Court Files/Estate Nos. 35-2721716;
35-2721875; and
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

FOURTH REPORT OF ALBERT GELMAN INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE

September 1, 2021

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Albert Gelman Inc.

Court Files/Estate Nos. 35-2721716;
35-2721875; and
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

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Estate / Court File Nos: 35-2721716
35-2721875
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE

In the Matter of the Proposal Proceedings of Drexler Construction Limited, Folmur Construction (2004) Ltd. and Down Under Pipe and Cable Locating Ltd. Corporations Incorporated under the Ontario *Business Corporations Act*

FOURTH REPORT OF ALBERT GELMAN INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE

(Dated September 1, 2021)

I. INTRODUCTION AND BACKGROUND

1. This fourth report ("**Fourth Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as proposal trustee (the "**Proposal Trustee**") in connection with Notices of Intention to Make a Proposal ("**NOI**") filed by Drexler Construction Limited ("**Drexler**"), Folmur Construction (2004) Ltd. ("**Folmur**") and Down Under Pipe and Cable Locating Ltd. ("**Down Under**"; and together with Drexler and Folmur, the "**Companies**") on March 18, 2021 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). Attached hereto at **Appendix "A"** are copies of the NOI and Certificates of Appointment issued by the Office of the Superintendent of Bankruptcy ("**OSB**") for each of the Companies.

2. On April 16, 2021, on a motion made by the Companies, the Honourable Justice Gorman granted an order (the "**April 16 Order**") approving, among other things, an administrative consolidation of the Companies proposal proceedings, an extension of the stay of proceedings afforded under the NOI to June 1, 2021 (the "**First Stay Extension**"), the DIP Facility and DIP Charge (both terms defined in the First Report), an administrative charge and the sale of certain Redundant Equipment. A copy of the April 16 Order and related Endorsements are attached hereto as **Appendix "B"**. The Proposal Trustee prepared a report dated April 12, 2021 in relation to the April 16, 2021 motion (the "**First Report**"). Attached hereto as **Appendix "C"** is a copy of the First Report, without appendices. The Proposal Trustee also prepared a report supplementing its First Report dated April 14, 2021 (the "**Supplementary First Report**"). The purpose of the Supplementary First Report was to provide the Court with information pertaining the revised terms of the DIP Facility. Attached hereto as **Appendix "D"** is a copy of the Supplementary First Report, without appendices.

3. On May 28, 2021, the Honourable Justice M. A. Garson granted an order (the "**May 28 Order**") approving, among other things, an extension of the stay of proceedings afforded under the NOI to July 16, 2021 (the "**Second Stay Extension**"), a change to the April 16 Order with respect to the sale of Drexler's Redundant Equipment, and the activities and fees of the Proposal Trustee and its legal counsel. A copy of the May 28 Order and related Endorsement are attached hereto as **Appendix "E"**. The Proposal Trustee's

report dated May 25, 2021 filed in relation to the May 28, 2021 motion (the "**Second Report**") is attached hereto as **Appendix "F"**, without appendices.

4. On July 16, 2021, the Honourable Justice M. A. Garson granted an order (the "**July 16 Order**") approving, among other things, an extension of the stay of proceedings afforded under the NOI to August 30, 2021 (the "**Third Stay Extension**") and the activities and fees of the Proposal Trustee and its legal counsel. A copy of the July 16 Order and related Endorsement are attached hereto as **Appendix "G"**. The Proposal Trustee's report dated July 13, 2021 filed in relation to the July 16, 2021 motion (the "**Third Report**") is attached hereto as **Appendix "H"**, without appendices.

5. On August 30, 2021 the Companies filed Proposals with the Proposal Trustee. The statutory first meeting of creditors for each of the three Companies are scheduled for September 20, 2021.

6. This Fourth Report has been prepared in response to the Companies' Motion scheduled to be heard on September 10, 2021 (the "**September 10 Motion**") seeking an Order for, among other things, the following relief:

a. approving a debtor-in-possession (DIP) facility in the amount of $1 million ("**Increased DIP Facility**") with Corwin Mortgage Capital Inc. ("**Corwin**"), Corwin being the same lender who provided the original DIP facility approved by this Court on April 16, 2021, and approving the DIP Charge (defined below) in respect of the Increased DIP Facility;

b. authorizing the Companies to enter into a long-term refinancing facility with Canadian Equipment Finance and Leasing Inc. ("**CEFL**") on the terms contemplated in an equipment finance proposal dated August 25, 2021 from CEFL (the "**CEFL Facility**");

c. allowing Down Under to either withdraw its NOI filed on March 18, 2021 and its proposal filed on August 30, 2021 or, alternatively, allowing Down Under's sole creditor, who is related to Down Under, to vote, if they so choose, in favour of Down Under's proposal; and,

d. approving this Fourth Report and the activities and fees of the Proposal Trustee and its legal counsel.

7. Included in the Companies motion materials is the affidavit of Jerome Drexler sworn September 1, 2021 (the "**Drexler September Affidavit**"), in support of the relief being sought. The Proposal Trustee has reviewed this affidavit and has no reason to doubt or otherwise challenge the facts attested to therein.

8. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Companies in their September 10 Motion.

II. PURPOSE OF THIS REPORT

9. The purpose of this Fourth Report is to:

a. provide the Court with relevant information pertaining to the Companies and the relief being sought, which is not otherwise described in the Drexler September Affidavit;

b. provide information to the Court regarding the actions and activities of both the Proposal Trustee and the Companies subsequent to the date of the Third Report; and,

c. provide the Court with the Proposal Trustee's recommendations in respect of the relief sought by the Companies.

III. SCOPE AND TERMS OF REFERENCE

10. In preparing this Fourth Report, the Proposal Trustee has relied upon certain financial information, the Companies' books and records, discussions with Mr. Anthony Alfred Drexler and Mr. Jerome Drexler, both shareholders, officers and directors of each of the Companies, discussions with representatives of GreySuits Advisors Inc., the Companies' external CFO (the "**CFO**"), discussions with representatives of RLB LLP ("**Accountant**"), the Companies' external accountant and discussions with the Companies' legal counsel, Goldman Sloan Nash Haber LLP.

11. While the Proposal Trustee has reviewed various documents provided by management and others, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**") or otherwise. Accordingly, the Proposal Trustee expresses no opinion or other form of assurance pursuant to GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

12. This Fourth Report has been prepared for the use of this Court and the Companies' stakeholders as general information relating to the Companies and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Fourth 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 Fourth Report contrary to the provisions of this paragraph.

13. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.

14. Terms not otherwise defined herein shall have the meanings ascribed to them in either the First Report, Second Report or Third Report.

IV. ACTIVITIES OF THE COMPANIES

15. Since the date of the filing of the Third Report the Companies have undertaken, among other things, the following activities:

a. Folmur made payment to the Canada Revenue Agency ("**CRA**") in respect of their proof of claim for unremitted payroll source deductions in the amount of $59,590.87;

b. In accordance with the April 16 Order, Drexler paid RBC $558,325.51, representing the net proceeds from the sale of the Redundant Equipment, which amount is net of Drexler's pre-NOI debt owing to the CRA of unremitted source deduction of $1,724.49. Drexler remitted this amount directly to the CRA;

c. The Companies have each issued their financial statements for the fiscal year ended March 31, 2021 along with other financial information which has been distributed to prospective lenders through the Broker and, by the Proposal Trustee, to the CEFL (defined in the Second Report and Third Report as the Excluded Lender);

d. Drexler and Folmur have each executed a second commitment letter issued by Corwin in respect of the Increased DIP Facility which, if approved by the Court, will provide an additional $1 million of available funds to Drexler and Folmur. The original DIP Facility with Corwin was for $1.5 million. Therefore, if the Increased DIP Facility is approved by the Court, the two Corwin facilities will total $2.5 million. The terms of the Increased DIP Facility are summarized in the Drexler September Affidavit at paragraphs 24 and 25 . The Corwin commitment letter in respect of the Increased DIP Facility is included as Exhibit "J" to the Drexler September Affidavit. The proposed Increased DIP Facility is conditional on the Court permitting Corwin to register a mortgage on title to each of Drexler's three real properties (the "**DIP Charge**"). The DIP Charge shall rank behind Corwin's first mortgage in relation to the original DIP facility. In the Trustee's opinion the terms of the Increased DIP Facility and the DIP Charge are reasonable and appropriate in the circumstances;

e. on August 25, 2021 obtained a finance proposal from CEFL (defined above as the CEFL Facility) to provide the Debtor with long-term refinancing of up to $3.5 million dollars. The main terms of the CEFL Facility are set out in Drexler September Affidavit at paragraph 29. The CEFL Facility is included as Exhibit "H" to the Drexler September Affidavit.

f. on August 30, 2021, the Companies paid out the secured indebtedness owing to RBC in full;

g. continued to have informal discussions with various secured and unsecured creditors in respect of the restructuring proceedings;

h. continue to attend meetings with the Proposal Trustee to discuss the Companies' objectives and options in respect of these restructuring proceedings;

i. filed Proposals dated August 30, 2021, pursuant to the BIA, with the Proposal Trustee; and,

j. provided the Proposal Trustee, on an ongoing basis, with financial and other information in order to allow the Proposal Trustee to monitor the Companies' cash receipts and disbursements.

V. ACTIVITIES OF THE PROPOSAL TRUSTEE

16. Since the date of the Third Report, the Proposal Trustee has undertaken, among other things, the following activities:

a. Assisted each of the Companies with the drafting of the Proposals, each dated August 30, 2021, as well as with preparation of statements of affairs for each Company which statements summarise each of Companies respective assets and liabilities;

b. Assisted each of the Companies with preparing revised cash flow projection dated August 30, 2021 (defined below as the Further Revised Cash Flow Projections) which illustrates that each Company has the financial ability to fulfill the terms of their respective Proposals (assuming that the Court approves the Increased DIP Facility and authorizes Drexler to enter into the CEFL Facility);

c. continued to work with both the Broker and CEFL to assist the Companies with their objective of securing long-term refinancing;

d. assisted the Companies in arranging and securing the Increased DIP Facility to provide an additional short-term borrowing facility of $1 million, to bridge the timing gap until the closing of the CEFL Facility;

e. corresponded with RBC's legal counsel in respect of these restructuring proceedings;

f. assisted the Companies and their counsel with respect to the payment of the Companies' indebtedness owing to RBC and other matters;

g. monitored on a regular basis the Companies' cash receipts and disbursements and compared same to the Revised Cash Flow Forecasts (defined in the Second Report) prepared by the Companies for material adverse variances;

h. continued to communicate extensively with management of the Companies, their CFO and Accountant, as well as the Companies' legal counsel to discuss, among other things, the following;

    i. the business, financial affairs and future prospects of the Companies;

    ii. the options available to the Companies in relation to the NOI proceedings; and,

    iii. long-term financing options for the Companies';

i. communicated with creditors and other stakeholders who contacted the Proposal Trustee directly regarding the status of these restructuring proceedings;

j. maintained a Case Webpage with electronic copies of the Court materials related to these restructuring proceedings, located at www.albertgelman.com/corporate-solutions/other-engagements/#d.

VI. REFINANCING

17. As set out above and in the Drexler September Affidavit, the Companies repaid the RBC indebtedness in full on August 30, 2021, including providing additional cash collateral in the amount of $105,000 to RBC to cover potential chargebacks and/or other potential expenses. RBC is no longer a creditor of any of the Companies.

18. In order to repay the RBC indebtedness the Companies utilized available operating cash flow as well as a significant portion of the original DIP facility. As of the date of this Fourth Report Corwin has advanced $1,125,000 of the original DIP facility. Management has advised that Corwin will be advancing the balance of the original DIP facility funds to Drexler in September 2021. In accordance with paragraph 8 of the April 16 Order the necessary written consents of both the Proposal Trustee and RBC were provided.

19. From the outset of the NOI proceedings, the Companies have been looking to secure long-term refinancing to replace the RBC credit facilities and have been in discussions with several potential lenders in this regard.

20. As noted above, Drexler has obtained an equipment finance proposal dated August 25, 2021 from CEFL (defined above as the CEFL Facility). The CEFL Facility proposes to provide Drexler with long-term refinancing of up to $3.5 million. As discussed in further detail below, Drexler requires these funds to repay the original DIP facility and Increased DIP Facility, if approved, and to provide additional necessary working capital. The Companies are requesting that this Court authorize the Companies to enter into a long-term refinancing facility with CEFL on the terms contemplated in the CEFL Facility.

VII. FURTHER REVISED CASH FLOW PROJECTIONS

21. Drexler and Folmur have prepared a cash flow forecast for the 31-month period ending March 31, 2024 (the "**Further Revised Cash Flow Projections**"). Down Under prepared a cash flow forecast for a 3 month period of time. Copies of the cash flow projections for each of the Companies are attached hereto as **Appendix "I"**. Based on each of the Companies projected receipts and disbursements each of the Companies is projected to be cash flow positive during the projection period. However, in order for Drexler to remain cash flow positive in the short-term the Increased DIP Facility from Corwin of $1 million is required. In the longer-term Drexler requires the CEFL Facility which is expected to close in October 2021. The CEFL Facility will be used to repay the original DIP facility and the Increased DIP Facility, if approved, (total of $2.5 million) and provide additional working capital for Drexler.

22. Drexler's Further Revised Cash Flow Projection supports its ability to repay both the original DIP facility and the Increased DIP Facility as well as to keep the CEFL Facility in good standing during the projection period.

VIII. PROPOSAL TO CREDITORS

23. The Companies have now filed their respective Proposals. Copies of each of the Proposals are including with the Drexler September Affidavit as Exhibits "B", "C" and "D".

24. In the case of Drexler and Folmur, they are both offering to pay the debts of their respective Ordinary Creditors, excluding related party creditors who have all opted not to participate in the Proposal, in full (net of the OSB levy). The Proposals are being funded by equal monthly payments over a period of 24 months.

25. In the case of Down Under, it has only one unsecured creditor, 2602763 Ontario Limited ("**260' Inc.**")., who is owed $47,058.40. 260' Inc. is owned by Peter Drexler, who is the brother of each of the shareholders of Down Under. Attached hereto as **Appendix "J"** is a copy of Down Under's Statement of Affairs sworn under oath on August 30, 2021 ("**SOA**") which indicates Down Under's indebtedness to 260' Inc. In the Proposal Trustee 's opinion 260' Inc. is related to Down Under, pursuant to the definitions set out in the BIA.

IX. WITHDRAWAL OF DOWN UNDER'S NOI AND PROPOSAL, OR ALTERNATIVELY, ALLOWING RELATED PARTIES TO VOTE IN FAVOUR OF THE DOWN UNDER PROPOSAL

26. Down Under's only creditor is 260' Inc. It is the Proposal Trustee opinion that Down Under and 206' Inc. are "related" within the meaning of the BIA.

27. Given that parties related to a debtor who makes a proposal can only vote against a proposal, Down Under has applied to the Court for an order allowing it to withdraw its NOI/Proposal or, alternatively, allowing 260' Inc. to vote in favour of Down Under's Proposal.

28. Included with the Drexler September Affidavit as Exhibit "K" is a letter from Peter Drexler, owner of 260' Inc., advising that:

> *"260' Inc. would not oppose the withdrawal of the Proposal or the NOI, including among other things because I understand from my communications with you [Jerome Drexler] that the Company is more than likely solvent at this point, and because I believe that 260' Inc. can reach a mutually acceptable arrangement with the Company for payment of its claim outside of the Proposal process.*
>
> *At the same time, I believe the terms of the Proposal are fair and reasonable and, if allowed by the court, I would cause 260' Inc. to vote in favour of the Proposal."*

29. The Proposal Trustee believes that the NOI filed by Down Under was filed in order 'stay' RBC's enforcement, pursuant to its guarantees provided to RBC. Given that RBC has been paid in full and is no longer a creditor of any of the Companies, Down Under is now able to meet its obligations generally as they become due.

30. Furthermore, based on the Down Under's SOA, it has assets of $211,503.80 and liabilities of $47,058.40. Included in the assets is cash on hand of $68,316 and accounts receivable of $62,738.

31. The Proposal Trustee of the view that Down Under is solvent and no longer requires the Proposal process and, therefore, supports Down Under's motion to withdraw the NOI/Proposal. The Proposal Trustee also believes that a withdrawal of the NOI/Proposal process is preferred to allowing 260' Inc to vote in favour of the Proposal. A continuation of the Proposal process will lead to further professional fees which are, perhaps, not necessary.

32. If the Court is not satisfied that the NOI/Proposal process can be withdrawn, the Proposal Trustee also supports the alternative approach of allowing 260' Inc. to vote in favour of the Proposal. It is the Proposal Trustee's understanding that statutory rules relating to votes by related parties were established to protect arms' length creditors. However, given that 260' Inc. is Down Under's only creditor, the Proposal Trustee believes that there is no prejudice to any other party to allow 260' Inc. to vote in favour of Down Under's Proposal.

X. ACCOUNTS OF THE PROPOSAL TRUSTEE AND ITS COUNSEL

33. In accordance with paragraph 24 of the April 16 Order the fees and disbursements of the Proposal Trustee and its counsel may be approved by the Court and referred to a judge for such purpose.

34. Attached hereto as **Appendix "K"** is the Affidavit of Bryan Gelman regarding the Proposal Trustee's fees to August 30, 2021 accompanied by the supporting time dockets (the "**Proposal Trustee Fee Affidavit**"). The Proposal Trustee is of the opinion that its fees, as set out herein, are fair and reasonable, justified in the circumstances, and accurately reflect the work done by the Proposal Trustee in connection with these NOI proceedings.

35. Attached hereto as **Appendix "L"** is the Affidavit of Howard Manis regarding the fees and disbursements of Macdonald Sager Manis LLP ("**MSM**"), counsel to the Proposal Trustee, to August 31, 2021 accompanied by the supporting time dockets (the "**Legal Counsel Fee Affidavit**"). It is the Proposal Trustee's opinion that the fees and disbursements of MSM, set out in its affidavit are fair and reasonable, justified in the circumstances, and accurately reflect the work done on behalf of the Proposal Trustee (as instructed and authorized by the Proposal Trustee) by MSM in connection with these NOI proceedings.

36. The Proposal Trustee therefore requests and recommends the approval the fees and disbursements set out in both the Proposal Trustee Fee Affidavit and the Legal Counsel Fee Affidavit (collectively, the "**Fee Affidavits").**

XI. PROPOSAL TRUSTEE'S RECOMMENDATION

37. For the reasons explained herein, the Proposal Trustee respectfully recommends that this Honourable Court make an Order:

a. approving the Increased DIP Facility and DIP Charge;

b. authorizing the Companies to enter into a long-term refinancing facility with CEFL on the terms contemplated in the CEFL Facility;

c. allowing Down Under to withdraw its NOI filed on March 18, 2021 and its proposal to creditors filed on August 30, 2021, or alternatively, allowing 260' Inc. to vote, if they so choose, in favour of Down Under's proposal; and,

d. approving this Fourth Report and the activities and fees of the Proposal Trustee and its legal counsel.

All of which is respectfully submitted this 1st day of September 2021

ALBERT GELMAN INC., solely in its
capacity as Trustee of *re* the Notice of
Intention to Make a Proposal of Drexler
Construction Limited, Folmur Construction
(2004) Ltd. and Down Under Pipe and Cable Locating Ltd.
and not its Personal or any other Capacity

Digitally signed
by Bryan
Gelman

Per: ______________________
Bryan Gelman, *CIRP, LIT*

Appendix "A"

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -

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

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

Take notice that:

1. I, Drexler Construction Limited, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Albert Gelman Inc. of 100 Simcoe Street, Suite 125, Toronto, ON, M5H 3G2, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of $250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Rockwood in the Province of Ontario, this 18th day of March 2021.

X ____________________
Drexler Construction Limited
Insolvent Person

To be completed by Official Receiver:

____
Filing Date

____
Official Receiver

District of:
Division No. -
Court No.
Estate No.

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

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
1477830 Ontario Inc.	. ....		612.96
2602763 Ontario Ltd.	. ..		99,981.23
Alectra Utilities (formerly Enersource Hydro)	55 John St North Hamilton ON L8R 3M8		1,059.31
Altruck International Truck Centres	. ....		507.74
Armtec Inc.	. ....		557.32
Badger Daylighting LP	. ....		21,212.62
Bank of Montreal	5750 Explorer Drive Mississauga ON L4W 0A9	3HTDTAPT1HN657832	56,936.00
Barry Cullen Chev Cadillac Ltd	. ....		1,754.10
BGL Contractors Corp.	. ....		11,719.23
Bob's Towing	. ....		339.00
Bolts Plus Incorporated	. ....		460.40
Bomar Landscaping Inc.	. ....		73,460.59
Brydges Landscape Architexture Inc.	. ....		3,551.31
Canadian Cutting & Coring Ltd.	. ....		1,271.25
Canadian Equipment Finance & Leasing Inc.	5-250 Woolwich St. S Breslau ON N0B 1M0	5KKMAXDV5MPMH0867	239,601.00

CQ

District of:
Division No. -
Court No.
Estate No.

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

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Canadian Linen & Uniform Service	. ....		260.50
Capital Paving Inc.	. ....		7,346.25
Centreline Sanitation Ltd.	. ....		440.70
CG Equipment	. ....		2,707.17
Coco Paving Inc.	. ....		1,008.53
Compressed Air International Inc.	. ....		1,126.24
Construct Connect Canada Inc.	. ....		339.00
Cooper Equipment Rentals Ltd.	. ....		6,340.43
Corix Water Services Inc.	. ....		2,288.52
Cox Construction Ltd.	. ....		66,550.26
CRA - Tax - Ontario	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9		45,780.09
Dashwood Industries Ltd.	. ....		933.81
Deboers Equipment	. ....		403.99
Dettmer Tire & Auto Service	. ....		974.85

District of:
Division No. -
Court No.
Estate No.

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

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Emco Distribution Ltd	. ....		125,297.14
Enbridge Gas Inc.	. ....		4,099.24
Fergus Starter & Alternator	. ....		1,869.69
Folmur Construction (2004) Ltd.	. ..		3,738,483.86
Fred R. Prior & Sons Ltd	. ....		422.62
Graybar Electric Ltd.	. ....		121,897.22
Groeneveld Lubrication Solutions	. ....		404.61
Guelph Auto Parts	. ....		3,572.72
Guelph Powersweeping	. ....		497.20
Highway Sterling Western Star	. ....		441.05
Hlb System Solutions	. ....		580.10
Hose Technology Ltd.	. ....		1,230.04
Hunter Steel Sales	. ....		785.35
Hydro One Accts Rec.	. ....		1,059.81
Jerome Drexler	. ..		59,185.45

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District of:
Division No. -
Court No.
Estate No.

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

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Jim's Repair Shop	. ....		1,071.52
John Deere Financial Inc.	3430 Superior Court Oakville ON L6L 0C4	1DW624KZKHD678993	272,742.00
John Deere Financial Inc.	3430 Superior Court Oakville ON L6L 0C4	1FF470GXVHE471498	211,599.00
John Deere Financial Inc.	3430 Superior Court Oakville ON L6L 0C4	1T0310337672 / 1T0310SLJJD337506	107,527.00
Juno Electric	. ....		29,291.08
Krown Body Maintenance	. ....		652.23
Lafarge Construction Material	. ....		799.82
Leslie Sand & Gravel	. ....		82,969.78
Loadstar Trailers Inc.	. ....		953.60
Mann 2018 Limited	. ....		40,707.33
Maple Leaf Industrial Supplies	. ....		351.67
Messer Gasses For Life	. ....		337.42
Miller Mobile Offices	. ....		1,118.70
Miller Thomson LLP	. ....		540.14
Mister Transmission	. ....		3,978.99

GD.

District of:
Division No. -
Court No.
Estate No.

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

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
MTE Consultants Inc.	. ....		462.17
Mulmur Aggregates Inc	. ....		21,700.65
Murtech Manufacturing Inc.	. ....		840.72
Oosterveld Heating & Air Cond.	. ....		1,131.92
Pete Ranger Tire & Regrooving	. ....		11,461.03
Peto Maccallum Ltd.	. ....		8,366.41
Pipeflo Contracting Corp.	. ....		9,040.00
Reyner Electrical Construction Inc.	. ....		26,137.37
RLB	. ....		38,165.75
Robert Drexler	. ..		20,769.37
Rona Cashway Building Centre	. ....		1,255.12
Royal Bank of Canada Ian Aversa	Brookfield Place 181 Bay Street, Suite 1800 Toronto ON M5J 2T9		2,046,082.76
Sandale Utility Products	. ....		21,343.53
Spectrum Lab Groups	. ....		500.39
Speedy Collision - Guelph	. ....		428.16

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal

(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
St Marys Cement Inc.	. ....		30,937.44
Sunbelt Rentals Inc.	. ....		9,564.86
TD Auto Finance (Canada) Inc.	PO BOX 4086, Station A Toronto ON M5W 5K3	1GC4YNE75LF221060	69,506.00
TD Auto Finance (Canada) Inc.	PO Box 4086, Station A Toronto ON M5W 5K3	1GCPYFED0LZ270089	62,892.00
The Bank of Nova Scotia	4715 Tahoe Boulevard Mississauga ON L4W 0B4	1GC1KWEY4JF148859	94,535.00
The Murray Group Ltd	. ....		109,335.43
Treasurer of Ontario (EHT)	. ....		5,014.01
T-Rex Construction	. ....		32,035.50
Tunnel Vision Trenchless Services Inc.	. ....		1,823.82
UPI Inc.	. ....		21,161.82
Waste Management Services	. ....		5,925.99
Wasteco	. ....		4,694.24
Wellington Dufferin Paving	. ....		4,921.35
Wells Fargo Equipment Finance Company	1290 Central Parkway W. Suite 1100 Mississauga ON L5C 4R3	902900-1058	130,928.00
Whitton Construction Ltd	. ....		4,520.00

District of:
Division No. -
Court No.
Estate No.

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

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Wm. Green Roofing Ltd.	. ....		10,353.98
Workplace Safety & Ins. Board	. ....		8,138.76
Total			8,277,964.33

× ______________________
Drexler Construction Limited
Insolvent Person

Industry Canada
Office of the Superintendent of Bankruptcy Canada

Industrie Canada
Bureau du surintendant des faillites Canada

District of Ontario
Division No. 08 - Waterloo
Court No. 35-2721716
Estate No. 35-2721716

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

Drexler Construction Limited

Insolvent Person

ALBERT GELMAN INC.

Licensed Insolvency Trustee

Date of the Notice of Intention: March 18, 2021

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

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

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

Date: March 18, 2021, 17:45

E-File/Dépôt Electronique

Official Receiver

Federal Building - London, 451 Talbot Street, Suite 303, London, Ontario, Canada, N6A5C9, (877)376-9902

Canada

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal

(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Folmur Construction (2004) Limited
of the Township of Rockwood, in the Province of Ontario

Take notice that:

1. I, Folmur Construction (2004) Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Albert Gelman Inc. of 100 Simcoe Street, Suite 125, Toronto, ON, M5H 3G2, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of $250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 18th day of March 2021.

× ____________________
Folmur Construction (2004) Ltd.
Insolvent Person

To be completed by Official Receiver:

____
Filing Date

____
Official Receiver

District of:
Division No. -
Court No.
Estate No.

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

In the matter of the proposal of
Folmur Construction (2004) Limited
of the Township of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
2602763 Ontario Limited	. ...		335,197.60
Anixter Power Solutions Canada Inc.	. ....		25,248.49
Brandt Tractor Ltd	. ....		1,447.25
CG Equipment	. ....		2,217.63
Cooper Equipment Rentals Ltd	. ....		4,234.60
CRA - Tax - Ontario	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9		50,485.58
CRA - Tax - Ontario	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9		137,191.79
Danplas Pipe Systems	. ....		28,479.50
Graybar Electric Ltd.	. ....		38,916.68
John Deere Credit Inc. Ryan Szymusiak	3430 Superior Court Oakville ON L6L 0C4		15,672.32
John Deere Credit Inc. Ryan Szymusiak	3430 Superior Court Oakville ON L6L 0C4		114,170.13
Mann 2018 Limited	. ....		392.54
Ministry of Finance - ON PST, EHT & Other Taxes Mrs. Asta Alberry	Ministry of Revenue 33 King Street West 6th Floor Oshawa ON L1H 8H5		1,233.26

District of:
Division No. -
Court No.
Estate No.

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

In the matter of the proposal of
Folmur Construction (2004) Limited
of the Township of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Noramco	. . . . .		71,807.86
RBC Royal Bank	74 WYNDHAM STREET NORTH, 2ND FLOOR Guelph ON N1H 4E6		294,372.52
Royal Bank of Canada Ian Aversa	Brookfield Place, 181 Bay Street, Suite 1800 Toronto ON M5J 2T9		2,046,082.76
Rubberline Products	. . . . .		399.96
Stop 124 Services Inc.	. . . . .		1,427.05
Thorton Sand & Gravel (1995) Ltd.	. . . . .		5,287.21
Tri City Ready Mix Limited	. . . . .		4,469.72
Trillium Ford Lincoln Ltd	. . . . .		1,026.05
Underground Conduit Solutions Inc.	. . . . .		4,644.30
UPI Energy	. . . . .		10,257.20
Wilson Sand and Gravel Ltd.	. . . . .		5,411.68
Workplace Safety and Insurance Board Eric Kupka	200 Front St W, 22nd Floor Toronto ON M5V 3J1		9,257.34
Total			3,209,331.02

X ______________________________
Folmur Construction (2004) Ltd.
Insolvent Person

Industry Canada
Office of the Superintendent of Bankruptcy Canada

Industrie Canada
Bureau du surintendant des faillites Canada

District of Ontario
Division No. 08 - Waterloo
Court No. 35-2721875
Estate No. 35-2721875

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

Folmur Construction (2004) Ltd.

Insolvent Person

ALBERT GELMAN INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:	March 18, 2021

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

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

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

Date: March 19, 2021, 11:25

E-File/Dépôt Electronique

Official Receiver

Federal Building - London, 451 Talbot Street, Suite 303, London, Ontario, Canada, N6A5C9, (877)376-9902

Canada

District of:
Division No.
Court No.
Estate No.

- FORM 33 -

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

In the matter of the proposal of
Down Under Pipe and Cable Locating Ltd.
of the City of Rockwood, in the Province of Ontario

Take notice that:

1. I, Down Under Pipe and Cable Locating Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Albert Gelman Inc. of 100 Simcoe Street, Suite 125, Toronto, ON, M5H 3G2, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of $250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the Town of Rockwood in the Province of Ontario, this 18th day of March 2021.

X ______________________________
Down Under Pipe and Cable Locating Ltd.
Insolvent Person

To be completed by Official Receiver:

______________________________ Filing Date

______________________________ Official Receiver

District of:
Division No.
Court No.
Estate No.

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

In the matter of the proposal of
Down Under Pipe and Cable Locating Ltd.
of the City of Rockwood, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
2602763 Ontario Limited	. . . .		47,058.40
Royal Bank of Canada Ian Aversa	Brookfield Place, 181 Bay Street, Suite 1800 Toronto ON M5J 2T9		2,046,082.76
Total			2,093,141.16

X

Down Under Pipe and Cable Locating Ltd.
Insolvent Person

Industry Canada
Office of the Superintendent of Bankruptcy Canada

Industrie Canada
Bureau du surintendant des faillites Canada

District of Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

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

Down Under Pipe and Cable Locating Ltd.

Insolvent Person

ALBERT GELMAN INC.

Licensed Insolvency Trustee

Date of the Notice of Intention: March 18, 2021

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

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

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

Date: March 19, 2021, 11:49

E-File/Dépôt Electronique

Official Receiver

Federal Building - London, 451 Talbot Street, Suite 303, London, Ontario, Canada, N6A5C9, (877)376-9902

Canada

Appendix "B"

Estate No. 35-2721716

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE MADAM	)	FRIDAY, THE 16TH
	)	
JUSTICE GORMAN	)	DAY OF APRIL, 2021

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL PROCEEDING OF DREXLER CONSTRUCTION LIMITED, A CORPORATION INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

ORDER
(procedural consolidation, extension of time to file a proposal, debtor-in-possession financing approval and charge, administration charge, sale of redundant equipment, approval of activities, sealing)

THIS MOTION made by Drexler Construction Limited ("**Drexler**") for the orders herein was heard this day at 80 Dundas St., London, by teleconference due to COVID-19.

ON READING the affidavit of Jerome Drexler sworn April 12, 2021 (the "**Drexler April Affidavit**") and the first report dated April 12, 2021 (the "**First Report**") and the Supplementary Report dated April 14, 2021 (the "**Supplementary Report**") of Albert Gelman Inc. in its capacity as proposal trustee (in such capacity, the "**Proposal Trustee**") to the notice of intention to make a proposal ("**NOI**") proceedings of Drexler, Folmur Construction (2004) Limited ("**Folmur**"), and Down Under Pipe and Cable Locating Limited ("**Down Under**", and, together with Drexler and Folmur, the "**Companies**"), and upon hearing the submissions of counsel for the Companies and the Proposal Trustee as well as those other parties present, as indicated in the counsel slip, no other parties being present although duly served as appears from the affidavit of service, filed:

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the motion record in respect of this motion, the First Report and the Supplementary Report is abridged and validated so that the motion is properly returnable today, and that further service thereof is dispensed with.

PROCEDURAL CONSOLIDATION

2. **THIS COURT ORDERS** that, without prejudice to the right of any party to seek or oppose substantive consolidation in respect of any or all of the following proceedings:

   a. the present proceeding,

   b. the NOI proceeding of Folmur, estate and court file no. 35-2721875, and

   c. the NOI proceeding of Down Under, estate and court file no. 35-2721896,

   (collectively, the "**NOI Proceedings**")

the NOI Proceedings are hereby procedurally consolidated, and the Proposal Trustee is authorized and directed, save to the extent the Proposal Trustee deems it unnecessary or undesirable, as the case may be, to administer the NOI Proceedings on a consolidated basis for all purposes in carrying out its administrative duties and other responsibilities under the *Bankruptcy and Insolvency Act* (the "**BIA**"), including, without limitation, the following:

d. sending notices to creditors of one or more of the Companies pursuant to one consolidated notice,

e. calling and conducting any meetings of creditors of the Companies pursuant to one combined advertisement and one meeting,

f. issuing consolidated reports in respect of the estates of the Companies,

g. preparing, filing, advertising and distributing any and all filings and/or notices relating to the administration of the estates of the Companies on a consolidated basis, and

h. bringing motions to this Honourable Court on a consolidated basis.

3. **THIS COURT ORDERS** that the single court file number 35-2721716 (the "**Consolidated Court File**") and the following title of proceeding be assigned to the NOI Proceedings:

> "
>
> **IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT***
>
> "

4. **THIS COURT ORDERS** that the Companies file a copy of this order in the court file for each of the NOI Proceedings but that any other document required to be filed in any of the NOI Proceedings shall hereafter only be required to be filed in the Consolidated

Court File. For avoidance of doubt, any motion, application or action in respect of the Companies or any of them shall be brought and filed in the Consolidated Court File and if so brought and filed it shall be deemed brought and filed in each of the NOI Proceedings, as appropriate, without prejudice to any rules of civil procedure or otherwise that are applicable. For further avoidance of doubt, this motion and this order are deemed made and granted in each of the NOI Proceedings.

5. **THIS COURT ORDERS** that the procedural consolidation of the NOI Proceedings does not:

a. affect the separate legal status and structures of any of the Companies,

b. cause any of the Companies to be liable for any claim for which it otherwise would not be liable, or

c. affect the Proposal Trustee’s or a creditor’s right to seek to disallow any claim, including on the basis that such claim is a duplicative claim.

EXTENSION OF TIME TO FILE A PROPOSAL

6. **THIS COURT ORDERS** that, pursuant to Section 50.4(9) of the BIA, the period within which a proposal may be filed on behalf of any or all of the Companies is extended to and including Tuesday, June 1, 2021.

DIP FINANCING AND CHARGE

7. **THIS COURT ORDERS** that the Companies are and each of them is hereby authorized and empowered to obtain and borrow under a credit facility from Corwin

Mortgage Capital Inc. (the “**DIP Lender**”) in order to finance the Companies’ operations, capital expenditures and restructuring, which shall be on the terms and subject to the conditions set forth in the amended term sheet (the “**Term Sheet**”) attached as Appendix “A” to the Supplementary Report, filed.

8. **THIS COURT ORDERS** that the Companies be and hereby are authorized to borrow, under the aforementioned credit facility, (i) up to $750,000, (ii) a further $250,000 with the written consent of the Proposal Trustee in consultation with Royal Bank of Canada (“**RBC**”), and (iii) any further amounts with the written consent of RBC or further court order.

9. **THIS COURT ORDERS** that the Companies are 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 may be reasonably required pursuant to the terms of the Term Sheet, and the Companies are authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Term Sheet and the Definitive Documents as and when the same become due and are to be performed in accordance with their terms, subject to paragraph 21 of this order but notwithstanding any other provision of this order.

10. **THIS COURT ORDERS** that the DIP Lender is granted a charge (the “**DIP Lender’s Charge**”) on the Companies’ interest in and to the real estate properties municipally known as 5274 Wellington Road 27, Rockwood, Ontario (the “**Wellington Property**”) and 183 Catherine Street, Rockwood, Ontario (the “**Catherine Property**”,

and, together with the Wellington Property, the "**Properties**")). The DIP Lender's Charge shall not secure an obligation that begun to exist before this order is made. The DIP Lender's Charge shall have the priority set out in paragraph 13 hereof.

11. **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, and

    b. the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee-in-bankruptcy, interim receiver, receiver or receiver and/or manager of the Companies or any of them or the Properties.

12. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Companies or any of them under the *Companies' Creditors Arrangement Act* (Canada), or any proposal filed by the Companies or any of them under the BIA, with respect to any advances made under the Term Sheet or the Definitive Documents.

13. **THIS COURT ORDERS** that the DIP Lender's Charge shall rank in priority to all security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise encumbering either or both of the Properties (each, an "**Encumbrance**") in favour of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing being each a "**Person**"), save and except

any Encumbrance in favour of RBC and any Encumbrance ranking in priority to RBC's Encumbrance.

14. **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 DIP Lender's Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

15. **THIS COURT ORDERS** that the Companies or any of them shall not grant any Encumbrance that ranks in priority to, or *pari passu* with the DIP Lender's Charge, save with the prior written consent of the Proposal Trustee and DIP Lender, or further court order.

16. **THIS COURT ORDERS** that the Term Sheet, the Definitive Documents and 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 (i) the pendency of these proceedings and the declarations of insolvency made herein, (ii) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications, (iii) the filing of any assignments for the general benefit of creditors made pursuant to the BIA, (iv) the provisions of any federal or provincial statutes, or (v) 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

(each, an “**Agreement**”) which binds the Companies, and notwithstanding any provision to the contrary in any Agreement:

a. neither the creation of the DIP Lender’s Charge nor the execution, delivery, perfection, registration or performance of the Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Companies or any of them of any Agreement to which it is a party,

b. the DIP Lender shall have no liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Companies or any of them entering into the Term Sheet the creation of the DIP Lender’s Charge, or the execution, delivery or performance of the Definitive Documents, and

c. the payments made by the Companies or any of them pursuant to this Order, the Term Sheet or the Definitive Documents, and the granting of the DIP Lender’s 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.

17. **THIS COURT ORDERS** that the DIP Lender’s Charge, to the extent it would apply over leases of real property in Canada, shall only be a charge in the interest of the Companies (or any of them) in such real property leases.

ADMINISTRATION CHARGE

18. **THIS COURT ORDERS** that (i) counsel for the Companies, (ii) the Proposal Trustee, and (iii) counsel to the Proposal Trustee be and hereby are granted a charge (the "**Administration Charge**") on the Companies' interest in the Properties in connection with any unpaid fees and disbursements up to a maximum amount of $100,000.

19. **THIS COURT ORDERS** that the Administration Charge shall rank in priority to all Encumbrances in favour of any Person save and except (i) any Encumbrance in favour of RBC and any Encumbrance ranking in priority to RBC's Encumbrance, and (ii) the DIP Lender's Charge.

SALE OF REDUNDANT EQUIPMENT

20. **THIS COURT ORDERS** that the Companies be and hereby are authorized to sell the equipment marked in Confidential Exhibit "3" to the Drexler April Affidavit (the "**Redundant Equipment**") and such further equipment as RBC may agree in writing may be sold, provided that the sale price for each such piece of equipment is no less than the appraised amount for that piece of equipment as set out in Confidential Exhibit "2" to the Drexler April Affidavit, or if not appraised then in an amount that RBC and any other secured creditor with an interest in the equipment may approve, by:

    a. retaining Canam-Appraiz Inc. ("**Canam**") to sell one or more pieces of the Redundant Equipment, or

    b. by private sale of one or more pieces of the Redundant Equipment.

21. **THIS COURT ORDERS** that with respect to the proceeds of any sale of Redundant Equipment:

a. if the item sold is subject only to the secured claim of RBC as the first-ranking secured creditor generally, for which the Proposal Trustee has already obtained an independent legal opinion confirming its validity and enforceability, then the proceeds of sale less Canam's costs of disposition as approved by RBC for that item shall be paid to RBC immediately and without further court order in repayment of the Companies' obligations to RBC, up to the amount of the same.

b. if the item sold is subject to two or more possible secured claims as determined by the Proposal Trustee, then (i) the Proposal Trustee shall obtain an independent legal opinion on the validity, enforceability, and rank of each claim and communicate such opinion to each secured claimant, and (ii) if the affected secured creditors agree on the opinion obtained by the Proposal Trustee, the proceeds of sale less Canam's costs of disposition as approved by the affected secured creditors for that item shall be immediately paid in accordance with that opinion and without further court order in repayment of the Companies' obligations to the applicable secured creditor(s) up to the amount of the same, but if there is no such agreement, then the Companies or the Proposal Trustee shall make a motion to the court for advice and direction on the payment of the net proceeds.

APPROVAL OF PROPOSAL TRUSTEE’S FEES AND ACTIVITIES

22. **THIS COURT ORDERS** that the First Report and the Supplementary Report and the activities described therein be and are hereby approved, provided, however, that only the Proposal Trustee in its personal capacity, and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

SEALING

23. **THIS COURT ORDERS** that Confidential Exhibits “1”, “2” and “3” to the Drexler April Affidavit be and hereby are sealed pending the earlier of a court order approving a proposal to creditors in respect of all of the Companies under the BIA, or further court order.

MISCELLANEOUS

24. **THIS COURT ORDERS** that the Companies pay the reasonable accounts, fees and disbursements of the Proposal Trustee, counsel to Proposal Trustee and counsel to the Companies, in each case at their standard rates and charges and as they become due, as part of the costs of these proceedings and post-filing obligations. Counsel to the Companies is authorized to immediately apply such payments in satisfaction of their reasonable accounts, fees and disbursements. In the case of the Proposal Trustee and counsel to the Proposal Trustee, such payments shall constitute advances applicable on account of such reasonable accounts, fees and disbursements as may be approved by this court or through taxation under the BIA.

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

Kelly A. Gorman

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF DREXLER CONSTRUCTION LIMITED, A CORPORATION INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

Estates No. 35-2721716

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced in LONDON

ORDER
(procedural consolidation, extension of time to file a proposal, debtor-in-possession financing approval and charge, administration charge, sale of redundant equipment, approval of activities, sealing)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto (ON) M5G 1V2

R. Brendan Bissell (LSO# 40354V)
Tel: (416) 597-6489
Fax: (416) 597-3370
Email: **bissell@gsnh.com**

Joël Turgeon (LSO #80984R)
Tel: (416) 597-6486
Email: **turgeon@gsnh.com**

Lawyers for Drexler Construction Ltd., Folmur Construction (2004) Ltd., and Down Under Pipe and Cable Locating Ltd.

ENDORSEMENT BK-21-02721716; BK-21-02721875; BK-21-02721896

DREXLER CONSTRUCTION LTD. V. GELMAN INC; FOLMUR CONSTRUCTION LTD. V. GELMAN INC; DOWN UNDER PIPE AND CABLE v. GELMAN INC.

B. Bissell and J. Turgeon for the Debtors

H. Manis for the Trustee

J. Nemers for RBC (credirot)

Matter unopposed. Order to go in terms of draft order (as provided) signed.

April 16, 2021 Kelly A. Gorman

ENDORSEMENT BK-21-02721716; BK-21-02721875; BK-21-02721896

DREXLER CONSTRUCTION LTD. V. GELMAN INC; FOLMUR CONSTRUCTION LTD. V. GELMAN INC; DOWN UNDER PIPE AND CABLE v. GELMAN INC.

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April 16, 2021 Kelly A. Gorman

ENDORSEMENT BK-21-02721716; BK-21-02721875; BK-21-02721896

DREXLER CONSTRUCTION LTD. V. GELMAN INC; FOLMUR CONSTRUCTION LTD. V. GELMAN INC; DOWN UNDER PIPE AND CABLE v. GELMAN INC.

B. Bissell and J. Turgeon for the Debtors

H. Manis for the Trustee

J. Nemers for RBC (credirot)

Matter unopposed. Order to go in terms of draft order (as provided) signed.

April 16, 2021 Kelly A. Gorman

Appendix "C"

Estate / Court File Nos: 35-2721716
35-2721875
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

In the Matter of the Notice of Intention to Make a Proposal of
Drexler Construction Limited of the township of Rockwood
in the Province of Ontario

And In the Matter of the Notice of Intention to Make a Proposal of
Folmur Construction (2004) Ltd. of the township of Rockwood
in the Province of Ontario

And In the Matter of the Notice of Intention to Make a Proposal of
Down Under Pipe and Cable Locating Ltd. of the township of Rockwood
in the Province of Ontario

FIRST REPORT OF ALBERT GELMAN INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE

(Dated April 12, 2021)

I. INTRODUCTION

1. This first report ("**First Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as proposal trustee (the "**Proposal Trustee**") in connection with a Notice of Intention to Make a Proposal ("**NOI**") filed by Drexler Construction Limited ("**Drexler**"), Folmur Construction (2004) Ltd. ("**Folmur**") and Down Under Pipe and Cable Locating Ltd. ("**Down Under**"; and together with Drexler and Folmur, the "**Companies**") on March 19, 2021 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). Attached hereto at **Appendix "A"** are copies of the NOI and Certificates of Appointment issued by the Office of the Superintendent of Bankruptcy for each of the Companies.

2. The Companies are making a motion to the Court, to be heard jointly, returnable April 16, 2021 (the "**April 16 Motion**") seeking various relief. This First Report has been prepared largely in response to and in support of the Companies' April 16 Motion.

3. On its April 16 Motion, the Companies are seeking, amongst other things, an Order:

   a. administratively consolidating the Companies' proposal proceedings under one title of proceeding;

b. extending the time for each of the Companies to file a proposal to June 1, 2021 (the "**Stay Extension**");

c. approving the DIP Facility and DIP Charge (both terms defined below);

d. granting a priority charge over the Drexler Premises and Vacant Development Land (both terms defined below) in the amount of $100,000 to secure the fees and disbursements of counsel to the Companies, the Proposal Trustee and counsel to the Proposal Trustee (the "**Administrative Charge**");

e. authorizing the Companies to sell certain redundant equipment; and

f. sealing the Real Property Appraisal and M&E Appraisal (both terms defined below) pending the earlier of a court order approving a proposal to creditors in respect of all of the Companies under the BIA, or further Order of the Court.

4. The Companies' have filed with their April 16 Motion the affidavit of Jerome Drexler sworn April 12, 2021 (the "**Drexler Affidavit**"), in support of the relief being sought. The Proposal Trustee has reviewed the Drexler Affidavit and has no reason to doubt or otherwise challenge the facts attested to therein.

5. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Companies at their April 16 Motion.

II. PURPOSE OF THIS REPORT

6. The purpose of this First Report is to:

a. provide the Court with relevant information pertaining to the Companies which is not otherwise described in the Drexler Affidavit;

b. provide information to the Court regarding the actions and activities of both the Proposal Trustee and the Companies subsequent to the filing of the NOI's;

c. provide the Court with the Proposal Trustee's recommendations in respect of the relief sought by the Companies.

III. SCOPE AND TERMS OF REFERENCE

7. In preparing this First Report, the Proposal Trustee has relied upon certain unaudited financial information, the Companies' books and records, discussions with Mr. Anthony Alfred Drexler, a shareholder, officer and director of each of the Companies, discussions with Mr. Peter Farmer, the Companies internal accountant, discussions with representatives RLB LLP, the Companies' external accountant and discussions with the Companies' legal counsel, Goldman Sloan Nash Haber LLP.

8. While the Proposal Trustee has reviewed various documents provided by Mr. Anthony Alfred Drexler, Mr. Farmer and others, such review does not constitute an audit or verification of such information for

accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**") or otherwise. Accordingly, the Proposal Trustee expresses no opinion or other form of assurance pursuant to GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

9. This First Report has been prepared for the use of this Court and the Companies' stakeholders as general information relating to the Companies and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this First 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 First Report contrary to the provisions of this paragraph.

10. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.

IV. BACKGROUND INFORMATION

Reason for NOI Filing

11. RBC is the senior secured lender to Drexler. RBC had provided Drexler with a revolving credit facility which had an outstanding balance of approximately $2.1 million as at March 8, 2021. Both Fomlur and Down Under guaranteed the RBC debt and provided RBC with, among other things, a general security agreement, as security for the guarantee. RBC declared Drexler in default on its loan obligation to RBC in or around March 8, 2021. As a result of the default RBC issued its Notice of Intention to Enforce a Security (the "**NITES**") in accordance with section 244 of the BIA to Drexler, which are attached as Exhibit's "D" and "E" to the Drexler Affidavit. The 10-day period set out in the NITES was set to expire on March 18, 2021. In order to stay RBC from enforcement action each of the Companies filed a NOI on March 18, 2021.

12. Further background information with respect to each of the Companies is set out below.

Drexler Construction Limited

13. According to a corporate profile search obtained by the Proposal Trustee on March 17, 2021, Martin Drexler, Kevin Drexler, Jerome Drexler and Anthony Alfred Drexler are each directors of Drexler. Jerome Drexler and Anthony Alfred Drexler are officers of Drexler. Attached hereto as **Appendix "B"** is a copy of the corporate profile search.

14. Drexler is involved in construction and, specifically, excavation, sewer/water works, concrete works and utility installation projects throughout southwestern Ontario. Its clients principally include, among others, residential and commercial builders as well as municipalities. Drexler employs between 50 and 110 employees depending on the season, with more employees employed during the spring, summer and fall months and less so in the winter months. Drexler's employees are not unionized. Drexler's head office and yard is located at 5274 Wellington County Rd 27, Rockwood, Ontario (the "**Drexler Premise**"), a property

which is owned by Drexler. Drexler's gross revenues during its fiscal years ended March 31, 2019 and 2020 were approximately $27 million and $20 million, respectively.

15. Further background information about Drexler is contained in the Drexler Affidavit. The Drexler Affidavit also includes details about the causes of the Drexler's financial difficulties.

16. The material assets of Drexler consist of the following:

a. its accounts receivable, including holdbacks receivable, in the aggregate amount of $2,826,440 as at March 31, 2021;

b. inventory with a book value of $806,416 as at March 31, 2021. The inventory consists of residual building materials on hand from the prior construction season which Drexler intents to use on its projects for this coming construction season;

c. machinery and equipment with a book value, net of accumulated amortization, of $1,936,220 as a March 31, 2021 (the "**Drexler M&E**"). The Drexler M&E consists of backhoes, blades, loaders, excavators, rollers, graders/tractors, mawlers and other heavy construction equipment;

d. vehicles with a book value, net of accumulated amortization, of $650,800 as a March 31, 2021. The vehicles consist of dump trucks, pickup trucks, vans, trailers and other vehicles used by management;

e. the real property as follow:

    i. commercial / industrial real property municipally known as 5274 Wellington County Rd 27, Rockwood, Ontario (PIN: 71180-0203 (LT)) (defined above as the "Drexler Premises");

    ii. vacant development land located at 183 Catherine Street, Rockwood, Ontario (PIN: 71180-0052(LT)) (the "**Vacant Development Land**"); and,

    iii. residential duplex municipally known as 5278 Wellington County Road 27, Rockwood, Ontario (PIN: 71180-0204 (LT)) (the "**Duplex Property**").

(collectively, the "**Real Property**")

f. loans due from related companies as follows:

    i. 970743 Ontario Inc. in the amount of $117,188;

    ii. IAD Investments Inc. in the amount of $316,906;

    iii. Drexcon III LTD in the amount of $97,052; and,

iv. Milldrex Investments Inc. in the amount of $5,333.

Management has advised the Proposal Trustee that each of the above inter-company loans are collectible.

17. In addition to the above noted assets Drexler's intangible assets include its customer lists, contracts and overall goodwill.

18. The Proposal Trustee engaged TL Smith Appraisals (the "**TL Smith**"), a licensed commercial real estate appraiser, to conduct an appraisal of the Real Property which has an effective dated of March 24, 2021 (the "**Real Property Appraisal**"). For the reasons set out below the Companies are requesting that the Real Property Appraisal be sealed by the Court. The Real Property Appraisal is attached to the Drexler Affidavit as Confidential Exhibit "1".

19. RBC obtained a liquidation appraisal of the Drexler M&E and Folmur M&E (defined below) from Canam-Appraiz Inc.("**Canam**") with an effective date of March 25, 2021 (the "**M&E Appraisal**"). The M&E Appraisal is attached to the Drexler Affidavit as Confidential Exhibit "2". The Proposal Trustee has not obtained its own appraisal of the machinery and equipment as the Proposal Trustee is comfortable with method used by Canam and, therefore, obtaining a second appraisal would only result in additional unnecessary costs to the Companies. The Proposal Trustee asks that the M&E Appraisal also be sealed for substantially the same reasons as the Real Property Appraisal.

20. In order to reduce its debt load, the Companies will be marketing for sale several pieces of redundant machinery and equipment and are requesting approval to sell several specific pieces of equipment. The Companies plan to either retain Canam to sell such equipment, or to seek to sell pieces of equipment by private sale so long as the sale price is equal to or better than the value contained in the M&E Appraisal. The Proposal Trustee supports the retainer of Canam, as it is a reputable liquidation company. The Proposal Trustee similarly supports approval of private sales of equipment at prices identified by Canam in the M&E Appraisal, as those would represent appropriate value.

21. The Companies propose to use any proceeds of sale to reduce the amounts owing to RBC. The Proposal Trustee supports this approach as one that furthers the substantive restructuring rather than selling capital assets to fund operational needs.

Folmur Construction (2004) Ltd.

22. According to a corporate profile search obtained by the Proposal Trustee on March 18, 2021, Martin Drexler, Kevin Drexler, Jerome Drexler and Anthony Drexler are each directors of Folmur. Kevin Drexler and Anthony Alfred Drexler are officers of Folmur. Attached hereto as **Appendix "C"** is a copy of the corporate profile search.

23. Folmur is principally involved in the construction sector installing electrical works for new residential and commercial construction developments throughout southwestern Ontario. Folmur employs

approximately 25 employees. Folmur's employees are not unionized. Folmur's head office and yard is located at 7000 Wellington Rd 124, Guelph, Ontario (the "**Folmur Premise**"), which it leases from an unrelated party pursuant to a commercial lease agreement dated April 1, 2019. Folmur's gross revenues during its fiscal years ended March 31, 2019 and 2020 were approximately $6 million in both years.

24. Further background information about Folmur is contained in the Drexler Affidavit. The Drexler Affidavit also includes details about the causes of the Folmur's financial difficulties.

25. The material assets of Folmur consist of the following:

a. its accounts receivable, including holdbacks receivable, in the aggregate amount of $1,523,947 as at March 31, 2021;

b. inventory with a book value of $222,793 as at March 31, 2021. The inventory consists of construction materials to be used on current jobs for this years construction season;

c. machinery and equipment with a book value, net of accumulated amortization, of $373,367 as a March 31, 2021 (the "**Folmur M&E**"). The machinery and equipment consists of excavators, backhoes and other miscellaneous construction equipment;

d. vehicles with a book value, net of accumulated amortization, of $180,707 as a March 31, 2021. The vehicles consist of pickup trucks and trailers;

e. loan receivable due from Drexler in the amount of approximately $3.8 million;

26. In addition to the above noted assets Folmur's intangible assets include its customer lists, contracts and overall goodwill.

Down Under Pipe and Cable Locating Ltd.

27. According to a corporate profile search obtained by the Proposal Trustee on March 18, 2021, Martin Drexler, Kevin Drexler, Jerome Drexler and Anthony Alfred Drexler are each directors of Down Under. Jerome Drexler and Anthony Alfred Drexler are officers of Down Under. Attached hereto as **Appendix "D"** is a copy of the corporate profile search.

28. Down Under is involved in the construction sector as a locator of gas lines, electrical lines and water lines. Its principal clients are the town of Orangeville and the township of Mapleton. Down Under employees 2 employees who are both not unionized. Down Under's head office and yard is located at the Duplex Property. Down Under's gross revenues during its fiscal years ended March 31, 2019 and 2020 were approximately $400,000 in both years.

29. Further background information about Down Under is contained in the Drexler Affidavit.

30. The material assets of Down Under consist of the following:

a. its accounts receivable in the aggregate amount of $22,516 as at March 31, 2021; and

b. machinery and equipment with a book value, net of accumulated amortization, of $81,848 as a March 31, 2021. The machinery and equipment consists of locating equipment.

V. SECURED CREDITORS

Drexler Construction Limited

31. Pursuant to a PPSA search conducted by the Proposal Trustee on March 17, 2021 (with a file currency date of March 16, 2021), the following creditors have registered financing statements against Drexler:

Registration Date	Creditor	Collateral Classification
June 10, 2014	Royal Bank of Canada	Inventory, Equipment, Accounts, Other
May 1, 2017	Bank of Montreal	Equipment, Motor Vehicle
October 16, 2017	John Deere Financial Inc.	Equipment, Other, Motor Vehicle
December 7, 2017	The Bank of Nova Scotia	Equipment, Other, Motor Vehicle
June 5, 2018	John Deere Financial Inc.	Equipment, Other, Motor Vehicle
June 19, 2018	Wells Fargo Equipment Finance Company	Equipment, Motor Vehicle
October 22, 2018	John Deere Financial Inc.	Equipment, Other, Motor Vehicle
January 16, 2020	The Bank of Nova Scotia	Equipment, Other, Motor Vehicle
July 6, 2020	TD Auto Finance (Canada) Inc.	Equipment, Other, Motor Vehicle
July 10, 2020	TD Auto Finance (Canada) Inc.	Equipment, Other, Motor Vehicle
August 14, 2020	Canadian Equipment Finance & Leasing Inc.	Equipment, Motor Vehicle
September 30, 2020	John Deere Financial Inc.	Equipment, Other, Motor Vehicle
May 18, 1984	Royal Bank of Canada	Inventory, Equipment, Book Debts, Other, Motor Vehicle

32. A copy of the PPSA search is attached as Exhibit “J” to the Drexler Affidavit.

Royal Bank of Canada

33. As was noted above, Drexler’s senior secured creditor is RBC who provided Drexler with a term loan, a revolving line of credit and credit card facilities. The Proposal Trustee has been advised by RBC that amount owing to RBC in respect of the revolving line of credit was approximately $2.1 million as of March 8, 2021 plus accruing interest (the “**RBC Debt**”). Drexler provided a general security agreement in favour of RBC as security for the RBC Debt. Both Folmur and Down Under guaranteed the RBC Debt and, as security for the guarantee, provided general security agreements in favour of RBC.

34. The Proposal Trustee’s has engaged Macdonald Sager Manis LLP (“**MSM**”) to provide an independent legal opinion in respect of the validity and enforceability of RBC’s security in respect of Drexler, Folmur and Down Under (the “**RBC Security Opinion**”). Subject to the standard assumptions and qualifications contained in the opinion, MSM is of the opinion that RBC’s security is valid and enforceable in accordance with its terms against the personal property of Drexler, Folmur and Down Under in Ontario. A copy of the RBC Security Opinion is attached hereto as **Appendix “E”.** RBC’s security is registered first-in-time against each of the Companies.

Other Secured Creditors

35. As set out in the chart above, there are several creditors, other than RBC, who have registered financing statements. These registrations relate to either a specific vehicle or specific piece of equipment and, if it was determined that each of the financing statements were registered and perfected properly, they likely represent purchase-money security interests ("**PMSI**") in the specifically identified assets. However, at this time, the Proposal Trustee has not engaged MSM to review each of these registrations to confirm whether a valid PMSI was registered.

Folmur Construction (2004) Ltd.

36. Pursuant to a PPSA search conducted by the Proposal Trustee on April 1, 2021 (with a file currency date of March 31, 2021), the following creditors have registered financing statements against Folmur:

Registration Date	Creditor	Collateral Classification
October 30, 2006	Royal Bank of Canada	Inventory, Equipment, Accounts, Other, Motor Vehicle
May 12, 2016	Royal Bank of Canada	Consumer goods, Other, Motor Vehicle
November 9, 2016	Xerox Canada Ltd.	Equipment, Other
November 15, 2017	Royal Bank of Canada	Consumer goods, Other, Motor Vehicle
December 20, 2017	GM Financial Canada Leasing Ltd.	Consumer goods, Equipment, Other, Motor Vehicle
March 13, 2018	John Deere Financial Inc.	Equipment, Other, Motor Vehicle
October 30, 2018	John Deere Financial Inc.	Equipment, Other, Motor Vehicle
June 3, 2019	John Deere Financial Inc.	Equipment, Other, Motor Vehicle
October 14, 2020	The Bank of Nova Scotia	Equipment, Other, Motor Vehicle
October 27, 2020	Royal Bank of Canada	Consumer goods, Other, Motor Vehicle
November 19, 2020	The Bank of Nova Scotia	Equipment, Other, Motor Vehicle
March 12, 2021	John Deere Financial Inc.	Equipment, Other, Motor Vehicle

37. A copy of the PPSA search is attached as Exhibit "K" to the Drexler Affidavit.

Royal Bank of Canada

38. As noted above, Folmur guaranteed the RBC Debt of Drexler and, as security for the guarantee, provided a general security agreement in favour of RBC. According to the RBC Security Opinion, RBC's security is valid and enforceable in accordance with its terms against the personal property of Folmur.

Other Secured Creditors

39. As set out in the chart above, there are several creditors, other than RBC, who have registered financing statements. These registrations relate to either a specific vehicle or specific piece of equipment and, if it was determined that each of the financing statements were registered and perfected properly, they likely represent a PMSI in the specifically identified assets. However, at this time, the Proposal Trustee has not engaged MSM to review each of these registrations to confirm whether a valid PMSI was registered.

Down Under Pipe and Cable Locating Ltd.

40. Pursuant to a PPSA search conducted by the Proposal Trustee on March 17, 2021 (with a file currency date of March 16, 2021), the following creditors have registered financing statements against Folmur:

Registration Date	Creditor	Collateral Classification
October 30, 2006	Royal Bank of Canada	Inventory, Equipment, Accounts, Other, Motor Vehicle

41. A copy of the PPSA search is attached as Exhibit "L" to the Drexler Affidavit.

Royal Bank of Canada

42. As noted above, Down Under guaranteed the RBC Debt of Drexler and, as security for the guarantee, provided a general security agreement in favour of RBC. According to the RBC Security Opinion, RBC's security is valid and enforceable in accordance with its terms against the personal property of Down Under.

VI. UNSECURED CREDITORS

Drexler Construction Limited

43. Drexler listed approximately $1 million of arm's length unsecured claims in its NOI. The material non-arm's length unsecured creditors include Folmur for approximately $3.7 million in respect of an inter-company loan and 2602763 Ontario Limited ("**260Co**"), a company owned and operated by Peter Drexler, for approximately $100,000. Peter Drexler is a former officer and director of Drexler who has since retired.

44. Based on the Proposal Trustee's review of Drexler's book and records, Drexler is indebted to the CRA as follows:

a. arrears HST in the amount of $133,567 for reporting periods up to February 28, 2021. The March 2021 HST return is not due to be filed until the end of April 2021; and,

b. the Proposal Trustee is reviewing the books and records provided by Drexler with respect to unpaid source deduction and will report to the Court and/or creditors at a later date with respect to the amounts owing;

Folmur Construction (2004) Ltd.

45. Folmur listed approximately $400,000 of arm's length unsecured claims in its NOI. The only material non-arm's length unsecured creditor is 260Co for approximately $335,000

46. The Proposal Trustee is reviewing the books and records of Fulmor and will report to the Court and/or creditors at a later date with respect to the amounts owing in respect of HST and unpaid source deductions.

Down Under Pipe and Cable Locating Ltd.

47. Down Under listed only one unsecured creditor in its NOI being 260Co for approximately $47,000.

48. The Proposal Trustee is reviewing the books and records of Down Under and will report to the Court and/or creditors at a later date with respect to the amounts owing in respect of HST and unpaid source deductions.

49. As of the date of this First Report, the Trustee has not received a proof of claim from the CRA in respect of amounts owing by the Companies to the CRA.

VII. ACTIVITIES OF THE COMPANIES

50. Since the date of the filing of the NOI, the Companies have undertaken, among other things, the following activities:

a. advised various stakeholders, including management, relevant employees, and important suppliers of these restructuring proceedings;

b. negotiated with Corwin Mortgage Capital Inc. ("**CMCI**") to obtain debtor-in-possession financing (defined below as the "DIP Facility") during these restructuring proceedings to cover the anticipated short-term shortfall of working capital as set out in its Cash Flow Forecasts (defined below);

c. continue to canvas the market to obtain longer term financing to payout the RBC;

d. begun the process to market certain specific reductant pieces of machinery and equipment, the proceeds of which will be used to paydown the RBC Debt;

e. had informal discussions with various secured and unsecured creditors in respect of the restructuring proceedings;

f. attended meetings with the Proposal Trustee to discuss its objectives and options in respect of these restructuring proceedings;

g. prepared its Cash Flow Forecasts (defined below) with the assistance of the Proposal Trustee; and

h. provided the Proposal Trustee, on an ongoing basis, with financial and other information in order to allow the Proposal Trustee to monitor its cash receipts and disbursements.

51. The Companies are requesting an extension of time to file their proposals so that they may, among other things, continue to canvas the market to find additional longer-term financing in order to payout in full the RBC Debt and the claims of unsecured creditors in the Proposal. As further discussed below, the Proposal Trustee supports the Companies' request for the Stay Extension.

VIII. ACTIVITIES OF THE PROPOSAL TRUSTEE

52. Since the date of the filing of the NOI the Proposal Trustee has undertaken, among other things, the following activities:

a. on March 23, 2021, the Proposal Trustee mailed to every known creditor a copy of the NOI as required under subsection 50.4(6) of the BIA. A copy of the affidavits of mailing are collectively attached hereto as **Appendix "F"**;

b. assisted the Companies in their efforts to obtain the DIP Facility;

c. assisted the Companies in their efforts to obtain longer-term financing by contacting several commercial brokers with an expertise in industrial, commercial and residential development land;

d. corresponded with RBC's legal counsel;

e. engaged MSM as its independent legal counsel;

f. engaged MSM to provide an independent legal opinion with respect to the validity and enforceability of the security of RBC over the Companies;

g. engaged TL Smith, to prepare the Real Property Appraisal. The Proposal Trustee has provided a copy of the Real Property Appraisal to RBC on a confidential basis as discussed in more details below;

h. assisted the Companies with the preparation of the Cash Flow Forecast (defined below);

i. implemented procedures with the Companies' management and employees in order to allow the Proposal Trustee to consistently monitor the receipts and disbursements of the Companies and compare same to the Cash Flow Forecast for variances;

j. communicated extensively with management of the Companies, the Companies' internal accountant and the Companies' legal counsel to discuss, among other things, the following;

    i. the business, financial affairs and future prospects of the Companies;

    ii. the options available to the Companies in relation to the NOI proceedings; and,

    iii. the DIP Facility.

k. communicated with several creditors and other stakeholders who contacted the Proposal Trustee directly regarding the status of these restructuring proceedings; and,

l. established a Case Webpage to post the Court materials related to these restructuring proceedings, located at www.albertgelman.com/corporate-solutions/other-engagements/#d.

IX. CASH FLOW FORECASTS

53. On March 26, 2021 the Companies each filed with the Proposal Trustee a statement of projected cash flows prepared on a weekly basis for the period of March 21 to July 3, 2021 ("**Cash Flow Forecasts**"), along with management's report on the reasonableness of the Cash Flow Forecast, in accordance with subsection 50.4(2) of the BIA. Attached hereto as **Appendix "G"** are copies of the Cash Flow Forecast along with management's and the Proposal Trustee's report thereon.

54. Drexler and Folmur are utilizing the DIP Facility (defined below) in or to fund their short-term working capital requirements. In the seasonal construction industry in Canada it is common for companies involved

in large construction projects to require financing/funding in the spring in order to fund the material and labour costs required to complete these projects throughout the warmer months. The receivables related to these projects would usually not be collected until the later part of the construction season.

55. In the Proposal Trustee's opinion, the Cash Flow Forecasts demonstrate that the Companies can, subject to obtaining the DIP Facility, continue to operate during the forecast period without material prejudice to any of the Companies' creditors. The accuracy of the Cash Flow Forecasts are subject to the assumptions contained within the forecast and set out in the forecast notes.

X. SEALING ORDER

56. The Companies are requesting that the Court grant an order sealing the Real Property Appraisal and the M&E Appraisal on a confidential basis until such time as the proposal proceedings are concluded.

57. In the Proposal Trustee's opinion these appraisals contain sensitive commercial information about the value of the Real Property and the Companies' equipment, the release of which could negatively affect a potential sale process, which may or may not become necessary prior to each of the Companies filing a Proposal.

XI. DEBTOR-IN-POSSESSION FINANCING

58. In order to fund the immediate working capital requirements of the Companies during these restructuring proceedings the Companies require additional funding. Pursuant to the Drexler Affidavit, CMCI has proposed to provide the Companies with a debtor-in-possession facility (the "**DIP Facility**"). The proposed DIP Facility is conditional on this Honourable Court permitting Drexler to register a mortgage on title to both the Drexler Premises and Vacant Development Land in favour of CMCI as described in further detail below (the "**DIP Charge**").

59. The terms of the proposed DIP Facility are set out in a mortgage financing commitment letter dated April 6, 2021 which is attached as Exhibit "N" to the Drexler Affidavit. The material terms of the proposed DIP Facility are outlined below:

a. permits the Debtor to borrow the aggregate sum of up to a maximum of $1.5 million in tranches of $250,000 each;

b. shall bear interest at a rate of 6.99% percent per annum compounded annually;

c. incudes a lending fee of $15,000, representing 1% of the maximum available credit;

d. shall be repayable within one year;

e. requires that Drexler provide a first place mortgage over the Drexler Premises in favour of CMCI;

f. requires that Drexler provide a second place mortgage over the Vacant Development Land in favour of CMCI, ranking behind RBC; and,

g. is subject to the Court approving the DIP Facility and DIP Charge.

60. In the Trustee's opinion, the proposed terms of the DIP Facility are reasonable and appropriate in the circumstances.

61. It is proposed under the DIP Facility that monies are to be advanced to Drexler. The monies required by Folmur to fund their working capital shortfall will be transferred from Dexler to Folmur as a repayment of the intercompany loan owing by Drexler to Folmur. Although this contemplates the repayment of an unsecured debt ranking behind RBC, this transfer does not affect the ability of Drexler, on a liquidation basis, to repay all of its secured and unsecured creditors in full given the appraised value of the Real Property, the appraised value of the machinery and equipment and the current value of Drexler's accounts receivable. As a result, it appears that this will not prejudice any creditor of Drexler.

62. The Proposal Trustee has, in particular, considered the quantum of the DIP Facility. The size of the Companies' revenue, depending on the year, is in the order of magnitude of $22 to $33 million per year, which suggests that a possible loan of $1.5 million is appropriate for that level of activity. The nature of the construction business also supports a loan, because typically there are up-front costs to starting a project, which yields revenue as the project is completed but thereby creates a cash flow deficiency in the interim. Finally, while the Companies and the Proposal Trustee have attempted to project the timing of receipts and expenditures, even a slight variation of later receipts or earlier expenditures, or perhaps even unanticipated expenditures through a new contract that is awarded, may result in the need for working capital through borrowing.

63. The Proposal Trustee has participated in discussions between the Companies and RBC regarding the amounts of borrowing that may be appropriate during the first extension period to June 1, 2021 and understands that a consensual arrangement has been reached in which the Companies will be authorized to borrow $750,000, will have access to a further $250,000 with the written consent of the Proposal Trustee in consultation with RBC, and may have access to further amounts above $1 million on either written consent of RBC or further order of the Court. The Proposal Trustee supports this arrangement as one that will allow the Companies with an amount of possible borrowing that will meet anticipated and possibly unanticipated borrowing needs during the first extension period. The Proposal Trustee in particular notes that the greatest period of borrowing is projected to be in early June, which is after the first extension period, but which could accelerate under a variety of scenarios that would not be material changes in the Companies' financial position.

64. Based on the Proposal Trustee's review of Drexler's assets, as well as its secured and unsecured liabilities, the granting of the DIP Charge in support of the DIP Facility will not affect:

a. the security position of RBC; or,

b. the ability for unsecured creditors to receive a distribution of their respective claims in full;

in the event that Drexler's restructuring proceedings are unsuccessful.

65. The Companies are requesting that this Court make an Order that the DIP Charge, in the form of two mortgages registered on title to the Drexler Property and Vacant Development Land, shall be in priority to the secured claims of all secured creditors of the Companies with respect to these two real properties but subordinated only to the security of RBC or priority payables ranking ahead of it in respect of the Vacant Development Land.

XII. ADMINISTRATIVE CHARGE

66. The Companies are seeking an Order of the Court charging the Drexler Property and Vacant Development Land, jointly and severally, in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, but subordinate to the interests of RBC and the DIP Lender, pursuant to section 64.2(1) of the BIA in an amount not to exceed $100,000 to secure the fees and disbursements of the Proposal Trustee, the Proposal Trustee's legal counsel and legal counsel for the Companies (defined above as the Administrative Charge). It is anticipated that the Companies will remit payment to these professionals on a current basis, such that the Administration Charge is only intended to provide a fall-back in the event of any significant difficulty, or to allow for some deferral of fees if funds are not available without putting the restructuring professionals at risk.

67. Administrative charges are common in proceedings such as this and are necessary to secure the fees and disbursements of the professionals involved to enable companies to successfully complete restructuring proceedings.

68. The Proposal Trustee recommends that the Court grant an order approving the Administrative Charge being sought by the Companies.

XIII. REQUEST FOR EXTENSION

69. The Companies are seeking the Stay Extension pursuant to subsection 50.4(9) of the BIA.

70. The Proposal Trustee supports the Stay Extension as it is of the opinion that:

a. the Companies have acted, and are acting, in good faith and with due diligence;

b. the Companies would likely be able to make a viable Proposal if the extension being applied for were granted; and,

c. no creditor would be materially prejudiced if the extension being applied for were granted.

71. The Proposal Trustee is also of the opinion that a Proposal developed by the Companies would likely result in a more orderly and efficient process to distribute funds to the Companies' secured and unsecured creditors than a shut down of the Companies and forced liquidation of the Companies' assets.

XIV. PROPOSAL TRUSTEE'S RECOMMENDATION

72. For the reasons explained herein, the Proposal Trustee respectfully recommends that this Honourable Court make an Order or Orders approving:

a. the administrative consolidation of the Companies' proposal proceedings under one title of proceeding;

b. the Stay Extension;

c. The DIP Facility and DIP Charge;

d. the Administrative Charge;

e. sale by the Companies of redundant equipment;

f. the actions and activities of the Proposal Trustee as described in this First Report; and,

g. the sealing of the Real Property Appraisal and M&E Appraisal.

All of which is respectfully submitted this 12th day of April 2021

ALBERT GELMAN INC., solely in its
capacity as Trustee of *re* the Notice of
Intention to Make a Proposal of Drexler
Construction Limited, Folmur Construction
(2004) Ltd. and Down Under Pipe and Cable Locating Ltd.
and not its Personal or any other Capacity

Per: ______________________________
Bryan Gelman, *CIRP, LIT*

Appendix "D"

Estate / Court File Nos: 35-2721716
35-2721875
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

In the Matter of the Notice of Intention to Make a Proposal of
Drexler Construction Limited of the township of Rockwood
in the Province of Ontario

And In the Matter of the Notice of Intention to Make a Proposal of
Folmur Construction (2004) Ltd. of the township of Rockwood
in the Province of Ontario

And In the Matter of the Notice of Intention to Make a Proposal of
Down Under Pipe and Cable Locating Ltd. of the township of Rockwood
in the Province of Ontario

SUPPLEMENTARY REPORT TO THE FIRST REPORT OF ALBERT GELMAN INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE

(Dated April 14, 2021)

I. INTRODUCTION

1. This Supplementary Report ("**Supplementary Report**") to the Proposal Trustee's First Report to Court dated April 12, 2021 ("**First Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as proposal trustee (the "**Proposal Trustee**") in connection with a Notice of Intention to Make a Proposal ("**NOI**") filed by Drexler Construction Limited ("**Drexler**"), Folmur Construction (2004) Ltd. ("**Folmur**") and Down Under Pipe and Cable Locating Ltd. ("**Down Under**"; and together with Drexler and Folmur, the "**Companies**") on March 19, 2021 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**").

2. The Companies are making a motion to the Court, to be heard jointly, returnable April 16, 2021 (the "**April 16 Motion**") seeking various relief.

II. SCOPE AND TERMS OF REFERENCE

3. This Supplementary Report has been prepared for the use of this Court and the Companies' stakeholders as general information relating to the Companies and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Supplementary 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 Supplementary Report contrary to the provisions of this paragraph.

4. Terms not otherwise defined herein shall have the meanings ascribed to them in the First Report.

III. REVISED TERMS OF DIP FACILITY

5. On April 13, 2021, the Proposal Trustee issued its First Report which included, at paragraph 61, details of the manner by which the DIP Facility would be advanced by CMCI to Drexler, and subsequently to Folmur as a repayment of the inter-company unsecured indebtedness owing by Drexler to Folmur.

6. Following the release of the First Report, counsel to RBC contacted the Proposal Trustee to express its concern that the proposed method of funding of Folmur's working capital requirements, by way of a repayment by Drexler of its unsecured indebtedness to Folmur, was preferential in nature.

7. The Proposal Trustee understood RBC's concern and suggested an amendment to the CMCI mortgage financing commitment letter, for which CMCI would add Folmur as a borrower (along with Drexler) and funds would be advanced directly to Drexler and/or Folmur as necessary. In consideration for its loans to Folmur, CMCI would obtain a guarantee from Drexler collaterally secured by the mortgages against the Drexler Premises and the Vacant Development Land that are contemplated in paragraph 59 (e) and (f) of the First Report.

8. Both Drexler and Folmur have consented to the revised CMCI mortgage financing commitment letter dated April 13, 2021 ("**Revised Commitment Letter**") which is attached hereto as **Appendix "A"**.

9. Counsel for RBC has advised that the Revised Commitment Letter addresses the concern that was raised, and that RBC does not oppose the Revised Commitment Letter.

10. In the Trustee's opinion, the revised terms of the DIP Facility set out in the Revised Commitment Letter are reasonable and appropriate in the circumstances and the Proposal Trustee respectfully recommends that this Honourable Court make an Order approving, amongst other things, the DIP Facility and DIP Charge.

All of which is respectfully submitted this 14th day of April, 2021

ALBERT GELMAN INC., solely in its
capacity as Trustee of *re* the Notice of
Intention to Make a Proposal of Drexler
Construction Limited, Folmur Construction
(2004) Ltd. and Down Under Pipe and Cable Locating Ltd.
and not its Personal or any other Capacity

Per: ________________________________
Bryan Gelman, *CIRP, LIT*

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

Estates No. 35-2721716

May 28/21 J. Turgeon for moving party
J. Menezes – RBC
H. Manis – Proposal Trustee

Upon reviewing materials filed, and in accordance with ss. 50.4 and 65.13(7) of the BIA and s. 137(2) of the CJA, and upon being satisfied that subject co's have acted in good faith and are likely to make a viable proposal and no creditor is likely to be prejudiced, and unopposed by RBC, and supported by Proposal Trustee, order to go in accordance with draft signed by me.

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced in LONDON

ORDER

(extension of time to file a proposal, vesting on sale, approval of proposal trustee's fees and activities, sealing)

GOLDMAN SLOAN NASH & HABER LLP
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Lawyers for Drexler Construction Ltd., Folmur Construction (2004) Ltd., and Down Under Pipe and Cable Locating L

#3 #4

Estate No. 35-2721716

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE MR.	)	FRIDAY, THE 28th
	)	
JUSTICE M. A. GARSON	)	DAY OF MAY, 2021

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

ORDER
(extension of time to file a proposal, vesting on sale, approval of proposal trustee's fees and activities, sealing)

THIS MOTION made by Drexler Construction Limited, Folmur Construction (2004) Limited, and Down Under Pipe and Cable Locating Limited (together, the "**Companies**") for the orders herein was heard this day at 80 Dundas St., London, by teleconference due to COVID-19.

ON READING the affidavit of Jerome Drexler sworn May 22, 2021 (the "**Drexler May Affidavit**") and the second report dated May 25, 2021 (the "**Second Report**") of Albert Gelman Inc. in its capacity as proposal trustee (in such capacity, the "**Proposal Trustee**") to the notice of intention to make a proposal ("**NOI**") proceedings of the Companies, and upon hearing the submissions of counsel for the Companies and the Proposal Trustee as well as those other parties present, as indicated in the counsel slip, no other parties being present although duly served as appears from the affidavit of service, filed:

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the motion record in respect of this motion and the Second Report is abridged and validated so that the motion is properly returnable today, and that further service thereof is dispensed with.

EXTENSION OF TIME TO FILE A PROPOSAL

2. **THIS COURT ORDERS** that, pursuant to Section 50.4(9) of the *Bankruptcy and Insolvency Act (Canada)* (the "**BIA**"), the period within which a proposal may be filed on behalf of any or all of the Companies is extended to and including Friday, July 16, 2021.

VESTING ON SALE OF REDUNDANT EQUIPMENT

3. **THIS COURT ORDERS** the following with respect to the sale of Redundant Equipment as defined in this court's order dated April 16, 2021 (the "**April 16 Order**") and such further equipment as Royal Bank of Canada ("**RBC**") may agree in writing, for which the Companies were given authorization to sell by auction in the manner and subject to the terms and conditions provided in the April 16 Order:

   a. upon the delivery to a purchaser (the "**Purchaser**") of any item, part or whole of the Redundant Equipment or such further equipment as RBC may agree in writing (collectively, "**Purchased Assets**"), of a bill of sale in respect of such Purchased Assets from Canam Appraisz Inc. as auctioneer (the "**Bill of Sale**"), all the right, title and interest of the Companies (or any of them) in and to the applicable Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise ("**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the April 16 Order, and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (collectively, "**Encumbrances**"), and, for greater certainty, this Court orders that upon such delivery of the Bill of Sale, all of the Encumbrances affecting or relating to the applicable Purchased Assets shall be expunged and discharged as against the applicable Purchased Assets;

b. for the purposes of determining the nature and priority of Claims affecting or relating to Purchased Assets in respect of which a Bill of Sale has been delivered, the proceeds from the sale of those Purchased Assets (less the costs of disposition authorized by paragraph 21 of the April 16 Order) (collectively, the "**Net Proceeds**") shall stand in the place and stead of those Purchased Assets, and that from and after the delivery of that Bill of Sale all Claims and Encumbrances with respect to those Purchased Assets shall attach to the Net Proceeds from the sale of those Purchased Assets with the same priority as they had with respect to those Purchased Assets immediately prior to the sale, as if the said Purchased Assets had not been sold and remained in the possession or control of the Companies (or any of them);

c. notwithstanding (i) the pendency of these proceedings, (ii) any applications for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of the Companies or any of them and any bankruptcy order issued pursuant to any such applications, and (iii) any assignment in bankruptcy made in respect of the Companies or any of them, the vesting of the applicable Purchased Assets in the applicable Purchaser pursuant to this order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Companies or any of them and shall not be void or voidable by creditors of the Companies or any of them, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation; and

d. other than as provided herein, the April 16 Order is unchanged and remains in full force and effect in accordance with its terms.

APPROVAL OF PROPOSAL TRUSTEE'S FEES AND ACTIVITIES

4. **THIS COURT ORDERS** that the Second Report and the activities described therein be and are hereby approved, provided, however, that only the Proposal Trustee in its personal capacity, and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

5. **THIS COURT ORDERS** that the professional fees and disbursements of the Proposal Trustee and its independent legal counsel, Macdonald Sager Manis LLP, as set out in the Fee Affidavits (term defined in the Second Report), be and are hereby approved (the "**Approved Fees**").

6. **THIS COURT ORDERS** that the Companies are authorized to pay the Approved Fees from the Companies' available funds (and not, for greater certainty, from any of the Net Proceeds).

SEALING

7. **THIS COURT ORDERS** that Confidential Exhibit "1" to the Drexler May Affidavit be and hereby is sealed pending the earlier of a court order approving a proposal to creditors in respect of all of the Companies under the BIA, or further court order.

MISCELLANEOUS

8. **THIS COURT 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 Companies, the Proposal Trustee and their

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

Appendix "E"

Estate No. 35-2721716

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE MR.) FRIDAY, THE 28th
)
JUSTICE M. A. GARSON) DAY OF MAY, 2021

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

ORDER
(extension of time to file a proposal, vesting on sale, approval of proposal trustee's fees and activities, sealing)

THIS MOTION made by Drexler Construction Limited, Folmur Construction (2004) Limited, and Down Under Pipe and Cable Locating Limited (together, the "**Companies**") for the orders herein was heard this day at 80 Dundas St., London, by teleconference due to COVID-19.

ON READING the affidavit of Jerome Drexler sworn May 22, 2021 (the "**Drexler May Affidavit**") and the second report dated May 25, 2021 (the "**Second Report**") of Albert Gelman Inc. in its capacity as proposal trustee (in such capacity, the "**Proposal Trustee**") to the notice of intention to make a proposal ("**NOI**") proceedings of the Companies, and upon hearing the submissions of counsel for the Companies and the Proposal Trustee as well as those other parties present, as indicated in the counsel slip, no other parties being present although duly served as appears from the affidavit of service, filed:

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the motion record in respect of this motion and the Second Report is abridged and validated so that the motion is properly returnable today, and that further service thereof is dispensed with.

EXTENSION OF TIME TO FILE A PROPOSAL

2. **THIS COURT ORDERS** that, pursuant to Section 50.4(9) of the *Bankruptcy and Insolvency Act (Canada)* (the "**BIA**"), the period within which a proposal may be filed on behalf of any or all of the Companies is extended to and including Friday, July 16, 2021.

VESTING ON SALE OF REDUNDANT EQUIPMENT

3. **THIS COURT ORDERS** the following with respect to the sale of Redundant Equipment as defined in this court's order dated April 16, 2021 (the "**April 16 Order**") and such further equipment as Royal Bank of Canada ("**RBC**") may agree in writing, for which the Companies were given authorization to sell by auction in the manner and subject to the terms and conditions provided in the April 16 Order:

   a. upon the delivery to a purchaser (the "**Purchaser**") of any item, part or whole of the Redundant Equipment or such further equipment as RBC may agree in writing (collectively, "**Purchased Assets**"), of a bill of sale in respect of such Purchased Assets from Canam Appraisz Inc. as auctioneer (the "**Bill of Sale**"), all the right, title and interest of the Companies (or any of them) in and to the applicable Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise ("**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the April 16 Order, and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (collectively, "**Encumbrances**"), and, for greater certainty, this Court orders that upon such delivery of the Bill of Sale, all of the Encumbrances affecting or relating to the applicable Purchased Assets shall be expunged and discharged as against the applicable Purchased Assets;

b. for the purposes of determining the nature and priority of Claims affecting or relating to Purchased Assets in respect of which a Bill of Sale has been delivered, the proceeds from the sale of those Purchased Assets (less the costs of disposition authorized by paragraph 21 of the April 16 Order) (collectively, the "**Net Proceeds**") shall stand in the place and stead of those Purchased Assets, and that from and after the delivery of that Bill of Sale all Claims and Encumbrances with respect to those Purchased Assets shall attach to the Net Proceeds from the sale of those Purchased Assets with the same priority as they had with respect to those Purchased Assets immediately prior to the sale, as if the said Purchased Assets had not been sold and remained in the possession or control of the Companies (or any of them);

c. notwithstanding (i) the pendency of these proceedings, (ii) any applications for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of the Companies or any of them and any bankruptcy order issued pursuant to any such applications, and (iii) any assignment in bankruptcy made in respect of the Companies or any of them, the vesting of the applicable Purchased Assets in the applicable Purchaser pursuant to this order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Companies or any of them and shall not be void or voidable by creditors of the Companies or any of them, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation; and

d. other than as provided herein, the April 16 Order is unchanged and remains in full force and effect in accordance with its terms.

APPROVAL OF PROPOSAL TRUSTEE'S FEES AND ACTIVITIES

4. **THIS COURT ORDERS** that the Second Report and the activities described therein be and are hereby approved, provided, however, that only the Proposal Trustee in its personal capacity, and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

5. **THIS COURT ORDERS** that the professional fees and disbursements of the Proposal Trustee and its independent legal counsel, Macdonald Sager Manis LLP, as set out in the Fee Affidavits (term defined in the Second Report), be and are hereby approved (the "**Approved Fees**").

6. **THIS COURT ORDERS** that the Companies are authorized to pay the Approved Fees from the Companies' available funds (and not, for greater certainty, from any of the Net Proceeds).

SEALING

7. **THIS COURT ORDERS** that Confidential Exhibit "1" to the Drexler May Affidavit be and hereby is sealed pending the earlier of a court order approving a proposal to creditors in respect of all of the Companies under the BIA, or further court order.

MISCELLANEOUS

8. **THIS COURT 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 Companies, the Proposal Trustee and their

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

Appendix "F"

Estate / Court File Nos: 35-2721716
35-2721875
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE

In the Matter of the Notices of Intention to Make a Proposal Proceedings of Drexler Construction Limited, Folmur Construction (2004) Ltd. and Down Under Pipe and Cable Locating Ltd. Corporations Incorporated under the Ontario *Business Corporations Act*

SECOND REPORT OF ALBERT GELMAN INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE

(Dated May 25, 2021)

I. INTRODUCTION

1. This second report ("**Second Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as proposal trustee (the "**Proposal Trustee**") in connection with Notices of Intention to Make a Proposal ("**NOI**") filed by Drexler Construction Limited ("**Drexler**"), Folmur Construction (2004) Ltd. ("**Folmur**") and Down Under Pipe and Cable Locating Ltd. ("**Down Under**"; and together with Drexler and Folmur, the "**Companies**") on March 18, 2021 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). Attached hereto at **Appendix "A"** are copies of the NOI and Certificates of Appointment issued by the Office of the Superintendent of Bankruptcy for each of the Companies.

2. On April 16, 2021 on a motion made by the Companies the Honourable Justice Gorman granted an order (the "**April 16 Order**") approving, among other things, an administrative consolidation of the Companies proposal proceedings, an extension of the stay of proceedings afforded under the NOI to June 1, 2021 (the "**First Stay Extension**"), the DIP Facility and DIP Charge (both terms defined in the First Report), an administrative charge and the sale of certain Redundant Equipment. A copy of the April 16 Order and related Endorsements are attached hereto as **Appendix "B"**.

3. The Trustee prepared a report in respect of the April 16, 2021 motion dated April 12, 2021 (the "**First Report**"). Attached hereto as **Appendix "C"** is a copy of the First Report, without appendices. The Trustee also prepared a report supplementing its First Report dated April 14, 2021 (the "**Supplementary First Report**"). The purpose of the Supplementary First Report was to provide the Court with information pertaining the revised terms of the DIP Facility vis-à-vis how it was to be advanced to the Companies. Attached hereto as **Appendix "D"** is a copy of the Supplementary First Report, without appendices

4. The Companies are making a motion to the Court returnable May 28, 2021 (the "**May 28 Motion**") seeking various relief. This Second Report has been prepared in response to and in support of the Companies' May 28 Motion.

5. On its May 28 Motion, the Companies are seeking, amongst other things, an Order:

   a. further extending the time for each of the Companies to file a proposal to July 16, 2021 (the "**Second Stay Extension**"); and,

   b. sealing the unredacted version of the Auction Agreement (defined below) in respect of the Redundant Equipment;

   c. augmenting the April 16 Order with respect to the auction sales of the Redundant Equipment to provide for vesting-upon-sale orders; and,

   d. approving the activities and fees of the Proposal Trustee and its counsel.

6. The Companies' have filed with their May 28 Motion the affidavit of Jerome Drexler sworn May 22, 2021 (the "**Drexler May Affidavit**"), in support of the relief being sought. The Proposal Trustee has reviewed the Drexler May Affidavit and has no reason to doubt or otherwise challenge the facts attested to therein.

7. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Companies at their May 28 Motion.

II. PURPOSE OF THIS REPORT

8. The purpose of this First Report is to:

   a. provide the Court with relevant information pertaining to the Companies and the relief being sought which is not otherwise described in the Drexler May Affidavit;

   b. provide information to the Court regarding the actions and activities of both the Proposal Trustee and the Companies subsequent to the date of the First Report; and,

   c. provide the Court with the Proposal Trustee's recommendations in respect of the relief sought by the Companies.

III. SCOPE AND TERMS OF REFERENCE

9. In preparing this Second Report, the Proposal Trustee has relied upon certain unaudited financial information, the Companies' books and records, discussions with Mr. Anthony Alfred Drexler, a shareholder, officer and director of each of the Companies, discussions with Mr. Peter Farmer, the Companies internal accountant, discussions with representatives RLB LLP, the Companies' external accountant and discussions with the Companies' legal counsel, Goldman Sloan Nash Haber LLP.

10. While the Proposal Trustee has reviewed various documents provided by Mr. Anthony Alfred Drexler, Mr. Farmer and others, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**") or otherwise. Accordingly, the Proposal Trustee

expresses no opinion or other form of assurance pursuant to GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

11. This Second Report has been prepared for the use of this Court and the Companies' stakeholders as general information relating to the Companies and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Second 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 Second Report contrary to the provisions of this paragraph.

12. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.

13. Terms not otherwise defined herein shall have the meanings ascribed to them in the First Report.

IV. ACTIVITIES OF THE COMPANIES

14. Since the date of the filing of the First Report the Companies have undertaken, among other things, the following activities:

a. retained GreySuits Advisors Inc. to act as its external Chief Financial Officer and advisor to, among other things, oversee the Companies internal accounting processes, prepare short and long-term cash flow forecasting models, assist the Companies with obtaining long-term financing and provide general financial advice;

b. closed the transaction with Corwin Mortgage Capital Inc. ("**CMCI**") to obtain debtor-in-possession financing (defined in the First Report as the "DIP Facility"). As of the date of this report the Companies have not made any draws on the DIP Facility;

c. retained a mortgage broker (the "**Broker**") to assist the Companies in obtaining long-term financing. There is one prospective lender who was excluded (the "**Excluded Lender**") from the list of lenders which the Broker could actively solicit due to the fact that the Companies were previously negotiating with the Excluded Lender prior to filing the NOI's and thus prior to retaining the Broker. As described in more detail below, the Companies and the Proposal Trustee are negotiating directly with the Excluded Lender;

d. entered into an agreement the Canam Appraiz Inc. ("**Canam**") dated May 21, 2021 (the "**Auction Agreement**") to auction the Redundant Equipment which process is described in more detail below;

e. continue to have informal discussions with various secured and unsecured creditors in respect of the restructuring proceedings;

f. continue to attend meetings with the Proposal Trustee to discuss the Companies' objectives and options in respect of these restructuring proceedings;

g. prepared its Revised Cash Flow Forecasts (defined below) with the assistance of the Proposal Trustee; and

h. provided the Proposal Trustee, on an ongoing basis, with financial and other information in order to allow the Proposal Trustee to monitor its cash receipts and disbursements.

15. The Companies are requesting an extension of time to file their proposals so that they may, among other things, continue to canvass the market to find additional long-term financing options so as to, *inter alia*, repay the RBC Debt, repay the DIP Facility and provide additional working capital to the Companies. As further discussed below, the Proposal Trustee supports the Companies' request for the Second Stay Extension.

V. ACTIVITIES OF THE PROPOSAL TRUSTEE

16. Since the date of the First Report the Proposal Trustee has undertaken, among other things, the following activities:

a. assisted the Companies with retaining the Broker;

b. engaged in discussion with the Excluded Lender;

c. assisted the Companies in retaining GreySuits Advisors Inc. to act as an external CFO and advisor;

d. corresponded with RBC's legal counsel to provide updated information in respect of these restructuring proceedings and other matters as requested by RBC's legal counsel;

e. assisted the Companies with the preparation of the Revised Cash Flow Forecasts (defined below);

f. monitored on a regular basis the Companies' cash receipts and disbursements and compared same to the original weekly cash flow projections prepared by the Companies' for material variances;

g. continued to communicate extensively with management of the Companies, the Companies' internal accountant and the Companies' legal counsel to discuss, among other things, the following;

    i. the business, financial affairs and future prospects of the Companies;

    ii. the options available to the Companies in relation to the NOI proceedings; and,

    iii. long-term financing options for the Companies';

h. communicated with several creditors and other stakeholders who contacted the Proposal Trustee directly regarding the status of these restructuring proceedings; and,

i. maintained a Case Webpage with electronic copies of the Court materials related to these restructuring proceedings, located at www.albertgelman.com/corporate-solutions/other-engagements/#d.

VI. LONG-TERM FINANCING

17. As noted above and in the First Report, the Companies are seeking long-term financing to, among other things, repay the RBC Debt, repay the DIP Facility and provide additional working capital to the Companies. Further, it is the intention of Drexler to use a portion of the long-term to fund the development of the Vacant Development Land, once Drexler obtains site plan approval from the municipality.

18. The Companies, together with the Proposal Trustee, have been in discussions with the Broker who is actively soliciting lenders to obtain the long-term secured financing. The Companies have worked diligently during these restructuring proceedings to prepare and provide the updated financial and other information requested by the Broker which information is necessary to present to potential lenders.

19. As of the date of the Second Report the Companies are continuing to provide the requested financial information to various lender and expect to receive several lending proposals shortly. Further, discussions with the Excluded Lender have continued to progress such that the Proposal Trustee expects to receive a lending proposal shortly form the Excluded Lender. The Proposal Trustee will report further to the Court at a later date in this regard.

VII. SALE OF REDUNDANT ASSETS

20. In accordance with paragraphs 20 and 21 of the April 16 Order Drexler has entered into the Auction Agreement with Canam to sell the Redundant Equipment. The auction is expected to take place within 45 days of the date of the Auction Agreement and the auction proceeds will be distributed to the Companies' legal counsel within 10 business days following the completion of the auction in order to ensure that the funds are distributed in accordance with the terms of the April 16, 2021 Order. In order to ensure that the appraised values of the Redundant Equipment are obtained in the auction Canam has provided a net minimum guarantee to Drexler for the appraised values of the Redundant Equipment, less commission of 15% and expenses of $25,000 plus HST.

21. Due to the fact that Schedule "A" to the Auction Agreement contains the appraised values of the Redundant Equipment the Companies are requesting that the unredacted version of the Auction Agreement be sealed pending further Order of the Court. A redacted version of the Auction Agreement is included as Exhibit "C" to the Drexler May Affidavit. An unredacted version of the Auction Agreement is attached to the Drexler May Affidavit as Confidential Exhibit "1". It is the Trustee's Opinion that that the unredacted Auction Agreement contains information which is commercially sensitive and should not be made available to the general public until the conclusion of efforts to sell the Redundant Equipment.

22. The Companies are seeking that the April 16 Order be augmented such that it would now include ‘vesting-upon-sale’ provisions with respect to the sale of the Redundant Equipment sold at auction by Canam. This relief, if granted, would provide that each piece of Redundant Equipment sold would vest free and clear of any and all encumbrances in its respective purchaser upon Canam issuing a bill of sale to that purchaser. Otherwise, the April 16 Order would remain in force in accordance with its terms including without limitation as to the assets that had been approved for sale (i.e., Redundant Equipment and those other assets of which RBC authorizes the sale) and the minimum sale prices (i.e., based on sealed appraisals). In the Proposal Trustee’s opinion this relief would allow the auction process to operate in a more efficient manner, would not prejudice any party to these restructuring proceeding, would reduce administrative costs and is commercially reasonably in the circumstances. It is a common mechanism in restructurings or receiverships involving auction-type sales. The Proposal Trustee supports the Companies’ request for this relief.

VIII. REVISED CASH FLOW FORECASTS

23. On May 22, 2021 the Companies each filed with the Proposal Trustee a revised statement of projected cash flows prepared on a weekly basis for the period of May 17 to August 29, 2021 (“**Revised Cash Flow Forecasts**”), along with management’s report on the reasonableness of the Cash Flow Forecast, in accordance with subsection 50.4(2) of the BIA. Attached hereto as **Appendix “E”** are copies of the Revised Cash Flow Forecasts along with management’s and the Proposal Trustee’s report thereon. The Proposal Trustee’s comments in respect of the Revised Cash Flow Forecasts are as follows:

a. in the original Cash Flow Forecasts (included with the First Report) it was anticipated that by May 22, 2021 Drexler would be required to utilize approximately $150,000 of the DIP Facility. As of the date of this Second Report, neither Drexler nor Folmur have utilized the DIP Facility as many of their suppliers continue to supply on credit terms, as opposed to requiring cash on delivery;

b. as set out in the Revised Cash Flow Forecasts it is anticipated that Drexler will utilize approximately $500,000 of the DIP Facility by mid to late June 2021. This amount of DIP Facility utilization is below the threshold amount as set out in paragraph 8 of the April 16 Order and, therefore, does not require any additional approvals from either the Proposal Trustee or RBC; and,

c. the original Cash Flow Forecast for Drexler projected that a receivable of $759,318 owing from 2670362 Ontario Inc. (“**267Co.**”), a Company owned and operated by Kevin Drexler, would be collected, in full, during the week ended May 8, 2021. As of the date of this Second Report approximately $111,000 has been collected from 267Co. The Revised Cash Flow Forecast for

> Drexler indicates that this receivable will now be collected, in full, during the week ended July 18, 2021. The Proposal Trustee has been advised by Kevin Drexler that 267Co. owns real property and that the receivable relates to Drexler having serviced the land. 267Co intends on developing the land, however, at the current time, 267Co. is waiting for approval from the local municipality before it can begin to sell units. Once 267Co. is able to sell condo units it will have sufficient funds to repay the amount owing to Drexler.

24. In the Proposal Trustee's opinion, the Revised Cash Flow Forecasts demonstrate that the Companies can, with the utilization of the DIP Facility, continue to operate in the ordinary course during the forecast period without material prejudice to any of the Companies' creditors.

IX. CANADA REVENUE AGENCY

25. In its First Report the Proposal Trustee advised that it would provide an update to the Court with respect to amounts owing by each of the Companies to the Canada Revenue Agency ("**CRA**").

Drexler Construction Limited

26. According to a proof of claim which was filed by the CRA with the Proposal Trustee dated March 29, 2021 (the "**CRA Drexler Claim**") the arrears of HST owing by Drexler up to and including the period ended January 31, 2021 was $213,121. The Trustee estimates that once the CRA processes Drexler's February 2021 and stub-period March 2021 HST returns the pre-NOI HST arrears will decrease by $85,858 to $127,163.

27. According to the CRA Drexler Claim, the pre-NOI amount owing by Drexler to the CRA with respect to unpaid source deduction is $1,724.

Folmur Construction (2004) Ltd.

28. According to a proof of claim which was filed by the CRA with the Proposal Trustee dated March 29, 2021 (the "**CRA Folmur Claim**") the arrears HST owing by Folmur up to and including the period ended August 31, 2020 was $145,061. The Trustee estimates that once the CRA processes Folmur's remaining returns up to the NOI date, the pre-NOI HST arrears will increase by $134,113 to $279,174.

29. According to the CRA Folmur Claim, the pre-NOI amount owing by Folmur to the CRA with respect to unpaid source deduction is $59,591.

Down Under Pipe and Cable Locating Ltd.

30. The Trustee has not yet received a proof of claim from the CRA in respect of Down Under. However, based on the books and records of Down Under it appears that the amounts owing to the CRA in respect of HST and source deduction are nil.

X. REQUEST FOR EXTENSION

31. The Companies are seeking the Second Stay Extension pursuant to subsection 50.4(9) of the BIA.

32. The Proposal Trustee supports the Second Stay Extension as it is of the opinion that:

   a. the Companies have acted, and are acting, in good faith and with due diligence;

   b. the Companies would likely be able to make a viable Proposal if the extension being applied for were granted; and,

   c. no creditor would be materially prejudiced if the extension being applied for were granted.

33. The Proposal Trustee is also of the opinion that a Proposal developed by the Companies would likely result in a more orderly and efficient process to distribute funds to the Companies' secured and unsecured creditors than a shut down of the Companies and forced liquidation of the Companies' assets.

XI. ACCOUNTS OF THE PROPOSAL TRUSTEE AND ITS COUNSEL

34. In accordance with paragraph 24 of the April 16 Order the fees and disbursements of the Proposal Trustee and its counsel may be approved by the Court and referred to a judge for such purpose.

35. Attached hereto as **Appendix "F"** is the Affidavit of Bryan Gelman regarding the Proposal Trustee's fees to May 17, 2021 accompanied by the supporting time dockets (the "**Proposal Trustee Fee Affidavit**").

36. The Proposal Trustee is of the opinion that its fees, as set out in the Proposal Trustee Fee Affidavit, are fair and reasonable, justified in the circumstances, and accurately reflect the work done by the Proposal Trustee in connection with these NOI proceedings.

37. Attached hereto as **Appendix "G"** is the Affidavit of Howard Manis regarding the fees and disbursements of Macdonald Sager Manis LLP ("**MSM**"), counsel to the Proposal Trustee, to May 22, 2021 accompanied by the supporting time dockets (the "**Legal Counsel Fee Affidavit**").

38. It is the Proposal Trustee's opinion that the fees and disbursements of MSM, as set out in the Legal Counsel Fee Affidavit are fair and reasonable, justified in the circumstances, and accurately reflect the work done on behalf of the Proposal Trustee (as instructed and authorized by the Proposal Trustee) by MSM in connection with these NOI proceedings.

39. The Proposal Trustee therefore requests and recommends the approval the fees and disbursements set out in both the Proposal Trustee Fee Affidavit and the Legal Counsel Fee Affidavit (collectively, the "**Fee Affidavits**").

XII. PROPOSAL TRUSTEE'S RECOMMENDATION

40. For the reasons explained herein, the Proposal Trustee respectfully recommends that this Honourable Court make an Order or Orders approving:

a. the actions and activities of the Proposal Trustee as described in this Second Report;

b. the Second Stay Extension;

c. sealing of the unredacted version of the Auction Agreement;

d. the augmentation of the April 16 Order with respect to the auction sales of the Redundant Equipment to provide for vesting-upon-sale orders; and,

e. the fees and disbursements of the Proposal Trustee and its legal counsel as set out in the Fee Affidavits.

All of which is respectfully submitted this 25th day of May 2021

ALBERT GELMAN INC., solely in its
capacity as Trustee of *re* the Notice of
Intention to Make a Proposal of Drexler
Construction Limited, Folmur Construction
(2004) Ltd. and Down Under Pipe and Cable Locating Ltd.
and not its Personal or any other Capacity

Per: ________________________________
Bryan Gelman, *CIRP, LIT*

Appendix "G"

Estate No. 35-2721716

ONTARIO

SUPERIOR COURT OF JUSTICE

THE HONOURABLE MR.	)	FRIDAY, THE 16th
	)	
JUSTICE GARSON	)	DAY OF JULY, 2021

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

ORDER
(extension of time to file a proposal, approval of proposal trustee's fees and activities)

THIS MOTION made by Drexler Construction Limited, Folmur Construction (2004) Limited, and Down Under Pipe and Cable Locating Limited (together, the "**Companies**") for the orders herein was heard this day at 80 Dundas St., London, by teleconference due to COVID-19.

ON READING the affidavit of Jerome Drexler sworn July 12, 2021 and the third report dated July 13, 2021 (the "**Third Report**") of Albert Gelman Inc. in its capacity as proposal trustee (in such capacity, the "**Proposal Trustee**") to the notice of intention to make a proposal ("**NOI**") proceedings of the Companies, and upon hearing the submissions of counsel for the Companies and the Proposal Trustee as well as those other parties present, as indicated in the counsel slip, no other parties being present although duly served as appears from the affidavit of service, filed:

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the motion record in respect of this motion and the Third Report is abridged and validated so that the motion is properly returnable today, and that further service thereof is dispensed with.

EXTENSION OF TIME TO FILE A PROPOSAL

2. **THIS COURT ORDERS** that, pursuant to Section 50.4(9) of the *Bankruptcy and Insolvency Act (Canada)* (the "**BIA**"), the period within which a proposal may be filed on behalf of any or all of the Companies is extended to and including Monday, August 30, 2021.

APPROVAL OF PROPOSAL TRUSTEE'S FEES AND ACTIVITIES

3. **THIS COURT ORDERS** that the Third Report and the activities described therein be and are hereby approved, provided, however, that only the Proposal Trustee in its personal capacity, and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

4. **THIS COURT ORDERS** that the professional fees and disbursements of the Proposal Trustee and its independent legal counsel, Macdonald Sager Manis LLP, as set out in the Fee Affidavits (term defined in the Third Report), be and are hereby approved (the "**Approved Fees**").

5. **THIS COURT ORDERS** that the Companies are authorized to pay the Approved Fees from the Companies' available funds (which for greater certainty does not include the net proceeds of sales of Redundant Equipment as described in the Third Report).

MISCELLANEOUS

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

GARSON

Estates No. 35-2721716

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced in LONDON

ORDER

(extension of time to file a proposal, approval of proposal trustee's fees and activities)

GOLDMAN SLOAN NASH & HABER LLP
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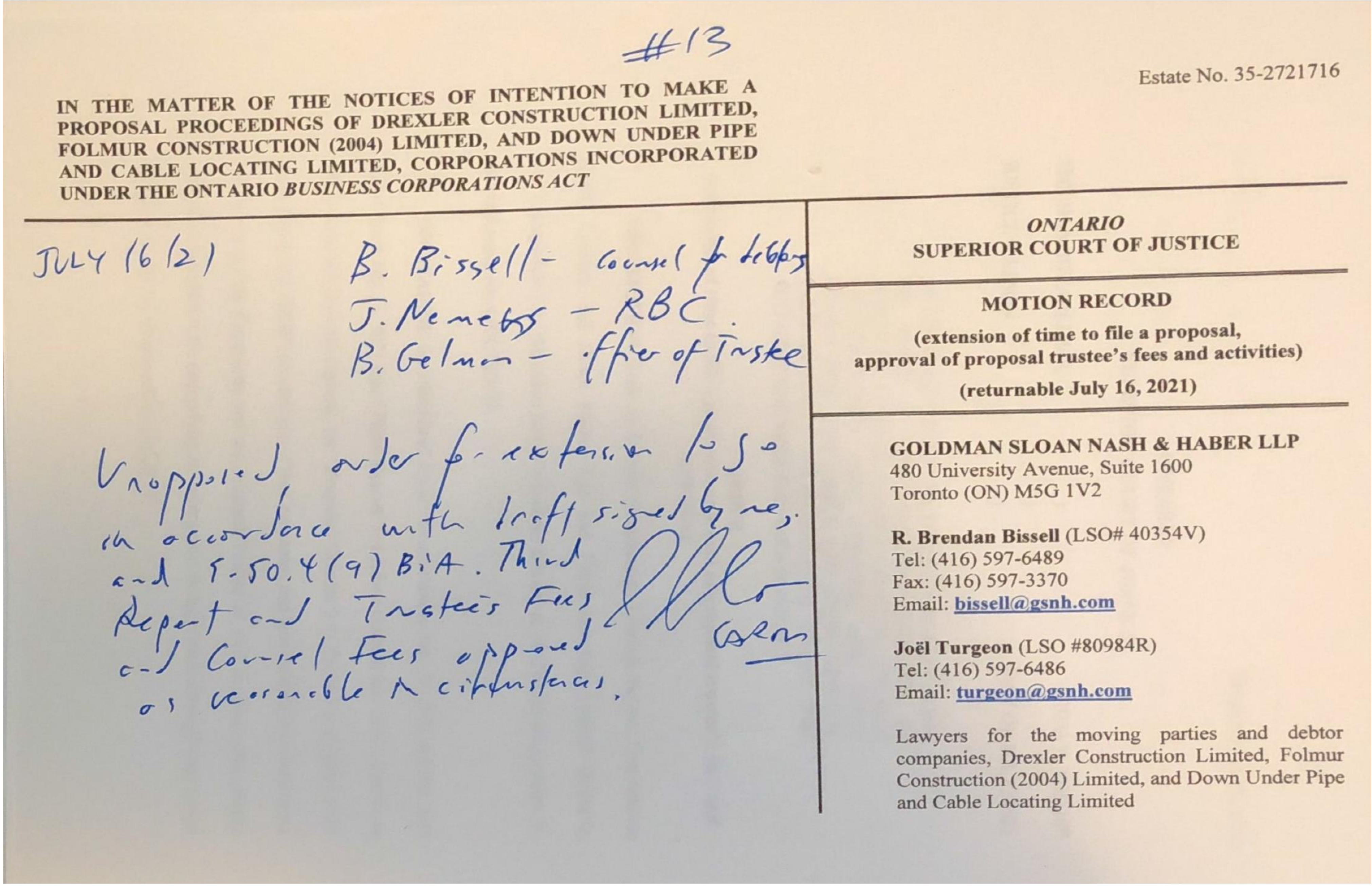
Lawyers for Drexler Construction Ltd., Folmur Construction (2004) Ltd., and Down Under Pipe and Cable Locating Ltd.



#13

Estate No. 35-2721716

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

ONTARIO
SUPERIOR COURT OF JUSTICE

MOTION RECORD

(extension of time to file a proposal, approval of proposal trustee's fees and activities)

(returnable July 16, 2021)

JULY 16/21

B. Bissell – counsel for debtors
J. Nemers – RBC.
B. Gelman – office of Trustee

Unopposed order for extension to Sept in accordance with draft signed by me, and s. 50.4(9) BIA. Third Report and Trustee's Fees and Counsel Fees approved as reasonable in circumstances.

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto (ON) M5G 1V2

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Lawyers for the moving parties and debtor companies, Drexler Construction Limited, Folmur Construction (2004) Limited, and Down Under Pipe and Cable Locating Limited

Appendix "H"

Estate / Court File Nos: 35-2721716
35-2721875
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE

In the Matter of the Notices of Intention to Make a Proposal Proceedings of Drexler Construction Limited, Folmur Construction (2004) Ltd. and Down Under Pipe and Cable Locating Ltd. Corporations Incorporated under the Ontario *Business Corporations Act*

THIRD REPORT OF ALBERT GELMAN INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE

(Dated July 13, 2021)

I. INTRODUCTION

1. This third report ("**Third Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as proposal trustee (the "**Proposal Trustee**") in connection with Notices of Intention to Make a Proposal ("**NOI**") filed by Drexler Construction Limited ("**Drexler**"), Folmur Construction (2004) Ltd. ("**Folmur**") and Down Under Pipe and Cable Locating Ltd. ("**Down Under**"; and together with Drexler and Folmur, the "**Companies**") on March 18, 2021 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). Attached hereto at **Appendix "A"** are copies of the NOI and Certificates of Appointment issued by the Office of the Superintendent of Bankruptcy for each of the Companies.

2. On April 16, 2021, on a motion made by the Companies, the Honourable Justice Gorman granted an order (the "**April 16 Order**") approving, among other things, an administrative consolidation of the Companies proposal proceedings, an extension of the stay of proceedings afforded under the NOI to June 1, 2021 (the "**First Stay Extension**"), the DIP Facility and DIP Charge (both terms defined in the First Report), an administrative charge and the sale of certain Redundant Equipment. A copy of the April 16 Order and related Endorsements are attached hereto as **Appendix "B"**.

3. The Trustee prepared a report dated April 12, 2021 in relation to the April 16, 2021 motion (the "**First Report**"). Attached hereto as **Appendix "C"** is a copy of the First Report, without appendices. The Trustee also prepared a report supplementing its First Report dated April 14, 2021 (the "**Supplementary First Report**"). The purpose of the Supplementary First Report was to provide the Court with information pertaining the revised terms of the DIP Facility. Attached hereto as **Appendix "D"** is a copy of the Supplementary First Report, without appendices.

4. On May 28, 2021, the Honourable Justice M. A. Garson granted an order (the "**May 28 Order**") approving, among other things, an extension of the stay of proceedings afforded under the NOI to July 16, 2021 (the "**Second Stay Extension**"), a change to the April 16 Order with respect to the sale of Drexler's

Redundant Equipment, and the activities and fees of the Proposal Trustee and its legal counsel. A copy of the May 28 Order and related Endorsement are attached hereto as **Appendix "E"**.

5. The Trustee's report dated May 25, 2021 filed in relation to the May 28, 2021 motion (the "**Second Report**") is attached hereto as **Appendix "F"**, without appendices.

6. This Third Report has been prepared in response to the Companies' July 16 Motion (the "**July 16 Motion**") seeking an Order:

a. further extending the time for each of the Companies to file a proposal to August 30, 2021 (the "**Third Stay Extension**"); and,

b. approving this Third Report and the activities and fees of the Proposal Trustee and its legal counsel.

7. Included in their motion materials is the affidavit of Jerome Drexler sworn July 12, 2021 (the "**Drexler July Affidavit**"), in support of the relief being sought. The Proposal Trustee has reviewed the Drexler July Affidavit and has no reason to doubt or otherwise challenge the facts attested to therein.

8. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Companies at their July 16 Motion.

II. PURPOSE OF THIS REPORT

9. The purpose of this Third Report is to:

a. provide the Court with relevant information pertaining to the Companies and the relief being sought which is not otherwise described in the Drexler July Affidavit;

b. provide information to the Court regarding the actions and activities of both the Proposal Trustee and the Companies subsequent to the date of the Second Report; and,

c. provide the Court with the Proposal Trustee's recommendations in respect of the relief sought by the Companies.

III. SCOPE AND TERMS OF REFERENCE

10. In preparing this Third Report, the Proposal Trustee has relied upon certain unaudited financial information, the Companies' books and records, discussions with Mr. Anthony Alfred Drexler, a shareholder, officer and director of each of the Companies, discussions with representatives of GreySuits Advisors Inc., the Companies external CFO (the "**CFO**"), discussions with representatives RLB LLP ("**Accountant**"), the Companies' external accountant and discussions with the Companies' legal counsel, Goldman Sloan Nash Haber LLP.

11. While the Proposal Trustee has reviewed various documents provided by management and others, such review does not constitute an audit or verification of such information for accuracy, completeness or

compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**") or otherwise. Accordingly, the Proposal Trustee expresses no opinion or other form of assurance pursuant to GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

12. This Third Report has been prepared for the use of this Court and the Companies' stakeholders as general information relating to the Companies and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Third 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 Third Report contrary to the provisions of this paragraph.

13. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.

14. Terms not otherwise defined herein shall have the meanings ascribed to them in either the First Report or the Second Report.

IV. ACTIVITIES OF THE COMPANIES

15. Since the date of the filing of the Second Report the Companies have undertaken, among other things, the following activities:

a. terminated the internal accountant/controller whose function is now fulfilled by the CFO;

b. continued to work with their Accountant to prepare the necessary financial statements, for the year ended March 31, 2021, and other financial information to distribute to prospective lenders through the Broker and, by the Proposal Trustee, to the Excluded Lender;

c. continue to have informal discussions with various secured and unsecured creditors in respect of the restructuring proceedings;

d. continue to attend meetings with the Proposal Trustee to discuss the Companies' objectives and options in respect of these restructuring proceedings; and,

e. provided the Proposal Trustee, on an ongoing basis, with financial and other information in order to allow the Proposal Trustee to monitor the Companies' cash receipts and disbursements.

16. The Companies are requesting an extension of time to file their proposals so that they may, among other things, continue to canvass the market, with the assistance of the Broker, to find additional long-term financing options so as to, *inter alia*, repay the RBC Debt and provide additional working capital to the Companies. As further discussed below, the Proposal Trustee supports the Companies' request for the Third Stay Extension.

V. ACTIVITIES OF THE PROPOSAL TRUSTEE

17. Since the date of the Second Report the Proposal Trustee has undertaken, among other things, the following activities:

a. continued to work with both the Broker and Excluded Lender to assist the Companies with their objective of securing long-term financing;

b. corresponded with RBC's legal counsel to provide updated information in respect of these restructuring proceedings and other matters as requested by RBC's legal counsel;

c. monitored on a regular basis the Companies' cash receipts and disbursements and compared same to the Revised Cash Flow Forecasts prepared by the Companies' for material variances;

d. continued to communicate extensively with management of the Companies, their CFO and Accountant, as well as the Companies' legal counsel to discuss, among other things, the following;

   i. the business, financial affairs and future prospects of the Companies;

   ii. the options available to the Companies in relation to the NOI proceedings; and,

   iii. long-term financing options for the Companies';

e. communicated with several creditors and other stakeholders who contacted the Proposal Trustee directly regarding the status of these restructuring proceedings; and,

f. maintained a Case Webpage with electronic copies of the Court materials related to these restructuring proceedings, located at www.albertgelman.com/corporate-solutions/other-engagements/#d.

VI. LONG-TERM FINANCING

18. The Companies are seeking long-term financing to repay the RBC Debt, to provide additional working capital to the Companies and to provide capital to fund the development of the Vacant Development Land (once Drexler obtains site plan approval from the municipality, which we understand is in process).

19. The Companies, together with the Proposal Trustee, continue to engage in discussions with the Broker who is actively soliciting lenders to obtain the long-term secured financing. The Companies have worked diligently during these restructuring proceedings to prepare and provide the updated financial and other information requested by the Broker which information is necessary to present to potential lenders.

20. The Proposal Trustee anticipates that the Companies will provide the Broker and Excluded Lender with final versions of financial statements and other financial information on or before July 23, 2021, at which point the Companies expect to receive financing term sheets. The Proposal Trustee will report further to the creditors and/or the Court at a later date in this regard.

VII. SALE OF REDUNDANT ASSETS

21. In accordance with paragraphs 20 and 21 of the April 16 Order (and as augmented by paragraph 3 of the May 28 Order) on May 21, 2021 Drexler entered into the Auction Agreement with Canam to sell the Redundant Equipment.

22. The auction was scheduled for June 28, 2021.

23. Prior to the auction date, Drexler's management advised the Proposal Trustee that they would be adding and removing certain pieces of equipment to/from the auction (which was provided for at paragraph 2(d) of the Auction Agreement) as some substantial items were now needed on current jobs and it would no longer make economic sense for Drexler to rent this equipment to complete these jobs. This caused no issue of compliance with the April 16 and May 28 Orders as the terms are permissive rather than prescriptive as to the Companies' authorization to sell Redundant Equipment outside the ordinary course of business. As a result of the addition/removal of certain equipment from the auction Canam reduced its net minimum guarantee ("**NMG**") from $560,000 to $496,000.

24. The Proposal Trustee advised representatives of RBC of the changes to the NMG. Following a discussion between the parties it was agreed that Drexler would pay up to $64,000 (the difference in the original and revised NMG) directly to RBC in the event that the auction proceeds were less than the original NMG of $560,000.

25. On July 7, 2021 Canam reported the outcome of the auction to Drexler and the Proposal Trustee. The net proceeds from the auction, after deducting Canam's commission and expenses, was $453,743.80, which amount was below the NMG. However, in accordance with the Auction Agreement, Canam delivered a bank draft in the amount of $496,050.00 to Drexler's legal counsel.

26. In accordance with the April 16 Order $1,724 was paid to CRA in respect of Drexler's outstanding source deduction claim and the balance of $494,267, plus an additional $64,000 representing the difference between the original and revised NMG, for a total of $558,276 will be paid to RBC in due course.

VIII. REVISED CASH FLOW FORECASTS

27. On May 22, 2021 the Companies each filed with the Proposal Trustee a revised statement of projected cash flows prepared on a weekly basis for the period of May 17 to August 29, 2021 (defined in the Second Report as the "Revised Cash Flow Forecasts"). As noted above, the Proposal Trustee has been monitoring the Companies' cash receipts and disbursements on a regular basis and comparing actual results to those which were forecasted. The Trustee's comments with respect to its monitoring activities for the week beginning May 17, 2021 (the start date of the Revised Cash Flow Forecasts) to the week ending July 4, 2021 are set out below.

Drexler

28. The Revised Cash Flow Forecasts projected that Drexler's cash on hand would be $263,090 as at July 4, 2021, after having utilized $500,000 of the DIP Loan. As at July 4, 2021 Drexler's actual cash on hand

was $738,797 without Drexler having utilized any of the DIP Loan. This is a positive variance of approximately $1 million. Management have advised the Proposal Trustee that this positive variance is largely due to the fact that Drexler's vendors are continuing to extend Drexler creditor during these restructuring proceedings due to their prior long-standing working relationships with Drexler.

Folmur

29. The Revised Cash Flow Forecasts projected that Folmur's cash on hand would be $562,754 as at July 4, 2021. As at July 4, 2021 Folmur's actual cash on hand was $777,536. This is a positive variance of approximately $200,000. Folmur's actual cash receipts and disbursements have been relatively consistent with those projected in the Revised Cash Flow Forecasts.

Down Under

30. Folmur's actual cash receipts and disbursements have been relatively consistent with those projected in the Revised Cash Flow Forecasts.

31. After reviewing the actual cash flow results and comparing them with the projected amounts it is the Proposal Trustee's opinion that the Companies can continue to operate in the ordinary course during the forecast period without any material prejudice to any of the Companies' creditors.

IX. REQUEST FOR EXTENSION

32. The Companies are seeking the Third Stay Extension pursuant to subsection 50.4(9) of the BIA. The Proposal Trustee supports the Third Stay Extension as it is of the opinion that:

a. the Companies have acted, and are acting, in good faith and with due diligence;

b. the Companies would likely be able to make a viable Proposal if the extension being applied for were granted; and,

c. no creditor would be materially prejudiced if the extension being applied for were granted.

X. ACCOUNTS OF THE PROPOSAL TRUSTEE AND ITS COUNSEL

33. In accordance with paragraph 24 of the April 16 Order the fees and disbursements of the Proposal Trustee and its counsel may be approved by the Court and referred to a judge for such purpose.

34. Attached hereto as **Appendix "G"** is the Affidavit of Bryan Gelman regarding the Proposal Trustee's fees to July 9, 2021 accompanied by the supporting time dockets (the "**Second Proposal Trustee Fee Affidavit**").

35. The Proposal Trustee is of the opinion that its fees, as set out in the Second Proposal Trustee Fee Affidavit, are fair and reasonable, justified in the circumstances, and accurately reflect the work done by the Proposal Trustee in connection with these NOI proceedings.

36. Attached hereto as **Appendix "H"** is the Affidavit of Howard Manis regarding the fees and disbursements of Macdonald Sager Manis LLP ("**MSM**"), counsel to the Proposal Trustee, to July 9, 2021 accompanied by the supporting time dockets (the "**Second Legal Counsel Fee Affidavit**").

37. It is the Proposal Trustee's opinion that the fees and disbursements of MSM, as set out in the Second Legal Counsel Fee Affidavit are fair and reasonable, justified in the circumstances, and accurately reflect the work done on behalf of the Proposal Trustee (as instructed and authorized by the Proposal Trustee) by MSM in connection with these NOI proceedings.

38. The Proposal Trustee therefore requests and recommends the approval the fees and disbursements set out in both the Second Proposal Trustee Fee Affidavit and the Second Legal Counsel Fee Affidavit (collectively, the "**Fee Affidavits**").

XI. PROPOSAL TRUSTEE'S RECOMMENDATION

39. For the reasons explained herein, the Proposal Trustee respectfully recommends that this Honourable Court make an Order or Orders approving:

a. the Third Stay Extension;

b. the actions and activities of the Proposal Trustee as described in this Third Report; and,

c. the fees and disbursements of the Proposal Trustee and its legal counsel as set out in the Fee Affidavits.

All of which is respectfully submitted this 13th day of July 2021

ALBERT GELMAN INC., solely in its
capacity as Trustee of *re* the Notice of
Intention to Make a Proposal of Drexler
Construction Limited, Folmur Construction
(2004) Ltd. and Down Under Pipe and Cable Locating Ltd.
and not its Personal or any other Capacity

Per: ______________________________
Bryan Gelman, *CIRP, LIT*

Appendix "I"

DREXLER CONSTRUCTION LIMITED
STATEMENT OF PROJECTED CASH FLOWS
FOR THE PERIOD COVERING THE PROPOSAL REPAYMENT PLAN

		Forecast									
Week starting		1-Aug-21	1-Sep-21	1-Oct-21	1-Nov-21	1-Dec-21	1-Jan-22	1-Feb-22	1-Mar-22	1-Apr-22	1-Apr-23
Week ending		31-Aug-21	30-Sep-21	31-Oct-21	30-Nov-21	31-Dec-21	31-Jan-22	28-Feb-22	31-Mar-22	31-Mar-23	31-Mar-24
		Month 0	**Month 1**	**Month 2**	**Month 3**	**Month 4**	**Month 5**	**Month 6**	**Month 7**	**Month 19**	**Month 31**
Cash balance - beginning of period	$	757,871	114,434	1,724,539	1,692,818	1,790,709	1,867,594	1,822,446	1,722,784	1,473,451	1,353,635
Cash receipts (includes HST)		1,567,311	1,103,132	2,401,337	2,113,558	2,149,202	1,597,204	1,272,955	997,037	18,233,360	19,384,654
Disbursements (all applicable expenses include HST)											
Materials and subcontracts		842,416	944,938	1,546,794	899,220	870,992	659,567	499,383	421,077	4,938,615	4,713,999
Wages including benefits		578,933	565,382	530,292	631,232	655,297	505,086	448,835	423,475	8,981,432	9,329,074
Subsidy (CEWS)		-	-	-	-	-	-	-	-	-	-
Advertising and promotion		-	6,500	6,500	6,500	6,500	6,500	6,500	6,500	68,692	70,409
Equipment rental		142,209	168,683	158,632	177,185	179,450	136,804	131,544	130,255	1,736,825	1,780,246
Insurance		123,484	19,951	19,951	19,951	19,951	19,951	19,951	19,951	338,250	346,706
Interest and service charges		8,811	17,589	15,069	15,013	14,957	14,901	14,848	14,796	173,367	167,100
Office expense		28,325	17,700	17,700	17,700	17,700	17,700	17,700	17,700	239,192	245,172
Professional fees		89,105	20,000	20,000	20,000	20,000	20,000	20,000	20,000	419,486	429,973
Rent		3,249	14,000	14,000	14,000	14,000	14,000	14,000	14,000	162,207	166,262
Provision for HST		-	46,212	85,139	90,798	138,326	136,220	88,146	66,824	34,978	76,553
		1,816,531	1,820,955	2,414,077	1,891,598	1,937,174	1,530,728	1,260,907	1,134,577	17,093,043	17,325,494
Net Cash-flow from operations		(249,220)	(717,823)	(12,740)	221,959	212,028	66,476	12,048	(137,539)	1,140,317	2,059,160
RBC Settlement Payments		(1,393,217)	-	105,000	-	-	-	-	-	-	-
Management Fee and cost recovery		624,000	-	-	-	-	-	-	-	-	-
DIP Financing		375,000	(1,125,000)	-	-	-	-	-	-	-	-
New Financing Facility		-	3,500,000	-	-	-	-	-	-	-	-
Repayments of NOI AP Balances		-	-	(68,342)	(68,342)	(68,342)	(68,342)	(68,342)	(68,342)	(820,104)	(410,052)
Repayments of Debt and Capital Leases		-	(47,072)	(55,639)	(55,727)	(66,801)	(43,283)	(43,367)	(43,452)	(440,029)	(268,550)
Cash balance - end of period	**$**	114,434	1,724,539	1,692,818	1,790,709	1,867,594	1,822,446	1,722,784	1,473,451	1,353,635	2,734,193

NOTICE TO READER:

This statement of projected cash-flow of the Company is prepared in accordance with the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report On Cash-Flow Statement and the Report On Cash-Flow Statement By The Person Making The Proposal.

Drexler Construction Limited

Per: Anthony Alfred Drexler
August 30, 2021

Albert Gelman Inc., solely in its capacity as Trustee in re the Notice of Intention to Make a Proposal of Drexler Construction Limited and not in its personal or any other capacity

Per: Bryan Gelman
August 30, 2021

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721716
Estate No. 35-2721716

_ FORM 29 _

Trustee's Report on Cash-Flow Statement

(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

The attached statement of projected cash flow of Drexler Construction Limited, as of the 30th day of August 2021, consisting of A revised cash flow projection for the 31 months ending March 31, 2024., has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: ☒ the management and employees of the insolvent person or ☐ the insolvent person. 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 projection. We have also reviewed the support provided by:
☒ management or ☐ the insolvent person for the probable assumptions and preparation and presentation of the projection.

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 projection;

(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection 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 projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 30th day of August 2021.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman - Licensed Insolvency Trustee
100 Simcoe Street, Suite 125
Toronto ON M5H 3G2
Phone: (416) 504-1650 Fax: (416) 504-1655

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721716
Estate No. 35-2721716

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

Purpose:

The purpose of the revised projection is to comply with the requirements set out in the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person’s judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions: None.

Probable Assumptions

1. Drexler Construction Limited (the "Company") will continue to operate during these restructuring proceedings.

2. Subsequent to the filing of the NOI, the Debtor applied to the Court and obtained an order authorizing it to proceed with mortgage financing, secured against the Real Property, through its lender Corwin Mortgage Capital Inc. for $1.5 million ("Corwin Facility"). The Corwin Facility was needed to fund the Debtor's operating cash flow and ultimately used to payout debts owing to RBC, which is set out in the cash flow forecast. The RBC has been paid out in full and the Debtor will be applying to the Court on September 10, 2021 seeking an increase in the Corwin Facility to $2.5 million. The additional funds are needed to replace the working capital used by the Debtor to payout RBC.

The Debtor is in the process of finalizing long-term financing through Canadian Equipment Finance & Leasing Inc. ("CEFL") in the amount of $3.5 million, in order to payout the Corwin Facility and provide sufficient working capital. This transaction will be subject to Court approval and is expected to close in late September or October 2021.

3. Receipts have been estimated based on anticipated receipts from future sales/contacts.

4. Materials and subcontracts, direct labour and employee benefits have been estimated based on existing and anticipated future construction contracts.

5. It is anticipated that some suppliers will be paid on a COD or near COD basis.

6. Existing vendors, or suitable alternates, will continue to supply the Company with goods and services in a timely fashion necessary for the Company to maintain operations and meet customer obligations.

7. All expenses have been recorded in the week they are forecast to be incurred.

8. Restructuring costs consist of payments to the Proposal Trustee to fund their respective ongoing fees and disbursements during these restructuring proceedings.

Dated at the City of Toronto in the Province of Ontario, this 30th day of August 2021.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman **-** Licensed Insolvency Trustee
100 Simcoe Street, Suite 125
Toronto ON M5H 3G2
Phone: (416) 504-1650   Fax: (416) 504-1655

District of:	Ontario
Division No.	08 - Waterloo
Court No.	35-2721716
Estate No.	35-2721716

FORM 30
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

The Management of Drexler Construction Limited, has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 30th day of August 2021, consisting of A revised cash flow projection for the 31 months ending March 31, 2024..

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

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

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Rockwood in the Province of Ontario, this 30th day of August 2021.

Anthony Alfred Drexler, President

Drexler Construction Limited
Debtor

Name and title of signing officer

Name and title of signing officer

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721716
Estate No. 35-2721716

FORM 30 - Attachment
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Drexler Construction Limited
of the Town of Rockwood, in the Province of Ontario

Purpose:

The purpose of the revised projection is to comply with the requirements set out in the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person’s judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions: None.

Probable Assumptions

1. Drexler Construction Limited (the “Company”) will continue to operate during these restructuring proceedings.

2. Subsequent to the filing of the NOI, the Debtor applied to the Court and obtained an order authorizing it to proceed with mortgage financing, secured against the Real Property, through its lender Corwin Mortgage Capital Inc. for $1.5 million (“Corwin Facility”). The Corwin Facility was needed to fund the Debtor’s operating cash flow and ultimately used to payout debts owing to RBC, which is set out in the cash flow forecast. The RBC has been paid out in full and the Debtor will be applying to the Court on September 10, 2021 seeking an increase in the Corwin Facility to $2.5 million. The additional funds are needed to replace the working capital used by the Debtor to payout RBC.

The Debtor is in the process of finalizing long-term financing through Canadian Equipment Finance & Leasing Inc. (“CEFL”) in the amount of $3.5 million, in order to payout the Corwin Facility and provide sufficient working capital. This transaction will be subject to Court approval and is expected to close in late September or October 2021.

3. Receipts have been estimated based on anticipated receipts from future sales/contacts.

4. Materials and subcontracts, direct labour and employee benefits have been estimated based on existing and anticipated future construction contracts.

5. It is anticipated that some suppliers will be paid on a COD or near COD basis.

6. Existing vendors, or suitable alternates, will continue to supply the Company with goods and services in a timely fashion necessary for the Company to maintain operations and meet customer obligations.

7. All expenses have been recorded in the week they are forecast to be incurred.

8. Restructuring costs consist of payments to the Proposal Trustee to fund their respective ongoing fees and disbursements during these restructuring proceedings.

Dated at the City of Rockwood in the Province of Ontario, this 30th day of August 2021.

Drexler Construction Limited

FOLMUR CONSTRUCTION (2004) LTD.
STATEMENT OF PROJECTED CASH FLOWS
FOR THE PERIOD COVERING THE PROPOSAL REPAYMENT PLAN

		Forecast									
Week starting		1-Aug-21	1-Sep-21	1-Oct-21	1-Nov-21	1-Dec-21	1-Jan-22	1-Feb-22	1-Mar-22	1-Apr-22	1-Apr-23
Week ending		31-Aug-21	30-Sep-21	31-Oct-21	30-Nov-21	31-Dec-21	31-Jan-22	28-Feb-22	31-Mar-22	31-Mar-23	31-Mar-24
		Month 0	**Month 1**	**Month 2**	**Month 3**	**Month 4**	**Month 5**	**Month 6**	**Month 7**	**Month 19**	**Month 31**
Cash balance - beginning of period	$	807,463	106,421	409,520	570,550	746,669	770,469	913,247	956,010	1,149,971	2,401,464
Cash receipts (includes HST)		386,067	754,439	974,207	575,061	482,967	471,383	335,537	608,516	5,807,354	6,045,432
Disbursements (all applicable expenses include HST)											
Materials and subcontracts		244,361	196,276	260,168	120,471	137,419	109,573	97,320	234,526	1,412,621	1,780,884
Wages (inclusive of source deductions)		159,269	165,389	246,813	103,437	229,115	121,401	106,951	91,246	1,599,697	1,644,154
Subsidy (CEWS)		-	-	-	-	-	-	-	-	-	-
Advertising and promotion		-	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,617	10,883
Equipment rental		13,394	26,925	29,084	25,287	25,574	25,097	25,088	25,083	340,105	348,607
Insurance		5,963	2,500	2,500	2,500	2,500	2,500	2,500	2,500	48,204	49,409
Interest and service charges		323	189	185	182	179	176	173	170	1,792	1,354
Office and general expenses		535	11,500	11,500	11,500	11,500	11,500	11,500	11,500	141,318	144,851
Professional fees		20,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	84,511	86,624
Occupancy costs		2,334	2,000	2,000	2,000	2,000	2,000	2,000	2,000	27,259	27,940
Income Taxes		-	-	-	-	-	-	-	-	325,986	265,210
Provision for HST		-	29,555	55,834	96,568	13,879	19,356	10,238	10,520	12,299	31,942
		446,179	439,334	613,084	366,946	427,167	296,603	260,770	382,545	4,004,408	4,391,857
Net Cash-flow from operations		(60,112)	315,106	361,122	208,115	55,800	174,780	74,767	225,971	1,802,946	1,653,575
RBC Settlement Payments		(40,931)	-	-	-	-	-	-	-	-	-
Management Fee and cost reimbursement		(600,000)	-	-	-	-	-	-	-	-	-
Repayments of NOI AP Balances		-	-	(23,894)	(23,894)	(23,894)	(23,894)	(23,894)	(23,894)	(286,725)	(143,362)
Repayments of Debt and Capital Leases		-	(12,006)	(176,199)	(8,103)	(8,106)	(8,109)	(8,111)	(8,116)	(264,728)	(41,084)
Cash balance - end of period	**$**	106,421	409,520	570,550	746,669	770,469	913,247	956,010	1,149,971	2,401,464	3,870,593

NOTICE TO READER:

This statement of projected cash-flow is prepared in accordance with the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report On Cash-Flow Statement and the Report On Cash-Flow Statement By The Person Making The Proposal.

FOLMUR CONSTRUCTION (2004) LTD.

Per: Anthony Alfred Drexler
August 30, 2021

Albert Gelman Inc., solely in its capacity as Trustee in re the Notice of Intention to Make a Proposal of FOLMUR CONSTRUCTION (2004) LTD. and not in its personal or any other capacity

Per: Bryan Gelman
August 30, 2021

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721875
Estate No. 35-2721875

_ FORM 29 _

Trustee's Report on Cash-Flow Statement

(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Folmur Construction (2004) Limited
of the Township of Rockwood, in the Province of Ontario

The attached statement of projected cash flow of Folmur Construction (2004) Ltd., as of the 30th day of August 2021, consisting of A revised cash flow projection for the 31 month period from March 31, 2024, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: ☒ the management and employees of the insolvent person or ☐ the insolvent person. 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 projection. We have also reviewed the support provided by:
☒ management or ☐ the insolvent person for the probable assumptions and preparation and presentation of the projection.

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 projection;

(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection 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 projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 30th day of August 2021.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman - Licensed Insolvency Trustee
100 Simcoe Street, Suite 125
Toronto ON M5H 3G2
Phone: (416) 504-1650 Fax: (416) 504-1655

District of:	Ontario
Division No.	08 - Waterloo
Court No.	35-2721875
Estate No.	35-2721875

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Folmur Construction (2004) Limited
of the Township of Rockwood, in the Province of Ontario

Purpose:

The purpose of the revised projection is to comply with the requirements set out in the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person's judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions: None.

Probable Assumptions

1. Folmur Construction (2004) Ltd. (the “Company”) will continue to operate during these restructuring proceedings.

2. The opening cash balance represents the cash balance in the company’s operating account.

3. Receipts have been estimated based on collection of accounts owing to the Company and anticipated receipts from future sales/contacts.

4. Materials and subcontracts, direct labour and employee benefits have been estimated based on existing and anticipated future construction contracts.

5. It is anticipated that some suppliers will be paid on a COD or near COD basis.

6. Existing vendors, or suitable alternates, will continue to supply the Company with goods and services in a timely fashion necessary for the Company to maintain operations and meet customer obligations.

7. All expenses have been recorded in the week they are forecast to be incurred.

8. Restructuring costs consist of payments to the Proposal Trustee to fund their respective ongoing fees and disbursements during these restructuring proceedings.

9. Management fees paid of $600,000 represents amounts paid to a related company Drexler Construction Limited for shared expenses.

Dated at the City of Toronto in the Province of Ontario, this 30th day of August 2021.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman - Licensed Insolvency Trustee
100 Simcoe Street, Suite 125
Toronto ON M5H 3G2
Phone: (416) 504-1650   Fax: (416) 504-1655

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721875
Estate No. 35-2721875

FORM 30
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Folmur Construction (2004) Limited
of the Township of Rockwood, in the Province of Ontario

The management of Folmur Construction (2004) Ltd., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 30th day of August 2021, consisting of A revised cash flow projection for the 31 month period from March 31, 2024.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

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

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Rockwood in the Province of Ontario, this 30th day of August 2021.

Folmur Construction (2004) Ltd.
Debtor

Anthony Alfred Drexler, President
Name and title of signing officer

Name and title of signing officer

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721875
Estate No. 35-2721875

FORM 30 - Attachment

Report on Cash-Flow Statement by the Person Making the Proposal

(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Folmur Construction (2004) Limited
of the Township of Rockwood, in the Province of Ontario

Purpose:

The purpose of the revised projection is to comply with the requirements set out in the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person's judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions: None.

Probable Assumptions

1. Folmur Construction (2004) Ltd. (the “Company”) will continue to operate during these restructuring proceedings.

2. The opening cash balance represents the cash balance in the company’s operating account.

3. Receipts have been estimated based on collection of accounts owing to the Company and anticipated receipts from future sales/contacts.

4. Materials and subcontracts, direct labour and employee benefits have been estimated based on existing and anticipated future construction contracts.

5. It is anticipated that some suppliers will be paid on a COD or near COD basis.

6. Existing vendors, or suitable alternates, will continue to supply the Company with goods and services in a timely fashion necessary for the Company to maintain operations and meet customer obligations.

7. All expenses have been recorded in the week they are forecast to be incurred.

8. Restructuring costs consist of payments to the Proposal Trustee to fund their respective ongoing fees and disbursements during these restructuring proceedings.

9. Management fees paid of $600,000 represents amounts paid to a related company Drexler Construction Limited for shared expenses.

Dated at the City of Rockwood in the Province of Ontario, this 30th day of August 2021.

Folmur Construction (2004) Ltd.

DOWN UNDER PIPE AND CABLE LOCATING LTD.
STATEMENT OF PROJECTED CASH FLOWS
FOR THE 1 MONTH PERIOD ENDED SEPTEMBER 30, 2021

		Forecast	
Week starting		1-Aug-21	1-Sep-21
Week ending		31-Aug-21	30-Sep-21
		Month 0	**Month 1**
Cash balance - beginning of period	$	74,986	68,316
Cash receipts (includes HST)		40,126	40,126
Disbursements (all applicable expenses include HST)			
AP Payments		1,503	1,503
Materials and subcontracts		6,431	6,431
Wages		8,390	8,390
Employee remittances and benefits		1,925	1,925
Interest and service charges		74	74
Utilities		471	471
Restructuring costs		4,000	4,000
		22,795	22,795
Net Cash-flow from operations		17,330	17,330
Management Fee		(24,000)	-
Proposal payment		-	(20,000)
Cash balance - end of period	**$**	68,316	65,646

NOTICE TO READER:

This statement of projected cash-flow of the Company is prepared in accordance with the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report On Cash-Flow Statement and the Report On Cash-Flow Statement By The Person Making The Proposal.

DOWN UNDER PIPE AND CABLE LOCATING LTD.

Per: Anthony Alfred Drexler
August 30, 2021

Albert Gelman Inc., solely in its capacity as Trustee in re the Notice of Intention to Make a Proposal of DOWN UNDER PIPE AND CABLE LOCATING LTD. and not in its personal or any other capacity

Per: Bryan Gelman
August 30, 2021

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

_ FORM 29 _
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Down Under Pipe and Cable Locating Ltd.
of the City of Rockwood, in the Province of Ontario

The attached statement of projected cash flow of Down Under Pipe and Cable Locating Ltd., as of the 30th day of August 2021, consisting of A revised cash flow projection for the 1 month period ending September 30, 2021., has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: ☒ the management and employees of the insolvent person or ☐ the insolvent person. 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 projection. We have also reviewed the support provided by:
☒ management or ☐ the insolvent person for the probable assumptions and preparation and presentation of the projection.

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 projection;

(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection 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 projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 30th day of August 2021.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman - Licensed Insolvency Trustee
100 Simcoe Street, Suite 125
Toronto ON M5H 3G2
Phone: (416) 504-1650 Fax: (416) 504-1655

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Down Under Pipe and Cable Locating Ltd.
of the City of Rockwood, in the Province of Ontario

Purpose:

The purpose of the revised projection is to comply with the requirements set out in the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person's judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions

None.

Probable Assumptions

1. Down Under Pipe and Cable Locating Ltd. (the "Company") will continue to operate during these restructuring proceedings.

2. The opening cash balance represents the cash balance in the company's operating account.

3. Receipts have been estimated based on existing contracts.

4. All expenses have been recorded in the week they are forecast to be incurred.

5. Management fees paid of represents amounts paid to a related company Drexler Construction Limited for shared expenses.

Dated at the City of Toronto in the Province of Ontario, this 30th day of August 2021.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman - Licensed Insolvency Trustee
100 Simcoe Street, Suite 125
Toronto ON M5H 3G2
Phone: (416) 504-1650   Fax: (416) 504-1655

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

FORM 30
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Down Under Pipe and Cable Locating Ltd.
of the City of Rockwood, in the Province of Ontario

The management of Down Under Pipe and Cable Locating Ltd., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 30th day of August 2021, consisting of A revised cash flow projection for the 1 month period ending September 30, 2021..

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

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

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Rockwood in the Province of Ontario, this 30th day of August 2021.

Down Under Pipe and Cable Locating Ltd.
Debtor

Anthony Alfred Drexler, President
Name and title of signing officer

Name and title of signing officer

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

FORM 30 - Attachment
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Down Under Pipe and Cable Locating Ltd.
of the City of Rockwood, in the Province of Ontario

Purpose:

The purpose of the revised projection is to comply with the requirements set out in the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person's judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions

None.

Probable Assumptions

1. Down Under Pipe and Cable Locating Ltd. (the "Company") will continue to operate during these restructuring proceedings.

2. The opening cash balance represents the cash balance in the company's operating account.

3. Receipts have been estimated based on existing contracts.

4. All expenses have been recorded in the week they are forecast to be incurred.

5. Management fees paid of represents amounts paid to a related company Drexler Construction Limited for shared expenses.

Dated at the City of Rockwood in the Province of Ontario, this 30th day of August 2021.

Down Under Pipe and Cable Locating Ltd.

District of:	Ontario
Division No.	08 - Waterloo
Court No.	35-2721896
Estate No.	35-2721896

☒ **Original** ☐ **Amended**

Appendix "J"

Form 78

Statement of Affairs (Business Proposal) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the proposal of
Down Under Pipe and Cable Locating Ltd.
of the City of Rockwood, in the Province of Ontario

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 18th day of March 2021. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES
(as stated and estimated by the officer)

1. Unsecured creditors as per list "A"	47,058.40
Balance of secured claims as per list "B"	0.00
Total unsecured creditors	47,058.40
2. Secured creditors as per list "B"	0.00
3. Preferred creditors as per list "C"	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00
Total liabilities	47,058.40
Surplus	164,445.40

ASSETS
(as stated and estimated by the officer)

1. Inventory		0.00
2. Trade fixtures, etc.		0.00
3. Accounts receivable and other receivables, as per list "E"		
Good	0.00	
Doubtful	0.00	
Bad	0.00	
Estimated to produce		0.00
4. Bills of exchange, promissory note, etc., as per list "F"		0.00
5. Deposits in financial institutions		0.00
6. Cash		68,316.00
7. Livestock		0.00
8. Machinery, equipment and plant		78,479.00
9. Real property or immovable as per list "G"		0.00
10. Furniture		0.00
11. RRSPs, RRIFs, life insurance, etc.		0.00
12. Securities (shares, bonds, debentures, etc.)		0.00
13. Interests under wills		0.00
14. Vehicles		0.00
15. Other property, as per list "H"		64,708.80
If debtor is a corporation, add:		
Amount of subscribed capital	0.00	
Amount paid on capital	0.00	
Balance subscribed and unpaid		0.00
Estimated to produce		0.00
Total assets		211,503.80
Deficiency		NIL

I, Anthony Alfred Dexler, of the Town of Rockwood in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 30th day of August 2021 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
before me at the City of Rockwood in the Province of Ontario, on this 30th day of August 2021.

Bryan Gelman, Commissioner of Oaths
For the Province of Ontario
Expires November 22, 2022

Anthony Alfred Dexler

District of:	Ontario
Division No.	08 - Waterloo
Court No.	35-2721896
Estate No.	35-2721896

FORM 78 -- Continued

List "A"
Unsecured Creditors

Down Under Pipe and Cable Locating Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	2602763 Ontario Limited	339 Elgin St. Port Elgin ON N0H 2C0	47,058.40	0.00	47,058.40
		Total:	**47,058.40**	**0.00**	**47,058.40**

30-Aug-2021

Date

Anthony Alfred Dexler

District of:	Ontario
Division No.	08 - Waterloo
Court No.	35-2721896
Estate No.	35-2721896

FORM 78 -- Continued

List "B"
Secured Creditors

Down Under Pipe and Cable Locating Ltd.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
		Total:	0.00			0.00	0.00	0.00

30-Aug-2021

Date

Anthony Alfred Dexler

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

Down Under Pipe and Cable Locating Ltd.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
				Total:	**0.00**	**0.00**	**0.00**

30-Aug-2021
Date

Anthony Alfred Dexler

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

Down Under Pipe and Cable Locating Ltd.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
		Total:	0.00	0.00		

30-Aug-2021

Date

Anthony Alfred Dexler

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

FORM 78 -- Continued

List "E"
Debts Due to the Debtor

Down Under Pipe and Cable Locating Ltd.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
			Total:	0.00 0.00 0.00			0.00	

30-Aug-2021
Date

Anthony Alfred Dexler

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel Mortgages, etc., Available as Assets

Down Under Pipe and Cable Locating Ltd.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
			Total:	**0.00**		**0.00**	

30-Aug-2021
Date

Anthony Alfred Dexler

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

FORM 78 -- Continued

List "G"
Real Property or Immovables Owned by Debtor

Down Under Pipe and Cable Locating Ltd.

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
		Total:	**0.00**		**0.00**

30-Aug-2021

Date

Anthony Alfred Dexler

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-2721896
Estate No. 35-2721896

FORM 78 -- Concluded

List "H"
Property

Down Under Pipe and Cable Locating Ltd.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	68,316.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant		Office Equipment	0.00	1,314.00
		Computer	0.00	131.00
		Equipment	0.00	77,034.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Accounts Receivables	0.00	62,737.80
		Income Tax Recoverable	0.00	971.00
		Prepaid Expenses	0.00	1,000.00
			Total:	**211,503.80**

30-Aug-2021
Date

Anthony Alfred Dexler

Appendix "K"

Estate / Court File Nos: 35-2721716
35-2721875
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

In the Matter of the Proposal Proceedings of
Drexler Construction Limited, Folmur Construction (2004) Ltd. and Down Under Pipe and Cable Locating Ltd. Corporations Incorporated under the Ontario *Business Corporations Act*

PROPOSAL TRUSTEE'S AFFIDAVIT OF FEES

I, Bryan Gelman, of the City of Toronto, make oath and say as follows:

1. I am a Licenced Insolvency Trustee and principal of Albert Gelman Inc. ("**Proposal Trustee**"), Trustee of the Proposal filed by each of Drexler Construction Limited ("**Drexler**"), Folmur Construction (2004) Ltd. ("**Folmur**") and Down Under Pipe and Cable Locating Ltd. ("**Down Under**") and as such have knowledge of the facts herein deposed to.

2. The Proposal Trustee has prepared invoices in connection with its fees as follows:

    a. An account issued to Drexler dated August 31, 2021 for the period from July 10 to August 30, 2021 of $23,670.00, plus HST thereon;

    b. An account issued to Folmur dated August 31, 2021 for the period from July 10 to August 30, 2021 of $15,933.50, plus HST thereon;

    c. An account issued to Down Under dated August 31, 2021 for the period from July 10 to August 30, 2021 of $8,442.00, plus HST thereon;

    d. An account issued to Down Under dated April 30, 2021 for the day April 19, 2021 of $124.50, plus HST thereon;

3. A summary of the Proposal Trustee's time by staff member is as follows:

Staff member	Position	Hours worked	Hourly rate	Total
			($)	($)
Bryan Gelman, CIRP, LIT	Principal	49.4	495.00	24,453.00
Tom McElroy, CPA, CA, CBV, CIRP, LIT	Senior Manager	11.2	415.00	4,648.00
Suzette Warner, CPA, CGA	Associate	0.5	335.00	167.50
Sudhanshu Marwaha, CPA (India)	Associate	60.0	305.00	18,300.00
Laurianne Valleau	Estate Administrator	1.4	225.00	315.00
Daphna Cherniak	Estate Administrator	0.2	195.00	39.00
Ashely Robinson	Estate Administrator	1.1	225.00	247.50
		123.8	389.10	48,170.00

4. The Proposal Trustee's total fees are $48,170.00, its total hours spent is 123.8 and, therefore, its average hourly rate is calculated to be $389.10.

5. The Proposal Trustee's accounts, including detailed time dockets, are attached hereto as **Exhibit "A"**.

6. This Affidavit is made in support of a motion to approve the accounts of Albert Gelman Inc. and for no improper purpose.

Sworn or Affirmed before me:
[ ] in person; or [X] by video conference

by Bryan Gelman at the city of Toronto in the province of Ontario }
on this 1st day of September 2021 in accordance with }
O. Reg. 431/20, Administering Oath or Declaration Remotely } ______________________

Bryan Gelman

____

Thomas John McElroy, a commissioner, etc.
Province of Ontario, for Albert Gelman Inc.
Expires February 8, 2022

Exhibit "A"

ALBERT GELMAN

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Drexler Construction Limited
5274 Wellington County Road 27
Erarosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5311
Billing Through: Aug 30, 2021
File ID: DREXLERCON-P:

Re: Drexler Construction Limited

Professional Fees:

Date	Employee	Description	Hours	Rate	Amount
2021-07-12	TMCELROY	Review and consider actual vs. projected cash flow analysis prepared by S. Marwaha; Discuss same with B. Gelman; Review of Third Report and comments to B. Gelman re same; Call with Debtor legal counsel re Trustee's Third Report and other matters; Post Debtor's motion record to case website;	3.30	$415.00	$1,369.50
2021-07-12	BGELMAN	Review of comments from counsel to debtor to report of Trustee; Call with Tom McElroy re cash flow review and notes in report of Trustee; Suggest changes re same; Review of Manis affidavit for Report to Court;	1.20	$495.00	$594.00
2021-07-13	TMCELROY	Finalize fee affidavit; Assemble appendices for report; Discuss cash receipts and disbursement schedules prepared by S. Marwaha; Update Case Website;	1.50	$415.00	$622.50
2021-07-13	BGELMAN	Final review of Court report and appendices and execute report; review of Debtor's factum;	0.50	$495.00	$247.50
2021-07-13	SMARWAHA	Discussions with T. McElroy to discuss cash flow monitoring analysis;	0.40	$305.00	$122.00
2021-07-14	AROBINSON	E-filed third trustees report;	0.10	$225.00	$22.50
2021-07-14	SMARWAHA	Email to Varshil to request confirmation for timeline to receive the documentation for cash flow monitoring analysis;	0.20	$305.00	$61.00
2021-07-15	BGELMAN	Update call with Howard Manis;	0.10	$495.00	$49.50
2021-07-16	BGELMAN	Prepare for Court hearing seeking extension; Attend hearing for extension and other matters; Review of Order and endorsement;	0.60	$495.00	$297.00
2021-07-16	TMCELROY	Update Case Website with Extension Order; Prepare revised PAD;	0.20	$415.00	$83.00
2021-07-16	SMARWAHA	Performed the Cash flow monitoring analysis for week July 4 - 10, categorization of the transactions and reconciliation with the bank statements and plugged the transaction in the cash flow monitoring analysis worksheet and listed the identified transactions to request the clarification of the nature of transaction; E-mail to Varshil Patel to request clarification for nature of transaction for the identified transactions;	1.20	$305.00	$366.00
2021-07-19	AROBINSON	E-filed Court Order - July 16, 21 and Endorsement;	0.20	$225.00	$45.00
2021-07-19	BGELMAN	Review and respond to accountant request for Stay period;	0.10	$495.00	$49.50

Invoice

Drexler Construction Limited
5274 Wellington County Road 27
Erarosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5311
Billing Through: Aug 30, 2021
File ID: DREXLERCON-P:

Re: Drexler Construction Limited

2021-07-20	TMCELROY	Review cash receipts and disbursements summary comparing actual to projected prepared by S. Marwaha;	0.20	$415.00	$83.00
2021-07-20	SMARWAHA	Analysis of the clarification received from Varshil for identified transactions and e-mail correspondence with Varshil regarding further clarification and analysis of the identified transaction and discussion and request for clarification for a credit transaction not captured in the excel worksheet and reminder for documentation for cash flow monitoring analysis for week July 12- 17; Updated and completed the cash flow monitoring analysis worksheet to July 10, 2021 and sent to T. McElroy for review with attached latest bank statements;	0.90	$305.00	$274.50
2021-07-21	BGELMAN	Review of cash flow analysis provided by Sudhanshu Marwaha;	0.40	$495.00	$198.00
2021-07-21	SMARWAHA	Attend meeting with T. McElroy and discussion regarding the cash flow monitoring analysis; Amended the cash flow monitoring analysis worksheet as suggested by T. McElroy and sent him the updated schedules for review and approval; Performed cash flow monitoring analysis and reconciliation of bank statement with listed transaction and added the transactions in the comparison analysis for week July 12 – 17;	1.70	$305.00	$518.50
2021-07-22	SMARWAHA	Analyzed and forwarded a query received from creditor of Drexler to T. McElroy for review;	0.10	$305.00	$30.50
2021-07-23	TMCELROY	Discuss banking matters with D. Cherniak; Review and respond to correspondence from representative of Bell Canada;	0.20	$415.00	$83.00
2021-07-24	BGELMAN	Review of financial statements received from accountant; Email to prospective lender;	0.30	$495.00	$148.50
2021-07-27	BGELMAN	Review of cash flow forecast and DIP requirements; Emails with Brent Keenan and Rodney Davis re financing and plan going forward; Call with Rodney re same; Email introduction to Kyle Fenwick at Corwin re Matt at Drexler;	0.60	$495.00	$297.00
2021-07-29	BGELMAN	Review of 3 year projections provided by Drexler to prospective lender;	0.30	$495.00	$148.50
2021-07-29	SMARWAHA	Analysed the e-mail received from Creditor of Drexler and forwarded to T. McElroy for review and response to creditor;	0.20	$305.00	$61.00
2021-08-03	TMCELROY	Email to R. Vasey (creditor - BGL); Review and respond to correspondence from S. Scherbinsky (Canadian cutting - creditor);	0.30	$415.00	$124.50

Invoice

Drexler Construction Limited
5274 Wellington County Road 27
Erarosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5311
Billing Through: Aug 30, 2021
File ID: DREXLERCON-P:

Re: Drexler Construction Limited

Date	Employee	Description	Hours	Rate	Amount
2021-08-03	BGELMAN	Review of cash flow projection and comparison to previous version; Consider concept of payout of RBC with company's cash flow, consider timing and manner to proceed; Call with Rodney re same and email to all; Emails with Rodney and Brent re call to discuss approach to financing;	0.80	$495.00	$396.00
2021-08-04	BGELMAN	Call with Rodney Davis and Brent Keenan re re-financing; Calls with Brendan Bissell re structure for payout; Call with Rodney re same and timing; Call with Jeremy Nermers to advise of payout of RBC's claim;	0.50	$495.00	$247.50
2021-08-04	SMARWAHA	Reminder e-mail to Varshil to request documentation for cash flow monitoring analysis for week July 18 - 25 and July 26 - August 1, 2021;	0.10	$305.00	$30.50
2021-08-05	BGELMAN	Call with Brendan Bissell and Rodney Davis re plan to payout RBC; Calls with Rodney to review Accounts payable listing and create creditors listing for Statement of Affairs; Reconcile listing provided by Rodney; Commence drafting of proposal to creditors;	2.90	$495.00	$1,435.50
2021-08-06	LVALLEAU	PPSA search; Compared original PPSA with current PPSA;	0.70	$225.00	$157.50
2021-08-06	BGELMAN	Review and approval of June 2021 Bank reconciliation; Review of PPSA search, analysis of same; Instructions to Sudhanshu Marwaha to update and confirm liabilities in Ascend;	0.30	$495.00	$148.50
2021-08-06	SMARWAHA	Updated the creditors listing and the related information for creditors in terms of amount owing and contact details in Ascend; E-mail to B. Gelman and Rodney to confirm the amount owing to CRA and Royal Bank of Canada and updated the information received over ascend and confirmed to Bryan via e-mail: Reminder e-mail to Varshil to request data and information for the cash flow monitoring analysis;	2.20	$305.00	$671.00
2021-08-09	BGELMAN	Call with Sudhanshu re instructions for setting up Statement of Affairs;	0.10	$495.00	$49.50
2021-08-09	SMARWAHA	Updating of the contact details for Creditor - TD Auto Finance in Ascend;	0.20	$305.00	$61.00
2021-08-10	BGELMAN	Review of correspondence re payout of RBC liabilities;	0.10	$495.00	$49.50

Invoice

Invoice Date: Aug 31, 2021
Invoice No: 5311
Billing Through: Aug 30, 2021
File ID: DREXLERCON-P:

Drexler Construction Limited
5274 Wellington County Road 27
Erarosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Re: Drexler Construction Limited

2021-08-10	SMARWAHA	Reviewed the clarification of nature of identified transactions received from Varshil P.: Sent follow up request for further clarification for the identified transactions and reminder for the documentation for cash flow monitoring analysis for week August 1 - 8, 2021	0.40	$305.00	$122.00
2021-08-11	SMARWAHA	Review of the clarification of nature of transactions provided by Varshil P. for identified transactions and updated the cash flow monitoring analysis worksheet;	0.40	$305.00	$122.00
2021-08-12	BGELMAN	Review of Ascend file, re preparation of Statement of Affairs;	0.50	$495.00	$247.50
2021-08-17	BGELMAN	Calls and emails with Rodney Davis and Kyle Fenwick re payout of RBC, DIP loan, advances and status of future funding from outside lender;	0.90	$495.00	$445.50
2021-08-17	SMARWAHA	Reminder e-mail to Varshil for documentation and information for the cash flow monitoring for week August 1 -15 , 2021: Reviewed an e-mail received from a creditor and forwarded to T. McElroy for review;	0.30	$305.00	$91.50
2021-08-18	TMCELROY	Discussions with B. Gelman re update on RBC pay out and next steps; Discuss cash flow monitoring with S. Marwaha and review historical monitoring working papers; Review correspondence from creditor re discrepancy of claim amount and email to Varshil re same;	1.10	$415.00	$456.50
2021-08-18	BGELMAN	Update call with Tom McElroy re cash flow monitoring and next steps re proposal filing and DIP; Review emails re DIP and update call with Kyle Fenwick re DIP loan to pay out RBC:	0.60	$495.00	$297.00
2021-08-18	SMARWAHA	Performed Cash flow monitoring analysis for week August 1- 8, 2021 and August 9 -15, 2021; Performed reconciliation of transactions listed in excel worksheet with the bank statements; Added the transaction in the comparison analysis and performed the variance analysis; Call with T. McElroy to discuss the cash flow monitoring worksheet for previous period for a transaction clarifications listed in the analysis; Updated claim amount of RLB (external accountant) in Ascend;	2.70	$305.00	$823.50
2021-08-19	BGELMAN	Review and respond to email from Matt D. re corporation owned by Peter Drexler and how to deal with their claim in the proposal; Call from Jennifer Beatty at BMO re leased truck and email re same; Review of term sheet provided by Canadian Equipment Finance;	0.70	$495.00	$346.50

Invoice

Drexler Construction Limited
5274 Wellington County Road 27
Erarosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5311
Billing Through: Aug 30, 2021
File ID: DREXLERCON-P:

Re: Drexler Construction Limited

2021-08-19	TMCELROY	Instructions to D. Cherniak re banking matters; Review and respond to correspondence from S. Valentine (creditor - The Murray Group)	0.30	$415.00	$124.50
2021-08-19	SMARWAHA	Reviewed a query received from one of the creditors and forwarded to T. McElroy for review; Updated Ascend with creditor details for Bank of Montreal re secured claim;	0.30	$305.00	$91.50
2021-08-20	BGELMAN	Review, consider and respond to email re new financing from CEFL; Attend conference calls with Brendan Bissell, Brent Keenan and Rodney Davis re DIP needed to payout RBC, and process for increase in DIP facility; Discuss court Motion needed and timing; Call with Kyle Fenwick re increase in DIP by $750k and terms for same and detailed email to him re same;	1.10	$495.00	$544.50
2021-08-20	SMARWAHA	Updated the statement of affairs listing the secured creditors listed on PPSA and linked the secured asset with corresponding secured liability; Updated the assets listing of statement of affairs and reconciliation with assets listed in financial statements ending March 2020; Listed the real property with the corresponding appraised value from the appraisal report; Reconciliation of details for the secured creditors from information on PPSA; Updated the amounts owing to unsecured creditors in Ascend; Extracted the draft Statement of affairs and shared with B. Gelman for review and approval;	2.80	$305.00	$854.00
2021-08-23	BGELMAN	Call with Howard Manis re update;	0.30	$495.00	$148.50
2021-08-23	DCHERNIAK	Updated banking info;	0.10	$195.00	$19.50
2021-08-24	BGELMAN	Attend zoom conference call with R. Davis, Matt and Varshil (both from Greysuits CFO), B. Bissell, S. Marwaha, J. Turgeon re review of draft proposal document and statement of affairs, plan for filing of proposal, payout of RBC and motion to request additional borrowing on Corwin Facility; Review of many of emails pertaining to RBC payout and increase in the Corwin borrowing facility; Further review and revisions to Proposal;	1.90	$495.00	$940.50
2021-08-24	SMARWAHA	Attend meeting with management, Bryan G. and legal counsel to discuss the statement of affairs and next steps for filing of the proposal; Requested copy of financial statements for March 31, 2021 from Varshil P. and updated asset listing and reconciliation with the financial statements for March 2021;	2.20	$305.00	$671.00

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Drexler Construction Limited
5274 Wellington County Road 27
Erarosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5311
Billing Through: Aug 30, 2021
File ID: DREXLERCON-P:

Re: Drexler Construction Limited

2021-08-25	BGELMAN	Continue to revise proposal to creditors and email to Debtor re same; Commence drafting the Proposal Trustee's Fourth Report to Court; Review of commitment letter from CEFL;	2.40	$495.00	$1,188.00
2021-08-25	SMARWAHA	Update Ascend re secured liabilities and secured assets and linkage for the secured asset with liability and reconciliation with PPSA; Update real property details in Ascend; Update unsecured liabilities, bank balance and reconcile with financial statements for March 2021; E-mail correspondence with management and team for finalisation of the statement of affairs;	2.10	$305.00	$640.50
2021-08-26	AROBINSON	Reviewed claims to confirm admitted correctly;	0.10	$225.00	$22.50
2021-08-26	BGELMAN	Review of case law relating to Joint Corporate Proposals and email to counsel for debtor re same; Calls with Joel Turgeon re concept of joint corporate proposal to deal with related party being only creditors; Review of revisions to Statement of Affairs; Calls and emails with Rodney Davis and CFO representatives re cash flow forecasts;	1.10	$495.00	$544.50
2021-08-26	SWARNER	Discuss with Sudhanshu re review SOA and resolved asset net realizable value;	0.50	$335.00	$167.50
2021-08-26	SMARWAHA	Update creditor listing and vendor information and finalisation of the liability side of the statement of affairs: Finalisation of the documentation of the proposal signup: Update of real property listed on the Statement of Affairs and performance of validation check and clearing the validation errors;	2.10	$305.00	$640.50
2021-08-27	BGELMAN	Finalize proposal document, call with Rodney Davis re revisions to creditors listing, review of preliminary cash flow forecast prepared by GreySuits, continue to draft court report to seek authority for increase in DIP Facility to $2.5 million and long term financing;	2.50	$495.00	$1,237.50
2021-08-27	SMARWAHA	Update and setup of Statement of Affairs and extracted the draft Statement of affairs for review and discussion with management; Finalization of the assets and liabilities confirmation with the management;	1.90	$305.00	$579.50
2021-08-27	TMCELROY	Prepare Trustee's fee affidavit re report to Court;	0.90	$415.00	$373.50
2021-08-28	BGELMAN	Finalize cash flow forecasts and due diligence on sale, review of pro-forma income statement to period ending March 31, 2024, draft and finalize notes to cash flow forecast, finalize Statement of Affairs, draft Debtor's representation letter re cash flow forecast;	1.50	$495.00	$742.50

Invoice

Drexler Construction Limited
5274 Wellington County Road 27
Erarosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5311
Billing Through: Aug 30, 2021
File ID: DREXLERCON-P:

Re: Drexler Construction Limited

Professional Fees:

Date	Employee	Description	Hours	Rate	Amount
2021-08-28	SMARWAHA	Finalize signup documentation package, setup and upload on Syngrafii;	1.60	$305.00	$488.00
2021-08-30	SMARWAHA	Updated creditor meeting details on Ascend and validated EIS and extracted EIS and sent to Trustee for review and signature; Setup creditor's Acknowledgement form over Syngrafii for review by creditors and approval, and sent e-mail to creditors to review and sign the form over Syngrafii; Reviewed a query received from a creditor Sympatico and forwarded to T. McElroy for review: Attend meeting for signup documentation and conducted the signup with Bryan G. and the corporate officer of the Debtor: E-filed with OSB Form 29, 30, 78, Amended EIS, cash flow statement and Proposal and saved the confirmation on LAN and forwarded to team for confirmation; Reviewed and saved the certificate of filing issued by OSB on LAN;	2.10	$305.00	$640.50
2021-08-30	BGELMAN	Attend syngrafii meeting with Debtor to sign proposal documents; Review of revised RBC payout letter to email to J. Nermers re non-applicability of Trustee's signature; Emails with Jeremy Nermers at Aird & Berlis re payout letter and RBC requirement for proposal trustee to sign off; Call with counsel re same; Calls with Brendan Bissell and Rodney Davis re payout of RBC;	1.60	$495.00	$792.00
2021-08-30	TMCELROY	Email to Matthew (GreySuits) re correspondence from creditor; Review and respond to correspondence from M. Murray (Murtech - creditor);	0.30	$415.00	$124.50

Total Fees:	**$23,670.00**
HST:	$3,077.10

Summary by Staff:

	Hours	Rate	Amount
Ashley Robinson (Estate Administrator)	0.40	$225.00	$90.00
Bryan A. Gelman (Principal, CIRP LIT)	23.90	$495.00	$11,830.50
Daphna Cherniak (Estate Administrator)	0.10	$195.00	$19.50
Laurianne Valleau (Assoc. Professional Support)	0.70	$225.00	$157.50
Sudhanshu Marwaha (Associate)	26.10	$305.00	$7,960.50
Suzette Warner (Associate, CFE,CPA,CGA,FCCA)	0.50	$335.00	$167.50
Tom McElroy (Manager, CPA, CA, CBV, CIRP, LIT)	8.30	$415.00	$3,444.50

Invoice

Invoice Date: Aug 31, 2021
Invoice No: 5311
Billing Through: Aug 30, 2021
File ID: DREXLERCON-P:

Drexler Construction Limited
5274 Wellington County Road 27
Erarosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Re: Drexler Construction Limited

Disbursements:

Non-Taxable Disbursements

SEARCH FEES:	$8.00
Total Disbursements:	**$8.00**
Amount Due This Invoice:	**$26,755.10**

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	$23,678.00
TOTAL HST:	$3,077.10
TOTAL AMOUNT DUE:	**$26,755.10**

Payment of this account is due on receipt
HST Registration # 83741 9514 RT0001

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

ALBERT GELMAN

Exhibit "A"

Invoice

Folmur Construction (2004) Limited
7000 Wellington Rd. 124
Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5313
Billing Through: Aug 30, 2021
File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

Professional Fees:

Date	Employee	Description	Hours	Rate	Amount
2021-07-12	TMCELROY	Review and consider actual vs. projected cash flow analysis prepared by S. Marwaha; Discuss same with B. Gelman;	0.20	$415.00	$83.00
2021-07-12	BGELMAN	Review of materials for court application; Assist in completion of report to Court;	1.20	$495.00	$594.00
2021-07-13	BGELMAN	Final review of Court report and appendices and execute report; review of Debtor's factum;	0.50	$495.00	$247.50
2021-07-14	AROBINSON	E-filed Trustee's Third Court Report;	0.10	$225.00	$22.50
2021-07-16	BGELMAN	Prepare for Court hearing seeking extension; Attend hearing for extension and other matters; Review of Order and endorsement;	0.60	$495.00	$297.00
2021-07-16	TMCELROY	Update Case Website with Extension Order; Prepare revised PAD;	0.20	$415.00	$83.00
2021-07-16	SMARWAHA	Performed the Cash flow monitoring analysis for week July 4 - 10, categorization of the transactions and reconciliation with the bank statements and plugged the transaction in the cash flow monitoring analysis worksheet and listed the identified transactions to request the clarification of the nature of transaction;	1.20	$305.00	$366.00
2021-07-19	AROBINSON	E-filed Court order date July 16/21;	0.20	$225.00	$45.00
2021-07-20	TMCELROY	Discuss status of restructuring proceedings with L. Forbes (CRA officer); Email to Varshil re CRA trust exam; Review cash receipts and disbursements summary comparing actual to projected prepared by S. Marwaha;	0.50	$415.00	$207.50
2021-07-20	SMARWAHA	Updated and completed the cash flow monitoring analysis worksheet to July 10, 2021 and sent via email to T. McElroy for review with attached latest bank statements;	0.30	$305.00	$91.50
2021-07-21	BGELMAN	Review of cash flow analysis provided by Sudhanshu Marwaha;	0.40	$495.00	$198.00
2021-07-21	SMARWAHA	Meeting with T. McElroy to discuss cash flow monitoring analysis: Amended cash flow monitoring analysis worksheet as suggested by T. McElroy and sent him the updated schedules for review and approval; Performed reconciliation of bank statement with listed transaction for July 12 – 17;	0.90	$305.00	$274.50

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Folmur Construction (2004) Limited
7000 Wellington Rd. 124
Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021

Invoice No: 5313

Billing Through: Aug 30, 2021

File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

2021-07-22	SMARWAHA	Performed cash flow monitoring analysis and added the transactions in the comparison analysis for week July 12 - 17: Sent e-mail to Varshil for clarification of nature of transaction for the identified transaction from the listing: E-mail to Varshil regarding the confirmation of transaction for transfer made to Down Under;	1.20	$305.00	$366.00
2021-07-23	TMCELROY	Discuss banking matters with D. Cherniak;	0.10	$415.00	$41.50
2021-07-24	BGELMAN	Review of financial statements received from accountant; Email to prospective lender;	0.30	$495.00	$148.50
2021-07-27	BGELMAN	Review of cash flow requirements model from Matt D.;	0.30	$495.00	$148.50
2021-08-03	BGELMAN	Review of cash flow projection and comparison to previous version; Consider concept of payout of RBC with company's cash flow, consider timing and manner to proceed; Call with Rodney re same and email to all; Consider application to Court to withdrawal NOI process;	0.70	$495.00	$346.50
2021-08-04	SMARWAHA	Email to Varshil to request documentation for cash flow monitoring analysis for week July 18 - 25 and July 26 - August 1, 2021;	0.10	$305.00	$30.50
2021-08-05	BGELMAN	Call with Brendan Bissell and Rodney Davis re plan to payout RBC; Calls with Rodney to review accounts payable listing and create creditors listing for Statement of Affairs; Reconcile listing provided by Rodney; Commence drafting of proposal to creditors;	1.90	$495.00	$940.50
2021-08-06	BGELMAN	Review of further information provided by Debtor; Continue to draft proposal to creditors; Review of PPSA search, analysis of same; Instructions to Sudhanshu Marwaha to update and confirm liabilities in Ascend;	1.70	$495.00	$841.50
2021-08-06	LVALLEAU	PPSA search; Compare original PPSA with current PPSA;	0.50	$225.00	$112.50
2021-08-06	BGELMAN	Review and approval of June 2021 Bank reconciliation;	0.10	$495.00	$49.50
2021-08-06	SMARWAHA	Update creditors listing and the related information for creditors in terms of amount owing and contact details in Ascend; Email to Bryan and Rodney to confirm the amount owing to CRA and Royal Bank of Canada and updated the information received over ascend and confirmed to Bryan via e-mail: Reminder e-mail to Varshil to request data and information for the cash flow monitoring analysis;	2.20	$305.00	$671.00
2021-08-09	BGELMAN	Call with Sudhanshu re instructions for setting up Statement of Affairs;	0.10	$495.00	$49.50
2021-08-09	SMARWAHA	Update contact details for Creditor - TD Auto Finance in Ascend;	0.20	$305.00	$61.00

Invoice

Folmur Construction (2004) Limited
7000 Wellington Rd. 124
Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5313
Billing Through: Aug 30, 2021
File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

Professional Fees:

Date	Employee	Description	Hours	Rate	Amount
2021-08-11	SMARWAHA	Review of the clarification of nature of transactions provided by Varshil P. for identified transactions and updated the cash flow monitoring analysis worksheet;	0.40	$305.00	$122.00
2021-08-12	BGELMAN	Review of Ascend file, re preparation of Statement of Affairs;	0.50	$495.00	$247.50
2021-08-17	SMARWAHA	Reminder email to Varshil for documentation and information for the cash flow monitoring for week August 1 -15 , 2021;	0.10	$305.00	$30.50
2021-08-18	SMARWAHA	Performed cash flow monitoring analysis for week of August 1- 8, 2021 and August 9 -15, 2021; Performed reconciliation of transactions listed in excel worksheet with bank statements; Added transaction in the comparison analysis and performed the variance analysis;	2.40	$305.00	$732.00
2021-08-19	TMCELROY	Instructions to D. Cherniak re banking matters;	0.10	$415.00	$41.50
2021-08-19	BGELMAN	Call from Brandon Drexler re update;	0.20	$495.00	$99.00
2021-08-20	BGELMAN	Review, consider and respond to email re new financing from CEFL; Attend conference calls with Brendan Bissell, Brent Keenan and Rodney Davis re DIP needed to payout RBC, and process for increase in DIP facility; Discuss court Motion needed and timing; Call with Kyle Fenwick re increase in DIP by $750k and terms for same and detailed email to him re same;	1.10	$495.00	$544.50
2021-08-20	SMARWAHA	Update statement of affairs listing secured creditors included on PPSA and linked the secured asset with corresponding secured liability; Update assets listing on statement of affairs and reconciliation with assets listed in financial statements ending March 2020; Reconciliation of details for the secured creditors from information on PPSA: Updated the amounts owing to unsecured creditors in Ascend: Extracted the draft Statement of affairs and shared with B. Gelman for review and approval;	2.20	$305.00	$671.00
2021-08-23	DCHERNIAK	Updated Banking Info;	0.10	$195.00	$19.50
2021-08-24	BGELMAN	Attend zoom conference call with R. Davis, Matt and Varshil (both from Greysuits CFO), B. Bissell, S. Marwaha, J. Turgeon re review of draft proposal document and statement of affairs, plan for filing of proposal, payout of RBC and motion to request addition borrowing on Corwin Facility; Review of many emails pertaining to RBC payout and increase in the Corwin borrowing facility;	1.00	$495.00	$495.00

Invoice

Invoice Date: Aug 31, 2021

Invoice No: 5313

Billing Through: Aug 30, 2021

File ID: FOLMURCON-P:

Folmur Construction (2004) Limited
7000 Wellington Rd. 124
Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Re: Proposal of Folmur Construction (2004) Limited

Professional Fees:

Date	Employee	Description	Hours	Rate	Amount
2021-08-24	SMARWAHA	Attended meeting with management and Bryan G. and counsel to discuss the statement of affairs and next steps for filing of the proposal: Requested Varshil P. for copy of financial statements for March 31, 2021 and updated the asset listing and reconciliation with the financial statements for March 2021;	2.20	$305.00	$671.00
2021-08-25	BGELMAN	Continue to revise proposal to creditors and email to Debtor re same; Commence drafting the Proposal Trustee's Fourth Report to Court;	1.10	$495.00	$544.50
2021-08-25	SMARWAHA	Update secured liabilities and secured assets and linkage for the secured asset with liability and reconciliation with PPSA; Update real property details in Ascend; Update unsecured liabilities, bank balance and reconciliation with financial statements for March 2021; E-mail correspondence with management and team re finalize statement of affairs.	2.10	$305.00	$640.50
2021-08-26	AROBINSON	Reviewed claims to ensure entered correctly;	0.10	$225.00	$22.50
2021-08-26	BGELMAN	Review and revisions to statement of affairs; Calls and emails with Rodney Davis and CFO representatives re cash flow forecasts;	1.10	$495.00	$544.50
2021-08-26	SMARWAHA	Update creditor listing and vendor information and finalize liability side of the statement of affairs; Finalize documentation for proposal signup: Update real property listing on the Statement of Affairs and performance of validation check and clearing the validation errors;	2.10	$305.00	$640.50
2021-08-27	BGELMAN	Finalize proposal documents, call with Rodney Davis re revisions to creditors listing, review of preliminary cash flow forecast prepared by GreySuits, continue to draft court report to seek authority for increase in DIP Facility to $2.5 million and long term financing;	1.50	$495.00	$742.50
2021-08-27	SMARWAHA	Update and setup of Statement of Affairs and extracted the draft Statement of affairs for review and discussion with management; Finalize assets and liabilities presented of statement of affairs and confirm same with management;	1.90	$305.00	$579.50
2021-08-27	TMCELROY	Prepare Trustee's fee affidavit re report to Court;	0.90	$415.00	$373.50

Invoice

Folmur Construction (2004) Limited
7000 Wellington Rd. 124
Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5313
Billing Through: Aug 30, 2021
File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

2021-08-28	BGELMAN	Finalize cash flow forecasts and due diligence on sale, review of pro-forma income statement to period ending March 31, 2024, draft and finalize notes to cash flow forecast, finalize Statement of Affairs, draft Debtor's representation letter re cash flow forecast;	1.50	$495.00	$742.50
2021-08-28	SMARWAHA	Finalize signup documentation package, setup and upload on Syngrafii.	1.60	$305.00	$488.00
2021-08-30	SMARWAHA	Updated creditor meeting details in Ascend and validate EIS and extracted EIS and sent to Trustee for review and signature; Attend meeting for signup documentation and conducted the signup for Bryan G. and the corporate officer of the corporation; E-filed with OSB Form 29, 30, 78, Amended EIS, Cash Flow Statement and Proposal and saved confirmation on LAN; Reviewed and saved the certificate of filing issued by OSB on LAN;	1.40	$305.00	$427.00
2021-08-30	BGELMAN	Attend syngrafii meeting with Debtor to sign proposal documents;	0.40	$495.00	$198.00
				Total Fees:	**$15,933.50**
				HST:	$2,071.36

Summary by Staff:

	Hours	Rate	Amount
Ashley Robinson (Estate Administrator)	0.40	$225.00	$90.00
Bryan A. Gelman (Principal, CIRP LIT)	16.20	$495.00	$8,019.00
Daphna Cherniak (Estate Administrator)	0.10	$195.00	$19.50
Laurianne Valleau (Assoc. Professional Support)	0.50	$225.00	$112.50
Sudhanshu Marwaha (Associate)	22.50	$305.00	$6,862.50
Tom McElroy (Manager, CPA, CA, CBV, CIRP, LIT)	2.00	$415.00	$830.00

Disbursements:

Non-Taxable Disbursements

SEARCH FEES:	$24.00
Total Disbursements:	**$24.00**
Amount Due This Invoice:	**$18,028.86**

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Invoice Date: Aug 31, 2021
Invoice No: 5313
Billing Through: Aug 30, 2021
File ID: FOLMURCON-P:

Folmur Construction (2004) Limited
7000 Wellington Rd. 124
Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Re: Proposal of Folmur Construction (2004) Limited

Invoice Summary:	
TOTAL FEES AND DISBURSEMENTS:	$15,957.50
TOTAL HST:	$2,071.36
TOTAL AMOUNT DUE:	**$18,028.86**

Payment of this account is due on receipt
HST Registration # 83741 9514 RT0001

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Down Under Pipe and Cable Locating Ltd.
5270 Wellington 27
Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5312
Billing Through: Aug 30, 2021
File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

Professional Fees:

Date	Employee	Description	Hours	Rate	Amount
2021-07-12	BGELMAN	Review of materials for court application; Assist in completion of report to Court;	0.40	$495.00	$198.00
2021-07-13	BGELMAN	Final review of Court report and appendices and execute report; Review of Debtor's factum;	0.20	$495.00	$99.00
2021-07-14	AROBINSON	E-filed Trustee's Third Report to Court;	0.10	$225.00	$22.50
2021-07-16	BGELMAN	Prepare for Court hearing seeking extension; Attend hearing for extension and other matters; Review of Order and endorsement;	0.40	$495.00	$198.00
2021-07-16	TMCELROY	Prepare revised PAD;	0.10	$415.00	$41.50
2021-07-16	SMARWAHA	Perform cash flow monitoring analysis for week July 4 - 10, categorization of the transactions and reconciliation with the bank statements and plugged the transaction in the cash flow monitoring analysis worksheet and listed the identified transactions to request the clarification of the nature of transaction; Email to Varshil Patel to request clarification for nature of transaction for identified transactions;	0.90	$305.00	$274.50
2021-07-19	AROBINSON	E-filed Court Order dated July 16, 21 and endorsement;	0.20	$225.00	$45.00
2021-07-20	TMCELROY	Review cash receipts and disbursements summary comparing actual to projected prepared by S. Marwaha;	0.10	$415.00	$41.50
2021-07-20	SMARWAHA	Update cash flow monitoring analysis worksheet to July 10, 2021 and send to T. McElroy for review with attached latest bank statements;	0.30	$305.00	$91.50
2021-07-21	BGELMAN	Review of cash flow analysis provided by Sudhanshu Marwaha;	0.20	$495.00	$99.00
2021-07-21	SMARWAHA	Update cash flow monitoring analysis with clarification of nature of transaction received from Varshil for identified transaction;	0.40	$305.00	$122.00
2021-07-21	SMARWAHA	Discussions with T. McElroy re the cash flow monitoring analysis: Amend the cash flow monitoring analysis worksheet as suggested by T. McElroy and sent him the updated schedules for review and approval; Performed cash flow monitoring analysis and reconciliation of bank statement with listed transaction and added the transactions in the comparison analysis for week July 12 – 17;	1.70	$305.00	$518.50
2021-07-23	TMCELROY	Discuss banking matters with D. Cherniak;	0.10	$415.00	$41.50
2021-07-24	BGELMAN	Review of financial statements received from accountant; email to prospective lender;	0.30	$495.00	$148.50

Invoice

Down Under Pipe and Cable Locating Ltd.
5270 Wellington 27
Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5312
Billing Through: Aug 30, 2021
File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

Professional Fees:

Date	Employee	Description	Hours	Rate	Amount
2021-08-03	BGELMAN	Call with Rodney re application to Court to withdrawal NOI process;	0.20	$495.00	$99.00
2021-08-05	BGELMAN	Call with Brendan Bissell and Rodney David re plan to payout RBC; Commence drafting of proposal to creditors;	1.00	$495.00	$495.00
2021-08-06	LVALLEAU	PPSA search; Compared original PPSA to current PPSA;	0.20	$225.00	$45.00
2021-08-06	BGELMAN	Review and approval of June 2021 Bank reconciliation; review of PPSA search;	0.20	$495.00	$99.00
2021-08-09	BGELMAN	Call with Sudhanshu re instructions for setting up Statement of Affairs;	0.10	$495.00	$49.50
2021-08-12	BGELMAN	Review of Ascend file, re preparation of Statement of Affairs;	0.50	$495.00	$247.50
2021-08-18	SMARWAHA	Performed Cash flow monitoring analysis for period July 19, 2021 - August 8, 2021 and August 9 -15, 2021: Performed reconciliation of the transactions listed in the excel worksheet with the bank statements: Added the transaction in the comparison analysis and performed the variance analysis.	2.10	$305.00	$640.50
2021-08-20	SMARWAHA	Updated the assets listed on statement of affairs and reconciliation with assets listed in financial statements ending March 2020; Updated the amounts owing to unsecured creditors in Ascend: Extracted the draft Statement of affairs and shared with Bryan for review and approval;	0.80	$305.00	$244.00
2021-08-23	SMARWAHA	Update Statement of Affairs and extracted the updated copy and sent to B. Gelman for review;	0.90	$305.00	$274.50
2021-08-24	BGELMAN	Attend zoom conference call with R. Davis, Matt and Varshil (both from Greysuits CFO), B. Bissell, S. Marwaha, J. Turgeon re review of draft proposal document and statement of affairs, plan for filing of proposal, payout of RBC and motion to request addition borrowing on Corwin Facility; Review of dozens of emails pertaining to RBC payout and increase in the Corwin borrowing facility;	0.50	$495.00	$247.50
2021-08-24	SMARWAHA	Attend meeting with Management and Bryan G. and Debtor legal counsel to discuss the statement of affairs and next steps for filing of the proposal: Requested Varshil P. for copy of financial statements for March 31, 2021 and updated the Asset listing and reconciliation with the financial statements for March 2021;	1.10	$305.00	$335.50

Invoice

Down Under Pipe and Cable Locating Ltd.
5270 Wellington 27
Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5312
Billing Through: Aug 30, 2021
File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

Professional Fees:

Date	Employee	Description	Hours	Rate	Amount
2021-08-25	BGELMAN	Continue to revise proposal to creditors and email to Debtor re same; Commence drafting the Proposal Trustee's Fourth Report to Court; Call with Joel Turgeon re concept of joint proposal and research into related party claim voting in proposal;	1.40	$495.00	$693.00
2021-08-25	SMARWAHA	Update secured liabilities and secured assets and link secured asset with liability and reconciliation with PPSA; Update real property details in Ascend; Update unsecured liabilities, bank balance and reconciliation with financial statements for March 2021; Email correspondence with management and team re finalize statement of affairs.	0.50	$305.00	$152.50
2021-08-26	BGELMAN	Review of case law relating to Joint Corporate Proposals and email to counsel for debtor re same; Calls with Joel Turgeon re concept of joint corporate proposal to deal with related party being only creditors; Review of revisions to Statement of Affairs; Calls and emails with Rodney Davis and CFO representatives re cash flow forecasts;	1.00	$495.00	$495.00
2021-08-27	BGELMAN	Revisions to proposal and statement of affairs; Call with Rodney Davis re offer to creditors and update; Continue to draft court report for consent for related party to vote in favour of proposal;	1.00	$495.00	$495.00
2021-08-27	SMARWAHA	Update Statement of Affairs and extracted the draft Statement of affairs for review and discussion with management: Finalization assets and liabilities on statement of affairs confirmation with the management;	0.80	$305.00	$244.00
2021-08-27	TMCELROY	Prepare Trustee's fee affidavit re report to Court;	0.30	$415.00	$124.50
2021-08-28	BGELMAN	Finalize cash flow forecasts and due diligence on sale, review of pro-forma income statement to period ending March 31, 2024, draft and finalize notes to cash flow forecast, finalize Statement of Affairs, draft Debtor's representation letter re cash flow forecast;	1.50	$495.00	$742.50
2021-08-28	SMARWAHA	Finalize signup documentation package, setup and upload on Syngrafii;	0.80	$305.00	$244.00

Invoice

Down Under Pipe and Cable Locating Ltd.
5270 Wellington 27
Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Aug 31, 2021
Invoice No: 5312
Billing Through: Aug 30, 2021
File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

2021-08-30	SMARWAHA	Update creditor meeting details in Ascend and validated EIS and extracted EIS and sent to Trustee for review and signature; Attend meeting to signed Proposal documents with B. Gelman and corporate officer of the Debtor: E-filed with OSB Form 29, 30, 78, Amended EIS, Cash Flow Statement and Proposal and saved confirmation on LAN: Reviewed and saved certificate of filing issued by OSB on LAN;	1.10	$305.00	$335.50
2021-08-30	BGELMAN	Attend syngrafii meeting with Debtor to sign proposal documents;	0.40	$495.00	$198.00

Total Fees:	**$8,442.00**
HST:	$1,097.46

Summary by Staff:

	Hours	Rate	Amount
Ashley Robinson (Estate Administrator)	0.30	$225.00	$67.50
Bryan A. Gelman (Principal, CIRP LIT)	9.30	$495.00	$4,603.50
Laurianne Valleau (Assoc. Professional Support)	0.20	$225.00	$45.00
Sudhanshu Marwaha (Associate)	11.40	$305.00	$3,477.00
Tom McElroy (Manager, CPA, CA, CBV, CIRP, LIT)	0.60	$415.00	$249.00

Disbursements:

Non-Taxable Disbursements

SEARCH FEES:	$8.00
Total Disbursements:	**$8.00**
Amount Due This Invoice:	**$9,547.46**

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	$8,450.00
TOTAL HST:	$1,097.46
TOTAL AMOUNT DUE:	**$9,547.46**

Payment of this account is due on receipt
HST Registration # 83741 9514 RT0001

HST No. 83741 9514 RT 0001

Invoice

Down Under Pipe and Cable Locating Ltd.
5270 Wellington 27
Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice Date: Apr 30, 2021
Invoice No: 5148
Billing Through: Apr 30, 2021
File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

Professional Fees:

Date	Employee	Description	Hours	Rate	Amount
2021-03-19	TMCELROY	Discuss next steps re notice of NOI and cash flow projection with B. Gelman; Video conference with B. Gelman, I. Aversa and J. Nemers; Conference call with B. Gelman and D. McEllistrum (accountant); Prepare NOI cash flow template; Videoconference with management and B. Gelman re various next steps;	0.30	$415.00	$124.50

Total Fees:	**$124.50**
HST:	$16.19

Summary by Staff:

		Hours	Rate	Amount
Tom McElroy	(Mgr, CPA, CA, CBV, CIRP, LIT)	0.30	$415.00	$124.50

Amount Due This Invoice: **$140.69**

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	$124.50
TOTAL HST:	$16.19
TOTAL AMOUNT DUE:	**$140.69**

Payment of this account is due on receipt
HST Registration # 83741 9514 RT0001

Appendix "L"

Court File Nos: 35-2721716
35-2721875
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

In the Matter of the Notice of Intention to Make a Proposal of Drexler Construction Limited of the township of Rockwood in the Province of Ontario

And In the Matter of the Notice of Intention to Make a Proposal of Folmur Construction (2004) Ltd. of the township of Rockwood in the Province of Ontario

And In the Matter of the Notice of Intention to Make a Proposal of Down Under Pipe and Cable Locating Ltd. of the township of Rockwood in the Province of Ontario

AFFIDAVIT OF HOWARD MANIS

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

1. I am a Partner at the law firm of Macdonald Sager Manis LLP ("MSM") and as such have knowledge of the matters to which I hereinafter depose.

2. On March 18, 2021, Albert Gelman Inc. ("**AGI**") was named a proposal trustee (the "**Proposal Trustee**") in connection with a Notice of Intention to Make a Proposal ("**NOI**") filed by Drexler Construction Limited ("**Drexler**"), Folmur Construction (2004) Ltd. ("**Folmur**") and Down Under Pipe and Cable Locating Ltd. ("**Down Under**"; and together with Drexler and Folmur, the "**Companies**") under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**").

3. In furtherance of AGI's retainer by the Companies, Macdonald Sager Manis LLP ("**MSM**") was retained as counsel for the Proposal Trustee.

4. In its capacity as counsel to the Proposal Trustee, MSM has provided legal services in connection with the proposal proceedings of the Companies as directed by the Proposal Trustee.

5. MSM's fees were incurred for providing the services to the Proposal Trustee.

6. The following is a summary of the lawyers whose services were provided, including the total fees and hours incurred in relation to the within action from July 12, 2021 to and including August 31, 2021:

Name	**Year of Call**	**Position**	**Hours**	**Rate**	**Fees**
Howard F. Manis	1993	Partner	21.40	$550.00	$11,770.00

Attached hereto as Exhibit "A" is a copy of the pre-bill evidencing the foregoing.

7. I believe that hours spent on this matter and the disbursements incurred by MSM are reasonable and appropriate in the circumstances.

8. MSM requests that the Court approve its account to the Proposal Trustee in this matter for the services rendered and recorded in the total sum of $13,352.60 inclusive of fees, disbursements and HST.

9. Given the Order of the Honourable Madam Justice Gorman dated April 16, 2021, the Proposals of the Companies have been administratively consolidated and MSM's fees will be allocated as suggested by the Proposal Trustee as follows:

Drexler	45%
Folmur	45%
Down Under	10%

10. I make this affidavit in connection with the approval of the fees, disbursements and HST of MSM and for no other or improper purpose.

Sworn or Affirmed before me:
[X] in person; or [ ] by video conference
By Howard Manis at the City of Toronto, in the)
Province of Ontario, before me on August 31,)
2021, in accordance with)
<u>O. Reg. 431/20</u>, Administering Oath or)
Declaration Remotely.

M D'Souza
A Commissioner for Taking Affidavits
Marianne D'Souza

Howard Manis

Albert Gelman Inc.
100 Simcoe Street
Suite 125
Toronto, Ontario M5H 3G2

This is Exhibit "A" referred to in the affidavit of Howard Manis sworn before me, this 31st day of August 20 21.

A COMMISSIONER FOR TAKING AFFIDAVITS

M. D'Souza

Aug 31, 2021

File #: 210705
Inv #: Sample

Attention: Bryan Gelman

RE: Drexler Construction Limited (Proposal of)

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
Jul-12-21	Reviewed Motion Record from Mr. Turgeon; E-mail to and from Mr. Nemers and Mr. Bissell regarding payment of funds to RBC; Reviewed further draft Report to Court of the Trustee;	1.40	770.00	HFM
Jul-13-21	Reviewed final form of the Proposal Trustee's Report to Court with exhibits; Telephone call with client; Arranged for service and filing of the Report in Court; Reviewed Factum from Mr. Turgeon; E-mail to and from Court Office and Mr. Bissell regarding scheduling of the motion;	3.00	1,650.00	HFM
Jul-14-21	E-mail to and from Mr. Bissell and Mr. London Court Office regarding return of Motion for extension to file Proposal; Telephone call with client; Telephone call with Court Office;	0.70	385.00	HFM
	Telephone call with client; Telephone call with Mr. Bissell;	0.40	220.00	HFM
Jul-16-21	E-mail to and from Mr. Bissell regarding Motion in London Court; Telephone call with client; E-mail to and from Mr. Bissell and Mr. Nemers regarding payment to RBC to reduce debt owing; Reviewed Endorsement of Justice Garson;	0.80	440.00	HFM
Jul-21-21	E-mail to and from Mr. Nemers regarding allocation of funds from the auction proceeds to the RBC debts;	0.20	110.00	HFM
Aug-03-21	E-mail to and from Mr. Delcol regarding plan to pay out the debt owed to RBC; Telephone call with client regarding assignment of debt and security;	0.60	330.00	HFM
Aug-12-21	Reviewed draft payout letter from Mr. Nemers;	0.50	275.00	HFM
Aug-23-21	Telephone call with Mr. Gelman regarding Corwin DIP financing and payment of RBC; Correspondence from Mr. Nemes regarding RBC payout; Telephone call with Mr.	2.40	1,320.00	HFM

	Gelman regarding motion to increase DIP financing; Reviewed draft Proposal;			
Aug-24-21	E-mail to and from Mr. Nemers and Mr. Bissell regarding RBC payout figures; Further review of the revised draft Proposal for the corporations;	0.80	440.00	HFM
Aug-25-21	E-mail to and from client and Mr. Turgeon regarding motion to increase DIP charge; Telephone call with client; Reviewed revised draft Proposals; E-mail to and from Mr. Bissell and Mr. Nemers regarding RBC payout;	1.00	550.00	HFM
Aug-26-21	Telephone call with client regarding joint proposal of Mr. Drexler and down Under; E-mail to and from client and Mr. Turgeon regarding joint proposal; Reviewed caselaw in support of joint proposal;	1.00	550.00	HFM
Aug-27-21	E-mail to and from client and Mr. Bissell regarding joint proposal of Mr. Drexler with Down Under; Telephone call with Mr. Gelman; E-mail to and from Mr. Nemers and Mr. Bissell regarding RBC payout; Reviewed revised Proposals of all three companies;	1.80	990.00	HFM
Aug-30-21	E-mail to and from Mr. Nemers, Mr. Bissell and client regarding RBC payout; Telephone call with client regarding joint proposal and pending motion to Court; Reviewed revised Payout Letter from Mr. Nemers; Telephone call with client regarding Proposal Trustee executing the Payout Letter; E-mail to and from counsel regarding payout of RBC;	1.80	990.00	HFM
Aug-31-21	Email to/from Mr. Nemers, Mr. Bissell and client re RBC Payout; Telephone conference with client; Review of the draft Affidavit and Order from Mr. Turgeon; Review of the Commitment Letter from Corwin Mortgage Capital and Canadian Equipment Finance & Leasing Inc.; Review of comments to the draft motion materials from client, Mr. Davis and Mr. Bissell; Review of the creditor proposal packages for all Debtors; Review of the draft Report of the Trustee; Telephone conference with counsel;	5.00	2,750.00	HFM
	Totals	21.40	$11,770.00	
	HST on Fees		$1,530.10	

FEE SUMMARY:

Lawyer	Hours	Effective Rate	Amount

Howard F. Manis	21.40	$550.00	$11,770.00

Fee Amount:	$ ______	Check if this is a final bill:	☐
Fee Write Up/Down:	$ ______	Reason for Write-off:	______
Disb Write Up/Down:	$ ______	Reason for Write-off:	______
Lawyer Signature:	______	Template/Format:	______

DISBURSEMENTS		**Disbursements**	**Receipts**
Jul-26-21	Wire Fee *	52.50	
	Totals	$52.50	$0.00
	HST on Disbursements	$0.00	
	Total Fees, Disbursements & HST		**$13,352.60**
	Previous Balance		$8,017.35
	Previous Payments		$8,017.35
	Balance Due Now		**$13,352.60**

Total Tax:	$1,530.10	**AMOUNT QUOTED:**	**$0.00**
HST #:	14030 5616 RT 0001		

* tax-exempt

In the Matter of the Notice of Intention to Make a Proposal of Drexler Construction Limited of the township of Rockwood in the Province of Ontario

In the Matter of the Notice of Intention to Make a Proposal of Folmur Construction (2004) Ltd. of the township of Rockwood in the Province of Ontario

In the Matter of the Notice of Intention to Make a Proposal of Down Under Pipe and Cable Locating Ltd. of the township of Rockwood, in the Province of Ontario

Court File Nos: 35-2721716
35-2721875
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE

AFFIDAVIT OF HOWARD MANIS

MACDONALD SAGER MANIS LLP
Lawyers and Trade-mark Agents
150 York Street, Suite 800
Toronto, Ontario, M5H 3S5

Telephone: (416) 364-1553
Telefax: (416) 354-1453

Howard F. Manis
Direct: (416) 364-5289
LSUC: 34366V
Email: HManis@msmlaw.ca

Lawyers for the Proposal Trustee, Albert Inc. Gelman Inc.

TAB 2

Estate No. 35-2721716

ONTARIO
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, A CORPORATION INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

SERVICE LIST
(as at August 31, 2021)

GOLDMAN SLOAN NASH & HABER LLP 480 University Avenue, Suite 1600 Toronto ON M5G 1V2 Fax: 416 597 3370 **R. Brendan Bissell** (LSO# 40354V) Tel: 416 597 6489 Email: bissell@gsnh.com **Joël Turgeon** (LSO #80984R) Tel: 416 597 6486 Email: turgeon@gsnh.com Lawyers for the moving parties and debtor companies, Drexler Construction Limited, Folmur Construction (2004) Limited, and Down Under Pipe and Cable Locating Limited	**ALBERT GELMAN INC.** 100 Simcoe Street, Suite 125 Toronto ON M5H 3G2 Fax: 416 504 1655 **Bryan Gelman** Tel: 416 504 1650 ext. 115 Email: bgelman@albertgelman.com **Tom McElroy** Tel: 416 504 1650 ext. 117 Email: tmcelroy@albertgelman.com Proposal Trustee

MACDONALD SAGER MANIS LLP 150 York Street, Suite 800 Toronto ON M5H 3S5 Fax: 416 364 1453 **Howard Manis** Tel: 416 364 5289 Email: hmanis@msmlaw.ca Lawyers for the Proposal Trustee	**AIRD & BERLIS LLP** 181 Bay Street, Suite 1800 Toronto ON M5J 2T9 Fax: 416 863 1515 **Ian Aversa** Tel: 416 865 3082 Email: iaversa@airdberlis.com **Jeremy Nemers** Tel: 416 865 7724 Email: jnemers@airdberlis.com Lawyers for Royal Bank of Canada
ATTORNEY GENERAL OF CANADA Department of Justice Canada Ontario Regional Office, Tax Law Section 120 Adelaide Street West, Suite 400 Toronto ON M5H 1P9 **Diane Winters** Tel: 647.256.7459 Email: diane.winters@justice.gc.ca **Rakhee Bhandari** Tel: 416.952.8563 Email: Rakhee.bhandari@justice.gc.ca	**MINISTRY OF FINANCE (ONTARIO)** Legal Services Branch 777 Bay Street, 11th Floor Toronto ON M5G 2C8 **Kevin O'Hara** Tel: 416.327.8463 Email: kevin.ohara@ontario.ca
MASTERS INSURANCE (HAMILTON) LTD. McMaster Innovation Park 175 Longwood Road South, Suite 209A Hamilton ON L8P 0A1 Fax: 905 577 9154 **Doug Corby** Tel: 905 577 1180 Email: dcorby@mastersinsurance.com	**ZURICH CANADA** 100 King Street West, Suite 5500 P.O Box 290 Toronto ON M5X 1C9 Fax: 416 586 6821 / 1 800 319 3219 **Brent McAllister** Tel: 416 586 2880 Email: brent.mcallister@zurich.com

JOHN DEERE FINANCIAL INC. 3430 Superior Court Oakville ON L6L 0C4 295 Hunter Road, PO Box 1000 Grimsby ON L3M 4H5 PPSA registrant	**CANADIAN EQUIPMENT FINANCE & LEASING INC.** 250 Woolwich Street South, Suite 5 Breslau ON N0B 1M0 **Brent Keenan** Tel: 519 648 3898 Email: brent.keenan@cefl.ca PPSA registrant
HARRISON PENSA LLP 450 Talbot St. (map) London ON N6A 5J6 Fax: 519 667 3362 **Michael Cassone** Tel: 519 661 6765 Email: mcassone@harrisonpensa.com Lawyers for TD Auto Finance (Canada) Inc.	**THE BANK OF NOVA SCOTIA** 10 Wright Boulevard Stratford ON N5A 7X9 4715 Tahoe Boulevard Mississauga ON L4W 0B4 PPSA Registrant
WELLS FARGO EQUIPMENT FINANCE COMPANY 1290 Central Parkway West, Suite 1100 Mississauga ON L5C 4R3 **Connie Roberts** Tel: 905-283-4444 Fax: 1-866-967-4047 Email : connie.roberts@myleasingsource.com with a copy to: dean.langley@td.com and gloria.myers2@myleasingsource.com	**BANK OF MONTREAL** 5750 Explorer Drive Mississauga ON L4W 0A9 PPSA Registrant

GM FINANCIAL CANADA LEASING LTD. 2001 Sheppard Avenue, Suite 600 Toronto ON M2J 4Z8 **Sulake Araye** Tel: 416 753 4064 Email: sulake.araye@gmfinancial.com	**XEROX CANADA LTD.** 20 York Mills Road, Suite 500, Box 700 Toronto ON M2P 2C2 PPSA Registrant
CORWIN MORTGAGE CAPITAL INC. 330 Wilson Avenue, Suite 300 Toronto ON M3H 1T2 **Kyle Fenwick** Tel: 416 543 1298 Email: kyle@corwincapital.ca Debtor-in-possession lender	**COCO GROUP** 949 Wilson Avenue Toronto, ON M3K 1G2 **Ilia Valitsky** Tel: 416-633-9670 Fax: 416-633-6765 Email: ivalitsky@cocogroup.com

EMAIL ADDRESS LIST

bissell@gsnh.com ; turgeon@gsnh.com ; bgelman@albertgelman.com ; tmcelroy@albertgelman.com ; hmanis@msmlaw.ca ; iaversa@airdberlis.com ; jnemers@airdberlis.com ; diane.winters@justice.gc.ca ; Rakhee.bhandari@justice.gc.ca ; kevin.ohara@ontario.ca ; dcorby@mastersinsurance.com ; brent.mcallister@zurich.com ; brent.keenan@cefl.ca ; kyle@corwincapital.ca ; connie.roberts@myleasingsource.com; mcassone@harrisonpensa.com ; sulake.araye@gmfinancial.com ; dean.langley@td.com ; gloria.myers2@myleasingsource.com ; ivalitsky@cocogroup.com

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL PROCEEDINGS OF DREXLER CONSTRUCTION LIMITED, FOLMUR CONSTRUCTION (2004) LIMITED, AND DOWN UNDER PIPE AND CABLE LOCATING LIMITED, CORPORATIONS INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT*

Court File Nos./Estate Nos. 35-2721716;
35-2721875; and
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE

(LONDON)

FOURTH REPORT OF ALBERT GELMAN INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE

MACDONALD SAGER MANIS LLP
150 York Street - Suite 800
Toronto (ON) M5H 3S5

Howard Manis (LSO# 34366V)
Tel: (416) 364-1553
Fax: (416) 364-1453
Email: hmanis@msmlaw.ca

Lawyers for the Licensed Insolvency Trustee,
Albert Gelman Inc.