canada Inc.

Estate No. 51-126100
Court No. 21491

APPROVAL AND VESTING ORDER

UPON reading the Notice of Motion of BDO Canada Ltd., in its capacity as receiver of the assets, undertaking and property of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. (the Receiver) pursuant to section 243 of the *Bankruptcy and Insolvency Act, RSC 1985 c. B-3, as amended* (the BIA), **AND UPON** hearing the submissions of counsel, **AND UPON** reading the material as filed by counsel, **IT IS HEREBY ORDERED AS FOLLOWS:**

Approval of Sale

1. The Receiver is hereby authorized to complete the transaction between Locke's Electrical Limited (the Purchaser) and the Receiver contemplated by asset purchase agreement made between the Purchaser and the Receiver dated the 14th day of June, 2018 (the Purchase Agreement) in relation to certain property of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. (the "PTL Group") as described in the Purchase Agreement.

Filed Aug. 23/18 

D7 18

2. **The Purchase Agreement be and is hereby approved.**
3. **The Receiver is authorized and empowered to do all things and execute and deliver all such documents as it deems necessary in order to complete the transactions contemplated by the Purchase Agreement.**

Vesting of Assets

4. **Effective immediately upon the filing with this Court of a Receiver's Certificate substantially in the form attached hereto as Schedule A (the Receiver's Certificate), signed by the Receiver confirming that all terms and conditions under the Purchase Agreement have been either satisfied or waived and that the transactions contemplated by the Purchase Agreement have been completed to the satisfaction of the Receiver, all right, title and interest of the PTL Group in and to the Property, (also referred to as the Purchased Assets), shall vest and are hereby vested in and to the Purchaser, absolutely and forever, without limitation, 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, Claims) provided however that from and after the filing of the Receiver's Certificate with this Court, any and all Claims of or by any persons in or to the Purchased Assets shall attach to the proceeds derived from the completion of the transactions contemplated by the Purchase Agreement with the same priority as they had with respect to the Purchased Assets immediately prior to the completion of the transactions contemplated by the Agreement.**
5. **The purchase price set out in the Purchase Agreement is fair and commercially reasonable and was arrived at in a commercially reasonable manner.**

D&N

6. Notwithstanding:

- (a) the pendency of these proceedings;**
- (b) any applications for a bankruptcy order now or in the future issued pursuant to the BIA in respect of the PTL Group and any bankruptcy order issued pursuant to any such applications; and**
- (c) any assignment in bankruptcy made in respect of the PTL Group;**

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the PTL Group and shall not be void or voidable by creditors of the PTL Group, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA 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.

- 7. Any and all third parties holding Purchased Assets are hereby directed to release such Purchased Assets forthwith upon receiving instructions to that effect from the Receiver, or, after the closing of the transactions contemplated by the Purchase Agreement, from the Receiver, the Purchaser or both.**
- 8. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States in connection with the authority granted hereunder to proceed with and conclude the transactions contemplated by the Purchase Agreement.**

DATED the 23rd day of August, 2018 at St. John's, Newfoundland and Labrador.

Bob Jones

**COUNT
OFFICER**

DAM

Schedule A – Form of Receiver’s Certificate

SCHEDULE A

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

IN THE MATTER OF the
Bankruptcy and Insolvency Act, RSC
1985 c. B-3, as amended

AND IN THE MATTER OF the
Receivership of PTL Holdings
Limited, PTL Services (Equipment)
Limited, CSL Services (Industrial)
Limited and 9263357 Canada Inc.

**Estate No. 51-126100
Court No. 21491**

RECEIVER'S CERTIFICATE

BDO Canada Ltd., in its capacity as receiver of all of the assets, undertaking and property of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. (the Receiver), appointed pursuant to an order of this Court dated 11 May 2018, hereby confirms that all terms and conditions under the agreement of purchase and sale made between Locke's Electrical Limited and the Receiver pursuant to the asset purchase agreement dated 14 June 2018 (the Purchase Agreement) have been either satisfied or waived, and that the transactions contemplated by the Purchase Agreement have been completed to the satisfaction of the Receiver.

DATED the *7th* day of *September*, 2018 at St. John's, Newfoundland and Labrador.

**BDO CANADA LTD., in its capacity as
receiver of all of the assets,
undertaking and property of PTL
Holdings Limited, PTL Services
(Equipment) Limited, CSL Services
(Industrial) Limited and 9263357
Canada Inc.**

Per:

Name:

Title:

PHIL CLARKE, CPA, CA, CIP, LIT
Senior Vice President

EXHIBIT B

ASSIGNED CONTRACTS AND PERMITS

None

EXHIBIT C

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

Not Applicable

EXHIBIT D

LANDS OWNED BY THE PTL GROUP

1. 20 Marine Drive, Southern Harbour, NL
2. 21-23 Marine Drive, Southern Harbour, NL
3. 48 Alexander Gilbert Road, Come By Chance, NL

EXHIBIT E

MACHINERY AND EQUIPMENT

1. The machinery and equipment outlined in data room document 12.1 [12.0 Active Equipment.pdf] count rows 1-223, excluding row 9 and rows 176 and 177

EXHIBIT F

PERMITTED ENCUMBRANCES

None

EXHIBIT G

OTHER EXCLUDED ASSETS

1. Outstanding Accounts Receivable at the time of closing
2. All existing commercial contracts with third parties for provision of services

EXHIBIT H

ALLOCATION OF PURCHASE PRICE

1. For the Lands detailed in Exhibit D in addition to all structures, erections, improvements, appurtenances and fixtures situate on or forming part of the Lands – One Million Three Hundred Thousand (\$1,300,000.00) CDN
2. For the Machinery and Equipment listed in Exhibit E – Two Million Seven Hundred Seventy Thousand (\$2,770,000.00) CDN
3. For Inventories – Thirty Thousand (\$30,000.00) CDN
4. For Intellectual Property – nominal consideration (\$1.00)

Total Purchase Price: Four Million One Hundred Thousand (\$4,100,000.00) CDN

APPENDIX E

ASSET PURCHASE AGREEMENT

BETWEEN

**BDO CANADA LIMITED., solely in its capacity as Court
appointed receiver of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL
Services (Industrial) Limited, & 9263357 Canada Inc., and not in its personal capacity**

AND

LOCKE'S ELECTRICAL LIMITED

MADE AS OF

June 14, 2018

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of June 14, 2018

BETWEEN

LOCKE'S ELECTRICAL LIMITED, a corporation incorporated
under the laws of the Province of Newfoundland and Labrador (the
"**Purchaser**"),

- and -

**BDO CANADA LIMITED, solely in its capacity as court
appointed receiver of PTL Holdings Limited, PTL Services
(Equipment) Limited, CSL Services (Industrial) Limited, &
9263357 Canada Inc., and not in its personal capacity**

WHEREAS on May 11, 2018, the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency granted an Order (the "**Receivership Order**") appointing BDO Canada Limited (the "**Receiver**") as receiver of the assets, undertakings and properties of PTL Holdings Limited ("**PTL Holdings**"), PTL Services (Equipment) Limited ("**PTL Services**"), CSL Services (Industrial) Limited ("**CSL Services**"), and 9263357 Canada Inc. ("**9263357**"), collectively (the "**PTL Group**")

AND WHEREAS pursuant to the Receivership Order, the Receiver was authorized to market and sell the assets, undertakings and properties of the PTL Group.

AND WHEREAS the Receivership Order, providing for, among other things, a process under which offers would be solicited for the sale of all, or substantially all of the PTL Group's assets and business.

AND WHEREAS the Purchaser desires to purchase the Purchased Assets (as defined herein) upon and subject to the terms and conditions set out in this Agreement. **NOW THEREFORE**, in consideration of the covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.01 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

"**Affiliates**" means, with respect to any Person, any other Person that controls or is controlled by or is under common control with the referent Person.

“Agreement” means this agreement, including its recitals and schedules, as amended from time to time.

“Applicable Law” means:

- (i) any applicable domestic or foreign law including any statute, subordinate legislation or treaty, as well as the common law; and
- (ii) any applicable and enforceable rule, requirement, order, judgment, injunction, award or decree of a Governmental Authority.

“Approval and Vesting Order” means an order of the Court substantially in the form attached hereto as **Exhibit A**: (i) approving the sale of the Purchased Assets by the Receiver to the Purchaser pursuant to the terms of this Agreement, and (ii) providing for the vesting of the right, title, benefit and interest of the PTL Group in and to the Purchased Assets in and to the Purchaser, free and clear of all Liens, other than the Permitted Encumbrances.

“Assigned Contracts” means those Contracts and Permits set out in **Exhibit B**.

“Assignment and Assumption Agreement” means an agreement pursuant to which the Receiver will assign the Assigned Contracts to the Purchaser and the Purchaser will assume the Assumed Liabilities at the Time of Closing, substantially in the form of the document set out in **Exhibit C**.

“Assumed Liabilities” has the meaning set out in Section 2.08

“Binding APA Deadline” means the time at which the asset purchase agreement becomes legally binding as set out in the Sale Process.

“Books and Records” means all personnel records, inspection records, financial records, and other records, books, documents and data bases recorded or stored by means of any device, including in electronic form, relating to the business and the Purchased Assets as are in the possession or under the control of the PTL Group.

“Business Day” means a day other than a Saturday, Sunday, statutory or civic holiday in St. John’s NL.

“Claim” means any actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any loss, claim or demand relating thereto or resulting therefrom, or any other claim or demand of whatever nature or kind.

“Closing Date” means ten (10) business days following the date of the Approval and Vesting Order, or such other date as may be agreed in writing between the parties hereto.

“Confidential Information Memorandum” means a certain confidential information memorandum prepared by the Receiver and dated May 2018.

“Contract” means any contract, agreement, license, instrument or commitment recognized at law or equity, whether express or implied, or arising by a course of conduct or usage of trade.

“Court” means the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency.

“Due Diligence Condition” has the meaning set out in 5.01.

“Environmental Law” means any Applicable Law relating to the natural or indoor environment including those pertaining to (i) reporting, licensing, permitting, investigating, remediating or controlling the presence or Release or threatened Release of Hazardous Substances, or (ii) the use, treatment, storage, disposal, transport, handling and the like of Hazardous Substances, including, for greater certainty, any such Applicable Law pertaining to occupational health and safety.

“Excluded Assets” has the meaning set out in Section 2.02.

“Excluded Contracts” means any Contracts or Permits that are not assignable as contemplated in Section 2.09(3).

“Governmental Authority” means any domestic or foreign legislative, executive, judicial or administrative body or person having jurisdiction in the relevant circumstances.

“Hazardous Substance” means any substance, material or emission whose storage, handling, use, transportation or Release is prohibited, controlled or regulated by any Governmental Authority having jurisdiction pursuant to Environmental Laws, including any contaminant or pollutant as defined in the *Environmental Protection Act* (Newfoundland and Labrador).

“Intellectual Property” means intellectual property of any nature and kind including all domestic and foreign trade-marks, business names, trade names, domain names, trading styles, patents, trade secrets, confidential information, software, industrial designs and copyrights, whether registered or unregistered, and all applications for registration thereof, and inventions, formulae, recipes, product formulations and chemistries, processes and processing methods, technology and techniques and know-how.

“Inventories” means all inventories owned by and in possession of the PTL Group including all supplies, goods, work in progress, raw materials and spare parts.

“Lands” means the lands owned by the PTL Group and more particularly set out in **Exhibit D**.

“Liabilities” means all costs, expenses, charges, debts, liabilities, commitments and obligations of any nature or kind, whether accrued or fixed, actual, absolute, contingent, latent or otherwise, matured or unmatured or determined or undeterminable, including those arising under any Applicable Law or Claim and those arising under any Contract or undertaking or otherwise, including any tax liability or tort liability of the PTL Group.

“Liens” means any lien (statutory or otherwise), mortgage, pledge, security interest (whether contractual, statutory or otherwise), hypothecation, trust or deemed trust (whether contractual,

statutory, or otherwise), execution, levy, charge, encumbrance, interest in property, or other financial or monetary claim which, in each case, in substance, secures payment or performance of an obligation, or similar charge of any kind.

“**Machinery and Equipment**” means the machinery equipment owned by the PTL Group and more particularly set out in **Exhibit E**.

“**Non-Disclosure Agreement**” means the non-disclosure agreement dated May 28, 2018 between the Purchaser and the Receiver.

“**Outside Date**” has the meaning set out in Section 5.05(b).

“**Permits**” means all permits, licences, certificates, approvals, authorizations, and registrations, or any item with a similar effect, issued or granted by any Governmental Authority.

“**Permitted Encumbrances**” means only those Liens related to the Purchased Assets set forth on **Exhibit F**.

“**Person**” means any individual, corporation, limited liability company, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.

“**Personal Information**” means information about an identifiable individual, but does not include the name, title or business address or telephone number of an employee of an organization.

“**Proceeds**” has the meaning set out in Section 6.07(1)(b)(i).

“**Purchase Price**” has the meaning set out in Section 2.03.

“**Purchased Assets**” has the meaning set out in Section 2.01.

“**Release**” means any release or discharge of any Hazardous Substance including any discharge, spray, injection, inoculation, abandonment, deposit, spillage, leakage, seepage, pouring, emission, emptying, throwing, dumping, placing, exhausting, escape, leach, migration, dispersal, dispensing or disposal.

“**Receiver**” has the meaning set out in the recitals hereto.

“**Receiver’s Certificate**” means a certificate signed by the Receiver substantially in the form attached as **Schedule A** to the Approval and Vesting Order confirming that: (i) the Purchaser has paid, and the Receiver has received payment of, the Purchase Price in relation to the purchase by the Purchaser of the Purchased Assets, and (ii) the conditions to be complied with at or prior to the Time of Closing as set out in Sections 5.02 and 5.03, respectively, have been satisfied or waived by the Receiver or the Purchaser, as applicable, pursuant to Section 5.04.

“**Receivership Order**” has the meaning set out in the recitals hereto.

“**Sale Process**” means the sale process administered by the Receiver, as outlined in Confidential Information Memorandum.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Time of Closing**” means 4:00 p.m. (Newfoundland and Labrador time) on the Closing Date.

“**Transfer Taxes**” has the meaning set out in Section 2.07.

1.02 **Headings**

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Exhibits are to Articles and Sections of and Exhibits to this Agreement.

1.03 **Extended Meanings**

In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing” and the term “third party” means any Person other than the Receiver and the Purchaser.

1.04 **Capacity of Receiver**

The Receiver, in executing this Agreement, is entering into this Agreement solely in its capacity as the court appointed receiver of the PTL Group, and not in its personal or any other capacity. The Receiver shall have no personal or corporate liability of any kind whether in contract, tort or otherwise.

1.05 **Statutory References**

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

1.06 **Currency**

All references to currency herein are to lawful money of Canada.

1.07 Exhibits

The following are the Exhibits to this Agreement:

- Exhibit A - Form of Approval and Vesting Order
- Exhibit B - Assigned Contracts and Permits
- Exhibit C - Form of Assignment and Assumption Agreement
- Exhibit D - Lands
- Exhibit E - Machinery and Equipment
- Exhibit F - Permitted Encumbrances
- Exhibit G - Other Excluded Assets
- Exhibit H - Allocation of Purchase Price

ARTICLE 2 - SALE AND PURCHASE

2.01 Assets to be Sold and Purchased¹

Upon and subject to the terms and conditions hereof, the Receiver will sell to the Purchaser and the Purchaser will purchase from the Receiver, as of and with effect from the Time of Closing, all of the right, title, benefit and interest of the PTL Group in and to the following assets (collectively, the “**Purchased Assets**”):

- (a) all structures, erections, improvements, appurtenances and fixtures situate on or forming part of the Lands;
- (b) the Lands detailed in Exhibit D;
- (c) all machinery and equipment listed in Exhibit E;
- (d) all Inventories
- (e) all Intellectual Property owned by the PTL Group used in connection with the Purchased Assets; and,
- (f) the Books and Records that pertain primarily to the Purchased Assets;

but excluding, for greater certainty, in each and every case the Excluded Assets (as hereinafter defined).

2.02 Excluded Assets²

Notwithstanding Section 2.01 or any other provision in this Agreement to the contrary, the PTL Group will retain its right, title, benefit and interest in and to, and the Purchaser will have no rights with respect to the right, title, benefit and interest of the PTL Group in and to the following assets (collectively, the “**Excluded Assets**”):

¹ Purchaser to outline assets to be purchased.

² Purchaser to outline excluded assets.

- (a) the cash and cash equivalents, short-term investments, bank account balances, bank deposits, including any deposits posted in respect of letters of credit, and petty cash of PTL Group;
- (b) all rights of the PTL Group to tax refunds, credits, rebates or similar benefits relating to the Purchased Assets;
- (c) the Excluded Contracts;
- (d) shares and other interests or capital of the PTL Group;
- (e) the tax records and insurance policies of the PTL Group;
- (f) any Claim of the PTL Group to reimbursement under any insurance policy applicable to PTL Group;
- (g) Books and Records not pertaining primarily to the Purchased Assets;
- (h) all funds or deposits held by suppliers, customers or any other person in trust for or on behalf of the PTL Group; and
- (i) any other assets listed in Exhibit G.³

2.03 Purchase Price

The aggregate purchase price payable by the Purchaser to the Receiver for the Purchased Assets excluding all applicable Taxes (such amount being hereinafter referred to as the "Purchase Price") is an amount equal to a sum of the following:

- (a) \$Four Million One Hundred Thousand Dollars for the Purchased Assets;
- (b) plus or minus customary adjustments on account of municipal property taxes for the Lands from Date of Closing; and
- (c) plus the amount of the Assumed Liabilities.

2.04 Allocation of Purchase Price

The Purchase Price will be allocated among the Purchased Assets as set out in Exhibit H. The Receiver and Purchaser will make and file all tax returns and filings on a basis which is consistent with the amount and allocation of the Purchase Price.

2.05 Elections

The Receiver and the Purchaser will on or before the Time of Closing jointly execute an election (if applicable), in the prescribed form and containing the prescribed information, to have

³ The Purchaser should specify any additional assets it will be excluding on the Other Excluded Assets Exhibit appended to this Agreement.

subsection 167(1.1) of the *Excise Tax Act* (Canada) apply to the sale and purchase of the Purchased Assets hereunder so that no tax is payable in respect of such sale and purchase under Part IX of the *Excise Tax Act* (Canada). The Purchaser will file such election with the Minister of National Revenue within the time prescribed by the *Excise Tax Act* (Canada).

2.06 Property Taxes

Municipal property taxes for the Lands being purchased shall be adjusted for from the Date of Closing to December 31, 2018

2.07 Transfer Taxes

(1) The Purchaser will be liable for and, subject to Section 2.05, will pay, or will cause to be paid, all transfer, land transfer, value added, *ad-valorem*, excise, sales, use, consumption, goods or services, harmonized sales, retail sales, social services, or other similar taxes or duties (collectively, "**Transfer Taxes**") payable under any Applicable Law on or with respect to the sale and purchase of the Purchased Assets under this Agreement. The Purchaser will prepare and file any affidavits or returns required in connection with the foregoing at its own cost and expense.

(2) The Purchaser shall indemnify and save harmless the Receiver and its employees, advisors and agents from all Claims incurred, suffered or sustained as a result of a failure by the Purchaser:

- (a) to pay any Transfer Taxes payable by the Purchaser; and/or
- (b) to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial or other taxing authorities in connection with the conveyance or transfer of the Purchased Assets.

2.08 Assumption of Liabilities

(1) At the Time of Closing, the Purchaser will assume and thereafter fulfil, perform and discharge when due the following Liabilities of the PTL Group outstanding as at the Closing Date (collectively, the "**Assumed Liabilities**")

- (a) all Liabilities arising from or in connection with any tax, levy, penalty, interest or costs for which the Purchaser is responsible pursuant to Sections 2.06 and 2.07 and any Permitted Encumbrances; and
- (b) all Liabilities relating to or arising from the Purchased Assets under Environmental Laws.

(2) In addition to any other provision for indemnification by the Purchaser contained in this Agreement, the Purchaser will, on and after the Closing Date, indemnify and save harmless the Receiver on its own behalf and as trustee for its Affiliates and its and their current and former directors and officers, employees, agents, advisors and representatives (including the

Receiver) (collectively, the “Indemnitees”) from and against all Claims asserted against any of the Indemnitees in any way directly or indirectly arising from, relating to or in connection with any of the Assumed Liabilities.

2.09 Assigned Contracts

(1) **[Intentionally Omitted];**

(2) **[Intentionally Omitted];**

(3) **Nothing in this Agreement will constitute an agreement to assign or an attempted assignment of any assignable rights or any Contracts or Permits for which any requisite consent or approval has not been obtained or which as a matter of Applicable Law or by its terms is assignable.**

2.10 Payment of Purchase Price

(1) The Purchase Price will be satisfied by the Purchaser as follows:

- (a) an amount equal to 15% of the Purchase Price forthwith upon the Purchaser submitting a Binding APA (as defined in the Sale Process), by wire transfer of immediately available funds to an account specified by the Receiver, to be held in trust at a Canadian chartered bank and paid as provided in Section 2.10 (2);
- (b) \$3,485,000.00 by wire transfer at the Time of Closing of immediately available funds to an account specified by the Receiver;
- (c) by paying adjustments, if any, to the Purchase Price pursuant to Section 2.06 and 2.07; and,
- (d) by the Purchaser assuming the Assumed Liabilities.

(2) The deposit paid to the Receiver by the Purchaser pursuant to Section 2.1010

(1)(a) will be paid by the Receiver as follows:

- (a) to the Receiver at the Time of Closing, with any interest that has been paid by the applicable bank thereon being paid to the Purchaser, in each case net of any applicable bank fees or charges, if the sale and purchase of the Purchased Assets provided for herein is completed in accordance with the terms and conditions hereof;
- (b) to the Receiver on or after the fifth Business Day after the date of termination of this Agreement, together with any interest that has been

paid by the applicable bank thereon (net of any applicable bank fees or charges), if this Agreement is terminated by the Receiver pursuant to Section 5.05(a), Section 5.05(c) (unless with respect to a condition in Section 5.03(c) or (d)), or Section 5.05(f) (where the Purchaser has failed to comply with its obligations under this Agreement); or

- (c) to the Purchaser on or after the fifth Business Day after the date of termination of this Agreement, together with any interest that has been paid by the applicable bank thereon (net of any applicable bank fees or charges), if this Agreement is terminated by the Purchaser pursuant to Section 5.05(a) or Section 5.05(b), or by the Receiver pursuant to Section 5.05(c) (solely with respect to a condition in Section 5.03(c) or (d)) or Section 5.05(f) (unless the Purchaser has failed to comply with its obligations under this Agreement),

provided that if the sale and purchase of the Purchased Assets provided for herein is not completed in accordance with the terms and conditions hereof and, prior to 10:00 a.m. on the fifth Business Day referred to in Section 2.10 (2)(b) or (c), as the case may be, written notice is given by either the Receiver or the Purchaser to the other counterparty that such party in good faith disputes that the other is entitled to receive the deposit and/or any accrued interest thereon, then such deposit and all accrued interest thereon may, at the option of the Receiver, be paid into Court as soon as reasonably possible (net of any applicable bank fees or charges), and further provided that the Receiver shall be entitled to seek the direction of the Court at any time in respect of any matter relating to the deposit, including the payment thereof to any Person.

2.11 Delivery of Purchased Assets

At the Time of Closing, the Purchaser will take possession of the Purchased Assets where situated. The Purchaser acknowledges that the Receiver has no obligation to deliver possession of the Purchased Assets to the Purchaser.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

3.01 Receiver's Representations and Warranties

The Receiver represents and warrants to the Purchaser that, as at the date hereof and as of the Closing Date:

- (a) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, the Receiver has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (b) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, this Agreement constitutes a valid and legally binding obligation of the Receiver, enforceable against the Receiver in accordance with its terms;

- (c) **PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited, & 9263357 Canada Inc.** are registered under Part IX of the *Excise Tax Act* (Canada) with registration number 82365 8398 RT0001, 10408 5097 RT0001, 865356067 RT0001 and 839169745 RT0001 respectively; and
- (d) The PTL Group is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

3.02 **Purchaser's Representations and Warranties**

The Purchaser represents and warrants to the Receiver that:

- (a) the Purchaser is a corporation duly incorporated, organized and existing under the laws of the Province of Newfoundland and Labrador;
- (b) the Purchaser has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (c) this Agreement constitutes a valid and legally binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (d) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement and completion of the transactions contemplated herein and the entering into of this Agreement in completion of the transactions contemplated herein will not breach its constating documents, any agreement binding on the Purchaser, or Applicable Laws relating to the Purchaser;
- (e) there are no orders of or proceedings before or pending before any Governmental Authority, or threatened to be brought by or before any Governmental Authority by or against the Purchaser affecting the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby by the Purchaser;
- (f) no authorizations, consents or approvals of, or filing with or notice to, any Governmental Authority is required in connection with the execution, delivery or performance of this Agreement;
- (g) except for the Approval and Vesting Order, no consent, waiver, authorization or approval of any Person and no declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by the Purchaser of this Agreement;
- (h) the Purchaser has available, or prior to the delivery of the Binding APA (as defined in the Sale Process) and at the Time of Closing will have, sufficient funding to enable the Purchaser to consummate the purchase of the Purchased Assets on the terms set forth herein and otherwise to perform all of the Purchaser's obligations under this Agreement;

- (i) the Purchaser is registered under Part IX of the *Excise Tax Act* (Canada) with registration number 103370623 RT0001; and
- (j) the Purchaser is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

3.03 “As Is, Where Is”

(1) The Purchaser acknowledges and agrees that it is purchasing the Purchased Assets on an “as is, where is” basis and on the basis that the Purchaser has conducted to its satisfaction an independent inspection, investigation and verification of the Purchased Assets (including a review of title), Assumed Liabilities and all other relevant matters and has determined to proceed with the transaction contemplated herein and will accept the same at the Time of Closing in their then current state, condition, location, and amounts, subject to all Permitted Encumbrances.

(2) Except as otherwise expressly provided in Section 3.01, no representation, warranty or condition whether statutory (including under the *Sale of Goods Act* (Newfoundland and Labrador), the *International Sale of Goods Contracts Convention Act* (Canada) and the *International Sale of Goods Act* (Newfoundland and Labrador) or any international equivalent act which may be applicable to the subject matter pursuant to the provisions of this Agreement, including but not limited to the *United Nations Convention on Contracts for the International Sale of Goods*), or express or implied, oral or written, legal, equitable, conventional, collateral, arising by custom or usage of trade, or otherwise is or will be given including as to title, outstanding liens or encumbrances, description, fitness for purpose, merchantability, merchantable quality, quantity, condition (including physical and environmental condition), suitability, durability, assignability, or marketability thereof or any other matter or thing whatsoever, and all of the same are expressly excluded and disclaimed and any rights pursuant to such statutes have been waived by the Purchaser. The Purchaser acknowledges and agrees that it has relied entirely and solely on its own investigations as to the matters set out above and in determining to purchase the Purchased Assets and assume the Assumed Liabilities pursuant to this Agreement.

(3) The description of the Purchased Assets and Assumed Liabilities contained herein is for the purpose of identification only and the inclusion of any item in such description does not confirm the existence of any such items or that any such item is owned by the PTL Group. Except as otherwise explicitly set forth in Section 3.01, no representation, warranty or condition has been given by the Receiver concerning the completeness or accuracy of such descriptions and the Purchaser acknowledges and agrees that any other representation, warranty, statements of any kind or nature, express or implied, (including any relating to the future or historical financial condition, results of operations, prospects, assets or liabilities of the PTL Group or the quality, quantity or condition of the Purchased Assets) are specifically disclaimed by the Receiver.

(4) Any documents, materials and information provided by or on behalf of the Receiver to the Purchaser with respect to the Purchased Assets or Assumed Liabilities (including any confidential information memorandums, management presentations, or material made available in the electronic data room) have been provided to the Purchaser solely to assist the

Purchaser in undertaking its own due diligence, and the Receiver has not made and is not making any representations or warranties, implied or otherwise, to or for the benefit of the Purchaser as to the accuracy and completeness of any such documents, materials or information or the achievability of any valuations, estimates or projections. The Purchaser acknowledges that it has not and will not rely upon any such documents, materials or information in any manner, whether as a substitute for or supplementary to its own due diligence, searches, inspections and evaluations. The Receiver and their respective affiliates, directors, officers, employees, agents and advisors shall not be liable for any inaccuracy, incompleteness or subsequent changes to any such documents, materials or information.

ARTICLE 4 - COVENANTS

4.01 Covenants of the Receiver

(1) The Receiver will ensure that the representations and warranties of the Receiver set out in Section 3.01 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Purchaser set out in Section 5.02 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.

(2) The Receiver shall file with the Court, as soon as practicable after its execution and delivery of this Agreement, an application seeking the Court's issuance of the Approval and Vesting Order.

4.02 Covenants of the Purchaser

(1) The Purchaser will ensure that the representations and warranties of the Purchaser set out in Section 3.02 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Receiver set out in Section 5.03 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.

(2) The Purchaser will provide the Receiver with all information within its possession or control that the Receiver may reasonably request to assist the Receiver in obtaining the Approval and Vesting Order.

(3) The Purchaser will preserve the Books and Records that pertain to the Purchased Assets that are delivered to it at the Time of Closing for a period of six years from the Closing Date, or for such other period as is required by any Applicable Law, and will permit the Receiver and their respective authorized representatives reasonable access thereto in connection with the affairs of the PTL Group, and the right to make copies thereof at their expense. For further clarification, the Books and Records to be delivered to the Purchaser at the Time of Closing shall be strictly limited to Books and Records that pertain to the assets being conveyed to the Purchaser at the Time of Closing. All other Books and Records shall remain with the Receiver.

(4) The Purchaser will comply with the *Personal Information Protection and Electronic Documents Act* (Canada) and other similar Applicable Laws relating to privacy and

the protection of Personal Information in respect of the Books and Records, Contracts and any other business and financial records related to the Purchased Assets.

ARTICLE 5 - CONDITIONS AND TERMINATION

5.01 Due Diligence Condition – Binding APA

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following condition:

the Purchaser and its representatives shall have completed their due diligence in respect of the Purchased Assets and the Assumed Liabilities and the Purchaser shall be satisfied in its sole discretion with such due diligence on or prior to the Binding APA Deadline (as defined in the Sale Process).

(collectively, the “**Due Diligence Condition**”).

The Due Diligence Condition is for the exclusive benefit of the Purchaser and is to be performed, waived or complied with at or prior to the earlier of: (i) the submission of a Binding APA (as defined in the Sale Process), or (ii) the Binding APA Deadline.

5.02 Conditions for the Benefit of the Purchaser⁴

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Purchaser and which are to be performed or complied with at or prior to the Time of Closing:

- (a) the representations and warranties of the Receiver set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Receiver will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Receiver at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the sale and purchase of the Purchased Assets; and
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal shall have been dismissed with no further appeal therefrom);

⁴ Purchaser to outline all conditions in Non-Binding APA.

5.03 Conditions for the Benefit of the Receiver

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Receiver and which are to be performed or complied with at or prior to the Time of Closing:

- (a) the representations and warranties of the Purchaser set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Purchaser will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Purchaser at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the purchase and sale of the Purchased Assets; and
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal shall have been dismissed with no further appeal therefrom).

5.04 Waiver of Condition

The Purchaser, in the case of a condition set out in Section 5.02, and the Receiver, in the case of a condition set out in Section 5.03 (other than Section 5.03(d)), will have the exclusive right to waive the performance or compliance of such condition in whole or in part and on such terms as may be agreed upon without prejudice to any of its rights in the event of non-performance of or non-compliance with any other condition in whole or in part. Any such waiver will not constitute a waiver of any other conditions in favour of the waiving party. Such waiving party will retain the right to complete the purchase and sale of the Purchased Assets herein contemplated.

5.05 Termination

This Agreement may be terminated, by notice given prior to or on the Closing Date:

- (a) by the Receiver or the Purchaser if a material breach of any representation, warranty, covenant, obligation or other provision of this Agreement has been committed by the other party and such breach has not been waived or cured within five days following the date on which the non-breaching party notifies the other party of such breach;
- (b) by the Purchaser if a condition in Section 5.02 becomes impossible to satisfy prior to **September 15, 2018** or such later date as the parties may determine (the "**Outside Date**") (other than through the failure of the Purchaser to comply with its obligations under this Agreement) and the Purchaser has not waived such condition;

- (c) by the Receiver if a condition in Section 5.03 becomes impossible to satisfy prior to the Outside Date (other than through the failure of the Receiver to comply with its obligations under this Agreement) and the Receiver has not waived such condition;
- (d) by the Receiver pursuant to Section 6.07(1)(a);
- (e) by written agreement of the Purchaser and the Receiver;
- (f) by the Receiver or the Purchaser if the completion of the sale of Purchased Assets herein contemplated has not occurred (other than through the failure of the party seeking termination to comply with its obligations under this Agreement) on or before the Outside Date.

5.06 Effect of Termination

Each party's right of termination under Section 5.05 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 5.05, all further obligations of the parties under this Agreement will terminate, except that the obligations in Sections 2.10 (2), 6.04, 8.03 and 8.04 will survive; provided, however, that if this Agreement is terminated by a party because of a material breach of a representation or warranty, covenant, obligation or other provision of this Agreement by the other party or because one or more of the conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the other party's failure to comply with its obligations under this Agreement, the terminating party's right to pursue all legal remedies with respect to such breach will survive such termination unimpaired.

ARTICLE 6 - CLOSING ARRANGEMENTS

6.01 Closing

The sale and purchase of the Purchased Assets will be completed at the Time of Closing at the offices of Cox & Palmer, Suite 1100, 235 Water Street, St. John's, NL A1C 5N8.

6.02 Receiver's Closing Deliveries

On or before the Time of Closing, the Receiver will deliver or cause to be delivered to the Purchaser the following:

- (a) a certificate executed by the Receiver confirming that the representations and warranties of the Receiver in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Receiver to be performed prior to the Time of Closing have been performed in all material respects;
- (b) a copy of the issued and entered Approval and Vesting Order;

- (c) if available, the tax election as contemplated by Section 2.05 executed by the Receiver;
- (d) a bill of sale, duly executed by the Receiver, if necessary;
- (e) the Assignment and Assumption Agreement executed by the Receiver, if necessary; and
- (f) such other documents or instruments as contemplated or required to be delivered by the Receiver pursuant to this Agreement, all of which shall be in form and substance satisfactory to the parties, acting reasonably.

6.03 **Purchaser's Closing Deliveries**

On or before the Time of Closing, the Purchaser will deliver or cause to be delivered to the Receiver the following:

- (a) payment of the Purchase Price to the Receiver as contemplated by Section 2.10(1).
- (b) a certificate executed by a senior officer of the Purchaser confirming that the representations and warranties of the Purchaser in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Purchaser to be performed prior to the Time of Closing have been performed in all material respects;
- (c) if available, the tax election as contemplated by Section 2.05 executed by the Purchaser;
- (d) the Assignment and Assumption Agreement executed by the Purchaser, if necessary;
- (e) if required, a land transfer tax affidavit or equivalent; and
- (f) such other documents or instruments as contemplated or required to be delivered by the Purchaser pursuant to this Agreement, all of which shall be in form and substance satisfactory to the parties, acting reasonably.

6.04 **Confidentiality**

Subject to the terms of the Non-Disclosure Agreement, both prior to the Closing Date and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason thereafter, the Purchaser will not disclose to anyone or use for its own or for any purpose other than the purpose contemplated by this Agreement any confidential information concerning the PTL Group or the operations obtained by the Purchaser pursuant hereto, and will hold all such information in the strictest confidence and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason, will return all documents, records and all other

information or data relating to the PTL Group or to the operations which the Purchaser obtained pursuant to this Agreement.

6.05 Delivery of Receiver's Certificate

When the Receiver is satisfied that all conditions hereunder have been satisfied or waived, and all documents to be delivered under the terms hereof have been delivered at or before the Time of Closing, the Receiver will deliver an executed copy of the Receiver's Certificate to the Purchaser's counsel in escrow upon the sole condition of receipt by the Receiver of the amounts referred to in Section 2.10(1). All of the foregoing amounts will then be paid by the Purchaser, by wire transfer of immediately available funds to an account designated in writing by the Receiver for this purpose pursuant to Section 2.10(1) hereof. Following written confirmation of receipt by the Receiver of such funds (or such person directed by the Receiver to receive such funds), the Receiver's Certificate will be released from escrow to the Purchaser. Upon such delivery, the closing will be deemed to have occurred at the Time of Closing. The Receiver will file a copy of the Receiver's Certificate with the Court on the next Business Day following the Closing Date and provide evidence of such filing to the Purchaser.

6.06 [Intentionally Omitted]

6.07 Risk of Loss

(1) Until the Time of Closing, the Purchased Assets will remain at the risk of the Receiver. If any destruction or damage in excess of \$2 million occurs to the Purchased Assets on or before the Time of Closing or if any or all of the Purchased Assets are appropriated, expropriated or seized by governmental or other lawful authority on or before the Time of Closing:

- (a) the Receiver will forthwith give notice thereof to the Purchaser, and the Receiver shall have the right to terminate this Agreement prior to the Time of Closing and shall notify the Purchaser in a reasonable period of time whether it is exercising this right; and
- (b) in the event the Receiver does not exercise its right of termination under Section 6.07(1)(a), the Purchaser will have the option, exercisable by notice to the Receiver on or before the Time of Closing:
 - (i) to reduce the Purchase Price by an amount equal to the proceeds of insurance (and, if any such policy provided for a deductible amount, by an amount equal to such deductible amount) or compensation for destruction or damage or appropriation, expropriation or seizure and business interruption with respect thereto (in this Section 6.07 referred to as the "Proceeds"), and to complete the purchase; or
 - (ii) to complete the purchase without reduction of the Purchase Price, in which event all Proceeds will be payable to the Purchaser and all Claims of the

Receiver to any such amounts not paid by the Closing Date will be assigned to the Purchaser.

(2) If the Purchaser elects to reduce the Purchase Price pursuant to Section 6.07(1)(b)(i), the Receiver will at the Time of Closing determine the amount of the reduction to the extent that it is then determinable and will undertake to adjust such amount after the Closing Date, if necessary.

ARTICLE 7 - SURVIVAL

7.01 Survival

No covenants, representations and warranties of each party contained in this Agreement will survive the completion of the sale and purchase of the Purchased Assets and assumption of the Assumed Liabilities hereunder, except for the covenants that by their terms are to be satisfied or survive after the Time of Closing (including without limitation Sections 2.07, 2.10 (2), 4.02(3), 8.03, 8.04, and 8.16), which covenants will continue in full force and effect in accordance with their terms.

ARTICLE 8 - GENERAL

8.01 Further Assurances

Each of the Receiver and the Purchaser will from time to time at the request and expense of the other execute and deliver all such further documents and instruments and do all acts and things as the other party may, either before or after the Closing Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

8.02 Time of the Essence

Time is of the essence of this Agreement.

8.03 Fees, Commissions and other Costs and Expenses

Each of the Receiver and the Purchaser will pay its respective legal and accounting costs and expenses and any real estate or other commissions incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs and expenses whatsoever and howsoever incurred and will indemnify and save harmless the other from and against any Claim resulting from any broker's, finder's or placement fee or commission alleged to have been incurred as a result of any action by it in connection with the transactions under this Agreement.

8.04 Public Announcements

Except as required by Applicable Law, no public announcement or press release concerning the sale and purchase of the Purchased Assets may be made by the Receiver or the Purchaser without the prior consent and joint approval of the Receiver and the Purchaser.

8.05 Benefit of the Agreement

This Agreement will enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the parties.

8.06 Entire Agreement

This Agreement (including the agreements contemplated hereby) and the Non-Disclosure Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and such agreements cancel and supersede any prior understandings and agreements between the parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement (including the agreements contemplated hereby) or in the Non-Disclosure Agreement.

8.07 Amendments and Waivers

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.

8.08 Assignment

This Agreement may not be assigned by the Receiver or the Purchaser without the written consent of the other provided that the Purchaser may assign this Agreement without the consent of the Receiver to an Affiliate of the Purchaser provided that: (i) such Affiliate enters into a written agreement with the Receiver to be bound by the provisions of this Agreement in all respects and to the same extent as the Purchaser is bound, (ii) that the Purchaser will continue to be bound by all the obligations hereunder as if such assignment had not occurred and perform such obligations to the extent that such Affiliate fails to do so, and (iii) such assignment occurs prior to the issuance of the Approval and Vesting Order.

8.09 Notices

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by electronic means of communication addressed to the recipient as follows:

To the Receiver:

BDO Canada Limited
25 Main Street West, Suite 805
Hamilton, ON L8P 1H1

Fax No.: 905-570-0249
Email: aconsoli@bdo.ca

Attention: Angelo Consoli

With copies to (which will not constitute notice)

Cox & Palmer
Suite 1100, 235 Water Street,
St. John's, NL
A1C 5N8

Fax No: 709 738 7999

Attention: Darren O'Keefe
Email: dokeefe@coxandpalmer.com

To the Purchaser:

Locke's Electrical Limited

4 Hemlock Avenue

PO Box 99

Corner Brook, NL A2H 6C3

Fax No.: 709 639 8951

Email: Elizabeth@lockeselectrical.ca

Attention: Elizabeth Randell

or to such other street address, individual or electronic communication number or address as may be designated by notice given by either party to the other. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day.

8.10 Remedies Cumulative

The right and remedies of the parties under this Agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

8.11 No Third Party Beneficiaries

This Agreement is solely for the benefit of:

- (a) the Receiver, and its heirs, executors, administrators, successors and permitted assigns, with respect to the obligations of the Purchaser under this Agreement, and
- (b) the Purchaser, and its heirs, executors, administrators, successors and permitted assigns, with respect to the obligations of the Receiver under this Agreement,

and this Agreement will not be deemed to confer upon or give to any other person any Claim or other right or remedy.

8.12 Governing Law

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

8.13 Attornment

For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the Province of Newfoundland and Labrador and the courts of the Province of Newfoundland and Labrador will have jurisdiction to entertain any action arising under this Agreement. The Receiver and the Purchaser each attorns to the jurisdiction of the courts of the Province of Newfoundland and Labrador.

8.14 Appointment of Agent for Service

The Purchaser nominates, constitutes and appoints King Penney & Brown, Barristers and Solicitors, of the City of Corner Brook its true and lawful agent to accept service of process and to receive all lawful notices in respect of any action arising under this Agreement (other than any notice that is to be given by one party to another pursuant to Section 8.09). Until due and lawful notice of the appointment of another and subsequent agent in the Province of Newfoundland and Labrador has been given to and accepted by the Receiver, service of process or of papers and such notices upon Katrina E. Warren will be accepted by the Purchaser as sufficient service.

8.15 Severability

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

8.16 No Registration of Agreement

The Purchaser agrees that it will not register or cause or permit to be registered this Agreement and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to the Lands and/or

any part thereof. The Purchaser shall indemnify and save the Receiver harmless from and against any and all Claims whatsoever arising from or with respect to any such registration. This Section shall survive the expiration and/or termination of this Agreement for any reason.

8.17 Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument.

8.18 Electronic Execution

Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

[The balance of this page has been intentionally left blank]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

LOCKE'S ELECTRICAL LIMITED

Per: Elizabeth Randell, Director

**BDO CANADA LIMITED, solely in
its capacity as receiver of PTL
Holdings Limited, PTL Services
(Equipment) Limited, CSL Services
(Industrial) Limited, & 9263357
Canada Inc and not in any other
capacity**

EXHIBIT A

Form of Approval and Vesting Order

Schedule A – Form of Receiver’s Certificate

EXHIBIT B

ASSIGNED CONTRACTS AND PERMITS

None

EXHIBIT C

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

Not Applicable

EXHIBIT D

LANDS OWNED BY THE PTL GROUP

1. 20 Marine Drive, Southern Harbour, NL
2. 21-23 Marine Drive, Southern Harbour, NL
3. 48 Alexander Gilbert Road, Come By Chance, NL

EXHIBIT E

MACHINERY AND EQUIPMENT

1. The machinery and equipment outlined in data room document 12.1 [12.0 Active Equipment.pdf] count rows 1-223, excluding row 9 and rows 176 and 177

EXHIBIT F

PERMITTED ENCUMBRANCES

None

EXHIBIT G

OTHER EXCLUDED ASSETS

1. Outstanding Accounts Receivable at the time of closing
2. All existing commercial contracts with third parties for provision of services

EXHIBIT H

ALLOCATION OF PURCHASE PRICE

1. For the Lands detailed in Exhibit D in addition to all structures, erections, improvements, appurtenances and fixtures situate on or forming part of the Lands – One Million Three Hundred Thousand (\$1,300,000.00) CDN
2. For the Machinery and Equipment listed in Exhibit E – Two Million Seven Hundred Seventy Thousand (\$2,770,000.00) CDN
3. For Inventories – Thirty Thousand (\$30,000.00) CDN
4. For Intellectual Property – nominal consideration (\$1.00)

Total Purchase Price: Four Million One Hundred Thousand (\$4,100,000.00) CDN

APPENDIX F

October 10, 2018

By E-Mail

BDO Canada Limited
255 Lacewood Drive, Suite 201
Halifax, NS B3M 4G2

Attention: Philip Clarke

Dear Mr. Clarke:

PTL Services (Equipment) Limited, PTL Holding Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc.

Health and Post-Secondary Education Tax ("HAPSET") claim under Revenue Administration Act, SNL 2009 C R-15.01

Our File Number: 4182445

You have informed us that two of the above companies, namely PTL Services (Equipment) Limited and CSL Services (Industrial) Limited (collectively, the "Companies") owe Health and Post-Secondary Education Tax ("HAPSET") under Revenue Administration Act, SNL 2009 C R-15.01 ("RAA").

Section 73 of the RAA, imposes HAPSET by requiring every employer to pay monthly to the Crown a tax at the rate of 2% of taxable remuneration paid to employees of that employer. Any taxes owing under HAPSET ultimately derive their priority position from s. 18 of the RAA, which provides as follows:

18. (1) Until the amount of the tax required to be paid under this Act is paid, it is a first lien in favour of the Crown on the entire assets of the estate of the taxpayer and the lien has priority over all other claims of a person against the taxpayer.

You have also informed us that you act as Trustee in Bankruptcy for the Companies, each of which became bankrupt on September 28, 2018.

You have indicated that you intend to apply for approval for a proposed interim distribution of realization proceeds in your capacity as Court appointed receiver of the

Companies and that you have requested our opinion of priority of the HAPSET liens on the Companies' assets following the Companies bankruptcies.

Summary

The *Bankruptcy and Insolvency Act (Canada)* ("BIA") applies as paramount Federal legislation upon the bankruptcy of the Companies. Sections 86 and 87 of the BIA results in the Crown's claims for HAPSET losing their statutory priority under RAA and ranking as unsecured claims in bankruptcy of the Companies, unless the claims are registered as secured claims in the Personal Property Registry and/or the Registry of Deeds and if so registered, having the priority accorded by the rules of registration applicable to all parties who register. No financing statement has been filed in Personal Property Registry for Newfoundland and Labrador and thus the HAPSET claim is unsecured in respect of personal property of the Companies located in Newfoundland and Labrador. While we didn't conduct a search for any HAPSET filing against the Companies' real property in the Registry of Deeds, we understand that the CIBC debenture security ranked first against the Companies real properties when it was recorded in January, 2015 and hence even if any claim was filed by HAPSET in the Registry of Deeds it would rank behind in priority to the CIBC's debenture security.

Analysis

Upon a debtor becoming bankrupt the BIA is paramount Federal legislation in the field of bankruptcy and insolvency for the purposes of determining the order of priority of claims against the bankrupt debtor's assets. Subsection 86(1) of the BIA provides that, in relation to a bankruptcy or proposal, all Crown claims will rank as unsecured claims:

86 (1) In relation to a bankruptcy or proposal, all provable claims, including secured claims, of Her Majesty in right of Canada or a province or of any body under an Act respecting workers' compensation, in this section and in section 87 called a "workers' compensation body", rank as unsecured claims.

However, there are several exceptions to this as set out in ss. 86(2) and 86(3) of the BIA. We only reproduce subsection (2) below as subsection (3) is applicable only to garnishment of source deductions under the *Income Tax Act (Canada)*, *Canada Pension Plan* and *Employment Insurance Act (Canada)* and provincial laws with similar purposes (not applicable to HAPSET):

(2) Subsection (1) does not apply

- (a) to claims that are secured by a security or charge of a kind that can be obtained by persons other than Her Majesty or a workers' compensation body
 - (i) pursuant to any law, or

- (ii) pursuant to provisions of federal or provincial legislation, where those provisions do not have as their sole or principal purpose the establishment of a means of securing claims of Her Majesty or of a workers' compensation body; and
- (b) to the extent provided in subsection 87(2), to claims that are secured by a security referred to in subsection 87(1), if the security is registered in accordance with that subsection.¹

Clause 86(2)(b) is the only potential exception to relegation of the HAPSET claim to unsecured status. It provides an exception for Crown "claims that are secured by security referred to in subsection 87(1), if the security is registered in accordance with that section".

Section 87(1) of the *BIA* provides as follows:

87 (1) A security provided for in federal or provincial legislation for the sole or principal purpose of securing a claim of Her Majesty in right of Canada or of a province or of a workers' compensation body is valid in relation to a bankruptcy or proposal only if the security is registered under a prescribed system of registration before the date of the initial bankruptcy event.

Subsection 87(1) provides, in substance, that a secured Crown claim will remain valid and secured in relation to a bankruptcy or proposal providing that the following conditions are met: (a) that the security is provided for in federal or provincial legislation; (b) that the sole purpose or principal purpose for which the security is provided is the securing of a claim of her Majesty in right of Canada or in right of a province; and (c) that the security is registered pursuant to a prescribed system of registration before the date of the initial bankruptcy.

Rule 111 of the Bankruptcy and Insolvency General Rules, CRC c 368, provides that, for the purposes of s. 87(1), a prescribed system of registration is "a system of registration of securities that is available to Her Majesty in right of Canada or a province and to any other creditor holding a security, and is open to the public for inspection or for the making of searches".

Subsection 87(2) states:

- 87 (2)** In relation to a bankruptcy or proposal, a security referred to in subsection (1) that is registered in accordance with that subsection:
- (a) is subordinate to securities in respect of which all steps necessary to make them effective against other creditors were taken before that registration; and

- (b) is valid only in respect of amounts owing to Her Majesty or a workers compensation body at the time of that registration, plus any interest subsequently accruing on those amounts.

It has been held that the prescribed registries in Newfoundland and Labrador are the Personal Property Registry and the Registry of Deeds but not the Judgment Enforcement Registry ("JER") and therefore registration in the JER alone does not comply with s. 87(1): *Tom Woodford Ltd, Re*, 2010 NLTD(G) 118 at para 35.

We have searched the Companies for financing statements filed in the Personal Property Registry for Newfoundland and Labrador and determined no such claims have been filed for HAPSET. We did not search under the Registry of Deeds but expect you can rely on the other opinions you have for priority of the CIBC security against the real properties of the Companies.

Accordingly we conclude that the HAPSET claims rank as an unsecured claim against personal property of the respective Companies located in Newfoundland and Labrador, and unless the Crown has filed its claims for HAPSET in the Registry of Deeds, its HAPSET claims rank as an unsecured claims against the Companies' respective real property and if such filing has been made the claims will rank subsequent in priority to prior registered security in the Registry of Deeds.

Should you have any questions or require a further opinion with respect to any of the matters raised in our limitations and qualifications, please do not hesitate to contact the undersigned.

Yours truly



Paul E. Radford, Q.C.
pradford@pattersonlaw.ca
Tel: 902.405.3309

PER

APPENDIX G

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

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

**PTL HOLDINGS LIMITED and
PTL SERVICES (EQUIPMENT) LIMITED and
CSL SERVICES (INDUSTRIAL) LIMITED AND
9263357 CANADA INC.**

Respondents


(sworn October 10, 2018)


**I, Philip Clarke, CPA, CA, CIRP, LIT, of the City of Halifax in the Province
of Nova Scotia, MAKE OATH AND SAY:**

- 1. I am a licensed insolvency trustee and Senior Vice President of BDO Canada Limited ("BDO"), Court appointed receiver of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. (the "Receiver"), and as such have knowledge of the matters hereinafter deposed.**
- 2. The Receiver was appointed pursuant to an order of this Honourable Court dated May 11, 2018.**
- 3. I confirm the amount of \$225,484.75 accurately reflects the time charges, fees and disbursements incurred by the Receiver relating to the period from its appointment to the period ending June 30, 2018. Total hours incurred during the period are 821 resulting in an average hourly rate of \$274.65. Attached hereto as Exhibit "A" and Exhibit "B" are true copies of the invoices rendered by BDO in its capacity as Receiver which total \$259,307.46 inclusive of applicable taxes.**

4. The hourly billing rates set out in the Receiver's accounts are the normal hourly rates charged by the Receiver for services rendered in relation to similar proceedings.
5. I consider the amounts disclosed for the Receiver's fees and expenses to be fair and reasonable considering the circumstances connected with this administration.

SWORN before me at the City of Halifax)
in the Province of Nova Scotia on this 10th)
day of October, 2018)
)
)
)
)
)
)


.....
Commissioner for Taking Affidavits
JUDITH A. HILL
A Commissioner of the Supreme
Court of Nova Scotia



Philip Clarke

APPENDIX H



Tel: 902-425-3100
Fax: 902-425-3777
Toll-Free: 800-337-5764
debtolutions-halifax.ca

BDO Canada Limited
255 Lacewood Drive
Suite 201
Halifax NS B3M 4G2 Canada

July 4, 2018

BDO Canada Limited - In Receivership
PTL Group of Companies
BDO Canada Limited
255 Lacewood Drive, Suite 201
Halifax, NS B3M 4G2

Invoice 89482132
HST Registration No. R101518124

1st Interim Billing:

TO: Professional services in connection with the Court Appointed Receivership of PTL
Group of Companies

Time charges from May 1 to May 31, 2018 (460.65 hours)	\$130,911.75
Time system disbursements	<u>8,537.94</u>
	139,449.69
HST (15%)	<u>20,917.45</u>
Total Account	<u>\$ 160,367.14</u>

NOTE: See attached for full details of time charges.

**PTL Group of Companies Court Appointed Receiver
Time and Disbursements to May 31, 2018**

project_name **slip_date** **emp_name** **work_type** **hours_worked** **rate** **amount** **compute_3** **comments**

Times:

Breeze, Jason				30.50		\$9,912.50		
Cardwell, Adam				133.30		23,327.50		
Caseo, Carla				2.90		348.00		
Consoil, Angelo				103.50		41,400.00		
Fisher-Cobb, Emma				32.50		4,712.50		
Morgan, Darrel				60.15		9,323.25		
Clarke, Phil				94.00		39,950.00		
Mazur, Chris				3.80		1,938.00		
						<u>130,911.75</u>		

Disbursements:

Accommodations						4,421.98		
Mileage/Car Rental/Gas						2,806.61		
Meals						1,225.48		
Miscellaneous						83.87		
						<u>8,537.94</u>		

Total Open WTP to May 31, 2018

460.65

\$139,449.69

PTL Group of Companies Court Appointed Receiver

Time and Disbursements to May 31, 2018

project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	comments_3	comments
18-Recovership	05/09/2018	Breeze, Jason	INSV-Recoverships	1.50	325	487.50	487.50	c/c/w P. Clarke / A. Consoil / A. Carowell re: Receivership planning. Further discussions w E. Offman and A. Carowell re: same.
18-Recovership	05/10/2018	Breeze, Jason	INSV-Recoverships	2.00	325	650.00	1,137.50	Trevel from St. John's to Southern Harbour, Newfoundland. Review emails from P. Clarke re: file status / key employees. p/c/w Angelo Consoil re: same. Instructions to A. Carowell re: attending site.
18-Recovership	05/11/2018	Breeze, Jason	INSV-Recoverships	7.00	325	2,275.00	3,412.50	Attend at PTL in Southern Harbour. Meeting with Carol Warren, meeting with Kirk Peddie. Attend at staff meeting with P. Clarke. Review receivership order. Review equipment on site w Elliot Offman (Castle Appraisals), attend at North Atlantic refinery. Discussions w C. Warren re: insurance / accounts payable / accounts receivable. Review insurance policies; further discussion w C. Warren re: same. Meeting with Darren (service manager) to review operations in garage, parts and supply inventory.
18-Recovership	05/12/2018	Breeze, Jason	INSV-Recoverships	7.00	325	2,275.00	5,687.50	Attend at PTL in Southern Harbour, NL. Review books and records, storage cabinets, safe, instructions to A. Carowell re: cash on hand - depositing and security of same. Assist E. Offman with review of equipment on inventory list vs. list of equipment recently sold online (Iron Planet). Discussions w Carol re: access to PTL server, obtain password from Kevin, change server password, review information stored on data drive, begin to make back up of data.
18-Recovership	05/13/2018	Breeze, Jason	INSV-Recoverships	2.00	325	650.00	6,337.50	Security check at PTL in Southern Harbour. Conference call w P. Clarke, E. Offman, A. Consoil, A. Carowell re: file matters, employees, customers, suppliers.
18-Recovership	05/15/2018	Breeze, Jason	INSV-Recoverships	4.50	325	1,462.50	7,800.00	Review NARL turnaround project tracking spreadsheet, review invoice format, review previous invoices issued. Create invoice template in tracking workbook which links to spreadsheet. Emails to/from and p/c/w Carol Warren re: same.
18-Recovership	05/16/2018	Breeze, Jason	INSV-Recoverships	2.50	325	812.50	8,612.50	Revisions to NARL tracking sheet.
18-Recovership	05/17/2018	Breeze, Jason	INSV-Recoverships	0.30	325	97.50	8,710.00	p/c/w and emails to/from Angelo Consoil re: NARL tracking sheet and invoice.
18-Recovership	05/23/2018	Breeze, Jason	INSV-Recoverships	3.60	325	1,170.00	9,880.00	Prepare NARL invoice for May 13 to May 19. Discussion w Angelo Consoil and April Ryan re: same. Emails to/from Darrell Morgan re: AllNovaScotia advertising.
18-Recovership	05/25/2018	Breeze, Jason	INSV-Recoverships	0.10	325	32.50	9,912.50	Review and respond to A. Consoil re: o/s cheques.
18-Recovership	05/13/2018	Breeze, Jason	disbursements			1,053.91	10,966.41	Travel, Meals, Etc.
		Total, Breeze, Jason	Time	30.50		9,912.50		
		Total, Breeze, Jason	Disbursements			1,053.91		
18-Recovership	05/02/2018	Cardwell, Adam	INSV-Recoverships	0.50	175	87.50	87.50	Phone meeting with Partner and trustee re pending receivership.
18-Recovership	05/03/2018	Cardwell, Adam	INSV-Consulting	0.20	175	35.00	122.50	Exchange emails with trustee on file, obtain and review various checklists for pending receivership

PTL Group of Companies Court Appointed Receiver

Time and Disbursements to May 31, 2018

project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	compute_3	comments
18-ReceiverShip	05/09/2018	Cardwell, Adam	INSV-ReceiverShips	0.50	175	87.50	210.00	Conference call
18-ReceiverShip	05/10/2018	Cardwell, Adam	INSV-ReceiverShips	4.00	175	700.00	910.00	attend site, monitor, begin gathering banking info, discussions with various employees.
18-ReceiverShip	05/11/2018	Cardwell, Adam	INSV-ReceiverShips	7.50	175	1,312.50	2,222.50	attend at Southern Harbour on appointment re: possession and other matters
18-ReceiverShip	05/12/2018	Cardwell, Adam	INSV-ReceiverShips	6.00	175	1,050.00	3,272.50	Ongoing inventory of assets, control cash on site, secure cash in BDO FRS office in St. John's, consult with key staff and relay updates to LITs. Conference call with LITs, appraiser and Partner.
18-ReceiverShip	05/14/2018	Cardwell, Adam	INSV-ReceiverShips	11.00	175	1,925.00	5,197.50	Complete copying files from server on external hard drive, establish contact with IT company to put in place firewall, travel to and from Shoal Harbour to obtain drug and alcohol testing to complete safety orientation at MARL. Coordinate orders for customer parts in service garage, meet with service manager to estimate cash flow for next 8 weeks. One hour conference call with bank, assist appraiser in obtaining keys to all heavy equipment on site and notifying project of their whereabouts.
18-ReceiverShip	05/15/2018	Cardwell, Adam	INSV-ReceiverShips	10.50	175	1,837.50	7,035.00	Correspondence with supplies re: opening new accounts in receiver's name, compile list of all key suppliers in excel along with contact info, correspond with project managers to fill in gaps, meet with IT firm and assist in disconnecting server from Taton Energy, removing former employees from server, canceling former employees email accounts and VPN access, reset email passwords and redirect them to new staff, meet with service manager re changing locks on certain doors, correspondence with Microsoft re receivership, updated admin's on account, update supplier list in excel
18-ReceiverShip	05/16/2018	Cardwell, Adam	INSV-ReceiverShips	11.50	175	2,012.50	9,047.50	Safety training course at MARL, numerous calls to suppliers to inform of Receivership and set up new accounts, make arrangements with Budget to rent two new trucks for PTL
18-ReceiverShip	05/17/2018	Cardwell, Adam	INSV-ReceiverShips	12.00	175	2,100.00	11,147.50	Contact with key supplies, complete list suppliers with address and send to admin staff to upload in Ascend. Coordinate new billing accounts in BDO name for new suppliers. Summarize asset values, prepare 245 notices for each entity included in receivership.
18-ReceiverShip	05/18/2018	Cardwell, Adam	INSV-ReceiverShips	5.00	175	875.00	12,022.50	Update 245 Notices for all four entities included in receivership. Arranged two truck rentals for PTL. Change security code on office door. Prepare Schedule A's to accompany 245 Notices. Contact RCMP to report Madsen Equipment Rentals removing equipment from PTL property without Receiver's authority. Provide RCMP with Court Order and correspondence with Madsen. Correspond with Const. Kennedy re: Madsen matter

PTL Group of Companies Court Appointed Receiver

Time and Disbursements to May 31, 2018

project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	compu_3	comments
18-Recovership	05/22/2018	Cardwell, Adam	INSV-Recoverships	9.50	175	1,662.50	13,665.00	Meeting with staff to discuss payments to suppliers, consulted with LIT and because supplies were delivered within 30 days or appt they will be paid. Numerous telephone and email correspondence with key suppliers, re: setting up new accts in receiver name and then sending required follow-up info. Review and discuss ongoing estate matters Discuss with contractor re: arrangements with fuel supplier
18-Recovership	05/23/2018	Cardwell, Adam	INSV-Recoverships	9.50	175	1,662.50	15,347.50	Staff meeting to discuss urgent matters, pending P.O.'s, bidding on upcoming jobs, staff concerns, unions, etc. Arrangements with NL Distributors to expedite process of obtaining supplies, and discussions re: P.O. and Invoice. Met with suppliers regarding arrears, future business and interest in making a bid to buy PTL. Correspondence with two Union reps. Correspondence with CAFO Insurance.
18-Recovership	05/24/2018	Cardwell, Adam	INSV-Recoverships	9.50	175	1,662.50	17,010.00	On site
18-Recovership	05/25/2018	Cardwell, Adam	INSV-Proposals Cons	6.25	175	1,093.75	18,103.75	On site
18-Recovership	05/28/2018	Cardwell, Adam	INSV-Recoverships	6.35	175	1,111.25	19,215.00	On site
18-Recovership	05/29/2018	Cardwell, Adam	INSV-Recoverships	8.00	175	1,400.00	20,615.00	On site
18-Recovership	05/30/2018	Cardwell, Adam	INSV-Recoverships	8.00	175	1,400.00	22,015.00	On site
18-Recovership	05/31/2018	Cardwell, Adam	INSV-Recoverships	7.50	175	1,312.50	23,327.50	On site
18-Recovership	05/19/2018	Cardwell, Adam	Disbursements			2,912.04	26,239.54	Travel, Meats, etc.
		Total, Cardwell, Adam	Time	133.30		23,327.50		
		Total, Cardwell, Adam	Disbursements			2,912.04		
18-Recovership	05/24/2018	Casco, Carla	INSV-Recoverships	0.50	120	60.00	60.00	Set up 4 accounts & link to Ascend
18-Recovership	05/24/2018	Casco, Carla	INSV-Recoverships	1.00	120	120.00	180.00	Receipt payments, & prepared deposits & prepared disbursement
18-Recovership	05/25/2018	Casco, Carla	INSV-Summaries	1.00	120	120.00	300.00	Process Cheque requests & e-mail with Angelo
18-Recovership	05/30/2018	Casco, Carla	INSV-Recoverships	0.40	120	48.00	348.00	Preparing cheques
		Total, Casco, Carla		2.90		348.00		

PTL Group of Companies Court Appointed Receiver

Time and Disbursements to May 31, 2018

project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	compute_3	comments
18-Receivership	05/01/2018	Clarke, Phil	INSV-Receiverships	3.00	425	1,275.00	1,275.00	review materials and source Independent legal advice; email to team on same
18-Receivership	05/02/2018	Clarke, Phil	INSV-Receiverships	2.00	425	850.00	2,125.00	discussion with independent legal advice; planning discussions
18-Receivership	05/03/2018	Clarke, Phil	INSV-Receiverships	3.00	425	1,275.00	3,400.00	meeting with CAP on status of file and share materials; planning meeting with BDO staff; review court filing materials and comments on the same
18-Receivership	05/04/2018	Clarke, Phil	INSV-Receiverships	5.50	425	2,337.50	5,737.50	review CA Recevnership materials, various calls with Wickwire Holm, call with CIBC on same; communication planning and call on same
18-Receivership	05/06/2018	Clarke, Phil	INSV-Receiverships	0.30	425	127.50	5,865.00	various email correspondence
18-Receivership	05/07/2018	Clarke, Phil	INSV-Receiverships	1.50	425	637.50	6,502.50	Call with CIBC on status of application; various email communications
18-Receivership	05/08/2018	Clarke, Phil	INSV-Receiverships	1.50	425	637.50	7,140.00	Supplemental affidavit on CA Recevnership application
18-Receivership	05/09/2018	Clarke, Phil	INSV-Receiverships	2.00	425	850.00	7,990.00	finalize supplemental affidavit for court hearing, various BDO discussion on planning for appointment on May 11.
18-Receivership	05/10/2018	Clarke, Phil	INSV-Receiverships	4.00	425	1,700.00	9,690.00	BDO team planning call; various email; Kevin Persons correspondence; call with PTL senior mgmt. and Talon Directors, calls with various EEs, email Talon on truck possession.
18-Receivership	05/11/2018	Clarke, Phil	INSV-Receiverships	7.50	425	3,187.50	12,877.50	prep for and attendance at court hearing; attend at company office after appointment; various meetings with employees, custody and control issues
18-Receivership	05/12/2018	Clarke, Phil	INSV-Receiverships	1.00	425	425.00	13,302.50	various email correspondence to team and CIBC on appointment - custody and control; Receiver's certificate
18-Receivership	05/13/2018	Clarke, Phil	INSV-Receiverships	0.50	425	212.50	13,515.00	team call - transition; banking; various emails
18-Receivership	05/14/2018	Clarke, Phil	INSV-Receiverships	8.50	425	3,612.50	17,127.50	verbal update with CIBC on status of file; various meetings with employees - individual meetings with Lloyd Parrot and Kirk Peddie on continuing forward; pulling together list of possible interested parties for going concern sale; data room information from EY; Talon auction items; Talon relationship with PTL - review; various calls with employee and customers/interested parties
18-Receivership	05/15/2018	Clarke, Phil	INSV-Receiverships	8.00	425	3,400.00	20,527.50	call with CAP on various aspects of the Talon relationship; terminations of Lloyd Parrot; staff meeting and discussion; outline relationship between PTL and Talon; initial payroll - various emails and discussions on same; discussion with customers and vendors
18-Receivership	05/16/2018	Clarke, Phil	INSV-Receiverships	4.50	425	1,912.50	22,440.00	various communications; discussion with legal counsel on Talon relationship; calls with interested parties; third party assets
18-Receivership	05/17/2018	Clarke, Phil	INSV-Receiverships	4.00	425	1,700.00	24,140.00	review of relationship with Talon, emails to various customers, various calls with interested parties, Bell Mobility account

PTL Group of Companies Court Appointed Receiver

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project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	compoba_3	comments
18-Recovership	05/18/2018	Clarke, Phil	INSV-Recoverships	4.00	425	1,700.00	25,840.00	call with Spectrum; various emails to Talon on equipment exchanges; follow up email to NARL
18-Recovership	05/20/2018	Clarke, Phil	INSV-Recoverships	0.50	425	212.50	26,052.50	asset information from employees; review of leases; review 25 notices
18-Recovership	05/21/2018	Clarke, Phil	INSV-Recoverships	2.50	425	1,062.50	27,115.00	245 notices; messages to customers; NARL invoices; billings; suppliers call and other operational issues
18-Recovership	05/22/2018	Clarke, Phil	INSV-Recoverships	4.70	425	1,997.50	29,112.50	email to PTL operations team on 245 notices and sales process documents; finalize 245 notices for filing; various calls with interested parties, customers, vendors; review data room content; Talon email -draft for C&P review; various calls with interested parties
18-Recovership	05/23/2018	Clarke, Phil	INSV-Recoverships	3.50	425	1,487.50	30,600.00	prep for and attendance at the PTL senior operations leadership team call; various emails on estate administration, emails to Talon on asset pick up; Two calls from interested parties on sales process
18-Recovership	05/24/2018	Clarke, Phil	INSV-Recoverships	4.00	425	1,700.00	32,300.00	prep for and call with CIBC to provide an update; various calls and emails on payroll processing issues; call and email follow up with ModSpace; various calls from interested parties
18-Recovership	05/25/2018	Clarke, Phil	INSV-Recoverships	3.00	425	1,275.00	33,575.00	review media advertising; various emails on operating, etc. Talon correspondence. Various calls with interested parties on the sale of PTL
18-Recovership	05/27/2018	Clarke, Phil	INSV-Recoverships	1.50	425	637.50	34,212.50	various emails on sales process/operations, etc. union agreements to C&P
18-Recovership	05/28/2018	Clarke, Phil	INSV-Recoverships	3.00	425	1,275.00	35,487.50	BDO update call; various email communications; operational issues; sales process communications and review of APA, customer billing; proposal to amend credit terms for Talon; communication with PTL employees
18-Recovership	05/29/2018	Clarke, Phil	INSV-Recoverships	4.00	425	1,700.00	37,187.50	prep for attendance at update call with CIBC; various email correspondence to Talon on revised contract credit terms; various communication on sales process; customer conversation NTL; source remittances
18-Recovership	05/30/2018	Clarke, Phil	INSV-Recoverships	3.50	425	1,487.50	38,675.00	comments on APA and correspondence with legal on various issues; union arrears and benefits; various communications; Talon issues - assets and billings; approval of payments; correspondence on purchases
18-Recovership	05/31/2018	Clarke, Phil	INSV-Recoverships	3.00	425	1,275.00	39,950.00	Various communications on operations and to interested parties; correspondence to Talon on contract
18-Recovership	05/28/2018	Clarke, Phil	Disbursements			2,044.59	41,994.59	Travel, Meals, Etc.
		Total, Clarke, Phil	Time	94.00		39,950.00		
		Total, Clarke, Phil	Disbursements			2,044.59		

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to May 31, 2018

project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	compute_3	comments
18-Receiverhip	05/01/2018	Consoli, Angelo	INSV-Receiverhips	0.90	400	360.00	360.00	conference call with the Bank to discuss cash flow, communications, court materials and filings; review correspondence from Counsel re: considerations on filing materials, process, etc.;
18-Receiverhip	05/02/2018	Consoli, Angelo	INSV-Receiverhips	0.60	400	240.00	600.00	correspondence re: banking requirements, file status update, planning;
18-Receiverhip	05/03/2018	Consoli, Angelo	INSV-Receiverhips	2.50	400	1,000.00	1,600.00	review and provide comments on draft court appointed receivership court materials (Affidavits, Brief, etc.); correspondence re: court proceedings; discuss analysis on cash flow projections, operations, etc. and considerations re: same;
18-Receiverhip	05/04/2018	Consoli, Angelo	INSV-Receiverhips	2.20	400	880.00	2,480.00	review and provide comments on revised draft court materials (Affidavits, Brief, etc.); correspondence re: status of court filing, cash flow projection, etc.; correspondence with Counsel re: review of documents;
18-Receiverhip	05/09/2018	Consoli, Angelo	INSV-Receiverhips	1.20	400	480.00	2,960.00	receivership planning re: filing, possession, notices, etc.;

PTL Group of Companies Court Appointed Receiver

Time and Disbursements to May 31, 2018

project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	compute_3	comments
18-Receivership	05/10/2018	Consoli, Angelo	INSV-Receiverships	1.80	400	720.00	3,680.00	numerous calls and correspondence re: planning, site attendance, employee meetings, information requests with Management; review and revisions to various draft notices; correspondence with the Bank re: account balances, account numbers, etc.;
18-Receivership	05/11/2018	Consoli, Angelo	INSV-Receiverships	4.30	400	1,720.00	5,400.00	conference call re: planning / communications with employees and customers; correspondence regarding issuance of Court Order; correspondence with contractor re: information requests, banking, payroll, key suppliers, etc.; correspondence with the Bank re: company accounts and request to freeze for deposit only, new accounts for the Receiver; prepare and submit Receiver's Certificate; review and sign various notices to suppliers; correspondence re: target list;
18-Receivership	05/13/2018	Consoli, Angelo	INSV-Receiverships	0.50	400	200.00	5,600.00	Conference to discuss initial possession matters, operating issues, etc.;
18-Receivership	05/14/2018	Consoli, Angelo	INSV-Receiverships	7.00	400	2,800.00	8,400.00	Attend PTL premises; numerous meetings with employees re: info requests; correspondence with the Bank re: account set-up, processing payments, etc.;
18-Receivership	05/15/2018	Consoli, Angelo	INSV-Receiverships	7.50	400	3,000.00	11,400.00	discussions with PTL staff re: payroll processing; correspondence with insurance broker and prepare and send letters; review and discussions re: suppliers, ongoing services, etc.; update call with the Bank; discussions re: Sale Process documents; review and discussions with PTL staff re: cash flow requirements, assumptions, etc.;
18-Receivership	05/15/2018	Consoli, Angelo	INSV-Receiverships	7.50	400	3,000.00	11,400.00	Attend at premises; numerous correspondence with staff re: payroll processing, MARL tracking, key suppliers, etc.; correspondence with the Bank re: payroll processing, review and edits to Sale Process documents, discussions re: data room contents; Management meeting re: planning, projects, customer correspondence, etc.; discussions with contractor and project managers re: cash flow projection, assumptions, sub-contractor and material costs, etc. and updates to same;

**PTL Group of Companies Court Appointed Receiver
Time and Disbursements to May 31, 2018**

<u>project_name</u>	<u>slip_date</u>	<u>emp_name</u>	<u>work_type</u>	<u>hours_worked</u>	<u>rate</u>	<u>amount</u>	<u>compute_3</u>	<u>comments</u>
18-Receivership	05/16/2018	Consoli, Angelo	JNSV-Receiverships	7.20	400	2,880.00	14,280.00	review and revisions to Sale Process documents and circulate to Counsel for review; meeting with supplier re: rental items, items, etc.; correspondence with PTL staff re: various customer and supplier matters; correspondence and review re: Bell Mobility phone lines; discussions and review re: payroll processing; discussions re: MARL invoicing and review invoicing reconciliation; review and execute notices to various suppliers;
18-Receivership	05/17/2018	Consoli, Angelo	JNSV-Receiverships	8.30	400	3,320.00	17,600.00	attendance at prentses; numerous discussions with PTL staff and Jason re: Invoicing, MARL, equipment requirements, P.O.'s for supply requirements, etc.; various correspondence with creditors, review and execute notices to same; review and edits to S. 245 Notices; various correspondence with the Bank re: account activity, account set-up, deposits, etc.; correspondence with Counsel, review and edits of Sale Process documents and discussions re: advertisements; discussions with PTL staff re: government accounts;
18-Receivership	05/18/2018	Consoli, Angelo	JNSV-Receiverships	5.30	400	2,120.00	19,720.00	Correspondence with PTL staff re: AR billings, posted transactions, information requests for data room, PO's, etc.; prepare and submit bank account reconciliation to the Bank re: May 11, 2018 loan balance and subsequent transactions; numerous correspondence with Madson Construction re: unfruitful entry and removal of equipment; discussions re: reporting of same to the RCMP; review and execute requests for new CRA HST accounts; calls and e-mail correspondence with Bell re: line access and account transfer; 245 notices; correspondence with staff regarding Sale Process advertising, Globe & Hail and postings on Plessadations and media websites; correspondence with various prospective purchasers re: Sale Process, MDA, etc.; Holders to lessors re: request for security documentation; letter to supplier re: ongoing terms;
18-Receivership	05/21/2018	Consoli, Angelo	JNSV-Receiverships	2.00	400	800.00	20,520.00	review and revisions to Sale Process documents; circulate to counsel for review / comment;
18-Receivership	05/22/2018	Consoli, Angelo	JNSV-Receiverships	7.50	400	3,000.00	23,520.00	various correspondence with suppliers re: ongoing services; correspondence with Union rep; review and discuss Data Room contents list, advertisement and obtain additional information from creditor; revisions to advertisement; follow up with Counsel re: review of Sale Process documents; customer correspondence; correspondence with various prospective purchasers; e-mail with creditor re: claim for goods delivered to PTL; discussions re: payroll processing, employee and union claims, etc.; calls to Union representatives; numerous discussions with staff re: various estate matters, customer invoicing, AR collections, etc.;

PTL Group of Companies Court Appointed Receiver

Time and Disbursements to May 31, 2018

project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	compete_3	comments
18-Receivership	05/23/2018	Consoli, Angelo	INSV-Receiverships	8.50	400	3,400.00	26,920.00	PTL Staff meeting re: operations, PO requirements, customer bids, Sale Process, liability matters, etc.; discussions re: draft bids and review analysis on same; calls with the Bank and staff re: processing and approval of payroll processing, account transfers, etc.; various correspondence with prospective bidders; correspondence with Counsel re: review of Sale process documents and updates to same; correspondence with BDO staff re: Data room set-up; discussions and review of draft MARL Invoice inputs; follow up with Insurer re: confirmation of addition to policy, CAFO payments;
18-Receivership	05/24/2018	Consoli, Angelo	INSV-Receiverships	8.60	400	3,440.00	30,360.00	Discussions with staff re: deposit tracking and review of same; conference call to the Bank to provide an update on the status of the Receivership proceedings, operations, funding, customer collections, sale process, etc.; prepare e-mail update of same; review and discussions re: potential bidders, advertisements, etc.; e-mail and telephone correspondence with customers re: future projects, timelines, etc.; correspondence with Union reps; review and discussions re: bank account reconciliations, payroll processing, request for funds transfer from company accounts to Receiver account, etc.; correspondence re: distribution of completed CIM; discussions re: MARL Turnaround and Capital Invoicing; Correspondence with Insurance Broker re: confirmation of addition of Receiver as additional named insured; summary of employee related liabilities; discussions with PTL staff re: tracking of WEPPA related information; correspondence with Bell and other suppliers re: ongoing services; discussions re: supplier account reconciliation for services on active jobs (DCH/MARL);
18-Receivership	05/25/2018	Consoli, Angelo	INSV-Receiverships	5.80	400	2,320.00	32,680.00	Correspondence with interested parties re: access to the Data Room, site visits, Bid Deadline, additional information requests and sale process; correspondence with suppliers re: ongoing services; letter to confirm account in name of Receiver; discussions with PTL staff re: contracts in progress, future contracts and bids, supply requirements, costing analysis, etc.; call with Bell to coordinate new Receiver's account; discussion with creditor re: potential 30 day goods claim; correspondence with Darrell re: ongoing advertisements, additional information for the Data Room, planned site visit, etc.; Correspondence with Talon and party that acquired asset seeking release of same; Summary of balances to be remitted to CRA re Source deductions and prepare accompanying letters; review and approval of supplier invoices and related cheque requisitions;
18-Receivership	05/28/2018	Consoli, Angelo	INSV-Receiverships	6.00	400	2,400.00	35,080.00	call with Phil re: update on various estate matters, follow up on outstanding items, next steps, etc.; correspondence with controller re: source deductions, payroll, union obligations, customer invoicing, etc.; correspondence with prospective purchasers re: site visits, NDA, bid deadline, etc.; review and correspondence with counsel re: queries on NDA; correspondence re: transfer of lines, microsoft and other supplier accounts, supplier invoices; various calls to CRA reps re: processing source deduction remittances; correspondence with the controller and Bank re: trading of customer payments;

PTL Group of Companies Court Appointed Receiver

Time and Disbursements to May 31, 2018

project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	compute_3	comments
18-Recalvership	05/29/2018	Consoli, Angelo	INSV-Recalverships	5.50	400	2,200.00	37,280.00	review and discussions re: payroll, processing and approval of same; correspondence with various CRA representatives re: source deduction remittances and bookkeeper re: payment of same and accompanying letter to CRA; discussions with bookkeeper re: documentation in support of the Company's Union related obligations, CRA remittances, etc.; call with Counsel to discuss various estate matters including Employee related matters, Sales Process documents, equipment lessors, etc.; review and approval of supplier invoices; review account activity and customer deposits and prepared transfer request to the Bank; correspondence re: site visits, interested party queries, etc.;
18-Recalvership	05/30/2018	Consoli, Angelo	INSV-Recalverships	5.50	400	2,200.00	39,480.00	review and revisions to Draft APA, discuss with controller and forward to counsel for review; correspondence with PTL staff re: payroll processing, AR collections, billings; correspondence with PTL Management re: North Salmon Spillway project and agreements in place, next steps; correspondence with the Bank re: confirmation of transfers, payroll; correspondence with Chris re: supplier requirement, follow up with supplier re: coordinate ongoing supply; correspondence with prospective purchaser re: Site Visit, info requests, etc.
18-Recalvership	05/31/2018	Consoli, Angelo	INSV-Recalverships	4.80	400	1,920.00	41,400.00	correspondence re: payroll processing; updating statement of receipts and disbursements schedule; review and discuss updates to AR tracking schedule, billing analysis; correspondence re: Site Visits, interested party queries, etc.; discussions re: status of government accounts; correspondence with creditor re: arrears, stay of proceedings, etc.; conference call with the bank re: update on various estate matters; review and approval of wire/check requests;
18-Recalvership	05/13/2018	Consoli, Angelo	Disbursements			2,527.40	43,927.40	Travel, Meals, Etc.
		Total, Consoli, Angelo	Time	103.50		41,400.00		
		Total, Consoli, Angelo	Disbursements			2,527.40		
18-Recalvership	05/10/2018	Fisher-Cobb, Emma	INSV-Recalverships	1.30	145	186.50	188.50	Drafting letters to CIBC regarding account freezing and re-opening. Door notice.
18-Recalvership	05/11/2018	Fisher-Cobb, Emma	INSV-Recalverships	3.80	145	551.00	739.50	Drafting notice letters setting up extranet site, sending out letters to Bank for account freezing and opening of Receiver's accounts. Start target list sheet and CIM.
18-Recalvership	05/14/2018	Fisher-Cobb, Emma	INSV-Recalverships	3.20	145	464.00	1,203.50	Communications with A. Conesi, draft 245 notice, finding tax forms for new RT account, forms for CRA RT accounts for each company, draft advertisement. Phone calls to Bell Mobility and Bell Alliant regarding account transfers.
18-Recalvership	05/15/2018	Fisher-Cobb, Emma	INSV-Recalverships	3.30	145	478.50	1,682.00	Updates to draft CIM, teaser document, emails with Bell Mobility regarding receivership order, update template.
18-Recalvership	05/16/2018	Fisher-Cobb, Emma	INSV-Recalverships	1.80	145	261.00	1,943.00	Calling Bell Mobility regarding accounts, email correspondence regarding same.

**PTL Group of Companies Court Appointed Receiver
Time and Disbursements to May 31, 2018**

<u>project_name</u>	<u>bill_date</u>	<u>emp_name</u>	<u>work_type</u>	<u>hours_worked</u>	<u>rate</u>	<u>amount</u>	<u>compute_3</u>	<u>comments</u>
18-Receivshp	05/17/2018	Fisher-Cobb, Emma	INSV-Receivshps	2.50	145	362.50	2,305.50	Responding to emails from Bell Mobility. Drafting supplier letters, uploading creditors to Ascend, generating labels, calling suppliers to get updated contact information. Sending out supplier letters via email. Various emails and phone calls to A. Consoil for file updates.
18-Receivshp	05/18/2018	Fisher-Cobb, Emma	INSV-Receivshps	0.60	145	87.00	2,392.50	Responding to emails, updating creditors list, contacting Globe and Mail for advertising quote.
18-Receivshp	05/22/2018	Fisher-Cobb, Emma	INSV-Receivshps	3.60	145	522.00	2,914.50	Phone call with CRA regarding notice, fax copy of Receivshp Order. Affidavit of mailing for Receiver's Notice. Phone call and emails with Bell regarding transfer of accounts. Phone call from company interested in CIM, email to Derrill regarding same.
18-Receivshp	05/23/2018	Fisher-Cobb, Emma	INSV-Receivshps	2.10	145	304.50	3,219.00	Responding to emails about advertising in Globe and Mail, adding secured creditor to Ascend, checking creditor mailing list, updating external website with 245(1) notices. Recording and drafting cheque requisitions for new invoices. Responding to emails from CIBC, suppliers, A. Cardinal, and A. Consoil.
18-Receivshp	05/25/2018	Fisher-Cobb, Emma	INSV-Receivshps	0.50	145	72.50	3,291.50	Responding to emails related to invoices, review of emails related to file, sending invoices to PTL for matching with purchase orders.
18-Receivshp	05/28/2018	Fisher-Cobb, Emma	INSV-Receivshps	1.50	145	217.50	3,509.00	Setting up Bell account, review of incoming invoices, instructions to PTL employees regarding invoice payment, CIBC tech support regarding CRA source deductions. Cheque requisition for payroll deductions.
18-Receivshp	05/29/2018	Fisher-Cobb, Emma	INSV-Receivshps	5.20	145	754.00	4,263.00	Preparing cheque requisition for CARO payment, coordinate government payroll deductions online account, administering online payroll remittance accounts. Phone call to CRA regarding remittance threshold. Calling creditors to follow up re: phone call, letter to CARO regarding payment, courier of same. Uploading payroll information to CHQ system, confirmation that files were accepted. Entering in payroll deductions, drafting letter to CRA regarding same, sending letter to CRA. Various emails to C. Warren, C. Mazur, P. Clarke, and A. Consoil regarding same.
18-Receivshp	05/31/2018	Fisher-Cobb, Emma	INSV-Receivshps	3.10	145	449.50	4,712.50	Receipt and review of various invoices, responding to emails from A. Consoil and P. Clarke, responding to supplier emails, review of payroll and correspondence re: revisions, phone call to J. Marshall regarding same. Updating supplier invoice tracking spreadsheet. Sending payment documentation for updated payroll to P. Clarke and C. Mazur for approval. Upload revised payroll file to CHQ. Review of paid invoices and inputting of same to tracking sheet. Cheque requisitions for outstanding invoices, payment requisition for payroll.
Total, Fisher-Cobb, Emma				32.50		4,712.50		
18-Receivshp	05/09/2018	Mazur, Chris	INSV-Receivshps	0.20	510	102.00	102.00	Discussions regarding possession matters
18-Receivshp	05/10/2018	Mazur, Chris	INSV-Receivshps	0.30	510	153.00	255.00	E-mails, attend re: Status
18-Receivshp	05/11/2018	Mazur, Chris	INSV-Receivshps	0.50	510	255.00	510.00	Attend re status, borrowing certificate, Prep for appointment.

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to May 31, 2018

project_name	slip_date	emp_name	work_type	hours_worked	rate	amount	compute_3	comments
18-ReceiverShip	05/18/2018	Mazur, Chris	INSV-ReceiverShips	0.30	510	153.00	663.00	attend resale of assets process
18-ReceiverShip	05/23/2018	Mazur, Chris	INSV-ReceiverShips	0.30	510	153.00	816.00	attend re: Banking/Payments/Payroll
18-ReceiverShip	05/29/2018	Mazur, Chris	INSV-ReceiverShips	0.20	510	102.00	765.00	Review/ approve payments and remittances
18-ReceiverShip	05/30/2018	Mazur, Chris	INSV-ReceiverShips	2.00	510	1,020.00	1,785.00	YTDW Clarke, attend to status.
		Total, Mazur, Chris		3.80		1,938.00		
18-ReceiverShip	05/11/2018	Morgan, Darrell	FAS-Merg&Acquisitions	1.50	155	232.50	232.50	Discussion with Angelo and Phillip re sale process, target list, etc.; review CIM, company background, etc.
18-ReceiverShip	05/14/2018	Morgan, Darrell	FAS-Merg&Acquisitions	3.50	155	542.50	775.00	Download company server data and summarize the documents re: sale process
18-ReceiverShip	05/15/2018	Morgan, Darrell	FAS-Merg&Acquisitions	3.50	155	542.50	1,317.50	Updates to contact list; various sale process matters
18-ReceiverShip	05/16/2018	Morgan, Darrell	FAS-Merg&Acquisitions	2.25	155	348.75	1,666.25	Various sale process matters
18-ReceiverShip	05/17/2018	Morgan, Darrell	FAS-Merg&Acquisitions	2.25	155	348.75	2,015.00	Discussion with PC & AC re sale process, update information
18-ReceiverShip	05/18/2018	Morgan, Darrell	FAS-Merg&Acquisitions	4.50	155	697.50	2,712.50	Work on target list, contact targets, advertising
18-ReceiverShip	05/22/2018	Morgan, Darrell	FAS-Merg&Acquisitions	6.75	155	1,046.25	3,758.75	Contact target, email NDA's, advertising, organize data room documents
18-ReceiverShip	05/23/2018	Morgan, Darrell	FAS-Merg&Acquisitions	7.75	155	1,201.25	4,960.00	Email NDA's, discussions re: advertising, CIM, photos, etc.
18-ReceiverShip	05/24/2018	Morgan, Darrell	FAS-Merg&Acquisitions	5.50	155	852.50	5,812.50	Emails to prospective buyer, discussion with Team, update the lists
18-ReceiverShip	05/25/2018	Morgan, Darrell	FAS-Merg&Acquisitions	5.95	155	922.25	6,734.75	Emails to potential targets, follow up on sale and marketing process, etc.
18-ReceiverShip	05/27/2018	Morgan, Darrell	FAS-Merg&Acquisitions	1.35	155	208.25	6,944.00	Email NDA's to potential targets, answer questions.
18-ReceiverShip	05/28/2018	Morgan, Darrell	FAS-Merg&Acquisitions	5.75	155	891.25	7,835.25	Arrange site visits, answer target questions, send NDA's, arrange access to data room.
18-ReceiverShip	05/29/2018	Morgan, Darrell	FAS-Merg&Acquisitions	3.75	155	581.25	8,416.50	Marketing, phone calls/emails with targets (questions)
18-ReceiverShip	05/30/2018	Morgan, Darrell	FAS-Merg&Acquisitions	3.00	155	465.00	8,881.50	Questions from target, email the targets, set up site visits
18-ReceiverShip	05/31/2018	Morgan, Darrell	FAS-Merg&Acquisitions	2.85	155	441.75	9,323.25	Update the target list, questions from targets, arrange site visits
		Total, Morgan, Darrell		60.15		9,323.25		



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BDO Canada Limited
255 Lacewood Drive
Suite 201
Halifax NS B3M 4G2 Canada

July 30, 2018

BDP Canada Limited - In Receivership
PTL Group of Companies
BDO Canada Limited
255 Lacewood Drive, Suite 201
Halifax, NS B3M 4G2

Invoice 89508888
HST Registration No. R101518124

2nd Interim Billing:

TO: Professional services in connection with the Court Appointed Receivership of PTL
Group of Companies

Time charges from June 1 to June 30, 2018 (360.35 hours)	\$93,234.75
Time system disbursements	<u>2,800.31</u>
	96,035.06
Courtesy Discount	<u>-10,000.00</u>
	\$86,035.06
HST (15%)	<u>12,905.26</u>
Total Account	<u>\$ 98,940.32</u>

NOTE: See attached for full details of time charges.

FTL Group of Companies Court Appointed Receiver
 Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Time:					
	Cardwell, Adam	60.35		10,561.25	
	Casco, Carla	15.00		1,872.00	
	Clarke, Phil	59.00		25,075.00	
	Consohl, Angelo	86.50		34,600.00	
	Fisher-Cobb, Emma	90.00		13,050.00	
	Maxur, Chris	1.40		714.00	
	Morgan, Darrell	47.50		7,362.50	
				<u>93,234.75</u>	
Disbursements:					
	Car Rental/Gas			305.79	
	Travel			2,093.13	
	Meals			326.79	
	Miscellaneous			74.60	
				<u>2,800.31</u>	
				<u>396,035.06</u>	
	Total Open WIP to June 30, 2018	360.4			

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Cardwell, Adam	1-Jun-18	4.5	175	787.50	Attend at Southern Harbour for operational issues
Cardwell, Adam	4-Jun-18	1.0	175	175.00	Respond to various emails from suppliers and staff. Print, sign and scan employee cheques
Cardwell, Adam	5-Jun-18	5.8	175	1,006.25	Attend on site at Southern Harbour for asset and operations oversight
Cardwell, Adam	6-Jun-18	6.3	175	1,083.75	On site
Cardwell, Adam	7-Jun-18	3.0	175	525.00	Exchange emails with Darren Seward re usage on equipment. Ritchie Bros are trying to evaluate certain vehicles and provided them with info obtained from service Manager. At request of staff, opened new account with Island Hose & Filings, order placed with them for service. Phone with Purolicor re PTL's o/s account and advise that arrears is Stayed. Phone meeting with Partner and Pall Staff Paul Verge re safety and CORE Certification. Placed follow-up calls with WHSCC. Phone with Dept of Finance re HAPSET. Relayed conversation to PTL Controller Carol Warren who agreed to send requested info
Cardwell, Adam	8-Jun-18	3.5	175	612.50	Exchange emails with WHSCC re opening of new accounts and what's required moving forward. Assisted new supplier (Engineering consultant Steve Chaytor) opening new acct in receivers name. Exchanged emails with Purolicor re o/s balance, sent court order and info to open new acct in receivers name. Print employee cheques, sign and scan. Discussions re opening new supplier acct with Kent's Building. Phone meeting with Dennis at Crane Tech re interest in PTL's cranes. Discussions re Wilson's Oil and setting up new acct in receivers name. They are sending invoices to BDO but in PTL's name. Requested and compiled payroll for May & June for PTL and CSL, sent to WHSCC Phone meeting with Steve Chaytor of Meridian Engineering re stay of proceedings. Exchanged emails with Wilson's Oil and requested they re-submit their invoice with corrections. Printed and signed cheques for Kmax and TISI.
Cardwell, Adam	11-Jun-18	1.0	175	175.00	Respond to suppliers email re sending post-receivership invoices. Sent info needed to open new acct. Correspond with PTL staff, open a new acct with supplier. Exchange emails with LJT's re certain supplier accounts. Phone meeting with Worker's Comp re opening of new accs
Cardwell, Adam	12-Jun-18	4.5	175	787.50	Working on site. Site visits with interested parties. Obtained and sent previous workers comp info to worker's Redirect former employee emails to current staff and cancel email accs. Meeting with LJT, paid key supplier with Visa, issue request to be repaid by the estate. Provided potential buyers with usage info re assets

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2016

Employee	Date	Hours	rate	amount	comments
Cardwell, Adam	13-Jun-18	4.0	175	700.00	Attend the PTL site for site visits, responses to queries from potential purchasers who already completed site visits. Provided account statements and equipment usage to potential buyers. Contacted IT firm to transfer email accs from former staff and redirect emails to appropriate staff. Reset email passwords on old email accs. Meet with staff to provide update on sale process. Speak with sales rep from the Watchdog, advised of receivership and opened new acct. Had various supplier cheques printed, mailed to creditor, scanned copy to LIT's.
Cardwell, Adam	14-Jun-18	2.3	175	393.75	Exchange emails with safety manager at PTL and LIT Worker's comp accounts. Printed, scanned and mail copies of supplier cheques. Exchange emails with Darren Seward re obtain a part in St. John's. Called supplier, opened new acct, requested PO and made arrangement to have part picked up and delivered to SH. Spoke with Worker's Comp re status of opening new accs, expecting balance due on new accs today, included LIT's and PTL staff in correspondence. Phone meeting with LIT re sale process and obtaining proof of electronic deposits made at PTL since receivership. Obtained purchase offer, phone meeting with Lit, scanned to team
Cardwell, Adam	15-Jun-18	2.3	175	393.75	Several phone meeting with WHSCC re status of opening 4 new firm accounts for PTL, accounts now active, invoice directly to LIT for o/s balance, will courier cheques to WHSCC. Obtained list of suppliers/creditors requiring letters of clearance from PTL staff and LIT's, forwarded to WHSCC
Cardwell, Adam	18-Jun-18	0.4	175	61.25	Phone meeting with staff re sale process and general questions/concerns re upcoming process.
Cardwell, Adam	19-Jun-18	4.5	175	787.50	On site. Consult with Workplace NL, obtained letters of clearance and sent to 10 creditors. Phone meetings with potential buyers, answered questions/concerns. Spoke with various unsecured creditors. Met with staff to update sale process. Prepare cheques for employees Booked and paid for accommodations for employees on job site.
Cardwell, Adam	20-Jun-18	3.5	175	612.50	On site. Dealing with supplier claims, discussions with staff regarding pre and post receivership invoices. Complete Ongoing Operations Checklist. Consult with WHSCC and obtain new firm numbers. Answer potential buyer questions. Follow up on status of utilities accounts in receiver's name. Meeting with safety advisor re staff accident at NARL site, take necessary steps to document and notify insurance Co

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Cardwell, Adam	21-Jun-18	3.0	175	525.00	Phone meeting with Clarenville Computers re updating our Microsoft account, emails sent to Microsoft re paying arrears. Print employee cheques, copy to LIT, mail from local office. Exchanging emails with LIT and rep's from Microsoft re o/s renewal fees for computer licenses. Obtained invoice from Microsoft issue cheque. Phone meeting with Fortis Concrete re o/s balance. Obtained invoice and sent to LIT for review
Cardwell, Adam	25-Jun-18	0.8	175	131.25	Exchanged emails with Microsoft re o/s balance and new accts in receiver's name, forwarded to LIT. Exchanged emails with service manager re supplier payments, consulted with LIT. Made request to have certain cheques accrued in ascend to be printed in NL. Exchange phone calls with Budget requesting mileage on the two rental trucks. Located drivers of those trucks and determined usage. Consulted with service manager, arrangement to pick up parts in Mt. Pearl to bring to Southern Harbour
Cardwell, Adam	28-Jun-18	1.0	175	175.00	Picked up auto part for service dept. in Mt. Pearl and made arrangements to have part delivered to PTL. Exchange emails with Microsoft and PTL IT Admin re canceling old membership. Received invoice from Fortis Concrete, forwarded to Hamilton Office to prepare cheque
Cardwell, Adam	27-Jun-18	4.3	175	748.75	On site. Discussions regarding area power outage and impact on server, phone system, etc. Work with IT company to get matter resolved. Discussions re log of hours worked for payroll processing. Team meeting via conference call with PTL staff, LIT and Partner re sale process. Confirmed new accounts were successfully opened with Microsoft payment issued to pay outstanding balance to Microsoft. Worked with IT support to successfully get server back online. Worked with Bell to successfully restore PTL phone system. Meet with Safety Manager to provide new account info for five new WHSCC profiles. Requested refund cheque from Microsoft for overpayment. Met with Senior Project Manager Brad Parsons re ongoing issues with specific suppliers. Phone meeting with Partner and LIT re status of sale process and provided contact names for key suppliers.

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Cardwell, Adam	28-Jun-18	3.5	175	612.50	On Site Phone meeting with manager of budget rental cars inquiring about usage of rental trucks. Re-confirmed usage with drivers and relayed information to Budget. Phone meeting with BMI re account arrears and ISO certification. Meeting with staff re o/s balance to Newcrete. Phone meeting with IT support in Clarendville and inquired about updated data back-up for PTL server. Request from Senior Management at PTL to contact Farrells Concrete re receivership. Spoke with Mark Carew at Farrells, expl situation and sent him copy of Court Order along with info to open new acct in BDO name. Phone calls with Newcrete re o/s invoices, had them resend invoices and forwarded to LJIT to issue cheques. Requested reports/documents from safety manager re company vehicle accident. PTL truck broke down, coordinate license registration for replacement truck.
Cardwell, Adam	29-Jun-18	1.5	175	262.50	Exchange emails with accounting clerks at PTL re o/s invoices and obtaining receipts/cheque requisition forms for vehicle registration payment. Phone meeting with Partner & LJIT re sale process, status of current offers and planned a schedule for next week. Request PO for certain invoices to be paid. Phone meeting with Partner re placing lien on NARL project. Phone meeting LJIT re accounts with Workpiece NL, HAPSET and provided contact info for each acct. Also clarified status of vehicle accident by PTL driver at NARL site. Phone meeting with Mantha at BSI re ISO certification
Cardwell, Adam	30-Jun-18	0.0	0	62.68	Meals
Cardwell, Adam	30-Jun-18	0.0	0	1,145.76	Travel
Total, Cardwell, Adam	Time Disbursements	60.4		10,561.25	
Total, Cardwell, Adam				1,208.45	
Casco, Carla	5-Jun-18	0.6	120	72.00	Post receipt and set up deposits.
Casco, Carla	7-Jun-18	1.0	120	120.00	set up payments, print cheques & other banking task.
Casco, Carla	8-Jun-18	0.6	120	72.00	set up payment.& Print cheques.
Casco, Carla	11-Jun-18	0.3	120	36.00	Set up payee & print cheques.
Casco, Carla	13-Jun-18	1.4	120	168.00	Set up payments & print cheques.
Casco, Carla	14-Jun-18	0.3	120	36.00	Set up payment & print cheques.
Casco, Carla	15-Jun-18	0.1	120	12.00	Set up payment
Casco, Carla	15-Jun-18	1.5	120	180.00	Set up payments & print cheques other banking task.
Casco, Carla	18-Jun-18	0.7	120	84.00	Set up payments & print cheques. Accrual payroll deductions
Casco, Carla	19-Jun-18	1.2	120	144.00	Set up payments & print cheques

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Casco, Carla	20-Jun-18	1.0	120	120.00	Prepared payment & print cheque.
Casco, Carla	21-Jun-18	1.0	120	120.00	Set up payables & print cheques.
Casco, Carla	22-Jun-18	1.0	120	120.00	Set up payables & print cheques.
Casco, Carla	25-Jun-18	0.4	120	48.00	Prepared source deductions on line & Ascend.
Casco, Carla	26-Jun-18	0.3	120	36.00	Set up payable, print cheques.
Casco, Carla	27-Jun-18	0.4	120	48.00	Set up payable, print cheque, prepared payroll for PTL & CSL, Save doc, e-mail for approvals, print doc.
Casco, Carla	27-Jun-18	1.5	120	180.00	Print invoices, match & set up payable & print cheques
Casco, Carla	28-Jun-18	1.5	120	180.00	Set up payable & print cheques.
Casco, Carla	29-Jun-18	0.8	120	96.00	Receipt cheque & prepared deposit June 29/18
Total, Casco, Carla	Time	18.6		1,872.00	
Clarke, Phil	1-Jun-18	3.0	425	1,275.00	Correspondence with staff re: various estate matters including liens, site visits, etc. Call with NTL on status of the sales process, customer issues/concerns; call with interested parties; email to DCH cranes legal counsel on status of account and payment
Clarke, Phil	3-Jun-18	0.7	425	297.50	review of banked time issue; collection of Tabon AR
Clarke, Phil	4-Jun-18	0.8	425	340.00	various email communications
Clarke, Phil	5-Jun-18	3.0	425	1,275.00	various email on operations - payroll, vendors, etc. call from SMSS on Madsen equipment
Clarke, Phil	6-Jun-18	2.5	425	1,062.50	prep for and call into a PTL staff call; various emails
Clarke, Phil	7-Jun-18	6.0	425	2,550.00	In Southern Harbour - prep for and attendance at update call with CIBC; operational email/payroll; updates to NTL on status of receivership; call with potential purchaser to clarify offer and respond on same; NARL lien discussions
Clarke, Phil	8-Jun-18	4.0	425	1,700.00	Southern Harbour - various discussions on NARL lien; response to interested party; various calls with vendors; information gathering and calls on NARL and Fortis lien
Clarke, Phil	9-Jun-18	0.5	425	212.50	Update email to NARL
Clarke, Phil	11-Jun-18	3.0	425	1,275.00	Review of the Fortis lien information and send it to C&P; various operational emails; call with interested party; NTT contract
Clarke, Phil	12-Jun-18	4.5	425	1,912.50	Information on liens to C&P; various communications to customers and interested parties; employee discussions; various benefits plan questions
Clarke, Phil	13-Jun-18	4.0	425	1,700.00	Gather and review information on lien claims; various email/phone correspondence; MTT contract discussions with C&P. Company; bidder questions
Clarke, Phil	15-Jun-18	2.5	425	1,062.50	Review of union pre and post appointment positions and memo on same; prep for and attendance at call with CIBC
Clarke, Phil	18-Jun-18	3.0	425	1,275.00	Calls with C&P on liens and path forward, call and update with NARL; various emails on the same; call with VTB holder; operational correspondence

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Clarke, Phil	19-Jun-18	3.5	425	1,487.50	Call and follow up email to NARL on status of liens and bid process/bidders; review bid and follow up conversation with legal advisor; various other emails; correspondence with customers; review follow up correspondence with bidder.
Clarke, Phil	20-Jun-18	2.5	425	1,062.50	Calls email on estate administration; call on NTL with C&P.
Clarke, Phil	25-Jun-18	1.5	425	637.50	Call with Consoil on bid strategy, call with interested party on closing conditions; follow up on Talon May 2018 invoice
Clarke, Phil	26-Jun-18	2.5	425	1,062.50	Various email correspondence on operations and with customers; Bidder and NARL meeting; DCH lien claim review materials for C&P
Clarke, Phil	27-Jun-18	4.0	425	1,700.00	Call with PTL team on estate update and respond to various questions; review materials on application to vacate DCH lien; various communications with customers and bidders; put together information to file lien on NARL
Clarke, Phil	28-Jun-18	2.5	425	1,062.50	Email communications; further changes to documents on application to vacate DCH lien' communications with bidders - following up on queries
Clarke, Phil	28-Jun-18	5.0	425	2,125.00	Various email communications on application to vacate lien; filing NARL lien to protect the AR; operational communications; follow up on AR; meeting at Halifax office of C&P to sign affidavit related to application to lift lien
Clarke, Phil	30-Jun-18	0.0	0	306.79	Car
Clarke, Phil	30-Jun-18	0.0	0	264.10	Meals
Clarke, Phil	30-Jun-18	0.0	0	74.60	Misc
Clarke, Phil	30-Jun-18	0.0	0	947.37	travel
Total, Clarke, Phil	Time	59.0		25,075.00	
Total, Clarke, Phil	Disbursements			1,591.86	
Consoil, Angelo	1-Jun-18	3.5	400	1,400.00	Correspondence with Phil and Adam re: various estate matters - site visits, DCH Cranes and associated NARL invoices, supplier invoices, ongoing projects, etc.; review and approval of supplier invoices; correspondence with project manager re: customer correspondence; correspondence with PTL staff re: invoicing, DCH, supplier arrangements for ongoing services, approval of payment processing; review customer remittances via a vis AR balances; correspondence re: sale process, NDA from interested party, etc.;

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Consoli, Angelo	4-Jun-18	4.8	400	1,920.00	Review and discussions re: bank activity and request for account transfer, cash flow, etc.; review and approval of supplier payments, cheque requisitions and payroll remittance; discussions with supplier re: terms for ongoing services; correspondence re: DCH invoices and related payment; review and approval of source deduction remittances; correspondence re: info requests from prospective purchasers, site visits, queries re: APA, etc.; review AR list and tracking sheet and correspondence with PTL staff re: same; review and discussions re: pre-receivership Union obligations, compilation of same by employee, etc.; correspondence re: customer billings;
Consoli, Angelo	5-Jun-18	4.0	400	1,600.00	Review and discussions re: payroll processing, workers comp, etc.; correspondence with OE and Bollemaker Union reps re: update, pre and post receivership obligations and e-mails to same; call with Counsel to discuss union/employee related matters; review and approval of disbursements; reconciliation of bank and GL account activity; review and discussions re: analysis on union obligation summary; correspondence re: Sale Process, info requests, bid submission, etc.; correspondence with project manager re: supplier account set-up; review and reconcile DCH payment and correspondence to supplier re: remittance;
Consoli, Angelo	6-Jun-18	1.5	400	600.00	conference call with PTL Staff re: update on ongoing matters; call with prospective purchaser re: clarification of offer submission; review and processing payroll; correspondence re: supplier invoice approvals, clearance certificates, etc.; correspondence with Union representative re: arrears;
Consoli, Angelo	7-Jun-18	4.7	400	1,880.00	review and approval of supplier invoices; correspondence re DCH invoicing; review and reconcile Accounts receivable and detail listings; update AR summary listing re: May 11 balances; update Receiver's statement of receipts and disbursements; prepare for and attend update call with the Bank; correspondence re: status of sale process, queries from interested parties; correspondence with various suppliers re: invoicing / processing of payments; correspondence with Union rep re: status of remittances; review and discussions re: analysis of Union pre-receivership obligations;
Consoli, Angelo	8-Jun-18	4.4	400	1,760.00	Correspondence with various suppliers re: confirmation of P.O.'s, payment terms, etc.; review and approval of supplier invoices; correspondence re: GWL and call to follow up on account; various correspondence with staff re: customer/supplier correspondence, Union claims, analysis and calculations prepost May 11/18, account wire instructions, etc.; review updated DCH figures involved and discussions re: same; correspondence with controller re: cut-off analysis on payroll, employee and union related obligations, staffing, AR collection efforts, ongoing billings, etc.; correspondence with prospective purchaser; correspondence re: items on customer project and update to the Bank; follow up with Lessor re: outstanding info request;
Consoli, Angelo	11-Jun-18	4.2	400	1,680.00	Review and approval of supplier invoices; correspondence with PTL staff re: union obligations, calculations and review same, billings, employee time charges, etc.; correspondence with supplier re: payment of account, terms; review and approval of source deduction remittance; correspondence with Darrell re: data room, enquiries, site visits, etc.; call to CRA to follow up on status of Receiver's account; discussions re: status of updated billings / AR, DCH invoice update, etc.; correspondence with insurer re: status project insurance coverage;

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Consoli, Angelo	12-Jun-18	4.0	400	1,600.00	Review submitted offer; correspondence re: site visit, potential bidder information requests, wire instructions, etc.; correspondence with staff re: updated equipment listing; review and approval of supplier invoices; correspondence with Carol re: supporting schedules for post receivership Union remittances; Summary to Counsel of proposed union remittance; draft template letter to accompany union payments; correspondence with GWL staff re: June remittance, removal of staff, etc.; review and discussions re: updated AR listings and forward for addition to Data Room; review and processing of payroll; review and discussions re: updates to pre-receivership Union detailed and summary reports;
Consoli, Angelo	13-Jun-18	4.5	400	1,800.00	Review correspondence/schedules provided by the Operating Engineers relating to outstanding balances owing as at May 10, 2018 and reconciliation of same to Company summary; review and approval of supplier invoices; correspondence re: Union remittances and draft template letter; update memorandum re: employee / union related obligations; review and correspondence with Carol re: reconciliation of post-receivership Union obligations; correspondence with prospective bidders re: timelines, deposit, bid submission, etc.; correspondence with Carol re: customer and CRA cheques received and processing of same; review supplier correspondence re: outstanding accounts; correspondence with GWL; correspondence with CRA re: status of Receiver's HST account set-up;
Consoli, Angelo	14-Jun-18	5.8	400	2,320.00	Review and discussions re: pre and post union obligations and employee payroll; update memo on payroll related matters and forward to Phil for review; review and discussions re: customer deposits and AR tracking, CRA refund, etc.; summary and correspondence to the Bank re: bank transfer request; various correspondence with prospective bidders re: timeline, bid submission, etc.; review submitted APA's / proposals and prepare notes re: terms/conditions/etc. and forward to Phil for consideration; review and updates to schedule of bid summary; review and approval of supplier payments; correspondence with supplier re: rental agreement; follow up correspondence to lessors re: outstanding information request;
Consoli, Angelo	15-Jun-18	4.5	400	1,800.00	Correspondence re: sale process, target tracker list, union remittances, and update notice to Unions, etc.; review and approval of supplier cheques; call with Phil to discuss bids, terms & conditions, etc.; calls with various bidders to discuss/clarify terms included in offers/APA, etc.; prepare update summary to the Bank and conference call to discuss bid summary, terms & conditions, AR, DCH, etc.; correspondence to / from lessors re: requests for debt balances; review account statements and correspondence to/from Workplace NL re: remittance;
Consoli, Angelo	18-Jun-18	4.5	400	1,800.00	Draft e-mails to bidders re: clarification of bid submissions; calls with various bidders re: review of bids, timing, etc.; review and approval of source deductions and online approval; call with Counsel to discuss DCH Lien, outstanding invoices, next steps; correspondence with counsel for the Operating Engineers re: file status, pre and post receivership claims / remittances; discussions re: review of Teamsters remittances, review and execute letters to accompany Teamsters remittances; update to Counsel re: employee and union related obligations, compile and forward schedules re: same; correspondence with the Operating Engineers re: claim re: pre-receivership payments; review and execute supplier terms of contract;

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Consoli, Angelo	19-Jun-18	4.4	400	1,760.00	Correspondence with Phil re: various estate matters and preparation for call with Bidder; conference call with Bidder re: clarification of Bid Submission, terms & conditions, etc.; review correspondence from OE Union reps and correspondence with its legal counsel re: same; review and approval of supplier invoices; draft and send e-mail to Bidder to request confirmation/clarification re: terms and conditions; correspondence with OE staff re: May 11 - 31 remittance forms and follow up with Carol re: same; review correspondence with supplier re: account reconciliation / payment; review and process payroll approvals;
Consoli, Angelo	20-Jun-18	4.8	400	1,920.00	Numerous correspondence with prospective bidder re: clarification of terms/conditions in bid submission, follow up calls and discussions re: same - prepare summary and forward to Counsel for review; review documentation re: HAPSET remittances and discussions with controller and counsel re: same; discussions re: Workplace NL remittances, expenses, etc.; review and approval of supplier invoices; telephone and e-mail correspondence with certain PTL Customers re: update on Sale Process, considerations re: assignment of contracts, etc.; review correspondence from Counsel re: employee/union related matters; correspondence with Controller re: OE pre and post obligations, and correspondence to OE; correspondence with prospective bidder re: customer query; correspondence with Carol re: reconciliation on analysis of Steelworkers union pre-receivership deductions;
Consoli, Angelo	21-Jun-18	4.8	400	1,920.00	Correspondence with Counsel re: PTL Union and salary obligations; correspondence with controller re: OE notice for May 11 to 31 remittance, errors in calculations based on CBA; review correspondence from the OE's re: notice that Grievance will be in abeyance and update to Counsel; review and approval of supplier invoices; correspondence with Fortis re: outstanding invoice and new P.O., issuance of lien; correspondence with various prospective bidders re: enquiries on status of bids, terms and conditions, etc.; correspondence with various P TL customers re: status of Sale Process; correspondence with PTL staff and Counsel re: analysis of DCH Cranes account, prepare summary schedule re: same; correspondence with various suppliers re: payment terms/processing payments; correspondence with Bond Broker re: cancellation of contract; correspondence with staff and review invoices for microsoft services;
Consoli, Angelo	22-Jun-18	3.5	400	1,400.00	Correspondence with Counsel and PTL staff re: DCH Cranes invoices, updated schedule, supply arrangements, etc.; review correspondence from OE re: union remittance calculations; correspondence with PTL staff re: supplier invoices, P.O. requirements, etc.; correspondence with controller re: revisions to Union calculations, AR and sales tracking reports, P.O.'s, etc.; review correspondence from Bidder re: responses to clarify terms, etc.; discussions re: CRA access codes, notices re: HST accounts, etc.; review correspondence from counsel for Newcrete re: Town of Come by Chance lien and update to Counsel re: review of same; review Counsel's comments on bid submissions and response to queries on same;

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Consoli, Angelo	25-Jun-18	4.5	400	1,800.00	E-mail and telephone correspondence with prospective bidders re: status of bid submissions, terms and conditions, clarification of same, next steps, etc.; follow up correspondence with customers re: bidder terms, assignment, etc.; correspondence re: source deductions and process approval of same; correspondence with controller re: e-mails from various unions re: calculation of dues, updates to Union obligation sheets, AR updates, etc.; review and approval of supplier invoices; conference call with the Bank to provide an update on the status of the Sale Process, R&D, filed liens, etc. update R&D and follow up with summary update to the Bank; follow up re: status of Talon AR balance and status of payment;
Consoli, Angelo	28-Jun-18	3.5	400	1,400.00	Review correspondence from Workplace NL and CRA re: HST accounts; review and approval of supplier invoices; correspondence with Carol re: HAPSET forms, Workplace NL, CRA accounts, OE schedules and request confirmation of same; correspondence re: discrepancy of certain PTL/CSL employees and applicable union affiliations and the discussions with Steelworkers and IronWorkers re: same; call with prospective purchaser re: correspondence to/from customers, bid submission, etc.; correspondence with supplier re: documentation in support of invoices; review and approval of invoices; correspondence with various bidders re: status of bid submissions, clarification of terms, etc.; correspondence re: revisions to Steelworkers schedules;
Consoli, Angelo	27-Jun-18	4.3	400	1,720.00	Conference call with PTL staff re: updates on various estate matters, customer contacts, etc.; correspondence re: DCH invoices, application to lift lien, affidavit, updates to schedule re: DCH invoices, etc. and correspondence with counsel re: same; correspondence with various customers re: bidder enquiries, steps re: assignment of contracts, requested meetings, etc.; correspondence with various bidders re: customer correspondence, terms and conditions, timelines re: bid deadline, etc.; discussions and steps re: processing and approval of payroll; prepare and submit May HST returns; correspondence with Teamsters Union rep re: support for submission of benefits contributions; review and approval of supplier invoices;
Consoli, Angelo	28-Jun-18	1.8	400	720.00	Calls with prospective bidder re: bid submission, conditions, timeline, customer contracts, info requests, etc.; correspondence re: DCH cranes, court application materials, etc.; correspondence re: NARL invoices, remittances, contracts and amendments thereto; review and approval of supplier invoices; correspondence with auctioneer bidders re: submissions, timelines, etc.; correspondence with controller re: union calculations, cheque requisitions, correspondence with customer re: info requests;
Consoli, Angelo	28-Jun-18	4.5	400	1,800.00	Review HAPSET reported figures, contact HAPSET re: remittance advice; correspondence with PTL Staff and Startec re: ongoing services, terms, etc and prepare letter to confirm same; review and approval of supplier invoices, wire transfer, etc.; correspondence with prospective bidders and PTL staff re: customer correspondence, information requests, compile and forward; review banking transactions and summary to the Bank re: funds transfer; correspondence re: ISO certification; review and correspondence re: employee expenses, supplier expenses, invoices, etc.; correspondence with controller re: government related outstanding balances; follow up on status of Talon invoice payment; correspondence re: NARL invoices and remittances;

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Total, Consoff, Angelo	Time	86.5		34,600.00	
Fisher-Cobb, Emma	1-Jun-18	3.3	145	651.00	Phone call with Bell Mobility re: account name change, matching up invoices and payments, managing incoming invoices, responding to emails from A. Consoff and P. Clarke, sorting outstanding invoices. Respond to email from C. Warren, phone call with Sunlife Financial, EFT Tracking form for payroll.
Fisher-Cobb, Emma	4-Jun-18	4.4	145	638.00	Online payment of payroll deductions, emails to C. Mazur, A. Consoff, and P. Clarke for approval of same, phone call with R. Mills regarding bank account, pulling GL accounts and sending information to PTL Group for cheque requisition, forwarding invoices and responding to emails. Phone call with A. Consoff and C. Warren regarding union obligations, sending deposit machine details to R. Mills, summary spreadsheet of union obligations for PTL Group. Phone call with P. Clarke for approvals of remittances, Putting together union spreadsheet.
Fisher-Cobb, Emma	5-Jun-18	4.5	145	652.50	Union payments spreadsheet, processing cheque requisition, responding to emails from C. Warren and R. Mills. Completing EFT documentation for source deductions and payroll, matching deductions with CMO system, updating union spreadsheets.
Fisher-Cobb, Emma	6-Jun-18	4.7	145	681.50	Reviewing payroll spreadsheets to March with overtime hours, emails to C. Mazur, P. Clarke, and A. Consoff regarding payroll files. Uploading payroll files to CMO. Receipt and review of PTL mail. Follow up on emails from C. Warren. Emails and phone call with C. Warren related to bank account reconciliation, located required documents for C. Warren. Reviewing additional cheque requisitions, printing requisitions, matching with tracking spreadsheet. Review of previous emails to C. Warren to reconcile sent invoices with received purchase orders and cheque requisition. Follow-up email to A. Consoff.
Fisher-Cobb, Emma	7-Jun-18	4.0	145	580.00	Receipt and review of email from C. Warren, review emails from P. Clarke. Match pay requests with approvals, phone call and emails to Newfoundland Power regarding receivership accounts, updated G/Ls to C. Warren and A. Consoff. Recording received invoice, email to C. Warren and A. Ryan regarding payment matching. Putting together Boilermakers' Spreadsheet and Carpenters' union spreadsheets.
Fisher-Cobb, Emma	8-Jun-18	4.2	145	609.00	Boilermaker's union sheet, updating invoice and payment tracking folders and spreadsheet, emails to R. Mills regarding wire transfer, receipt, review, and upload of CRA payroll deductions and email to A. Consoff, P. Clarke, and C. Mazur regarding same. Responding to emails from suppliers and PTL employees. Requesting wire transfer information.

**PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018**

<u>Employee</u>	<u>Date</u>	<u>Hours</u>	<u>rate</u>	<u>amount</u>	<u>comments</u>
Fisher-Cobb, Emma	11-Jun-18	3.7	145	536.50	Receipt and review of invoices, documentation of same and forward to PTL Group for matching. Receipt and review of emails regarding EFT of payroll deductions. Phone call to East Coast Concrete Finishing regarding returned 246 Notice. Matching of printed cheques with requisitions, emails to Battelfield Equipment Rental regarding outstanding invoices. Processing of cheque req for same, courier of cheque to Battelfield. Updating various union obligation sheets with May pre-receivership data
Fisher-Cobb, Emma	12-Jun-18	4.5	145	652.50	Review of emails, confirmation of payment to Bell Mobility, documentation of same. Follow-up regarding union dues processing. Updates to union obligations spreadsheets, drafting new sheet for Teamsters union, IBEW CSL, & IBEW PTL. Cheque requisition for outstanding invoices, review, print, and match union remittance invoices, respond to emails from A Cardwell, P. Clarke, and C. Warren. Follow-up emails to suppliers regarding payments. Review and upload of payroll to CMO system, sending approval emails for both.
Fisher-Cobb, Emma	13-Jun-18	4.9	145	710.50	Review emails from suppliers and C. Warren, respond as necessary. Record invoices and send same to C. Warren. Phone call with Newfoundland Power re: receivership proceedings. Updates to union obligation spreadsheets, creating new spreadsheets for Ironworkers, Labourers, and Steelworkers unions. Updates to invoice tracking sheets, responding to emails from A. Cardwell.
Fisher-Cobb, Emma	14-Jun-18	4.9	145	710.50	EFT documentation for this week's payroll. Receipt, review, and recording of new invoices, communication with C. Warren re: same. Review emails from suppliers, searching CMO for a cheque deposit information, providing deposit documentation to suppliers. Matching union obligation documentation with cheque requisitions, review union obligations via a vis payroll reports. Updates to C. Warren and A. Ryan regarding GL codes. Spreadsheets of pre and post payroll.
Fisher-Cobb, Emma	15-Jun-18	3.7	145	536.50	Phone call to suppliers regarding invoices and payments, read and respond to emails from C. Warren and A. Cardwell, prepare cheque requisitions, receipt and review of new invoices. Receipt and review of payment notice from CAFO, documentation of same. Responding to emails from suppliers and C. Warren, processing and mailing union remittances for May 11-31 2018
Fisher-Cobb, Emma	18-Jun-18	5.0	145	725.00	Read and respond to various emails from P. Clarke, A. Consoil, C. Warren, EFT requests for payroll deductions, review emails from suppliers and document incoming invoices, emails and conversation with C. Casco regarding EFT payment of invoice. Correspondence with suppliers regarding outstanding invoices, review of Teamsters' union due obligations. Update email to C. Warren and A. Consoil re: Teamsters' union remittance, cheque reqs to C. Casco for processing. Matching paid union obligations to letters and cheque stubs, documentation of same. Preparing GL for PTL Services and CSL Services for C. Warren. Send updated schedule of outstanding invoices to C. Warren as requested. Preparing electricity contracts and fax letter for A. Consoil. Faxed signed agreements to Newfoundland Power and mail same. Preparing courier for Teamsters union obligations.

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Fisher-Cobb, Emma	19-Jun-18	4.8	145	696.00	Phone call to Cape D'Or Holdings/Wilson Gas Stop regarding outstanding invoices. Letters to Teamsters' Union - various union remittance locations with back-up documentation, courier of cheque to Operating Engineers union. Receipt and review of cheque requisitions for outstanding invoices, matching of requisitions with invoice tracking documents, follow-up with suppliers and/or C. Warren regarding issues with requisitors. Read and respond to various emails from C. Warren, P. Clarke, & A. Consoil. Phone calls to various suppliers regarding outstanding invoices. Letters to accompany payments, mailing of cheques.
Fisher-Cobb, Emma	20-Jun-18	3.7	145	536.50	Review of emails from C. Warren, P. Clarke, and A. Consoil, respond as necessary, prepare letters for cheques, mail to suppliers, update invoice tracking system, prepare cheque requisitions, respond to emails from suppliers. Phone call to Parts for Trucks regarding duplicate invoice, email to C. Warren regarding the same. Read and respond to email from A. Cardwell regarding Newfoundland Power invoices.
Fisher-Cobb, Emma	21-Jun-18	5.2	145	754.00	Review and respond to emails from A. Consoil, A. Cardwell, and C. Warren. Phone conversation with A. Cardwell regarding Chris Parsons, follow up regarding outstanding cheques, putting together WEPPA summary spreadsheet including employee wages in pre-recruitment period and banked hours. Phone call to Ironworkers union regarding union dues, phone call to CIBC to stop cheque and follow-up via email, phone calls to East Coast Mobile Medical and follow-up emails regarding testing, payment of invoices and mailing of same, review of C. Warren's prepared cheque requisitions. Emails to A. Cardwell regarding employee payments. Updates to cheque tracking spreadsheet. Call to Bell Mobility regarding transfer of phone line, email to A. Consoil regarding same, finalize letter to Bell Mobility, Radio division and mailing of same.
Fisher-Cobb, Emma	22-Jun-18	4.9	145	710.50	Receipt and review of emails from C. Warren and A. Consoil, respond as necessary. Phone call to CRA regarding HST filings, documentation of same. Phone call to Ironworkers Local 764 and Trust Benefit Plan regarding remittances. Stop payment on cheque. Review of invoices sent by C. Warren, cheque requisitions and amendments as necessary. Cross referencing incoming cheque requisition with open invoices spreadsheet. Preparing letters and mailing payments. Conversations with suppliers via phone and email regarding invoices. Documentation of incoming invoices and outgoing payments, matching invoices with previously-received documents. Sending updated GIL to C. Warren.
Fisher-Cobb, Emma	26-Jun-18	2.8	145	406.00	Read and respond to emails from C. Warren and A. Cardwell. Email to A. Consoil regarding employee cheques, receipt and review of supplier invoices, documentation of same and sending invoices to PTL for matching with purchase orders. Follow up re: CAFO payment, receipt and review of PO. Discussions regarding processing CRA source deduction remittance. Process source deductions. Phone call to C. Warren in order to clarify union obligations, emails regarding same. Review Carol's updated union spreadsheet details, update to files, revise union summary spreadsheets.

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Fisher-Cobb, Emma	26-Jun-18	4.7	145	681.50	Phone calls to Labourer's Union, Steelworkers Union, Ironworkers Union, and Steelworkers benefit administrators. Follow-up with C. Warren and A. Consoil via phone and email. Emails to East Coast Mobile Medical regarding new testing, and release of test results. Review and respond to emails from C. Warren and A. Consoil. Review of union obligation updates, rebuild of Steelworkers union obligation sheet with new information. Letter to CAFO regarding July payment installment, courier of same. Receipt and review of email and mail from suppliers, forward same for matching to C. Warren. Phone call with J. Barrett regarding union membership, follow-up email to C. Warren and A. Consoil. Updates to WEPP spreadsheet, creation of employee information sheet for C. Warren to populate.
Fisher-Cobb, Emma	27-Jun-18	3.7	145	536.50	Cheque requisition for Fortis Concrete, read and respond to emails from A. Cardwell, C. Warren, A. Consoil. Discussions with C. Casco regarding payroll, processing payroll documents, requesting approvals, and payroll instruction sheets. Phone call to Bell Mobility regarding transfer of phone number. Email to Teamster's Union benefit program with back-up for payment remittance. Updates to invoice tracking spreadsheet, letter and mailing of payment to Fortis. Review of new cheque requisitions from C. Warren, cross-referencing previously-paid invoices. Cheque requisition for Casita Appraisals. Mailing various supplier cheques. Set up HST payment online through portal.
Fisher-Cobb, Emma	28-Jun-18	3.7	145	536.50	Submission of HST payments for PTL and CSL, emails to A. Consoil and P. Clarke regarding approval. Read and respond to emails from C. Warren, A. Consoil, P. Clarke. Phone call to supplier regarding outstanding invoice. Review cheque requisitions and invoice payments, revising cheque requisitions as needed. Emails to C. Warren regarding union dues, outstanding invoices, and employee lists. Updates to invoice tracking spreadsheet, Drafting payment letter to accompany cheques, mailing cheque, Follow-up with Manion Wilkins regarding return of Ironworkers benefit cheque. Update to A. Consoil via telephone.
Fisher-Cobb, Emma	29-Jun-18	4.2	145	609.00	Read, review, and respond to emails from A. Consoil, C. Warren, P. Clarke, A. Cardwell. Phone call to NARL regarding pre-receivership fuel invoices, payment of outstanding invoices, updates to invoice tracking sheet, composing letters to accompany cheques, response to Ironworkers benefit company regarding repayment of incorrect remittance, file update to A. Consoil, reviewing additional invoices and preparing cheque requisitions.
Total, Fisher-Cobb, Emma	Time	90.0		13,050.00	
Mazur, Chris	1-Jun-18	0.2	510	102.00	E-mails - Approvals on disb.
Mazur, Chris	5-Jun-18	0.2	510	102.00	Review / Sign cheques
Mazur, Chris	6-Jun-18	0.2	510	102.00	Review & approve payroll
Mazur, Chris	15-Jun-18	0.2	510	102.00	Attend re Status of offers.
Mazur, Chris	19-Jun-18	0.2	510	102.00	Review & approve payroll
Mazur, Chris	25-Jun-18	0.2	510	102.00	Review approve payroll - status of file

PTL Group of Companies Court Appointed Receiver
Time and Disbursements to June 30, 2018

Employee	Date	Hours	rate	amount	comments
Mazur, Chris	27-Jun-18	0.2	510	102.00	Re: sale Process and Go Forward - Review approve payroll
Total, Mazur, Chris	Time	1.4		714.00	
Morgan, Darrell	1-Jun-18	3.8	155	581.25	Email targets, answer questions, discussion with targets and managers, arrange site visits
Morgan, Darrell	4-Jun-18	4.3	155	668.75	Discussion with targets, arrange site visits, emails and calls with management and targets
Morgan, Darrell	5-Jun-18	2.3	155	348.75	Answer potential purchaser questions, email targets, arrange site visits
Morgan, Darrell	6-Jun-18	3.8	155	581.25	Email targets, answer questions from targets, arrange site visits
Morgan, Darrell	7-Jun-18	4.3	155	668.75	Email targets, answer questions, phone calls
Morgan, Darrell	8-Jun-18	1.8	155	271.25	Answer questions from targets, phone calls and other correspondence with interested parties, etc.
Morgan, Darrell	11-Jun-18	3.3	155	503.75	Answer targets questions, discussion with team on status and outstanding issues.
Morgan, Darrell	12-Jun-18	2.5	155	387.50	Email targets, phone calls, answer questions from bidders
Morgan, Darrell	14-Jun-18	6.3	155	968.75	Answer questions, email targets, summarize the bids and email to the team
Morgan, Darrell	15-Jun-18	2.5	155	387.50	Inquire of targets for clarification on proposals, discussion with AC and update the team.
Morgan, Darrell	17-Jun-18	1.3	155	193.75	Summarize information on results of sales process and rebid process.
Morgan, Darrell	18-Jun-18	2.5	155	387.50	Discussion with targets, emails to team and targets re questions
Morgan, Darrell	19-Jun-18	1.5	155	232.50	Discussion with targets
Morgan, Darrell	20-Jun-18	2.5	155	387.50	Discussion with targets, AC & PC. Emails back and forth.
Morgan, Darrell	21-Jun-18	2.5	155	387.50	Update the Bid Summary, email/phone calls with targets.
Morgan, Darrell	22-Jun-18	1.5	155	232.50	Discussion with targets.
Morgan, Darrell	27-Jun-18	1.3	155	193.75	Emails to targets, phone calls from targets
Total, Morgan, Darrell	Time	47.5		7,362.50	

SECOND REPORT TO THE COURT - Appendix G

SUBMITTED BY BDO CANADA LIMITED
 IN ITS CAPACITY AS RECEIVER OF
 PTL HOLDINGS LIMITED, PTL SERVICES (EQUIPMENT) LIMITED,
 CSL SERVICES (INDUSTRIAL) LIMITED AND 9263357 CANADA INC.

PTL Group
 Summary of Receiver's Legal Fees Paid
 As at September 28, 2018

Firm	Invoice Date	Fees	Disbursements	Sub-total	Taxes	Total
Cox & Palmer LLP	31-May-18	\$ 17,077.00	\$ -	\$ 17,077.00	\$ 2,561.55	\$ 19,638.55
	30-Jun-18	21,529.50	96.38	21,625.88	3,232.94	24,858.82
	31-Jul-18	16,440.00	583.45	17,023.45	2,498.17	19,521.62
	31-Aug-18	14,255.00	674.90	14,929.90	2,230.49	17,160.39
			<u>\$ 69,301.50</u>	<u>\$ 1,354.73</u>	<u>\$ 70,656.23</u>	<u>\$ 10,523.15</u>
Firm	Invoice Date	Fees	Disbursements	Sub-total	Taxes	Total
Patterson Law	31-Jul-18	\$ 2,800.00	\$ 63.60	\$ 2,863.60	\$ 429.54	\$ 3,293.14
	24-Aug-18	2,100.00	1,160.49	3,260.49	483.08	3,743.57
		<u>\$ 4,900.00</u>	<u>\$ 1,224.09</u>	<u>\$ 6,124.09</u>	<u>\$ 912.62</u>	<u>\$ 7,036.71</u>
Total		<u>\$ 74,201.50</u>	<u>\$ 2,578.82</u>	<u>\$ 76,780.32</u>	<u>\$ 11,435.77</u>	<u>\$ 88,216.09</u>

APPENDIX I



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of: NEWFOUNDLAND AND LABRADOR
Division No.: 01 - Newfoundland and Labrador
Court No.: 22298
Estate No.: 51-2425916

In the Matter of the Bankruptcy of:
PTL SERVICES (EQUIPMENT) LTD
Debtor

BDO CANADA LIMITED / BDO CANADA LIMITÉE
Licensed Insolvency Trustee

ORDINARY ADMINISTRATION

Security: \$*,***

Date and time of bankruptcy: September 28, 2018, 10:46

Date of trustee appointment: September 28, 2018

Meeting of creditors: October 17, 2018, 10:00
BDO Canada
2nd Floor - 300 Kenmount Road
St. John's, NEWFOUNDLAND AND LABRADOR

Chair: Trustee

CERTIFICATE OF APPOINTMENT Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify, that:

- the aforementioned debtor filed an assignment under section 49 of the Bankruptcy and Insolvency Act;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

E-File / Dépôt électronique

Official Receiver

Maritime Centre, 1505 Barrington Street, 16th Floor, Halifax, NOVA SCOTIA, B3J
3K5, 877/376-9902

Canada



Industry Canada

Industrie Canada

Office of the Superintendent
of Bankruptcy Canada

Bureau du surintendant
des faillites Canada

District of: NEWFOUNDLAND AND LABRADOR
Division No.: 01 - Newfoundland and Labrador
Court No.: 22298
Estate No.: 51-2425914

In the Matter of the Bankruptcy of:
PTL HOLDINGS LIMITED
Debtor

BDO CANADA LIMITED / BDO CANADA LIMITÉE
Licensed Insolvency Trustee

ORDINARY ADMINISTRATION

Security: \$*,***

Date and time of bankruptcy: September 28, 2018, 10:45

Date of trustee appointment: September 28, 2018

Meeting of creditors: October 17, 2018, 11:00
BDO Canada Limited
2nd Floor - 300 Kenmount Road
St. John's, NEWFOUNDLAND AND LABRADOR

Chair: Trustee

CERTIFICATE OF APPOINTMENT Section 49 of the Act: Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify, that:

- the aforementioned debtor filed an assignment under section 49 of the Bankruptcy and Insolvency Act;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

E-File / Dépôt électronique

Official Receiver

Maritime Centre, 1505 Barrington Street, 16th Floor, Halifax, NOVA SCOTIA, B3J
3K5, 877/376-9902

Canada



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of: NEWFOUNDLAND AND LABRADOR
Division No.: 01 - Newfoundland and Labrador
Court No.: 22298
Estate No.: 51-2425910

In the Matter of the Bankruptcy of:
9263357 CANADA INC.
Debtor

BDO CANADA LIMITED / BDO CANADA LIMITÉE
Licensed Insolvency Trustee

ORDINARY ADMINISTRATION

Security: \$*,***

Date and time of bankruptcy: September 28, 2018, 10:42

Date of trustee appointment: September 28, 2018

Meeting of creditors: October 17, 2018, 14:00
BDO Canada Limited
2nd Floor - 300 Kenmount Road
St. John's, NEWFOUNDLAND AND LABRADOR

Chair: Trustee

CERTIFICATE OF APPOINTMENT Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify, that:

- the aforementioned debtor filed an assignment under section 49 of the Bankruptcy and Insolvency Act;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

E-File / Dépôt électronique

Official Receiver

Maritime Centre, 1505 Barrington Street, 16th Floor, Halifax, NOVA SCOTIA, B3J
3K5, 877/376-9902

Canada

APPENDIX J

**PTL Holdings Limited, PTL Services (Equipment) Limited,
CSL Services (Industrial) Limited, and 9263357 Canada Inc.
Receiver's Statement of Receipts and Disbursements
for the period May 11, 2018 to September 28, 2018**

Receipts	PTL Services	CSL Services	PTL Holdings	9263357	Total
Cash on Hand	\$ 13,101	\$ -	\$ -	\$ -	\$ 13,101
Transfer between Trust accounts	-	-	150	(150)	-
Accounts receivable	1,447,203	187,641	-	-	1,634,843
Sales - Operations	3,602,071	279,654	-	-	3,881,725
Sale of Assets	2,800,000	-	-	-	2,800,000
Sale of Real Property	50,000	-	-	1,250,000	1,300,000
HST collected	540,312	41,948	-	-	582,260
HST refunds	225,349	-	-	-	225,349
Misc. refunds	7,854	-	-	-	7,854
Transfer (to) / From Estate	-	-	-	-	-
Total Receipts	\$ 8,685,889	\$ 509,243	\$ 150	\$ 1,249,850	\$ 10,445,132
Disbursements					
Payroll and related expenses	1,176,343	200,759	-	-	1,377,102
Source deductions	804,467	115,995	-	-	920,462
Union Dues	296,962	50,100	-	-	347,063
Workers Comp / HAPSET	58,436	9,476	-	-	67,912
Operating expenses (supplies, fuel, etc.)	1,270,013	643	-	-	1,270,656
Receiver Fees	225,485	-	-	-	225,485
Insurance	103,005	-	-	-	103,005
Legal fees	76,780	-	-	-	76,780
Property taxes	566	-	-	22,402	22,968
Advertising / Notices	1,245	-	-	-	1,245
Repairs and maintenance	2,500	-	-	-	2,500
HST paid / ITC's	228,650	155	-	-	228,805
HST remitted	249,005	5,350	-	-	254,355
Utilities	2,059	-	-	-	2,059
Postage	170	-	-	-	170
Bank charges and interest	4,660	337	80	-	5,077
Registration fees	70	70	70	70	280
Total Disbursements	\$ 4,500,417	\$ 382,885	\$ 150	\$ 22,472	\$ 4,905,923
Net cash receipts	\$ 4,185,473	\$ 126,358	\$ -	\$ 1,227,378	\$ 5,539,209
Balance in Receiver's trust accounts	\$ 4,185,473	\$ 126,358	\$ -	\$ 1,227,378	\$ 5,539,209

APPENDIX K

**PTL Holdings Limited, PTL Services (Equipment) Limited,
CSL Services (Industrial) Limited, and 9263357 Canada Inc.**

**Estimated Security Position
as at September 28, 2018**

	<u>Low</u>	<u>High</u>	<u>Average</u>
Funds on Hand	\$ 5,539,209	\$ 5,539,209	\$ 5,539,209
Add: Anticipated AR Receipts	541,000	629,000	585,000
Less: Priority Distributions	(268,208)	(268,208)	(268,208)
Less: Estimated Wind-up and outstanding estate administration cost	(894,000)	(694,000)	(794,000)
Net Estimated Funds available for Distribution to CIBC	<u>\$ 4,918,002</u>	<u>\$ 5,206,002</u>	<u>\$ 5,062,002</u>
CIBC Indebtedness (prior to ongoing interest and charges)	<u>5,924,191</u>	<u>5,924,191</u>	<u>5,924,191</u>
Estimated Net Shortfall	<u>\$ (1,006,189)</u>	<u>\$ (718,189)</u>	<u>\$ (862,189)</u>

Caution:

As the information is based on assumptions regarding future events, actual results will vary and the variations may be material. BDO Canada Limited, does not express any opinion as to whether the estimates will be achieved.

APPENDIX L

**PTL Holdings Limited, PTL Services (Equipment) Limited,
CSL Services (Industrial) Limited, and 9263357 Canada Inc.**

**Receiver's Schedule of Proposed Distributions
as at September 28, 2018**

	<u>PTL Services</u>	<u>CSL Services</u>	<u>PTL Holdings</u>	<u>9263357</u>	<u>Total</u>
Funds on Hand Per R&D	\$ 4,185,473	\$ 126,358	\$ -	\$ 1,227,378	\$ 5,539,209
Re-allocation of Sale Proceeds	-	-	-	-	-
Re-allocated Funds on hand	A \$ 4,185,473	\$ 126,358	\$ -	\$ 1,227,378	\$ 5,539,209
Add: Anticipated receipts					
AR - outstanding as at 9/28/18	540,000	1,000	-	-	541,000
Outstanding billings	TBD	TBD	-	-	TBD
B	540,000	1,000	-	-	541,000
Net Estimated Gross Receipts	A+B=C \$ 4,725,473	\$ 127,358	\$ -	\$ 1,227,378	\$ 6,080,209
Less: Priority Payments					
Source Deductions	-	-	-	-	-
81.6 Pension Claim	(136,916)	(32,916)	-	-	(169,832)
81.4 Union Dues Claim	(14,101)	(69,275)	-	-	(83,375)
81.4 Salary Claim	(15,000)	-	-	-	(15,000)
HAPSET	-	-	-	-	-
Sub-total	D (166,017)	(102,191)	-	-	(268,208)
Net Funds estimated funds after prior ranking claims and prior to ongoing disbursements	C-D=E \$ 4,559,456	\$ 25,168	\$ -	\$ 1,227,378	\$ 5,812,002
Less:					
Wind-up and Admin (Payroll, overhead, etc.)	(80,000)	-	-	-	(80,000)
Open P.O.'s / AP / Union Dues	(340,000)	(25,000)	-	-	(365,000)
Outstanding HST Remittance Fees	(85,000)	(5,000)	-	-	(90,000)
F	(864,000)	(30,000)	-	-	(894,000)
Net Estimated funds available for Distribution to CIBC	E-F=G \$ 3,695,456	\$ (4,832)	\$ -	\$ 1,227,378	\$ 4,918,002
Proposed CIBC Distribution	H 2,250,000	-	-	1,000,000	3,250,000
Net Estimated Funds available for future distribution	G-H \$ 1,445,456	\$ (4,832)	\$ -	\$ 227,378	\$ 1,668,002

Notes:

(1) Based on Company records there are no CRA deemed trust amounts for outstanding source deductions as at the Appointment Date.

(2) As a result of the bankruptcy, CRA has an unsecured claim in respect of the outstanding HST owing from PTL and CSL.

(3) As a result of the bankruptcy the Government of Newfoundland and Labrador has an unsecured claim in respect of the outstanding HAPSET owing from PTL and CSL.

APPENDIX M

Re: Loan Payouts – Schedule A

Client Name:	PTL Services (Equipment) Ltd. / PTL Holdings Limited
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18-Oct-18
CURRENT PRIME 3.70%

Facilities PTL Services (Equipment) Ltd.

1	TYPE:	C/A	PRINCIPAL OUTSTANDING as at:	\$1,920,209.80
	INSTRU. NO:	63/7621310	INTEREST OWING up to:	\$52,481.07
	CLIENT RATE:	6.45% (Prime & spread)	UNAUTHORIZED INTEREST OWING up to:	\$0.00
			FEES (Loan Accounting Fee, Service Charge, Standby Fee, Discharge Fees):	\$3,000.00
			TOTAL FUNDS REQUIRED:	\$1,975,690.87
			PER DIEM	\$339.32

PTL Holdings Limited

2	TYPE:	ACBLA	PRINCIPAL OUTSTANDING as at:	\$3,855,235.00
	INSTRU. NO:	5597818	INTEREST OWING up to:	\$93,265.00
	CLIENT RATE:	5.30% (Prime & spread)	UNAUTHORIZED INTEREST OWING up to:	\$0.00

FEES (Loan Accounting Fee, Service Charge, Standby Fee, Discharge Fees):	\$0.00
TOTAL FUNDS REQUIRED:	\$3,948,500.00
PER DIEM	\$559.80

FACILITIES TOTAL: \$5,924,190.87

Notes

1. Main operator account balance is subject to ongoing credit items to be transferred to the Receivers account
2. Interest continues to accrue on outstanding loans
3. Subject to additional Legal and Financial Advisor Fees
- 4.
- 5.
- 6.
- 7.
- 8.