

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***

**SECOND REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE
respecting Motion returnable May 28, 2021**

May 25, 2021

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Albert Gelman Inc.

**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
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INDEX

| Tab | Description | Page |
|------------|---|-------------|
| 1 | Second Report of Albert Gelman Inc. in its Capacity as Proposal Trustee | 1 |
| | Appendix "A" - NOI and Certificates of Appointment issued by OSB for each Co. | 10 |
| | Appendix "B" - Order dated April 16, 2021 and related Endorsement(s) | 26 |
| | Appendix "C" - First Report, without appendices | 42 |
| | Appendix "D" - Supplementary First Report, without appendices | 57 |
| | Appendix "E" - Revised Cash Flow Forecasts with management's and Proposal Trustee's report. | 59 |
| | Appendix "F" - Affidavit of Bryan Gelman regarding Proposal Trustee's fees to May 17, 2021 accompanied by time dockets | 79 |
| | Appendix "G" - Affidavit of Howard Manis regarding fees and Disbursements to Proposal Trustee to May 22, 2021 | 117 |
| 2 | Service List, addresses, emails | 125 |

**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 from 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 reasonable 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 "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.

× 

 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 |

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 |

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 |

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 |

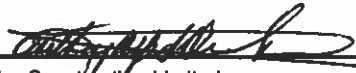
District of:
 Division No. -
 Court No.
 Estate No.

- 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 aforementioned 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 aforementioned 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 | | 15,872.32 |
| 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 aforementioned 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 aforementioned 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.

× 

 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 |

×



 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 aforementioned 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 aforementioned 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 16 TH |
| |) | |
| 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

- 2 -

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:

- 3 -

- 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

- 4 -

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

- 5 -

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**”),

- 6 -

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

- 7 -

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

- 8 -

(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.

- 12 -

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.

Kelley A. Hansen

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.

B. Bissell and J. Turgeon for the Debtors

H. Manis for the Trustee

J. Nemers for RBC (creditor)

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

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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 intends 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 at 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 at 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. includes 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 Drexler 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:  Digitally signed
by Bryan
Gelman

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:  Digitally signed
by Bryan
Gelman

Bryan Gelman, *CIRP, LIT*

DREXLER CONSTRUCTION LIMITED
REVISED STATEMENT OF PROJECTED CASH FLOWS
FOR THE 15 WEEK PERIOD ENDED AUGUST 29, 2021

APPENDIX "E"

| Week starting Week ending | Forecast | | | | | | | | | | | | | | |
|--|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 17-May-21 | 24-May-21 | 31-May-21 | 7-Jun-21 | 14-Jun-21 | 21-Jun-21 | 28-Jun-21 | 5-Jul-21 | 12-Jul-21 | 19-Jul-21 | 26-Jul-21 | 2-Aug-21 | 9-Aug-21 | 16-Aug-21 | 23-Aug-21 |
| | 23-May-21 | 30-May-21 | 6-Jun-21 | 13-Jun-21 | 20-Jun-21 | 27-Jun-21 | 4-Jul-21 | 11-Jul-21 | 18-Jul-21 | 25-Jul-21 | 1-Aug-21 | 8-Aug-21 | 15-Aug-21 | 22-Aug-21 | 29-Aug-21 |
| | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 | Week 9 | Week 10 | Week 11 | Week 12 | Week 13 | Week 14 | Week 15 |
| Cash balance - beginning of period | \$ 909,732 | 1,188,041 | 1,065,501 | 839,408 | 662,464 | 555,650 | 200,767 | 263,090 | 530,246 | 1,000,341 | 1,670,954 | 1,447,124 | 632,792 | 536,196 | 377,733 |
| <i>Cash receipts (includes HST)</i> | 395,254 | 17,085 | 46,014 | 19,080 | 15,232 | 7,643 | 317,468 | 410,105 | 592,267 | 856,000 | 46,000 | 16,000 | 27,000 | 27,000 | 57,000 |
| <i>Disbursements (all applicable expenses include HST)</i> | | | | | | | | | | | | | | | |
| Post-NOI AP Payments | 2,661 | 12,390 | 13,299 | - | - | - | - | - | - | - | - | - | - | - | - |
| Materials and subcontracts | - | - | - | 4,799 | 19,397 | 684,634 | 4,799 | 4,799 | 22,696 | 8,097 | 8,097 | 687,933 | 22,696 | 8,097 | 8,097 |
| Direct labour | 61,959 | 82,688 | 64,813 | 98,131 | 105,083 | 102,438 | 70,313 | 96,881 | 100,083 | 103,438 | 59,813 | 101,131 | 103,333 | 101,688 | 72,813 |
| Subsidy (CEWS) | (40,000) | - | - | - | (40,000) | - | - | - | (40,000) | - | - | (40,000) | - | - | - |
| Employee remittances and benefits | 14,791 | 2,812 | 33,437 | 4,869 | 2,667 | 2,812 | 33,437 | 4,869 | 2,667 | 2,812 | 48,437 | 4,869 | 2,667 | 2,812 | 33,437 |
| Advertising and promotion | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| Equipment rental | 26,405 | 6,595 | 6,343 | - | - | 33,001 | 6,343 | - | - | 33,001 | 6,343 | - | - | 33,001 | 6,343 |
| Vehicles and equipment expense | 16,428 | 3,140 | 12,274 | 7,025 | 5,200 | 9,942 | 12,274 | 5,200 | 7,025 | 8,340 | 13,876 | 5,200 | 5,200 | 10,165 | 12,274 |
| Insurance | - | - | 25,134 | - | - | - | 25,134 | - | - | - | 25,134 | - | - | - | 25,134 |
| Performance bonds | - | 2,300 | - | 50,000 | - | - | - | - | - | - | - | - | - | - | - |
| Interest and service charges | - | - | 328 | - | - | - | 328 | - | - | - | 328 | - | - | - | 328 |
| Office expense | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Office and Management Wages | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 |
| Professional fees | 5,000 | - | 4,500 | - | - | - | 4,500 | - | - | 4,500 | - | - | - | - | 4,500 |
| Telephone | - | - | 5,000 | - | - | - | 5,000 | - | - | 5,000 | - | - | - | - | 5,000 |
| Storage Rental - Equipment | - | - | 3,249 | - | - | - | 3,249 | - | - | - | 3,249 | - | - | - | 3,249 |
| Utilities | - | - | - | 1,500 | - | - | - | 1,500 | - | - | - | 1,500 | - | - | - |
| Restructuring Costs | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Provision for HST (monthly) | - | - | 74,029 | - | - | - | 60,069 | - | - | - | 65,352 | - | - | - | - |
| | 116,944 | 139,625 | 272,106 | 196,024 | 122,047 | 862,526 | 255,145 | 142,949 | 122,171 | 185,388 | 269,830 | 830,333 | 123,596 | 185,463 | 200,875 |
| Net Cash-flow from operations | 278,310 | (122,541) | (226,092) | (176,944) | (106,814) | (854,883) | 62,323 | 267,156 | 470,095 | 670,612 | (223,830) | (814,333) | (96,596) | (158,463) | (143,875) |
| Add: Proposed DIP Financing | - | - | - | - | - | 500,000 | - | - | - | - | - | - | - | - | - |
| Cash balance - end of period | \$ 1,188,041 | 1,065,501 | 839,408 | 662,464 | 555,650 | 200,767 | 263,090 | 530,246 | 1,000,341 | 1,670,954 | 1,447,124 | 632,792 | 536,196 | 377,733 | 233,857 |

NOTICE TO READER:

This statement of projected cash-flow dated May 22, 2021 of the Company is prepared in accordance with Section 50.4(2) of 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: Jerome Drexler
 May 22, 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**



Bryan Gelman

S434R3XNEY7N3SFQ

Per: Bryan Gelman
 May 22, 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 22nd day of May 2021, consisting of a revised cash flow projection for the 15-week period from May 17 to August 29, 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 22nd day of May 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 Section 50.4(2) of 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. The opening cash balance represents the cash balance in the company's Royal Bank of Canada ("RBC") operating account as of May 17, 2021. The Company will be operating without the use of its RBC credit facility.
3. Receipts have been estimated based on: (a) collection of accounts owing as of May 17, 2021; and, (b) anticipated receipts from future sales/contracts.
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 22nd day of May 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 22nd day of May 2021, consisting of a revised cash flow projection for the 15-week period from May 17 to August 29, 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 22nd day of May 2021.

Drexler Construction Limited
 Debtor

Jerome Drexler

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 Section 50.4(2) of 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. The opening cash balance represents the cash balance in the company's Royal Bank of Canada ("RBC") operating account as of May 17, 2021. The Company will be operating without the use of its RBC credit facility.
3. Receipts have been estimated based on: (a) collection of accounts owing as of May 17, 2021; and, (b) 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 22nd day of May 2021.



Drexler Construction Limited

FOLMUR CONSTRUCTION (2004) LTD.
REVISED STATEMENT OF PROJECTED CASH FLOWS
FOR THE 15 WEEK PERIOD ENDED AUGUST 29, 2021

| Week starting Week ending | Forecast | | | | | | | | | | | | | | |
|--|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|-----------|-----------|-----------|
| | 17-May-21 | 24-May-21 | 31-May-21 | 7-Jun-21 | 14-Jun-21 | 21-Jun-21 | 28-Jun-21 | 5-Jul-21 | 12-Jul-21 | 19-Jul-21 | 26-Jul-21 | 2-Aug-21 | 9-Aug-21 | 16-Aug-21 | 23-Aug-21 |
| | 23-May-21 | 30-May-21 | 6-Jun-21 | 13-Jun-21 | 20-Jun-21 | 27-Jun-21 | 4-Jul-21 | 11-Jul-21 | 18-Jul-21 | 25-Jul-21 | 1-Aug-21 | 8-Aug-21 | 15-Aug-21 | 22-Aug-21 | 29-Aug-21 |
| | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 | Week 9 | Week 10 | Week 11 | Week 12 | Week 13 | Week 14 | Week 15 |
| Cash balance - beginning of period | \$ 620,880 | 585,364 | 600,863 | 545,247 | 569,530 | 605,434 | 673,203 | 562,754 | 452,958 | 311,829 | 487,669 | 422,380 | 663,508 | 892,221 | 870,155 |
| <i>Cash receipts (includes HST)</i> | 2,939 | 106,027 | 787 | 91,055 | 73,563 | 186,416 | - | 287,483 | 25,000 | 219,119 | 25,000 | 427,556 | 259,535 | 25,000 | 25,000 |
| <i>Disbursements (all applicable expenses include HST)</i> | | | | | | | | | | | | | | | |
| Post-NOI AP Payments | 20,109 | 62,182 | - | 19,645 | - | - | - | - | - | - | - | - | - | - | - |
| Materials and subcontracts | - | - | - | 7,498 | 7,498 | 81,050 | 7,498 | 363,248 | 140,348 | 7,498 | 7,498 | 149,108 | 7,498 | 7,498 | 7,498 |
| Direct labour | 2,971 | 6,859 | 14,091 | 16,195 | 14,524 | 14,904 | 15,400 | 13,825 | 14,362 | 14,602 | 16,374 | 16,636 | 15,917 | 14,484 | 15,637 |
| Subsidy (CEWS) | (25,000) | - | - | - | (25,000) | - | - | - | (25,000) | - | - | - | (25,000) | - | - |
| Employee remittances and benefits | 15,522 | 493 | 24,521 | 559 | 15,522 | 493 | 15,506 | 559 | 9,522 | 493 | 18,521 | 559 | 9,522 | 493 | 19,021 |
| Advertising and promotion | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| Equipment rental | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 |
| Rent | - | - | 2,334 | - | - | - | 2,334 | - | - | - | 2,334 | - | - | - | 2,334 |
| Insurance | - | - | - | 2,500 | - | - | - | - | 2,500 | - | - | - | - | 2,500 | - |
| Interest and service charges | - | - | 268 | - | - | - | 268 | - | - | - | 268 | - | - | - | 268 |
| Office expense | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Office and management wages | 9,084 | 8,720 | 10,545 | 9,544 | 9,346 | 9,926 | 9,321 | 8,815 | 8,628 | 8,412 | 9,542 | 9,295 | 7,116 | 9,817 | 9,985 |
| Professional fees | - | - | 200 | - | - | - | 200 | - | - | - | 200 | - | - | - | 200 |
| Telephone | 655 | - | - | - | 655 | - | - | - | 655 | - | - | - | 655 | - | - |
| Utilities | - | - | 600 | - | - | - | 600 | - | - | - | 600 | - | - | - | 600 |
| Vehicles and equipment expense | 8,963 | 6,274 | 4,368 | 4,831 | 8,963 | 6,274 | 4,368 | 4,831 | 8,963 | 6,274 | 4,368 | 4,831 | 8,963 | 6,274 | 4,368 |
| Travel | 150 | - | - | - | 150 | - | - | - | 150 | - | - | - | 150 | - | - |
| Provision for HST | - | - | (6,522) | - | - | - | 48,955 | - | - | - | 24,584 | - | - | - | - |
| Restructuring costs | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| | 38,455 | 90,528 | 56,404 | 66,772 | 37,659 | 118,647 | 110,449 | 397,278 | 166,129 | 43,280 | 90,289 | 186,429 | 30,821 | 47,066 | 65,911 |
| Net Cash-flow from operations | (35,516) | 15,499 | (55,617) | 24,284 | 35,904 | 67,768 | (110,449) | (109,795) | (141,129) | 175,840 | (65,289) | 241,127 | 228,714 | (22,066) | (40,911) |
| Add: Proposed DIP Financing | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cash balance - end of period | \$ 585,364 | 600,863 | 545,247 | 569,530 | 605,434 | 673,203 | 562,754 | 452,958 | 311,829 | 487,669 | 422,380 | 663,508 | 892,221 | 870,155 | 829,245 |

NOTICE TO READER:

This revised statement of projected cash-flow dated May 22, 2021 of the Company is prepared in accordance with Section 50.4(2) of 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.

**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**

FOLMUR CONSTRUCTION (2004) LTD.



Per: Jerome Drexler

May 22, 2021



Bryan Gelman

S1GVK9DU9UJZR96D

Per: Bryan Gelman

May 22, 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 22nd day of May 2021, consisting of a revised cash flow projection for the 15-week period from May 17 to August 29, 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 22nd day of May 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 Section 50.4(2) of 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 Royal Bank of Canada ("RBC") operating account as of May 17, 2021.
3. Receipts have been estimated based on: (a) collection of accounts owing as of May 17, 2021; and, (b) anticipated receipts from future sales/contracts.
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 22nd day of May 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 22nd day of May 2021, consisting of a revised cash flow projection for the 15-week period from May 17 to August 29, 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 22nd day of May 2021.

Folmur Construction (2004) Ltd.
 Debtor

Jerome Drexler

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 Section 50.4(2) of 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:

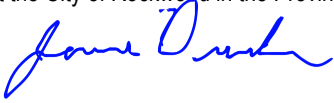
Hypothetical Assumptions

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 Royal Bank of Canada ("RBC") operating account as of May 17, 2021.
3. Receipts have been estimated based on: (a) collection of accounts owing as of May 17, 2021; and, (b) 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 22nd day of May 2021.

A handwritten signature in blue ink, appearing to read "James D. ...", is written above a horizontal line.

Folmur Construction (2004) Ltd.

DOWN UNDER PIPE AND CABLE LOCATING LTD.
 REVISED STATEMENT OF PROJECTED CASH FLOWS
 FOR THE 15 WEEK PERIOD ENDED AUGUST 29, 2021

| Week starting Week ending | Forecast | | | | | | | | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|-----------|-----------|-----------|
| | 17-May-21 | 24-May-21 | 31-May-21 | 7-Jun-21 | 14-Jun-21 | 21-Jun-21 | 28-Jun-21 | 5-Jul-21 | 12-Jul-21 | 19-Jul-21 | 26-Jul-21 | 2-Aug-21 | 9-Aug-21 | 16-Aug-21 | 23-Aug-21 |
| | 23-May-21 | 30-May-21 | 6-Jun-21 | 13-Jun-21 | 20-Jun-21 | 27-Jun-21 | 4-Jul-21 | 11-Jul-21 | 18-Jul-21 | 25-Jul-21 | 1-Aug-21 | 8-Aug-21 | 15-Aug-21 | 22-Aug-21 | 29-Aug-21 |
| | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 | Week 9 | Week 10 | Week 11 | Week 12 | Week 13 | Week 14 | Week 15 |
| Cash balance - beginning of period | \$ 11,012 | 12,802 | 11,424 | 12,608 | 15,291 | 17,426 | 20,109 | 18,158 | 18,706 | 18,706 | 19,254 | 16,860 | 17,342 | 17,713 | 17,619 |
| Cash receipts (includes HST) | 6,500 | 4,000 | 5,900 | 5,900 | 5,900 | 5,900 | 3,500 | 3,500 | 3,500 | 3,500 | 3,400 | 3,400 | 3,400 | 3,400 | 3,400 |
| Disbursements (all applicable expenses include HST) | | | | | | | | | | | | | | | |
| Wages | 2,000 | 2,000 | 1,200 | 1,200 | 1,200 | 1,200 | 1,000 | 1,000 | 1,000 | 1,000 | 1,190 | 1,190 | 1,190 | 1,190 | 1,190 |
| Employee remittances and benefits | 100 | 1,100 | 60 | 60 | 60 | 60 | 1,050 | 50 | 50 | 50 | 1,060 | 60 | 60 | 60 | 1,060 |
| Automotive | 860 | 860 | 250 | 250 | 250 | 250 | 500 | 500 | 500 | 500 | 250 | 250 | 250 | 250 | 250 |
| Insurance | - | - | 1,500 | - | - | - | 1,500 | - | - | - | 1,875 | - | - | - | 1,875 |
| Interest and bank charges | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| Office | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Supplies | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Telephone | - | - | - | - | 520 | - | - | - | 520 | - | - | - | - | 650 | - |
| Travel | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Utilities | 50 | - | - | - | 100 | - | - | - | 100 | - | - | - | 125 | - | - |
| Provision for HST | 640 | 358 | 647 | 647 | 575 | 647 | 342 | 342 | 270 | 342 | 359 | 359 | 345 | 284 | 359 |
| Restructuring costs | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| | 4,710 | 5,378 | 4,717 | 3,217 | 3,765 | 3,217 | 5,452 | 2,952 | 3,500 | 2,952 | 5,793 | 2,918 | 3,029 | 3,494 | 5,793 |
| Net Cash-flow from operations | 1,790 | (1,378) | 1,183 | 2,683 | 2,135 | 2,683 | (1,952) | 548 | (0) | 548 | (2,393) | 482 | 371 | (94) | (2,393) |
| Cash balance - end of period | \$ 12,802 | 11,424 | 12,608 | 15,291 | 17,426 | 20,109 | 18,158 | 18,706 | 18,706 | 19,254 | 16,860 | 17,342 | 17,713 | 17,619 | 15,226 |

NOTICE TO READER:

This revised statement of projected cash-flow dated May 22, 2021 of the Company is prepared in accordance with Section 50.4(2) of 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: Jerome Drexler
 May 22, 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



Bryan Gelman

SEP1CXQL84MBJWZ

Per: Bryan Gelman
 May 22, 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 22nd day of May 2021, consisting of a revised cash flow projection for the 15-week period from May 22 to August 29, 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 22nd day of May 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 Section 50.4(2) of 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 Royal Bank of Canada ("RBC") operating account as of May 17, 2021.
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. Restructuring costs consist of payments to the Proposal Trustee to fund their ongoing fees and disbursements during these restructuring proceedings.

Dated at the City of Toronto in the Province of Ontario, this 22nd day of May 2021.

Per:



Bryan Gelman

SFKKC32U1W2PN64K

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 22nd day of May 2021, consisting of a revised cash flow projection for the 15-week period from May 22 to August 29, 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 22nd day of May 2021.

Down Under Pipe and Cable Locating Ltd.
 Debtor

Jerome Drexler

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 Section 50.4(2) of 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 Royal Bank of Canada ("RBC") operating account as of May 17, 2021.
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. Restructuring costs consist of payments to the Proposal Trustee to fund their ongoing fees and disbursements during these restructuring proceedings.

Dated at the City of Rockwood in the Province of Ontario, this 22nd day of May 2021.



Down Under Pipe and Cable Locating Ltd.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

**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***

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 Notice of Intention to Make a 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 April 13, 2021 for the period to March 31, 2021 of \$20,048.00, plus HST thereon;
 - b. An account issued to Folmur dated April 13, 2021 for the period to March 31, 2021 of \$11,591.00, plus HST thereon;
 - c. An account issued to Down Under dated April 13, 2021 for the period to March 31, 2021 of \$4,973.00, plus HST thereon;
 - d. An account issued to Drexler dated May 18, 2021 for the period from April 1 to May 17, 2021 of \$31,494.50, plus HST thereon;
 - e. An account issued to Folmur dated May 18, 2021 for the period from April 1 to May 17, 2021 of \$21,763.50, plus HST thereon;
 - f. An account issued to Down Under dated May 18, 2021 for the period from April 1 to May 17, 2021 of \$2,256.00, 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 | 65.5 | 495.00 | 32,422.50 |
| Tom McElroy, CPA, CA, CBV, CIRP, LIT | Senior Manager | 91.1 | 415.00 | 37,806.50 |
| Suzette Warner, CFE, CPA, CGA, FCCA | Associate | 9.2 | 335.00 | 3,082.00 |
| Sudhanshu Marwaha, CPA (India) | Associate | 52.3 | 305.00 | 15,951.50 |
| Ashely Robinson | Estate Administrator | 7.7 | 225.00 | 1,732.50 |
| Daphna Cherniak | Estate Administrator | 5.8 | 195.00 | 1,131.00 |
| | | <u>231.6</u> | <u>397.78</u> | <u>92,126.00</u> |

4. The Proposal Trustee's total fees are \$92,126, its total hours spent is 231.6 and, therefore, its average hourly rate is calculated to be \$397.78.
5. The Proposal Trustee's accounts, including detailed time docket, 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 by video conference

by Bryan Gelman at the city of Toronto in the province of Ontario
on this 25th day of May 2021 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely

}
}  Digitally signed
} by Bryan
} Gelman

Bryan Gelman



Thomas John McElroy, a commissioner, etc.
Province of Ontario, for Albert Gelman Inc.
Expires February 8, 2022

Drexler Construction Limited
 5274 Wellington County Road 27
 Eramosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5072
Billing Through: Mar 31, 2021
File ID: DREXLERCON-P:

Re: Proposal of Drexler Construction Limited

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|---|--------------|-------------|---------------|
| 2021-03-12 | SMARWAHA | Prepare pre-filing checklist for file administration; | 0.20 | \$305.00 | \$61.00 |
| 2021-03-16 | TMCELROY | Discuss pre-NOI filing matters with B. Gelman; | 0.30 | \$415.00 | \$124.50 |
| 2021-03-16 | BGELMAN | Initials call and emails with Brendan Bissell re NOI filing; | 0.30 | \$495.00 | \$148.50 |
| 2021-03-17 | BGELMAN | Correspondence with debtor; Review of PPSA and other searches; | 0.50 | \$495.00 | \$247.50 |
| 2021-03-17 | TMCELROY | Correspondence from B. Bissell; Prepare NOI filing documents including engagement letter, representation letter, form of director meeting minutes; Trustee's consent, etc.; Instructions to A. Smithson re various public searches; Review and trial balance and AP listing provided by management; Discussions with S. Marwaha re entering creditors to prepare Form 33 - NOI; | 3.50 | \$415.00 | \$1,452.50 |
| 2021-03-17 | BGELMAN | Call with Brendan Bissell to discuss next steps re NOI filing; | 0.30 | \$495.00 | \$148.50 |
| 2021-03-17 | SMARWAHA | Updated the Ascend with Manual entry of Creditor Listing for 92 Creditors and updating of pass through comments for address and postal code for creditors to setup the file for creditor listing ready. | 2.60 | \$305.00 | \$793.00 |
| 2021-03-18 | TMCELROY | Review and update credit list in Ascend; Detailed review of PPSA; Email to P. Farmer (accountant); Call with P. Farmer re various liability accounts as per trial balance; Video conference with directors of Drexler, Brendan Bissell and B. Gelman; Finalize NOI filing document package and send to directors and legal counsel for review and signature; E-file NOI documents; Email to management and counsel re NOI filing; | 4.80 | \$415.00 | \$1,992.00 |
| 2021-03-18 | BGELMAN | Revision to engagement letter; attend zoom call with principals, Peter (Controller), Brendan Bissell and Tom McElroy re NOI filing and next steps; Review of financial information; call with Martin Drexler re NOI filing; initiate signing of docs; proof all docs to be efiled with OSB; Calls with Debtor's counsel re next steps; | 2.90 | \$495.00 | \$1,435.50 |
| 2021-03-18 | SMARWAHA | Uploaded the NOI Documents over Syngrafii to get the signature from martin Drexler for director of the corporation and sent the executed copy to Bryan and Tom. | 0.20 | \$305.00 | \$61.00 |

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Drexler Construction Limited
 5274 Wellington County Road 27
 Eramosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5072
Billing Through: Mar 31, 2021
File ID: DREXLERCON-P:

Re: Proposal of Drexler Construction Limited

| Date | Client | Description | Hours | Rate | Total |
|------------|----------|---|-------|----------|------------|
| 2021-03-19 | BGELMAN | Team call to discuss delegation of tasks for statutory notices, meetings with management and short term cash flow forecast; Attend zoom conf call with Jeremy Nemers, Ian Aversa and Tom McElroy; emails with counsel to Debtor; call with Accountant for company re cash flow forecast; Zoom call with Management; Call with appraiser to obtain time line and quotes and email to her situation; Call with Yitz Levinson re proposed DIP lending and email to him re same; Review of financial information and financial statements provided by accountant; | 2.20 | \$495.00 | \$1,089.00 |
| 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; Video conference with management and B. Gelman re various next steps; | 1.30 | \$415.00 | \$539.50 |
| 2021-03-19 | SMARWAHA | Compiled an excel worksheet with listing of creditors and Sent E-mail to Peter to request the details for creditors for Drexler Construction viz. Address with Postal Code, Account Number and FAX/ E-mail Address.: Saved the certificate of appointment of LAN and updated the Ascend with the details from certificate of appointment and Setup the files on LAN with setup of folders: Attended the meeting with Bryan. Tom and management of the corporation to discuss the next steps and procedures to be followed for the file. | 1.00 | \$305.00 | \$305.00 |
| 2021-03-22 | TMCELROY | Call with Peter Farmer re banking matters, cash flow projection and creditor information; Call with and email to Peter Farmer re error running payroll through RBC payroll system; | 0.20 | \$415.00 | \$83.00 |
| 2021-03-22 | BGELMAN | Calls with Alf Drexler and emails to real property appraiser; Call with Brendan Bissell re court dates and next steps re motion to extend NOI; Review of email from Appraiser and coordinate same; call from Peter (controller) re RBC Express and payroll; emails and call with Jeremy Nemers re same Line of Credit, checking account and future use of RBC express; Email to Brendan re update on my call with Jeremy, counsel to RBC; | 0.90 | \$495.00 | \$445.50 |

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Drexler Construction Limited
 5274 Wellington County Road 27
 Eramosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5072
Billing Through: Mar 31, 2021
File ID: DREXLERCON-P:

Re: Proposal of Drexler Construction Limited

| | | | | | |
|------------|-----------|--|------|----------|----------|
| 2021-03-22 | SMARWAHA | Compilation of Creditor's package and drafted the letter to be sent with creditor's package for notice of NOI Filing; Correspondence with Peter Farmer to request details for creditor mailing details for creditors; Updating of Ascend with data received for creditors; Sent E-mail to Peter to request the contact details for creditors | 1.40 | \$305.00 | \$427.00 |
| 2021-03-23 | BGELMAN | Call with Peter and Alf re RBC Express and moving forward with appraisals and cash flow forecasts; Review and comments to initial NOI letter ot creditors; Calls with Appraiser and coordinate same; Email with creditors package to counsel for RBC; Review of preliminary draft cash flow model and comments to Tom McElroy; | 1.00 | \$495.00 | \$495.00 |
| 2021-03-23 | TMCELROY | Begin drafting Trustee's report First Report to Court; Discuss cash flow projection prepared by P. Farmer and update schedules & prepare AR and COGS schedules; Discuss cash flow projection with B. Gelman; | 0.90 | \$415.00 | \$373.50 |
| 2021-03-23 | SMARWAHA | Updated the Creditors listing details for address with postal code and FAX/ E-mail Address and compiled the Creditor's package for notice of NOI Filing and sent to Bryan for review; Made amendments to letter as suggested by Bryan which goes along with creditor's package and saved on LAN; E-mailed the Creditor's package to corporate officer, Peter Farmer and Brendan Bissel; E-mail sent to Bryan with Creditor's package as requested.; Sent E-mail to Peter Farmer to request the details for pending creditors; updated the ascend with creditors details and finalised the creditor's listing; Sent E-mail to Ashley with message attachment for e-mail sent to corporate officer and creditor package and requested to perform mailing of creditors package for notice of NOI Filing and draft the affidavit of mailing of notice. | 2.00 | \$305.00 | \$610.00 |
| 2021-03-23 | DCHERNIAK | Assembled Mailing Creditor's Package; | 1.00 | \$195.00 | \$195.00 |
| 2021-03-24 | AROBINSON | Mailed Notice of Intention to all creditors | 2.50 | \$225.00 | \$562.50 |
| 2021-03-24 | TMCELROY | Review and revision to revised cash flow projection prepared by P. Farmer; Several calls with P. Farmer re same; Draft notes to weekly cash flow projection; Instructions to D. Cherniak re banking matters; Review and revisions to cash flow projection; Discuss cash flow projection and assumptions with B. Gelman; | 2.00 | \$415.00 | \$830.00 |
| 2021-03-24 | SWARNER | Formulated and commission affidavit re NOI | 0.20 | \$335.00 | \$67.00 |

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Drexler Construction Limited
 5274 Wellington County Road 27
 Eramosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5072
Billing Through: Mar 31, 2021
File ID: DREXLERCON-P:

Re: Proposal of Drexler Construction Limited

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|---|--------------|-------------|---------------|
| 2021-03-24 | AROBINSON | Spoke to Astley gilbert re unclear fax received and resent documents | 0.20 | \$225.00 | \$45.00 |
| 2021-03-24 | BGELMAN | Attend at the offices of Drexler Construction to meet with management and real estate appraiser; Review of updated cash flow and further due diligence with Tom McElroy; Calls with management and insurance broker re bond on customer job; Call with Brendan Bissell re bonding issues; Review of cash flow forecast and call with Tom McElroy re CF and notes; emails with counsel, Brendan Bissell; | 3.70 | \$495.00 | \$1,831.50 |
| 2021-03-24 | DCHERNIAK | Attend to opening of trust account and banking related administration; Assembled Mailing Creditor's Package; | 3.50 | \$195.00 | \$682.50 |
| 2021-03-24 | SMARWAHA | Discussion with Tom regarding the queries received from various creditors upon receipt of Notice of NOI Package and forwarded the voicemail and emails as requested by Tom to revert to the creditors. | 0.30 | \$305.00 | \$91.50 |
| 2021-03-25 | TMCELROY | Continue to review and revise cash flow projection; Prepare summary of outstanding items to complete cash flow projection; Video conference with Alfred D. and P. Farmer to discuss cash flow projection; Videoconference with Brandon D., Alfred D., Peter F. and Rhonda to discuss cash flow projection; Video conference with B. Bissell and B. Gelman re review cash flow projection and discuss other matters; Finalize cash flow projection, cash flow rep letter and Form 30 and forward to A. Drexler for review and signature; | 3.30 | \$415.00 | \$1,369.50 |
| 2021-03-25 | BGELMAN | Review of revised cash flow, attend zoom call with Peter, Jerome and Tom McElroy re cash flow review; Review of final cash flow for NOI and conf call with Tom McElroy and Brendan Bissell; re requirement for DIP financing; | 1.10 | \$495.00 | \$544.50 |
| 2021-03-26 | TMCELROY | Prepare form 29; E-file NOI cash flow documents; Email to management re NOI cash flow; Respond to correspondence from creditor re NOI filing; Voicemail exchange with Ron Chambers (Steed and Evans - creditor); | 0.60 | \$415.00 | \$249.00 |
| 2021-03-26 | BGELMAN | Execute cash flow and associated forms; | 0.10 | \$495.00 | \$49.50 |

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Drexler Construction Limited
 5274 Wellington County Road 27
 Eramosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5072
Billing Through: Mar 31, 2021
File ID: DREXLERCON-P:

Re: Proposal of Drexler Construction Limited

| | | | | | |
|------------|-----------|--|------|----------|------------|
| 2021-03-29 | BGELMAN | Attend zoom call with counsel to debtor (Brendan and Joel) and management re terms of proposed financing; Call with Brandon Drexler in response to him email to employee lawsuit; email to Evan Campbell re employee law suit; Call to Kyle Fenwick at Corwin Capital re financial option and emails re same; call with Brendan Bissell re update; Call with Alf Drexler to obtain instructions for seeking additional financing on land; Update call with Jeremy Nemers (counsel for RBC) and email to him re same; Debrief with Tom to obtain 1 year cash flow forecast to forecast longer term financing needs; Update call with Howard Manis, counsel to Proposal Trustee, re relief for upcoming motion and background history; | 2.80 | \$495.00 | \$1,386.00 |
| 2021-03-29 | TMCELROY | Email cash flow projections to RBC legal counsel as per request; Email to E. Wood (Hunter Steele - creditor); Prepare 12 month cash flow projection model and forward to management; | 0.60 | \$415.00 | \$249.00 |
| 2021-03-29 | SMARWAHA | Analysed the e-mail query received from one of the creditors and sent the e-mail to Tom for consideration for revert to the creditors. | 0.20 | \$305.00 | \$61.00 |
| 2021-03-30 | TMCELROY | Draft Trustee's Report to Court; Email to P. Farmer re 12 month cash flow projection model; Prepare notice of stay and draft email to A. Lucifero (counsel to former employee) re same; | 1.30 | \$415.00 | \$539.50 |
| 2021-03-30 | BGELMAN | Emails with employment counsel re claim against Drexler; Call from Jerome re request of broker for cash flow; Review and respond to emails re proposed lending terms from 3rd party DIP lender; | 0.50 | \$495.00 | \$247.50 |
| 2021-03-31 | AROBINSON | Drafted cover letter and sent stay letter to the courts | 0.30 | \$225.00 | \$67.50 |
| 2021-03-31 | BGELMAN | Call with Alf Drexler; respond to email from Jeremy at A&B; | 0.30 | \$495.00 | \$148.50 |

Total Fees: \$20,048.00
HST: \$2,606.24

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Drexler Construction Limited
 5274 Wellington County Road 27
 Eramosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5072
Billing Through: Mar 31, 2021
File ID: DREXLERCON-P:

Re: Proposal of Drexler Construction Limited

Summary by Staff:

| | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|---|--------------|-------------|---------------|
| Ashley Robinson (Estate Administrator) | 3.00 | \$225.00 | \$675.00 |
| Bryan A. Gelman (Principal, CIRP LIT) | 16.60 | \$495.00 | \$8,217.00 |
| Daphna Cherniak (Estate Administrator) | 4.50 | \$195.00 | \$877.50 |
| Sudhanshu Marwaha (Associate) | 7.90 | \$305.00 | \$2,409.50 |
| Suzette Warner (Associate, CFE, CPA, CGA, FCCA) | 0.20 | \$335.00 | \$67.00 |
| Tom McElroy (Mgr, CPA, CA, CBV, CIRP, LIT) | 18.80 | \$415.00 | \$7,802.00 |

Disbursements:

Non-Taxable Disbursements

SEARCH FEES: \$9.80

Taxable Disbursements

PHOTOCOPIES: \$362.00
 POSTAGE: \$126.72
 SEARCH FEES: \$1.10
 TRAVEL: \$78.02

Total Disbursements: \$577.64

HST: \$73.82

Amount Due This Invoice: **\$23,305.70**

Invoice Summary:

| | |
|-------------------------------|--------------------|
| TOTAL FEES AND DISBURSEMENTS: | \$20,625.64 |
| TOTAL HST: | \$2,680.06 |
| TOTAL AMOUNT DUE: | \$23,305.70 |

Payment of this account is due on receipt
 HST Registration # 83741 9514 RT0001

Folmur Construction (2004) Limited
 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 14, 2021

Invoice No: 5073

Billing Through: Mar 31, 2021

File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|--|--------------|-------------|---------------|
| 2021-03-18 | TMCELROY | Review of financial documents and other information provided by management; Prepare NOI filing documents; Email to Debtor's legal counsel and management; E-file NOI documents; | 2.50 | \$415.00 | \$1,037.50 |
| 2021-03-18 | BGELMAN | Revision to engagement letter; attend zoom call with principals, Peter (Controller), Brendan Bissell and Tom McElroy re NOI filing and next steps; Review of financial information; call with Martin Drexler re NOI filing; initiate signing of docs; proof all docs to be efiled with OSB; Calls with Debtor's counsel re next steps; | 2.20 | \$495.00 | \$1,089.00 |
| 2021-03-18 | SMARWAHA | Setup the file on Ascend and updated the information from various documentation PPSA Search report and Corporate Profile Search report and updated the listing of creditors and filed and finalised the answers to other question on ascend for ready the file for signup for NOI: Uploaded the NOI Documents over Syngrafii to get the signature from martin Drexler for director of the corporation and sent the executed copy to Bryan and Tom. | 2.30 | \$305.00 | \$701.50 |
| 2021-03-19 | AROBINSON | Prepared PPSA and corporate profile search | 0.10 | \$225.00 | \$22.50 |
| 2021-03-19 | BGELMAN | Team call to discuss delegation of tasks for statutory notices, meetings with management and short term cash flow forecast; Attend zoom conf call with Jeremy Nemers, Ian Aversa and Tom McElroy; emails with counsel to Debtor; call with Accountant for company re cash flow forecast; Zoom call with Management; Review of financial information and financial statements provided by accountant; | 1.60 | \$495.00 | \$792.00 |
| 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; Video conference with management and B. Gelman re various next steps; | 1.30 | \$415.00 | \$539.50 |

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Folmur Construction (2004) Limited
 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 14, 2021
Invoice No: 5073
Billing Through: Mar 31, 2021
File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

| Date | Client | Description | Hours | Rate | Total |
|------------|----------|--|-------|----------|----------|
| 2021-03-19 | SMARWAHA | Compiled an excel worksheet with listing of creditors and Sent E-mail to Peter Farmer to request the details for creditors for Folmur Construction (2004) Limited viz. Address with Postal Code, Account Number and FAX/ E-mail Address.: Saved the certificate of appointment of LAN and updated the Ascend with the details from certificate of appointment and Setup the files on LAN with setup of folders: Attended the meeting with Bryan. Tom and management of the corporation to discuss the next steps and procedures to be followed for the file. | 1.00 | \$305.00 | \$305.00 |
| 2021-03-22 | BGELMAN | Call with Brendan Bissell re court dates and next steps re motion to extend NOI; call from Peter (controller) re RBC Express and payroll; emails and call with Jeremy Nemers re same Line of Credit, checking account and future use of RBC express; | 0.40 | \$495.00 | \$198.00 |
| 2021-03-22 | SMARWAHA | Compilation of Creditor's package and drafted the letter to be sent with creditor's package for notice of NOI Filing; Correspondence with Peter Farmer to request details for creditor mailing details for creditors: Updating of Ascend with data received for creditors: Sent E-mail to Peter to request the contact details for creditors | 0.80 | \$305.00 | \$244.00 |
| 2021-03-22 | TMCELROY | Call with Peter Farmer re banking matters, cash flow projection and creditor information; Call with and email to Peter Farmer re error running payroll through RBC payroll system; | 0.20 | \$415.00 | \$83.00 |
| 2021-03-23 | BGELMAN | Call with Peter re cash flow forecast; Review and comments to initial NOI letter of creditors; Email with creditors package to counsel for RBC; Review of preliminary draft cash flow model and comments to Tom McElroy; | 0.90 | \$495.00 | \$445.50 |
| 2021-03-23 | TMCELROY | Discuss cash flow projection prepared by P. Farmer and update schedules & prepare AR and COGS schedules; Discuss cash flow projection with B. Gelman; | 0.70 | \$415.00 | \$290.50 |

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Folmur Construction (2004) Limited
 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 14, 2021
Invoice No: 5073
Billing Through: Mar 31, 2021
File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

| | | | | | |
|------------|-----------|--|------|----------|----------|
| 2021-03-23 | SMARWAHA | Updated the Creditors listing details for address with postal code and FAX/ E-mail Address and compiled the Creditor's package for notice of NOI Filing and sent to Bryan for review: Made amendments to letter as suggested by Bryan which goes along with creditor's package and saved on LAN: E-mailed the Creditor's package to corporate officer, Peter Farmer and Brendan Bissel: E-mail sent to Bryan with Creditor's package as requested.: Sent E-mail to Peter Farmer to request the details for pending creditors: updated the ascend with creditors details and finalised the creditor's listing: Sent E-mail to Ashley with message attachment for e-mail sent to corporate officer and creditor package and requested to perform mailing of creditors package for notice of NOI Filing and draft the affidavit of mailing of notice. | 2.00 | \$305.00 | \$610.00 |
| 2021-03-24 | AROBINSON | Mailed notice of Intention to all creditors | 1.00 | \$225.00 | \$225.00 |
| 2021-03-24 | SWARNER | Formulated and commissioned affidavit re NOI | 0.20 | \$335.00 | \$67.00 |
| 2021-03-24 | BGELMAN | Meeting with management at offices, including Brandon Drexler and controller, Rhonda; Attend to Q&A re suppliers and ongoing contracts; Review of updated cash flow and further due diligence with Tom McElroy; Review of cash flow forecast and call with Tom McElroy re CF and notes; | 1.30 | \$495.00 | \$643.50 |
| 2021-03-24 | DCHERNIAK | Attend to opening of trust account and banking related administration. | 0.50 | \$195.00 | \$97.50 |
| 2021-03-24 | TMCELROY | Review and revision to revised cash flow projection prepared by P. Farmer; Several calls with P. Farmer re same; Draft notes to weekly cash flow projection; Instructions to D. Cherniak re banking matters; Review and revisions to cash flow projection; Discuss cash flow projection and assumptions with B. Gelman; | 2.00 | \$415.00 | \$830.00 |
| 2021-03-25 | BGELMAN | Review of revised cash flow, attend zoom call with Peter, Jerome and Tom McElroy re cash flow review; Attend further zoom call with Brendan (GM), Rhonda (Controller), Tom McElroy and I to review and make live revision to cash flow forecast; Review of final cash flow for NOI and conf call with Tom McElroy and Brendan Bissel re requirement for DIP financing; | 2.00 | \$495.00 | \$990.00 |

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Folmur Construction (2004) Limited
 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 14, 2021
Invoice No: 5073
Billing Through: Mar 31, 2021
File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

| Date | Staff | Description | Hours | Rate | Amount |
|------------|----------|---|-------|--------------------|--------------------|
| 2021-03-25 | TMCELROY | Continue to review and revise cash flow projection; Prepare summary of outstanding items to complete cash flow projection; Video conference with Alfred D. and P. Farmer to discuss cash flow projection; Videoconference with Brandon D., Alfred D., Peter F. and Rhonda to discuss cash flow projection; Video conference with B. Bissell and B. Gelman re review cash flow projection and discuss other matters; Finalize cash flow projection, cash flow rep letter and From 30 and forward to A. Drexler for review and signature; | 3.30 | \$415.00 | \$1,369.50 |
| 2021-03-26 | BGELMAN | Execute cash flow and associated forms; | 0.10 | \$495.00 | \$49.50 |
| 2021-03-26 | TMCELROY | Prepare form 29; E-file NOI cash flow documents; Email to management re NOI cash flow; | 0.40 | \$415.00 | \$166.00 |
| 2021-03-29 | BGELMAN | Update call with Jeremy Nemers (counsel for RBC) and email to him re same; Debrief with Tom to obtain 1 year cash flow forecast to forecast longer term financing needs; Update call with Howard Manis, counsel to Proposal Trustee, re relief for upcoming motion and background history; | 0.60 | \$495.00 | \$297.00 |
| 2021-03-29 | TMCELROY | Prepare 12 month cash flow projection model and forward to management; | 0.30 | \$415.00 | \$124.50 |
| 2021-03-30 | TMCELROY | Draft Trustee's Report to Court; Email to P. Farmer re 12 month cash flow projection model; | 0.90 | \$415.00 | \$373.50 |
| | | | | Total Fees: | \$11,591.00 |
| | | | | HST: | \$1,506.83 |

Summary by Staff:

| Staff | Hours | Rate | Amount |
|---|-------|----------|------------|
| Ashley Robinson (Estate Administrator) | 1.10 | \$225.00 | \$247.50 |
| Bryan A. Gelman (Principal, CIRP LIT) | 9.10 | \$495.00 | \$4,504.50 |
| Daphna Cherniak (Estate Administrator) | 0.50 | \$195.00 | \$97.50 |
| Sudhanshu Marwaha (Associate) | 6.10 | \$305.00 | \$1,860.50 |
| Suzette Warner (Associate, CFE, CPA, CGA, FCCA) | 0.20 | \$335.00 | \$67.00 |
| Tom McElroy (Mgr, CPA, CA, CBV, CIRP, LIT) | 11.60 | \$415.00 | \$4,814.00 |

Disbursements:

Taxable Disbursements

| | |
|--------------|---------|
| PHOTOCOPIES: | \$54.00 |
| POSTAGE: | \$16.20 |

Total Disbursements: **\$70.20**

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Folmur Construction (2004) Limited
7000 Wellington Rd. 124
Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 14, 2021
Invoice No: 5073
Billing Through: Mar 31, 2021
File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

HST: \$9.13

Amount Due This Invoice: \$13,177.16

Invoice Summary:

| | |
|-------------------------------|--------------------|
| TOTAL FEES AND DISBURSEMENTS: | \$11,661.20 |
| TOTAL HST: | \$1,515.96 |
| TOTAL AMOUNT DUE: | \$13,177.16 |

Payment of this account is due on receipt
HST Registration # 83741 9514 RT0001

Down Under Pipe and Cable Locating Ltd.
5270 Wellington 27
Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5070
Billing Through: Mar 31, 2021
File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|--|--------------|-------------|---------------|
| 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; Video conference with management and B. Gelman re various next steps; | 0.30 | \$415.00 | \$124.50 |
| 2021-03-18 | TMCELROY | Review of financial documents and other information provided by management; Prepare NOI filing documents; Email to Debtor's legal counsel and management; E-file NOI documents; | 2.50 | \$415.00 | \$1,037.50 |
| 2021-03-18 | BGELMAN | Revision to engagement letter; attend zoom call with principals, Peter (Controller), Brendan Bissell and Tom McElroy re NOI filing and next steps; Review of financial information; call with Martin Drexler re NOI filing; initiate signing of docs; proof all docs to be efiled with OSB; Calls with Debtor's counsel re next steps; | 2.20 | \$495.00 | \$1,089.00 |
| 2021-03-18 | SMARWAHA | Setup the file on Ascend and updated the information from various documentation PPSA Search report and Corporate Profile Search report and updated the listing of creditors and filed and finalised the answers to other question on ascend for ready the file for signup for NOI: Uploaded the NOI Documents over Syngrafii to get the signature from Martin Drexler for director of the corporation and sent the executed copy to Bryan and Tom. | 1.60 | \$305.00 | \$488.00 |
| 2021-03-19 | AROBINSON | Prepared PPSA and corporate profile search | 0.10 | \$225.00 | \$22.50 |
| 2021-03-19 | BGELMAN | Team call to discuss delegation of tasks for statutory notices, meetings with management and short term cash flow forecast; Attend zoom conf call with Jeremy Nemers, Ian Aversa and Tom McElroy; emails with counsel to Debtor; call with Accountant for company re cash flow forecast; Zoom call with Management; Review of financial information and financial statements provided by accountant; | 0.60 | \$495.00 | \$297.00 |
| 2021-03-19 | SMARWAHA | Saved the certificate of appointment of LAN and updated the Ascend with the details from certificate of appointment and Setup the files on LAN with setup of folders: Attended the meeting with Bryan, Tom and management of the corporation to discuss the next steps and procedures to be followed for the file. | 0.50 | \$305.00 | \$152.50 |

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Down Under Pipe and Cable Locating Ltd.
 5270 Wellington 27
 Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5070
Billing Through: Mar 31, 2021
File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

| | | | | | |
|------------|-----------|--|------|----------|----------|
| 2021-03-22 | BGELMAN | Call with Brendan Bissell re court dates and next steps re motion to extend NOI; | 0.10 | \$495.00 | \$49.50 |
| 2021-03-22 | SMARWAHA | Updating of details for certificate of NOI received and updated the Ascend with details and updated the creditor listing; Sent E-mail to Peter to request the contact details for creditors; | 0.40 | \$305.00 | \$122.00 |
| 2021-03-23 | BGELMAN | Call with Peter re cash flow forecasts; Review and comments to initial NOI letter of creditors; Email with creditors package to counsel for RBC; Review of preliminary draft cash flow model and comments to Tom McElroy; | 0.80 | \$495.00 | \$396.00 |
| 2021-03-23 | AROBINSON | Completed NOI mailing to all creditors | 0.50 | \$225.00 | \$112.50 |
| 2021-03-23 | TMCELROY | Discuss cash flow projection prepared by P. Farmer and update schedules & prepare AR and COGS schedules; | 0.20 | \$415.00 | \$83.00 |
| 2021-03-23 | SMARWAHA | Updated the Creditors listing details for address with postal code and FAX/ E-mail Address and compiled the Creditor's package for notice of NOI Filing and sent to Bryan for review; Made amendments to letter as suggested by Bryan which goes along with creditor's package and saved on LAN; E-mailed the Creditor's package to corporate officer, Peter Farmer and Brendan Bissel; E-mail sent to Bryan with Creditor's package as requested.; Sent E-mail to Peter Farmer to request the details for pending creditors; updated the ascend with creditors details and finalised the creditor's listing; Sent E-mail to Ashley with message attachment for e-mail sent to corporate officer and creditor package and requested to perform mailing of creditors package for notice of NOI Filing and draft the affidavit of mailing of notice. | 0.70 | \$305.00 | \$213.50 |
| 2021-03-24 | SWARNER | Formulated and commissioned affidavit re NOI | 0.20 | \$335.00 | \$67.00 |
| 2021-03-24 | BGELMAN | Review of cash flow forecast with Tom McElroy; | 0.30 | \$495.00 | \$148.50 |
| 2021-03-24 | DCHERNIAK | Attend to opening of trust account and banking related administration. | 0.50 | \$195.00 | \$97.50 |
| 2021-03-24 | TMCELROY | Review and revision to revised cash flow projection prepared by P. Farmer; Several calls with P. Farmer re same; Draft notes to weekly cash flow projection; Instructions to D. Cherniak re banking matters; Review and revisions to cash flow projection; Discuss cash flow projection and assumptions with B. Gelman; | 0.40 | \$415.00 | \$166.00 |

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Down Under Pipe and Cable Locating Ltd.
 5270 Wellington 27
 Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5070
Billing Through: Mar 31, 2021
File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

| Date | Staff | Description | Hours | Rate | Amount |
|------------|----------|---|-------|----------|----------|
| 2021-03-25 | TMCELROY | Continue to review and revise cash flow projection; Prepare summary of outstanding items to complete cash flow projection; Video conference with Alfred D. and P. Farmer to discuss cash flow projection; Videoconference with Brandon D., Alfred D., Peter F. and Rhonda to discuss cash flow projection; Video conference with B. Bissell and B. Gelman re review cash flow projection and discuss other matters; Finalize cash flow projection, cash flow rep letter and From 30 and forward to A. Drexler for review and signature; | 0.50 | \$415.00 | \$207.50 |
| 2021-03-26 | BGELMAN | Execute cash flow and associated forms; | 0.10 | \$495.00 | \$49.50 |
| 2021-03-29 | BGELMAN | Update call with Howard Manis, counsel to Proposal Trustee, re relief for upcoming motion and background history; | 0.10 | \$495.00 | \$49.50 |

Total Fees: \$4,973.00
HST: \$646.49

Summary by Staff:

| Staff | Hours | Rate | Amount |
|---|-------|----------|------------|
| Ashley Robinson (Estate Administrator) | 0.60 | \$225.00 | \$135.00 |
| Bryan A. Gelman (Principal, CIRP LIT) | 4.20 | \$495.00 | \$2,079.00 |
| Daphna Cherniak (Estate Administrator) | 0.50 | \$195.00 | \$97.50 |
| Sudhanshu Marwaha (Associate) | 3.20 | \$305.00 | \$976.00 |
| Suzette Warner (Associate, CFE, CPA, CGA, FCCA) | 0.20 | \$335.00 | \$67.00 |
| Tom McElroy (Mgr, CPA, CA, CBV, CIRP, LIT) | 3.90 | \$415.00 | \$1,618.50 |

Disbursements:

Taxable Disbursements

| | |
|--------------|--------|
| PHOTOCOPIES: | \$2.50 |
| POSTAGE: | \$0.90 |

Total Disbursements: \$3.40
HST: \$0.45

Amount Due This Invoice: \$5,623.34

Invoice Summary:

| | |
|-------------------------------|-------------------|
| TOTAL FEES AND DISBURSEMENTS: | \$4,976.40 |
| TOTAL HST: | \$646.94 |
| TOTAL AMOUNT DUE: | \$5,623.34 |

Down Under Pipe and Cable Locating Ltd.
5270 Wellington 27
Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: Apr 13, 2021
Invoice No: 5070
Billing Through: Mar 31, 2021
File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

Payment of this account is due on receipt
HST Registration # 83741 9514 RT0001

Invoice

Drexler Construction Limited
 5274 Wellington County Road 27
 Erarosa, ON N0B 2K0
 Attention: Mr. Alfred Drexler

Invoice Date: May 18, 2021
 Invoice No: 5115
 Billing Through: May 17, 2021
 File ID: DREXLERCON-P:

Re: Drexler Construction Limited

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|--|--------------|-------------|---------------|
| 2021-04-01 | TMCELROY | Continue drafting Trustee's first report to Court; | 4.00 | \$415.00 | \$1,660.00 |
| 2021-04-01 | BGELMAN | Call with Alf and Jerome Drexler re commercial finance broker and appraisal from Sia Mizrahi; call with Jeremy at Aird & Berlis re appraisal and update; calls and emails with several commercial mortgage brokers; call with Brendan Bissell re update; | 2.20 | \$495.00 | \$1,089.00 |
| 2021-04-02 | BGELMAN | Email to Jeremy at Aird & Berlis re equipment appraisal; | 0.30 | \$495.00 | \$148.50 |
| 2021-04-03 | TMCELROY | Review of mortgage financing commitment from Crown Mortgage Capital; Amendments to report; Call with Joel T. (debtor legal counsel) re application to Court seeking various relieve and other matters; Email to Joel T. re same; | 0.90 | \$415.00 | \$373.50 |
| 2021-04-05 | TMCELROY | Continue drafting First Report to Court; Email to counsel re security opinion; Call with Peter Farmer (internal accountant) re various matters; Instructions to A. Smithson re various public searches; Email to creditor re NOI filing; Review security opinion re RBC security prepared by independent counsel; | 2.50 | \$415.00 | \$1,037.50 |
| 2021-04-05 | AROBINSON | Prepared four Teranet searches and 4 corporate profile searches; | 0.50 | \$225.00 | \$112.50 |
| 2021-04-05 | BGELMAN | Calls to mortgage brokers to seek interest in long term financing; Review of draft report to court and calls with Tom McElroy re same; Review of Howard Manis opinion on RBC security; | 1.10 | \$495.00 | \$544.50 |
| 2021-04-05 | SMARWAHA | E-mail to Tom for query received from one of the creditors for Drexler Construction. | 0.20 | \$305.00 | \$61.00 |
| 2021-04-05 | DCHERNIAK | April Bank Reconciliation; | 0.10 | \$195.00 | \$19.50 |
| 2021-04-06 | BGELMAN | Call and email to Mark Hart (commercial mortgage broker); Review of appraisals provided by Tracey Smith on 3 pieces of land; call with Brendan re same; circulate appraisals to counsel for RBC and email re same; email appraisal to Kyle Fenwick (DIP lender) and call with Kyle re same; review of emails between counsel for Debtor and RBC; Return call to Brandon Drexler regarding new contract; Calls with Kyle Fenwick re financing terms; call with Jeremy re cash flow review and terms of DIP loan; Review equipment appraisal and call with Jerome and his wife Pat to review list of redundant assets; | 2.40 | \$495.00 | \$1,188.00 |

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Invoice

Drexler Construction Limited
 5274 Wellington County Road 27
 Erarosa, ON N0B 2K0
 Attention: Mr. Alfred Drexler

Invoice Date: May 18, 2021
 Invoice No: 5115
 Billing Through: May 17, 2021
 File ID: DREXLERCON-P:

Re: Drexler Construction Limited

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|------------|----------|--|------|----------|----------|
| 2021-04-06 | TMCELROY | Discussions with S. Warner re setting of cash receipts and disbursements monitoring procedures; Email to P. Farmer re same; Call with Peter re status of current cash flow and cash availability prior to hearing date; | 0.40 | \$415.00 | \$166.00 |
| 2021-04-06 | SWARNER | Meeting with Tom & Sudhanshu to discuss monitoring ; File review Detailed email to accountant with monitoring program ; call with accountant to discuss same | 0.60 | \$335.00 | \$201.00 |
| 2021-04-06 | SMARWAHA | Attended Call with Tom and Suzette to discuss next steps and process for cash flow monitoring analysis to be performed for the corporation. | 0.20 | \$305.00 | \$61.00 |
| 2021-04-07 | BGELMAN | Prepare and attend zoom call with Jeremy N, George (RBC Manager) and Rob from MNP (consultant to RBC); Email follow up re discussion points raised on zoom call; debrief call with Brendan Bissell; Call with Howard Manis re report to court and update; | 1.20 | \$495.00 | \$594.00 |
| 2021-04-07 | TMCELROY | Discussions with B. Gelman re revisions to AR rollforward schedule to reflect actual to date and anticipate future collection; Discuss same with P. Farmer; Review information and documents provided by P. Farmer re company's assets; Follow up email to P. Farmer re same; | 0.70 | \$415.00 | \$290.50 |
| 2021-04-07 | SWARNER | Call with Sudhanshu to discuss information received and method to employ for monitoring | 0.30 | \$335.00 | \$100.50 |
| 2021-04-07 | SMARWAHA | Attended Call with Suzette to discuss the cash flow monitoring analysis to be performed and actual and projected comparison analysis using the transactions statements and other information shared with us, | 0.60 | \$305.00 | \$183.00 |
| 2021-04-08 | TMCELROY | Email to Peter Farmer re additional documents required from Company re CRA balances; Several calls with P. Farmer re status of AR collection, updating AR rollforward summary and revised cash flow projection; Prepare revised cash flow projection; | 0.90 | \$415.00 | \$373.50 |
| 2021-04-08 | BGELMAN | Review of revised cash flow models with Tom McElroy; Zoom call with Brendan to review cash flow forecast; | 0.40 | \$495.00 | \$198.00 |
| 2021-04-08 | SWARNER | Set-up format of cash flow monitoring with Sudhanshu | 0.60 | \$335.00 | \$201.00 |
| 2021-04-08 | SMARWAHA | Performed Cash flow monitoring analysis for two weeks suggested and drafted list of identified transactions for further clarification of nature of transaction and sent to Peter via e-mail: Call with Suzette for discussion of the monitoring analysis performed and finalisation of formatting to be followed and to categorize the transactions in the analysis. | 3.10 | \$305.00 | \$945.50 |
| 2021-04-09 | BGELMAN | Attend zoom call with Jeremy Nermers and Brendan Bissell re DIP loan and other details; | 0.70 | \$495.00 | \$346.50 |

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Drexler Construction Limited
 5274 Wellington County Road 27
 Erarosa, ON N0B 2K0
 Attention: Mr. Alfred Drexler

Invoice

Invoice Date: May 18, 2021
 Invoice No: 5115
 Billing Through: May 17, 2021
 File ID: DREXLERCON-P:

Re: Drexler Construction Limited

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|---|--------------|-------------|---------------|
| 2021-04-09 | SWARNER | Reviewed and commented on monitoring cash flow analysis; | 0.40 | \$335.00 | \$134.00 |
| 2021-04-09 | TMCELROY | Review of affidavit of Alfred Drexler; Review of draft form of Order; Continue drafting report to Court; Discuss contents of report with B. Gelman; | 1.40 | \$415.00 | \$581.00 |
| 2021-04-09 | SMARWAHA | Analyzed the information and clarification received from Peter for identified transactions and included and categorized the transactions in the cash flow monitoring analysis: Discussion and finalisation for formatting for the analysis post discussion with Suzette over call. | 1.20 | \$305.00 | \$366.00 |
| 2021-04-10 | TMCELROY | Email to P. Farmer re status of deposit to Corwin re DIP financing; Conference call with J. Turgeon, B. Bissell and J. Drexler re motion materials and other matters; Email to A. Chen (CRA) re status and quantum of CRA balances; Continue drafting report to Court; Email to D. McEllistrum (external accountant) re request financial records; Review of cash flow monitoring schedules prepared by S. Marwaha; | 2.10 | \$415.00 | \$871.50 |
| 2021-04-11 | TMCELROY | Review and respond to Debtor legal counsel re parcel register re duplex property; | 0.30 | \$415.00 | \$124.50 |
| 2021-04-11 | BGELMAN | Review of revisions to Report to Court; | 0.10 | \$495.00 | \$49.50 |
| 2021-04-12 | TMCELROY | Review and comments to Debtor counsel re draft form of affidavit and notice of motion; Finalize First Report to Court; Assemble appendices to First Report; Prepare Case Website to post Court documents; Review of draft form or Order; Instructions to S. Warner re preparing responding record of Proposal Trustee; Correspondence with counsel re service of Trustee's First Report; | 2.30 | \$415.00 | \$954.50 |
| 2021-04-12 | BGELMAN | Call from Alf re update; Call with Brent from Canadian Equipment Finance & Leasing Inc. re potential lending opportunity; update call with Alf re my call with Brent; update call with Tom re status of court report; review of draft order and call with Joel at GSNH re same; final review of draft report; | 1.30 | \$495.00 | \$643.50 |
| 2021-04-12 | SWARNER | Review motion package and affixed signature as applicable; | 0.20 | \$335.00 | \$67.00 |

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Invoice

Drexler Construction Limited
 5274 Wellington County Road 27
 Erarosa, ON N0B 2K0
 Attention: Mr. Alfred Drexler

Invoice Date: May 18, 2021
 Invoice No: 5115
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 File ID: DREXLERCON-P:

Re: Drexler Construction Limited

| Date | Client | Description | Hours | Rate | Amount |
|------------|-----------|--|-------|----------|----------|
| 2021-04-12 | SMARWAHA | Forwarded a voicemail received from a creditor to Tom for revert for query raised regarding creditor's package received for Notice of NOI; Drafted the website template to be published over website for the file and forwarded to Tom for review and approval. Incorporated the amendments received : Updated the website with approved template design and appointment documents. | 0.70 | \$305.00 | \$213.50 |
| 2021-04-13 | TMCELROY | Call with R. Chambers (creditor - Mann 2018 Ltd.) re status of NOI proceedings and other matters; Call with Lorie Matheson (creditor - HLB Solutions); Populate Case Website with April 16 21 motion materials and other documents; Review and comments to B. Gelman re supplementary report to Court; | 0.90 | \$415.00 | \$373.50 |
| 2021-04-13 | BGELMAN | Review and approval of finalized report to Court of Proposal Trustee; Call from Ian Aversa and Jeremy Nermers re amended commitment letter; Calls with Kyle Fenwick at Corwin Capital re revisions to commitment letter; further call with Jeremy at Aird & Berlis re same; email to Debtor's counsel re changes to commitment letter; review revised commitment from Corwin; call with Alf, Kevin, Jerome and Martin re internal accounting; call with Rodney David at Grey Suits re potential controller role and additional oversight; call from David (external accountant) re internal CFO role and duties of same to support new lender requirements; Draft Supplementary Report to Court; | 1.60 | \$495.00 | \$792.00 |
| 2021-04-13 | SMARWAHA | Forwarded a voicemail received from a creditor to Tom for revert for query raised regarding creditor's package received for Notice of NOI | 0.10 | \$305.00 | \$30.50 |
| 2021-04-14 | BGELMAN | Email and call with Jeremy Nermers (counsel for RBC); finalize supplementary report to Court; Calls with Sia Mizrahi and Jerome Drexler re meeting to discuss and coordinate sale of assets; calls with Jeremy Nermers and Brendan Bissell re changes to Order to accommodate sale of assets with RBC consent; | 0.60 | \$495.00 | \$297.00 |
| 2021-04-14 | TMCELROY | Update Case Website; | 0.20 | \$415.00 | \$83.00 |
| 2021-04-14 | AROBINSON | E-filed First Report on Proposal and Supplementary Report | 0.20 | \$225.00 | \$45.00 |
| 2021-04-15 | TMCELROY | E mail to P. Farmer re inter-company loan with Folmur; Discuss matters related to upcoming Court hearing with B. Gelman; Review revised draft for of Order; | 0.50 | \$415.00 | \$207.50 |

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 Attention: Mr. Alfred Drexler

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 File ID: DREXLERCON-P:

Re: Drexler Construction Limited

| | | | | | |
|------------|-----------|--|------|----------|----------|
| 2021-04-15 | BGELMAN | Review of deemed trust amounts and email to Brendan and Jeremy re same and form of order; Call with Brendan and Howard re same; | 0.30 | \$495.00 | \$148.50 |
| 2021-04-16 | AROBINSON | Reviewed and entered proof of claim; | 0.10 | \$225.00 | \$22.50 |
| 2021-04-16 | BGELMAN | Attend at hearing for extension of time to file proposal and other relief; Call with Alf re mortgage financing options; call from Brendan re bonding company; Attend call with Rodney Davis, Dave (Accountant for Company) and management re turnaround advice; | 0.80 | \$495.00 | \$396.00 |
| 2021-04-16 | AROBINSON | E-filed Court order and endorsement; | 0.10 | \$225.00 | \$22.50 |
| 2021-04-16 | SWARNER | Call with Sudhanshu to review monitoring activities and instructions on next steps | 0.60 | \$335.00 | \$201.00 |
| 2021-04-16 | SMARWAHA | Performed the cash flow monitoring for the file for data received for two weeks and updated the master worksheet after performance of analysis received and update of comparison analysis in excel workbook and discussion with Suzette in regards to outstanding items of categorization: Listed the identified transaction for which additional information is required for nature of transaction and sent the e-mail to peter F. to request the additional information for listed transaction: Analyzed the nature of transaction received from peter farmer for listed transaction and updated the analysis and worksheet and comparison analysis and sent to Tom for review and approval. | 1.90 | \$305.00 | \$579.50 |
| 2021-04-19 | BGELMAN | Call and email to Dom Magisano, counsel for prospective lender on land; Call from Brandon and Kevin Drexler re update and vehicle lease; Email to Yitz Levinson re prospective lender; | 0.50 | \$495.00 | \$247.50 |
| 2021-04-19 | TMCELROY | Email Court Order to I. Valitsky; Email to P. Farmer re CRA proof of claim and request confirmation of accuracy of amounts owing; | 0.30 | \$415.00 | \$124.50 |
| 2021-04-20 | TMCELROY | Discuss status of monitoring activities with B. Gelman; Email to S. Marwaha re same; | 0.20 | \$415.00 | \$83.00 |
| 2021-04-20 | BGELMAN | Call with Tom to discuss outstanding HST and tax issues and reminder to Peter re same; | 0.10 | \$495.00 | \$49.50 |
| 2021-04-20 | SMARWAHA | Analysed the e-mail from one of the vendors Cox Constructions - Ken Ruckstuhl, regarding the notice of NOI for proposal regarding the amounts owed to them; | 0.10 | \$305.00 | \$30.50 |
| 2021-04-21 | TMCELROY | Discuss cash flow monitoring activities with S. Warner; Review of cash flow monitoring schedules prepared by S. Marwaha; | 0.30 | \$415.00 | \$124.50 |
| 2021-04-21 | BGELMAN | Update call with Alf re appraisal on real estate; Reply to email from Ritchie Bros. re equipment enquiries; | 0.20 | \$495.00 | \$99.00 |

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Drexler Construction Limited
 5274 Wellington County Road 27
 Erarosa, ON N0B 2K0
 Attention: Mr. Alfred Drexler

Invoice

Invoice Date: May 18, 2021
 Invoice No: 5115
 Billing Through: May 17, 2021
 File ID: DREXLERCON-P:

Re: Drexler Construction Limited

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|--|--------------|-------------|---------------|
| 2021-04-21 | SWARNER | Call with Sudhanshu to review monitoring cash flow and comments on re-formatting | 0.30 | \$335.00 | \$100.50 |
| 2021-04-21 | SMARWAHA | Finalised the cash flow monitoring analysis on the file and reconciled the information received and sent the draft via e-mail to Tom for review and analysis: Attended call with Suzette to discuss the amendments to be made to the cash flow monitoring analysis template and made the comparison analysis in the worksheet and amended the worksheet to reflect the changes suggested for the cash flow monitoring analysis and identified the information required and confirmation of balances required and listed the transactions and information to be requested: Drafted the e-mail and listed down the additional information and documentation required for the monitoring analysis task and sent to Peter Farmer via e-mail. | 2.10 | \$305.00 | \$640.50 |
| 2021-04-22 | TMCELROY | Email to P. Farmer re filing of HST returns pre and post-NOI filing; Update case Website; | 0.20 | \$415.00 | \$83.00 |
| 2021-04-22 | BGELMAN | Call with Kyle Fenwick re mortgage application; fill it out and send to Alf Drexler; | 0.20 | \$495.00 | \$99.00 |
| 2021-04-23 | BGELMAN | call with Alf re financing and next steps; conf call with Peter and Alf; Email to Kyle Fenwick with details on mortgage application and financial statements; | 0.20 | \$495.00 | \$99.00 |
| 2021-04-23 | SMARWAHA | Update cash flow monitoring analysis worksheet for information and documentation received from Peter Farmer: Attended call with Peter Farmer for clarification of information sent for request for information for cash flow monitoring analysis and updated the schedules and request for the remaining information and documentation pending and confirmation of bank balances: Sent the updated worksheet to Tom and Bryan for review. | 1.20 | \$305.00 | \$366.00 |
| 2021-04-26 | TMCELROY | Review and analysis of cash flow monitoring schedules (actual vs. projected) prepared by S. Marwaha and discuss variances and other matters with S. Marwaha and S. Warner; | 0.90 | \$415.00 | \$373.50 |
| 2021-04-26 | BGELMAN | Call with Alf and Peter re bonding company questions; email to them re same; Email with Doug Corby; Call with Jerome Drexler; Review of cash flow budget to actual variance analysis and call Tom re same; | 0.70 | \$495.00 | \$346.50 |

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 File ID: DREXLERCON-P:

Re: Drexler Construction Limited

| Date | Client | Description | Hours | Rate | Total |
|------------|----------|---|-------|----------|------------|
| 2021-04-26 | SMARWAHA | Attended call with Suzette and Tom to discuss the analysis of cash flow monitoring analysis: Sent E-mail to Peter Farmer to follow up for the information request for the pending cash flow monitoring task: Attended call with peter farmer to request the documentation and information from the previous request: Reconciliation of Bank Statements with the cash flow monitoring analysis and sent the updated worksheet for Tom for review: Attended a follow up call with Suzette and Tom to discuss the updated cash flow monitoring analysis: Schedule and arranged a meeting with Peter Farmer , Bryan and Tom for discussion for cash flow monitoring for past weeks | 2.10 | \$305.00 | \$640.50 |
| 2021-04-26 | SWARNER | Meeting with Tom and Sudhanshu to review cash flow analysis; | 0.50 | \$335.00 | \$167.50 |
| 2021-04-27 | TMCELROY | Review of financial records including historical financial statements, inter-company loan with Folmur and other documents to review why Fulmor has been funding Drexler operations for previous two years; Email to Peter re same; Videoconference with P. Farmer, S. Marwaha and B. Gelman re post-NOI cash flows; Emails to/from external accountant; | 1.70 | \$415.00 | \$705.50 |
| 2021-04-27 | BGELMAN | Review and approval of March 31, 2021 bank reconciliation for trust account; Email to Mortgage Broker Mark Hart re next steps and application; Call with Alf re same; call with Sia Mizrahi re appraisal of equipment and items to sell by auction; emails re same; Call with Tom McElroy to explore next steps and options for property re-financing; call with Alf Drexler re options for development of land; Call with Josh L. (developer) re process for development to understand options for Drexler to obtain maximum profit from land; Attend group call with Peter Farmer to review cash flow forecast (budget to actual); group call with Alf, Jerome and Martin Drexler to discuss plan for sale of equipment, land development and collection of AR; | 3.10 | \$495.00 | \$1,534.50 |
| 2021-04-27 | SMARWAHA | Attended conference call with Tom , Bryan and Peter to discuss the past weeks cash flow for the corporation and discussion for reasoning for the variance noted in actual results as compared with projections for the cash flow monitoring of the corporation: Follow up analysis for receipts and transactions listing sent by Peter Farmer and updated the schedules. | 0.80 | \$305.00 | \$244.00 |

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| | | | | | |
|------------|----------|--|------|----------|----------|
| 2021-04-28 | BGELMAN | Further review of information provided to Mark Hart (mortgage broker); Review of proposal from Grey Suits for CFO role and call with Alf to discuss same; call and email to Mark and Jerome re mortgage broker options; Calls from Alf re issues obtaining bond; | 0.90 | \$495.00 | \$445.50 |
| 2021-04-29 | BGELMAN | Call with Jerome Drexler and Mark Hart from NCompass Financial; Review of Canam letter proposal and call with him re same; | 0.80 | \$495.00 | \$396.00 |
| 2021-04-30 | BGELMAN | Review in detail project plan prepared by Greg Suits; email to Rodney re comments to same; Review of Canam final proposal for sale of assets and email to Alf and Jerome re same; Emails re equipment sales; call with Rodney re kick off meeting and next steps; | 0.90 | \$495.00 | \$445.50 |
| 2021-04-30 | TMCELROY | Comments to B. Gelman re potential tax implication re sale of redundant machinery and equipment; Review and respond to correspondence from R. Davies re request for information; | 0.30 | \$415.00 | \$124.50 |
| 2021-05-01 | BGELMAN | Update call with Jeremy Nermers and respond to email from Sia Mizrahi re same; | 0.50 | \$495.00 | \$247.50 |
| 2021-05-03 | SMARWAHA | Analysed the documentation and information received for cash flow monitoring analysis for file and sent follow up email to peter to request excel format listing of transactions. | 0.20 | \$305.00 | \$61.00 |
| 2021-05-04 | SMARWAHA | Compiled the data and information received from Peter for Week April 25 till May 1 into the master worksheet for cash flow monitoring analysis and grouping of the transactions to be categorised in the analysis and comparison analysis and created the column to link the individual transaction sent into the analysis for the comparison and analysis to be performed. | 0.80 | \$305.00 | \$244.00 |
| 2021-05-05 | TMCELROY | Correspondence from RBC counsel re various matters; | 0.10 | \$415.00 | \$41.50 |
| 2021-05-05 | SMARWAHA | Performance of cash flow monitoring analysis of past 2 weeks in analysis and updated the master worksheet with updates from analysis and update of comparison analysis: Drafted the information and documentation to be requested for the task from Peter Farmer and requested the same via e-mail.: Attended call with a creditor for their queries and questions related to NOI documents received by them and sent e-mail to Tom for update for the same. | 1.50 | \$305.00 | \$457.50 |

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Drexler Construction Limited
 5274 Wellington County Road 27
 Erarosa, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: May 18, 2021

Invoice No: 5115

Billing Through: May 17, 2021

File ID: DREXLERCON-P:

Re: Drexler Construction Limited

| | | | | | |
|------------|----------|--|------|----------|------------|
| 2021-05-06 | TMCELROY | Email to P. Farmer re update AR roll forward summary; Call with P. Farmer re AR collection; Review and analysis of AR collection information and documents provided by P. Farmer and compare to projected; Discuss same with P. Farmer; Review of actual cash flows vs. projection summary prepared by S. Marwaha; | 1.40 | \$415.00 | \$581.00 |
| 2021-05-06 | SMARWAHA | Performance of reconciliation of cash flow monitoring analysis worksheet with banks statements: Attended multiple Calls with peter and sent multiple e-mails to request the bank statements: Sent reminder e-mail for clarifications of nature of transaction and sent for comments and verification. | 0.70 | \$305.00 | \$213.50 |
| 2021-05-07 | TMCELROY | Comments to B. Gelman re collection of AR (actual vs. projected); Videoconference with B. Bissell, H. Manis, B. Gelman and J. Nemers; Debrief with B. Gelman; Begin drafting Trustee's Second Report to Court; | 2.60 | \$415.00 | \$1,079.00 |
| 2021-05-07 | BGELMAN | Call with Brent from Canadian Equipment Finance; Review of cash flow actual to budget variance analysis; | 0.40 | \$495.00 | \$198.00 |
| 2021-05-07 | SMARWAHA | Sent to Tom via e-mail the copy of bank statements for the past week in analysis as requested. | 0.10 | \$305.00 | \$30.50 |
| 2021-05-08 | BGELMAN | Emails with mortgage broker and CFO (Rodney) re interim statements; | 0.20 | \$495.00 | \$99.00 |
| 2021-05-10 | TMCELROY | Prepare revised weekly cash flow model template and send to P. Farmer; Discuss same with P. Farmer; | 0.30 | \$415.00 | \$124.50 |
| 2021-05-10 | BGELMAN | Call with Sia Mizrahi re status of equipment auction; review of auction agreement; Review of cash flow models to be used on go-forward basis; call with Tom re same; email to Peter Farmer re Bell Mobility email; | 0.90 | \$495.00 | \$445.50 |
| 2021-05-11 | TMCELROY | Continue drafting second report to Court; Call with A. Chen (CRA) re status of tax account balances; Discuss second report with B. Gelman; Review revised cash flow projection prepared by P. Farmer and email to P. Farmer re same; Review of auction agreement and comments to B. Gelman re same; | 1.70 | \$415.00 | \$705.50 |
| 2021-05-11 | BGELMAN | Preliminary review of cash flow forecast prepared by Controller; Call with Tom McElroy re same and draft report to Court; Review and revisions to auction agreement and email to Sia Mizrahi and others re same; | 1.10 | \$495.00 | \$544.50 |
| 2021-05-12 | TMCELROY | Review and respond to correspondence from S. Hoang (Corix - creditor) re pre-NOI debt; | 0.30 | \$415.00 | \$124.50 |
| 2021-05-12 | BGELMAN | Call with Jerome re equipment auction agreement; | 0.20 | \$495.00 | \$99.00 |
| 2021-05-12 | SMARWAHA | Analysed the clarifications for the identified transactions received from Peter and plugged in the transactions in master excel worksheet: Sent Reminder to Peter for documentation and information for May 2 - May 8 week in analysis. | 0.30 | \$305.00 | \$91.50 |

Invoice

Drexler Construction Limited
 5274 Wellington County Road 27
 Erarosa, ON N0B 2K0
 Attention: Mr. Alfred Drexler

Invoice Date: May 18, 2021
 Invoice No: 5115
 Billing Through: May 17, 2021
 File ID: DREXLERCON-P:

Re: Drexler Construction Limited

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|---|--------------|-------------|---------------|
| 2021-05-13 | TMCELROY | Review and respond to email from R. Vasey (BGL Contractors - creditor); Call with P. Farmer re revised cash flow projection; Videoconference with Jerome Drexler, Bryan Gelman, Peter Farmer, Rodney Davis; Continue drafting Second Report to Court; Prepare affidavit for second report; | 1.90 | \$415.00 | \$788.50 |
| 2021-05-13 | BGELMAN | Call with Rodney re update on interim financials and cash flow statements; call with Jerome re same; arrange and attend conference call with Jerome, Martin, Kevin and Alf Drexler, Peter Farmer, Rodney Davis and his associate and Tom McElroy to discuss timing and next steps; | 0.20 | \$495.00 | \$99.00 |
| 2021-05-14 | BGELMAN | Attend update call with Brendan Bissell; | 0.10 | \$495.00 | \$49.50 |
| 2021-05-17 | TMCELROY | Discuss Court report with B. Gelman; | 0.20 | \$415.00 | \$83.00 |
| 2021-05-17 | SMARWAHA | Finalised the cash flow monitoring analysis for week May 2- 8, 2021 and listed the transactions for which clarifications are to be requested and sent e-mail to Peter for clarification of nature of transaction: Analysed the clarification of transaction for transaction for previous weeks and plugged in the master excel worksheet. | 0.40 | \$305.00 | \$122.00 |
| 2021-05-17 | BGELMAN | Review of report to court in draft and call with Tom McElroy to review and suggest changes; | 0.60 | \$495.00 | \$297.00 |

Total Fees: \$31,494.50

HST: \$4,094.29

Summary by Staff:

| | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|---|--------------|-------------|---------------|
| Ashley Robinson (Estate Administrator) | 0.90 | \$225.00 | \$202.50 |
| Bryan A. Gelman (Principal, CIRP LIT) | 24.80 | \$495.00 | \$12,276.00 |
| Daphna Cherniak (Estate Administrator) | 0.10 | \$195.00 | \$19.50 |
| Sudhanshu Marwaha (Associate) | 18.30 | \$305.00 | \$5,581.50 |
| Suzette Warner (Associate, CFE, CPA, CGA, FCCA) | 3.50 | \$335.00 | \$1,172.50 |
| Tom McElroy (Mgr, CPA, CA, CBV, CIRP, LIT) | 29.50 | \$415.00 | \$12,242.50 |

Disbursements:

| | | |
|-----------------------|--|--------|
| Taxable Disbursements | | |
| PHOTOCOPIES: | | \$1.00 |
| POSTAGE: | | \$3.60 |

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Drexler Construction Limited
 5274 Wellington County Road 27
 Erarosa, ON N0B 2K0
 Attention: Mr. Alfred Drexler

Invoice

Invoice Date: May 18, 2021
 Invoice No: 5115
 Billing Through: May 17, 2021
 File ID: DREXLERCON-P:

Re: Drexler Construction Limited

Disbursements:

| | |
|--|-------------|
| SEARCH FEES: | \$28.35 |
| Total Disbursements: <u> </u> | |
| | \$32.95 |
| | HST: \$4.28 |
| Amount Due This Invoice: <u> </u> | |
| | \$35,626.02 |

| | |
|-------------------------------|-------------|
| <u>Invoice Summary:</u> | |
| TOTAL FEES AND DISBURSEMENTS: | \$31,527.45 |
| TOTAL HST: | \$4,098.57 |
| TOTAL AMOUNT DUE: | \$35,626.02 |

Payment of this account is due on receipt
 HST Registration # 83741 9514 RT0001

Invoice

Folmur Construction (2004) Limited
 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4
 Attention: Mr. Alfred Drexler

Invoice Date: May 18, 2021
 Invoice No: 5114
 Billing Through: May 17, 2021
 File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|---|--------------|-------------|---------------|
| 2021-04-01 | TMCELROY | Continue drafting Trustee's first report to Court; | 4.00 | \$415.00 | \$1,660.00 |
| 2021-04-03 | TMCELROY | Review of mortgage financing commitment from Crown Mortgage Capital; Amendments to report; Call with Joel T. (debtor legal counsel) re application to Court seeking various relieve and other matters; Email to Joel T. re same; | 0.90 | \$415.00 | \$373.50 |
| 2021-04-05 | BGELMAN | Review of draft report to Court with Tom McElroy; call with Brendan re report; | 0.90 | \$495.00 | \$445.50 |
| 2021-04-05 | TMCELROY | Continue drafting First Report to Court; Email to counsel re security opinion; Call with Peter Farmer (internal accountant) re various matters; Instructions to A. Smithson re various public searches; Email to creditor re NOI filing; Review security opinion re RBC security prepared by independent counsel; | 2.50 | \$415.00 | \$1,037.50 |
| 2021-04-05 | SMARWAHA | Analysis of PPSA sent by Tom and update of the secured creditor listing; Sent E-mail to Tom to update re secured creditor listing and confirmation of mailing address to be used for secured creditors; Forwarded E-mail to Tom for query received from one of the creditors for Folmur Construction; | 0.80 | \$305.00 | \$244.00 |
| 2021-04-05 | DCHERNIAK | April Bank Reconciliation; | 0.10 | \$195.00 | \$19.50 |
| 2021-04-06 | TMCELROY | Discussions with S. Warner re setting of cash receipts and disbursements monitoring procedures; Email to P. Farmer re same; Call with Eric of Trillium Ford; | 0.40 | \$415.00 | \$166.00 |
| 2021-04-06 | SWARNER | Meeting with Tom & Sudhanshu to discuss monitoring ; File review; Detailed email to accountant with monitoring program ; call with accountant to discuss same | 0.60 | \$335.00 | \$201.00 |
| 2021-04-06 | SMARWAHA | Attended Call with Tom and Suzette to discuss next steps and process for cash flow monitoring analysis to be performed for the corporation. | 0.20 | \$305.00 | \$61.00 |
| 2021-04-07 | BGELMAN | Prepare and attend zoom call with Jeremy N, George (RBC Manager) and Rob from MNP (consultant to RBC); Email follow up re discussion points raised on zoom call; debrief call with Brendan Bissell; Call with Howard Manis re report to court and update; | 1.20 | \$495.00 | \$594.00 |
| 2021-04-07 | SWARNER | Call with Sudhanshu to discuss information received and method to employ for monitoring | 0.30 | \$335.00 | \$100.50 |

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Invoice

Folmur Construction (2004) Limited
 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4
 Attention: Mr. Alfred Drexler

Invoice Date: May 18, 2021
 Invoice No: 5114
 Billing Through: May 17, 2021
 File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

| | | | | | |
|------------|----------|--|------|----------|----------|
| 2021-04-07 | SMARWAHA | Analysed the Transaction statement received for the file and prepared the worksheet with transaction to be included in the cash flow monitoring analysis and plugged in figures and transactions for the first review and draft for the task and compiled the information for weekly activity sent by the management. | 1.20 | \$305.00 | \$366.00 |
| 2021-04-08 | TMCELROY | Email to Peter Farmer re additional documents required from Company re CRA balances; Several calls with P. Farmer re status of AR collection, updating AR rollforward summary and revised cash flow projection; Prepare revised cash flow projection; | 0.90 | \$415.00 | \$373.50 |
| 2021-04-08 | BGELMAN | Call from Brandon Drexler re VISA points balance; Review of revised cash flow models with Tom McElroy; | 0.40 | \$495.00 | \$198.00 |
| 2021-04-08 | SWARNER | Set-up format of cash flow monitoring with Sudhanshu | 0.60 | \$335.00 | \$201.00 |
| 2021-04-08 | SMARWAHA | Call with Suzette for discussion of the monitoring analysis to be performed and finalisation of formatting to be followed and categorization protocol to be followed for the transactions in the analysis. | 0.30 | \$305.00 | \$91.50 |
| 2021-04-09 | BGELMAN | Attend zoom call with Jeremy Nermers and Brendan Bissell re DIP loan and other details; | 0.70 | \$495.00 | \$346.50 |
| 2021-04-09 | SWARNER | Reviewed and commented on of monitoring cash flow | 0.40 | \$335.00 | \$134.00 |
| 2021-04-09 | TMCELROY | Review of affidavit of Alfred Drexler; Review of draft form of Order; Continue drafting report to Court; Discuss contents of report with B. Gelman; | 1.40 | \$415.00 | \$581.00 |
| 2021-04-09 | SMARWAHA | Finalised the draft Cash flow monitoring analysis for two weeks suggested and drafted list of identified transactions for further clarification of nature of transaction and sent to Suzette for review and updated for status of information request: Sent e-mail to Peter farmer to request clarification of nature of transaction for identified transactions for the drafted excel worksheet with listing of transaction: Analyzed the information and clarification received from Peter for identified transactions and included and categorized the transactions in the cash flow monitoring analysis: Discussion and finalisation for formatting for the analysis post discussion with Suzette over call. | 2.90 | \$305.00 | \$884.50 |

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Invoice

Folmur Construction (2004) Limited
 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4
 Attention: Mr. Alfred Drexler

Invoice Date: May 18, 2021
 Invoice No: 5114
 Billing Through: May 17, 2021
 File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

| Date | Client | Description | Hours | Rate | Total |
|------------|----------|--|-------|----------|----------|
| 2021-04-10 | TMCELROY | Email to P. Farmer re status of deposit to Corwin re DIP financing; Conference call with J. Turgeon, B. Bissell and J. Drexler re motion materials and other matters; Email to A. Chen (CRA) re status and quantum of CRA balances; Continue drafting report to Court; Email to D. McEllistrum (external accountant) re request financial records; Review of cash flow monitoring schedules prepared by S. Marwaha; | 2.10 | \$415.00 | \$871.50 |
| 2021-04-11 | BGELMAN | Review of revisions to Report to Court; | 0.10 | \$495.00 | \$49.50 |
| 2021-04-12 | BGELMAN | Call from Alf re update; Call with Brent from Canadian Equipment Finance & Leasing Inc. re potential lending opportunity; update call with Alf re my call with Brent; update call with Tom re status of court report; review of draft order and call with Joel at GSNH re same; final review of draft report; | 1.30 | \$495.00 | \$643.50 |
| 2021-04-12 | TMCELROY | Review and comments to Debtor counsel re draft form of affidavit and notice of motion; Finalize First Report to Court; Assemble appendices to First Report; Prepare Case Website to post Court documents; Review of draft form or Order; Instructions to S. Warner re preparing responding record of Proposal Trustee; Correspondence with counsel re service of Trustee's First Report; | 2.30 | \$415.00 | \$954.50 |
| 2021-04-13 | TMCELROY | Call with L. Forbes (CRA officer) re CRA proof of claim and state of unfiled HST returns; Populate Case Website with April 16 21 motion materials and other documents; Review and comments to B. Gelman re supplementary report to Court; | 0.60 | \$415.00 | \$249.00 |
| 2021-04-13 | BGELMAN | Review and approval of finalized report to Court of Proposal Trustee; Call from Ian Aversa and Jeremy Nermers re amended commitment letter; Calls with Kyle Fenwick at Corwin Capital re revisions to commitment letter; further call with Jeremy at Aird & Berlis re same; email to Debtor's counsel re changes to commitment letter; review revised commitment from Corwin; call with Alf, Kevin, Jerome and Martin re internal accounting; call with Rodney David at Grey Suits re potential controller role and additional oversight; call from David (external accountant) re internal CFO role and duties of same to support new lender requirements; Draft Supplementary Report to Court; | 1.60 | \$495.00 | \$792.00 |

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Invoice

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 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4
 Attention: Mr. Alfred Drexler

Invoice Date: May 18, 2021
 Invoice No: 5114
 Billing Through: May 17, 2021
 File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

| | | | | | |
|------------|-----------|--|------|----------|----------|
| 2021-04-13 | SMARWAHA | Analysis of PPSA and listed and update the mailing list of creditors in Ascend for secured creditors with address listed on PPSA: Sent E-MAIL to Tom to confirm the next steps and the mailing to be done at different locations as mentioned on PPSA for secured creditors: Sent E-mail to Ashley with listing for mailing of creditors to be done for modified address as mentioned on Ascend. | 0.60 | \$305.00 | \$183.00 |
| 2021-04-14 | TMCELROY | Email to P. Farmer re outstanding HST returns; | 0.20 | \$415.00 | \$83.00 |
| 2021-04-14 | BGELMAN | Email and call with Jeremy Nermers (counsel for RBC); finalize supplementary report to Court; Calls with Sia Mizrahi and Jerome Drexler re meeting to discuss and coordinate sale of assets; calls with Jeremy Nermers and Brendan Bissell re changes to Order to accommodate sale of assets with RBC consent; | 0.60 | \$495.00 | \$297.00 |
| 2021-04-14 | AROBINSON | Created affidavit and mailed NOI to all creditors; | 1.30 | \$225.00 | \$292.50 |
| 2021-04-14 | AROBINSON | Efiled First Report of Proposal and Supplementary Report; | 0.20 | \$225.00 | \$45.00 |
| 2021-04-14 | SWARNER | Commissioned second affidavit of mailing | 0.10 | \$335.00 | \$33.50 |
| 2021-04-14 | SMARWAHA | Correspondence over e-mail and phone with Ashley in regards to mailing of Creditor's package for Notice of NOI filing and correspondence with Tom for confirmation for mailing for updated list of secured creditors from PPSA.: E-mail correspondence with Ashley in regards to email address for Anthony Drexler | 0.30 | \$305.00 | \$91.50 |
| 2021-04-15 | TMCELROY | Review of CRA proof of claim and comments to B. Gelman re same; Discuss matters related to upcoming Court hearing with B. Gelman; Review revised draft for of Order; | 0.60 | \$415.00 | \$249.00 |
| 2021-04-15 | BGELMAN | Review of deemed trust amounts and email to Brendan and Jeremy re same and form of order; Call with Brendan and Howard re same; | 0.30 | \$495.00 | \$148.50 |
| 2021-04-15 | SMARWAHA | Performed the cash flow monitoring for the file for data received for two weeks and updated the master worksheet after performance of analysis received and update of comparison analysis in excel workbook; | 0.90 | \$305.00 | \$274.50 |
| 2021-04-16 | AROBINSON | Reviewed and entered proof of claim; | 0.10 | \$225.00 | \$22.50 |
| 2021-04-16 | BGELMAN | Attend at hearing for extension of time to file proposal and other relief; Attend call with Rodney Davis, Dave (Accountant for Company) and management re turnaround advice; | 0.50 | \$495.00 | \$247.50 |
| 2021-04-16 | AROBINSON | E-filed Court order and endorsement; | 0.10 | \$225.00 | \$22.50 |
| 2021-04-16 | SWARNER | Call with Sudhanshu to review monitoring activities and instructions on next steps | 0.40 | \$335.00 | \$134.00 |

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Folmur Construction (2004) Limited
 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4
 Attention: Mr. Alfred Drexler

Invoice

Invoice Date: May 18, 2021
 Invoice No: 5114
 Billing Through: May 17, 2021
 File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|---|--------------|-------------|---------------|
| 2021-04-16 | SMARWAHA | Discussion with Suzette in regards to outstanding items of categorization: Listed the identified transaction for which additional information is required for nature of transaction and sent the e-mail to peter F. to request the additional information for listed transaction: Analyzed the nature of transaction received from peter farmer for listed transaction and updated the analysis and worksheet and comparison analysis and sent to Tom for review and approval. | 0.90 | \$305.00 | \$274.50 |
| 2021-04-20 | BGELMAN | Call with Tom to discuss outstanding HST and tax issues and reminder to Peter re same; | 0.10 | \$495.00 | \$49.50 |
| 2021-04-21 | TMCELROY | Discuss cash flow monitoring activities with S. Warner; Review of cash flow monitoring schedules prepared by S. Marwaha; | 0.30 | \$415.00 | \$124.50 |
| 2021-04-21 | SWARNER | Call with Sudhanshu to review monitoring cash flow and comments on re-formatting | 0.30 | \$335.00 | \$100.50 |
| 2021-04-21 | SMARWAHA | Finalised the cash flow monitoring analysis on the file and reconciled the information received and sent the draft via e-mail to Tom for review and analysis: Attended call with Suzette to discuss the amendments to be made to the cash flow monitoring analysis template and made the comparison analysis in the worksheet and amended the worksheet to reflect the changes suggested for the cash flow monitoring analysis and identified the information required and confirmation of balances required and listed the transactions and information to be requested: Drafted the e-mail and listed the additional information and documentation required for the monitoring analysis task and sent to Peter Farmer via e-mail; | 2.10 | \$305.00 | \$640.50 |
| 2021-04-22 | TMCELROY | Email to P. Farmer re filing of HST returns pre and post-NOI filing; Update case Website; | 0.20 | \$415.00 | \$83.00 |
| 2021-04-22 | BGELMAN | Call with Kyle Fenwick re mortgage application; fill it out and send to Alf Drexler; | 0.20 | \$495.00 | \$99.00 |
| 2021-04-23 | BGELMAN | Call with Alf re financing and next steps; conf call with Peter and Alf; Email to Kyle Fenwick with details on mortgage application and financial statements; | 0.20 | \$495.00 | \$99.00 |

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Folmur Construction (2004) Limited
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Guelph, ON N1H 6J4

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: May 18, 2021

Invoice No: 5114

Billing Through: May 17, 2021

File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

| | | | | | |
|------------|-----------|---|------|----------|----------|
| 2021-04-23 | SMARWAHA | Update of the cash flow monitoring analysis worksheet for information and documentation received from Peter Farmer: Attended call with Peter Farmer for clarification of information sent for request for information for cash flow monitoring analysis and updated the schedules and request for the remaining information and documentation pending from Folmur and confirmation of bank balances: Sent the updated worksheet to Tom and Bryan for review; | 1.20 | \$305.00 | \$366.00 |
| 2021-04-26 | TMCELROY | Review and analysis of cash flow monitoring schedules (actual vs. projected) prepared by S. Marwaha and discuss variances and other matters with S. Marwaha and S. Warner; | 0.90 | \$415.00 | \$373.50 |
| 2021-04-26 | SMARWAHA | Attended call with Suzette and Tom to discuss the analysis of cash flow monitoring analysis: Sent E-mail to Peter Farmer to follow up for the information request for the pending cash flow monitoring task: Attended call with peter farmer to request the documentation and information from the previous request: Reconciliation of Bank Statements with the cash flow monitoring analysis and sent the updated worksheet for Tom for review: Attended a follow up call with Suzette and Tom to discuss the updated cash flow monitoring analysis. | 1.90 | \$305.00 | \$579.50 |
| 2021-04-26 | SWARNER | Meeting with Tom and Sudhanshu to review cash flow analysis; | 0.50 | \$335.00 | \$167.50 |
| 2021-04-26 | BGELMAN | Call from Brandon Drexler; Review of cash flow budget to actual variance analysis and call with Tom re same; | 0.30 | \$495.00 | \$148.50 |
| 2021-04-27 | BGELMAN | Review and approval of March 31, 2021 bank reconciliation for trust account; | 0.10 | \$495.00 | \$49.50 |
| 2021-04-28 | AROBINSON | Reviewed and entered proof of claim; | 0.10 | \$225.00 | \$22.50 |
| 2021-05-03 | SMARWAHA | Analysed the documentation and information received for cash flow monitoring analysis for file and sent follow up email to peter to request excel format listing of transactions. | 0.20 | \$305.00 | \$61.00 |
| 2021-05-04 | SMARWAHA | Analysis performed for transactions for Week April 18-24. | 0.80 | \$305.00 | \$244.00 |
| 2021-05-05 | SMARWAHA | Performance of cash flow monitoring analysis of past 2 weeks in analysis and updated the master worksheet with updates from analysis and update of comparison analysis: Drafted the information and documentation to be requested for the task from Peter Farmer and requested the same via e-mail; | 1.20 | \$305.00 | \$366.00 |

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File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

| Date | Client | Description | Hours | Rate | Total |
|------------|----------|--|-------|----------|------------|
| 2021-05-06 | TMCELROY | Email to P. Farmer re update AR roll forward summary; Call with P. Farmer re AR collection; Review and analysis of AR collection information and documents provided by P. Farmer and compare to projected; Discuss same with P. Farmer; Review of actual cash flows vs. projection summary prepared by S. Marwaha; | 1.40 | \$415.00 | \$581.00 |
| 2021-05-06 | SMARWAHA | Performance of reconciliation of cash flow monitoring analysis worksheet with banks statements; Attended multiple Calls with peter and sent multiple e-mails to request the bank statements; Sent reminder e-mail for clarifications of nature of transaction and sent for comments and verification. | 0.70 | \$305.00 | \$213.50 |
| 2021-05-07 | TMCELROY | Comments to B. Gelman re collection of AR (actual vs. projected); Videoconference with B. Bissell, H. Manis, B. Gelman and J. Nemers; Debrief with B. Gelman; Begin drafting Trustee's Report to Court; | 2.60 | \$415.00 | \$1,079.00 |
| 2021-05-07 | BGELMAN | Review of cash flow actual to budget variance analysis; | 0.20 | \$495.00 | \$99.00 |
| 2021-05-07 | SMARWAHA | Sent to Tom via e-mail the copy of bank statements for the past week in analysis as requested. | 0.10 | \$305.00 | \$30.50 |
| 2021-05-10 | TMCELROY | Prepare revised weekly cash flow model template and send to P. Farmer; Discuss same with P. Farmer; | 0.30 | \$415.00 | \$124.50 |
| 2021-05-11 | TMCELROY | Continue drafting second report to Court; Call with A. Chen (CRA) re status of tax account balances; Discuss second report with B. Gelman; Review revised cash flow projection prepared by P. Farmer and email to P. Farmer re same; | 1.50 | \$415.00 | \$622.50 |
| 2021-05-11 | BGELMAN | Preliminary review of cash flow forecast prepared by Controller; Call with Tom McElroy re same and draft report to Court; | 0.30 | \$495.00 | \$148.50 |
| 2021-05-12 | SMARWAHA | Sent E-mail to Peter to request documentation for May 2 – 8, 2021 | 0.10 | \$305.00 | \$30.50 |
| 2021-05-13 | TMCELROY | Call with P. Farmer re revised cash flow projection; Videoconference with Jerome Drexler, Bryan Gelman, Peter Farmer, Rodney Davis; Continue drafting Second Report to Court; Prepare affidavit for second report; | 1.50 | \$415.00 | \$622.50 |
| 2021-05-13 | BGELMAN | Call with Rodney re update on interim financials and cash flow statements; call with Jerome re same; arrange and attend conference call with Jerome, Martin, Kevin and Alf Drexler, Peter Farmer, Rodney Davis and his associate and Tom McElroy to discuss timing and next steps; | 0.20 | \$495.00 | \$99.00 |
| 2021-05-17 | TMCELROY | Discuss Court report with B. Gelman; | 0.20 | \$415.00 | \$83.00 |

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Folmur Construction (2004) Limited
 7000 Wellington Rd. 124
 Guelph, ON N1H 6J4
 Attention: Mr. Alfred Drexler

Invoice

Invoice Date: May 18, 2021
 Invoice No: 5114
 Billing Through: May 17, 2021
 File ID: FOLMURCON-P:

Re: Proposal of Folmur Construction (2004) Limited

| Date | Client | Description | Hours | Rate | Amount |
|-------------|----------|---|-------|----------|-------------|
| 2021-05-17 | SMARWAHA | Finalised the cash flow monitoring analysis for week May 2- 8, 2021 and listed the transactions for which clarifications are to be requested and sent e-mail to Peter for clarification of nature of transaction: Analysed the clarification of transaction for transaction for previous weeks and plugged in the master excel worksheet. | 0.40 | \$305.00 | \$122.00 |
| 2021-05-17 | BGELMAN | Review of report to court in draft and call with Tom McElroy to review and suggest changes; | 0.60 | \$495.00 | \$297.00 |
| Total Fees: | | | | | \$21,763.50 |
| HST: | | | | | \$2,829.26 |

Summary by Staff:

| Staff Name | Role | Hours | Rate | Amount |
|-------------------|----------------------------------|-------|----------|-------------|
| Ashley Robinson | (Estate Administrator) | 1.80 | \$225.00 | \$405.00 |
| Bryan A. Gelman | (Principal, CIRP LIT) | 9.80 | \$495.00 | \$4,851.00 |
| Daphna Cherniak | (Estate Administrator) | 0.10 | \$195.00 | \$19.50 |
| Sudhanshu Marwaha | (Associate) | 16.80 | \$305.00 | \$5,124.00 |
| Suzette Warner | (Associate, CFE, CPA, CGA, FCCA) | 3.20 | \$335.00 | \$1,072.00 |
| Tom McElroy | (Mgr, CPA, CA, CBV, CIRP, LIT) | 24.80 | \$415.00 | \$10,292.00 |

Disbursements:

| | | |
|--------------------------|--|--------------------|
| Taxable Disbursements | | |
| PHOTOCOPIES: | | \$16.00 |
| POSTAGE: | | \$7.20 |
| Total Disbursements: | | \$23.20 |
| HST: | | \$3.03 |
| Amount Due This Invoice: | | \$24,618.99 |

Invoice Summary:

| | |
|-------------------------------|-------------|
| TOTAL FEES AND DISBURSEMENTS: | \$21,786.70 |
| TOTAL HST: | \$2,832.29 |
| TOTAL AMOUNT DUE: | \$24,618.99 |

Payment of this account is due on receipt
 HST Registration # 83741 9514 RT0001

HST No. 83741 9514 RT 0001

Down Under Pipe and Cable Locating Ltd.
5270 Wellington 27
Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: May 18, 2021

Invoice No: 5113

Billing Through: May 17, 2021

File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|-------------|-----------------|--|--------------|-------------|---------------|
| 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; Videoconferenece with management and B. Gelman re various next steps; | 0.30 | \$415.00 | \$124.50 |
| 2021-04-01 | TMCELROY | Continue drafting Trustee's first report to Court; | 0.50 | \$415.00 | \$207.50 |
| 2021-04-05 | BGELMAN | Review and comments to Tom McElroy re report to Court; Review of Howard Manis opinion on RBC security; | 0.50 | \$495.00 | \$247.50 |
| 2021-04-05 | TMCELROY | Continue drafting First Report to Court; Email to counsel re security opinion; Call with Peter Farmer (internal accountant) re various matters; Review security opinion re RBC security prepared by independent counsel; | 0.40 | \$415.00 | \$166.00 |
| 2021-04-05 | DCHERNIAK | April Bank Reconciliation; | 0.10 | \$195.00 | \$19.50 |
| 2021-04-06 | SWARNER | Meeting with Tom & Sudhanshu to discuss monitoring ; File review; Detailed email to accountant with monitoring program ; call with accountant to discuss same | 0.60 | \$335.00 | \$201.00 |
| 2021-04-07 | SWARNER | Call with Sudhanshu to discuss information received and method to employ for monitoring | 0.30 | \$335.00 | \$100.50 |
| 2021-04-08 | SWARNER | Set-up format of cash flow monitoring with Sudhanshu | 0.60 | \$335.00 | \$201.00 |
| 2021-04-09 | SWARNER | Reviewed and commented on of monitoring cash flow | 0.40 | \$335.00 | \$134.00 |
| 2021-04-09 | TMCELROY | Review of affidavit of Alfred Drexler; Review of draft form of Order; Continue drafting report to Court; Discuss contents of report with B. Gelman; | 0.20 | \$415.00 | \$83.00 |
| 2021-04-10 | TMCELROY | Email to P. Farmer re status of deposit to Corwin re DIP financing; Conference call with J. Turgeon, B. Bissell and J. Drexler re motion materials and other matters; Email to A. Chen (CRA) re status and quantum of CRA balances; Continue drafting report to Court; Email to D. McEllistrum (external accountant) re request financial records; | 0.20 | \$415.00 | \$83.00 |
| 2021-04-14 | AROBINSON | Efiled Supplementary Report and First Report on Proposal | 0.20 | \$225.00 | \$45.00 |
| 2021-04-15 | BGELMAN | Review of emails and correspondence with counsel to RBC and Debtor re draft order; Review of draft order and comments to same; | 0.20 | \$495.00 | \$99.00 |
| 2021-04-16 | BGELMAN | Attend at hearing for extension of time to file proposal and other relief; | 0.20 | \$495.00 | \$99.00 |
| 2021-04-16 | AROBINSON | Efiled endorsement and order from the courts | 0.10 | \$225.00 | \$22.50 |

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Down Under Pipe and Cable Locating Ltd.
 5270 Wellington 27
 Rockwood, ON N0B 2K0

Attention: Mr. Alfred Drexler

Invoice

Invoice Date: May 18, 2021

Invoice No: 5113

Billing Through: May 17, 2021

File ID: DOWNUNDER-P:

Re: Proposal of Down Under Pipe and Cable Locating Ltd.

Professional Fees:

| <u>Date</u> | <u>Employee</u> | <u>Description</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|--------------------|-----------------|---|--------------|-------------|-------------------|
| 2021-04-22 | TMCELROY | Update case Website; | 0.10 | \$415.00 | \$41.50 |
| 2021-04-27 | BGELMAN | Review and approval of March 31, 2021 bank reconciliation for trust account; | 0.10 | \$495.00 | \$49.50 |
| 2021-05-07 | TMCELROY | Begin drafting Trustee's Report to Court; | 0.40 | \$415.00 | \$166.00 |
| 2021-05-10 | TMCELROY | Prepare revised weekly cash flow model template and send to P. Farmer; Discuss same with P. Farmer; | 0.10 | \$415.00 | \$41.50 |
| 2021-05-13 | TMCELROY | Continue drafting Second Report to Court; | 0.30 | \$415.00 | \$124.50 |
| Total Fees: | | | | | \$2,256.00 |
| HST: | | | | | \$293.28 |

Summary by Staff:

| | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|---|--------------|-------------|---------------|
| Ashley Robinson (Estate Administrator) | 0.30 | \$225.00 | \$67.50 |
| Bryan A. Gelman (Principal, CIRP LIT) | 1.00 | \$495.00 | \$495.00 |
| Daphna Cherniak (Estate Administrator) | 0.10 | \$195.00 | \$19.50 |
| Suzette Warner (Associate, CFE, CPA, CGA, FCCA) | 1.90 | \$335.00 | \$636.50 |
| Tom McElroy (Mgr, CPA, CA, CBV, CIRP, LIT) | 2.50 | \$415.00 | \$1,037.50 |

Disbursements:

Taxable Disbursements

| | |
|-----------------------------|---------------|
| PHOTOCOPIES: | \$1.00 |
| POSTAGE: | \$2.70 |
| Total Disbursements: | \$3.70 |
| HST: | \$0.49 |

Amount Due This Invoice: **\$2,553.47**

Invoice Summary:

| | |
|-------------------------------|-------------------|
| TOTAL FEES AND DISBURSEMENTS: | \$2,259.70 |
| TOTAL HST: | \$293.77 |
| TOTAL AMOUNT DUE: | \$2,553.47 |

Payment of this account is due on receipt
 HST Registration # 83741 9514 RT0001

HST No. 83741 9514 RT 0001

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, the review of the security granted by the Companies to Royal Bank of Canada, the two motions brought by the Companies and other general advice in the administration of the proposals and 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 to and including May 22, 2021:

| <u>Name</u> | <u>Year of Call</u> | <u>Position</u> | <u>Hours</u> | <u>Rate</u> | <u>Fees</u> |
|-----------------|---------------------|-----------------|--------------|-------------|-------------|
| Howard F. Manis | 1993 | Partner | 32.7 | \$550.00 | \$17,985.00 |

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 \$20,418.93 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:

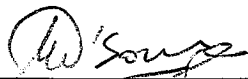
Drexler 45%

Folmur 45%

Down Under 10%

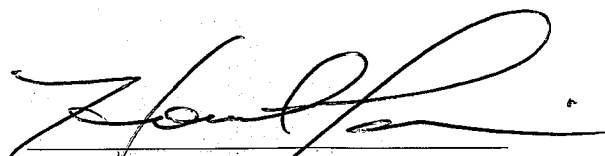
10. I make this affidavit in connection with the approval of the fees, disbursements and HST of MSM and for no other or improper purpose.

SWORN BEFORE ME at the City of)
Toronto, Province of Ontario,)
this 25th day of May, 2021.)



A Commissioner for Taking Affidavits, etc.

M. D'SOUZA


HOWARD MANIS

Albert Gelman Inc.
100 Simcoe Street
Suite 125
Toronto, Ontario M5H 3G2

May 17, 2021

This is Exhibit "A" referred to in the affidavit of Howard Manis sworn before me, this 25th day of May 2021.

M. D'Souza
A COMMISSIONER FOR TAKING AFFIDAVITS

Attention: Bryan Gelman

File #: 210705
Inv #: Sample

RE: Drexler Construction Limited (Proposal of)

| DATE | DESCRIPTION | HOURS | AMOUNT | LAWYER |
|-----------|--|-------|----------|--------|
| Mar-23-21 | Telephone call with client; Correspondence from client regarding Notice of Intent filed; | 0.50 | 275.00 | HFM |
| | Telephone call with client; Correspondence from client regarding Notice of Intent filed re Folmur Construction (2004) Ltd; | 0.50 | 275.00 | HFM |
| | Telephone call with client; Correspondence from client regarding Notice of Intent filed re. Down Under Pipe and Cable Locating Ltd.; | 0.50 | 275.00 | HFM |
| Mar-29-21 | Telephone call with client regarding pending Motion for an extension of time, DIP loan and administrative charge; | 0.30 | 165.00 | HFM |
| Mar-30-21 | Reviewed Cash Flow in the Notice of Intent proceedings; | 0.20 | 110.00 | HFM |
| | Reviewed Cash Flow in the Notice of Intent proceedings re. Down Under Pipe and Cable Locating Ltd.; | 0.20 | 110.00 | HFM |
| | Reviewed Cash flow in the Notice of Intent proceedings re Folmur Construction (2004) Ltd.; | 0.20 | 110.00 | HFM |
| Apr-02-21 | Reviewed security documents; Prepared security opinion to the Trustee; | 2.50 | 1,375.00 | HFM |
| | Reviewed security documents; Prepared security opinion to the Trustee re. Folmur Construction (2004) Ltd.; | 1.50 | 825.00 | HFM |
| | Reviewed security documents; Prepared security opinion to the Trustee re. Down Under Pipe and Cable Locating Ltd.; | 1.50 | 825.00 | HFM |
| Apr-07-21 | Telephone call with client regarding DIP loan and cashflows; | 0.30 | 165.00 | HFM |
| Apr-10-21 | E-mail to and from client regarding admin charge; Telephone call with client; | 0.30 | 165.00 | HFM |
| Apr-12-21 | E-mail to and from Mr. Gelman, Mr. Bissell, Mr. Turgeon and Mr. Nemers regarding DIP loan, extension of time to file Proposal and administrative charge; Reviewed draft Notice of Motion, Affidavit in support of the Motion and Report of the Proposal Trustee; Telephone call with Mr. Gelman; Reviewed draft Order; | 5.00 | 2,750.00 | HFM |

| | | | | |
|-----------|---|------|----------|-----|
| | Reviewed appraisals of the real property and the personal property; Telephone call with Mr. McElroy regarding Report of the Proposal Trustee; Reviewed Appendices to the Proposal Trustee's Report; | | | |
| Apr-13-21 | Reviewed Motion Record from Mr. Turgeon on behalf of the Companies; Reviewed final Report of the Proposal Trustee from Mr. Gelman; E-mail to the Service List regarding Report of the Proposal Trustee; Telephone call with Mr. Gelman; E-mail to and from client regarding DIP loan making Mr. Flomur a co-borrower; | 2.80 | 1,540.00 | HFM |
| Apr-14-21 | Reviewed Supplementary Report of the Proposal Trustee; Reviewed revised commitment letter from Corwin Capital regarding DIP loan; Telephone call with client; Telephone call with London Court Office; Reviewed Factum of the Companies; | 2.00 | 1,100.00 | HFM |
| Apr-15-21 | Telephone call with client; E-mail to and from Mr. Turgeon regarding updated draft Order; Correspondence from client regarding Canada Revenue Agency Proof of Claim on Mr. Folmur; E-mail to and from counsel regarding Canada Revenue Agency priority; | 1.60 | 880.00 | HFM |
| Apr-16-21 | Telephone call with Mr. Gelman; Telephone call with Court Office regarding Motion before the Court; Attend Motion in Court in London; Reviewed issued Order of Justice Gorman; | 1.10 | 605.00 | HFM |
| Apr-19-21 | Telephone call with Mr. Levinson regarding take-out financing; Telephone call with Mr. Gelman; | 0.50 | 275.00 | HFM |
| May-01-21 | Telephone call with client regarding update requested by counsel for RBC; E-mail to and from client regarding update; | 0.50 | 275.00 | HFM |
| May-03-21 | Correspondence from client regarding sale of assets by Canam Appraiz Inc.; Telephone call with client; | 0.60 | 330.00 | HFM |
| May-07-21 | E-mail to and from Mr. Nemers and Mr. Bissell regarding DIP loan registration; Telephone call with client; Conference call with clients, Mr. Bissell and Nemers regarding update on the financial situation of the Debtors; | 1.50 | 825.00 | HFM |
| May-11-21 | E-mail to and from client and Mr. Mizrahi regarding comments to the Auction Agreement; Telephone call with client; | 0.40 | 220.00 | HFM |
| May-12-21 | Telephone call with client; E-mail to and from client and Mr. Mizrahi regarding Auction Agreement; | 0.40 | 220.00 | HFM |

| | | | | |
|-------------|---|-------|-------------|--------------------|
| May-14-21 | E-mail to and from Mr. Mizrahi and client regarding action agreement; Telephone call with client; | 0.40 | 220.00 | 122 HFM |
| May-18-21 | E-mail to/from Mr. Nemers, Mr. Bissell and client re motion for extension of time to file Proposals and the Auction Agreement; Telephone conference with client; | 0.50 | 275.00 | HFM |
| May-19-21 | Telephone conference with client re TD Equipment Finance; Telephone conference with Mr. Langley and Mr. Gelman re TD Equipment Finance; Review of the draft Second Report to Court of the Proposal Trustee; Telephone conference with Mr. McElroy; | 1.50 | 825.00 | HFM |
| May-20-21 | Further review of the draft Report to Court of the Proposal Trustee; E-mail to/from Mr. Langley; Telephone conference with client; | 1.00 | 550.00 | HFM |
| May-21-21 | E-mail to/from Mr. Bissell, Mr. Nemers, Mr. Gelman and Mr. McElroy; Telephone conference with Mr. McElroy re Report of the Trustee; Review of the revised Auction Agreement and considered the vesting of title in the purchasers of the Redundant Assets through the auction process; Review of the draft Affidavit of Mr. Drexler from Mr. Turgeon; | 2.40 | 1,320.00 | HFM |
| May-22-21 | Receive and review letter from Mr. Nemers re comments on the draft Order; E-mail to/from Mr. Nemers, Mr. Bissell and Mr. Gelman re draft Order; Review of Motion Record and Factum from Mr. Turgeon; Email to/from Mr. Nemers, Mr. Bissell and Mr. Gelman re Motion Record; | 2.00 | 1,100.00 | HFM |
| Totals | | 32.70 | \$17,985.00 | |
| HST on Fees | | | \$2,338.05 | |

FEE SUMMARY:

| Lawyer | Hours | Effective Rate | Amount |
|-----------------|-------|----------------|-------------|
| Howard F. Manis | 32.70 | \$550.00 | \$17,985.00 |

| | |
|------------------------------|---|
| Fee Amount: \$ _____ | Check if this is a final bill: <input type="checkbox"/> |
| Fee Write Up/Down: \$ _____ | Reason for Write-off: _____ |
| Disb Write Up/Down: \$ _____ | Reason for Write-off: _____ |
| Lawyer Signature: _____ | Template/Format: _____ |

DISBURSEMENTS

| | Disbursements | Receipts |
|--|----------------------|--------------------|
| Courier | 84.85 | |
| | <hr/> | <hr/> |
| Totals | \$84.85 | \$0.00 |
| HST on Disbursements | \$11.03 | |
| | | <hr/> |
| Total Fees, Disbursements & HST | | \$20,418.93 |
| Previous Balance | | \$0.00 |
| Previous Payments | | \$0.00 |
| | | <hr/> |
| Balance Due Now | | \$20,418.93 |

Total Tax: \$2,349.08

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

Lawyers for the Proposal Trustee, Albert Inc.
Gelman Inc.

TAB 2

Service list as of May 22, 2021

**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 May 22, 2021)**

| | |
|---|--|
| <p>GOLDMAN SLOAN NASH & HABER LLP</p> <p>480 University Avenue, Suite 1600 Toronto ON M5G 1V2 Fax: 416 597 3370</p> <p>R. Brendan Bissell (LSO# 40354V) Tel: 416 597 6489 Email: bissell@gsnh.com</p> <p>Joël Turgeon (LSO #80984R) Tel: 416 597 6486 Email: turgeon@gsnh.com</p> <p>Lawyers for the moving parties and debtor companies, Drexler Construction Limited, Folmur Construction (2004) Limited, and Down Under Pipe and Cable Locating Limited</p> | <p>ALBERT GELMAN INC.</p> <p>100 Simcoe Street, Suite 125 Toronto ON M5H 3G2 Fax: 416 504 1655</p> <p>Bryan Gelman Tel: 416 504 1650 ext. 115 Email: bgelman@albertgelman.com</p> <p>Tom McElroy Tel: 416 504 1650 ext. 117 Email: tmcelroy@albertgelman.com</p> <p>Proposal Trustee</p> |
|---|--|

| | |
|--|---|
| <p>ZURICH CANADA</p> <p>100 King Street West, Suite 5500 P.O Box 290 Toronto ON M5X 1C9 Fax: 416 586 6821 / 1 800 319 3219</p> <p>Brent McAllister Tel: 416 586 2880 Email: brent.mcallister@zurich.com</p> | <p>AIRD & BERLIS LLP</p> <p>181 Bay Street, Suite 1800 Toronto ON M5J 2T9 Fax: 416 863 1515</p> <p>Ian Aversa Tel: 416 865 3082 Email: iaversa@airdberlis.com</p> <p>Jeremy Nemers Tel: 416 865 7724 Email: jnemers@airdberlis.com</p> <p>Lawyers for Royal Bank of Canada</p> |
| <p>ATTORNEY GENERAL OF CANADA</p> <p>Department of Justice Canada Ontario Regional Office, Tax Law Section 120 Adelaide Street West, Suite 400 Toronto ON M5H 1P9</p> <p>Diane Winters Tel: 647.256.7459 Email: diane.winters@justice.gc.ca</p> <p>Rakhee Bhandari Tel: 416.952.8563 Email: Rakhee.bhandari@justice.gc.ca</p> | <p>MINISTRY OF FINANCE (ONTARIO)</p> <p>Legal Services Branch 777 Bay Street, 11th Floor Toronto ON M5G 2C8</p> <p>Kevin O'Hara Tel: 416.327.8463 Email: kevin.ohara@ontario.ca</p> |
| <p>MASTERS INSURANCE (HAMILTON) LTD.</p> <p>McMaster Innovation Park 175 Longwood Road South, Suite 209A Hamilton ON L8P 0A1 Fax: 905 577 9154</p> <p>Doug Corby Tel: 905 577 1180 Email: dcorby@mastersinsurance.com</p> | |

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**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***

Estate Nos 35-2721716
35-2721875;
35-2721896

ONTARIO
SUPERIOR COURT OF JUSTICE

**SECOND REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE
(respecting the Motion returnable May 28, 2021)**

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