

**Court File No. CV-20-00648528-00CL**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, C. C-36, AS AMENDED ("CCAA")**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
JMX CONTRACTING INC., JMX NATIONAL INC., BRND PROPERTIES INC., AND  
JMX LEASING INC. ("APPLICANTS" OR "COMPANY")**

**FIRST REPORT OF CROWE SOBERMAN INC. IN ITS CAPACITY AS MONITOR OF  
THE APPLICANTS UNDER THE CCAA**

**DECEMBER 4, 2020**

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THE APPLICANTS UNDER THE CCAA

DECEMBER 4, 2020

I. INTRODUCTION

1. This report (the "**First Report**") is filed by Crowe Soberman Inc. ("**Crowe**") in its capacity as monitor (the "**Monitor**") of the Applicants under the CCAA. Prior to the commencement of the Applicants' CCAA proceedings, on April 17 and April 20, 2020, the JMX Group filed Notices of Intention to Make a Proposal under the Bankruptcy and Insolvency Act and Crowe was appointed as Proposal Trustee ("**NOI Proceedings**").
2. On September 29, 2020, the Court issued an order ("**Initial Order**"), *inter alia*,
  - a. converting the NOI Proceedings into proceedings under the CCAA ("**CCAA Proceedings**") in order to allow time for the completion of the restructuring process initiated by the Company during the NOI Proceedings and providing the Company with a stay of proceedings through December 11, 2020;

- b. approving the Sale Process and the Stalking Horse Agreement (each as defined in the Initial Order);
  - c. transitioning the administrative charge granted in the NOI Proceedings to the CCAA Proceedings;
  - d. approving DIP financing and the DIP Lenders' Charge; and
  - e. approving the activities of the Proposal Trustee as set out in the Fourth Report of the Proposal Trustee dated September 25, 2020 ("**Fourth Report**"), a copy of which is attached hereto as **Appendix "1"** (without appendices, except for the fee affidavits).
3. A copy of the Initial Order is attached hereto as **Appendix "2"**.
4. This First Report of the Monitor provides:
- a. A summary of the activities of the Company and the Monitor since the date of the Fourth Report;
  - b. Information concerning the Sale Process conducted by the Monitor in accordance with the Initial Order and the results of same;
  - c. Details of the Applicants' actual receipts and disbursements since the date of the Initial Order compared to the cash flow projection included in the Fourth Report ("**Initial Cash Flow**");
  - d. The Monitor's comments and report on the Applicants' updated cash flow projection (the "**Updated Cash Flow Projection**"); and
  - e. the Monitor's recommendation that this Court make the following orders as requested by the Applicants:
    - i. extending the stay of proceedings from December 11, 2020 to March 8, 2021;
    - ii. approving a revised timetable for completion of the Sale Process;

- iii. approving this First Report and the activities, actions and conduct of the Monitor set out herein; and
- iv. approving the Monitor's fees and disbursements and those of its counsel, as detailed in the fee affidavits attached to the Fourth Report.

## II. TERMS OF REFERENCE

- 5. Unless otherwise noted, all monetary amounts contained in this First Report are expressed in Canadian dollars.
- 6. In preparing this First Report, the Monitor has relied upon certain unaudited internal financial information prepared by the Company's representatives, the Applicants' books and records and discussions with their management, employees, agents, lawyers and consultants (collectively, the "**Information**"). The Monitor has not performed an audit or other verification of the Information in a manner that would comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountant of Canada Handbook (the "**CPA Handbook**") and, as such, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
- 7. Some of the information used in preparing this First Report consists of financial projections, including the Updated Cash Flow Projection. The Monitor cautions that these projections are based upon assumptions about future events and conditions that are not ascertainable. The Applicants' actual results may vary from the Updated Cash Flow Projection, even if the assumptions contained therein materialize, and the variations could be significant. The Monitor's review of the future oriented information used to prepare this First Report did not constitute an audit of such information under GAAS or any other accounting standards.
- 8. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the Applicants

and its management, within the context in which such information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of these assumptions. The Monitor has requested that management bring to its attention any significant matters which were not addressed in the course of the Monitor's specific inquiries. Accordingly, this First Report is based solely on the information (financial or otherwise) made available to the Monitor by the Applicants and their representatives.

9. This First Report has been prepared for the use of this Court and the Applicants' stakeholders as general information relating to the Applicants and to assist the Court in determining whether to grant the relief sought by the Applicants. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose.
10. Capitalized terms not defined in this First Report have the meanings ascribed to them in the affidavit of Charlie Dahl sworn December 3, 2020 ("**Dahl Affidavit**") filed in connection with the Applicants' motion.

### **III. ACTIVITIES OF THE COMPANY AND MONITOR**

11. Since the date of the Fourth Report, the Company, in consultation with the Monitor, has been engaged in, among other things:
  - i. corresponding and providing information to Royal Bank of Canada ("**RBC**"), the Company's senior secured creditor;
  - ii. paying down the RBC secured indebtedness in periodic instalments;
  - iii. providing information to RBC's financial advisor, msi Spergel Inc. ("**Spergel**");
  - iv. sourcing and securing new construction project contracts;
  - v. working with the Monitor to prepare cash flow projections and budget to actual variance analyses;

- vi. assisted the Monitor to assemble information for the Sale Process, as described in further detail below; and
- vii. continuing to implement general operational and administrative changes designed to stabilize the ongoing business and cash flows of the JMX Group.

12. In addition to assisting the JMX Group and its legal counsel in connection with the above, the Monitor has been engaged in, among other things:

- i. monitoring the Company's receipts and disbursements;
- ii. assisting the Company in the preparation of various cash flow projections and reviewing the information and support provided therein;
- iii. monitoring the business and financial affairs of the Company;
- iv. responding to calls and enquiries from creditors and other stakeholders regarding these CCAA Proceedings;
- v. preparation of a variance analysis of cash flow projections versus actual cash flow results;
- vi. attending at the Court hearing for the Initial Order;
- vii. maintaining the Monitor's website for these proceedings;
- viii. conducting the sale process as described in further detail herein; and
- ix. preparing this First Report.

#### **IV. THE SALES PROCESS**

13. The purpose of the Sales Process approved by the Court pursuant to the Initial Order was to provide third parties with an opportunity to submit bids for the Company's Business and/or Assets on a going-concern basis. A copy of the Sales Process is attached as **Appendix "3"** hereto. The Initial Order also approved a Stalking Horse Agreement between the Company, as vendor, and

2779076 Ontario Inc. (the “**Stalking Horse Bidder**”). Given the shareholders of the Stalking Horse Bidder are also shareholders of the JMX Group (although the Stalking Horse Bidder is not a related party to the JMX Group as that term is defined in the BIA), the Monitor administered all aspects of the Sales Process on behalf of the Company. The key aspects of the Sale Process are as follows (defined terms used in this section and not otherwise defined herein have the meaning ascribed to them in the Sales Process):

- a. The Monitor contacted more than 35 parties or their representatives (the “**Interested Parties**”) identified by the Monitor and/or the Company who may be interested in purchasing the Business and/or Assets of the Company and provided those parties with a “teaser” document;
- b. On October 8, 2020 (and for two weeks thereafter), the Monitor published a notice advertising the opportunity in two major industry publications and posted the opportunity on its website. The industry publications were American Demolition Media (DemolitionHub.com, approximately 40,000 monthly users) and Construction and Demolition Recycling (CDrecycler.com, approximately 13,000 average monthly users). Copies of the published notices are attached hereto as **Appendix “4”**;
- c. 7 Interested Parties advised the Monitor that they wished to commence due diligence and each executed a non-disclosure agreement (“**NDA**”);
- d. Upon execution of the NDA by the Interested Parties, the Monitor provided access to the electronic data room established and maintained by the Monitor. The data room was populated by the Monitor with the assistance of the Company;
- e. Non-binding letters of intent were due to be submitted in writing to the Monitor by no later than 5:00pm (Toronto time) on October 23, 2020, (“**Phase I Bid Deadline**”). No such non-binding letters of intent were received by the Phase I Bid Deadline;



- f. Pursuant to the Sales Process, the successful bid (the “**Successful Bid**”) was deemed to be:
  - i. in the event that no Qualified Phase I Bid other than the Stalking Horse Bid is received by the Phase I Bid Deadline, the Stalking Horse Bid; or
  - ii. in the event that no Qualified Phase II Bid other than the Stalking Horse Bid is received by the Phase II Bid Deadline, the Stalking Horse Bid; or
  - iii. in the event that multiple Qualified Phase II Bids are received, following the conclusion of the Auction, the Qualified Phase II Bidder submitting the highest and/or best offer through the Auction.
- g. As no other bids besides the Stalking Horse Bid were received by the Phase 1 Bid Deadline, the Stalking Horse Bid is deemed to be the Successful Bid.

## **V. STALKING HORSE AGREEMENT**

14. The Sale Process provides that unless an offer was received through the Sale Process that, among other things, provided for consideration that is at least \$250,000 in excess of the aggregate of the purchase price contemplated by the Stalking Horse Agreement, then the transaction contemplated by the Stalking Horse Agreement would be completed. A copy of the Stalking Horse Agreement is attached hereto as **Appendix “5”**. The Stalking Horse Agreement and the Sale Process were approved by the Court pursuant to the Initial Order.
15. As noted above, the Sale Process was carried out by the Monitor without participation of the two shareholders of the Company that are also involved with the Stalking Horse Bidder.
16. The salient terms of the Stalking Horse Agreement are as follows (defined terms used in this section and not otherwise defined herein have the meaning ascribed to them in the Stalking Horse Agreement):

- a. The purchase price is the aggregate of the following amounts:
- i. the payment in cash, or the assumption of, any payables of the Vendors, which by operation of law, are in priority to the security interest of RBC (the “**Priority Payables**”);
  - ii. the assumption of the amount, if any, comprising the secured indebtedness owing by the Vendors to the RBC as of the Closing Date. As of the date of this First Report the Monitor understands that the Company has repaid the principal amount due under its operating facility with RBC and the only facilities remaining with RBC are a Visa credit facility that is to be paid down by closing and lease financing obligations that are to be assumed;
  - iii. the assumption of the DIP Loan in the amount of \$1 million plus any accrued interest owing by the Vendors to the DIP Lender as of the Closing Date;
  - iv. the assumption of the Assumed Liabilities of the Vendors owing as of the Closing Date, which amount as of the date hereof is approximately \$4 million;
  - v. the assumption of the mortgage granted to BRND by Hillmount Capital Inc., of which approximately \$1.7 million is outstanding as of the date hereof;
  - vi. the assumption of the indebtedness owing by BRND to Dahl Demolition Corp; 23912112 Ontario Inc., and 23912113 Ontario Inc. as of the Closing Date, representing a total indebtedness of \$1,245,087.53 as of the date hereof; and
- (The assumption of the amounts in (i) to (vi) above, are collectively, the “**Assumed Liabilities**”. As of the date hereof, the Assumed Liabilities total approximately \$7.9 million;

- b. The Stalking Horse Bidder will seek to obtain assignments of certain contracts of the Company, either consensually or through a court order;
  - c. The assets to be purchased pursuant to the Stalking Horse Agreement exclude the OPG Litigation Claim (as defined in the Stalking Horse Agreement), the OPG Contract and the ASNA Contract<sup>1</sup>. Such claim/contracts (and related trade liabilities) will remain as an asset (and liability, as the case may be) of the Company and resolution of the claim will continue to be pursued by the Company in the CCAA Proceedings;
  - d. In respect to the Remaining Liabilities in connection with OPG (the “**OPG Remaining Liabilities**”), the Stalking Horse Bidder will fund the costs associated with the OPG Litigation and any amounts recovered in respect to that litigation less the costs of the litigation will be distributed to holders of the OPG Remaining Liabilities on the basis of their legal entitlements;
  - e. in respect to the Remaining Liabilities in connection with the ASNA Contract (the “**ASNA Remaining Liabilities**”), the Stalking Horse Bidder will be purchasing the ASNA Litigation Claim (as defined in the Stalking Horse Agreement) and funding the litigation against ASNA. Any amounts recovered in respect to that litigation less the costs of the litigation will be paid to holders of the ASNA Remaining Liabilities on the basis of their legal entitlements;
17. The Stalking Horse Agreement contemplates the purchase of the business and substantially all of the assets of the Company, the continuation of the Applicants’ business as a going-concern enterprise, and offers the opportunity for continued employment to approximately 45 employees of the Company on substantially the

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<sup>1</sup> The OPG Contract was terminated by OPG subsequent to the commencement of the Sale Process. The Stalking Horse Agreement provides that the ASNA Litigation Claim will be assumed by the Stalking Horse Bidder, however the Schedule 1.1(A) indicates that the ASNA contract is an Excluded contract given that the contract was completed as at the date of the Stalking Horse Agreement.

same terms as their current employment.

18. The Stalking Horse Bidder has requested that the Applicants and Monitor consider an alternative transaction structure that minimizes costs and the tax impacts associated with asset sales, including any taxes that may be payable upon land transfer to a new entity. The alternative transaction structure proposed by the Stalking Horse Bidder is in the form of a reverse vesting order that allows the Company to retain its assets and vest out its liabilities.
19. The Applicants and Stalking Horse Bidder have advised the Monitor that they require additional time beyond the timelines provided for in the Sale Process to settle the amended transaction documentation, seek Court approval of such amendments, and close the transaction contemplated by the Stalking Horse Agreement. Pursuant to the Sale Process, the Monitor may extend or amend the Sale Process timetable by up to two weeks without Court approval. As the extension sought is longer than that which the Monitor may approve, the Applicants are seeking this Court's approval of a revised timetable for closing to permit the sale transaction to close by January 31, 2021. The Monitor believes that such extension is reasonable in the circumstances and will allow the Company the time to finalize the transaction structure, complete the required transaction documentation, seek the Court's approval of the revised transaction structure, and close the transaction.

## VI. FINANCIAL RESULTS DURING THE CCAA PROCEEDINGS

20. A comparison of the initial Cash Flow Projection to the actual cash flow results of the Company is set out below:

### The JMX Group

#### Variance Analysis - Cash Flow Projections vs Actual

For The Period From September 14 to November 30

	<u>Projections</u>	<u>Actual</u>	<u>Variance</u>
	\$	\$	\$
<b>Cash-in</b>			
A/R Collections	2,263,957	2,111,607	(152,350)
A/R Holdback	97,939	2,341	(95,599)
Scrap sales receipts	200,000	62,271	(137,729)
DIP Facility Advances	1,000,000	1,000,000	-
COVID-19 Federal Wage Subsidy	181,625	343,625	162,000
	<b>A</b> 3,743,521	3,519,844	(223,678)
<b>Cash-out</b>			
Payroll and source deductions	740,221	703,867	(36,355)
Union Dues	199,476	212,536	13,060
Medical Benefits	5,000	5,690	690
Rent	40,000	-	(40,000)
HST	141,732	180,898	39,166
WSIB and EHT	44,454	149,146	104,692
407 ETR	1,000	1,471	471
Utilities - Gas & Hydro	2,530	3,117	587
Utilities - Phone & Internet	10,500	3,771	(6,729)
Insurance	70,963	70,963	-
Construction material purchases	75,000	50,991	(24,009)
Subcontractor Expenses	50,000	76,396	26,396
Fuel & Transportation Costs	42,500	109,995	67,495
Vehicle Expenses	18,000	-	(18,000)
Disposal costs	55,187	15,261	(39,926)
Equipment repair	91,228	80,677	(10,551)
Office and maintenance	10,223	7,205	(3,018)
IT Support	7,500	2,843	(4,657)
Interest & Bank Charges	1,350	12,623	11,273
Professional Fees	407,305	204,886	(202,419)
Lease Payments - JMX Leasing	371,976	193,119	(178,857)
RBC Repayments	1,900,000	1,900,000	-
Accounts Payable vendor payments	75,174	216,807	141,633
	<b>B</b> 4,361,320	4,202,264	(159,056)
<b>Reconciliation to RBC bank balance</b>			
Net Cash Flow	<b>C=A-B</b> (617,798)	(682,421)	(64,622)
Opening Cash	<b>D</b> 1,009,848	1,009,848	
Closing Cash	<b>C+D</b> 392,050	327,427	
Actual Cash Balance November 30 per RBC		327,427	

## VII. CASH FLOW PROJECTIONS

21. The Company with the assistance of the Monitor has prepared the Updated Cash Flow Projections. A copy of the Updated Cash Flow Projections is attached hereto as **Appendix “6”**, which is summarized below:

### THE JMX GROUP

#### Projected Statement Of Cash Flows

For The Period from November 30, 2020 to March 8, 2021

		\$
<b>Cash-in</b>		
A/R Collections		1,333,420
A/R Holdback		124,872
Scrap		250,000
Tax Refund - Y/E 2020		391,107
CRA Covid-19 wage subsidy		<u>202,599</u>
<b>Total Cash-in</b>	<b>A</b>	<b>2,301,998</b>
<b>Cash-out</b>		
Payroll and source deductions		604,966
Union Dues		140,000
Medical Benefits		5,600
Rent		30,000
HST (CRA)		97,836
WSIB and EHT		24,000
407 ETR		3,261
Utilities - Gas & Hydro		2,400
Utilities - Phone & Internet		3,000
Insurance		66,856
Construction material purchases		51,991
Subcontractor Expenses		16,000
Fuel & Transportation Costs		28,000
Vehicle Expenses - Petro Canada		17,000
Disposal costs		24,000
Equipment repair		20,000
Office (includes maintenance)		2,184
IT Support		11,940
Interest & Bank Charges		900
Accounting fees		30,000
Professional Fees		193,579
Lease Payments		166,724
CAT payments due		235,095
Visa Payments		200,000
A/P Vendor payments		<u>301,799</u>
<b>Total Cash-out</b>	<b>B</b>	<b>2,277,131</b>
<b>Net cash</b>	<b>C=A-B</b>	<b>24,867</b>
<b>Opening Cash</b>	<b>D</b>	<b>327,427</b>
<b>Closing Cash</b>	<b>C+D</b>	<b>352,294</b>

22. The Updated Cash Flow Projections indicate that the Company will have sufficient liquidity to fund both operating costs and the costs of the CCAA Proceedings, for the duration of the requested stay period, and to eliminate their indebtedness to RBC.

23. The Updated Cash Flow Projections also reflect that the Company will continue to be in compliance with Section 8 of the Construction Act for the Cash Flow Projection Period. The Monitor notes that the Company's books and records contain the information required to be maintained by the Company under Section 8 of the Construction Act.

#### **VIII. CONCLUSION AND RECOMMENDATIONS**

24. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court issue an order, *inter alia*:

- a. extending the stay of proceedings to March 8, 2021;
- b. Extending the outside date to close the transaction with the Stalking Horse Bidder to January 31, 2021;
- c. Approving the activities of the Monitor as described in the Fourth Report and this First Report; and
- d. Approving the fees and disbursements of the Monitor and its counsel as set out in the Fourth Report.

All of which is respectfully submitted this 4<sup>th</sup> day of December, 2020.

**CROWE SOBERMAN INC.**

In its capacity as Monitor in the CCAA Proceedings of  
The JMX Group and in no other capacity

A handwritten signature in blue ink, appearing to be a stylized 'B' or similar character.



# Appendix “1”

**Court File No. 31-2639875  
Estate File No. 31-2639875**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL OF JMX CONTRACTING INC. OF THE TOWN OF UXBRIDGE IN THE  
PROVINCE OF ONTARIO**

**AND IN THE MATTER OF THREE RELATED INTENDED PROPOSALS OF  
JMX NATIONAL INC., BRND PROPERTIES INC., and JMX LEASING INC.**

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, C. C-36, AS AMENDED ("CCAA")**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
JMX CONTRACTING INC., JMX NATIONAL INC., BRND PROPERTIES INC., AND  
JMX LEASING INC. ("APPLICANTS")**

**FOURTH REPORT OF CROWE SOBERMAN INC. IN ITS CAPACITY AS TRUSTEE  
UNDER THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF THE  
APPLICANTS AND PROPOSED MONITOR OF THE APPLICANTS UNDER THE  
CCAA**

**SEPTEMBER 25, 2020**

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## APPENDICES

APPENDIX “1”	Third report of the Proposal Trustee dated August 12, 2020 (without appendices)
APPENDIX “2”	First report of the Proposal Trustee dated May 13, 2020 (without appendices)
APPENDIX “3”	Sale Process
APPENDIX “4”	Stalking Horse Agreement
APPENDIX “5”	Cash flow projection from September 14 to December 13, 2020
APPENDIX “6”	Affidavit of Hans Rizarri sworn September 25, 2020
APPENDIX “7”	Affidavit of Harvey Chaiton sworn September 24, 2020

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL OF JMX CONTRACTING INC. OF THE TOWN OF UXBRIDGE IN THE  
PROVINCE OF ONTARIO

AND IN THE MATTER OF THREE RELATED INTENDED PROPOSALS OF  
JMX NATIONAL INC., BRND PROPERTIES INC., and JMX LEASING INC.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, C. C-36, AS AMENDED ("CCAA")

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
JMX CONTRACTING INC., JMX NATIONAL INC., BRND PROPERTIES INC., AND  
JMX LEASING INC. ("APPLICANTS")

FOURTH REPORT OF CROWE SOBERMAN INC. IN ITS CAPACITY AS TRUSTEE  
UNDER THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF THE  
APPLICANTS AND PROPOSED MONITOR OF THE APPLICANTS UNDER THE  
CCAA

SEPTEMBER 25, 2020

I. INTRODUCTION

1. This report (the "**Report**") is filed by Crowe Soberman Inc. ("**Crowe**") in its capacity as proposal trustee (the "**Proposal Trustee**") in connection with the Notices of Intention to Make a Proposal ("**NOIs**") under the Bankruptcy and Insolvency Act ("**BIA**") filed by JMX Contracting Inc. ("**Contracting**"), JMX National Inc. ("**National**"), BRND Properties Inc. ("**BRND**"), and JMX Leasing Inc. ("**Leasing**") (collectively, the "**Company**", the "**Applicants**" or the "**JMX Group**") and as proposed monitor ("**Proposed Monitor**") under the Company's

application to continue proceedings commenced under Part III of the BIA under the CCAA (“**CCAA Application**”).

2. Background information concerning the Company and the events leading to its NOI filing are contained in the third report of the Proposal Trustee dated August 12, 2020 (“**Third Report**”) and the affidavit of Charlie Dahl sworn September 23, 2020 (“**Dahl Affidavit**”) in connection with the Application. A copy of the Third Report (without appendices) is attached hereto as **Appendix “1”**. A summary of the key events and orders issued in the NOI proceedings is as follows:
  - a. On April 17 and April 20, 2020 (the “**Filing Dates**”), the JMX Group filed Notices of Intention to Make a Proposal and Crowe was appointed as Proposal Trustee.
  - b. On May 13, 2020, the Proposal Trustee filed its first report to Court (“**First Report**”), in support of, among other things, an extension of the initial stay of proceedings provided by the NOI filings and the approval of an administration charge. On May 15, 2020, the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) issued an order (the “**May 15 Order**”) which, among other things:
    - i. approved the administrative consolidation of the JMX Group Proposal proceedings;
    - ii. approved an administration charge of \$300,000 to secure payment of the fees and expenses of the Proposal Trustee and its counsel, as well as counsel to the Company;
    - iii. expanded the powers of the Proposal Trustee to, among other things, monitor the JMX Group’s receipts and disbursements and approve all payments made by the JMX Group; and
    - iv. granted an extension of time within which a Proposal(s) must be filed to July 1, 2020 (the “**First Stay Extension**”).

- c. The First Report provided background information concerning the Company, its operations, financial results and creditors, which has not been repeated in this Report. A copy of the First Report is attached hereto as **Appendix “2”** (without appendices).
  - d. On June 26, 2020, the Proposal Trustee filed its second report to Court (the **“Second Report”**) in support of the Second Stay Extension. On June 29, 2020, the Court issued an order (the **“June 29 Order”**) granting a further extension of time within which a proposal must be filed to August 15, 2020 (the **“Second Stay Extension”**).
  - e. On August 12, 2020, the Proposal Trustee filed the Third Report in support of a third extension of the stay of proceedings. On August 14, 2020, the Court issued an order (the **“August 14 Order”**) granting a further extension of time within which a Proposal(s) must be filed to September 29, 2020.
3. The purpose of this Report is to provide the Court with information in connection with the Application of the JMX Group for, *inter alia*, a conversion of the present NOI proceedings into proceedings under the CCAA in order to allow time for the completion of the restructuring process initiated by the Company in the NOI proceedings.
4. This Report provides:
- a. Background information regarding the NOI proceedings;
  - b. The activities of the Company and the Proposal Trustee since the date of the Third Report;
  - c. Information concerning the purpose and objective of the proposed conversion of the NOI proceeding to CCAA proceedings;
  - d. Crowe’s qualification to act as a monitor under the CCAA;
  - e. Information regarding the Applicants’ proposed Debtor-in-Possession financing facility (**“DIP Facility”**);

- f. A discussion of the proposed Court ordered Charges (defined herein) in the proposed CCAA proceedings and such Charges' effect on the Applicants' stakeholders;
- g. Information concerning the Company's request for approval of a sale process to be conducted by the Monitor, if appointed, and the stalking horse asset purchase agreement (the "**Stalking Horse Agreement**") between the Applicants, as vendor, and a company incorporated and owned by Matthew Richards and Peter Bensley, two of the JMX Shareholders ("**Stalking Horse Bidder**");
- h. The Proposed Monitor's comments and report on the Applicants' cash flow projection (the "**Cash Flow Projection**"); and
- i. The details of the fees and disbursements of the Proposal Trustee and its counsel.

## II. TERMS OF REFERENCE

- 5. Unless otherwise noted, all monetary amounts contained in this Report are expressed in Canadian dollars.
- 6. In preparing this Report, the Proposal Trustee has relied upon certain unaudited internal financial information prepared by the Company's representatives, the Applicants' books and records and discussions with their management, employees, agents and consultants (collectively, the "**Information**"). The Proposal Trustee has not performed an audit or other verification of the Information in a manner that would comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountant of Canada Handbook (the "**CPA Handbook**") and, as such, the Proposal Trustee expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
- 7. Some of the information used in preparing this Report consists of financial projections, including the Cash Flow Projection. The Proposal Trustee cautions

that these projections are based upon assumptions about future events and conditions that are not ascertainable. The Applicants' actual results may vary from the Cash Flow Projection, even if the assumptions contained therein materialize, and the variations could be significant. The Proposal Trustee's review of the future oriented information used to prepare this Report did not constitute an audit of such information under GAAS or any other accounting standards.

8. In the course of its mandate, the Proposal Trustee has assumed the integrity and truthfulness of the information and explanations presented to it by the Applicants and its management, within the context in which such information was presented. To date, nothing has come to the Proposal Trustee's attention that would cause it to question the reasonableness of these assumptions. The Proposal Trustee has requested that management bring to its attention any significant matters which were not addressed in the course of the Proposal Trustee's specific inquiries. Accordingly, this Report is based solely on the information (financial or otherwise) made available to the Proposal Trustee by the Applicants and their representatives.
9. This Report has been prepared for the use of this Court and the Applicants' stakeholders as general information relating to the Applicants and to assist the Court in determining whether to grant the relief sought by the Applicants. Accordingly, the reader is cautioned that this Report may not be appropriate for any other purpose. The Proposal Trustee will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Report.
10. Capitalized terms not defined in this Report have the meanings ascribed to them in the Dahl Affidavit. This Report should be read in conjunction with the Dahl Affidavit as such affidavit contains additional background information concerning the Applicants, their structure, business activities and stakeholders.



### III. ACTIVITIES OF THE COMPANY AND PROPOSAL TRUSTEE

11. Since the date of the Third Report, the Company, in consultation with the Proposal Trustee, has been engaged in, among other things:

- i. corresponding and providing information to Royal Bank of Canada ("**RBC**"), the Company's senior secured creditor;
- ii. paying down the RBC secured indebtedness in periodic instalments;
- iii. providing information to RBC's financial advisor, msi Spergel Inc. ("**Spergel**");
- iv. sourcing and securing new construction project contracts;
- v. working with the Proposal Trustee to prepare cash flow projections and variance analyses;
- vi. dealing with disputes in respect of two pre-filing demolition projects which were causing cash flow challenges for the JMX Group, mainly the demolition projects for Ontario Power Generation ("**OPG**") and for ASNA Robson Landmark Developments Limited ("**ASNA**");
- vii. continuing discussions with a party interested in acquiring assets of the JMX Group;
- viii. negotiating the Stalking Horse Agreement, as discussed in detail below; and
- ix. implementing general operational and administrative changes designed to stabilize the ongoing business and cash flows of the JMX Group.

12. In addition to assisting the JMX Group and its legal counsel in connection with the above, the Proposal Trustee has been engaged in, among other things:

- i. monitoring the Company's receipts and disbursements and approving all payments made by the Company as required by the May 15 Order;

- ii. confirming that all receipts from project owners and payments made to suppliers of services and/or materials to the projects for the JMX Group comply with section 8 of the *Construction Act*;
- iii. assisting the Company in the preparation of various cash flow projections and reviewing the information and support provided therein;
- iv. monitoring the business and financial affairs of the Company;
- v. responding to calls and enquiries from creditors and other stakeholders regarding these Proposal proceedings;
- vi. preparation of a variance analysis of cash flow projections versus actual cash flow results; and
- vii. meeting with interested parties interested in acquiring assets of the JMX Group.

#### **OPG Demolition Contract**

13. Details of the issues experienced by the JMX Group as it relates to the OPG Demolition Contract are outlined in the affidavit of Charlie Dahl sworn June 24, 2020 that was filed in support of the Company's second extension motion and are not repeated herein.
14. The JMX Group has had and continues to have various meetings and discussions with OPG and its lawyers to try to resolve the dispute, or to settle a process for having the dispute resolved. As noted in the Third Report, the Proposal Trustee is involved in discussions to resolve the disagreements between the JMX Group and OPG with respect to the OPG Demolition Contract.
15. OPG has made a motion to lift the stay of proceedings in the NOI proceedings, which motion is scheduled for October 13, 2020.

## **ASNA**

16. As noted in the Second Report, in October 2017 the JMX Group entered into a contract to carry out the abatement of hazardous materials and demolition of a building known as the 1400 Robson Empire Landmark Hotel in Vancouver, BC (the “**ASNA Contract**”). The Proposal Trustee understands that the JMX Group has completed work under the ASNA Contract and no longer provides any services or materials to the project.
17. The JMX Group experienced significant delays in the completion of the ASNA Contract and filed a lien on title to the project relating to its costs arising from the unforeseen conditions and delays. As noted in the Third Report, the parties have since agreed that ASNA will post \$3 million in security to vacate the JMX Group’s lien and the parties have negotiated release of the holdback to various subtrades in return for vacating or discharging their liens. Notwithstanding the settlement of the security amount for the JMX Group’s lien as well as resolution and payment of sub-trades, the parties have been unable to agree on the appropriate forum for the determination of the claims of the parties.
18. No determination as to jurisdiction has been made by the Court as of the date of this Report.

## **IV. PURPOSE AND OBJECTIVE OF THE PROPOSED CONVERSION TO CCAA PROCEEDINGS**

19. As set out in the Third Report, the Company’s planned restructuring depends in part on the Company’s ability to resolve their contractual disputes with ASNA and OPG. The JMX Group has been working diligently to do so but to date resolutions have not been reached with the two customers and it appears that litigation will likely be required to resolve the issues between the parties.
20. The Company proposes to commence a ‘stalking horse’ sale process (as described below), which will, among other things, permit the Company to:
  - a. maximize the going-concern value for its Business and/or Assets for the

benefit of its stakeholders;

- b. Allow the Company to continue to operate in the normal course, preserving employment of up to 40 individuals presently employed by the Company; and
- c. Set a floor for the value of the consideration to be obtained in such sale process.

21. The time period for the Company to file a proposal under its NOIs will be expiring in mid October, 2020. The Company will not be in a position to make proposals by such date. Accordingly, in order to provide the time for the sale process described herein to be conducted and completed, and for the Company to continue to advance its litigation claims against ASNA and OPG, the Company is seeking to convert the NOI proceedings to CCAA proceedings and to transition Crowe's role from Proposal Trustee to Monitor.

## **V. QUALIFICATIONS TO ACT AS MONITOR**

22. Crowe is a licensed insolvency trustee within the meaning of section 2(1) of the BIA. In addition, Crowe is not subject to any of the restrictions on who may be appointed as Monitor set out in section 11.7(2) of the CCAA.

23. Crowe has consented to act as Monitor should the Court grant the Applicants' request for relief in the CCAA proceedings.

24. The Proposed Monitor has retained Chaitons LLP ("**Chaitons**") to act as its independent legal counsel ("**Monitor's Counsel**"). Chaitons has also been acting as counsel to Crowe in its capacity as Proposal Trustee in the NOI proceedings.

## **VI. PROPOSED DIP FINANCING**

25. The Proposed Monitor understands that the Company has been able to obtain DIP financing of \$1 million, which is to be used to repay a substantial portion of the secured indebtedness owing to RBC.

26. The DIP financing is proposed to be provided by BRND, JMX Environmental Inc., and Charlie Dahl (“**DIP Lenders**”). BRND is an Applicant and Charlie Dahl is the CEO of the JMX Group. The Proposed Monitor understands that JMX Environmental is held by two of the shareholders of the JMX Group but is not related to the Applicants as that term is defined under the BIA. The material terms and features of the DIP Facility include:

- a. A non-revolving credit facility in the principal amount of \$1 million;
- b. Interest rate of 10% per annum;
- c. No commitment fees; and
- d. Security ranking behind that of RBC.

27. It is contemplated that the DIP Lenders would be granted a Court-ordered charge over substantially all of the Company’s assets, up to a maximum of \$1 million, to secure amounts owing by the Company pursuant to the DIP Facility (the “**DIP Lenders’ Charge**”). The DIP Lenders’ Charge will only rank behind the Administration Charge (as defined below), the security interest of RBC, and any charges that rank ahead of RBC by operation of law. The DIP Lenders’ Charge will not secure any obligation that existed prior to the Initial Order.

28. The Company requires the DIP Facility to repay RBC, as it is not prepared to continue to be a lender to the Company. Given the issues affecting the Company, the demands of RBC and the terms of the DIP Facility, the Proposed Monitor is of the view that it would be difficult and impractical for the Company to obtain alternative DIP financing on better commercial terms than are being offered by the DIP Lenders, in particular due to the subordinate ranking of the proposed DIP Facility in relation to RBC’s charge. As a result, the Proposed Monitor is of the view that the DIP Facility and the DIP Lenders’ Charge are appropriate in the circumstances.

## VII. THE CHARGES

29. The Administration Charge of \$300,000 granted in the NOI proceedings is contemplated to be continued under the proposed CCAA proceedings to ensure that the fees and expenses of the administrative professionals are protected. As in the NOI proceedings, the Administrative Charge would be a first ranking charge on the Company's assets to a maximum amount of \$300,000, ranking in priority to all claims and encumbrances. The Proposed Monitor believes that the Administration Charge is essential to protect the administrative professionals who are seized with advancing this process. Accordingly, the proposed ranking of the charges in the CCAA initial order are as follows:

1. Administration Charge; and
2. DIP Lenders' Charge (ranking behind RBC's charge and other charges ranking ahead of RBC by operation of law).

## VIII. PROPOSED SALE PROCESS

30. In order to provide third parties with an opportunity to consider an acquisition of the Company's Business and/or Assets, the Company is proposing that the Proposed Monitor market the Company's Business and/or Assets for sale for a period of approximately 10 weeks ("**Sale Process**"). The Company has developed the Sales Process in consultation with the Proposed Monitor, a copy of which is attached as **Appendix "3"** to this Report. The Sales Process is designed to ensure that the marketing process is fair and reasonable and prospective interested parties have the ability to make an offer for the Business and/or Assets of the Company. The Sales Process contemplates approval of a Stalking Horse Agreement between the Company, as vendor, and the Stalking Horse Bidder. Given the shareholders of the Stalking Horse Bidder are also shareholders of the JMX Group (although the Stalking Horse Bidder is not related to the JMX Group as that term is defined in the BIA), it is contemplated that the Proposed Monitor will administer all aspects of the Sales Process on behalf of the Company. The principal elements of the Sales Process are as follows (defined terms used in this

section and not otherwise defined herein have the meaning ascribed to them in the Sales Process):

- a. Following issuance of an order approving the Sales Process, the Proposed Monitor shall contact parties (the “**Interested Parties**”) identified by the Proposed Monitor who may be interested in purchasing the Business and/or Assets of the Company and will provide those parties with a “teaser” document;
- b. Interested Parties that wish to commence due diligence will be required to execute a non-disclosure agreement (“**NDA**”);
- c. Once an NDA has been executed by Interested Parties, the Proposed Monitor will provide access to an electronic data room to be maintained by the Proposed Monitor. The data room will be populated by the Proposed Monitor with the assistance of the Company;
- d. Non-binding letters of intent must be submitted in writing to the Proposal Trustee by no later than 5:00pm (Toronto time) on October 23, 2020, (“**Phase I Bid Deadline**”);
- e. A letter of intent will only be considered to be a Qualified Phase I Bid if, among other criteria, it meets the following minimum criteria:
  - i. It must be a Superior Offer. A Superior Offer means an offer that (i) provides for consideration in that is at least \$250,000 in cash in excess of the aggregate of the purchase price contemplated by the Stalking Horse Agreement;
  - ii. It must propose a date for closing no later than the Closing Date Deadline, being November 23, 2020;
  - iii. It must include written evidence that the bidder has the necessary financial ability and relevant experience to close the contemplated transaction;

- iv. It must describe any conditions and required due diligence; and
  - v. It must contain specific statements concerning the intended treatment of unsecured creditors, lien claimants, subtrades who have or are continuing to provide goods or services in relation to projects, and receivables and liabilities associated with Ontario Power Generation and ASNA Robson Landmark Developments including any cost of litigation associated therewith.
- f. The Monitor, in consultation with the Company, will review and assess the Phase I Bids to determine whether they are qualified (such qualified bids being the “Qualified Phase I Bids” and may request clarification of the terms of the Phase I Bids.
- g. Interested Parties that have submitted a Qualified Phase I Bid (each a “Qualified Phase II Bidder”), must submit their Phase II Bids in writing to the Proposed Monitor by no later than 5:00pm (Toronto time) on November 9, 2020.
- h. An offer submitted by a Qualified Phase II Bidder will be considered if, among other criteria set out in the Sale Process, it meets the following minimum criteria:
- i. It includes a sealed duly authorized and executed definitive purchase agreement in a form of asset purchase agreement consistent with the form of the Stalking Horse Agreement, together with all completed schedules thereto, containing the detailed terms and conditions of the proposed transaction, including identification of the Business and/or the Assets proposed to be acquired, the obligations to be assumed, the purchase price for the Business and/or Assets proposed to be acquired, the detailed structure and financing of the proposed transaction (and, a blackline comparing the purchase agreement submitted to the Stalking Horse Agreement);



- ii. It must be a Superior Offer. A Superior Offer means an offer that (i) provides for consideration in that is at least \$250,000 in cash in excess of the aggregate of the purchase price contemplated by the Stalking Horse Agreement;
- iii. It provides for the payment in full and in cash of all of the indebtedness of the Company to RBC;
- iv. It must be binding and irrevocable until the earlier of: (i) 30 days after the Phase II Bid Deadline and (ii) approval by the Court of the Successful Bid;
- v. It must include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor) or such other form of deposit as is acceptable to the Monitor, payable to the Monitor, in trust, in an amount equal to 10% of the purchase price contemplated by the Phase II Bid;
- vi. It must provide contact information (including an email address) for the Selected Bidder and disclose the identity of each entity (including its ultimate shareholders and/or sponsors) that is bidding for the Business and/or Assets or otherwise participating in a Phase II Bid and the complete terms of any such participation;
- vii. It must include written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction or transactions comprising the Phase II Bid, that will allow the Monitor to make a determination as to the bidders' financial and other capabilities to consummate the proposed transaction;
- viii. It must include written evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Phase II Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the

transaction contemplated by the Phase II Bid;

- ix. It must include details of any liabilities to be assumed;
  - x. It must not be subject to further due diligence or financing;
  - xi. It must include a description of any regulatory or other third-party approvals required to consummate the proposed transaction, and the time period within which the Phase II Bidder expects to receive such regulatory and/or third-party approvals, and those actions the Selected Bidder will take to ensure receipt of such approvals as promptly as possible;
  - xii. It must not be subject to any conditions precedent except those that are customary in a transaction of this nature; not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment; and
  - xiii. be received by the Phase II Bid Deadline; and contemplate closing the transaction set out therein on or before the Closing Date Deadline.
- i. If no Qualified Phase II Bid (other than the Stalking Horse Bid) is received by the Phase II Bid Deadline, the Stalking Horse Bid shall be deemed the Successful Bid (defined below).
  - j. If more than one Qualified Phase II Bid is received by the Phase II Bid Deadline the Monitor shall extend invitations by email on the second (2nd) Business Day after the Phase II Bid Deadline to the Qualified Phase II Bidders and to the Stalking Horse Purchaser to attend an auction (the "**Auction**"). The Auction shall be held at 10:00 a.m. on the fifth (5th) Business Day after the Phase II Bid Deadline at the offices of the Monitor or by teleconference, video conference or other form of electronic

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

- k. The successful bid (the “**Successful Bid**”) shall be, either:
  - i. in the event that no Qualified Phase I Bid other than the Stalking Horse Bid is received by the Phase I Bid Deadline, the Stalking Horse Agreement; or
  - ii. in the event that no Qualified Phase II Bid other than the Stalking Horse Bid is received by the Phase II Bid Deadline, the Stalking Horse Agreement; or
  - iii. in the event that multiple Qualified Phase II Bids are received, following the conclusion of the Auction, the Qualified Phase II Bidder submitting the highest and/or best offer through the Auction.
- l. After determination of the Successful Bid, the Company will make a motion to the Court for approval and vesting order in respect of the Successful Bid and underlying purchase agreement.
- m. The Proposed Monitor notes that the proposed timeframe set out above is condensed, but with the full cooperation of the Company and with the Stalking Horse Agreement in hand, the Proposed Monitor believes that the deadlines proposed in the Sales Process are reasonable in the circumstances.

- n. The Proposed Monitor is of the view that, in the circumstances, the proposed Sales Process represents the best opportunity to identify a potential going concern sale for the Company's Business and/or Assets and the best potential to maximize value for the benefit of its stakeholders.

## **IX. STALKING HORSE AGREEMENT**

- 31. The Company has negotiated the Stalking Horse Agreement with the Stalking Horse Bidder which provides that, unless an offer is received through the Sale Process that, among other things, provides for consideration that is at least \$250,000 in excess of the aggregate of the purchase price contemplated by the Stalking Horse Agreement, then the transaction contemplated by the Stalking Horse Agreement would be completed. A copy of the Stalking Horse Agreement is attached hereto as **Appendix "4"**.
- 32. The Stalking Horse Agreement contemplates the purchase of the business and substantially all of the assets of the Company and offers employment (or cause employment to be offered) to the 40 employees of the Company on substantially the same terms as their current employment.
- 33. The Stalking Horse purchaser is and controlled by two of the four shareholders of the Company. As noted above, the Sale Process is proposed to be carried out by the Monitor, if appointed, without participation of the two shareholders of the Company that are also involved with the Stalking Horse Bidder.
- 34. The salient terms of the Stalking Horse Agreement are as follows (defined terms used in this section and not otherwise defined herein have the meaning ascribed to them in the Stalking Horse Agreement):
  - a. The purchase price is the aggregate of the following amounts:
    - i. the payment in cash, or the assumption of, any payables of the Vendor, which by operation of law, are in priority to the security interest of RBC (the "**Priority Payables**");

- ii. the assumption of the amount, if any, comprising the secured indebtedness owing by the Vendors to the RBC as of the Closing Date and less the amount of the DIP Facility, which amount as of the date hereof is approximately \$2,647,883;
- iii. the assumption of the DIP Loan in the amount of \$1 million plus any accrued interest owing by the Vendor to the DIP Lender as of the Closing Date;
- iv. the assumption of the Assumed Liabilities of the Vendor owing as of the Closing Date, which amount as of the date hereof is approximately \$4,034,821;
- v. the assumption of the mortgage granted to BRND by Hillmount Capital Inc., of which \$1.7 million is outstanding as of the date hereof;
- vi. the assumption of the indebtedness owing by BRND to Dahl Demolition Corp; 23912112 Ontario Inc., and 2391213 Ontario Inc. as of the Closing Date, representing a total indebtedness of \$1,245,087.53 as of the date hereof; and

(the assumption of the amounts in (i) to (vi) above, collectively, the “**Assumed Liabilities**” As of the date hereof, the Assumed Liabilities total approximately \$\$9,677,791)

- b. In addition, the Stalking Horse Bidder will enter into an agreement with the Company to fund the costs associated with the OPG Litigation Claim (the “**OPG Funding Litigation Amount**”);
- c. The Stalking Horse Bidder will seek to obtain assignments of certain contracts of the Company, either consensually or through a court order;

- d. The Stalking Horse Bidder will be entitled to an expense reimbursement fee up to \$25,000 should a purchaser other than the Stalking Horse Bidder close a transaction through the Sale Process; and
- e. The assets to be purchased pursuant to the Stalking Horse Agreement exclude the OPG Litigation Claim (as defined in the Stalking Horse Agreement) and the OPG contract. Such claim (and related trade liabilities) would remain as an asset (and liability, as the case may be) of the Company and resolution of the claim would continue to be pursued by the Company for the benefit of its creditors that are not assumed in the Stalking Horse Agreement.

**X. FINANCIAL RESULTS DURING THE NOI PROCEEDINGS**

35. A comparison of the cash flow projection provided in the Third Report to the actual cash flow results of the Company is set out below:

**The JMX Group**  
**Variance Analysis - Cash Flow Projections vs Actual**  
**For The Period From August 3 to September 14, 2020**

	<u>Projections</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance</u>
	\$	\$	\$	%
<b>Receipts</b>				
A/R Collections	3,095,438	2,739,031	(356,407)	-12%
CRA Covid-19 wage subsidy	<u>169,957</u>	<u>60,140</u>	<u>(109,817)</u>	-65%
Total Receipts	3,265,396	2,799,171	(466,224)	
<b>Disbursements</b>				
Payroll and source deductions	483,129	436,129	(47,000)	-10%
Union Dues	133,690	134,091	401	0%
Medical Benefits	3,000	2,354	(646)	-22%
Rent	25,000	-	(25,000)	-100%
HST (CRA)	(35,151)	(29,859)	5,292	-15%
WSIB and EHT	225,171	215,766	(9,405)	-4%
Insurance	70,963	70,963	-	0%
Construction materials	37,500	21,450	(16,050)	-43%
Employee Expenses	2,565	7,508	4,943	193%
Subcontractor Expenses	25,000	23,902	(1,098)	-4%
Fuel & Transportation Costs	23,382	9,276	(14,106)	-60%
Vehicle Expenses	18,361	19,458	1,097	6%
Disposal costs	25,000	11,951	(13,049)	-52%
Equipment repair	15,000	18,935	3,935	26%
Office and general	23,046	26,296	3,250	14%
Interest & Bank Charges	15,868	12,432	(3,436)	-22%
Professional Fees	145,000	151,777	6,777	5%
Lease Payments - JMX Leasing	236,792	149,837	(86,955)	-37%
A/P Vendor payments	307,518	871,634	564,116	183%
RBC Repayments	<u>750,000</u>	<u>500,000</u>	<u>(250,000)</u>	-33%
Total Disbursements	2,530,833	2,653,899	123,066	
Net Cash Inflow/(Outflow)	<u><u>734,562</u></u>	<u><u>145,272</u></u>	<u><u>(589,290)</u></u>	

36. Subsequent to the above noted reporting period, the Company paid an additional \$550,000 to RBC to reduce its indebtedness.

## XI. CASH FLOW PROJECTIONS

37. The Company with the assistance of the Proposal Trustee has prepared the Cash Flow Projections. A copy of the Cash Flow Projections is attached hereto as **Appendix “5”**, which is summarized below:

### THE JMX GROUP

#### Cash Flow Projection

For the period from September 14, 2020 to December 13, 2020 (\$)

#### Receipts

A/R Collections and scrap sales	3,033,268
DIP Facility Advances	1,000,000
COVID-19 Federal Wage Subsidy	<u>241,625</u>

<b>Total Receipts</b>	<b>A</b>	<b>4,274,893</b>
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#### Disbursements

Payroll and source deductions	946,888
Union Dues	199,476
HST	259,327
Insurance	106,444
Construction material and subcontractor expenses	291,687
Equipment repair	98,228
Office and general	98,303
Professional Fees	457,305
Lease Payments - JMX Leasing	427,112
RBC Repayments	1,900,000
Accounts Payable vendor payments	<u>75,174</u>

<b>Total Disbursements</b>	<b>B</b>	<b>4,859,944</b>
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<b>Net cash inflow/(outflow)</b>	<b>C=A-B</b>	<b><u>(585,051)</u></b>
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<b>Opening Cash Balance</b>	<b>D</b>	<b>1,009,848</b>
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<b>Closing Cash Balance</b>	<b>C+D</b>	<b><u>424,797</u></b>
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38. The Cash Flow Projections indicate that, with the proposed DIP Facility, the Company will have sufficient liquidity to fund both operating costs and the costs of the proposed CCAA proceedings, for the duration of the requested stay period, and to reduce their indebtedness to RBC by a further \$1.9 million.
39. Based on the Company's operations reflected in the Cash Flow Projections, the Proposal Trustee/Proposed Monitor is of the view that payments totaling \$1.9 million to RBC over the duration of the requested CCAA stay period and may impair the Company's ability to fund their ongoing operations and the cost of these proceedings should anticipated receipts be delayed. The Company may be required to seek increases in the DIP Facility or other sources of working capital financing at a later date if collections as projected in the Cash Flow Projections are delayed.
40. The Cash Flow Projections also reflect that the Company will continue to be in compliance with Section 8 of the Construction Act for the Cash Flow Projection Period. The Proposal Trustee notes that the Company's books and records contain the information required to be maintained by the Company under Section 8 of the Construction Act.

## **XII. FEES AND DISBURSEMENTS OF THE PROPOSAL TRUSTEE**

41. The Proposal Trustee and its independent legal counsel, Chaitons, have maintained detailed records of the professional time and costs incurred since the May 15 Order was granted. Pursuant to the May 15 Order, the Court granted an administration charge of \$300,000 to secure the fees and disbursements of the Proposal Trustee, its counsel and the Company's counsel.
42. The total fees of the Proposal Trustee during the period from April 16, 2020 through September 15, 2020 set out in the affidavit of Hans Rizarri, President of Crowe Soberman Inc. having carriage of Crowe's mandate as the Proposal Trustee, sworn September 25, 2020 in support hereof, a copy of which is attached

hereto as **Appendix “6”**.

43. The total legal fees incurred by the Proposal Trustee for services provided by the Proposal Trustee's independent legal counsel during the period from May 1, 2020 through August 31, 2020 are set out in the affidavit of Harvey Chaiton, sworn September 24, 2020 in support hereof, a copy of which is attached hereto as **Appendix "7"**.

44. The Proposal Trustee is of the view that these accounts are reasonable in the circumstances and respectfully requests that the Court approve its fees and disbursements and those of its legal counsel, or otherwise set a date for approval of such fees and disbursements and the discharge of the Proposal Trustee.

### **XIII. CONCLUSION AND RECOMMENDATIONS**

45. Based on the foregoing, the Proposal Trustee/Proposed Monitor respectfully recommends that this Honourable Court issue an order, *inter alia*:

- a. Converting the Company's NOI proceedings to CCAA proceedings and authorizing the Proposed Monitor to conduct the Sales Process;
- b. Authorizing the Company, *nunc pro tunc*, to enter into the Stalking Horse Agreement and approving the Stalking Horse Agreement and the Sale Process;
- c. Approving the continuation under the proposed CCAA proceedings of the first ranking \$300,000 Administrative Charge over the Company's assets in favour of the administrative professionals, which charge was granted in the NOI proceedings;
- d. Approving the DIP Facility and related charge;
- e. Approving the activities of the proposal trustee from the date of the Third report to the date of this Report; and

- f. Approving the fees and disbursements of the Proposal Trustee and its counsel as set out in this Report.

All of which is respectfully submitted this 25<sup>th</sup> day of September, 2020.

**CROWE SOBERMAN INC.**

Trustee acting under Notices of Intention to Make a Proposal of  
The JMX Group and as the Proposed Monitor in The  
JMX Group's proposed proceedings under the CCAA

Per



Hans Rizaffi, CIRP, LIT

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL OF JMX CONTRACTING INC. OF THE TOWN OF UXBRIDGE IN  
THE PROVINCE OF ONTARIO**

**AND IN THE MATTER OF THREE RELATED INTENDED PROPOSALS OF  
JMX NATIONAL INC., BRND PROPERTIES INC., and JMX LEASING INC.**

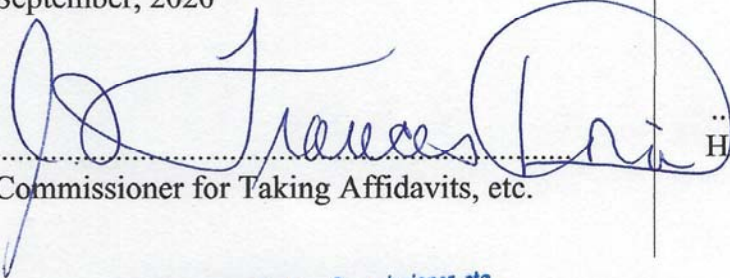
**AFFIDAVIT OF HANS RIZARRI  
SWORN SEPTEMBER 24, 2020**

I, **Hans Rizarri**, of the City of Toronto, in the Province of Ontario, **AFFIRM** and **STATE THE FOLLOWING TO BE TRUE:**

1. I am a Licensed Insolvency Trustee with the firm of Crowe Soberman Inc. (“**Crowe**”), the Proposal Trustee of JMX Contracting Inc., JMX National Inc., BRND Properties Inc., and JMX Leasing Inc. (collectively, the “JMX Group”), and as such have personal knowledge of the matters deposed to herein.
2. On April 17 and April 20, 2020, the JMX Group filed Notices of Intention to make a Proposal pursuant to Section 50.4 (1) of the *Bankruptcy and Insolvency Act*, and Crowe was appointed as the Proposal Trustee by the Official Receiver.

3. This affidavit is made in support of a motion to be made by the Proposal Trustee that seeks, *inter alia*, approval of the fees and disbursements of Crowe in its capacity as Proposal Trustee in respect of services provided in connection with these proceedings.
4. Crowe's detailed statement(s) of account which form the period April 16, 2020 through September 15, 2020, disclose in detail (i) the names, hourly rates and time expended by each person who rendered services, and (ii) description of services rendered for the relevant time period. A chart that summarizes the Trustee's fees and detailed time sheets are attached as Exhibit "1" to this Affidavit.
5. I have been actively involved in this matter. I have reviewed the Crowe detailed statement of account and I consider the time expended and the fees charged to be reasonable in light of the services performed and the prevailing market rates for such services.

Affirmed before me at the City of Toronto <sup>15</sup>  
in the Province of Ontario, on this 24th day of  
September, 2020

  
Commissioner for Taking Affidavits, etc.

  
HANS RIZATTI, LIT, CIRP

Altoncina Frances Doria, a Commissioner, etc.,  
Province of Ontario, for Crowe Soberman Inc.,  
and its affiliates.  
Expires May 4, 2021.



Crowe Soberman Inc  
Licensed Insolvency Trustee  
2 St. Clair Avenue East, Suite 1100 Toronto, ON M4T 2T5  
T 416.929.2500 F 416.929.2555 [www.crowesobermaninc.com](http://www.crowesobermaninc.com)  
Member Crowe Global

JMX Contracting Inc.  
130 Ram Forest Road  
Stouffville, ON L4A Z8A

## Invoice

Number	10112234
Date	6/2/2020
Invoice Account	1023650
HST Number	R104902077

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RE: In the Matter of JMX Contracting Inc., JMX Leasing Inc., JMX National Inc, and BRND Properties Inc.  
("JMX Group") for professional services rendered by the Licensed Insolvency Trustee to  
May 29, 2020, as per attached schedule "A" and time sheets.

<b>Professional Fees:</b>	60,173.00
<b>Discount for Fees:</b>	(10,000.00)
<b>Sub Total</b>	<u>50,173.00</u>
<b>GST/HST:</b>	6,522.49
<b>Balance Due:</b>	<u><b>56,695.49</b></u>

### Payment Options:

**Wire Transfer:**

Company Name: Crowe Soberman Inc.  
Bank Name: TD Canada Trust  
Bank Address: 2 St. Clair Ave. East Toronto ON M4T 2V4  
Bank Code: 004 Transit #: 19682  
Account # (Canadian Dollars): 06175342055  
Swift Code: TDOMCATTOR

**Cheque:**

Please make cheques payable to:  
Crowe Soberman Inc  
Attention: Insolvency  
Department  
2 St. Clair Ave. East, Suite 1100  
Toronto ON M4T 2T5

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**Schedule "A"**

	JMX Group WIP & Payment				
	WIP to May 29, 2020	Retainer Received	Shortfall	Surplus	Total Shortfall/Surplus
Contracting	\$ 80,253.00	\$ 10,000.00	\$ 70,253.00		\$ 70,253.00
Leasing	\$ 9,124.00	\$ 10,000.00		\$ (876.00)	\$ (876.00)
National	\$ 5,456.00	\$ 10,000.00		\$ (4,544.00)	\$ (4,544.00)
BRND	\$ 5,340.00	\$ 10,000.00		\$ (4,660.00)	\$ (4,660.00)
Total	\$ 100,173.00	\$ 40,000.00	\$ 70,253.00	\$ (10,080.00)	\$ 60,173.00

**Billing Worksheet Report**

This is Exhibit 1 mentioned and referred to in the affidavit of

HANS RIZARRI

Sworn before me this 24 day of SEPT. A.D., 2020

6/2/2020 9:11 AM

From: 1/1/2020 To: 5/29/2020

Client ID: 1023650  
 Name: JMX Contracting Inc.  
 Contract: 1023650  
 Contract Name: JMX Contracting Inc.

*[Signature]*  
 Antonina Frances Doria, a Commissioner, etc.,  
 Province of Ontario, for Crowe Soberman Inc.,  
 and its affiliates.  
 Expires May 4, 2021.

**Project: 032477 JMX Contracting Inc.**

Date	Workcode	Description	Type	Empl ID	Hours	Rate	Amount
4-16-2020	1985	Consulting	Hour	HMR	0.80	610.00	488.00
Initial dis with Daniel Stevens, review of company; post calls with Daniel Stevens re options available re bank demand expires this Sunday, research on company, initial							
4-17-2020	5702	Admin work file - General (description mandatory)	Hour	AAN	3.50	260.00	910.00
Collect addresses for creditors, assist Sheila and Stephanie to complete lists							
4-17-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	6.50	360.00	2,340.00
four filings - NOI proceedings, file and doc review, organize same, volume of emails w directors, counsel, creditor review, searches,							
4-17-2020	5702	Admin work file - General (description mandatory)	Hour	FX	0.40	240.00	96.00
perform - corp profile, PPSA and title searches re- JMX Leasing, JMX National, JMX Contracting, BRND Properties							
4-17-2020	5701	Sign-up/Assesment/Prep docs	Hour	FX	3.00	240.00	720.00
prep and NOI sign up docs, enter list of creditors re- BRND proproperties, JMX Leasing and work with AN/SS/SP re - JMX Contracting list of creditors							
4-20-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.00	360.00	360.00
continued data entry, confirmation of engagement docs, emails w counsel and OSB, instructions to staff							
4-20-2020	5704	Review	Hour	AFD	0.75	300.00	225.00
Review of SOA & discussions with Graeme & Fei on same; tel. conf. meeting with Graeme, Hans & Fei on setting up for e-filing of							
4-20-2020	5701	Sign-up/Assesment/Prep docs	Hour	HMR	0.30	610.00	183.00
Apr 18: status on filing with legal counsel, D.Stevens shareholders still in discussion							
4-20-2020	5701	Sign-up/Assesment/Prep docs	Hour	HMR	1.20	610.00	732.00
Corresp legal counsel, D.Stevens, re status and timing to file; coordinate same with staff, updates from Candace Little to creditors list, coord with team filing after hours as instructed by Jeff Norton; dis with D.Stevens on filings, process, next steps;							
4-21-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.15	360.00	414.00



**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Client ID: 1023650

Name: JMX Contracting Inc.

Contract: 1023650

Contract Name: JMX Contracting Inc.

**Project: 032477 JMX Contracting Inc.**

Date	Workcode	Description	Type	Empl ID	Hours	Rate	Amount
4-16-2020	1985	Consulting	Hour	HMR	0.80	610.00	488.00
Initial dis with Daniel Stevens, review of company; post calls with Daniel Stevens re options available re bank demand expires this Sunday, research on company, initial							
4-17-2020	5702	Admin work file - General (description mandatory)	Hour	AAN	3.50	260.00	910.00
Collect addresses for creditors, assist Sheila and Stephanie to complete lists							
4-17-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	6.50	360.00	2,340.00
four filings - NOI proceedings, file and doc review, organize same, volume of emails w directors, counsel, creditor review, searches,							
4-17-2020	5702	Admin work file - General (description mandatory)	Hour	FX	0.40	240.00	96.00
perform - corp profile, PPSA and title searches re- JMX Leasing, JMX National, JMX Contracting, BRND Properties							
4-17-2020	5701	Sign-up/Assesment/Prep docs	Hour	FX	3.00	240.00	720.00
prep and NOI sign up docs, enter list of creditors re- BRND propoerties, JMX Leasing and work with AN/SS/SP re - JMX Contracting list of creditors							
4-20-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.00	360.00	360.00
continued data entry, confirmation of engagement docs, emails w counsel and OSB, instructions to staff							
4-20-2020	5704	Review	Hour	AFD	0.75	300.00	225.00
Review of SOA & discussions with Graeme & Fei on same; tel. conf. meeting with Graeme, Hans & Fei on setting up for e-filing of							
4-20-2020	5701	Sign-up/Assesment/Prep docs	Hour	HMR	0.30	610.00	183.00
Apr 18: status on filing with legal counsel, D.Stevens shareholders still in discussion							
4-20-2020	5701	Sign-up/Assesment/Prep docs	Hour	HMR	1.20	610.00	732.00
Corresp legal counsel, D.Stevens, re status and timing to file; coordinate same with staff, updates from Candace Little to creditors list, coord with team filing after hours as instructed by Jeff Norton; dis with D.Stevens on filings, process, next steps;							
4-21-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.15	360.00	414.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

file planning								
4-21-2020	5703	Notices	Hour	HMR	0.10	610.00	61.00	
Review notices to creditors, timing with GH								
4-22-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.25	360.00	90.00	
call RE OPG								
4-22-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00	
Corp chart, dis with D.Stevens; corresp Candace re payables, cash flow payment; coord with staff notices mailing pkg to creditors								
4-23-2020	5714	Div I Proposal	Hour	HMR	0.80	610.00	488.00	
Corresp re vendor payments; dis of vendor payments with Candace Little; dis with D.Stevens re notices mailing pkg to creditors, vendor payments, operational affects x suppliers/vendors, review of possible solutions to keep job site progressing								
4-23-2020	5703	Notices	Hour	HMR	0.20	610.00	122.00	
Creditor mailing pkg review, coordinate with staff								
4-24-2020	5703	Notices	Hour	AAN	1.80	260.00	468.00	
Do Mail out for NOI, re-send missed e-mails, prepare fax cover sheets and labels for mailing								
4-24-2020	5703	Notices	Hour	AAN	1.25	260.00	325.00	
Fax NOI's, prepare mailing packages, cross-reference emails with bounced ones and mail out								
4-24-2020	5703	Notices	Hour	AAN	0.75	260.00	195.00	
Work on Affidavit of Service for NOI filing								
4-24-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.20	360.00	432.00	
noi prep and distribution								
4-24-2020	5703	Notices	Hour	HMR	0.80	610.00	488.00	
Review notices possible affect on major creditors incl OPG with D.Stevens to discuss with directors, need for legal counsel re possible offset, review of OPG with GH on same, proposal trustee position thereof								
4-24-2020	5703	Notices	Hour	FX	0.40	240.00	96.00	
prep NOI notices, stay and mailing package								
4-24-2020	5703	Notices	Hour	LDS	0.20	400.00	80.00	
review of notice and providing my comments								
4-24-2020	5703	Notices	Hour	AFD	2.25	300.00	675.00	
Reviewing notices & go ahead for mailings; reviewing list for e-mails for Andrea and required adjustments; review Affidavit with Andrea and instructions on revisions required								
4-27-2020	5702	Admin work file - General (description mandatory)	Hour	AAN	0.10	260.00	26.00	

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Update and save email mailing list for creditors,								
4-27-2020	5718	Secured Creditor	Hour	HMR	0.80	610.00	488.00	
Dis with Rachel Moses re RBC amounts to change on creditors list, extension and filing needed and								
4-27-2020	5714	Div I Proposal	Hour	HMR	0.30	610.00	183.00	
Initial review of cash flow compiled, dis of same with GH								
4-27-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.70	610.00	427.00	
Request from company to pay pre filing suppliers, vendors, some research, proposal trustee position thereof, corresp to C.Fell and S.Kour; sample letter from C.Fell to suppliers; position of Jeff Norton legal counsel								
4-27-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.65	360.00	234.00	
instructions on PPSA, creditor inquiries, issues re payments to vendors, protocol on same,								
4-28-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.95	360.00	342.00	
creditor inquiries, emails w counsel, update RE RBC								
4-28-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AAN	0.25	260.00	65.00	
Answered credit enquiries								
4-28-2020	5702	Admin work file - General (description mandatory)	Hour	AAN	0.30	260.00	78.00	
Fix Affidavit of Service								
4-28-2020	5718	Secured Creditor	Hour	HMR	0.20	610.00	122.00	
Short dis w Rachel Moses lawyer for RBC, review of amendments with staff, dis of same D.Stevens								
4-29-2020	5703	Notices	Hour	AAN	0.30	260.00	78.00	
Prepare email blast for Letter to Vendors and vet emails and remove specified ones								
4-29-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.30	360.00	468.00	
comfort letter, cash flow, numerous emails w creditors								
4-29-2020	5714	Div I Proposal	Hour	HMR	0.80	610.00	488.00	
Cash flow filing, review								
4-29-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.50	610.00	305.00	
Comfort letter requested by debtor and their legal counsel, coordinate same with staff incl contact info for proposal trustee								
4-29-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	1.60	610.00	976.00	
Continuing matters re OPG contract, collections of accounts receivable, monitor thereof, request specific supporting documents, detailed dis with D.Stevens through out day								
4-29-2020	5702	Admin work file - General (description mandatory)	Hour	LDS	0.30	400.00	120.00	
discussion with team on issuing the Comfort Letter, review of same and suggested changes								
4-30-2020	5702	Admin work file - General (description mandatory)	Hour	AAN	0.75	260.00	195.00	

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Print Comfort Letter, Copy, prepare fax cover and address lables and stuff envelopes for mailing							
4-30-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.75	360.00	630.00
set up website, cash flow, creditor inquiries							
4-30-2020	5714	Div I Proposal	Hour	HMR	1.20	610.00	732.00
Cash flow continued review with company; coordinate filing							
4-30-2020	5714	Div I Proposal	Hour	HMR	1.30	610.00	793.00
Monitoring, various and continuing matters dis with principal, request of info wrt equip, a/r							
4-30-2020	5704	Review	Hour	AFD	0.60	300.00	180.00
Reviewing JMX Group - e-mails and correspondence, returned e-mails, corrections & updating list; forward other to Graeme for his review & action, if any							
4-30-2020	5703	Notices	Hour	AFD	0.30	300.00	90.00
Discussions & E-mails from and to Graemem, Hans: Assisting Graeme with Cash Flow and required forms for OSB filing							
4-30-2020	8000	Client Charge	Cost	HMR	1.00	113.00	113.00
PPSA Canada Re: Corp Profile Reports							
5-1-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	2.50	360.00	900.00
TCC w counsel and directors, ongoing issues w administration, multiple creditors inquiries, calls w legal counsel							
5-1-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Monitoring: corresp re Toromont needs							
5-1-2020	5714	Div I Proposal	Hour	HMR	0.30	610.00	183.00
Proposal trustee legal counsel update							
5-1-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.80	610.00	488.00
Conf call with principals re continuing matters incl equipment theft and damages, need for court attendance seek certain relief x creditor actions incl suspensio, accounts receivable OPG, extension to file and dip, proposal trustee counsel needed consider							
5-1-2020	5714	Div I Proposal	Hour	HMR	0.30	610.00	183.00
Monitoring re equipment follow up inventory and review							
5-1-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Dis with Daniel Stevens re monitoring, court attendance and request thereof, legal counsel							
5-1-2020			OnAccount				-10,000.00
Trustee fee							
5-4-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	2.75	360.00	990.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

weekend review of emails w HC and counsel re Kirby, responses to creditor inquiries, general mailbox, continued calls, conference call with counsel							
5-4-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Conf call with Caitlin Fell, Harvey Chaiton re trustee report to court, relief being sought by company, extension on filing proposal, D&O charge, financing charge							
5-4-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.80	610.00	488.00
Dis with Daniel Stevens re equipment, accounts receivable information, OPG contract							
5-4-2020	5704	Review	Hour	AFD	0.50	300.00	150.00
Affidavit of Mailing - review & commissioning; review JMX mailbox & discussion with Graeme on							
5-5-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.65	360.00	594.00
call with creditor counsel, call w CL, various re RBC Loan docs, equipment list, emails re union counsel, email to creditor							
5-5-2020	5711	Reports	Hour	GRH	0.50	360.00	180.00
commence draft of first report							
5-5-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.70	610.00	427.00
Call with directors, company lawyers re Kirby Waste, OPG, recommend insurance company be notified, float service equipment options							
5-5-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.60	610.00	366.00
Dis w D.Stevens re LiUna union lawyer - Koskie Minsky priority claim and issues thereof; review of corresp re Vancouver project ASNA and lien by trade							
5-6-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.25	360.00	450.00
creditor inquiries, emails to counsel on motion date, union correspondence, request from lien claimant, additional correspondence from lien claimants, creditor inquiries							
5-6-2020	5711	Reports	Hour	GRH	0.40	360.00	144.00
continue reports, review of financials							
5-6-2020	5718	Secured Creditor	Hour	HMR	0.40	610.00	244.00
Corresp/dis with Rachel Moses re cash flow inquiries, extension request, refinancing status							
5-6-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
LiUnion corresp from legal counsel							
5-7-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.50	360.00	540.00
asset schedule, review re cash flow questions, creditor inquiries, claim for liens notes, lien schedule, additional calls and emails							

## Billing Worksheet Report

From: 1/1/2020 To: 5/29/2020

Date	Time	Description	Rate	Code	Hours	Amount	Balance
5-7-2020	5718	Secured Creditor	Hour	HMR	0.30	610.00	183.00
RBC lawyer re cash flow, review of questions and answers thereof, review of accounting info of							
5-7-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Paradise 2.0, Bigshow issue, corresp with company counsel							
5-7-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.60	610.00	366.00
Dis w Candace re monitor, info being requested by LSG (Larry Gold) and legal counsel, coordinate flow info required by various parties; asset equipment list, possible disclaimer leases							
5-7-2020	5714	Div I Proposal	Hour	DPR	0.25	260.00	65.00
familiarizing myself with file							
5-8-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.25	360.00	450.00
review of updated cash flows, equipment, emails w counsel on report timing, planning and prepping on same, emails re cash flow OPG request							
5-8-2020	5711	Reports	Hour	GRH	0.25	360.00	90.00
updates to report							
5-8-2020	5714	Div I Proposal	Hour	DPR	1.50	260.00	390.00
reviewed cash flow statements for Pre NOI and post NOI and emailed Hans a summary							
5-8-2020	5714	Div I Proposal	Hour	DPR	0.25	260.00	65.00
Call with GH to discuss report							
5-8-2020	5718	Secured Creditor	Hour	HMR	1.60	610.00	976.00
Prepare for and hold call with RBC J.Lukez and their lawyer R.Moses and K.Kallish, proposal trustee lawyer H.Chaiton; post call dis with company, staff							
5-8-2020	5711	Reports	Hour	HMR	0.80	610.00	488.00
Dis with legal counsel re motion to court, extension and other relief sought, timing of motion for May 15 court hearing, proposal trustee report timing; consider d&o charge, admin charge, lien regulatory order - some research thereof; planning w staff							
5-8-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.60	610.00	366.00
OPG inquiries; OPG letter received 7pm re offset and payment on hold re Lambton Generation Stn; initial consideration trustee position							
5-10-2020	5714	Div I Proposal	Hour	DPR	2.00	260.00	520.00
Discussion with HR and GH regarding our visit to JMX on Monday the 11th. Caught up to speed with all the emails that were going back and forth over the weekend regarding OPG.							
5-11-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	2.20	360.00	792.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

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review of draft affidavit, initial orders, conf call w counsel for OPG re contract and next steps, potential disclaimer,								
5-11-2020	5711	Reports	Hour	GRH	0.40	360.00	144.00	
continue updates to report								
5-11-2020	5713	Receivership	Hour	DPR	9.00	260.00	2,340.00	
Arrived at JMX in Uxbridge at 930 am. Worked on the 13 week cash flow with Candace. Various discussions with the JMX staff. Hans and myself left JMX at 630PM. As well, I spent 1 hour preparing for the visit to JMX. Reading additional emails from counsel								
5-11-2020	5714	Div I Proposal	Hour	HMR	3.70	610.00	2,257.00	
Attend at JMX Uxbridge, monitor, review throughout day and assist in compiling cash flow for company, assist developing work on hand scedule, trustee worksheet on project by project basis w supporting detailed analysis for a/r, vendors								
5-11-2020	5714	Div I Proposal	Hour	HMR	1.30	610.00	793.00	
C.Fell, S.Kour corresp and dis throughout day in prep for May 15 court hearing, court materials to file incl enhanced powers of proposal trustee, dip financing, D&O charge insurance thereof, affi of C.Dahl review assist compile info; notice of motion								
5-11-2020	5708	Asset Realization	Hour	HMR	1.80	610.00	1,098.00	
Review OPG project info obtained to date, prep attend call OPG, review draft change order compiled by Joel W. significant changes due to asbestos found on site, follow ups and action plan Joel W; post calls w C.Fell, D.Stevens re OPG planning thereof								
5-11-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00	
SLM Recycling corresp re interest in purchase								
5-11-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.40	610.00	244.00	
Call w H.Chaiton post attendance at Uxbridge re: OPG, motion material draft court order by company and trustee worksheet proj by proj								
5-12-2020	5714	Div I Proposal	Hour	DPR	9.00	260.00	2,340.00	
Reading emails including Charlie Dahl's affidavits. Headed out to JMX for 9am to assist Candace and update the cash flow as necessary. updated CF format so it's more legible. Sent out 3 new updated CFs addressing the concerns of HC, CF and SK (counsel)								
5-12-2020	5711	Reports	Hour	GRH	1.00	360.00	360.00	
finalize first draft of report and send to counsel, review with counsel								
5-12-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.50	360.00	540.00	
continue reviews of cash flows,materials, emails w counsel, motion record review								
5-12-2020	5702	Admin work file - General (description mandatory)	Hour	LDS	0.20	400.00	80.00	

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

sending Andrea's April 24th emails to Britco and Kern Water to Fran D. for the Affidavit of Mailing								
5-12-2020	5708	Asset Realization	Hour	HMR	1.10	610.00	671.00	
Review of OPG details portalled in by Joel W. re supporting documents for change order; dis of same w Joel W.								
5-12-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.70	610.00	427.00	
Corresp bw H.Chaiton, C.Fell throughout day re court motion, draft order, enhanced powers of trustee, amendments thereof, Kirby equipment relief sought								
5-12-2020	5718	Secured Creditor	Hour	HMR	1.20	610.00	732.00	
Call w RBC Jason Lukez, various info requested, review info obtained to date w DP, planning thereof and follow ups w J.Lukez; corresp R.Moses lawyer for; corresp H.Chaiton, D.Stevens, C.Fell re further info requested, provide to RBC								
5-12-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00	
Lien regularization - draft order from C.Fell, corresp to OPG								
5-12-2020	5714	Div I Proposal	Hour	HMR	1.60	610.00	976.00	
Assist in compiling cash flow for May 15 court hearing, w DP and Candance Little at meeting in Uxbridge; Candance re Prince Rupert requesting conf call as vendors to lien;								
5-12-2020	5711	Reports	Hour	HMR	0.50	610.00	305.00	
Report of proposal trustee - draft for May 15 court hearing, review w GH, planning; corresp w H.Chaiton, amendments thereof								
5-13-2020	5711	Reports	Hour	GRH	1.00	360.00	360.00	
finalize and serve report								
5-13-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.50	360.00	180.00	
various re cash flow, updates to website, affidavit, emails w counsel								
5-13-2020	5714	Div I Proposal	Hour	DPR	9.00	260.00	2,340.00	
Arrived at JMX at 9, call with GH and HR at 915. created a variance analysis between current cash flow ("CF") and CF as at April 30. many discussion with Candace and Nora nailing down holdbacks and expected A/R. A/R rec, and PRE and POST NOI CFs								
5-13-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.50	610.00	305.00	
Follow up request re D&O charge from R.Moses lawyer for RBC, possible opposition to D&O charge in light of various matters								
5-13-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	2.70	610.00	1,647.00	
Cash flow to be filed May 15 court material changes, variance analysis w DP for parities; prep for meeting with RBC J.Lukez and lawyer re all matters to date, updated cash flow material changes incl OPG, Constr Act s.8.1; attend call w RBC, post calls								



## Billing Worksheet Report

From: 1/1/2020 To: 5/29/2020

Date	Time	Description	Hour	Rate	Amount	Balance
5-13-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.50	610.00
Construction Act (new) compliance section 8.1 to comply with going forward, review of trustee worksheet, rework w DP, extract information to comply						
5-13-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.70	610.00
Corresp through out day w legal counsel re Kirby matter-equipment, receipt and review of responding material by Kirby - A.Marchinoni lawyer for						
5-13-2020	5711	Reports	Hour	HMR	0.60	610.00
Review of draft First Report of Proposal Trustee to Court, changes thereof w H.Chaiton, finalize						
5-13-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.60	610.00
Supp affidavit of Daniel Stevens review re OPG issues, RBC actions thereof; attend conf call w company lawyers, H.Chaiton, D. Stevens						
5-13-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00
Corresp to OPG from company lawyer re VAS concern letter re asbestos on site and proper closure						
5-14-2020	5702	Admin work file - General (description mandatory)	Hour	LDS	0.10	400.00
forwarding email from Revay and Associates sent to Andrea to Graeme Hamilton to respond to						
5-14-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	3.70	610.00
Various parties responses incl motion material by Kirby, conf call w Kirby lawyers; LiUna lawyers response possible opposition inquire union dues payment; OPG lawyer L.Rogers and responses thereof						
5-14-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	1.80	610.00
Company lien x OPG: review corresp thereof, analysis of claim, review w D.Posner incl change order amendments thereof, dis same wiith Joel W. proj manager; conf call w company constr lawyer for claim; position of pt thereof						
5-14-2020	5718	Secured Creditor	Hour	HMR	0.80	610.00
Cash flow review in detail and changes thereof from first cf filed, review of a/r inflows, review of expenses, assist in company managing						
5-14-2020	5718	Secured Creditor	Hour	HMR	2.30	610.00
D&O charge request of policy premiums and reason for charges by RBC lawyers; calls w R.Moses; review of CA s.8.1 concerns by RBC re trust; review co policy thereof, assist company in implementing plan going fwd; conf call w RBC lawyers						
5-14-2020	5708	Asset Realization	Hour	HMR	1.60	610.00
Project line by line detailed analysis compile with company, coordinate pt staff and company staff throughout day						
5-14-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.00	360.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

review of motion materials, kirby, cont account, funds receipt								
5-14-2020	5714	Div I Proposal	Hour	DPR	7.50	260.00	1,950.00	
8amAssisting Hans to conform POST NOI CF to PRE								
Arrived at JMX at 9am. Reconciled WOH receivables to C/F. Assited Candace and Nora throughout the day per Hans instructions. re: individual G/Ls for each projects. and potential liens. ; and lien against OPG								
5-14-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.30	300.00	90.00	
creditor enquiry Meridian & response								
5-15-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.30	300.00	90.00	
creditor enquiry Komatsu Financial								
5-15-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.40	360.00	144.00	
5-15-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.50	300.00	150.00	
Komatsu Financial - enquiry - from Ray Iacovozzi - notices not received; obtaining all details; e-mail package to Ray; update all addresses & contact Informatoin; e-mail to Graeme re same with all details								
5-15-2020	5714	Div I Proposal	Hour	DPR	5.00	260.00	1,300.00	
Prep and call with Daniel Stevens and Larry Gold. Liens analysis based on updated info provided by Nora. Call with Joel (PM) regarding the loan they plan to file on OPG. Compiling docs re:lien filing on OPG. Prep for meeting with Joel next Tuesday.								
5-15-2020	5714	Div I Proposal	Hour	HMR	0.70	610.00	427.00	
Prep for and attend Court hearing before Justice Conway; pre call, corresp re D&O charge								
5-15-2020	5708	Asset Realization	Hour	HMR	0.30	610.00	183.00	
May 16: continuing matters re Prince Rupert, lien regularization, Emilio B. re opg lien to be filed and Prince Rupert								
5-15-2020	5708	Asset Realization	Hour	HMR	0.30	610.00	183.00	
ADB Structural Engineering Lien re Prince Ruptert job just filed, initial planning								
5-15-2020	5708	Asset Realization	Hour	HMR	0.40	610.00	244.00	
Corresp re 320 Bay St. incl work order, invoice Ontario Cutting - OCC; Letter from Ellis Don re lien by Ontario Cutting OCC, initial dis thereof;								
5-15-2020	5704	Review	Hour	HMR	0.30	610.00	183.00	
OPG asbestorsss analysis, review w DP in prep for meeting with Joel W.								
5-15-2020	5718	Secured Creditor	Hour	HMR	0.30	610.00	183.00	
Calc revisions to trustee work sheet re project by project trust claim compliance under Construction Act w DP								
5-18-2020	5714	Div I Proposal	Hour	DPR	0.75	260.00	195.00	
compile information on potential liens from Prince Rupert project for Emilio and Caitlin								

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Date	Time	Description	Unit	Code	Rate	Amount	Total
5-19-2020	5714	Div I Proposal	Hour	DPR	4.50	260.00	1,170.00
Arrived at JMX at 915 to work on the OPG lien calculation. Assisted Candice with various							
5-19-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.15	300.00	45.00
Tel Disc with Jill McDougall of CRA; sent revised signed Order to Diane Winters at DOJ; e-mail to Graeme re same & apmt. with Jill to discuss files							
5-19-2020	5704	Review	Hour	HMR	0.40	610.00	244.00
Review of cash flow w D.Stevens; query C.Little re cheque requisition process to suppliers put in affect as per court order							
5-19-2020	5708	Asset Realization	Hour	HMR	1.20	610.00	732.00
OPG lien compilation w D.Posner, corresp throughout day with Posner, C.Little							
5-19-2020	5708	Asset Realization	Hour	HMR	0.80	610.00	488.00
OPG Lien calculation review, dis same w D.Posner, organize follow up with construction lawyer, proj manager and others							
5-19-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.00	360.00	360.00
creditor inquiries, review of weekend emails re administration, order and posting of same							
5-20-2020	5720	CRA / Audit / Filings	Hour	GRH	0.50	360.00	180.00
call with collection officer, CRA, HST, file issues							
5-20-2020	5714	Div I Proposal	Hour	HMR	0.50	610.00	305.00
May 20: C.Little re payment request to suppliers, coordinate w D.Posner re construction act compliance							
5-20-2020	5720	CRA / Audit / Filings	Hour	HMR	0.20	610.00	122.00
Corresp from CRA rep							
5-20-2020	5708	Asset Realization	Hour	HMR	0.20	610.00	122.00
May 19: 320 Bay re OCC on Ellis Don project							
5-20-2020	5708	Asset Realization	Hour	HMR	0.80	610.00	488.00
OCC lien re Ellis Don job, issues thereof; calls thereof w legal counsel, D.Stevens, post review w D.Posner and C.Little; process and structure compliance review							
5-20-2020	5704	Review	Hour	HMR	0.70	610.00	427.00
Dis w D.Stevens re process and structure of vendor payments going forward and compliance with statute, dis re appraisal and detailed info required w appraisal company, financing thereof							
5-20-2020	5714	Div I Proposal	Hour	DPR	4.50	260.00	1,170.00
Call with HR, DS, CL, Joel and Emilio discussing lien on OPG. Sent Schedules to Jason Lukez. Worked with CL throughout the day regarding outgoing payments to vendors and reporting to RBC which ultimately did not get done.							
5-21-2020	5720	CRA / Audit / Filings	Hour	GRH	0.35	360.00	126.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

initial re HST								
5-21-2020	5714	Div I Proposal	Hour	DPR	5.50	260.00	1,430.00	
Call and prep with Rachel Moses. Response to Jason Lukez at RBC. Created new columns in excel to reflect amounts paid out to vendor to be in accordance with Trust/Lien rules. Discussions with Hans and Candace throughout the day,								
5-21-2020	5708	Asset Realization	Hour	HMR	1.30	610.00	793.00	
OPG Lien calculation: review, calls w DP, C.Little, Fernando Suaz of Emlio B. office throughout day re compilation of lien claim and details thereof, calc of contract price w F.Suaz								
5-22-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.50	360.00	180.00	
various re HST, creditor inquiries,								
5-22-2020	5718	Secured Creditor	Hour	HMR	1.20	610.00	732.00	
Review of info request from RBC acct manager w DP, updates from accounting staff review; prep for meeting with RBC								
5-22-2020	5718	Secured Creditor	Hour	HMR	0.70	610.00	427.00	
Call w RBC account manager re project by project analysis re a/r, cost on project, payments out, reconcile to cash flow								
5-22-2020	5718	Secured Creditor	Hour	HMR	0.40	610.00	244.00	
Protocol dis re info to be provided to RBC, review w DP, C.Fell, corresp thereof								
5-22-2020	5714	Div I Proposal	Hour	DPR	5.00	260.00	1,300.00	
Discussion with Hans and prep regarding our call with Jason Lukez at RBC. Call with Jason. updated spreadsheet and sent to JL. Analyzing JL's response email. Call and assisting Sharon Kour regarding Liens regularization order.								
5-25-2020	5714	Div I Proposal	Hour	DPR	4.00	260.00	1,040.00	
communicating with Candace re: vendor cash out amount to provide RBC. Calls and email with March law regarding Kirby and arranging to attend the premises to recover the stolen equipment								
5-25-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00	
ASNA lift stay motion draft, affi of Pedro Ho, review								
5-25-2020	5720	CRA / Audit / Filings	Hour	HMR	0.40	610.00	244.00	
CRA HST inquiry, follow up w D.Posner, Candace on same, cash flow projection reconcile 850k								
5-25-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00	
Prince Rupert lien ADB Structural								
5-25-2020	5718	Secured Creditor	Hour	HMR	0.80	610.00	488.00	
RBC corresp to/from CSI frequency, review of corresp to date, dis same w company lawyer, D.Stevens; dis H.Chaiton re corresp to RBC; LC now called in by OPG to RBC no notice to parties; Larry Gold inquiries								

## Billing Worksheet Report

From: 1/1/2020 To: 5/29/2020

Date	Time	Description	Unit	Rate	Amount	Balance
5-25-2020	5718	Secured Creditor	Hour	HMR	0.40	244.00
Letter from R.Moses re information requested by RBC and timing to provide, status refinance; trustee position thereof						
5-26-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.50	180.00
various responses to creditor inquiries,						
5-26-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.60	366.00
Calls with C.Fell, S.Kour throughout am re refinance efforts, appraisals and response to RBC						
5-26-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	183.00
Dis w D.Stevens re appraisal and refinance						
5-26-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	183.00
H.Chaiton re response to RBC incl dis w company counsel, D.Stevens						
5-26-2020	5714	Div I Proposal	Hour	DPR	1.25	325.00
call with HR and Caitlin regarding Kirby Waste. Coordinating with Adam Marchioni that I can attend the Kirby location on hursday 930						
5-27-2020	5718	Secured Creditor	Hour	HMR	0.30	183.00
Review of updated info from Candace re Trustee worksheet re project by project analysis, dis same w DP on updates						
5-28-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.80	488.00
Kirby attendance by D.Posner memo, H.Chaiton re timing to return unacceptable, corresp thereof w Kirby lawyers; follow up on still missing equipment with company						
5-28-2020	5704	Review	Hour	HMR	0.50	305.00
Review of payment to vendor/suppliers by company						
5-28-2020	5704	Review	Hour	HMR	0.30	183.00
Info requested company lawyer re info for lien regularization						
5-28-2020	5714	Div I Proposal	Hour	DPR	3.75	975.00
Meeting at Kirby with Vinnie Ussia to recover the stolen equipment and prep. Assisting Sharon Kour in preparing the lien order against OPG. Assisitng HR and Candace in determining vendor payments and write up of the meeting with Vinnie						
5-29-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	2.30	1,403.00
Lien regularization order: review of drafts; provide company legal counsel with financial and other information needed for court material; dis throughout the day on same; receipt and review of court material; queries re union						
5-29-2020	5718	Secured Creditor	Hour	HMR	0.40	244.00
RBC Jason Lukez follow up requests detailed review with D.Stevens						
5-29-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	122.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Pro Industrial Solutions lawsuit							
5-29-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00
Review of Hazmasters payment with H.Chaiton							
5-29-2020	5715	Possession	Hour	HMR	0.50	610.00	305.00
Kirby non return of equipment to date: corresp H.Chaiton on same with Kirby lawyers for immediate return, update D.Stevens							
5-29-2020	5704	Review	Hour	HMR	0.40	610.00	244.00
Review of bank statements, dis w Candace re Prince Rupert receivable, trailer mobile							
5-29-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Kirby - H.Chaiton re advising court status for June 3 court hearing, revise court material							
<b>Project: 032477</b>					<b>200.35</b>	<b>70,366.00</b>	

<b>Workcode</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>
			-10,000.00
1985	Consulting	0.80	488.00
5701	Sign-up/Assesment/Prep docs	4.50	1,635.00
5702	Admin work file - General (description	38.90	13,515.00
5703	Notices	8.35	2,678.00
5704	Review	4.45	2,141.00
5705	Creditor/Debtor Inquiries/Assistance	26.90	15,934.00
5708	Asset Realization	9.80	5,978.00
5711	Reports	5.45	2,437.00
5713	Receivership	9.00	2,340.00
5714	Div I Proposal	77.15	24,749.00
5715	Possession	0.50	305.00
5718	Secured Creditor	12.10	7,381.00
5720	CRA / Audit / Filings	1.45	672.00
8000	Client Charge	1.00	113.00
<b>Total for project: 032477</b>		<b>200.35</b>	<b>70,366.00</b>

<b>Empl ID</b>	<b>Emp Name</b>	<b>Hours</b>	<b>Amount</b>
AAN	Andrea Nagy	9.00	2,340.00
AFD	Frances Doria	5.65	1,695.00
DPR	Daniel Posner	72.75	18,915.00
FX	Fei Xue	3.80	912.00
GRH	Graeme Hamilton	37.65	13,554.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

HMR	Hans Rizarri	69.70	42,517.00
LDS	Linda Stern	0.80	320.00
<b>Total for project: 032477</b>		<b>199.35</b>	<b>80,253.00</b>

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**Grand Total for Selected Projects**

<b>Workcode</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>
			-10,000.00
1985	Consulting	0.80	488.00
5701	Sign-up/Assesment/Prep docs	4.50	1,635.00
5702	Admin work file - General (description	38.90	13,515.00
5703	Notices	8.35	2,678.00
5704	Review	4.45	2,141.00
5705	Creditor/Debtor Inquiries/Assistance	26.90	15,934.00
5708	Asset Realization	9.80	5,978.00
5711	Reports	5.45	2,437.00
5713	Receivership	9.00	2,340.00
5714	Div I Proposal	77.15	24,749.00
5715	Possession	0.50	305.00
5718	Secured Creditor	12.10	7,381.00
5720	CRA / Audit / Filings	1.45	672.00
8000	Client Charge	1.00	113.00
<b>Total for client: 1023650</b>		<b>200.35</b>	<b>70,366.00</b>

<b>Empl ID</b>	<b>Emp Name</b>	<b>Hours</b>	<b>Amount</b>
AAN	Andrea Nagy	9.00	2,340.00
AFD	Frances Doria	5.65	1,695.00
DPR	Daniel Posner	72.75	18,915.00
FX	Fei Xue	3.80	912.00
GRH	Graeme Hamilton	37.65	13,554.00
HMR	Hans Rizarri	69.70	42,517.00
LDS	Linda Stern	0.80	320.00
<b>Total for client: 1023650</b>		<b>199.35</b>	<b>80,253.00</b>

<b>Grand Total for Selected Projects</b>		<b>200.35</b>	<b>70,366.00</b>
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**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Client ID: 1023668

Name: JMX Leasing Inc.

Contract: 1023668

Contract Name: JMX Leasing Inc.

**Project: 032483 JMX Leasing Inc.**

Date	Workcode	Description	Type	Empl ID	Hours	Rate	Amount
4-16-2020	1985	Consulting	Hour	HMR	0.80	610.00	488.00
Initial dis with Daniel Stevens, review of company; post calls with Daniel Stevens re options available re bank demand expires this Sunday, research on company, initial							
4-17-2020	5702	Admin work file - General (description mandatory)	Hour	AAN	0.50	260.00	130.00
JMX Leasing input file							
4-20-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.00	360.00	360.00
updates to Form 33- emails on same, team conference call,							
4-20-2020	5704	Review	Hour	AFD	0.25	300.00	75.00
Tel. Conf. meeting with Graeme, Hans & Fei on finalizing & ready for e-filing to OSB							
4-20-2020	5701	Sign-up/Assesment/Prep docs	Hour	HMR	0.60	610.00	366.00
Apr 18: corresp Candace Little update information creditors re various leasing companies; status on filing with legal counsel, D.Stevens shareholders still in discussions							
4-20-2020	5701	Sign-up/Assesment/Prep docs	Hour	HMR	1.20	610.00	732.00
Corresp legal counsel, D.Stevens, re status and timing to file; coordinate same with staff, updates from Candace Little to creditors list, coord with team filing after hours as instructed by Jeff Norton; dis with D.Stevens on filings, process, next steps							
4-21-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.15	360.00	414.00
file planning							
4-21-2020	5703	Notices	Hour	HMR	0.10	610.00	61.00
Review notices to creditors, timing with GH							
4-22-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Corp chart, dis with D.Stevens; corresp Candace re payables, cash flow payment; coord with staff notices mailing pkg to creditors							
4-23-2020	5703	Notices	Hour	HMR	0.20	610.00	122.00
Creditor mailing pkg review, coordinate with staff							



**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

4-24-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.20	360.00	432.00
noi prep and distribution							
4-24-2020	5703	Notices	Hour	FX	0.40	240.00	96.00
prep NOI notices, stay and mailing package							
4-28-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.60	360.00	216.00
creditor inquiries, emails w counsel							
4-28-2020	5718	Secured Creditor	Hour	HMR	0.20	610.00	122.00
Short dis w Rachel Moses lawyer for RBC, review of amendments with staff, dis of same D.Stevens							
4-29-2020	5703	Notices	Hour	AAN	0.20	260.00	52.00
Prepare email blast for Letter to Vendors and vet emails and remove specified ones							
4-29-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.30	360.00	468.00
comfort letter, cash flow, numerous emails w creditors							
4-29-2020	5714	Div I Proposal	Hour	HMR	0.40	610.00	244.00
Cash flow filing review							
4-29-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.50	610.00	305.00
Comfort letter requested by debtor and their legal counsel, coordinate same with staff incl contact info for proposal trustee							
4-30-2020	5702	Admin work file - General (description mandatory)	Hour	AAN	0.25	260.00	65.00
Print Comfort Letter, Copy, prepare fax cover and address label and stuff envelope for mailing							
4-30-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.75	360.00	630.00
set up website, cash flow, creditor inquiries							
4-30-2020	5714	Div I Proposal	Hour	HMR	0.30	610.00	183.00
Cash flow continued review with company; coordinate filing							
4-30-2020	5703	Notices	Hour	AFD	0.30	300.00	90.00
Discussions & E-mails from and to Graemem, Hans: Assisting Graeme with Cash Flow and required forms for CSR filing							
5-1-2020	5714	Div I Proposal	Hour	HMR	0.30	610.00	183.00
Monitoring re equipment follow up inventory and review							
5-1-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Dis with Daniel Stevens re monitoring, court attendance and request thereof, legal counsel							

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

			OnAccount				-10,000.00
5-1-2020							
Trustee fee							
5-4-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Conf call with Caitlin Fell, Harvey Chaiton re trustee report to court, relief being sought by company, extension on filing proposal, D&O charge, financing charge							
5-4-2020	5704	Review	Hour	AFD	0.25	300.00	75.00
Affidavit of Mailing - review & commissioning							
5-5-2020	5711	Reports	Hour	GRH	0.50	360.00	180.00
commence draft of first report							
5-6-2020	5711	Reports	Hour	GRH	0.40	360.00	144.00
continue draft of report, review of financials							
5-7-2020	5714	Div I Proposal	Hour	DPR	0.25	260.00	65.00
familiarizing myself with file							
5-8-2020	5711	Reports	Hour	GRH	0.25	360.00	90.00
updates to report							
5-8-2020	5714	Div I Proposal	Hour	DPR	0.50	260.00	130.00
reviewed cash flow statements for Pre NOI and post NOI and emailed Hans a summary							
5-8-2020	5711	Reports	Hour	HMR	0.30	610.00	183.00
Dis with legal counsel re motion to court, extension and other relief sought, timing of motion for May 15 court hearing, proposal trustee report timing, consider d&o charge, admin charge, planning w staff							
5-11-2020	5711	Reports	Hour	GRH	0.40	360.00	144.00
continue updates to report							
5-12-2020	5711	Reports	Hour	GRH	1.00	360.00	360.00
finalize first draft of report and send to counsel, review with counsel							
5-12-2020	5711	Reports	Hour	HMR	0.30	610.00	183.00
Report of proposal trustee - draft for May 15 court hearing, review w GH, planning; corresp w H.Chaiton, amendments thereof							
5-13-2020	5711	Reports	Hour	GRH	1.00	360.00	360.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

finalize and serve report							
5-13-2020	5711	Reports	Hour	HMR	0.20	610.00	122.00
Review of draft First Report of Proposal Trustee to Court, changes thereof w H.Chaiton, finalize							
5-14-2020	5704	Review	Hour	HMR	0.70	610.00	427.00
Prep for court hearing; refinancing of equipment w CFO, proposed equip financing							
5-15-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.40	360.00	144.00
5-15-2020	7210	Office Closed	Hour	AFD	0.50	300.00	150.00
Komatsu Financial - enquiry - from Ray Iacovozzi - notices not received; obtaining all details; e-mail package to Ray; update all addresses & contact Informatoin; e-mail to Graeme re same with all details							
5-15-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Prep for and attend Court hearing before Justice Conway; pre call, corresp re D&O charge							
5-19-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.15	300.00	45.00
Tel Disc with Jill McDougall of CRA; sent revised signed Order to Diane Winters at DOJ; e-mail to Graeme re same & apmt. with Jill to discuss files							
<b>Project: 032483</b>						<b>21.40</b>	<b>-876.00</b>

<b>Workcode</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>
			-10,000.00
1985	Consulting	0.80	488.00
5701	Sign-up/Assesment/Prep docs	1.80	1,098.00
5702	Admin work file - General (description	8.15	2,859.00
5703	Notices	1.20	421.00
5704	Review	1.20	577.00
5705	Creditor/Debtor Inquiries/Assistance	0.65	350.00
5711	Reports	4.35	1,766.00
5714	Div I Proposal	2.55	1,293.00
5718	Secured Creditor	0.20	122.00
7210	Office Closed	0.50	150.00
<b>Total for project: 032483</b>		<b>21.40</b>	<b>-876.00</b>

<b>Empl ID</b>	<b>Emp Name</b>	<b>Hours</b>	<b>Amount</b>
AAN	Andrea Nagy	0.95	247.00
AFD	Frances Doria	1.45	435.00
DPR	Daniel Posner	0.75	195.00
FX	Fei Xue	0.40	96.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

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GRH	Graeme Hamilton	10.95	3,942.00
HMR	Hans Rizarri	6.90	4,209.00
<b>Total for project: 032483</b>		<b>21.40</b>	<b>9,124.00</b>

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**Grand Total for Selected Projects**

<b>Workcode</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>
			-10,000.00
1985	Consulting	0.80	488.00
5701	Sign-up/Assesment/Prep docs	1.80	1,098.00
5702	Admin work file - General (description	8.15	2,859.00
5703	Notices	1.20	421.00
5704	Review	1.20	577.00
5705	Creditor/Debtor Inquiries/Assistance	0.65	350.00
5711	Reports	4.35	1,766.00
5714	Div I Proposal	2.55	1,293.00
5718	Secured Creditor	0.20	122.00
7210	Office Closed	0.50	150.00
<b>Total for client: 1023668</b>		<b>21.40</b>	<b>-876.00</b>

<b>Empl ID</b>	<b>Emp Name</b>	<b>Hours</b>	<b>Amount</b>
AAN	Andrea Nagy	0.95	247.00
AFD	Frances Doria	1.45	435.00
DPR	Daniel Posner	0.75	195.00
FX	Fei Xue	0.40	96.00
GRH	Graeme Hamilton	10.95	3,942.00
HMR	Hans Rizarri	6.90	4,209.00
<b>Total for client: 1023668</b>		<b>21.40</b>	<b>9,124.00</b>

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<b>Grand Total for Selected Projects</b>	<b>21.40</b>	<b>-876.00</b>
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**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Client ID: 1023659

Name: JMX National Inc.

Contract: 1023659

Contract Name: JMX National Inc.

**Project: 032482 JMX National Inc.**

<b>Date</b>	<b>Workcode</b>	<b>Description</b>	<b>Type</b>	<b>Empl ID</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
4-16-2020	1985	Consulting	Hour	HMR	0.80	610.00	488.00
Initial dis with Daniel Stevens, review of company; post calls with Daniel Stevens re options available re bank demand expires this Sunday, research on company, initial							
4-20-2020	5701	Sign-up/Assesment/Prep docs	Hour	HMR	0.30	610.00	183.00
Apr 18: various sign up documents executed and follow up dis with D.Stevens re process, steps next week post filing							
4-21-2020	5703	Notices	Hour	HMR	0.10	610.00	61.00
Review notices to creditors, timing with GH							
4-22-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Corp chart, dis with D.Stevens; corresp Candace re payables, cash flow payment; coord with staff notices mailing pkg to creditors							
4-23-2020	5703	Notices	Hour	HMR	0.20	610.00	122.00
Creditor mailing pkg review, coordinate with staff							
4-24-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.40	360.00	144.00
noi prep and distribution							
4-24-2020	5714	Div I Proposal	Hour	HMR	0.60	610.00	366.00
Cash flow review with D.Stevens, review with GH, planning for Monday filing							
4-24-2020	5703	Notices	Hour	FX	0.40	240.00	96.00
prep NOI notices, stay and mailing package & mailing							
4-24-2020	5703	Notices	Hour	LDS	0.20	400.00	80.00
review of covering letter and forwarding changes to Fei							
4-27-2020	5711	Reports	Hour	AFD	0.25	300.00	75.00
Assist Graeme with Cash Flow & FOrms 29 and 30; to OS							
4-27-2020	5714	Div I Proposal	Hour	HMR	0.60	610.00	366.00

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Cash flow filing, coordinate with company and staff, sign off by proposal trustee, fwd to Rachel Moses lawyer for RBC as per request

4-27-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.20	360.00	432.00
cash flow, BIA docs, conf call							
4-28-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.35	360.00	126.00
updates re RBC							
4-28-2020	5718	Secured Creditor	Hour	HMR	0.20	610.00	122.00
Short dis w Rachel Moses lawyer for RBC,, cash flow filed, updates, dis of same D.Stevens							
4-29-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.20	360.00	72.00
updates to RBC							
4-29-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00
Comfort letter requested by debtor and their legal counsel, coordinate same with staff incl contact info for proposal trustee							
5-1-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Dis with Daniel Stevens re monitoring, court attendance and request thereof, legal counsel							
5-1-2020			OnAccount				-10,000.00
Trustee fees							
5-4-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Conf call with Caitlin Fell, Harvey Chaiton re trustee report to court, relief being sought by company, extension on filing proposal, D&O charge, financing charge							
5-5-2020	5711	Reports	Hour	GRH	0.50	360.00	180.00
commence draft of first report							
5-6-2020	5711	Reports	Hour	GRH	0.40	360.00	144.00
continue report, review of financials							
5-7-2020	5714	Div I Proposal	Hour	DPR	0.25	260.00	65.00
familiarizing myself with file							
5-8-2020	5711	Reports	Hour	GRH	0.25	360.00	90.00
updates to report							
5-8-2020	5711	Reports	Hour	HMR	0.30	610.00	183.00
Dis with legal counsel re motion to court, extension and other relief sought, timing of motion for May 15 court hearing, proposal trustee report timing; consider d&o charge, admin charge; planning w staff							
5-11-2020	5711	Reports	Hour	GRH	0.40	360.00	144.00
continue updates to report							

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

5-12-2020	5711	Reports	Hour	GRH	1.00	360.00	360.00
finalize first draft of report and send to counsel, review with counsel							
5-12-2020	5711	Reports	Hour	HMR	0.30	610.00	183.00
Report of proposal trustee - draft for May 15 court hearing, review w GH, planning; corresp w H.Chaiton, amendments thereof							
5-13-2020	5711	Reports	Hour	GRH	1.00	360.00	360.00
finalize and serve report							
5-13-2020	5711	Reports	Hour	HMR	0.20	610.00	122.00
Review of draft First Report of Proposal Trustee to Court, changes thereof w H.Chaiton, finalize							
5-14-2020	5704	Review	Hour	HMR	0.20	610.00	122.00
Prep for court hearing							
5-15-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	-0.30	300.00	-90.00
Correction							
5-15-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.40	360.00	144.00
5-15-2020	5714	Div I Proposal	Hour	HMR	0.30	610.00	183.00
Prep for and attend Court hearing before Justice Conway; pre call, corresp re D&O charge							
5-15-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Prep for and attend Court hearing before Justice Conway; pre call, corresp re D&O charge							
5-15-2020	5714	Div I Proposal	Hour	HMR	-0.30	610.00	-183.00
Prep for and attend Court hearing before Justice Conway; pre call, corresp re D&O charge							
5-19-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.15	300.00	45.00
Tel Disc with Jill McDougall of CRA; sent revised signed Order to Diane Winters at DOJ; e-mail to Graeme re same & apmt. with Jill to discuss files							

**Project: 032482**

**11.95**

**-4,544.00**

<b>Workcode</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>
			-10,000.00
1985	Consulting	0.80	488.00
5701	Sign-up/Assesment/Prep docs	0.30	183.00
5702	Admin work file - General (description	2.55	918.00
5703	Notices	0.90	359.00
5704	Review	0.20	122.00
5705	Creditor/Debtor Inquiries/Assistance	0.15	138.00
5711	Reports	4.60	1,841.00

**Billing Worksheet Report**

From: 1/1/2020 To: 5/29/2020

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5714	Div I Proposal	2.25	1,285.00
5718	Secured Creditor	0.20	122.00
<b>Total for project: 032482</b>		<b>11.95</b>	<b>-4,544.00</b>

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<b>Empl ID</b>	<b>Emp Name</b>	<b>Hours</b>	<b>Amount</b>
AFD	Frances Doria	0.10	30.00
DPR	Daniel Posner	0.25	65.00
FX	Fei Xue	0.40	96.00
GRH	Graeme Hamilton	6.10	2,196.00
HMR	Hans Rizarri	4.90	2,989.00
LDS	Linda Stern	0.20	80.00
<b>Total for project: 032482</b>		<b>11.95</b>	<b>5,456.00</b>

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**Grand Total for Selected Projects**

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<b>Workcode</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>
			-10,000.00
1985	Consulting	0.80	488.00
5701	Sign-up/Assesment/Prep docs	0.30	183.00
5702	Admin work file - General (description	2.55	918.00
5703	Notices	0.90	359.00
5704	Review	0.20	122.00
5705	Creditor/Debtor Inquiries/Assistance	0.15	138.00
5711	Reports	4.60	1,841.00
5714	Div I Proposal	2.25	1,285.00
5718	Secured Creditor	0.20	122.00
<b>Total for client: 1023659</b>		<b>11.95</b>	<b>-4,544.00</b>

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<b>Empl ID</b>	<b>Emp Name</b>	<b>Hours</b>	<b>Amount</b>
AFD	Frances Doria	0.10	30.00
DPR	Daniel Posner	0.25	65.00
FX	Fei Xue	0.40	96.00
GRH	Graeme Hamilton	6.10	2,196.00
HMR	Hans Rizarri	4.90	2,989.00
LDS	Linda Stern	0.20	80.00
<b>Total for client: 1023659</b>		<b>11.95</b>	<b>5,456.00</b>



**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

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<b>Grand Total for Selected Projects</b>	<u>11.95</u>	<u>-4,544.00</u>
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**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Client ID: 1023658

Name: BRND Properties Inc.

Contract: 1023658

Contract Name: BRND Properties Inc.

**Project: 032481 BRND Properties Inc.**

<b>Date</b>	<b>Workcode</b>	<b>Description</b>	<b>Type</b>	<b>Empl ID</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
4-16-2020	1985	Consulting	Hour	HMR	0.80	610.00	488.00
Initial dis with Daniel Stevens, review of company; post calls with Daniel Stevens re options available re bank demand expires this Sunday, research on company, initial							
4-20-2020	5701	Sign-up/Assesment/Prep docs	Hour	HMR	0.30	610.00	183.00
Apr 18: various sign up documents executed and follow up dis with D.Stevens re process, steps next week post filing							
4-21-2020	5703	Notices	Hour	HMR	0.10	610.00	61.00
Review notices to creditors, timing with GH							
4-22-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Corp chart, dis with D.Stevens; corresp Candace re payables, cash flow payment; coord with staff notices mailing pkg to creditors							
4-23-2020	5703	Notices	Hour	HMR	0.20	610.00	122.00
Creditor mailing pkg review, coordinate with staff							
4-24-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.40	360.00	144.00
noi prep and distribution							
4-24-2020	5714	Div I Proposal	Hour	HMR	0.60	610.00	366.00
Cash flow review with D.Stevens, review with GH, planning for Monday filing							
4-24-2020	5703	Notices	Hour	FX	0.40	240.00	96.00
prep NOI notices, stay and mailing package & mailing							
4-27-2020	5711	Reports	Hour	AFD	0.25	300.00	75.00
Assist Graeme with Cash Flow & Forms 29 and 30, to OSB							
4-27-2020	5714	Div I Proposal	Hour	HMR	0.60	610.00	366.00
Cash flow filing, coordinate with company and staff, sign off by proposal trustee, fwd to Rachel Moses lawyer for RBC as per request							

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

Date	Case No.	Description	Unit	Code	Rate	Amount	Balance
4-27-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	1.20	360.00	432.00
cash flow docs, BIA proceeding, conf call							
4-28-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.35	360.00	126.00
updates re RBC							
4-28-2020	5718	Secured Creditor	Hour	HMR	0.20	610.00	122.00
Short dis w Rachel Moses lawyer for RBC, review of amendments with staff, dis of same D.Stevens							
4-29-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.20	360.00	72.00
updates to RBC							
4-29-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00
Comfort letter requested by debtor and their legal counsel, coordinate same with staff incl contact info for proposal trustee							
5-1-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Dis with Daniel Stevens re monitoring, court attendance and request thereof, legal counsel							
5-1-2020			OnAccount				-10,000.00
Trustee fees							
5-4-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Conf call with Caitlin Fell, Harvey Chaiton re trustee report to court, relief being sought by company, extension on filing proposal, D&O charge, financing charge							
5-5-2020	5711	Reports	Hour	GRH	0.50	360.00	180.00
commence draft of first report							
5-6-2020	5711	Reports	Hour	GRH	0.40	360.00	144.00
continue report, review of financials							
5-8-2020	5711	Reports	Hour	GRH	0.25	360.00	90.00
updates to report							
5-8-2020	5711	Reports	Hour	HMR	0.30	610.00	183.00
Dis with legal counsel re motion to court, extension and other relief sought, timing of motion for May 15 court hearing, proposal trustee report timing; consider d&o charge, admin charge; planning w staff							
5-11-2020	5711	Reports	Hour	GRH	0.40	360.00	144.00
continue updates to report							
5-12-2020	5711	Reports	Hour	GRH	1.00	360.00	360.00
finalize first draft of report and send to counsel, review on same							
5-12-2020	5711	Reports	Hour	HMR	0.20	610.00	122.00
Report of proposal trustee - draft for May 15 court hearing, review w GH, planning							

**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

5-13-2020	5711	Reports	Hour	GRH	1.00	360.00	360.00
finalize and serve report							
5-13-2020	5711	Reports	Hour	HMR	0.20	610.00	122.00
Review of draft First Report of Proposal Trustee to Court, changes thereof w H.Chaiton, finalize							
5-14-2020	5704	Review	Hour	HMR	0.20	610.00	122.00
Prep for court hearing							
5-15-2020	5702	Admin work file - General (description mandatory)	Hour	GRH	0.40	360.00	144.00
5-15-2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Prep for and attend Court hearing before Justice Conway; pre call, corresp re D&O charge							
5-19-2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.15	300.00	45.00
Tel Disc with Jill McDougall of CRA; sent revised signed Order to Diane Winters at DOJ; e-mail to Graeme re same & apmt. with Jill to discuss files							

**Project: 032481**

**11.70**

**-4,660.00**

<b>Workcode</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>
			-10,000.00
1985	Consulting	0.80	488.00
5701	Sign-up/Assesment/Prep docs	0.30	183.00
5702	Admin work file - General (description	2.55	918.00
5703	Notices	0.70	279.00
5704	Review	0.20	122.00
5705	Creditor/Debtor Inquiries/Assistance	0.45	228.00
5711	Reports	4.50	1,780.00
5714	Div I Proposal	2.00	1,220.00
5718	Secured Creditor	0.20	122.00
<b>Total for project: 032481</b>		<b>11.70</b>	<b>-4,660.00</b>

<b>Empl ID</b>	<b>Emp Name</b>	<b>Hours</b>	<b>Amount</b>
AFD	Frances Doria	0.40	120.00
FX	Fei Xue	0.40	96.00
GRH	Graeme Hamilton	6.10	2,196.00
HMR	Hans Rizarri	4.80	2,928.00
<b>Total for project: 032481</b>		<b>11.70</b>	<b>5,340.00</b>

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**Billing Worksheet Report**

**From: 1/1/2020 To: 5/29/2020**

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**Grand Total for Selected Projects**

<b>Workcode</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>
			-10,000.00
1985	Consulting	0.80	488.00
5701	Sign-up/Assesment/Prep docs	0.30	183.00
5702	Admin work file - General (description	2.55	918.00
5703	Notices	0.70	279.00
5704	Review	0.20	122.00
5705	Creditor/Debtor Inquiries/Assistance	0.45	228.00
5711	Reports	4.50	1,780.00
5714	Div I Proposal	2.00	1,220.00
5718	Secured Creditor	0.20	122.00
<b>Total for client: 1023658</b>		<b>11.70</b>	<b>-4,660.00</b>

<b>Empl ID</b>	<b>Emp Name</b>	<b>Hours</b>	<b>Amount</b>
AFD	Frances Doria	0.40	120.00
FX	Fei Xue	0.40	96.00
GRH	Graeme Hamilton	6.10	2,196.00
HMR	Hans Rizarri	4.80	2,928.00
<b>Total for client: 1023658</b>		<b>11.70</b>	<b>5,340.00</b>

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<b>Grand Total for Selected Projects</b>		<b>11.70</b>	<b>-4,660.00</b>
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JMX Contracting Inc.  
130 Ram Forest Road  
Stouffville, ON L4A Z8A

## Invoice

Number	10114972
Date	8/12/2020
Invoice Account	1023650
HST Number	R104902077

Re: In the Matter of JMX Contracting Inc., JMX Leasing Inc., JMX National Inc, and BRND Properties Inc. ("JMX Group") for professional services rendered by the Licensed Insolvency Trustee July 31, 2020, as per attached schedule "A" and time sheets.

Professional Fees	65,436.00
Discount for fees	(10,000.00)
Sub Total	55,436.00

<b>Professional Fees:</b>	<b>55,436.00</b>
<b>GST/HST:</b>	<b>7,206.68</b>
<b>Balance Due:</b>	<b>62,642.68</b>

### Payment Options:

#### Wire Transfer:

Company Name: Crowe Soberman LLP  
Bank Name: TD Canada Trust  
Bank Address: 2 St. Clair Ave. East Toronto ON M4T 2V4  
Bank Code: 004 Transit #: 19682  
Account # (Canadian Dollars): 06170324018  
Account # (US Dollars): 06177316148  
Swift Code: TDOMCATTOR

#### Payment by credit card:

Please visit our website and select the secure credit card payment button "Pay by Credit Card"  
[www.crowe.com/ca/crowesoberman](http://www.crowe.com/ca/crowesoberman)

#### Online Banking:

Add payee: Crowe Soberman LLP  
Account number: Your invoice account number (7 digits)

#### Cheque:

Please make cheques payable to:  
Crowe Soberman LLP  
Attention: Finance Department  
2 St. Clair Ave. East, Suite 1100  
Toronto ON M4T 2T5

**Schedule "A"**

**JMX Group WIP**

	WIP to May 30 to July 31, 2020		Balance of Retainer Since May 29, 2020	Total
Contracting	\$ 72,499.00	\$	-	\$ 72,499.00
Leasing	\$ 1,492.00	\$	(876.00)	\$ 616.00
National	\$ 183.00	\$	(4,544.00)	\$ (4,361.00)
BRND	\$ 1,342.00	\$	(4,660.00)	\$ (3,318.00)
<b>Sub Total</b>	<b>\$ 75,516.00</b>	<b>\$</b>	<b>(10,080.00)</b>	<b>\$ 65,436.00</b>

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## Billing Worksheet Report

From: 5/30/2020 To: 7/31/2020

Client ID: 1023650

Name: JMX Contracting Inc.

Contract: 1023650

Contract Name: JMX Contracting Inc.

**Project: 032477 JMX Contracting Inc.**

Date	Workcode	Description	Type	Empl ID	Hours	Rate	Amount
5/30/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00
Reliable transport dis w Candace, cash flow projection review, monitor, dis w D.Stevens							
5/30/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.80	610.00	488.00
Union lawyer corresp and issues thereof, dis same w D.Stevens; dis of continuing outstanding matters w							
6/1/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.25	300.00	75.00
Mark @ ANJ Industrial - enquiry on status & copy of Court Order							
6/1/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.50	300.00	150.00
Tel Enquiries re Proposal filing, extension date, etc; send copy of Order; notes to the file;							
6/1/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Contact info for projects for Lien order							
6/1/2020	5708	Asset Realization	Hour	HMR	0.40	610.00	244.00
OPG Change order section 5.5 of contract, corresp Joel W., review							
6/1/2020	5714	Div I Proposal	Hour	DPR	1.00	260.00	260.00
received letter from from Rachel Moses. and planned a response							
6/1/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Kirby waste bins delivery w principals, continuing issues thereof							
6/1/2020	5718	Secured Creditor	Hour	HMR	0.60	610.00	366.00
H.Chaiton corresp re RBC position and trust fund accounting							
6/2/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.50	300.00	150.00
Various enquiries; tel discussions; instructions from Hans on calls							
6/2/2020	5714	Div I Proposal	Hour	DPR	8.50	260.00	2,210.00
communicating with Vinnie Ussia of Kirby and JMX to have equipment returned. Drafted the 2nd report of							
6/2/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	2.20	610.00	1,342.00
Pre discussions, attend at directors meeting re various and continuing issues							
6/2/2020	5714	Div I Proposal	Hour	HMR	0.20	610.00	122.00
Kirby equipment returning, coordinate, continuing issues thereof							
6/2/2020	5718	Secured Creditor	Hour	HMR	0.50	610.00	305.00
RBC re court appointed monitor, corresp throughout day w legal counsel, trustee position thereof							
6/3/2020	5714	Div I Proposal	Hour	DPR	1.00	260.00	260.00



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## Billing Worksheet Report

From: 5/30/2020 To: 7/31/2020

communicating with Candace and Jason Lukez. Responding to JL'S email from May 29.						
6/3/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.70	610.00 427.00
Pre call meetings and review with legal counsel before court hearing Justice Conway						
6/3/2020	5708	Asset Realization	Hour	HMR	0.60	610.00 366.00
Refinancing efforts throughout the day with company, D.Stevens, legal counsel						
6/3/2020	5718	Secured Creditor	Hour	HMR	0.80	610.00 488.00
Trustee worksheet updates, review and corresp to RBC Jason Lukez, coordinate with DP						
6/3/2020	5714	Div I Proposal	Hour	HMR	0.50	610.00 305.00
Monitoring, expenses re OPG frac tanks, receivables, corresp throughout day wth Candace and directors						
6/3/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00 183.00
Boughton Law Corp court material						
6/3/2020	7005	Mentoring & Coaching	Hour	HMR	0.50	610.00 305.00
Daniel Posner re JMX litigation, RBC action						
6/4/2020	5718	Secured Creditor	Hour	HMR	0.70	610.00 427.00
Refinancing efforts review, dis throughout day with legal counsel, D.Stevens re options, committment						
6/4/2020	5718	Secured Creditor	Hour	HMR	0.50	610.00 305.00
RBC review re Spergel, corresp thereof, dis w rep Muktar M.						
6/4/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.40	610.00 244.00
OPG water frac tanks, corresp from OPG rep, review trustee position thereof						
6/5/2020	5714	Div I Proposal	Hour	DPR	1.25	260.00 325.00
putting together a response for Spergel's production request						
6/5/2020	5718	Secured Creditor	Hour	HMR	0.80	610.00 488.00
Review prep for meeting and attend call w RBC J.Lukez and Spergel Muktar M; post call dis w staff						
6/5/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00 122.00
D.Stevens refinance status						
6/8/2020	5714	Div I Proposal	Hour	DPR	4.00	260.00 1,040.00
Email to Mukul/Spergel responding to Schedule A(Sunday). Discussions throughout the day with HR and						
6/8/2020	5714	Div I Proposal	Hour	HMR	0.30	610.00 183.00
Variance analysis dis w DP						
6/8/2020	5714	Div I Proposal	Hour	HMR	0.50	610.00 305.00
Refinancing status w Daniel Stevens						
6/9/2020	5714	Div I Proposal	Hour	DPR	5.50	260.00 1,430.00
prepared a cash flow variance analysis., projections vs actual. communications with candace, Daniel						
6/9/2020	5710	Banking - File Specific	Hour	HMR	0.40	610.00 244.00
H.Chaiton re variance analysis and rolling 13 wks, continuing matters re RBC						
6/9/2020	5710	Banking - File Specific	Hour	HMR	0.40	610.00 244.00
D.Stevens, Candace re banking, variance analysis, various inquiries and calls with D.Stevens						
6/9/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.10	610.00 61.00

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## Billing Worksheet Report

From: 5/30/2020 To: 7/31/2020

Daniel Stevens various corresp re CFO position and board of directors							
6/9/2020	5710	Banking - File Specific	Hour	HMR	0.30	610.00	183.00
Variance analysis w DP review, updated rolling 13 wk cash flow							
6/10/2020	5714	Div I Proposal	Hour	HMR	0.70	610.00	427.00
Variance analysis w DP, follow up additional matters, completion of rolling cash flow o/s as accounting							
6/10/2020	5718	Secured Creditor	Hour	HMR	0.30	610.00	183.00
D.Stevens call re refinancing Pillar and details thereof							
6/10/2020	5714	Div I Proposal	Hour	HMR	1.60	610.00	976.00
Director C.Dahl and C.Fell re variance analysis, w C.Little and DP; post calls w DP re rolling cash flows							
6/10/2020	5714	Div I Proposal	Hour	DPR	4.50	260.00	1,170.00
went out to JMX to assist with cash flows and discuss the variance analysis							
6/11/2020	5713	Receivership	Hour	DPR	5.50	260.00	1,430.00
went to JMX location to assist Candace, prepared the cash flow projections and discussed variance							
6/11/2020	5704	Review	Hour	HMR	0.80	610.00	488.00
Monitor re vendor payments, truck repair; Prince Rupert vendor demands; disclaimers of leases							
6/11/2020	5714	Div I Proposal	Hour	HMR	0.80	610.00	488.00
Cash flow projections coord w accounting staff, set up w DP, timing; Variance analysis review w DP,							
6/12/2020	5702	Admin work file - General (description mandatory)	Hour	LDS	0.10	400.00	40.00
sending copy of email sent to AN to Fran and Daniel to respond							
6/12/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	1.00	300.00	300.00
Numerous enquiries on Graeme's and Sheila's mail box; status & response							
6/12/2020	5710	Banking - File Specific	Hour	HMR	2.30	610.00	1,403.00
Cash flow projections assist accounting staff compile, w DP review; corresp with legal counsel throughout							
6/12/2020	5710	Banking - File Specific	Hour	HMR	0.60	610.00	366.00
Monitoring re Union pymnt, wsib eht, hst, vendor payments, request from vendor opg, transportation costs							
6/12/2020	5714	Div I Proposal	Hour	DPR	6.00	260.00	1,560.00
Working on cash flow from 730 AM, updating, calls with lawyers, discussions with HR and CL. Cash flow							
6/15/2020	5714	Div I Proposal	Hour	DPR	0.75	260.00	195.00
communicated with creditors relating to OPG. Familiarized myself with updates as to the status of NOI							
6/15/2020	5714	Div I Proposal	Hour	HMR	0.30	610.00	183.00
Vendor payments request and review							
6/16/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	1.00	300.00	300.00
Various e-mail enquiries for status reports, and other information on the accounts & response; creditor							
6/16/2020	5714	Div I Proposal	Hour	DPR	6.50	260.00	1,690.00
recasting cash flow projections per the banks requirements.							
6/16/2020	5710	Banking - File Specific	Hour	HMR	2.60	610.00	1,586.00
Cash flow review of company, dis throughout day w C.Fell, review how June 11 cf is in compliance w							
6/16/2020	5710	Banking - File Specific	Hour	HMR	0.30	610.00	183.00

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## Billing Worksheet Report

From: 5/30/2020 To: 7/31/2020

			Hour					
Disbursement review w C.Little								
6/17/2020	5714	Div I Proposal	Hour	DPR	5.50	260.00	1,430.00	
recasting of cash flow. prep and calls with JMX counsel and directors. Various communications with								
6/17/2020	5710	Banking - File Specific	Hour	HMR	1.80	610.00	1,098.00	
Review of company cf recast w DP, calls with Directors to review recast; post calls w Candace DP on								
6/17/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.70	610.00	427.00	
Continuing matters re ASNA lift stay, lien regularization order, extension plans by company								
6/17/2020	5708	Asset Realization	Hour	HMR	0.30	610.00	183.00	
Sale process and refinancing review								
6/18/2020	5714	Div I Proposal	Hour	DPR	1.50	260.00	390.00	
Worked on updating the trustee worksheet based on recent info provided by Candace. and								
6/18/2020	5702	Admin work file - General (description mandatory)	Hour	LDS	0.20	400.00	80.00	
responding to email sent by Driving Force asking for a poc								
6/18/2020	5708	Asset Realization	Hour	HMR	0.40	610.00	244.00	
Attend call w York Demo w C,Dahl, C.Fell								
6/18/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00	
Disclaim of leases follow up, dis C.Little								
6/18/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.60	610.00	366.00	
Monitoring, vendor request and payments								
6/18/2020	5708	Asset Realization	Hour	HMR	0.40	610.00	244.00	
Ritchie Bros dis status, updates re Hillmount								
6/19/2020	5702	Admin work file - General (description mandatory)	Hour	LDS	0.20	400.00	80.00	
call from a creditor and emailing hans and daniel to respond								
6/19/2020	5713	Receivership	Hour	DPR	0.25	260.00	65.00	
communicating with Perry Jewel from Lockhart regarding recovering materials from OPG								
6/19/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	1.20	610.00	732.00	
H.Chation, M.Drudi re section 10, 11 review, some research, review prvs company cf June 11, proposal								
6/19/2020	5708	Asset Realization	Hour	HMR	0.70	610.00	427.00	
Board of directors call re refinancing to date, commitment letter, Ritchie Bros - follow up, OPG meeting								
6/19/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00	
ASNA court material lift stay, responding record of company								
6/22/2020	5714	Div I Proposal	Hour	DPR	5.50	260.00	1,430.00	
Analysis regarding the cash flow projections conform with sections 10 and 11 of the construction Act and								
6/22/2020	5704	Review	Hour	HMR	1.60	610.00	976.00	
Review section 10, 11 of Construction Act, analysis of company cash flow re compliance with 10, 11 as								
6/22/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00	
Review w C.Little disb, a/r collections; short dis w directors re OPG follow ups								
6/22/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	1.25	300.00	375.00	

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## Billing Worksheet Report

From: 5/30/2020 To: 7/31/2020

Enquiries on status and response; review claims - vetted & entered							
6/23/2020	5704	Review	Hour	HMR	0.80	610.00	488.00
H.Chaiton re various matters; draft affidavit of company, w DP re initial draft up of trustee report							
6/23/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Ritchie Bros follow up, refinancing commitment							
6/23/2020	5710	Banking - File Specific	Hour	HMR	0.30	610.00	183.00
Dis w Candace, banking review, disb to vendors review							
6/23/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.10	610.00	61.00
OPG corresp legal counsel; OWS request of equipment							
6/23/2020	5711	Reports	Hour	DPR	3.50	260.00	910.00
working on setting up the PT's second report for court							
6/24/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.50	300.00	150.00
Fielding E-mails from GH box; receive & review Motion to extend time for filing Proposal; schedule Hans							
6/24/2020	5711	Reports	Hour	DPR	7.00	260.00	1,820.00
Proposal Trustee's second report, cash paid/received analysis for Harvey Chaiton and call/Email with							
6/24/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.60	610.00	366.00
Receipt and review of motion material of company for stay extension hearing June 29							
6/24/2020	5710	Banking - File Specific	Hour	HMR	0.30	610.00	183.00
Review of bank, disb monitor compliance CA, initial dis variance analysis							
6/24/2020	5708	Asset Realization	Hour	HMR	0.30	610.00	183.00
Ritchie Bros follow up discussion, dis w C.Dahl on same							
6/24/2020	5710	Banking - File Specific	Hour	HMR	0.40	610.00	244.00
H.Chaiton corresp, analysis prepared							
6/25/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.40	300.00	120.00
Peter Macrae of Morlo Yadscales Ltd - tel disc on status of file - send NOI package; E-mail to Teresa to							
6/25/2020	5708	Asset Realization	Hour	HMR	0.40	610.00	244.00
Review of Ritchie Bros opinion of value desktop appraisal, detailed list of equipment thereof							
6/25/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.70	610.00	427.00
Coordinate bailiff to attend at Jeff Norton's farm w Matt Richard incl updating bailiff on circumstances, info							
6/25/2020	5711	Reports	Hour	HMR	0.30	610.00	183.00
2nd report of trustee draft review continued							
6/25/2020	5710	Banking - File Specific	Hour	HMR	0.40	610.00	244.00
Review of Ellis Don and other receivables anticipated to collect; review for compliance w section 8, 10, 11							
6/25/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	1.20	610.00	732.00
Dis w Jeff Norton re retrieval of equipment not cooperating on allowing pick up Friday am, dis same w							
6/25/2020	5718	Secured Creditor	Hour	HMR	0.60	610.00	366.00
Position of RBC re extension proposal, response by company review , dis of same H.Chaiton and C.Fell							
6/25/2020	5711	Reports	Hour	DPR	7.00	260.00	1,820.00

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## Billing Worksheet Report

From: 5/30/2020 To: 7/31/2020

		From: 5/30/2020	To: 7/31/2020				
Complete draft report, sent into Hans for review. Discussion with Harvey Chaiton, redid the sections 10 & 6/26/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	1.20	610.00	732.00
Equipment at Jeff Norton farm property, attend by Matt Richards with trucks but not allow, dis with lawyer 6/26/2020	5711	Reports	Hour	HMR	0.80	610.00	488.00
2nd Report of Proposal Trustee 6/26/2020	5708	Asset Realization	Hour	HMR	0.60	610.00	366.00
Ritchie Bros. appraisal review in detail, parse off to equipment under lease, staging equipment for auction 6/26/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.40	610.00	244.00
Factum and Supplementary Motion record of the company 6/26/2020	5714	Div I Proposal	Hour	DPR	5.25	260.00	1,365.00
finalized report and appendices based on calls with Harvey Chaiton. sent out report to WFK 6/29/2020	5714	Div I Proposal	Hour	DPR	1.25	260.00	325.00
partook in court hearing and reiew bank statements provided by Candace to ensure all payments coply 6/29/2020	5714	Div I Proposal	Hour	HMR	1.60	610.00	976.00
Prepare for and attend Court hearing extension granted before Justice Conway, continuing matters re 6/29/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.80	610.00	488.00
Dis with legal counsel; continuing matters re rock truck corresp to J.Norton, SLM; dis w M.Richard re farm 6/30/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00
Rock truck denials by SLM and Jeff Norton lawyer, follow up w police report and insurance co. 6/30/2020	5710	Banking - File Specific	Hour	HMR	0.40	610.00	244.00
Banking review w Candace, cash flow variance analysis planning 7/3/2020	5710	Banking - File Specific	Hour	HMR	0.30	610.00	183.00
Banking review, collections to date follow up, Ellis Don receivable status 7/4/2020	5703	Notices	Hour	AFD	1.00	300.00	300.00
E-mails from OSB & Hans re Order extending time; upload Order; respond to McInnis @ OSB; send to 7/6/2020	5702	Admin work file - General (description mandatory)	Hour	LDS	0.10	400.00	40.00
Walsh LLP that Daniel Posner will reach out to them 7/6/2020	5710	Banking - File Specific	Hour	HMR	0.20	610.00	122.00
DP re variance analysis, cash flow, planning 7/7/2020	5714	Div I Proposal	Hour	DPR	3.50	260.00	910.00
went out to JMX for the day, discussions with Candace. Started preparing a variance analysis for the week 7/7/2020	5708	Asset Realization	Hour	HMR	1.20	610.00	732.00
Variance analysis w DP, Candance; SLM - Stewart Lehman position re receivable and use of equipment; 7/7/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
VAS engineering perfecting security 7/8/2020	5714	Div I Proposal	Hour	DPR	5.50	260.00	1,430.00
Call and email with various JMX vendors re: status of the OPG project. Prepared a schedule for JMX 7/9/2020	5714	Div I Proposal	Hour	DPR	5.50	260.00	1,430.00

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## Billing Worksheet Report

From: 5/30/2020 To: 7/31/2020

							From: 5/30/2020	To: 7/31/2020
Analyzing the asset list and Ritchie Bros Asset valuation. Worked on setting up Variance analysis based								
7/9/2020	5708	Asset Realization	Hour	HMR	0.60	610.00	366.00	
List of equipment detail, pivot table w Candace, DP organize buckets company owned, leased owned,								
7/9/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.40	610.00	244.00	
C.Fell call re OPG and corresp Linc Rogers, York, refinance with Hillmount; follow up C.Dahl, EasterAve -								
7/10/2020	5708	Asset Realization	Hour	HMR	0.80	610.00	488.00	
Dis w Charlie Dahl, Shane MacPherson re OPG go forward proposal, receipt of corresp thereof, planning,								
7/13/2020	5714	Div I Proposal	Hour	DPR	3.00	260.00	780.00	
communicating with Candace, updating the VA								
7/13/2020	5708	Asset Realization	Hour	HMR	0.30	610.00	183.00	
H.Chaiton security agreement lien re ASNA,								
7/13/2020	5708	Asset Realization	Hour	HMR	0.20	610.00	122.00	
Ritchie Bros corresp and contract re appraisal services engage								
7/13/2020	5708	Asset Realization	Hour	HMR	0.30	610.00	183.00	
Equipment owned and leased analysis								
7/13/2020	5710	Banking - File Specific	Hour	HMR	0.30	610.00	183.00	
Variance analysis w DP								
7/14/2020	5702	Admin work file - General (description mandatory)	Hour	LDS	0.20	400.00	80.00	
emails with Joshua Kachnow of Clean Harbors re outstanding invoices								
7/14/2020	5714	Div I Proposal	Hour	DPR	5.50	260.00	1,430.00	
updating variance analysis for payments that occurred today (Ellis Don and JJ Maguire) as well as related								
7/14/2020	5710	Banking - File Specific	Hour	HMR	1.20	610.00	732.00	
Variance analysis w DP, Candace, review of bank statements, monitor								
7/14/2020	5708	Asset Realization	Hour	HMR	1.30	610.00	793.00	
OPG go forward proposal w Shane MacPherson, C.Dahl, review various factors thereof, change order,								
7/15/2020	5714	Div I Proposal	Hour	DPR	6.50	260.00	1,690.00	
Finalizing the variance analysis; sending to the JMX team for input; updated asset liability analysis								
7/15/2020	5708	Asset Realization	Hour	HMR	3.80	610.00	2,318.00	
OPG - York: review of project execution plan in detail incl backup ref, conf call w York group and C.Dahl,								
7/15/2020	5710	Banking - File Specific	Hour	HMR	0.60	610.00	366.00	
Variance analysis w Candace, DP development throughout day; asset liability analysis review								
7/17/2020	5710	Banking - File Specific	Hour	HMR	0.50	610.00	305.00	
Variance analysis								
7/21/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AAN	0.20	260.00	52.00	
Emails back and forth with creditor Summit, discussion with Hans on response								
7/21/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.70	610.00	427.00	
Summitt Ford voluntary surrender form; police constable discussion re rock truck; status w C.Dahl.								
7/23/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AAN	0.25	260.00	65.00	

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## Billing Worksheet Report

From: 5/30/2020 To: 7/31/2020

Calls with Miller waste and Lockhart re: o/s invoices post NOI							
7/23/2020	5708	Asset Realization	Hour	HMR	0.70	610.00	427.00
OPG response review detail, follow up for response w directors							
7/23/2020	5714	Div I Proposal	Hour	DPR	0.50	260.00	130.00
communicating with Various creditors re: past due invoices, speaking with Heather at Lockhart in Sarnia							
7/27/2020	5702	Admin work file - General (description mandatory)	Hour	AAN	0.10	260.00	26.00
Update creditors list and save invoices in H Drive							
7/27/2020	5708	Asset Realization	Hour	HMR	0.40	610.00	244.00
Share purchase agreement from York review							
7/27/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
VAS motion record lift stay for lien							
7/27/2020	5714	Div I Proposal	Hour	DPR	1.25	260.00	325.00
Reviewed cash flow prepared by Candace. Emailed Candace providing comments and updates and							
7/27/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.15	300.00	45.00
E-Mail from Joshua Kachnor on status & response							
7/27/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.20	300.00	60.00
Enquiry from Joshua Kachnor and e-mail response							
7/27/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.30	300.00	90.00
E-mail enquiries re post-NOI contractual liabilities; review & enquire of Hans and Daniel re same							
7/28/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.25	300.00	75.00
receiving e-mails from creditors & enquiries & re-directing all to Daniel							
7/29/2020	5708	Asset Realization	Hour	HMR	0.70	610.00	427.00
Review of LOI York re acquisition of JMX, prep for call							
7/29/2020	5708	Asset Realization	Hour	HMR	0.80	610.00	488.00
Call with directors re LOI York and various issues thereof							
7/29/2020	5708	Asset Realization	Hour	HMR	0.80	610.00	488.00
Call with Ken - York re LOI, post dis with directors							
7/29/2020	5714	Div I Proposal	Hour	DPR	1.00	260.00	260.00
Call with the Directors regarding the purchase of shares from York equipment and providing other							
7/30/2020	5708	Asset Realization	Hour	HMR	2.30	610.00	1,403.00
LOI York dis with directors, summary issues to C.Fell, dis w directors, C.Fell, dis of RBC cash paydown							
7/30/2020	5714	Div I Proposal	Hour	DPR	3.50	260.00	910.00
updating Asset liability analysis and sending to CF. preparing analysis regarding an amount with which to							
7/31/2020	5708	Asset Realization	Hour	HMR	0.30	610.00	183.00
Correspondence OPG L.Rogers re position on change order and claim							
7/31/2020	5714	Div I Proposal	Hour	DPR	1.25	260.00	325.00
updated Asset liability analysis, compared July 30 and June 30 numbers - created analysis							
<b>Project: 032477</b>						<b>192.00</b>	<b>72,499.00</b>

## Billing Worksheet Report

8/11/2020 12:11 PM

Client ID: 1023668 Name: JMX Leasing Inc.

Contract: 1023668 Contract Name: JMX Leasing Inc.

**Project: 032483 JMX Leasing Inc.**

Date	Workcode	Description	Type	Empl ID	Hours	Rate	Amount
6/3/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Pre call meetings and review with legal counsel before court hearing Justice Conway							
6/3/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00
Refinancing RBC efforts throughout the day with company, D.Stevens, legal counsel							
6/4/2020	5718	Secured Creditor	Hour	HMR	0.20	610.00	122.00
Refinancing efforts review, dis throughout day with legal counsel, D.Stevens re options, committment letter							
6/5/2020	5718	Secured Creditor	Hour	HMR	0.20	610.00	122.00
Review prep for meeting and attend call w RBC J.Lukez and Spergel Muktar M; post call dis w staff							
6/9/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.50	300.00	150.00
Tel conv. with Sean Manak @ Cost Capital Savings; no notice received; discussed the Proposal; sent package & Court Order extending time of filing Proposal							
6/12/2020	5710	Banking - File Specific	Hour	HMR	0.20	610.00	122.00
Cash flow projections assist accounting staff compile, w DP review; corresp with legal counsel throughout day; board of directors review of cf projections, distr to bank as requested							
6/26/2020	5711	Reports	Hour	HMR	0.20	610.00	122.00
2nd Report of Proposal Trustee							
6/26/2020	5708	Asset Realization	Hour	HMR	0.60	610.00	366.00
Ritchie Bros. appraisal review in detail, parse off to equipment under lease, staging equipment for auction now and later, consideration of interested parties and what equipment may be needed incl on-going jobs w Matt Richard							
7/9/2020	5708	Asset Realization	Hour	HMR	0.30	610.00	183.00
List of equipment detail, pivot table w Candace, DP organize buckets company owned, leased owned, review and analysis							
<b>Project: 032483</b>					<b>2.70</b>		<b>1,492.00</b>



Billing Worksheet Report

Client ID: 1023659 Name: JMX National Inc.

Contract: 1023659 Contract Name: JMX National Inc.

Project: 032482 JMX National Inc.

Date	Workcode	Description	Type	Empl ID	Hours	Rate	Amount
6/3/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Pre call meetings and review with legal counsel before court hearing Justice Conway							
6/26/2020	5711	Reports	Hour	HMR	0.10	610.00	61.00
2nd Report of Proposal Trustee							
<b>Project: 032482</b>					<b>0.30</b>		<b>183.00</b>

## Billing Worksheet Report

8/11/2020 12:14 PM

Client ID: 1023658 Name: BRND Properties Inc.  
 Contract: 1023658 Contract Name: BRND Properties Inc.

**Project: 032481 BRND Properties Inc.**

Date	Workcode	Description	Type	Empl ID	Hours	Rate	Amount
6/3/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Pre call meetings and review with legal counsel before court hearing Justice Conway							
6/3/2020	5708	Asset Realization	Hour	HMR	0.30	610.00	183.00
Refinancing efforts throughout the day with company, D.Stevens, legal counsel							
6/4/2020	5718	Secured Creditor	Hour	HMR	0.20	610.00	122.00
Refinancing efforts review, dis throughout day with legal counsel, D.Stevens re options, committment letter							
6/5/2020	5718	Secured Creditor	Hour	HMR	0.20	610.00	122.00
Review prep for meeting and attend call w RBC J.Lukez and Spergel Muktar M; post call dis w staff							
6/5/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
D.Stevens refinancing status							
6/12/2020	5710	Banking - File Specific	Hour	HMR	0.20	610.00	122.00
Cash flow projections assist accounting staff compile, w DP review; corresp with legal counsel throughout day; board of directors review of cf projections, distr to bank as requested							
6/22/2020	5704	Review	Hour	HMR	0.30	610.00	183.00
Refinancing of BRND review							
6/26/2020	5711	Reports	Hour	HMR	0.30	610.00	183.00
2nd Report of Proposal Trustee; refinancing status							
7/10/2020	5718	Secured Creditor	Hour	HMR	0.30	610.00	183.00
Closing refinance and payment to RBC							
<b>Project: 032481</b>					<b>2.20</b>		<b>1,342.00</b>

JMX Contracting Inc.  
130 Ram Forest Road  
Stouffville, ON L4A Z8A

## Invoice

Number	10115585
Date	9/18/2020
Invoice Account	1023650
HST Number	R104902077

RE: In the Matter of JMX Contracting Inc., JMX Leasing Inc., JMX National Inc, and BRND Properties Inc. (“JMX Group”) for professional services rendered by the Licensed Insolvency Trustee from August 1, 2020 to September 15, 2020, as per attached schedule “A” and time sheets.

<b>Professional Fees:</b>	35,841.00
<b>GST/HST:</b>	4,659.33
<b>Balance Due:</b>	<u>40,500.33</u>

### Payment Options:

**Wire Transfer:**

Company Name: Crowe Soberman LLP  
Bank Name: TD Canada Trust  
Bank Address: 2 St. Clair Ave. East Toronto ON M4T 2V4  
Bank Code: 004 Transit #: 19682  
Account # (Canadian Dollars): 06170324018  
Account # (US Dollars): 06177316148  
Swift Code: TDOMCATTTOR

**Online Banking:**

Add payee: Crowe Soberman LLP  
Account number: Your invoice account –

**Cheque:**

Please make cheques payable to:  
Crowe Soberman LLP  
Attention: Finance Department  
2 St. Clair Ave. East, Suite 1100  
Toronto ON M4T 2T5

**Schedule "A"**

**JMX Group WIP**

WIP to August 1 to September 15, 2020

Contracting	\$	35,761.00
Leasing	\$	80.00
National	\$	-
BRND	\$	-
<b>Sub Total</b>	<b>\$</b>	<b>35,841.00</b>
<hr/>		
HST	\$	4,659.33
<b>Total</b>	<b>\$</b>	<b>40,500.33</b>

**Billing Worksheet Report**

From: 8/1/2020 To: 9/15/2020

Client ID: 1023650

Name: JMX Contracting Inc.

Contract: 1023650

Contract Name: JMX Contracting Inc.

**Project: 032477 JMX Contracting Inc.**

Date	Workcode	Description	Type	Empl ID	Hours	Rate	Amount
8/4/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AAN	0.25	260.00	65.00
On phone with Don Vence from Herc(Hertz) Rentals - had some q's and account update - emailed DP and							
8/4/2020	5718	Secured Creditor	Hour	HMR	0.40	610.00	244.00
RBC Paydown analysis recommendation per C.Fell, directors request, review of CF projections to date,							
8/4/2020	5708	Asset Realization	Hour	HMR	0.50	610.00	305.00
C.Dahl call re options AMI and various matters thereof							
8/4/2020	5714	Div I Proposal	Hour	DPR	1.50	260.00	390.00
communicating with CL regarding cash flow prep, dealing with creditor calls, looking into personal							
8/5/2020	5714	Div I Proposal	Hour	DPR	3.00	260.00	780.00
updating and reviewing cash flow with Candace. Sending out multiple cash flows to CF and JMX directors							
8/5/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	1.30	610.00	793.00
C.Dahl contact discussions re OPG partner to complete and strategic partner with JMX, follow ups with							
8/5/2020	5710	Banking - File Specific	Hour	HMR	0.40	610.00	244.00
Cash flow projections w DP, Candace, RBC paydown schedule; queries from RBC rep							
8/6/2020	5714	Div I Proposal	Hour	DPR	1.50	260.00	390.00
communicating with CL regarding cash flow prep, dealing with creditor calls, looking into personal							
8/6/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	1.30	610.00	793.00
C.Dahl contact discussions re OPG partner to complete and strategic partner with JMX, follow ups with							
8/6/2020	5710	Banking - File Specific	Hour	HMR	0.40	610.00	244.00
Cash flow projections w DP, Candace, RBC paydown schedule; queries from RBC rep							
8/6/2020	5714	Div I Proposal	Hour	DPR	1.00	260.00	260.00
communicating with Ford Credit re: redeeming vehicles and other prep for the extension							
8/6/2020	5714	Div I Proposal	Hour	DPR	-1.50	260.00	-390.00
8/6/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	-1.30	610.00	-793.00
C.Dahl contact discussions re OPG partner to complete and strategic partner with JMX, follow ups with							
8/6/2020	5710	Banking - File Specific	Hour	HMR	-0.40	610.00	-244.00
Cash flow projections w DP, Candace, RBC paydown schedule; queries from RBC rep							

## Billing Worksheet Report

From: 8/1/2020 To: 9/15/2020

Date	Case No.	Description	Hour	Code	Rate	Amount	Total
8/7/2020	5714	Div I Proposal	Hour	DPR	4.00	260.00	1,040.00
communicating with CF, providing variance analysis to Spergel's/RBC's cash flow and analysis of the							
8/7/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	1.50	610.00	915.00
Motion record of company for extension served; intitial prep of proposal trustee report w DP							
8/7/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.80	610.00	488.00
Waste Management Corp - DLA Piper lawyers for review of material, call from; OPG corresp re continuing							
8/7/2020	5714	Div I Proposal	Hour	DPR	1.50	260.00	390.00
providing additional assistance to Caitlin Fell, in responding to Spergel's questions and while drafting							
8/10/2020	5711	Reports	Hour	HMR	1.20	610.00	732.00
Report of trustee to court with DP							
8/10/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.70	610.00	427.00
RBC queries re cash flow, review with DP; Waste Management lien order and issues thereof, corresp							
8/10/2020	5708	Asset Realization	Hour	HMR	1.60	610.00	976.00
Financials to July 31 review compiled info to date w Candace and DP; interested parties to							
8/10/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.20	300.00	60.00
e-mail from Vertex Environmental & response re status							
8/10/2020	5711	Reports	Hour	DPR	4.50	260.00	1,170.00
Trustee third report to court							
8/10/2020	5702	Admin work file - General (description mandatory)	Hour	DPR	0.75	260.00	195.00
various communications with Candace and Hans throughout the day re general administration							
8/11/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.10	300.00	30.00
Call from Greg Bernard, lawyer for Lockhart Electric; pass message to Daniel							
8/11/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	AFD	0.10	300.00	30.00
E-mail to Hans & Daniel re Court extension application for this Friday; reminder need copy of Order for							
8/11/2020	5711	Reports	Hour	DPR	4.50	260.00	1,170.00
updated report including a 1 hour call with Harvey Chaiton. Call with Caitlin and Charlie re: numbers in the							
8/11/2020	5711	Reports	Hour	HMR	2.30	610.00	1,403.00
Report to Court, Third, of proposal trustee w DP							
8/11/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00
Toromont Lien re OPG							
8/11/2020	5718	Secured Creditor	Hour	HMR	0.70	610.00	427.00
Queries from RBC lawyer and rep re court material, cash flow, review of same with DP for response							
8/12/2020	5711	Reports	Hour	HMR	1.30	610.00	793.00
Report of proposal trustee, third, finalize w DP, H.Chaiton							
8/12/2020	5718	Secured Creditor	Hour	HMR	0.50	610.00	305.00
Continuing queries re RBC and rep, review with DP							
8/12/2020	5708	Asset Realization	Hour	HMR	1.60	610.00	976.00

## Billing Worksheet Report

From: 8/1/2020 To: 9/15/2020

Prep for meeting with AIM/Black, review of material court and financials for meeting incl OADC hours, 8/12/2020	5708	Asset Realization	Hour	HMR	0.40	610.00	244.00
Financial statements review for York follow up 8/12/2020	5711	Reports	Hour	DPR	3.00	260.00	780.00
Call with Harvey Chaiton, updating report, compiling appendices and emailing to Sharon Kour to serve on 8/12/2020	5714	Div I Proposal	Hour	DPR	4.50	260.00	1,170.00
assisting Candace. Calls with Caitlin Fell re: Mukul's email. Responding to Mukul's questions on July 31 8/13/2020	5714	Div I Proposal	Hour	DPR	1.00	260.00	260.00
provided assistance to Hans throughout the day sending updated financial information. Obtaining access 8/13/2020	5708	Asset Realization	Hour	HMR	6.00	610.00	3,660.00
Prep for meeting, review of financial statements to date, cf projection, proposal to OPG; attend meeting 8/13/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00
Factum of company for tomorrow's court hearing 8/14/2020	5714	Div I Proposal	Hour	DPR	1.50	260.00	390.00
reviewing bank statements and call with Ken Sweeny 8/14/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.30	610.00	183.00
Letter from OPG in response to company's position on various matters incl settlement dis 8/14/2020	5708	Asset Realization	Hour	HMR	0.20	610.00	122.00
Ellis Don receivable Portlands job request for bond - security in middle of job, position of parties thereof 8/14/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	1.60	610.00	976.00
Attend at company, prep for court hearing stay extension and various matters thereof incl OPG position, 8/14/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.80	610.00	488.00
Attend at court hearing before Justice Conway; post dis with company and lawyers 8/14/2020	5708	Asset Realization	Hour	HMR	1.00	610.00	610.00
Attend meetings re OPG options and resolution as requested by company 8/14/2020	5708	Asset Realization	Hour	HMR	0.40	610.00	244.00
Prep for and dis with York - Ken Sweeney and Shane Downey, DP, update re OPG's recent position 8/18/2020	5702	Admin work file - General (description mandatory)	Hour	AAN	0.25	260.00	65.00
Print Order and Court Slip, send out e-mail blast, print confirmation and place in folder for AFD 8/24/2020	5714	Div I Proposal	Hour	DPR	0.50	260.00	130.00
monitor the bank balance; phone discussion with Leasors and creditors (Perry Jewel from OWS and Ray 8/24/2020	5708	Asset Realization	Hour	HMR	2.20	610.00	1,342.00
Meeting at York Demoliton with directors; short post meeting with directors; follow up corresp 8/25/2020	5714	Div I Proposal	Hour	DPR	1.00	260.00	260.00
General monitoring of the bank balance, assisting Candace communication with Rachel Moses and Jason 8/25/2020	5708	Asset Realization	Hour	HMR	0.60	610.00	366.00
LOI from York, corresp, follow up, receipt thereof and initial review; Platinum appraisal desk top and							

## Billing Worksheet Report

From: 8/1/2020 To: 9/15/2020

Date	Case No.	Description	Hour	Code	Rate	Amount	Balance
8/26/2020	5714	Div I Proposal monitoring JMX bank balance and call with creditor Kari Goebel at Team Inc.	Hour	DPR	0.50	260.00	130.00
8/27/2020	5714	Div I Proposal obtaining access to mailbox and responding to creditor inquiries. Discussion with Candace regarding cash	Hour	DPR	1.50	260.00	390.00
8/28/2020	5708	Asset Realization LOI response from York conf call w directors/Caitlin; analysis re net asset value, lease equipment	Hour	HMR	0.80	610.00	488.00
8/31/2020	5708	Asset Realization Analysis for York LOI w DP, prepare for directors review	Hour	HMR	0.20	610.00	122.00
8/31/2020	5705	Creditor/Debtor Inquiries/Assistance OPG - Blakes motion material for lift stay receipt and review	Hour	HMR	0.60	610.00	366.00
8/31/2020	5714	Div I Proposal prep of asset liability analysis for sale to york	Hour	DPR	3.00	260.00	780.00
9/1/2020	5705	Creditor/Debtor Inquiries/Assistance e-mail from Canon Services, and response with attachments	Hour	AFD	0.20	300.00	60.00
9/1/2020	5713	Receivership discussions with Caitlin and Matt. updating the FMV of the equipment to reflect values per platinum asset.	Hour	DPR	4.00	260.00	1,040.00
9/2/2020	5714	Div I Proposal updated asset liability analysis for Peter Bensleys changes. Assisted Candace regarding new RBC	Hour	DPR	1.00	260.00	260.00
9/3/2020	5714	Div I Proposal communicating with Jason Lukez on behalf of Candace. Call with Directors regarding sale with York	Hour	DPR	1.00	260.00	260.00
9/3/2020	5708	Asset Realization Pre analysis and review of Jul 31 balance sheet, net asset value, equipment lease and non lease analysis	Hour	HMR	0.70	610.00	427.00
9/8/2020	5705	Creditor/Debtor Inquiries/Assistance C.Fell, S.Kour re CCAA application and planning thereof; corresp to K.Sweeney	Hour	HMR	0.50	610.00	305.00
9/8/2020	5714	Div I Proposal ongoing monitoring of the bank balance and communicating with directors re: asset valuation	Hour	DPR	0.50	260.00	130.00
9/8/2020	5711	Reports Request from Hans on WIP - Review & response	Hour	AFD	0.50	300.00	150.00
9/9/2020	5714	Div I Proposal update asset liabilities for Charlie Dahl to be sent to Herb Black; call with CF and team from FAAN	Hour	DPR	3.50	260.00	910.00
9/9/2020	5703	Notices Copies of Court Order to creditors; telephone consult with Hans and Teresa re website and information	Hour	AFD	1.25	300.00	375.00
9/10/2020	5714	Div I Proposal received and updated cash flow statement	Hour	DPR	2.00	260.00	520.00
9/10/2020	5704	Review D.Sobel re cash flow projections, net asset analysis, stalking horse proposed - in prep for ccaa filing; cf	Hour	HMR	1.20	610.00	732.00
9/11/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.60	610.00	366.00



**Billing Worksheet Report**

**From: 8/1/2020 To: 9/15/2020**

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Planning re ccaa filing w staff incl stalking horse bid process and various matters thereof; review of								
9/11/2020	5714	Div I Proposal	Hour	DPR	1.25	260.00	325.00	
discussion with Daniel Sobel re CCAA filing and provided updated analysis								
9/12/2020	5714	Div I Proposal	Hour	DPR	3.00	260.00	780.00	
call with Harvey Chaiton and Daniel Sobel discussing the purchase offer for the stalking horse; providing								
9/12/2020	5714	Div I Proposal	Hour	DPR	-3.00	260.00	-780.00	
9/14/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	HMR	0.20	610.00	122.00	
CCAA: corresp w H.Chaiton, apa review, engagement planning								
9/14/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	DPR	3.00	260.00	780.00	
CCAA: call with HChaiton and DSobel re the purchase offer for the stalking horse; providing info to CFell								
9/15/2020	5705	Creditor/Debtor Inquiries/Assistance	Hour	DPR	2.00	260.00	520.00	
CCAA; Discussion with Candace to discuss cash flows and ongoing status of Insolvency Proceedings.								
<b>Project: 032477</b>						<b>91.95</b>	<b>35,761.00</b>	

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Billing Worksheet Report

Client ID: 1023668 Name: JMX Leasing Inc.

Contract: 1023668 Contract Name: JMX Leasing Inc.

Project: 032483 JMX Leasing Inc.

Date	Workcode	Description	Type	Empl ID	Hours	Rate	Amount
8/20/2020	5702	Admin work file - General (description mandatory)	Hour	LDS	0.20	400.00	80.00
call from lawyer representing creditor for an update on whether proposal has been filed - referred him to our website							
<b>Project: 032483</b>					<b>0.20</b>		<b>80.00</b>



**Court File No. 31-2639875**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF JMX CONTRACTING INC. AND IN  
THE MATTER OF THE THREE RELATED INTENDED PROPOSALS OF JMX NATIONAL INC., BRND PROPERTIES  
INC., and JMX LEASING INC.**

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***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**  
**Proceeding commenced at Toronto**

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**AFFIDAVIT OF HANS RIZARRI**  
**Sworn September 24, 2020**

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**Crowe Soberman Inc.**  
**Licensed Insolvency Trustee**  
**2 St. Clair Avenue East, Suite 1100**  
**Toronto, Ontario, M4T 2T5**  
**Tel: 416-929-2500 Fax: 416-929-2555**

**Hans Rizarri, LIT, CIRP**  
**Licence: 2680**  
**[hans.rizarri@crowesoberman.com](mailto:hans.rizarri@crowesoberman.com)**  
**Direct Line: 416-963-7175**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c B-3, AS AMENDED*

AND IN THE MATTER OF THE PROPOSAL OF JMX CONTRACTING INC. OF THE TOWN OF UXBRIDGE IN THE PROVINCE OF ONTARIO

AND IN THE MATTER OF THREE RELATED INTENDED PROPOSALS OF JMX NATIONAL INC., BRND PROPERTIES INC., and JMX LEASING INC.

**AFFIDAVIT OF HARVEY CHAITON**  
(sworn September 24, 2020)

I, **HARVEY CHAITON**, of the City of Toronto, in the Province of Ontario **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a partner with the law firm of Chaitons LLP ("**Chaitons**"), lawyers for Crowe Soberman LLP in its capacity as proposal trustee of JMX Contracting Inc., JMX National Inc., BRND Properties Inc. and JMX Leasing Inc. (the "**Proposal Trustee**"), and as such have knowledge of the matters to which I hereinafter depose.

2. Attached hereto as the following exhibits are copies of the following accounts issued by Chaitons to the Proposal Trustee totalling \$54,054.12 (comprised of fees of \$47,807.50, disbursements of \$28 and HST of \$6,218.62) with respect to this proceeding:

**Exhibit "A"** - Account for the period up to and including May 31, 2020;

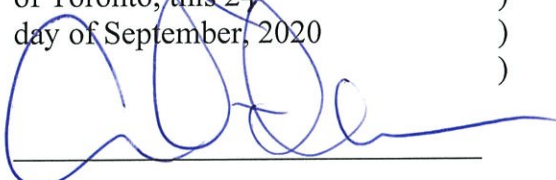
**Exhibit "B"** - Account for the period up to and including June 30, 2020;

**Exhibit "C"** - Account for the period up to and including August 31, 2020.

3. I confirm that the accounts described above accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from May 1, 2020 to August 31, 2020.

4. Attached hereto as **Exhibit "D"** is a summary of additional information with respect to Chaitons' accounts, indicating all members of Chaitons who have worked on this matter, their year of call to the bar, total time charged and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

SWORN before me at the City )  
of Toronto, this 24<sup>th</sup> )  
day of September, 2020 )  
)



A Commissioner For Taking Affidavits, etc.

  
\_\_\_\_\_  
HARVEY CHAITON

**THIS IS EXHIBIT "A" TO  
THE AFFIDAVIT OF HARVEY CHAITON  
SWORN BEFORE ME THIS 24<sup>TH</sup>  
DAY OF SEPTEMBER, 2020**

  
\_\_\_\_\_  
**A Commissioner Etc.**

*Gary Feldman*

# Chaitons<sup>LLP</sup>

INVOICE NUMBER: 276628

June 5, 2020

CROWE SOBERMAN INC.  
CORPORATE RECOVERY AND TURNAROUND  
2 ST. CLAIR AVENUE EAST, SUITE 1100  
TORONTO, ONTARIO M4T 2T5

Re: JMX CONTRACTING INC. ET AL.  
Our file: 007317-65944

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FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including May 31, 2020:

**PROFESSIONAL FEES**

SUBJECT TO HST	\$20,949.00	
SUB-TOTAL		\$20,949.00

**DISBURSEMENTS**

SUBJECT TO HST	\$28.00	
SUB-TOTAL		\$28.00
HST at 13.00%		\$2,727.01

**GRAND TOTAL**

		<u>\$23,704.01</u>
Deduct amount in trust		(\$23,704.01)
<b>AMOUNT PAYABLE</b>		<u>\$0.00</u>

Amount payable on the current invoice	\$0.00
Plus outstanding invoices on this matter	\$0.00
<b>Amount Due</b>	<u><b>\$0.00</b></u>
<b>Trust Balance</b>	\$1,295.99

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HST No R124110933

INVOICE NUMBER: 276628

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

**PROFESSIONAL FEES:**

- May 2, 20 Telephone call with H. Rizarri engaging us to act as counsel for proposal trustee;
- May 3, 20 Review and comment on draft letter by C. Fell;
- May 4, 20 Telephone conference call with H. Rizarri, G. Hamilton, C. Fell and S. Kour;
- May 5, 20 Review various emails and attachments sent by Trustee and company lawyers; emails to trustee and company lawyers;
- May 5, 20 Reviewing PPSA search results and summaries to ensure accuracy, making changes as appropriate;
- May 6, 20 Review various letters from subtrades or their lawyers; emails with H H. Rizarri and company lawyers;
- May 6, 20 Reviewing PPSA search results with certain documentation provided by H. Chaiton, drafting correspondence to H. Chaiton;
- May 7, 20 Telephone conference call with S. Kour and lawyers for union;
- May 8, 20 Review cash flow; telephone conference call with RBC account manager, their lawyers and Trustee re cash flow; emails with trustee and company lawyers re OPG request for cash flow forecast;
- May 9, 20 Review draft motion for administrative consolidation, enhanced powers of Proposal Trustee, lien regularization and other relief; email to company lawyers and trustee;
- May 10, 20 Telephone conference call with company representatives, their lawyers and H. Rizarri with respect to OPG;
- May 11, 20 Review revised affidavit; emails with H. Rizarri and company lawyers re D&O Charge amount and enhance powers of trustee;
- May 11, 20 Telephone call with H. Rizarri re enhanced powers and OPG contract;

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HST No R124110933

INVOICE NUMBER: 276628

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.



- May 12, 20 Review and comment on draft Notice of Motion, Affidavit and Order; review draft cash flow; review draft trustee report; various emails and telephone calls;
- May 13, 20 Work with G. Hamilton to review and finalize Trustee's report; review and comment on cash flow statement; review and telephone call with H. Rizarri re VAS Engineers report; review A/R summary; review and comment on Stevens affidavit; serve trustee report; telephone conference call with H. Rizarri, RBC and their lawyers; various other telephone calls and emails;
- May 14, 20 Telephone conference call with lawyers for company and RBC and H. Rizarri re company motion on May 15; telephone conference call with company lawyers and Kirby lawyer re returning equipment removed from site by Kirby; review Kirby Responding Motion Record; telephone calls with union lawyers re priority of court ordered charges and payment of wages and union dues arrears; review and comment on draft order; emails with union lawyers objecting to RBC priority over D&O Charge and by extension the union's secured claims under section 86 BIA; telephone calls with bank and company counsel with respect to proposed change in priority of D&O charge and bank security; review various emails and engage in telephone calls with respect to company motion; review factum;
- May 14, 20 Researched issue relating to court-ordered charges having priority over construction trusts;
- May 15, 20 Telephone conference call with C. Fell and S. Kour re D&O Charge; attend on motion for stay extension and other relief; review and comment on draft order; review and reply to email from R. Moses re mortgage financing commitment;
- May 25, 20 Review draft affidavit and lien regularization order; review letter from R. Moses; telephone call with H. Rizarri; emails with L. Gold re financing; telephone call with D. Stevens re financing;

- May 26, 20 Telephone call with D. Stevens re financing; telephone call with H. Rizarri re Kirby; telephone conference call with D. Stevens, H. Rizarri, and company lawyers re letter from R. Moses and refinancing; receipt of instructions and prepare letter to R. Moses; obtain approval and forward to her;
- May 27, 20 Review revised draft claims procedure order; email to C. Fell and S. Kour with my comments;
- May 28, 20 Review CFO report; email from H. Rizarri re Kirby; emails with A. Marchioni; email from H. Rizarri re proposed payment to subcontractor on OPG project; email response to H. Rizarri;
- May 29, 20 Review lien regularization motion materials; telephone call with S. Kour to provide comments; emails with A. Marchioni, H. Rizarri and C. Fell re return of equipment by Kirby Waste;
- May 31, 20 Review emails between company lawyers and union lawyers re lien regularization motion;  
  
To all matters of a general nature not more particularly referred to herein;

**TOTAL PROFESSIONAL FEES**  
HST at 13.00%

**\$20,949.00**  
2,723.37

**DISBURSEMENTS:**

**Subject to HST:**

Courier and Taxi Charges Taxable	\$28.00	
		\$28.00

**TOTAL DISBURSEMENTS**  
HST at 13.00%

**\$28.00**  
3.64

GRAND TOTAL  
Deduct amount in trust

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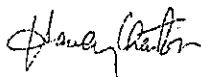
\$23,704.01  
(\$23,704.01)

AMOUNT PAYABLE

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\$0.00

CHAITONS LLP



per:

\_\_\_\_\_  
Harvey Chaiton

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	\$725.00	26.40	\$19,140.00
SAM RAPPOS	\$540.00	0.50	\$270.00
SANEEA TANVIR	\$285.00	5.40	\$1,539.00
Total:		32.30	\$20,949.00

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HST No R124110933

INVOICE NUMBER: 276628

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

**THIS IS EXHIBIT "B" TO  
THE AFFIDAVIT OF HARVEY CHAITON  
SWORN BEFORE ME THIS 24<sup>TH</sup>  
DAY OF SEPTEMBER, 2020**



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**A Commissioner Etc.**



# Chaitons<sup>LLP</sup>

INVOICE NUMBER: 276914

June 30, 2020

CROWE SOBERMAN INC.  
CORPORATE RECOVERY AND TURNAROUND  
2 ST. CLAIR AVENUE EAST, SUITE 1100  
TORONTO, ONTARIO M4T 2T5

Re: **JMX CONTRACTING INC. ET AL.**  
Our file: **007317-65944**

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FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including June 30, 2020:

<b>PROFESSIONAL FEES</b>		
SUBJECT TO HST	\$21,493.50	
SUB-TOTAL		\$21,493.50
HST at 13.00%		\$2,794.16
<b>GRAND TOTAL</b>		<b>\$24,287.66</b>

Amount payable on the current invoice	\$24,287.66
Plus outstanding invoices on this matter	\$0.00
<b>Amount Due</b>	<b><u>\$24,287.66</u></b>
<b>Trust Balance</b>	\$1,295.99

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HST No R124110933

INVOICE NUMBER: 276914

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

**PROFESSIONAL FEES:**

- Jun 1, 20 Receipt and review of RBC motion to appoint Spergel as monitor; telephone conference call with C. Fell, S. Kour, D. Stevens and H. Rizarri re RBC motion; telephone call with L. Rogers, review emails from Union lawyers and emails/calls with company lawyers re LRO; emails with D. Stevens and C. Fell and telephone call with C. Fell re draw on L/C by RBC; emails with A. Marchioni and company lawyers re Kirby return of bins;
- Jun 2, 20 Various telephone calls with company, its lawyers, lawyers for RBC and H. Rizarri with respect to LRO motion, bank's motion for appointment of monitor and refinancing;
- Jun 3, 20 Review emails and telephone call with C. Fell and S. Kour re adjournment of motions; attend video conference hearing before Justice Conway; telephone calls with H. Rizarri re draft court report and information requested by RBC; telephone calls with C. Fell, S. Kour and H. Rizarri re bank's engagement of Spergel as monitor; review draft engagement letter by RBC of Spergel as consultant; telephone call with C. Fell, S. Kour and H. Rizarri to discuss engagement letter; emails with D. Flaro and I. Pivot re financing; telephone calls with C. Fell and S. Kour re financing; emails with D. Stevens re financing; receipt and review of Piller financing term sheet; email to D. Stevens; review and send various other emails;
- Jun 4, 20 Various telephone calls with company, H. Rizarri and RBC lawyers re consultant engagement letter; various telephone calls and emails with company lawyers and D. Stevens re financing;
- Jun 5, 20 Review various emails;
- Jun 6, 20 Emails with R. Moses and telephone call with H. Rizarri with respect to RBC information request; email with C. Fell;
- Jun 8, 20 Telephone call with C. Fell and S. Kour re allowing bank to have Spergel obtain and provide it with financial information from company and reduce proposal trustee's obligations; review various emails;
- Jun 9, 20 Review emails;

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HST No R124110933

INVOICE NUMBER: 276914

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, Interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

- Jun 12, 20 Telephone call and emails with H. Rizarri; telephone call with C. Fell and S. Kour re RBC; email to R. Moses; review various emails;
- Jun 16, 20 Telephone calls with C. Fell and S. Kour re cash flows prepared by trustee; review various emails re motions scheduled for June 19;
- Jun 17, 20 Telephone calls with H. Rizarri and with C. Fell/S. Kour re cash flow; telephone call with C. Fell/S. Kour re ANSA lift stay motion; telephone calls with M. Poliak re preparation of position statement and research; telephone calls with S. Kour to discuss motion; review decision of Newbould in Essar Algoma;
- Jun 17, 20 Review motion materials and factum; call with H. Chaiton; research case law in response to the lift stay motion; call with H. Chaiton regarding same;
- Jun 18, 20 Telephone call with S. Kour re lift stay motion; telephone call with M. Poliak providing instructions on preparation of position statement of Trustee; review motion materials to prepare for motion;
- Jun 18, 20 Draft Proposal Trustee position statement; call with H. Chaiton regarding same; revise draft position statement and hyperlink; review Brief of Authorities of the Moving Parties and revised Factum of the company;
- Jun 18, 20 Assembling brief of authorities as per M. Poliak's instructions;
- Jun 19, 20 Final preparation for ASNA lift stay motion; attend motion by videoconference; telephone conference call with H. Rizarri and M. Drudi re s.8 CA trust;
- Jun 22, 20 Telephone call with R. Moses;
- Jun 23, 20 Telephone call with H. Rizarri re section 8 compliance;
- Jun 24, 20 Review draft affidavit; telephone call with S. Kour to discuss and provide comments; review letter from F. Tayar;
- Jun 25, 20 Telephone call with C. Fell and S. Kour re Tayar letter; telephone call with H. Rizarri and D. Posner re s. 8 compliance; telephone call with H. Rizarri and C. Fell re email from R. Moses concerning bank's position on extension motion; telephone conference call with C. Fell, S. Kour and L. Rogers re OPG and JMX dispute;



- Jun 26, 20 Review draft court report; telephone calls with D. Posner to finalize report and forward to company lawyers for service; telephone call with H. Rizarri re equipment located at Norton farm; telephone call with C. Fell re equipment appraisal and restructuring options; draft email to F. Tayar for approval by H. Rizarri and company lawyers; send email to F. Tayar; emails with L. Rogers;
- Jun 29, 20 Telephone conference call with C. Fell and S. Kour re extension motion; prepare for and attend extension motion by video conference; telephone conference call with C. Fell and S. Kour re OPG;
- To all matters of a general nature not more particularly referred to herein;

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**TOTAL PROFESSIONAL FEES**  
HST at 13.00%

**\$21,493.50**  
2,794.16

**GRAND TOTAL**

---

**\$24,287.66**

**CHAITONS LLP**



per: \_\_\_\_\_

Harvey Chaiton

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	\$725.00	24.66	\$17,875.50
MAYA POLIAK	\$540.00	6.32	\$3,412.80
SANEEA TANVIR	\$285.00	0.72	\$205.20
Total:		31.70	\$21,493.50

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HST No R124110933

INVOICE NUMBER: 276914

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

**THIS IS EXHIBIT "C" TO  
THE AFFIDAVIT OF HARVEY CHAITON  
SWORN BEFORE ME THIS 24<sup>TH</sup>  
DAY OF SEPTEMBER, 2020**



**A Commissioner Etc.**



# Chaitons<sup>LLP</sup>

INVOICE NUMBER: 277732

August 31, 2020

CROWE SOBERMAN INC.  
CORPORATE RECOVERY AND TURNAROUND  
2 ST. CLAIR AVENUE EAST, SUITE 1100  
TORONTO, ONTARIO M4T 2T5

Re: **JMX CONTRACTING INC. ET AL.**  
Our file: **007317-65944**

---

**FOR PROFESSIONAL SERVICES RENDERED** on this matter up to and including August 31, 2020:

**PROFESSIONAL FEES**

SUBJECT TO HST	\$5,365.00	
SUB-TOTAL		\$5,365.00
HST at 13.00%		\$697.45
<b>GRAND TOTAL</b>		<b>\$6,062.45</b>
Deduct amount in trust		(\$1,295.99)
<b>AMOUNT PAYABLE</b>		<b>\$4,766.46</b>

Amount payable on the current invoice	\$4,766.46
Plus outstanding invoices on this matter	\$24,287.66
<b>Amount Due</b>	<b><u>\$29,054.12</u></b>
<b>Trust Balance</b>	\$0.00

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HST No R124110933

INVOICE NUMBER: 277732

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

**PROFESSIONAL FEES:**

- Jul 3, 20 Review draft letter to F. Tayar; telephone call with C. Fell and S. Kour to provide my comments;
- Jul 13, 20 Review draft security agreement re ASNA project; telephone call with H. Rizarri; emails with C. Fell;
- Aug 4, 20 Telephone call with R. Moses; telephone call with C. Fell re pay down of RBC operating line;
- Aug 5, 20 Review draft email by C. Fell to L. Rogers re OPG contract and provide my comments thereon; telephone calls with each of R. Moses and C. Fell re pay down of RBC operating line;
- Aug 8, 20 Review letters and emails re OPG contract;
- Aug 10, 20 Review email from lawyer at DLA Piper re lift stay to preserve and perfect lien; telephone conversation with E. Cosgrove; review emails between lawyers for Company and for RBC re stay extension motion;
- Aug 11, 20 Review emails between C. Fell and R. Moses; review draft Third Report; telephone call with D. Posner to provide my comments;
- Aug 12, 20 Reviewed revised report of PT together with comments of company lawyers; telephone call with D. Posner to finalize report; emails with C. Fell; telephone call with C. Fell and S. Kour; telephone conference call with lawyers for company and RBC;
- Aug 13, 20 Review emails between lawyers for company and RBC re extension motion; telephone call with C. Fell ; review letter re SL Marketing;
- Aug 14, 20 Attend on stay extension motion before Justice Conway;

Aug 14, 20 Review lien claim and statement of claim filed by Waste Management;  
email to E. Cosgrove, lawyer for Waste Management;

Aug 26, 20 Receipt and review Platinum equipment appraisal;  
To all matters of a general nature not more particularly referred to  
herein;

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**TOTAL PROFESSIONAL FEES**  
HST at 13.00%

**\$5,365.00**  
697.45

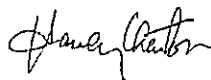
**GRAND TOTAL**  
Deduct amount in trust

**\$6,062.45**  
**(\$1,295.99)**

**AMOUNT PAYABLE**

**\$4,766.46**

**CHAITONS LLP**



per: \_\_\_\_\_

Harvey Chaiton

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	\$725.00	7.40	\$5,365.00
Total:		7.40	\$5,365.00

THIS IS EXHIBIT "D" TO  
THE AFFIDAVIT OF HARVEY CHAITON  
SWORN BEFORE ME THIS 24<sup>TH</sup>  
DAY OF SEPTEMBER, 2020

  
\_\_\_\_\_  
A Commissioner Etc.

*Gary Feldman*



**SUMMARY**

<b>Lawyer</b>	<b>Year of Call</b>	<b>Hours Billed</b>	<b>Hourly Rate</b>	<b>Amount Billed</b>
Harvey Chaiton	1982	58.46	\$725	\$42,380.50
Maya Poliak	2007	6.32	\$540	\$3,412.80
Sam Rappos	2005	0.50	\$540	\$270.00
Saneea Tanvir	2019	6.12	\$285	\$1,744.20
<b>Total Hours and Amounts Billed</b>		<b>71.40</b>		<b>\$47,807.50</b>
<b>Average Hourly Rate</b>			<b>\$670</b>	
<b>Total Costs</b>				<b>\$28.00</b>
<b>Total Taxes (HST)</b>				<b>\$6,218.62</b>
<b>TOTAL</b>				<b>\$54,054.12</b>

# Appendix “2”

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

THE HONOURABLE MR. ) TUESDAY, THE 29<sup>TH</sup>  
 )  
JUSTICE HAINEY ) DAY OF SEPTEMBER, 2020

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT**  
**OF JMX CONTRACTING INC., JMX NATIONAL INC., BRND PROPERTIES**  
**INC., and JMX LEASING INC. (the "Applicants")**

**INITIAL ORDER**

**THIS APPLICATION**, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day by video conference due to the COVID-19 crisis.

**ON READING** the affidavit of Charlie Dahl, sworn September 24, 2020, and the Exhibits thereto (the "**Dahl Affidavit**"), the Fourth Report, dated September 25, 2020 (the "**Fourth Report**"), of Crowe Soberman Inc. ("**CS**") in its capacity as proposal trustee (the "**Proposal Trustee**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants, the Proposal Trustee and for the secured creditor, the Royal Bank of Canada ("**RBC**"), as well as any person listed on the counsel slip and on reading the consent of CS to act as the monitor (the "**Monitor**"),

## **SERVICE**

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

## **CONTINUANCE UNDER THE CCAA**

2. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies.

3. **THIS COURT ORDERS AND DECLARES** that effective September 29, 2020, the Applicants' proposal proceedings (the "**Proposal Proceedings**") commenced under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (as amended) (the "**BIA**") are hereby taken up and continued under the CCAA and that, as of such date, the provisions of Part III of the BIA shall have no further application to the Applicants, save that any and all steps, agreements and procedures validly taken, done or entered into by the Applicants and all Orders granted during the Proposal Proceedings shall remain valid and binding, notwithstanding the commencement of the CCAA proceedings. For greater certainty, in the event of a conflict between an Order granted during the Proposal Proceedings and this Order, this Order shall govern.

4. **THIS COURT ORDERS** that the Fourth Report and the activities of the Proposal Trustee, as described therein, be and are hereby approved.

5. **THIS COURT ORDERS AND DIRECTS** the Proposal Trustee to take all necessary steps in furtherance of its discharge as Proposal Trustee in the Proposal Proceedings, including the taxation of its fees and disbursements and those of its counsel.

## **PLAN OF ARRANGEMENT**

6. **THIS COURT ORDERS** that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

## **POSSESSION OF PROPERTY AND OPERATIONS**

7. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

8. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to utilize the central cash management system currently in place as described in the Dahl Affidavit or, with the consent of RBC, replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

9. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case

incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

- (b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

10. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers' insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

11. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

12. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time (“**Rent**”), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

### **RESTRUCTURING**

13. **THIS COURT ORDERS** that the Applicants shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$300,000 in any one transaction or \$500,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

14. **THIS COURT ORDERS** that the Applicants shall provide each of the relevant landlords with notice of the Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further Order of this Court upon application by the Applicants on at least two (2) days notice to such landlord and any such secured creditors. If the Applicants disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicants' claim to the fixtures in dispute.

15. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY**

16. **THIS COURT ORDERS** that until and including December 11, 2020, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.



## **NO EXERCISE OF RIGHTS OR REMEDIES**

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

## **NO INTERFERENCE WITH RIGHTS**

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

## **CONTINUATION OF SERVICES**

19. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/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 Business or the Applicants, 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 Applicants, and that the Applicants shall be entitled to the continued use of its current premises, 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 Applicants in accordance with normal payment practices of the Applicants or such other practices as may be

agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

20. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

21. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

#### **APPOINTMENT OF MONITOR**

22. **THIS COURT ORDERS** that CS is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

23. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property and such other matters as may be relevant to the proceedings herein;
- (c) advise the Applicants in their preparation of the Applicants' cash flow statements;
- (d) advise the Applicants in their development of the Plan and any amendments to the Plan;
- (e) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

24. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

25. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might 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 law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

26. **THIS COURT ORDERS** that the Monitor is hereby relieved of any obligation to publish a notice to creditors as prescribed in Section 23(1)(a)(i) of the CCAA.

27. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicants and the DIP Lender with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

28. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

29. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to, the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a weekly basis.

30. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

31. **THIS COURT ORDERS** the “**Administration Charge** as defined and granted in the Order of the Court dated May 15, 2020, be and is hereby continued.

#### **DIP FINANCING**

32. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a loan from JMX Environmental Inc., BRND Properties Inc., and Charlie Dahl (collectively, the “**DIP Lender**”) solely in order to pay down the indebtedness of the Applicants to RBC in the amount of \$700,000 and the remainder \$300,000 shall be used by the Applicants for working capital purposes, and such credit facility shall not exceed \$1,000,000 unless permitted by further Order of this Court.

33. **THIS COURT ORDERS THAT** such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicants and the DIP Lender dated as of September 21, 2020 (the “**Commitment Letter**”), filed.

34. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and

when the same become due and are to be performed, notwithstanding any other provision of this Order.

35. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property of JMX Contracting Inc. and JMX Leasing Inc., which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s Charge shall have the priority set out in paragraphs 38 and 40 hereof.

36. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender’s Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender’s Charge, the DIP Lender, upon five (5) days notice to the Applicants, RBC and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender’s Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the obligations of the Applicants to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender’s Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

37. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA with respect to any advances made under the Definitive Documents.

#### **VALIDITY AND PRIORITY OF CHARGES**

38. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

**First** – Administration Charge (to the maximum amount of \$300,000);

**Second**- the security interest of RBC against the Applicants (the “**RBC Security**”) securing the indebtedness of the Applicants to RBC (the “**RBC Indebtedness**”) and any security interest, lien or statutory deemed trust that, as a result of the operation of law, is in priority to the RBC Security; and

**Third** – DIP Lender's Charge (to the maximum amount of \$1,000,000).

39. **THIS COURT ORDERS** that the filing, registration or perfection of the DIP Lender's Charge shall not be required, and that the DIP Lender's Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. **THIS COURT ORDERS** that the DIP Lender's Charge shall constitute a charge on the Property of JMX Contracting Inc. and JMX Leasing Inc. and the DIP Charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person but subordinate to the RBC Security in respect to the RBC Indebtedness and any security interest, lien or statutory deemed trust that, as a result of the operation of law, is in priority to RBC's Security.

41. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any further Encumbrances over any Property that rank in priority to, or *pari passu* with the DIP Lender's Charge, unless the

Applicants also obtain the prior written consent of the Monitor, RBC, the DIP Lender and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

42. **THIS COURT ORDERS** that the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the DIP Charge nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which it is a party;
- (b) the DIP Lender shall not have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the Commitment Letter, the creation of the DIP Charge, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Applicants pursuant to this Order, the Commitment Letter or the Definitive Documents, and the granting of DIP Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.



## **SALE PROCESS**

44. **THIS COURT ORDERS** that the Sale Process attached as Schedule “A” to this Order is hereby approved (the “**Sale Process**”).

45. **THIS COURT ORDERS** that the Applicants and the Monitor are hereby authorized and empowered to take such steps as are necessary or desirable to carry out and perform their obligations under the Sale Process, provided that any definitive agreement to be executed by the Applicants in respect of the sale of all or part of the assets, rights, undertakings and properties of the Applicants, of every nature and kind whatsoever, and wherever situated, including all proceeds thereof shall require further approval of the Court.

46. **THIS COURT ORDERS** that the Applicants and the Monitor are authorized and directed to enter into the stalking horse asset purchase agreement dated September 24, 2020 (the “**Stalking Horse Agreement**”) between the Applicants and Peter Bensley and Matt Richards in trust for a company to be incorporated, in its capacity as stalking horse bidder (the “**Stalking Horse Bidder**”), and the Stalking Horse Agreement is hereby approved and accepted for the purpose of conducting the Sale Process.

47. **THIS COURT ORDERS** that the Monitor shall incur no liability or obligation as a result of assisting the Applicants with the carrying out of the Sale Process or the provisions of this Order, save and except for gross negligence or willful misconduct on its part.

## **SERVICE AND NOTICE**

48. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in The Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

49. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ‘<<https://www.crowesobermaninc.com/insolvency/insolvency-cases/jmx-group/>>’.

50. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicants and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicants’ creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

51. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

52. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

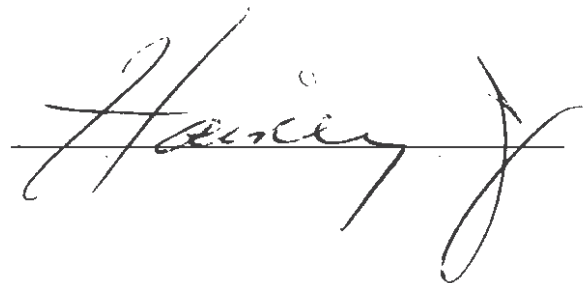
53. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in

carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

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

55. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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

A handwritten signature in black ink, appearing to read "Haining", written over a horizontal line. The signature is stylized and cursive.

# Appendix “3”

## STALKING HORSE SALE PROCESS (“SALE PROCESS”)

**For the sale of the business and/or assets of JMX Contracting Inc., JMX Leasing Inc., and BRND Properties Ltd. (collectively, the “Company”)**

### Overview of the Company

1. The Company is a leading Canadian provider of environmental and industrial contracting services. The Company performs a wide range of sophisticated and specialized services to a variety of industries including the energy, commercial, industrial, and nuclear sectors. The Company offers field forces capable of performing demolition, decontamination, decommissioning, and environmental reclamation services (the “**Business**”).
2. The Company has built a strong reputation for providing quality service for over 15 years. The Company has developed long term relationships with many of its customers, which it serves across Canada.
3. The Company is COR certified and is a member of Ontario Association of Demolition Contractors.
4. As a result of significant losses on two major contracts and resulting liquidity issues, in order to restructure, the Company filed for protection under the proposal provisions of the *Bankruptcy and Insolvency Act*, RSC, 1985, c B-3, which proceedings were converted to proceedings commenced under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”) and an Initial Order (the “**Initial Order**”) was granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on September 29, 2020.
5. Pursuant to the Initial Order, Crowe Soberman Inc. was appointed as monitor (the “**Monitor**”) in order to assist the Company with its restructuring and the Court also approved a super priority Debtor-in-Possession loan for \$1,000,000, to finance the Company’s operations during the CCAA proceedings, subordinate to the security interest of Royal Bank of Canada (the “**RBC Indebtedness**”) and any security interest, lien or encumbrance in priority to the RBC Indebtedness by operation of law.
6. The Company believes that, despite the recently challenging financial results, there is likely to be interest from arm’s length prospective buyers of the Company’s business and/or assets for reasons including:
  - (a) the Company’s profitable contracts which are currently being completed;
  - (b) the Company has won several new, profitable contracts;
  - (c) long term relationships with leading energy, infrastructure, and industrial companies including certain master service agreements, where applicable, which have resulted in multiple engagements for such customers over a long period of time;
  - (d) potential material recoveries on certain disputed contracts that are currently being litigated; and
  - (e) a dedicated professional staff and management team with significant experience and customer relationships in the specialty contracting sector.

7. The Company has entered into a Stalking Horse Asset Purchase Agreement with Peter Bensley and Matt Richard, in trust for a company to be incorporated (the “**Stalking Horse Purchaser**”), dated September 29, 2020, pursuant to which the Stalking Horse Purchaser has agreed to acquire substantially all of the Assets and to assume certain of the liabilities of the Company (the “**Stalking Horse Agreement**”). The Stalking Horse Agreement as well as these sale procedures were approved by the Court on September 29, 2020, pursuant to the Initial Order.
8. All capitalized terms contained herein, but not otherwise defined herein, shall have the meanings ascribed thereto in the Stalking Horse Agreement to which this schedule is appended.

### **Objectives and Commencement of the Sale Process**

9. The objective of the Sale Process is to obtain offers to effect a sale of the Company’s Business, including its property, assets, and undertakings (the “**Assets**”) on a going concern basis for an amount and on terms which are superior to the transaction contemplated by the Stalking Horse Agreement (the “**Stalking Horse Bid**”).
10. The roles and responsibilities of the Monitor are described in further detail throughout this Sale Process, however, the Monitor’s role herein does not include managing, operating, or taking possession or control of the Company’s Business and/or Assets.
11. Any transaction consummated pursuant to this Sale Process will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature or description by the Monitor, the Company, or any of their respective directors, officers, agents, advisors, or other representatives unless otherwise agreed in a definitive agreement.
12. All of the Company’s right, title, and interest in and to any of its Assets sold pursuant to any transaction(s) contemplated herein will be sold free and clear of all liens, security interests, mortgages, charges, and other encumbrances, except those expressly assumed by the purchaser, pursuant to a Court order approving such sale.

### **Timeline**

13. The following table sets out the key milestones and deadlines under the Sale Process, which milestones and deadlines may be extended or amended by the Monitor, in its discretion, by up to two weeks without Court approval:

<b>Milestone</b>	<b>Deadline</b>
Phase I: Marketing and Initial Due Diligence Period	<b>September 29, 2020</b>
Phase I Bid Deadline	<b>October 23, 2020</b>
Phase II: Commencement of Due Diligence for Selected Bidders	<b>October 26, 2020</b>
Phase II Bid Deadline	<b>November 9, 2020</b>
Notification of Auction (if applicable)	<b>November 11, 2020</b>

Auction	<b>November 16, 2020</b>
Selection of Successful Bid (assuming Auction)	<b>November 16, 2020</b>
Approval Hearing	<b>November 20, 2020</b>
Closing Date Deadline	<b>November 23, 2020</b>

Any extensions or amendments (other than the Closing Date Deadline) shall be communicated to all Bidders in writing and posted on the Monitor's Website at:

<<https://www.crowesobermaninc.com/insolvency/insolvency-cases/jmx-group/>>.

### **Solicitation of Interest: Notice of Sale Process**

14. The Monitor shall be entitled, but not obligated, to arrange for a notice to be published in any newspaper or industry journal as the Monitor considers appropriate if it believes that such advertisement would be useful in the circumstances.
15. The Monitor, with the assistance of the Company, shall prepare:
  - (a) a list of potential buyers (“**Interested Parties**”);
  - (b) an initial offering summary (“**Teaser Letter**”);
  - (c) a form of non-disclosure agreement (“**NDA**”);
  - (d) a confidential information memorandum describing the opportunity (“**CIM**”);
  - (e) an electronic data room (“**Data Room**”); and
  - (f) the Stalking Horse Agreement for use and markup by Interested Parties.
16. The Monitor will have responsibility for managing all communication with Interested Parties prior to and after receipt of binding offers (“**Offers**”). This shall include facilitating the delivery of all communications, contacting prospective bidders and providing them with the Teaser Letter and CIM, coordinating the execution of NDAs, facilitating any requests for tours of the facilities, managing the process of answering inquiries from prospective bidders, coordinating any presentations that may be requested by Potential Bidders (defined below), soliciting and tracking all Offers, and reviewing and negotiating transaction documentation.
17. The Monitor will send the Teaser Letter and the form of NDA to all applicable Interested Parties as soon as reasonably practicable after the granting of the Sale Process Order and to any other Interested Party who requests a copy of the Teaser Letter and NDA, or who is identified by the Company or the Monitor as an Interested Party, as soon as reasonably practicable after such request or identification, as applicable.

### **Sale Process - Phase I**

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

19. Any Interested Party who wishes to participate in the Sale Process must provide to the Monitor:
  - (a) an NDA executed by it, and a letter setting forth the identity of the Interested Party, the contact information for such Interested Party, and full disclosure of the direct and indirect principals of the Interested Party. The NDA shall include an acknowledgement of the Sale Process terms; and
  - (b) if the Monitor considers it necessary, such form of financial disclosure that allows the Monitor to make a reasonable determination as to the Interested Party's financial and other capabilities to consummate a sale transaction.
20. If an Interested Party: (i) has delivered an executed NDA; and (ii) has provided the Monitor with satisfactory evidence of its capability based on the availability of financing, its experience, and other considerations, to be able to consummate a sale transaction pursuant to the Sale Process, then such Interested Party will be determined by the Monitor to be a “**Potential Bidder**”. The Stalking Horse Purchaser shall be deemed to be a Potential Bidder.
21. The Monitor will provide each Potential Bidder with a copy of the CIM and access to the Data Room. Potential Bidders must rely solely on their own independent review, investigation, and/or inspection of all information and of the Business and/or Assets in connection with their participation in the Sale Process and any transaction they enter into with the Company. The Company, the Monitor, and their respective directors, officers, agents and advisors make no representation or warranty whatsoever as to the information (including, without limitation, with respect to its accuracy or completeness): (i) contained in the CIM or the Data Room; (ii) provided through the due diligence process or otherwise made available pursuant to the Sale Process; or (iii) otherwise made available to a Potential Bidder except to the extent contemplated in any definitive documentation duly executed and delivered by the Successful Bidder (as defined below) duly executed by the Company and approved by the Court.
22. At any time during the Sale Process, the Monitor may, in its reasonable business judgment, eliminate a Potential Bidder from the Sale Process, in which case such party will no longer be a Potential Bidder for the purposes of the Sale Process.
23. The Monitor shall afford each Potential Bidder such access to applicable due diligence materials and information pertaining to the Business and Assets of the Company as the Monitor deems appropriate in its reasonable business judgment. Due diligence access may include management presentations, access to the Data Room, on-site inspections, and other matters which a Potential Bidder may reasonably request and which the Monitor deems appropriate. The Monitor will designate one or more representatives to coordinate all reasonable requests for additional information and due diligence access from each Potential Bidder and the manner in which such requests must be communicated. The Monitor shall not be obligated to furnish any information relating to the Business or the Assets to any person other than to Potential Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Potential Bidders during Phase I or II of the Sale Process, if the Monitor determines such information to represent proprietary or sensitive competitive information related to the Business and/or the Assets of the Company that should not be provided to a Potential Bidder.



### Phase I Bid Deadline

24. A Potential Bidder that wishes to make an offer pursuant to the Sale Process must deliver by email a non-binding letter of intent (a “**Phase I Bid**”) to the Monitor so as to be received by the Monitor not later than 5:00 PM (Toronto Time) on October 23, 2020 (the “**Phase I Bid Deadline**”), with a copy to each of the persons specified in Schedule "B" hereto.

### Qualified Phase I Bids

25. A Phase I Bid will be considered a qualified bid only if (the “**Phase 1 Bid Criteria**”):
- (a) it is submitted on or before the Phase I Bid Deadline in accordance with paragraph 24 herein;
  - (b) it is accompanied by a letter setting forth:
    - (i) the identity of the bidder and full disclosure of any entities and/or individuals that control the bidder; and/or the beneficial owner (if any) with the power, directly or indirectly to cause the direction of the management and policies of the bidder;
    - (ii) a specific indication of the sources of debt and equity (as applicable) capital/financing for the transaction and preliminary evidence of the sources of financing of the purchase price, the availability of such financing, steps necessary and timing to obtain such financing, and any related contingencies and financial information that would allow the Monitor to make a reasonable determination as to the bidder’s financial capabilities to consummate the transaction;
    - (iii) a detailed description of the bidder’s experience and expertise in environmental and industrial contracting services relating to demolition, decontamination, decommissioning, and environmental reclamation;
    - (iv) a statement that the bidder expects to be able to consummate a sale transaction pursuant to the Sale Process on or before the Closing Date Deadline (as defined herein); and
    - (v) such other information as reasonably requested by the Monitor, in consultation with the Company;
  - (c) the Phase 1 Bid identifies or contains the following:
    - (i) the purchase price in Canadian dollars, including details of all Assets to be purchased and liabilities to be assumed by the bidder. The purchase price must be in an amount that is at least \$250,000 in cash in excess of the purchase price contained in the Stalking Horse Agreement, or is otherwise a better offer than the offer contemplated under the Stalking Horse Agreement;
    - (ii) any anticipated approvals and consents required to close the transaction and any anticipated impediments to such approvals or consents;
    - (iii) a specific statement that the purchase price or funds to be invested, are in an amount that can reasonably be expected to be sufficient to pay the indebtedness of the Company to the Royal Bank of Canada (“**RBC**”) in full;

- (iv) specific statements concerning the intended treatment of unsecured creditors, guaranteed obligations, lien claimants, subtrades who have or are continuing to provide goods or services in relation to projects, as well as receivables and liabilities associated with Ontario Power Generation and ASNA Robson Landmark Developments, including any cost of litigation associated therewith;
- (v) specific due diligence required to be conducted during Phase II, if any;
- (vi) all conditions to Closing sought by the bidder; and
- (vii) any other terms or conditions that the bidder believes are material to the transaction.

### Assessment of Phase I Bids

26. Promptly after the Phase I Bid Deadline, the Monitor, in consultation with the Company:
- (a) will review and assess the Phase I Bids to determine whether they are qualified (such qualified bids being the “**Qualified Phase I Bids**” and the bidder thereof, a “**Qualified Phase I Bidder**”); and
  - (b) may request clarification of the terms of the Phase I Bids.
27. In assessing whether the Phase I Bids received are Qualified Phase I Bids, the Monitor, in consultation with the Company, will consider, among other things, the following:
- (a) whether they meet the Phase 1 Bid Criteria;
  - (b) the form and amount of consideration being offered, including any purchase price adjustments and/or any non-cash consideration;
  - (c) the demonstrated financial capability of the bidder to consummate the proposed transaction;
  - (d) the conditions to closing of the proposed transaction; and
  - (e) the estimated time required to complete the proposed transaction and whether, in the Monitor’s reasonable business judgment, the transaction is reasonably likely to close on or before the Closing Date Deadline.
28. Notwithstanding anything herein to the contrary, the offer represented by the Stalking Horse Agreement shall be deemed to be a Qualified Phase I Bid for all purposes under, and at all times in connection with, this Sales Process.
29. If the Monitor, after consultation with the Company determines that no Qualified Phase 1 Bid has been received other than the Stalking Horse Agreement, the Monitor shall be authorized to terminate the Sale Process, in which case, the Stalking Horse Agreement will be deemed to be the Successful Bid (as defined below).
30. If the Monitor, after consultation with the Company determines that one or more Qualified Phase 1 Bids are received, then the Sale Process shall proceed to Phase II.

## Sale Process- Phase II

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

## Phase II Bid Deadline, Phase II Bids and Removal of Conditions

32. Qualified Phase I Bidders that wish to make a formal binding Offer pursuant to the Sale Process (a “**Phase II Bid**”) must submit by email such Offer so as to be received by the Monitor not later than 5:00 PM (Toronto Time) on November 9, 2020 (the “**Phase II Bid Deadline**”), with a copy to each of the persons specified in Schedule "B" hereto.
33. In order to be considered a “**Qualified Phase II Bid**”, the offer shall (collectively, the “**Phase II Bid Criteria**”):
- (a) include a sealed, duly authorized and executed, definitive purchase agreement consistent with the form of the Stalking Horse Agreement, together with all completed schedules thereto, containing the detailed terms and conditions of the proposed transaction, including identification of the Business or the Assets proposed to be acquired, the obligations to be assumed, the purchase price for the Business or Assets proposed to be acquired, the detailed structure and financing of the proposed transaction, and a blackline comparing the purchase agreement submitted to the Stalking Horse Agreement;
  - (b) be a Superior Offer. A Superior Offer means an offer that provides for consideration of at least \$250,000 in cash, in excess of the aggregate of the purchase price contemplated by the Stalking Horse Agreement;
  - (c) provide for the payment in full and in cash of all of the indebtedness of the Company to RBC;
  - (d) be binding and irrevocable until the earlier of: (i) 30 days after the Phase II Bid Deadline and (ii) approval by the Court of the Successful Bid;
  - (e) include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor or such other form of deposit as is acceptable to the Monitor), payable to the Monitor, in trust, in an amount equal to 10% of the purchase price contemplated by the Phase II Bid (the “**Deposit**”). All Deposits submitted by Phase II Bidders who did not submit the Successful Bid shall be returned, without interest, as soon as practicable following the date on which any such offers are rejected hereunder. The Deposit forming part of the Successful Bid shall be dealt with in accordance with the asset purchase agreement submitted by the Successful Bidder;
  - (f) provide contact information (including an email address) for the bidder and disclose the identity of each entity (including its ultimate shareholders and/or sponsors) that is bidding for the Business and/or Assets or otherwise participating in a Phase II Bid and the complete terms of any such participation;
  - (g) include written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction or transactions comprising the Phase II Bid, that will allow the Monitor to make a determination as to the bidder’s financial and other capabilities to consummate the proposed transaction;

- (h) include acknowledgments and representations of the bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Business and/or Assets, the Company, or otherwise, prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of the Business and/or Assets (including, without limitation, any documents in connection therewith) in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory, or otherwise, regarding the Business and/or Assets or the Company or the completeness of any information provided in connection therewith, except as expressly contemplated in any definitive documentation duly executed by the Successful Bidder and the Company and approved by the Court;
  - (i) include written evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Phase II Bid;
  - (j) includes details of any liabilities to be assumed;
  - (k) not be subject to further due diligence;
  - (l) not be subject to financing;
  - (m) includes a description of any regulatory or other third-party approvals required to consummate the proposed transaction, and the time period within which the bidder expects to receive such regulatory and/or third-party approvals, and those actions the bidder will take to ensure receipt of such approvals as promptly as possible;
  - (n) include a description of any desired arrangements with respect to transition services that may be required from the Company in connection with the transaction, including funding for same; not be subject to any conditions precedent except those that are customary in a transaction of this nature; not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment; and
  - (o) be received by the Phase II Bid Deadline; and contemplate closing the transaction set out therein on or before November 23, 2020 (the "**Closing Date Deadline**").
34. The Monitor may, if it deems appropriate or desirable in the circumstances, modify or amend the Phase II Bid Criteria.
35. The Monitor may make any modification to the Sale Process it considers appropriate in the circumstance and, where it considers such modification to be material, it may seek Court approval of such modification on notice to parties in the CCAA Proceeding. The extension of any date in the Sale Process by up to two weeks shall not be considered material.

### **Selection of Successful Bidders**

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

37. If a Phase II Bid meets the Phase II Bid Criteria, as determined by the Monitor in its sole discretion in consultation with the Company, such Phase II Bid will be deemed to be a "**Qualified Phase II Bid**" and the bidder in respect of each such Qualified Phase II Bid shall be a "**Qualified Phase II Bidder**" in respect to the Sale Process.
38. If no Qualified Phase II Bid (other than the Stalking Horse Bid) is received by the Phase II Bid Deadline, the Stalking Horse Bid shall be deemed the Successful Bid (defined below).
39. If more than one Qualified Phase II Bid is received by the Phase II Bid Deadline the Monitor shall extend invitations by email by 10:00 a.m. E.S.T. on the second (2nd) Business Day after the Phase II Bid Deadline to the Qualified Phase II Bidders and to the Stalking Horse Purchaser to attend an auction (the "**Auction**"). The Auction shall be held at 10:00 a.m. on the fifth (5th) Business Day after the Phase II Bid Deadline at the offices of the Monitor or by teleconference, video conference, or other form of electronic telecommunications, as the Monitor may deem fit.
40. The Monitor shall conduct the Auction. At the Auction, the bidding shall begin initially with the highest Qualified Phase II Bid, and subsequently continue in multiples of \$100,000 (the "**Minimum Bid Increment**"), or such other amount as the Monitor determines to facilitate the Auction. Additional consideration in excess of the amount set forth in the highest Qualified Phase II Final Bid must be comprised only of cash consideration. The format and other procedures for the Auction shall be determined by the Monitor in its sole discretion.
41. The successful bid (the "**Successful Bid**") shall be, either:
  - (a) in the event that no Qualified Phase I Bid other than the Stalking Horse Bid is received by the Phase I Bid Deadline, the Stalking Horse Agreement; or
  - (b) in the event that no Qualified Phase II Bid other than the Stalking Horse Bid is received by the Phase II Bid Deadline, the Stalking Horse Agreement; or
  - (c) in the event that multiple Qualified Phase II Bids are received, following the conclusion of the Auction, the Qualified Phase II Bidder submitting the highest and/or best offer through the Auction.
42. The Monitor, in consultation with the Company shall also identify the Qualified Phase II Bid constituting the second highest or otherwise best bid (the "**Back-Up Bid**", and the Qualified Bidder making such Back-Up Bid, the "**Back Up Bidder**") following the Auction. For clarity, the Stalking Horse Agreement may be deemed by the Monitor, in its sole discretion, to be a Back-Up Bid.
43. If a Successful Bidder fails to close the transaction contemplated by the Successful Bid on or before November 23, 2020 (or such other date as the Parties may agree, with the consent of the Monitor), for any reason, then the Company will be deemed to have accepted the Back-Up Bid and will proceed with the transaction pursuant to the terms thereof, in which case the Back-Up Bid shall be considered the Successful Bid for the purposes of this Sale Process.
44. The determination of any Successful Bid or Back-Up Bid by Monitor, in consultation with the Company shall be subject to approval by the Court.

### **Sale Approval Motion Hearing**

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

### **Confidentiality and Access to Information**

46. Each Interested Party, Qualified Phase I Bidder, and Qualified Phase II Bidder shall not be permitted to receive any confidential or competitive information that is not made generally available to all participants in the Sale Process relating the number or identity of bidders. The details of any bids or Phase I/Phase II Bids submitted or the details or existence of any confidential discussions or correspondence among the Company, the Monitor, and any bidder in connection with the Sale Process.
47. The Stalking Horse Purchaser shall not be entitled to review, or in any way be involved in, the consideration, negotiation, or selection of any Qualified Phase I Bid, Qualified Phase II Bid, or Successful Bid.

### **Supervision of the Sale Process**

48. Subject to any consultation rights and other similar rights provided for herein, the Monitor will conduct the Sale Process in the manner set out herein and in the Sale Process Order. All discussions or inquiries to the Company regarding the Sale Process shall be directed to the Monitor. Under no circumstances should a representative of the Company be contacted directly or indirectly in respect of the Sale Process, including diligence requests, without the prior written consent of the Monitor. Any such unauthorized contact or communication could result in exclusion from the Sale Process, in the Monitor's sole discretion.
49. The Company and its principals, employees and professional advisors shall cooperate fully with the Monitor and provide documents and information requested as part of the Sale Process to the Monitor in a prompt fashion.
50. Other than as specifically set forth in a definitive agreement between the Company and a Successful Bidder, the Sale Process does not, and will not be interpreted to, create any contractual or other legal relationship among the Company, the Monitor, any Interested Party, Qualified Phase I Bidder, Qualified Phase II Bidder, the Successful Bidder, or any other party.
51. Neither the Company nor the Monitor shall be liable for any claim for a brokerage commission, finder's fee or like payment in respect of the consummation of any of the transactions consummated under the Sale Process. Any such claim shall be the sole liability of the bidder that consummates a transaction under the Sale Process pursuant to which the claim is being made.

# Appendix “4”

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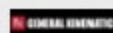
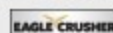
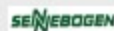


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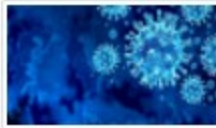
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Crowe Soberman Inc.

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Business and assets of JMX Contracting Inc., JMX Leasing Inc., JMX National Inc. and BRND Properties Inc.

**JMX**  
CONTRACTING AND  
RENTALS AND EQUIPMENT  
CONTRACTORS

Monitor's name: Crowe Soberman Inc.  
Phone number: 416-644-8447  
Email: daniel.posner@crowesoberman.com



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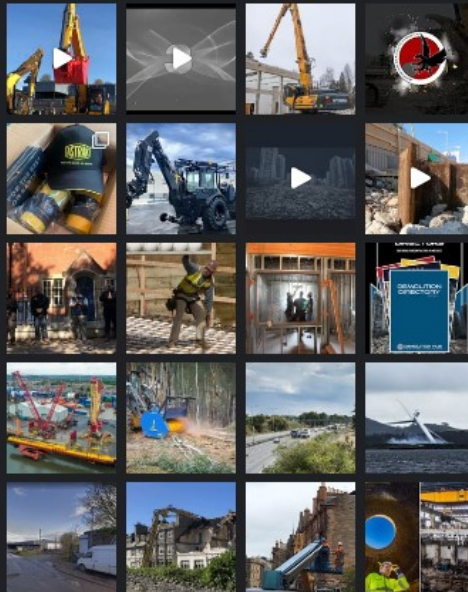
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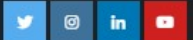
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# Appendix “5”

**2779076 Ontario Inc.**

as Purchaser

and

**JMX Contracting Inc., JMX Leasing Inc. JMX National Inc. and BRND Properties Inc.**

collectively, the Vendor

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**ASSET PURCHASE AGREEMENT**

September 23, 2020

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## ASSET PURCHASE AGREEMENT

Asset purchase agreement dated September 23, 2020 between JMX Contracting Inc. (“**JMX Contracting**”), JMX Leasing Inc. (“**JMX Leasing**”) and BRND Properties Inc. (“**BRND**” collectively with JMX Contracting and JMX Leasing, the “**Vendor**”) and 2779076 Ontario Inc. (the “**Purchaser**”).

### RECITALS:

- (1) The Vendor is in the business of providing environmental contracting, demolition, abatement, remediation, and commodity salvage services to construction and decommissioning sites across Canada (the “**Business**”).
- (2) In April, 2020, the Vendor commenced proceedings (the “**NOI Proceedings**”) under the *Bankruptcy and Insolvency Act* (Canada), which NOI Proceedings were converted to proceedings under the *Companies’ Creditors Arrangement Act* (the “**CCAA Proceedings**”) pursuant to an order dated September 28, 2020 by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), pursuant to which, *inter alia*, Crowe Soberman Inc. was appointed monitor (in such capacity, the “**Monitor**”) and a super-priority DIP Credit Agreement (as defined herein) providing for a non-revolving credit facility of up to \$1,000,000 was approved by the Court.
- (3) In connection with the sale, refinancing and investment solicitation process commenced by the Vendor pursuant to an Order granted by the Court on September 28, 2020, the Purchaser, as a “stalking horse bidder”, wishes to purchase, and the Vendor has agreed to sell, the Purchased Assets pursuant to and in accordance with the terms of the Sale Process and subject to and in accordance with the conditions of this Agreement.
- (4) The transactions contemplated by this Agreement are subject to the approval of the Court and will be consummated only pursuant to the Approval and Vesting Order to be entered in the CCAA Proceedings.

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

## ARTICLE 1 INTERPRETATION

### Section 1.1 Defined Terms.

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

“**Affiliate**” of a Person means any other Person that directly or indirectly controls, is controlled by or is under common control with such Person, where “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the



management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

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

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

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

“**ASNA Litigation Claim**” means the litigation claim of the Vendor as against ASNA Robson Landmark Developments Limited.

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

“**Assumed Contracts**” means all of the Contracts of the Vendor used in the Business other than the Excluded Contracts.

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

“**Assumed Transferred Employee Liabilities**” means all liabilities with respect to or in connection with the Transferred Employees, including any Employee Plan or Benefit Plan associated with a Transferred Employee;

“**Benefit Plan**” means the group insurance policy held by the Vendor with Sunlife Financial bearing policy number 182646 and policy effective date March 1, 2017, as amended, restated, modified or supplemented from time to time.

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

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

“**Business**” has the meaning given to such term in the preamble to this Agreement.

“**CCAA**” means the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36.

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

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

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

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

“**Construction Act**” means the *Construction Act*, R.S.O. 1990, c. C.30.

“**Contract**” means all contracts, letters of intent, licenses, leases, agreements, obligations, promises, undertakings, arrangements, documents, commitments, entitlements or engagements to which the Vendor is a party or by which the Vendor is bound relating to the Purchased Assets and/or the Business, all as may be amended and/or restated, and including any and all related quotations, orders, proposals or tenders which remain open for acceptance, warranties and guarantees and documents ancillary thereto.

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

“**DIP Credit Agreement**” means the credit agreement between the Vendor and the DIP Lender dated September 23, 2020, as it may be further amended, supplemented or otherwise modified, in connection with the provision by the DIP Lender to the Vendor of a secured debtor-in-possession non-revolving credit facility in the principal amount of \$1,000,000, as such agreement may be amended, restated or otherwise modified from time to time.

“**DIP Lender**” means each of BRND, JMX Environmental Inc., and Charlie Dahl.

“**DIP Loan**” means up to \$1,000,000 in financing provided by the DIP Lenders to the Vendor as set out in the DIP Credit Agreement.

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

“**Employee Plan**” means all:

- (a) contracts, agreements, plans, arrangements or policies (written or oral) providing for incentive compensation, deferred compensation, bonuses, profit-sharing, severance or termination pay, share appreciation, share option, share purchase or other stock related rights relating to the Business; and
- (b) health or other medical benefits (other than the Canadian Pension Plan, the Ontario Health Insurance Plan and other similar health plans established and administered by any other province and workers' compensation insurance provided pursuant to Applicable Law), life or other insurance (including any self-insured arrangements), dental, disability, salary continuation, vacation, automobile, supplemental unemployment benefits, post-employment, retirement or supplemental retirement benefits (including compensation, health, medical or life insurance benefits);

which is maintained, administered or contributed to by or on behalf of the Vendor and which covers any employee or former employee of the Vendor;

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

“**Excluded Assets**” has the meaning specified in Section 2.2.

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

“**Excluded Liabilities**” means, other than the Assumed Liabilities, any and all liabilities and obligations of the Vendor including, without limitation, the Excluded Contracts and any liabilities or claims with respect to or arising in connection with, the Excluded Contracts and the Non-Transferred Employee Liabilities, and including those liabilities listed in Schedule 1.1(b);

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

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

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

- (a) all patents, patent applications and other patent rights, including provisional and continuation patents;
- (b) all registered and unregistered trade-marks, service marks, logos, slogans, corporate names, business names and other indicia of origin, and all applications and registrations therefor;
- (c) registered and unregistered copyrights and mask works, including all copyright in and to computer software programs and applications and registrations of such copyright;
- (d) internet domain names, applications and reservations for internet domain names, uniform resource locators and the corresponding internet sites;
- (e) industrial designs; and
- (f) trade secrets and proprietary information not otherwise listed in (a) through (e) above, including, without limitation, all inventions (whether or not patentable), invention disclosures, moral and economic rights of authors and inventors (however denominated), confidential information, technical data, customer lists, corporate and business names, trade names, trade dress, brand names, know-how, mask works, circuit topography, formulae, methods (whether or not patentable), designs, processes, procedures, technology, business methods, source codes, object codes, computer software programs (in either source code or object code form), databases, data collections and other proprietary information or material of any type, and all derivatives, improvements and refinements thereof, howsoever recorded or unrecorded.

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

**“Monitor’s Certificate”** has the meaning specified in Section 9.3.

“**NOI Proceedings**” has the meaning given to such term in the preamble to this Agreement.

“**Non-Transferred Employees**” means all Employees who are not Transferred Employees.

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

“**Notice**” has the meaning specified in Section 11.1.

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

“**OPG Funding Litigation Amount**” has the meaning given in Section 3.1(g).

“**OPG Litigation Claim**” means the litigation with respect to the claim of JMX Contracting as against Ontario Power Generation in connection with the Lambton Generating Station Demolition Agreement #RG00287132 dated July 10, 2018, including the lien charge and corresponding claim in favour of JMX Contracting.

“**OPG Litigation Costs**” means any costs incurred by the Purchaser to fund the OPG Litigation Claim.

“**OPG Litigation Proceeds**” means the proceeds, if any, obtained from the OPG Litigation Claim less the amount of the OPG Litigation Costs.

“**Parties**” means the Vendor and the Purchaser and any other Person who may become a party to this Agreement.

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

“**Priority Payables**” has the meaning specified in Section 3.1(a).

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

“**Purchased Assets**” has the meaning specified in Section 2.1.

“**Purchaser**” has the meaning specified in the preamble above.

“**Sale Process**” means the sale solicitation process set forth in Schedule 1.1(c) as approved by the Court on September 29, 2020, as may be amended or otherwise modified from time to time in accordance with the terms therein.

“**Sale Process Approval Order**” means the Court order approving the Sale Process.

“**Successful Bidder**” has the meaning specified in the Sale Process.

“**Successful Bid**” has the meaning specified in the Sale Process.

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

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

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

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

“**Vendor**” has the meaning specified in the preamble above.

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

## **Section 1.2 References and Usage.**

Unless expressly stated otherwise, in this Agreement:

- (a) reference to a gender includes all genders;
- (b) the singular includes the plural and vice versa;
- (c) “or” is used in the inclusive sense of “and/or”;
- (d) “any” means “any and all”;
- (e) the words “including”, “includes” and “include” mean “including (or includes or include) without limitation”;

- (f) the phrase “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”;
- (g) \$ or dollars refers to the Canadian currency unless otherwise specifically indicated;
- (h) a statute includes all rules and regulations made under it, if and as amended, re-enacted or replaced from time to time;
- (i) a Person includes its predecessors, successors and permitted assigns;
- (j) the term “notice” refers to oral or written notices except as otherwise specified;
- (k) the term “Agreement” and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be amended, restated, replaced, supplemented or novated and all schedules to it, except as otherwise provided in this Agreement; and
- (l) whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be required to be made or such action will be required to be taken on or not later than the next succeeding Business Day and in the computation of periods of time, unless otherwise stated, the word “from” means “from and excluding” and the words “to” and “until” each mean “to and including”.

### **Section 1.3 Headings, etc.**

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

### **Section 1.4 Schedules.**

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

Schedule 1.1(a)	Excluded Contracts
Schedule 1.1(b)	Excluded Liabilities
Schedule 1.1(c)	Sale Process
Schedule 2.2(d)	Excluded Assets
Schedule 3.2(d)	Trade Liabilities
Schedule 3.3	Purchase Price Allocation
Schedule 5.1(e)	Priority Amounts

## ARTICLE 2 PURCHASE AND SALE

### Section 2.1 Purchased Assets.

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

- (a) **Equipment and Supplies.** All machinery, equipment, furnishings, furniture, parts, dies, molds, tooling, tools, computer hardware, supplies, accessories and other tangible personal and moveable property (other than inventory) owned by the Vendor and used in connection with the Business;
- (b) **Contracts.** All Assumed Contracts and all rights, title, interests and obligations thereunder;
- (c) **Vehicles.** All motor vehicles, including all trucks, vans, cars and forklifts registered in the name of the Vendor and used for the Business.
- (d) **Computer Software.** All **software** and documentation used in the Business, including, all electronic data processing systems, program specifications, input data, report layouts, formats, algorithms, record file layouts, diagrams, functional specifications, narrative descriptions, flow charts, operating manuals;
- (e) **Cash and Accounts Receivable.** All cash in bank accounts of the Vendor and all accounts receivable (including unbilled revenue from work in progress), bills receivable, contractual hold-backs (as contemplated in the Construction Act), trade accounts, trade debts and book debts due or accruing due in connection with the Business, including any refunds and rebates receivable relating to the Business or the Purchased Assets and the full benefit of all security (including cash deposits), guarantees and other collateral held by the Vendor relating to the Business, and amounts receivable (or which may become receivable) by the Vendor under agreements whereby the Vendor has disposed of a business, facility or other assets, or under royalty (or other) agreements or documents related thereto and all bank accounts;
- (f) **Proceeds from Litigation Claims.** All proceeds and amounts received in connection with or obtained from any litigation between the Vendor and any other Person, other than the OPG Litigation Proceeds;
- (g) **Collective Agreements.** All of the collective agreements or similar agreements to which the Vendor is a party relating to the Business (the “**Collective Agreements**”);



- (h) **Prepaid Expenses.** All prepaid expenses of the Business;
- (i) **Real Property.** The real or immovable property used for the Business and owned by BRND municipally known as 27 Anderson Blvd, Uxbridge ON L9P 0C7, and all plants, buildings, structures, improvements, appurtenances and fixtures (including fixed machinery and fixed equipment) thereon or forming part thereof (the “**Real Property**”);
- (j) **Intellectual Property.** All right, title and interest of the Vendor in and to the Intellectual Property owned by or licensed to the Vendor for use in connection with the Business or the Purchased Assets, including domain names;
- (k) **Books and Records.** The Books and Records of the Vendor related to the Business, the Purchased Assets, the Ordinary Course Assumed Liabilities, or the Assumed Liabilities;
- (l) **Claims.** All claims of the Vendor relating to the Business or the Purchased Assets whether choate or inchoate, known or unknown, contingent or otherwise, including the ASNA Litigation Claim;
- (m) **Tax Refunds.** The benefit of any refundable Taxes payable or paid by the Vendor net of any amounts withheld by any taxing authority, and any claim or right of the Vendor to any refund, rebate, or credit of Taxes;
- (n) **Goodwill.** The goodwill of the Business, including the exclusive right of the Purchaser to represent itself as carrying on the Business in continuation of and in succession to the Vendor;
- (o) **Licenses.** All license agreements relating to the Business, to the extent the foregoing are transferable (the “**Licenses**”);
- (p) **Insurance.** The interest of the Vendor in all contracts of insurance, insurance policies and insurance plans which are assets of or maintained in connection the Purchased Assets, (b) any insurance proceeds net of any deductibles recovered by the Vendor under all other contracts of insurance, insurance policies (excluding D&O policies) and insurance plans between the date of this Agreement and the Closing Date, and (c) the full benefit of the Vendor’s rights to insurance claims relating to the Business and amounts recoverable in respect thereof net of any deductible to the extent any of the foregoing are transferable;
- (q) **Warranty Rights.** All warranty rights against manufacturers or suppliers relating to any of the Purchased Assets, to the extent the foregoing are transferable; and
- (r) **Other Property.** All other property, assets and undertakings of the Vendor of whatever nature or kind used in connection with the Business and/or the Purchased Assets.

**Section 2.2 Excluded Assets.**

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

- (a) the Excluded Contracts;
- (b) the OPG Litigation Proceeds; and
- (c) the Excluded Assets listed on Schedule 2.2(d).

**Section 2.3 Assumed Liabilities.**

Subject to this transaction Closing on the Closing Date, the Purchaser agrees to discharge, perform and fulfil the obligations and liabilities of the Vendor with respect to the Purchased Assets, including the Assumed Liabilities.

**Section 2.4 Excluded Liabilities.**

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

**Section 2.5 Assignment and Assumption of Consent Required Contracts.**

- (a) Notwithstanding anything in this Agreement, the Purchaser shall not assume and has no obligation to discharge any liability or obligation under or in respect of any Consent Required Contract unless: (a) the consent, approval or waiver of the party or parties to such Consent Required Contract (other than the Vendor) required to assign such Consent Required Contract has been obtained on terms satisfactory to the Purchaser, acting reasonably and the value of such Consent Required Contract has enured to the Purchaser; or (b) such Consent Required Contract is subject to an Assignment Order.
- (b) The Vendor and the Purchaser shall use reasonable commercial efforts to obtain the consent, approval or waiver of the party or parties to each Consent Required Contract (other than the Vendor) to the assignment of such Consent Required Contract prior to the filing of the motion materials for the Approval and Vesting Order. For greater certainty, neither the Vendor nor the Purchaser is under any obligation to pay any money, incur any obligations, commence any legal proceedings (other than as set forth below with respect to Assignment Orders), or offer or grant any accommodation (financial or otherwise) to any third party in order to obtain any such consent, approval or waiver.
- (c) In the event that the consent, approval or waiver required to assign any Consent Required Contract is not obtained before the date the motion materials are filed for the Approval and Vesting Order, the Vendor shall, at the request of the Purchaser and prior to Closing, seek the Assignment Order for such Consent

Required Contract in form and substance satisfactory to the Vendor and the Purchaser, each acting reasonably.

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

### ARTICLE 3 PURCHASE PRICE

#### Section 3.1 Purchase Price.

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

- (a) the payment in cash, or the assumption of, any payables of the Vendor, which by operation of law, are in priority to the security interest of RBC (the “**Priority Payables**”);
- (b) the assumption of the amount, if any, comprising the secured indebtedness owing by the Vendors to the Royal Bank of Canada as of the Closing Date which amount as of the date hereof is \$2,647,883, less the amount of the DIP Loan;
- (c) the assumption of the DIP Loan in the amount of \$1,000,000 plus any accrued interest owing by the Vendor to the DIP Lender as of the Closing Date;
- (d) the assumption of the ordinary course trade Liabilities of the Vendor owing as of the Closing Date, which amount as of the date hereof is \$4,034,821, a breakdown of which is attached hereto as Schedule 3.1(d);
- (e) the assumption of the mortgage granted to BRND by Hillmount Capital Inc., of which \$1,700,000 is outstanding as of the date hereof; and
- (f) the assumption of the indebtedness owing by BRND to Dahl Demolition Corp; 23912112 Ontario Inc., and 2391213 Ontario Inc. as of the Closing Date, representing a total indebtedness of \$ 1,245,087.53 as of the date hereof;

(the assumption of the amounts in (b) to (f) above, collectively, the “**Assumed Liabilities**”. As of the date hereof, the Assumed Liabilities total approximately \$9,677,791)

- (g) the OPG Litigation Costs of the Vendor associated with continued funding of the the OPG Litigation (the “**OPG Funding Litigation Amount**”).

**Section 3.2 Payment of the Purchase Price.**

The Purchaser shall pay and satisfy the Purchase Price:

- (a) at Closing, by the payment in cash, or, with the consent of the holder of a Priority Payable, the assumption of, all Priority Payables;
- (b) at Closing, by the assumption of the Assumed Liabilities; and
- (c) from and after Closing, the funding of the OPG Litigation Costs.

**Section 3.3 Purchase Price Allocation.**

The Purchase Price shall be allocated among the Purchased Assets in the manner and form set out in Schedule 3.3. Such allocation shall be binding and the Purchaser and Vendor shall report the purchase and sale of the Purchased Assets and file all filings which are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

**Section 3.4 No Effect on Other Rights.**

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

**ARTICLE 4  
TAX MATTERS****Section 4.1 Transfer Taxes.**

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

**Section 4.2 Tax Elections.**

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

## ARTICLE 5 REPRESENTATIONS AND WARRANTIES

### Section 5.1 Representations and Warranties of the Vendor.

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

- (a) **Incorporation and Qualification.** Each of the Vendor is a corporation incorporated and existing under the laws of jurisdiction of its formation. Each of the Vendor has the corporate power and authority to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is a party.
- (b) **Corporate Authorization.** Subject to the issuance of the Approval and Vesting Order, the execution and delivery of and performance by the Vendor of this Agreement and each of the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated by them have been duly authorized by all necessary and corporate action on the part of each of them.
- (c) **Execution and Binding Obligation.** Subject to the issuance of the Approval and Vesting Order, this Agreement and each of the Ancillary Agreements to which the Vendor is a party have been duly executed and delivered by the Vendor and constitute legal, valid and binding agreements of it, enforceable against it in accordance with their respective terms.
- (d) **Residence of the Vendor.** None of the Vendor is a non-resident of Canada within the meaning of the *Tax Act*. None of the Vendor is a non-Canadian within the meaning of the *Investment Canada Act*.
- (e) **HST Registrant.** The Vendor is a registrant for the purposes of the tax imposed under Part IX of the *Excise Tax Act* (Canada) and its registration number is ►.

### Section 5.2 Representations and Warranties of the Purchaser.

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

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

- (b) **Corporate Authorization.** The execution and delivery of and performance by the Purchaser of this Agreement and each of the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated by them have been duly authorized by all necessary action on the part of the Purchaser.
- (c) **Execution and Binding Obligation.** This Agreement and each of the Ancillary Agreements to which the Purchaser is a party have been duly executed and delivered by the Purchaser and constitute legal, valid and binding agreements of the Purchaser, enforceable against it in accordance with their respective terms subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (d) **HST Registrant.** The Purchaser will be as at Closing, a registrant for the purposes of the tax imposed under Part IX of the *Excise Tax Act* (Canada) and its registration number is ►.

### **Section 5.3 No Other Representations or Warranties.**

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

### **Section 5.4 As is, Where is.**

THE PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE PURCHASED ASSETS AND THE BUSINESS ARE PURCHASED AND THE ASSUMED LIABILITIES ARE ASSUMED BY THE PURCHASER "AS IS, WHERE IS" AS THEY SHALL EXIST AT THE CLOSING DATE WITH ALL FAULTS AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN FACT OR BY LAW WITH RESPECT TO THE PURCHASED ASSETS, THE BUSINESS, AND THE ASSUMED LIABILITIES, AND WITHOUT ANY RECOURSE TO ANY OF THE VENDOR, THE MONITOR OR ANY OF THEIR DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES, AGENTS,

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

## **ARTICLE 6 PRE-CLOSING COVENANTS OF THE PARTIES**

### **Section 6.1 Access by Purchaser.**

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

### **Section 6.2 Access by Monitor.**

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

**Section 6.3 Title and Risk.**

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

**Section 6.4 Employees.**

- (a) The Purchaser shall prior to the Closing Date, offer employment conditional on Closing and effective as of the Closing Date to the all of the Employees whom the Purchaser wishes, in its sole discretion (subject to the requirements of applicable Law, if any), to employ after the Closing (collectively, the “**Offerees**”) on such employment terms and conditions as the Purchaser considers appropriate or as may be required in accordance with applicable Law.
- (b) At least two (2) Business Days prior to the Closing Date, the Purchaser shall provide the Vendor and the Monitor with a schedule setting forth a list of the names of all Offerees.
- (c) The Vendor shall terminate the employment of all Employees no later than the Closing.
- (d) Prior to the Closing Date, the Vendor shall process, or cause to be processed, the payroll for, and pay (or cause to be paid), all compensation, including the base wages, base salary, vacation pay and ordinary course sales commissions for all Employees (collectively, “**Wages**”) as and when due for the period prior to Closing. The Vendor shall withhold and remit all applicable payroll taxes and deductions from Wages at source as required by Law.
- (e) Following the Closing, the Purchaser shall process the payroll for, and pay (or cause to be paid), as and when due, (i) all unpaid Wages accrued but which did not become due prior to the Closing Date with respect to each Transferred Employee, and (ii) all Wages accrued on and after the Closing Date with respect to each Transferred Employee.
- (f) As of the Closing Date, the Purchaser shall become the participating employers and sponsors under the Benefit Plan. The Vendor shall take all appropriate and necessary action to transfer control of and liability and responsibility for the Benefit Plan to the Purchaser.
- (g) All Non-Transferred Employee Liabilities shall be dealt with in the CCAA Proceedings or any subsequent bankruptcy of the Vendor in accordance with the entitlement and priority afforded to such claims under applicable Law. The Purchaser shall not assume or be liable for any Non-Transferred Employee Liabilities.



**Section 6.5 Notices and Requests for Consents.**

- (a) Subject to the selection or deeming of this Agreement as the Successful Bid in accordance with the Sale Process, the Vendor shall use its commercially reasonable efforts to obtain or cause to be obtained prior to Closing, at its expense, all consents, approvals and waivers that are required by the terms of the Consent Required Contracts, or an Assignment Order in order to complete the transactions contemplated by this Agreement.
- (b) The Vendor and the Monitor shall provide notices (in form and substance acceptable to the Purchaser, acting reasonably) that are required by the terms of the Assumed Contracts in connection with the transaction contemplated pursuant to the Approval and Vesting Order and this Agreement.

**Section 6.6 Transfer of the Purchased Assets.**

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

**Section 6.7 Actions to Satisfy Closing Conditions.**

- (a) The Vendor shall use its commercially reasonable efforts to take or cause to be taken all such actions so as to ensure compliance with all of the conditions set forth in Section 8.1.
- (b) The Purchaser shall use its commercially reasonable efforts to take or cause to be taken all such actions so as to ensure compliance with all of the conditions set forth in Section 8.2.

**ARTICLE 7  
SALES PROCESS****Section 7.1 Compliance with Sale Process.**

The Parties each agree to comply with the Sale Process.

**Section 7.2 Expense Reimbursement.**

- (a) In consideration for the Purchaser's expenditure in the preparation of this Agreement, and in performing due diligence with respect to the Vendor and the Purchased Assets, if this Agreement is terminated pursuant to Section 10.1(1) and Section 10.1(2)(b), then the Vendor shall reimburse the Purchaser for its expenses reasonably incurred in connection with this Agreement up to a maximum amount of \$25,000 (the "**Expense Reimbursement**").

- (b) The Purchaser agrees that the Expense Reimbursement will be the sole and exclusive remedy of the Purchaser against the Vendor in the event that this Agreement is terminated pursuant to Section 10.1(1) or Section 10.1(2)(b).
- (c) If the Purchaser is not selected as, or deemed to be, the Successful Bidder, the Vendor shall request that the order of the Court approving the sale of the assets of the Vendor to the Successful Bidder to include a provision requiring that the Expense Reimbursement be paid to the Purchaser in accordance with the Sale Process and that the payment of the Expense Reimbursement be approved as part of such sale and not be voidable as a matter of bankruptcy law or otherwise.
- (d) The Vendor shall seek the approval of the Court to the transactions contemplated by this Agreement in accordance with the following:
  - (i) Promptly upon execution of this Agreement, the Vendor shall seek approval of the (i) Sale Process, (ii) filing of this Agreement as a “stalking horse bid” and (ii) the Expense Reimbursement.
  - (ii) The Vendor and the Purchaser acknowledge that: (i) this Agreement is subject to Court approval, and (ii) Closing the transactions contemplated herein is subject to this Agreement being determined to be the “Successful Bid” in accordance with the Sale Process and to the issuance of the Approval and Vesting Order.
  - (iii) As soon as practicable if the Purchaser is selected as, or deemed to be, the Successful Bidder, the Vendor shall file motion materials seeking the issuance of the Approval and Vesting Order.
  - (iv) If the Purchaser is selected, or deemed to be selected as the Successful Bidder, as soon as practicable, the Purchaser shall advise the Vendor and the Monitor in writing of the Consent Required Contracts for which the Purchaser requires the Vendor to seek an Assignment Order.
  - (v) The Vendor and the Purchaser shall cooperate with filing and serving the motion for issuance and entry of the Approval and Vesting Order and any Assignment Orders required pursuant to Section 2.5(c).
  - (vi) The Vendor, in consultation with the Purchaser, shall determine all Persons required to receive notice of the motions for the Approval and Vesting Order and any Assignment Order under applicable Laws and the requirements of the CCAA, the Court and any other Person determined necessary by the Vendor or the Purchaser.

## ARTICLE 8 CONDITIONS OF CLOSING

### Section 8.1      **Conditions for the Benefit of the Purchaser.**

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

- (a)      **Successful Bid.** The Purchaser shall have been selected as, or deemed to be, the Successful Bidder, following the completion of the Sale Process.
- (b)      **Truth of Representations and Warranties.** The representations and warranties of the Vendor contained in this Agreement were true and correct as of the date of this Agreement and are true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Vendor shall have executed and delivered a certificate of a senior officer to that effect. Upon the delivery of such certificate, the representations and warranties of the Vendor in Section 5.1 will be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date.
- (c)      **Performance of Covenants.** The Vendor shall have fulfilled or complied with all covenants contained in this Agreement required to be fulfilled or complied with by it at or prior to the Closing, and the Vendor shall have executed and delivered a certificate of an authorized representative to that effect.
- (d)      **Consents for Consent Required Contracts.** All consents, approvals or waivers for each Consent Required Contract shall have been obtained on terms acceptable to the Purchaser, acting reasonably, or an Assignment Order will have been obtained in respect thereof. All such consents, approvals, waivers or Assignment Orders will be in force and will not have been modified, rescinded, appealed or stayed.
- (e)      **Legal Action.** There shall be no order issued by any Governmental Authority delaying, restricting or preventing consummation of the transactions contemplated herein.
- (f)      **Deliveries.** The Vendor shall have delivered or caused to be delivered to the Purchaser the following in form and substance satisfactory to the Purchaser acting reasonably:
  - (i)      consents to the assignment of the Consent Required Contracts to the extent that an Assignment Order was not obtained;
  - (ii)     the certificates referred to in Section 8.1(b) and Section 8.1(c);

- (iii) the issued and entered Approval and Vesting Order, which Order will not have been modified, rescinded, appealed or stayed;
- (iv) a copy of the Monitor's Certificate (such certificate shall be filed with the Court by the Monitor following Closing and a copy of such filed Monitor's Certificate shall be delivered to the Purchaser promptly thereafter);
- (v) the originals of the Books and Records, excluding those Excluded Assets but including all Tax Returns pertaining to corporate income Taxes of the Vendor for the previous 5 years from the Closing Date, that are available to the Vendor using commercially reasonable efforts;
- (vi) the Purchased Assets, which shall be delivered in situ, other than the cash held in the Vendor's bank accounts on the Closing Date, which shall be transferred to the Purchaser; and
- (vii) an assignment and assumption agreement, bill of sale or such other conveyances, assignments, documents and instruments of transfer as may be reasonably required by the Purchaser to complete the transaction contemplated herein.

## **Section 8.2 Conditions for the Benefit of the Vendor.**

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

- (a) **Truth of Representations and Warranties.** The representations and warranties of the Purchaser contained in this Agreement were true and correct as of the date of this Agreement and are true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Purchaser shall have executed and delivered a certificate of a senior officer to that effect. Upon delivery of such certificate, the representations and warranties of the Purchaser in Section 5.2 will be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date.
- (b) **Performance of Covenants.** The Purchaser shall have fulfilled or complied with all covenants contained in this Agreement required to be fulfilled or complied with by it at or prior to Closing and the Purchaser shall have executed and delivered a certificate of a senior officer to that effect.
- (c) **Deliveries.** The Purchaser shall have delivered or caused to be delivered to the Vendor the following in form and substance satisfactory to the Vendor, acting reasonably:

- (i) all resolutions of the board of directors of the Purchaser approving the entering into and completion of the transactions contemplated by this Agreement and the Ancillary Agreements;
  - (ii) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by appropriate government official of the jurisdiction of its incorporation;
  - (iii) the certificates referred to in Section 8.2(a) and Section 8.2(b); and
  - (iv) an agreement of the Purchaser to fund the OPG Funding Litigation Amount on behalf of the Vendor.
- (d) **Proceedings.** All proceedings to be taken in connection with the transactions contemplated in this Agreement and any Ancillary Agreement are reasonably satisfactory in form and substance to the Vendor, acting reasonably, and the Vendor shall have received copies of all the instruments and other evidence as it may reasonably request in order to establish the consummation of such transactions and the taking of all proceedings in connection therewith.
- (e) **Legal Action.** There shall be no order by issued by any Governmental Authority delaying, restricting or preventing consummation of the transactions contemplated herein.

### **Section 8.3 Conditions for the Benefit of the Purchaser and the Vendor.**

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

- (a) **Approval and Vesting Order.** The Approval and Vesting Order shall have been obtained and shall not have been appealed, set aside, varied or stayed or, if appealed or stayed, all appeals shall have been dismissed and all stays shall have been lifted, respectively.
- (b) **Monitor's Certificate.** The Monitor shall have delivered the Monitor's Certificate confirming the satisfaction of all conditions under this Agreement, payment of the Purchase Price and the vesting of the Purchased Assets pursuant to the Approval and Vesting Order.

## **ARTICLE 9 CLOSING**

### **Section 9.1 Date, Time and Place of Closing.**

Closing will take place on the Closing Date by exchanging signature pages of the Parties electronically or at the offices of counsel to the Vendor in, Toronto, Ontario, or at such

other place, on such other date and at such other time as may be consented to by the Monitor and agreed upon in writing between the Vendor and the Purchaser.

### **Section 9.2 Closing Procedures.**

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

### **Section 9.3 Monitor's Certificate.**

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

## **ARTICLE 10 TERMINATION**

### **Section 10.1 Termination Rights.**

- (1) This Agreement will be terminated automatically, without any action by either Party, if:
  - (a) this Agreement is not selected as the Successful Bid pursuant to and in accordance with the terms of the Sale Process; or
  - (b) if the Approval and Vesting Order is not granted by November 23, 2020, or such later date as may be agreed to be the Parties.
- (2) This Agreement may, by Notice in writing given on or prior to the Closing Date, be terminated:
  - (a) by mutual consent of the Vendor and the Purchaser;
  - (b) by the Purchaser, if:
    - (i) there has been a material breach of this Agreement by the Vendor and where such breach is capable of being cured, such breach has not been waived by the Purchaser in writing or cured within 15 days following written Notice of such breach by the Purchaser; or
    - (ii) any of the conditions in Section 8.1 have not been satisfied and it becomes reasonably apparent that any of such conditions will never be satisfied (other than as result of the failure of the Purchaser to perform any of its material obligations) and the Purchaser has not waived such condition in writing at or prior to Closing;

- (c) by the Vendor, if:
- (i) there has been a material breach of this Agreement by Purchaser and where such breach is capable of being cured, such breach has not been waived by the Vendor in writing or cured within 15 days following written Notice of such breach by the Vendor; or
  - (ii) any of the conditions in Section 8.2 have not been satisfied and it becomes reasonably apparent that any of such conditions will never be satisfied (other than as result of the failure of the Vendor to perform any of its material obligations) and the Vendor has not waived such condition in writing at or prior to Closing.

**Section 10.2 Effect of Termination.**

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

**ARTICLE 11  
MISCELLANEOUS**

**Section 11.1 Notices.**

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

- (a) to the Purchaser at:

**2779076 Ontario Inc.**  
1958 Notion Road  
Pickering, Ontario  
L1V 2G3

**Attn:** Peter Bensley  
**Email:** [peter.bensley@jmxenv.com](mailto:peter.bensley@jmxenv.com)

(b) to the Vendor at:

**JMX Contracting Inc., et al.**  
27 Anderson Blvd  
Uxbridge, Ontario  
L9P 0C7

**Attn:** Charlie Dahl, Chief Executive Officer  
**Email:** charlie.dahl@jmxcontracting.com

with a copy by email to:

**Weisz Fell Kour LLP**  
5600-100 King Street West  
Toronto, Ontario  
M5X 1C9

**Attn:** Caitlin Fell, Partner  
**Email:** cfell@wfkllaw.ca

(c) to the Monitor at:

**Crowe Soberman Inc.**  
1100-2 St. Clair Avenue East  
Toronto, Ontario  
M4T 2T5

**Attn:** Hanz Rizarri, Partner  
**Email:** hans.rizarri@crowesoberman.com

with a copy by email to:

**Chaitons LLP**  
5000 Yonge Street, 10<sup>th</sup> Floor  
Toronto, Ontario  
M2N 7E9

**Attn:** Harvey Chaiton, Partner  
**Email:** harvey@chaitons.com

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



as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party.

**Section 11.2 Time of the Essence.**

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

**Section 11.3 Announcements.**

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

**Section 11.4 Third Party Beneficiaries.**

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

**Section 11.5 Expenses.**

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

**Section 11.6 Amendments.**

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

**Section 11.7 Waiver.**

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

**Section 11.8 Entire Agreement.**

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

**Section 11.9 Successors and Assigns.**

- (1) Upon execution of the Agreement by the Parties, it will be binding upon and enure to the benefit of the Vendor, the Purchaser and their respective successors and permitted assigns.
- (2) Except as provided in this Section 11.9, neither this Agreement nor any of the rights or obligations under this Agreement may be assigned or transferred, in whole or in part, by any Party without the prior written consent of the other Party. Upon giving Notice to the Vendor at any time on or prior to the Closing Date, the Purchaser may assign this Agreement or any of its rights and/or obligations under this Agreement to any of its Affiliates, provided that such Affiliate and the Purchaser shall be jointly and severally liable with respect to all of the obligations of the Purchaser, including the representations, warranties, covenants, indemnities and agreements of the Purchaser.

**Section 11.10 Severability.**

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

**Section 11.11 Governing Law.**

- (1) This Agreement is governed by and will be interpreted and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (2) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Court (and appellate courts therefrom) and waives objection to the venue of any proceeding in such court or that such court provides an inappropriate forum.

**Section 11.12 Counterparts.**

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

*[Remainder of page intentionally left blank. Signature pages follow.]*

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

**2779076 ONTARIO INC.**

By: \_\_\_\_\_  
Authorized Signing Officer

**JMX CONTRACTING INC.**

By: \_\_\_\_\_  
Authorized Signing Officer

**JMX LEASING INC.**

By: \_\_\_\_\_  
Authorized Signing Officer

**BRND PROPERTIES INC.**

By: \_\_\_\_\_  
Authorized Signing Officer

**SCHEDULES**

**Schedule 1.1(a) – Excluded Contracts**

- (1) Lambton Generating Station Demolition Agreement #RG00287132 dated July 10, 2018; and
- (2) Contract with ASNA Robson Landmark Developments Limited

**Schedule 1.1(b) – Excluded Liabilities**

Amounts owing to EDC

<b>Accounts Payable Listing for Vendors Relating to the OPG Project – September 22, 2020</b>		
<b>No.</b>	<b>Vendor Name</b>	<b>\$CAD</b>
1	ANJ INDUSTRIAL FABRICATING LTD	501,708.70
2	ASI GROUP LTD.	69,877.00
3	BABCOCK WELDING & FABRICATING	51,022.61
4	BADGER DAYLIGHTING LP	10,396.00
5	BEARCOM CANADA CORP	6,753.20
6	BRANDON CONTRACTORS	4,626.43
7	COLLINS FLOAT SYSTEMS	4,039.75
8	2579017 ONTARIO INC. (JEBCO CRANES)	80,127.62
9	AINSWORTH TECHNICAL LP	3,414.62
10	AT-TEC EQUIPMENT	12,353.80
11	BATTLEFIELD EQUIPMENT RENTALS	120,377.78
12	BRANDT TRACTOR	35,766.09
13	CANADA CLEAN FUELS	1,635.19
14	CANADIAN IPG CORPORATION	6,995.29
15	CANNON SERVICES INC.	54,450.78
16	CENTRAL SANITATION	6,003.12
17	CLH ENERGY & IND SVC CRP C3191	100,209.79
18	CORE INDUSTRIAL GASES INC - AJAX	18,936.79
19	CRAWFORD CHONDON & PARTNERS LLP	3,051.00
20	CREIGHTON ROCK DRILL LTD	2,428.14
21	DOWLER-KARN LTD	177,809.36
22	DST CONSULTING ENGINEERS INC.	112,538.96
23	EQUIPMENT SALES & SERVICE LIMITED	9,044.25
24	HAZMASTERS INC	67,489.45
25	HERC RENTALS INC.	10,884.54
26	HSE INTEGRATED LTD.	82,015.40
27	JLH TRUCKING INC.	1,036.78
28	JOBSITE INDUSTRIAL RENTAL SERVICES	7,900.68
29	KERN WATER SYSTEMS INC.	1,386.00
30	LOCKHART ELECTRIC (SARNIA) LTD.	58,216.81
31	MACKENZIE MILNE SAFETY, WELDING & INDUSTRIAL SALES	2,808.69
32	MAGNUM ATTACHMENTS	7,482.48
33	MAMMOET CANADA EASTERN LTD.	5,615.20
34	MESSER CANADA INC	42,574.58
35	ONTARIO CUTTING & CORING LIMITED	13,305.75
36	ONTARIO POWER GENERATION INC.	714,151.42

<b>Accounts Payable Listing for Vendors Relating to the OPG Project – September 22, 2020</b>		
<b>No.</b>	<b>Vendor Name</b>	<b>\$CAD</b>
37	OTIS CANADA INC.	55,951.96
38	POLLUTECH ENVIROQUATICS LIMITED	56,822.80
39	SHEAR POWER CORP	60,700.67
40	SLR CONSULTING (CANADA) LTD.	8,675.34
41	STEPHENSON'S RENTAL SERVICES	112,720.91
42	SUNBRIDGE HOTEL & CONFERENCE CENTRE - SARNIA	60,714.07
43	TISI CANADA INC.	531,623.48
44	TORCAN LIFT EQUIPMENT	203,239.73
45	TOROMONT INDUSTRIES LTD.	85,297.34
46	VAS INC.	410,901.38
47	WASTE CONNECTIONS OF CANADA INC.	1,574.32
48	WASTE MANAGEMENT	61,565.39
49	WATSON LUMBER COURTRIGHT LTD.	12,534.52
50	WILLIAMS SCOTSMAN OF CANADA INC	50,920.63
51	XPLORNET COMMERCIAL SERVICES	1,001.93
52	ENVIROSYSTEMS INCORPORATED - DBA TERRAPURE ENVIRONMENTAL	1,561.31
53	HD SUPPLY CANADA INC	1,188.80
54	J.M. POWER AGGREGATES LIMITED	18,645.00
55	KLOMPSTRA CONSTRUCTION LIMITED	9,605.00
56	MARCEL EQUIPMENT LIMITED	42,940.00
57	MOLSON TIRE LTD	3,003.77
58	MORLO YARDSCAPES LIMITED	4,007.43
59	OWS RAILROAD CONSTRUCTION & MAINTENANCE LTD.	33,909.04
60	PARACEL LABORATORIES LTD.	81.36
61	PLEXUS DEVELOPMENTS LTD.	1,375.21
62	SENTRY FIRE PROTECTION SERVICES	58,467.49
63	SEV-CON PAVING	6,620.67
64	STRONGO	417.61
65	STRUCTCRETE LIMITED	81,057.16
66	TRADE-MARK INDUSTRIES	723.02
	<b>TOTAL</b>	<b>4,386,281.39</b>



**Schedule 1.1(c) – Sale and Investment Solicitation Process**

See attached.

**Schedule 2.2(d) – Excluded Assets**

The Excluded Assets shall include:

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

**Schedule 3.2(d) –Trade Liabilities**

	\$
JMX Environmental	3,849,955
Vendors relating to current projects	68,220
CRA, Minister of Finance, Worksafe BC, WSIB	51,296
Labourers Pension Fund and Union	41,234
Miscellaneous	24,117
	<u>4,034,821</u>

**Schedule 3.3 – Purchase Price Allocation**

**Schedule 5.1(e) – Priority Amounts**

- (1) Any amounts owing by the Vendor on account of the court-ordered charges in the CCAA Proceedings or BIA proceedings.
- (2) Any amounts owing by the Vendor on account of source deductions; and
- (3) Any amounts owing by the Vendor on account of HST.

# Appendix “6”

Report on Cash-Flow Statement by the Insolvent Company  
(Paragraph 10(2) of the CCAA)

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED  
("CCAA")

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF JMX CONTRACTING INC., JMX  
NATIONAL INC., BRND PROPERTIES INC., and  
JMX LEASING INC. ("APPLICANTS")


The management of JMX Contracting Inc., JMX National Inc., BRND Properties Inc., and JMX Leasing Inc. (collectively, the "Company", the "Applicants" or the "JMX Group") have developed the assumptions and prepared the attached statement of projected cash flows as of the 4th day of December, 2020 for the period November 30, 2020 to March 8, 2021 ("Cash Flow"). All such assumptions are disclosed in the notes to the Cash Flow.

The hypothetical assumptions are reasonable, and the probable assumptions are suitably supported and consistent with the plans of the Company and provide a reasonable basis for the Cash Flow.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The Cash Flow has been prepared solely for the purpose of the Cash Flow, using a set of hypothetical and probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at the city of Toronto in the province of Ontario, this 4<sup>th</sup> day of December, 2020.



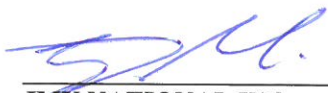
JMX CONTRACTING INC.  
Charlie Dahl, CEO

Name and title of signing officer



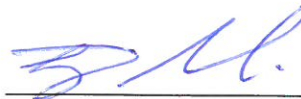
BRND PROPERTIES INC.  
Charlie Dahl, CEO

Name and title of signing officer



JMX NATIONAL INC.  
Charlie Dahl, CEO

Name and title of signing officer



JMX LEASING INC.  
Charlie Dahl, CEO

Name and title of signing officer

Report on Cash-Flow Statement by the Monitor  
(Paragraph 23(1)(b) of the CCAA)

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED  
("CCAA")

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF JMX CONTRACTING INC., JMX  
NATIONAL INC., BRND PROPERTIES INC., and  
JMX LEASING INC. ("APPLICANTS")

The attached statement of projected cash flows of JMX Contracting Inc., JMX National Inc., BRND Properties Inc., and JMX Leasing Inc. (collectively, the "Company", the "Applicants" or the "JMX Group") as of the 4<sup>th</sup> day of December, 2020 for the period November 30, 2020 to March 8, 2021 ("Cash Flow") have been prepared by the management of the Company, using the probable and hypothetical assumptions set out in the notes to the cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Applicants. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- c) the Cash Flow does not reflect the probable and hypothetical assumptions.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose of the Cash Flow, using a set of hypothetical and probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at the city of Toronto in the province of Ontario, this 4<sup>th</sup> day of December, 2020.



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**CROWE SOBERMAN INC.**  
**IN ITS CAPACITY AS CCAA MONITOR**  
**OF THE APPLICANTS**  
**AND NOT IN ITS PERSONAL CAPACITY**



**THE JMX GROUP**  
**Projected Statement Of Cash Flows**  
**Beginning November 30, 2020 (CDNS)**

For The Week Beginning	30-Nov	07-Dec	14-Dec	21-Dec	28-Dec	04-Jan	11-Jan	18-Jan	25-Jan	01-Feb	08-Feb	15-Feb	22-Feb	01-Mar	08-Mar	Total
	(Note 3)															
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Opening Cash (Note 1)</b>	<b>327,427</b>	<b>161,698</b>	<b>401,543</b>	<b>193,551</b>	<b>140,709</b>	<b>306,622</b>	<b>281,867</b>	<b>343,512</b>	<b>401,026</b>	<b>442,294</b>	<b>432,294</b>	<b>392,294</b>	<b>382,294</b>	<b>372,294</b>	<b>362,294</b>	<b>327,427</b>
<b>Cash-in</b>																
A/R Collections	64,500	435,963	16,771	201,179	122,133	230,099	83,950	36,095	142,729	-	-	-	-	-	-	1,333,420
A/R Holdback	-	-	-	-	-	-	-	-	124,872	-	-	-	-	-	-	124,872
Scrap (Note 2)	-	-	-	125,000	-	-	-	125,000	-	-	-	-	-	-	-	250,000
Tax Refund - Y/E 2020	-	-	-	-	198,000	-	193,107	-	-	-	-	-	-	-	-	391,107
CRA Covid-19 wage subsidy	-	-	-	102,599	-	-	-	100,000	-	-	-	-	-	-	-	202,599
<b>Total Cash-in</b>	<b>64,500</b>	<b>435,963</b>	<b>16,771</b>	<b>428,778</b>	<b>320,133</b>	<b>230,099</b>	<b>277,057</b>	<b>261,095</b>	<b>267,601</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,301,998</b>
<b>Cash-out</b>																
Payroll and source deductions	78,854	63,755	63,755	63,755	63,755	67,773	67,773	67,773	67,773	-	-	-	-	-	-	604,966
Union Dues	-	-	70,000	-	-	-	70,000	-	-	-	-	-	-	-	-	140,000
Medical Benefits	-	-	-	-	2,800	-	-	-	2,800	-	-	-	-	-	-	5,600
Rent	10,000	-	-	-	10,000	-	-	-	10,000	-	-	-	-	-	-	30,000
HST (CRA)	-	-	-	-	(11,134)	-	-	-	108,970	-	-	-	-	-	-	97,836
WSIB and EHT	-	-	5,000	7,000	-	-	5,000	7,000	-	-	-	-	-	-	-	24,000
407 ETR	-	2,561	-	-	-	700	-	-	-	-	-	-	-	-	-	3,261
Utilities - Gas & Hydro	-	1,200	-	-	-	1,200	-	-	-	-	-	-	-	-	-	2,400
Utilities - Phone & Internet	-	1,500	-	-	-	1,500	-	-	-	-	-	-	-	-	-	3,000
Insurance	33,428	-	-	-	33,428	-	-	-	-	-	-	-	-	-	-	66,856
Construction material purchases	11,991	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	-	-	-	-	-	-	51,991
Subcontractor Expenses	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-	-	-	-	-	-	16,000
Fuel & Transportation Costs	-	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	-	-	-	-	-	-	28,000
Vehicle Expenses - Petro Canada	-	-	-	-	8,500	-	-	-	8,500	-	-	-	-	-	-	17,000
Disposal costs	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	-	-	-	-	-	-	24,000
Equipment repair	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	-	-	-	-	-	-	20,000
Office (includes maintenance)	584	200	200	200	200	200	200	200	200	-	-	-	-	-	-	2,184
IT Support	-	9,440	-	-	-	2,500	-	-	-	-	-	-	-	-	-	11,940
Interest & Bank Charges	-	450	-	-	-	450	-	-	-	-	-	-	-	-	-	900
Accounting fees	-	-	-	30,000	-	-	-	-	-	-	-	-	-	-	-	30,000
Professional Fees	-	40,500	33,079	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	193,579
Lease Payments	14,613	29,199	32,980	17,609	16,703	3,506	32,415	17,609	2,090	-	-	-	-	-	-	166,724
CAT payments due	-	-	-	235,095	-	-	-	-	-	-	-	-	-	-	-	235,095
RBC Visa Payments	-	-	-	85,000	-	-	-	85,000	-	-	30,000	-	-	-	-	200,000
A/P Vendor payments	80,759	31,313	3,748	16,962	3,968	151,025	14,025	-	-	-	-	-	-	-	-	301,799
<b>Total Cash-out</b>	<b>230,229</b>	<b>196,119</b>	<b>224,762</b>	<b>481,621</b>	<b>154,219</b>	<b>254,854</b>	<b>215,412</b>	<b>203,582</b>	<b>226,333</b>	<b>10,000</b>	<b>40,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>2,277,131</b>
<b>Net cash inflow (outflow)</b>	<b>(165,729)</b>	<b>239,844</b>	<b>(207,991)</b>	<b>(52,843)</b>	<b>165,914</b>	<b>(24,755)</b>	<b>61,645</b>	<b>57,514</b>	<b>41,269</b>	<b>(10,000)</b>	<b>(40,000)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>24,867</b>
<b>Closing Cash</b>	<b>161,698</b>	<b>401,543</b>	<b>193,551</b>	<b>140,709</b>	<b>306,622</b>	<b>281,867</b>	<b>343,512</b>	<b>401,026</b>	<b>442,294</b>	<b>432,294</b>	<b>392,294</b>	<b>382,294</b>	<b>372,294</b>	<b>362,294</b>	<b>352,294</b>	<b>352,294</b>

Notes:

1. Opening cash balance consists of the following (per RBC Balance Reporting Summary):

	\$
JMX Contracting	261,960
JMX Leasing	65,468
	<u>327,427</u>

2. Cash - in from scrap sales are based on management's best estimate.

3. We have prepared the above cash flow projections based on the assumption that the transaction contemplated by the Stalking Horse Agreement will close on January 31, 2021. Accordingly, we have reflected that the operations of the JMX Group have been transferred to the Stalking Horse Purchaser.