

**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***

MOTION RECORD

**(extension of time to file a proposal, vesting-upon-sale,
approval of fees and activities, sealing)**

(returnable May 28, 2021)

May 22, 2021

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**ONTARIO
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TAB 1

Notice of Motion returnable May 28, 2021

Estate No. 35-2721716

**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***

NOTICE OF MOTION

**(extension of time to file a proposal, vesting-upon-sale,
approval of fees and activities, sealing)**

(returnable May 28, 2021)

Drexler Construction Limited, Folmur Construction (2004) Limited and Down Under Pipe and Cable Locating Limited (together, the “**Companies**”) will make a motion to a judge of the Ontario Superior Court of Justice on Friday, May 28, 2021, at 10:00 a.m. or as soon thereafter as the motion can be heard, via teleconference, the details for which will be posted on The Middlesex Law Association website at www.middlaw.on.ca at 4:30 p.m. the day prior to the return date of this motion.

PROPOSED METHOD OF HEARING: orally.

THE MOTION IS FOR: orders in suggested accordance with the draft in the motion record:

- a. extending to Friday, July 16, 2021, the time for Albert Gelman Inc. in its capacity as trustee (in such capacity, the “**Proposal Trustee**”) to the notice of intention to make a proposal to creditors (“**NOI**”) proceeding of each of the Companies, to file,

on behalf of the Companies (individually or collectively, as the case may be), a proposal to creditors under the *Bankruptcy and Insolvency Act* (Canada).

- b. augmenting the orders of this court made on April 16, 2021 in this file (the “**April 16 Order**”) with respect to auction sales of Redundant Equipment (as defined in the April 16 Order), to provide for vesting-upon-sale orders.
- c. approving the second report of the Proposal Trustee, to be served and filed separately (the “**Second Report**”), and the Proposal Trustee’s fees and activities described therein.
- d. sealing Confidential Exhibit “1” to the Drexler May Affidavit, being a copy of the Auction Agreement (defined below) that contains valuation information.

THE GROUND FOR THE MOTION ARE:

1. The Companies have each filed NOIs on March 18, 2021. The Proposal Trustee acts as such in each of the NOI proceedings, which have been administratively consolidated in this court file by the April 16 Order.
2. The Proposal Trustee supports and recommends the relief sought. Royal Bank of Canada (“**RBC**”), the senior ranking creditor of the Companies, has been consulted and does not oppose. Counsel are not aware of any opposition to the relief sought.
3. **Extension of time** – The current extension expires on June 1, 2021. The sought extension is to allow the Companies to work further on the viable restructuring path (i.e., primarily, locating replacement financing to fully repay RBC) identified in the affidavit of Jerome Drexler sworn May 22, 2021 filed in support of this motion (the “**Drexler May Affidavit**”), towards a proposal. The Companies have acted, and are acting, in good faith

and with due diligence and no creditor would be materially prejudiced if the extension being applied for were granted. The test for extension is met.

4. **Auction Sales of Redundant Equipment** – The April 16 Order provides for approval of the Companies selling Redundant Equipment (as defined in the April 16 Order) by auction. The relief sought on this motion provides for the vesting of assets sold at auction to purchasers in substantially in the form of the Commercial List model vesting order. Otherwise, the April 16 Order remains unchanged. This relief is to incentivize sales and make the auction sale process practicable and attractive, while maintaining proportionate administration costs. It is appropriate in the circumstances and this court may grant it.
5. **Approval of First Report and Proposal Trustee’s activities** – The April 16 Order approved the Proposal Trustee’s prior report as well as the activities described in it. The Proposal Trustee’s fees and activities have been properly reported to stakeholders, including in the Second Report. Their approval would have the salutary effects noted in the caselaw. The court may therefore make the approval orders sought.
6. **Sealing** – Confidential Exhibit “1” to the Drexler May Affidavit, being a full copy of the agreement with Canam Appraiz Inc. dated May 21, 2021 for auctioning services in respect of the Redundant Equipment (the “**Auction Agreement**”), contains an appraiser’s valuation of the items to be sold in its Schedule A. This information would “pollute” and affect the integrity of the auction process were it accessible to bidders and the market generally. A copy of the Auction Agreement with this information redacted, but otherwise complete, is included as Exhibit “C” to the Drexler May Affidavit. This relief is appropriate and the criteria for a sealing order is met.

MAIN STATUTORY PROVISIONS

- a. BIA s. 50.4 (extension of time) and 65.13(7) (vesting).
- b. *Courts of Justice Act*, R.S.O. 1990, c. C.43, s. 137(2) (sealing).
- c. *Ontario Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, rules 2.03 and 3.02.
- d. Such other and further grounds as counsel may advise and the court permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the application:

- a. the Drexler May Affidavit,
- b. the Second Report, and
- c. such further and other materials as counsel may advise and the court may permit.

May 22, 2021

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

TO: THE SERVICE LIST

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced in LONDON**

**NOTICE OF MOTION
(extension of time to file a proposal, vesting-upon-sale, approval of fees and activities, sealing)
(returnable May 28, 2021)**

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

TAB 2

Affidavit of Jerome Drexler sworn May 22, 2021

**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***

**AFFIDAVIT OF JEROME DREXLER
(sworn May 22, 2021)**

I, Jerome Drexler of Rockwood in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a director and officer of Drexler Construction Ltd. (“**Drexler**”), which is the parent company of Folmur Construction (2004) Ltd. (“**Folmur**”) and Down Under Pipe and Cable Locating Ltd. (“**Down Under**”, and together with Drexler and Folmur, the “**Companies**”). As such I have knowledge of the matters to which I refer. In preparing this affidavit, I consulted with legal, financial and other advisors of the Companies and other members of the Companies’ management. Where this affidavit is on information and belief, I have stated the source of that information and believe it to be true.

I. OVERVIEW

2. The affidavit is in support of the Companies’ motion for orders:
 - a. extending to Friday, July 16, 2021, the time for Albert Gelman Inc. in its capacity as trustee (in such capacity, the “**Proposal Trustee**”) to the notice of intention to make a proposal to creditors (“**NOI**”) proceeding of each of the Companies, to file, on behalf of the Companies (individually or collectively, as the case may be), a

proposal to creditors under the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”). The current extension expires on June 1, 2021. The sought extension is to allow the Companies to work further on the viable restructuring path identified below, towards a proposal.

- b. augmenting the orders of this court made on April 16, 2021 in this file (the “**April 16 Order**”) with respect to sales of Redundant Equipment (as defined in the April 16 Order), to provide for what I am advised is described as usual “vesting orders”, whereby upon delivery of a Bill of Sale to a Purchaser of Purchased Assets, the Purchaser obtains the Purchased Assets free of all Encumbrances, which are reported onto the proceeds (capitalized terms defined in the draft order). Otherwise, the April 16 Order remains unchanged, including as to which assets may be sold and for what price, and as respects the resolution of competing claims to the proceeds, as the case may be. This relief is to incentivize sales and make the auction sale process practicable and attractive, while maintaining proportionate administration costs.
 - c. approving the second report of the Proposal Trustee, to be served and filed separately (the “**Second Report**”), and the Proposal Trustee’s fees and activities described therein, to streamline the files’ administration.
 - d. sealing Confidential Exhibit “1” to this affidavit, being a copy of the Auction Agreement (defined below). This is to protect the integrity of the auction sale process in light of some of the valuation information contained in the full copy.
3. The Proposal Trustee supports and recommends the relief sought. Leading counsel for the Companies, Brendan Bissell, informs me that Royal Bank of Canada (“**RBC**”), the senior

ranking creditor of the Companies, has been consulted about the relief sought and does not oppose it, and that he is not aware of any opposition or potential opposition to any element of the relief sought.

II. BACKGROUND

a. The Companies and their business

4. I provided the full background in my affidavit sworn April 12, 2021 filed in this court file, of which I attach a copy without exhibits as **Exhibit “A”** for reference.
5. To summarize, the business was initially set up by myself and my 7 brothers, of which 4 remain involved as the sole shareholders of Drexler, which is itself the sole shareholder of Folmur and Down Under, making the latter fully-owned subsidiaries. All the Companies operate in the construction industry, offering a wide spectrum of services including excavating, hydro, and concrete. The Companies attract notable clients including municipalities throughout Ontario. For reference, Drexler made a gross profit of approximately \$4,483,355 in 2018 and \$5,113,471 in 2019, and employs between 50 and 110 non-unionized employees depending on the season. Folmur made a gross profit of approximately \$1,689,684 in 2018 and \$2,233,232 in 2019, and has 25 non-unionized employees. Down Under made a gross profit of approximately \$316,813 in 2018 and \$217,259 in 2019, and has 2 non-unionized employees.

b. Causes of insolvency, main creditors, restructuring approach

6. The Companies are all indebted to RBC, each as borrower under a number of credit facilities and as guarantor of the other two Companies' obligations to RBC, for approximately \$2,087,000 based on RBC's demand letters and notices to enforce security dated March 8, 2021. RBC holds (i) collateral charges/mortgages over Drexler's Catherine

Property (as defined in my April affidavit (Exhibit “A”)) totalling \$435,000 and (ii) general security agreements from each of the Companies. The Proposal Trustee obtained a legal opinion from independent counsel, which, subject to standard assumptions and qualifications, concludes that such RBC security interests are valid and enforceable in accordance with their terms. Before filing the NOIs, the Companies were in discussions (through counsel) with RBC about a forbearance, but, despite significant efforts on both sides, a mutually agreeable arrangement was not possible.

7. The Companies’ other creditors and potential creditors are further discussed in my April affidavit (Exhibit “A”) and include *Personal Property Security Act* registrants (mostly in respect of equipment and motor vehicles) and related companies. With their NOIs, Drexler lists approximately \$1,000,000 arms’ length unsecured claims, Folmur approximately \$400,000, and Down Under approximately \$47,000. As to the Canada Revenue Agency (“CRA”), Drexler and Folmur have outstanding amounts on account of HST and source deductions based on a CRA proof of claim recently received by the Proposal Trustee, being a combined approximate \$215,000 for Drexler and \$200,000 for Folmur, subject to normal course repayments and reductions as I understand will be addressed in the Second Report.
8. At present, each of the Companies is insolvent primarily because of (i) being unable to repay the amounts owing to RBC, (ii) the COVID-19 crisis having had a general adverse impact on costs, timelines to complete projects, and viability of actual and potential jobs, and (iii) two unusual and isolated financial setbacks in 2020, being a loss of approximately \$324,000 on a job due to an estimator’s error, and a \$299,000 CRA interest charge.

9. However, the Companies' assets greatly exceed their liabilities, including based on the confidential valuations of the Properties, which are subject to a sealing order, and the book value of their other properties including substantial accounts receivable and capital assets, as more fully set out in my April affidavit (Exhibit "A"). This allows for a restructuring approach centered around locating, with the assistance of the Proposal Trustee, counsel to the Companies, the Financial Advisor and the Broker (terms defined below), a new source of financing to repay RBC (as well as the DIP loan, discussed below), making a viable proposal to creditors, and returning to solvency. This would benefit the Companies' stakeholders including their clients, suppliers, employees, equity holders, and creditors.
10. Each of the Companies therefore filed an NOI under the BIA on March 18, 2021 (collectively, the "**NOI Proceedings**"). The Proposal Trustee is the proposal trustee in each of the NOI Proceedings.
 - c. **Restructuring efforts since the April 16 Order and state of file**
11. On April 16, 2021, this court granted the April 16 Order, of which a copy is attached as **Exhibit "B"**, on an unopposed basis. The April 16 Order provides for the following main relief:
 - a. administratively consolidating the NOI Proceedings in this court file,
 - b. extending the time to file a proposal to June 1, 2021,
 - c. creating a \$1,500,000 debtor-in-possession (DIP) financing charge on the Properties (as defined in the April 16 Order), subordinate to RBC's position,
 - d. creating a \$100,000 administration charge on the same properties, subordinate to the DIP charge,
 - e. approving the sale of Redundant Equipment, and

- f. approving the Proposal Trustee's first report and supplemental report thereto, along with the activities described therein.
12. Other than possible sales of Redundant Equipment, as allowed in the April 16 Order, the Companies currently contemplate no liquidation of assets.
 13. Since the April 16 Order, the Companies have, among other things:
 - a. retained GreySuits Advisors Inc. (the "**Advisor**") to act as their 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 financing and provide general financial advice.
 - b. finalized documentation with respect to the DIP financing facility with Corwin Mortgage Capital Inc., as approved in the April 16 Order.
 - c. retained a mortgage broker (the "**Broker**") to assist the Companies in locating alternative financing to repay RBC. Furthermore, the Companies and the Proposal Trustee continue to negotiate directly with one prospective lender with whom the Companies had commenced negotiations priorly.
 - d. as authorized in the April 16 Order, entered into an agreement with Canam Appraiz Inc. ("**Canam**") dated May 21, 2021 (the "**Auction Agreement**"), of which I attach a redacted copy as **Exhibit "C"** and a full copy as **Confidential Exhibit "1"**, for auctioning services in respect of the Redundant Equipment. The redacted copy blanks out the appraiser's valuation of the items to be sold on Schedule A to the Auction Agreement. A sealing order is sought for the full Auction Agreement, as set out further below.

- e. continued to work, including with the Proposal Trustee and counsel, with transparency and good faith, in providing information to and responding to inquiries from stakeholders (including RBC), attending meetings with the professionals to discuss the Companies' restructuring options and all attendant matters, preparing the revised cash flow forecasts of which I attach respective copies for each of the Companies as **Exhibit "D"**, **"E"** and **"F"** (the **"Revised Cashflow Forecasts"**), and providing all the information required by the Proposal Trustee to allow *inter alia* the monitoring of receipts and disbursements.
14. The next steps in the restructuring, such as through the extension period sought, are:
 - a. to continue efforts towards locating alternative financing to repay RBC, leveraging the involvement of the Proposal Trustee, the Companies' counsel, the Advisor, and the Broker, and
 - b. to assist Canam in conducting auctions under the Auction Agreement with respect to Redundant Equipment, provided the relief sought herein as to the augmentation of the April 16 Order in this regard is granted.
 15. I am advised by Bryan Gelman of the Proposal Trustee that one potential lender with which the Companies had contact prior to filing the NOIs is at an advanced stage of formulating a proposal on lending arrangements to refinance the amounts owing to RBC and to otherwise provide borrowing facilities to the Companies going forward. Mr. Gelman advises that he hopes to get other proposals from the Broker in order to attempt to ensure that any new lending arrangements are on competitive terms.

16. Looking forward, Drexler also has plans to invest in and develop the Vacant Development Land (as defined in the Second Report), once it obtains site plan approval from the municipality, so as to enhance the long-term value of that asset.
17. As more fully appears from the Revised Cashflow Forecasts, the Companies will have access to sufficient funds to operate throughout the sought extension, with any reasonable contingency being covered through draws available under the approved DIP facility.

III. RELIEF SOUGHT

a. Extension of time

18. As discussed above, the Companies have been working in good faith and with due diligence towards a viable restructuring path. I continue to believe that following the one-time restructuring expense, a viable proposal to creditors can be made to allow the Companies to remain going concerns, to the benefit of all their stakeholders including clients, suppliers, employees, shareholders and creditors.

b. Sale of Redundant Equipment provisions

19. The orders sought on this topic do not alter the April 16 Order in the material respects that are the definition of what assets can be sold (i.e., the Redundant Equipment, as defined in the April 16 Order, for which a sale would yield more value than is being obtained from their possession), how and by whom those assets can be sold (i.e., by the Companies themselves or Canam, as provided in the April 16 Order), for what price they can be sold (i.e. the sealed appraised value, as provided in the April 16 Order), the mechanism provided for resolving any priority dispute on the proceeds, or the provided payment scheme for proceeds in accordance with priorities. Those aspects of the authorization to sell Redundant

Equipment were discussed and agreed among stakeholders, principally including RBC, and there is no need to alter them. In fact, the draft order contains language expressly preserving the April 16 Order save to the extent augmented through the relief sought.

20. The augmentations sought are to provide for what I am advised is described as “vesting orders”, whereby upon delivery of a Bill of Sale to a Purchaser of Purchased Assets, the Purchaser obtains the Purchased Assets free of all Encumbrances, which are reported onto the proceeds (capitalized terms defined in the draft order). As set out above, this relief is to incentivize sales and make the auction sale process practicable and attractive, while maintaining proportionate administration costs.
21. I am advised by Mr. Bissell that the orders sought for this head of relief are substantially in the form of the Commercial List model approval and vesting order.

c. Sealing orders

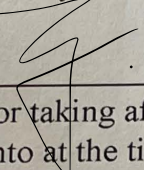
22. A sealing order is sought as to Confidential Exhibit “1” to this affidavit, being an unredacted copy of the Auction Agreement. This is because it contains background information about pricing and valuations which would “pollute” and affect the integrity of any sale process if the information were accessible to bidders and the market generally.

d. Approval of Proposal Trustee’s Second Report, fees and activities

23. The activities and fees of the Proposal Trustee and its counsel were reported to the court and stakeholders including in the Second Report. I believe such activities are appropriate, commercially reasonable, and conducted in the best interest of the Companies and their

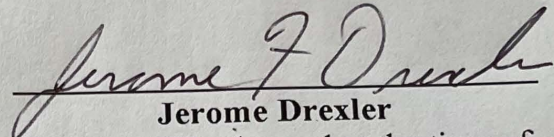
stakeholders. Material in this regard is the April 16 Order, where this court approved the Proposal Trustee's prior report as well as the activities described therein.

SWORN BEFORE ME via Zoom at the City of Toronto, in the Province of Ontario, this 22nd day of May, 2021 in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*



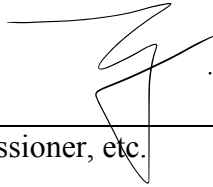
Commissioner for taking affidavits
(present at Toronto at the time of swearing)

Joël Turgeon



Jerome Drexler
(present at Rockwood at the time of swearing)

This is **Exhibit “A”** to the affidavit of Jerome Drexler sworn before me via Zoom this 22nd day of May, 2021 in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*



A Commissioner, etc.

Joël Turgeon

**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***

**AFFIDAVIT OF JEROME DREXLER
(sworn April 12, 2021)**

I, Jerome Drexler of Rockwood in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a director and officer of Drexler Construction Ltd. (“**Drexler**”), which is the parent company of Folmur Construction (2004) Ltd. (“**Folmur**”) and Down Under Pipe and Cable Locating Ltd. (“**Down Under**”, and together with Drexler and Folmur, the “**Companies**”). As such I have knowledge of the matters to which I refer. In preparing this affidavit, I consulted with legal, financial and other advisors of the Companies and other members of the Companies’ management. Where this affidavit is on information and belief, I have stated the source of that information and believe it to be true.

I. OVERVIEW

2. The affidavit is in support of the Companies’ motion for orders:
 - a. administratively consolidating the notice of intention to make a proposal (“**NOI**”) proceedings of the Companies in one court file, to streamline administration and allow economies of scale on costs.

- b. extending to Tuesday, June 1, 2021, the time for Albert Gelman Inc. in its capacity as trustee (in such capacity, the “**Proposal Trustee**”) to the NOI proceeding of each of the Companies, to file, on behalf of the Companies (individually or collectively, as the case may be), a proposal to creditors under the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”). The extension is *inter alia* to allow the Companies to explore the viable restructuring path identified below, towards a proposal.
- c. approving the Companies’ entering into a debtor-in-possession (“**DIP**”) lending facility (the “**DIP Facility**”) with Corwin Mortgage Capital Inc. (the “**DIP Lender**”) up to a maximum borrowing amount of \$1,500,000, which during the extension period sought may be accessed to the limit of (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**”), the ranking secured creditor as discussed below, and (iii) any further amounts with the written consent of RBC or further court order. As seen below, the Companies are in the “investment” phase of certain construction projects, meaning that their cashflow is negative. To allow, *inter alia*, completion and monetization of the projects, and considering that the Companies’ credit facilities with RBC are unavailable as discussed below, interim financing by way of the DIP Facility, in the initial amounts applied for, is required to maintain the going concern nature of the Companies’ operations.
- d. creating a DIP financing charge, to secure the Companies’ obligations to the DIP Lender under the DIP Facility, on the Companies’ interest in and to the real estate properties municipally known as 5274 Wellington Road 27, Rockwood, Ontario (PIN #71180-0203 (LT)) (the “**HQ Property**”) and 183 Catherine Street,

Rockwood, Ontario (PIN #71180-0052(LT)) (the “**Catherine Property**”), which DIP Financing charge is to rank in priority to any “**Encumbrance**” (as defined in the draft order) encumbering either or both of the HQ and Catherine Properties save and except any Encumbrance in favour of RBC and any Encumbrance that primes such RBC’s Encumbrance. This collateralization and priority scheme was discussed among and is acceptable to the Companies, the DIP Lender and RBC.

- e. creating an “**Administration Charge**” to secure the Companies’ payment of the reasonable accounts and invoices of counsel for the Companies, the Proposal Trustee, and counsel to the Proposal Trustee up to a maximum of \$100,000, which charge is to rank in priority to all Encumbrances on either or both of the HQ and Catherine Properties 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.
- f. authorizing the Companies to sell out of the ordinary course of business the “**Redundant Equipment**” (defined in the draft order), provided that each sale is for no less than the appraised amount for that piece of equipment as set out in Confidential Exhibit “3”, discussed below, either through Canam-Appraiz Inc. or privately. The orders sought provide that if an item sold is subject only to the secured claim of RBC as the first-ranking secured creditor generally, then the proceeds of sale are to be paid to RBC immediately and without further court order in repayment of the Companies’ obligations to RBC. It is understood that RBC would allow vacating title to the item from its claim. If the item sold is subject to two or more possible secured claims as determined by the Proposal Trustee, then

save agreement among the secured claimants, a motion for advice and directions would be made to the court as to entitlement to the proceeds.

- g. approving the first report of the Proposal Trustee, to be served and filed separately (the “**First Report**”), and its activities.
 - h. sealing Confidential Exhibit “1”, “2”, and “3” to this affidavit, being various appraisals, pending the earlier of a court order approving a proposal to creditors in respect of all of the Companies, or further court order. This is to protect the integrity of any sale process should that become necessary.
 - i. ordering the Companies to pay the reasonable accounts, fees and disbursements of the Proposal Trustee, counsel to Proposal Trustee and counsel to the Companies, as they become due, as part of the costs of these proceedings and post-filing obligations, it being understood that in the case of the Proposal Trustee and counsel to the Proposal Trustee, such payments are to constitute advances applicable on account of such amounts as may be approved by this court through taxation or under the BIA.
3. The Proposal Trustee supports and recommends the relief sought. Leading counsel for the Companies, Brendan Bissell, informs me that RBC has been consulted about the relief sought and does not oppose it.

II. THE COMPANIES AND THEIR BUSINESS

4. The business was initially set up by myself and my 7 brothers, of which 4 remain involved: myself (Jerome), Martin, Kevin and Alfred. All the Companies operate in the construction industry. My brothers and I started our business operations back in 1972, originally through

Drexler, then through Folmur, which was purchased in 2004, and then Down Under as a new company in 2001. The Companies now offer a wide spectrum of construction services, including excavating, hydro, and concrete, and attract notable clients including municipalities throughout Ontario, as more fully explored below.

a. Drexler

5. Drexler was the first of the Corporations to be incorporated and remains the one with the most assets and activities. Its head office is located at the HQ Property.
6. Drexler is a general construction company specializing in excavation, sewer/water works, concrete works and utility installation projects throughout southwestern Ontario. Its clients principally include residential and commercial builders as well as municipalities. Drexler made a gross profit of approximately \$4,483,355 in 2018 and \$5,113,471 in 2019.
7. Drexler employs between 50 and 110 employees depending on the season, with more employees employed during the spring, summer and fall months. Drexler's employees are not unionized.
8. Myself and my brothers Martin, Kevin and Alfred are the sole shareholders of Drexler, which is the sole shareholder of Folmur and Down Under, making the latter fully-owned subsidiaries.
9. I attach a corporation profile report for Drexler as **Exhibit "A"**.

b. Folmur

10. Folmur's head office and yard are operated from leased premises located at 7000 Wellington Road 124, Guelph, Ontario.

11. Folmur is principally involved in electrical works for new residential and commercial construction developments throughout southwestern Ontario. Folmur made a gross profit of approximately \$1,689,684 in 2018 and \$2,233,232 in 2019.
12. Folmur has approximately 25 employees, who are not unionized.
13. As stated above, Folmur is a fully-owned subsidiary of Drexler.
14. I attach a corporation profile report for Folmur as **Exhibit “B”**.

c. Down Under

15. Down Under’s head office is located at the Duplex Property (defined below), which is owned by Drexler and further described below.
16. Down Under is principally involved in the construction industry as a locator of gas lines, electrical lines and water lines in the ground and buildings. Some of its notable clients include the town of Orangeville and the township of Mapleton. Down Under made a gross profit of approximately \$316,813 in 2018 and \$217,259 in 2019.
17. Down Under has 2 employees, who are not unionized.
18. As stated above, Down Under is a fully-owned subsidiary of Drexler.
19. I attach a corporation profile report for Down Under as **Exhibit “C”**.

III. CAUSES OF INSOLVENCY

20. The Companies are all indebted to RBC, each as borrower under a number of credit facilities and as guarantor of the other two Companies’ obligations to RBC. The loan

facilities with RBC include a credit agreement among RBC and Drexler dated November 1, 2013, a credit agreement among RBC and Folmur dated January 3, 2019, and a credit agreement among RBC and Down Under dated June 19, 2008, each as amended and supplemented from time to time, and as secured through the guarantees and collateral charges/mortgages described below. The banking and loan relationship with RBC dates back to 1984.

21. Based on RBC's demand letters and notices to enforce security dated March 8, 2021, of which I attach copies in **Exhibits "D"** (borrower demands) and **"E"** (guarantor demands), (i) Drexler's obligation to RBC as borrower is approximately \$2,050,000, Folmur's is approximately \$35,550, and Down Under's is approximately \$750, (ii) each of the Companies, as guarantor, is further indebted to RBC for corresponding amounts, and (iii) the Companies are in default towards RBC and liable to repay their obligations to RBC in full immediately.
22. RBC holds (i) collateral charges/mortgages over the Catherine Property respectively registered in 1992 (registration number RO663164) and 1993 (registration number RO686143) and totalling \$435,000 (together, the **"RBC Charges"**), as shown in the copy of the parcel register for the Catherine Property which I attach as **Exhibit "F"** together with copies of the parcel register for the HQ and Duplex Properties, and (ii) general security agreements from each of the Companies (together, the **"RBC GSAs"**). As set out in the First Report, the Proposal Trustee has obtained a legal opinion from independent counsel on the validity and enforceability of the RBC Charges and the RBC GSAs which,

subject to standard assumptions and qualifications, concludes that they are valid and enforceable in accordance with their terms.

23. The Companies do not contest that there were defaults under the various loan agreements that entitled RBC to make demand. Before filing the NOIs, the Companies were in discussions (through counsel) with RBC about possible arrangements to forbear on the demands, but, despite significant effort by both the Companies and the bank, a mutually agreeable arrangement was not possible.
24. At present, each of the Companies is insolvent, and the immediate cause of insolvency is the RBC demands described above. The Companies are unable to repay the amounts owing to RBC at this point in time. I believe, however, that the Companies' assets greatly exceed their liabilities, which is supported by the available appraisal information on the real property owned by Drexler and the equipment owned by the Companies as noted below, as well as the accounts receivable of the Companies in the approximate amount of \$3.5 million.
25. The COVID-19 crisis has also had a general adverse impact on the Companies' costs, timelines to complete projects, and viability of actual and potential jobs, which also contributes to the Companies' insolvency. Notably, the COVID-19 crisis resulted in many municipal jobs being delayed or deferred, causing lower earnings.

26. The Companies also suffered two unusual and isolated financial setbacks in 2020, being a loss on a job due to an estimator's error, and a Canada Revenue Agency interest charge:
- a. the first resulted in a line item on a tender being listed as \$142 per cube-meter instead of \$250 per cube-meter. Drexler had to honour the listed price, resulting in a negative difference of \$324,000.
 - b. the second was caused by cashflow issues in the summer of 2020. Unfortunately, sufficient revenues could not be generated in time to avoid the Canada Revenue Agency calculating interest charges for \$299,000.
 - c. I am advised by RLB, the Companies' accountants, that but for those two items, Drexler would have generated positive income in 2020, i.e. approximately \$430,800, instead of a net loss of approximately \$192,000.

IV. NOI FILINGS

27. Each of the Companies filed an NOI under the BIA on March 18, 2021 as follows:
- a. in estate/court file number 35-2721716 for Drexler, a copy of which NOI, together with the creditors listing, is attached as **Exhibit "G"**,
 - b. in estate/court file number 35-2721875 for Folmur, a copy of which NOI, together with the creditors listing, is attached as **Exhibit "H"**, and
 - c. in estate/court file number 35-2721896 for Down Under, a copy of which NOI, with the creditors listing, is attached as **Exhibit "I"**.
- (collectively, the "**NOI Proceedings**")
28. The Proposal Trustee is the proposal trustee in each of the NOI Proceedings.

V. CREDITOR OVERVIEW

a. RBC: ranking creditor of the Companies

29. Apart from the brothers' equity investments, the Companies' business operations and other capital needs were principally financed through intercompany loans as well as the RBC loan facilities described above.

30. As more fully set out above, the debt RBC claims against the Companies, as borrowers and guarantors, totals approximately \$2,086,300, and the Proposal Trustee has obtained an independent legal opinion confirming the validity and enforceability of the RBC Charges and the RBC GSAs, constituting RBC as the ranking and most sizeable creditor of the Companies.

b. Other potential secured creditors

31. As more fully appears from copies of *Personal Property Security Act* (Ontario ("PPSA")) reports in respect of each of Drexler, Folmur and Down Under which I respectively attach as **Exhibits "J", "K" and "L"**:

a. the following chattel security registrations are disclosed in respect of 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

b. the following chattel security registrations are disclosed in respect of 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

c. and the following chattel security registration is disclosed in respect of Down Under.

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

32. I note that all of these PPSA registrations, except two (the one by RBC against Drexler in 2014 and the one by Xerox against Folmur in 2016), include motor vehicles in the collateral classification and most include vehicle identification numbers. I understand that the Proposal Trustee believes those registration may indicate purchase-money security interests (PMSIs) under the PPSA, but has not yet obtained any legal opinion in that regard.

c. Other creditors

33. The balance of the Companies' known creditors, including related corporations, are unsecured and as set out in the Exhibit "G", "H" and "I" creditor mailing packages. Drexler lists approximately \$1,000,000 arms' length unsecured claims, Folmur approximately \$400,000, and Down Under approximately \$47,000.

34. As further discussed in the First Report, based on the Proposal Trustee's review of Folmur and Drexler's book and records, Drexler could be indebted to the Canada Revenue Agency for HST and unremitted source deductions in the respective approximate amounts of \$133,567 and \$21,845, and for Folmur, those approximate amounts are \$193,151 and \$50,485.

VI. ASSET OVERVIEW

a. Drexler

i. *Real estate interests*

35. Drexler's most valuable assets are the Catherine Property, the HQ Property, and the property municipally known as 5278 Wellington County Road 27, Rockwood, Ontario (PIN #71180-0204 (LT)) (the "**Duplex Property**" and, together with the Catherine Property and the HQ Property, the "**Properties**").
36. The HQ Property and the Duplex Property are portions of farmlands owned by the Drexler family dating back to the 1950s. The HQ Property includes a yard and buildings. The Duplex Property is adjacent to the HQ Property and is a duplex building development where the old farmhouse used to be. The Catherine Property was acquired in 1987, and recently developed to include a house. The Companies believe the further development potential of the Properties is substantial.
37. As more fully appears from the Exhibit "F" parcel registers, Drexler holds an unencumbered fee simple interest in the HQ Property and the Duplex Property, and, but for the RBC Charges, would hold an unencumbered fee simple interest in the Catherine Property.

38. The Proposal Trustee obtained professional appraisals from a licensed commercial real estate appraiser for each of the Properties. Those appraisals are included as **Confidential Exhibit “1”** to this affidavit. For the reasons discussed below, the Companies request an order sealing Confidential Exhibit “1” from the public record.

ii. Other assets

39. Drexler’s other notable assets include:

- a. inventories, including construction materials, with a book value of \$806,416 as at March 31, 2021.
- b. capital assets, including (i) machinery and other equipment (including backhoes, excavators, rollers, bulldozers, and other heavy construction equipment) (the “**Drexler M&E**”) with a book value of \$1,936,220, and (ii) vehicles (including dump trucks, pickup trucks and passenger vehicles) with a book value of \$650,800, the whole net of accumulated amortization and as at March 31, 2021.
- c. as at March 31, 2020, related company loans due and payable, as follows:
 - i. from 970743 Ontario Inc., in the amount of \$117,189,
 - ii. from IAD Investments Inc. in the amount of \$316,906,
 - iii. from Drexcon III Ltd. in the amount of \$97,052, and
 - iv. from Milldrex Investments Inc., in the amount of \$5,333.
- d. accounts receivable in the aggregate amount of \$2,826,440 as at March 31, 2021.

40. RBC recently obtained appraisals for the Drexler M&E. Those appraisals were provided to the Companies and are included as **Confidential Exhibit “2”** to this affidavit. For the

reasons discussed below, the Companies request an order sealing Confidential Exhibit “2” from the public record.

b. Folmur

41. Folmur’s notable assets include:

- a. client accounts receivable in the aggregate amount of \$1,523,947 as at March 31, 2021.
- b. capital assets, including (i) machinery and other equipment (including backhoes, excavators, rollers, bulldozers, and other heavy construction equipment) (the “**Folmur M&E**”) with a book value of \$373,367, and (ii) vehicles (including one dump trucks and several pickup trucks) with a book value of \$180,707, the whole net of accumulated amortization and as at March 31, 2021.
- c. inventories mostly including construction supplies with a book value of \$222,793 as at March 31, 2021.
- d. a loan due and payable from Drexler in the amount of approximately \$3.8 million.

42. The appraisal obtained by RBC (Confidential Exhibit “2”) also applies to the Folmur M&E.

c. Down Under

43. Down Under’s notable assets include:

- a. client accounts receivable in the aggregate amount of \$22,516 as at March 31, 2021, and
- b. capital assets, including equipment with a book value of \$81,848 net of accumulated amortization as at March 31, 2021.

VII. CASHFLOW AND DIP TERM SHEET

44. The Companies filed 15-week cashflow forecasts for the period from March 21 to July 3, 2021 (the “**Cashflow Forecasts**”), which are attached hereto together as **Exhibit “M”**. Those show that the Companies expect to require, over that period, approximately \$1,000,000, being \$600,000 for Drexler and \$400,000 for Folmur, to cover the amounts by which projected expenses will exceed revenues. The principal reasons for this are:
- a. the nature of larger scale construction work of the type performed by the Companies is that a substantial investment is typically required at the outset of a job for labour and materials, with monetization and revenues being achieved on completion or later in the project.
 - b. related to item a., the timing of the expected receipt of the Companies’ accounts receivable is in many cases after expenditures are going to be required.
 - c. the Companies are incurring professional costs in the NOI Proceedings, including for legal counsel, the Proposal Trustee and counsel to the Proposal Trustee, which are additional expenses, albeit temporary.
45. To fund the required amount, the Companies negotiated a DIP term sheet with the DIP Lender, which contains the materials terms that would form the basis of the DIP Facility were it approved by the court on this motion. A copy of the DIP term sheet is attached as **Exhibit “N”**.

46. The material terms of the DIP term sheet include:
- a. Loan amount: up to \$1,500,000.
 - b. Interest: 6.99% per annum, calculated and payable monthly
 - c. Term: 1 year. Right to repay in full at any time upon 45 days' notice.
 - d. Fees: \$15,000 brokerage fee and \$1,200 administration fee, plus lender's legal fees.
 - e. Security: DIP Charge as sought on this motion.
 - f. Conditions: the only condition of materiality is this court's granting the relief sought on this motion.
47. As seen above, pursuant to the Cashflows, the Companies' additional funding requirements over the next 15 weeks is \$1,000,000, but the current projections suggest that much of that funding will be required after the first extension period in the NOI Proceedings, which will be June 1, 2021. In discussions with RBC, the Companies have agreed that the order sought on this first motion would limit the maximum borrowing amount under the DIP Loan Facility to (i) \$750,000, (ii) a further \$250,000 with the written consent of the Proposal Trustee in consultation with RBC, and (iii) any further amounts with the written consent of RBC or further court order. The DIP term sheet allowing for a loan amount up to \$1,500,000 ensures its continued usability should the Companies require additional DIP financing in the course of the restructuring.
48. I am informed by the Proposal Trustee and counsel for the Companies that the terms of the DIP term sheet compare favourably to DIP financing terms approved by the courts in restructurings involving similar situations to that of the Companies.

VIII. INTENDED RESTRUCTURING APPROACH AND COMPANIES' ACTIVITIES SINCE THE START OF THE NOI PROCEEDINGS TOWARDS THE SAME

49. The Companies intend to preserve their business as going concerns, which will benefit their clients, suppliers, employees, equity holders, and creditors. Towards that goal, the filing of NOIs was required to (i) stabilize operations, (ii) avoid the appointment of a receiver by RBC or other enforcement steps, and (iii) allow the necessary breathing room to define viable restructuring options. Accordingly, on March 18, 2021, the Proposal Trustee filed the Companies' NOIs as set out above.
50. Other than a possible sale of the Redundant Equipment, as discussed below, no liquidation of assets is currently contemplated. At present, the Companies' restructuring plans are to: (i) locate, with the assistance of the Proposal Trustee and counsel for the Companies, alternative financing to take out the RBC loans, and (ii) thereafter making a proposal to the balance of the Companies' creditors. Efforts to seek refinancing commenced prior to the NOI Proceedings and are ongoing.
51. I am confident that viable refinancing options can be located, considering, among other things, that the Properties are largely unencumbered and hold substantial equity, as more fully appears from the above discussion and the appraisals attached as Confidential Exhibits "1".
52. Although not a core component of the restructuring plans, the Companies have also considered whether all of their equipment is being used or productively used, with a view to possibly selling the Redundant Equipment, a list of which is attached as

Confidential Exhibit “3” consisting in checkmarks marking the Redundant Equipment on a copy of the Confidential Exhibit “2” appraisal for the Drexler/Folmur M&E.

53. Otherwise, since the filing of the NOIs, the Companies have worked with the Proposal Trustee with transparency, diligence and good faith, including towards the Cash Flow Forecasts, discussions with stakeholders, and defining restructuring options.

IX. RELIEF SOUGHT

a. Consolidation

54. The Companies are largely integrated, including at the management and shareholder level, and have the same major creditor, RBC, which holds intersecting claims against all the Companies. I understand that each entity had to commence a separate proceeding, but the restructuring is principally in respect of the RBC debt, at least in the initial stages. Administrative consolidation is intended to streamline costs, including with respect to court attendances, creditor reporting and general file administration. It would facilitate the handling of this restructuring as a unified case, which it factually is.

b. Extension of time

55. As discussed above, the Companies have, among other things, defined their cashflow needs, identified all known creditors and assets, and determined the preferred restructuring path. The Companies have been working in good faith and with due diligence with the Proposal Trustee, and keeping transparent communications with all stakeholders, including RBC, throughout.

56. The extension of time is principally to continue seeking take-out financing for RBC, after which the Companies intend to make a proposal to their remaining creditors. I believe that following the one-time restructuring expenses, a viable proposal to creditors can be made to allow the Companies to remain going concerns, to the benefit of all their stakeholders including clients, suppliers, employees, shareholders and creditors.

c. DIP Financing and Charge

57. As set out in detail above, the Companies require financing to allow continued operations and a restructuring, considering the unavailability of the RBC credit facilities in the circumstances. The DIP term sheet with the DIP Lender is “market” and I believe its terms are fair and reasonable. Further, the orders sought limit the DIP loan amounts to the current best estimate of the true financing needs of the Companies over the next 15-week period, while allowing flexibility should these needs prove to have been underestimated.

58. On the subject of the DIP financing charge, the order sought would constitute the charge against the HQ Property and the Catherine Property, with a rank prior to any Encumbrance on those properties save and except any Encumbrance in favour of RBC and any Encumbrance that primes such RBC’s Encumbrance. This collateralization and priority scheme was discussed among and is acceptable to the Companies, the DIP Lender and RBC.

59. The orders sought also allow the parties to draft, execute and register all necessary and attendant documentations to effect the DIP charge, including by way of mortgage, etc.

d. Administration Charge

60. The Companies' restructuring is complex and entirely dependent on the involvement of the Proposal Trustee and professional assistance from legal counsel, including for court appearances. While it is intended that the Companies pay the restructuring professionals' fees on a current basis during the NOI Proceedings, the Administration Charge is intended to operate as a backstop in case there are any unforeseen problems. It is therefore limited to a maximum of \$100,000, and is to rank in priority to all Encumbrances on either or both of the HQ or Catherine Properties, 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. Such amount, collateral and rank for the Administration Charge strikes a balance between the interests of the Companies, the professionals, and RBC.

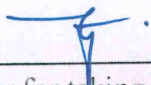
e. Sale of Redundant Equipment

61. As noted above, the Companies have identified that some of their equipment is not being used and could be sold. The Companies therefore seek authorization to sell the Redundant Equipment, provided that each sale is for no less than the appraised amount for that piece of equipment as set out in Confidential Exhibit "2", either through Canam-Appraiz Inc. or privately. I am advised by counsel that the draft order sought provides for a mechanism allowing the resolution of any priority issues, notwithstanding that RBC is anticipated to possibly be the only creditor with security on most of the Redundant Equipment by virtue of the RBC GSAs.

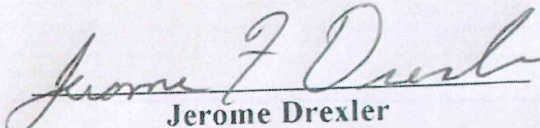
f. Sealing orders

62. Confidential Exhibits "1", "2" and "3, being appraisals, contain information that would "pollute" and affect the integrity of any future sale or liquidation process with respect to those assets if the information were accessible to bidders and the market generally. The Companies therefore seek orders sealing those exhibits from the public record pending the earlier or court approval of a proposal in respect of all the Companies or further court order.

SWORN BEFORE ME via ~~Zoom~~ ^{FaceTime} at the City of Toronto, in the Province of Ontario, this 12th day of April, 2021 in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*



Commissioner for taking affidavits
(present at Toronto at the time of swearing)



Jerome Drexler
(present at Rockwood at the time of swearing)

JOËL TURGEON

**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***

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**AFFIDAVIT OF JEROME DREXLER
(sworn April 12, 2021)**

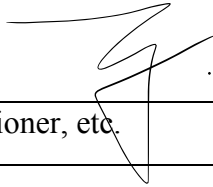
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Email: turgeon@gsnh.com

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

This is **Exhibit “B”** to the affidavit of Jerome Drexler sworn before me via Zoom this 22nd day of May, 2021 in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*



A Commissioner, etc.

Joël Turgeon

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

well as those other parties present, as indicated in the counsel slip, no other parties being present although duly served as appears from the affidavit of service, filed:

NOTICE AND SERVICE

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

PROCEDURAL CONSOLIDATION

2. **THIS COURT ORDERS** that, without prejudice to the right of any party to seek or oppose substantive consolidation in respect of any or all of the following proceedings:
 - a. the present proceeding,
 - b. the NOI proceeding of Folmur, estate and court file no. 35-2721875, and
 - c. the NOI proceeding of Down Under, estate and court file no. 35-2721896,

(collectively, the “**NOI Proceedings**”)

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

- d. sending notices to creditors of one or more of the Companies pursuant to one consolidated notice,
- e. calling and conducting any meetings of creditors of the Companies pursuant to one combined advertisement and one meeting,
- f. issuing consolidated reports in respect of the estates of the Companies,
- g. preparing, filing, advertising and distributing any and all filings and/or notices relating to the administration of the estates of the Companies on a consolidated basis, and
- h. bringing motions to this Honourable Court on a consolidated basis.

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

“

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

”

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

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

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

- a. affect the separate legal status and structures of any of the Companies,
- b. cause any of the Companies to be liable for any claim for which it otherwise would not be liable, or
- c. affect the Proposal Trustee's or a creditor's right to seek to disallow any claim, including on the basis that such claim is a duplicative claim.

EXTENSION OF TIME TO FILE A PROPOSAL

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

DIP FINANCING AND CHARGE

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

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

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

9. **THIS COURT ORDERS** that the Companies are authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as may be reasonably required pursuant to the terms of the Term Sheet, and the Companies are authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Term Sheet and the Definitive Documents as and when the same become due and are to be performed in accordance with their terms, subject to paragraph 21 of this order but notwithstanding any other provision of this order.

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

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

11. **THIS COURT ORDERS** that, notwithstanding any other provision of this order:

- a. the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender’s Charge or any of the Definitive Documents, and
- b. the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee-in-bankruptcy, interim receiver, receiver or receiver and/or manager of the Companies or any of them or the Properties.

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

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

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

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

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

16. **THIS COURT ORDERS** that the Term Sheet, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (i) the pendency of these proceedings and the declarations of insolvency made herein, (ii) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications, (iii) the filing of any assignments for the general benefit of creditors made pursuant to the BIA, (iv) the provisions of any federal or provincial statutes, or (v) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement

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

- a. neither the creation of the DIP Lender’s Charge nor the execution, delivery, perfection, registration or performance of the Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Companies or any of them of any Agreement to which it is a party,
- b. the DIP Lender shall have no liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Companies or any of them entering into the Term Sheet the creation of the DIP Lender’s Charge, or the execution, delivery or performance of the Definitive Documents, and
- c. the payments made by the Companies or any of them pursuant to this Order, the Term Sheet or the Definitive Documents, and the granting of the DIP Lender’s Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

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

ADMINISTRATION CHARGE

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

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

SALE OF REDUNDANT EQUIPMENT

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

- a. retaining Canam-Appraiz Inc. (“**Canam**”) to sell one or more pieces of the Redundant Equipment, or
- b. by private sale of one or more pieces of the Redundant Equipment.

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

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

APPROVAL OF PROPOSAL TRUSTEE'S FEES AND ACTIVITIES

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

SEALING

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

MISCELLANEOUS

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

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

Kelly A. Gowen

**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**

**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)**

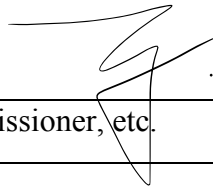
GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto (ON) M5G 1V2

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.

This is **Exhibit “C”** to the affidavit of Jerome Drexler sworn before me via Zoom this 22nd day of May, 2021 in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*



A Commissioner, etc.

Joël Turgeon

AUCTION SERVICES AGREEMENT

THIS AGREEMENT made as of this 21st day of May 2021.

BETWEEN:

Drexler Construction Limited

(hereinafter called the “**Drexler**”)

OF THE FIRST PART

-and-

CANAM APPRAIZ INC.

(hereinafter called the “**Auctioneer**” acting in its capacity as the agent and exclusive auctioneer)

OF THE SECOND PART

RECITALS:

- A. Drexler and the Auctioneer have agreed to enter into this Liquidation Services Agreement (the “**Agreement**”) respecting the sale of excess equipment (the “**Assets**”) by the Auctioneer (the “**Sale**”) at the premises located at R.R. #1 Rockwood, Ontario N0B 2K0 (the “**Premises**”) upon the terms and conditions hereinafter set forth. The list of the Assets is attached hereto as **Schedule “A”**.

NOW THEREFORE WITNESSETH THAT for the good and valuable consideration (the receipt and sufficiency thereof being hereby acknowledged), Drexler and the Auctioneer hereby agree together as follows:

1. The Auctioneer shall:
 - (a) Prepare, arrange and lot the Assets by number and location in the sequence in which the Auctioneer will auction same (such list being the “**Auction Lot List**”), and shall provide the Auction Lot List to Drexler no later than two (2) business days prior to the date of the auction.

- (b) With Drexler's prior written approval, the Auctioneer shall advertise and otherwise promote the Sale of the Assets by all appropriate means and in accordance with applicable law in order to give adequate exposure of the Assets to potential purchasers, which procedures may include the following:
 - i. Website advertising;
 - ii. Newspapers;
 - iii. Sale brochures; and
 - iv. Any other reasonable advertising methods as determined by the Auctioneer;
- (c) Arrange for the sale of the Assets in a competent and commercially reasonable manner and otherwise in accordance with the terms and conditions of this Agreement.
- (d) The Auctioneer hereby acknowledges that it has conducted an inspection of the Assets, reviewed the Assets and confirmed and verified the quantity and condition of the Assets.
- (e) The Auctioneer will furnish, competent personnel to prepare for, conduct and otherwise perform all tasks relating to the Sale.
- (f) Subject to the Order of Justice Gorman dated April 16, 2021 ("Gorman Order"), the Auctioneer may sell the Assets, or any part of it, at any time and in any manner which the Auctioneer, acting reasonably, deems fit, including, without limitation, by private or public sale, liquidation or auction with the consent of Drexler, acting reasonably.
- (g) Perform the following Sale setup activities as applicable, in connection with the Sale, including:

- i. Gathering all specifications, photographs and the like for the auction brochure; and
 - ii. Providing all support staff and accounting personnel required to conduct the sale; it being understood that Drexler is not and will not in any event be an employer of any such personnel or liable to pay any amounts to such personnel.

- (h) The Auctioneer shall be entitled to charge a sales commission (the “**Commission**”) equal to 15% of the gross proceeds of the Sale before any and all applicable taxes due and owing (the “**Proceeds**”). Then Auctioneer is entitled to \$25,000.00 for expenses.

- (i) The auctioneer shall guarantee a net minimum of \$560,000.00.

- (j) The auctioneer has the right at its own expense to join in a partnership or consult with other auctioneers or experts in the field.

- (k) Drexler shall maintain personal liability and property damage insurance with a recognized Canadian insurance company in the amount of no less than \$2 million coverage for the Assets for the duration of this Agreement.

- (l) The Auctioneer shall maintain Workplace Safety and Insurance Board coverage for the duration of this Agreement.

- (m) At its own expense, prepare a comprehensive statement of all the Assets sold in the Sale, reflecting the sale prices of such Assets and containing an accounting of the Proceeds of the Sales received and a final reconciliation, and shall deliver to Drexler a comprehensive

statement and accounting (the “**Accounting**”) within ten (10) business days after the Sale.

- (n) Collect and remit to the proper governmental authorities, within the prescribed statutory time periods, all applicable taxes eligible in connection with the Sale of the Assets and will provide Drexler with a letter confirming that remittance of applicable government taxes (the “**Applicable Taxes**”) forthwith after the conclusion of the Sale and distribution of the Proceeds as set out herein.
- (o) Indemnify and hold Drexler harmless from any and all liability, including fees and expenses of Drexler and its legal counsel, resulting from the Auctioneer’s failure to collect and remit any Applicable Taxes in the manner described herein.
- (p) Acknowledge, and the Auctioneer does hereby agree, that the Assets are provided to the Auctioneer, for the Sale, on an “as is, where is” basis. The Auctioneer confirms that, unless specifically stated in this Agreement, no representation, warranty, covenant or condition, whether statutory, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise is being given to the Auctioneer in this Agreement or in any instrument furnished in connection with this Agreement as to title, encumbrances, description, fitness for purpose, merchantability, quantity, condition, quality, value, suitability, durability, compliance or non-compliance with environmental rules, regulations or legislative provisions, or marketability thereof or in respect of any other matter or thing whatsoever. The Auctioneer confirms that the Auctioneer and the purchasers of the Assets shall be deemed to have relied entirely on their own inspection and investigation in proceeding with the transactions contemplated hereunder, or in purchasing the Assets.

- (q) Acknowledge, and the Auctioneer does hereby agree, that the Proceeds after payment of all Applicable Taxes and Commission shall be paid, within 10 business days of the auction date, to Drexler's counsel, Goldman Sloan Nash & Haber LLP ("GSNH") in Trust, attention Brendan Bissell, to be held by GSNH pending distribution in accordance with the Gorman Order made in this matter.

2. Drexler agrees:

- (a) That the Auctioneer, can use the name "Drexler." and related logos for promotion and advertising.
- (b) If any of the Assets are sold to online buyers, then the Auctioneer may charge a buyer's premium of 10%-12% of the sale price (each, an "**Online Sale Charge**"), and all Online Sales Charges collected by the Auctioneer shall be paid by the Auctioneer to the applicable third-party online provider.
- (c) That it has the right to sell the assets in accordance with the Gorman Order. Drexler shall indemnify the Auctioneer, including reasonable legal costs, of any claims that may arise after the sale of the Assets.
- (d) Subject to the Gorman Order, Drexler has the right to add or deduct from the assets any number of items as sees fit, however the value of guarantee will be changed accordingly, and a final Schedule A must be provided to Auctioneer no later than 15 days prior to the auction date.

3.

- (a) Drexler shall provide the Auctioneer with unencumbered and free use of the Leased Premises for a period of no more than 45 days for the purpose of this Sale from the signing of this agreement but shall

complete the liquidation process by the Deadline. In the event that any of the sold Assets are not removed by the Deadline, the Auctioneer shall be responsible for removal of any unsold Assets at own expense.

4. Within five (5) business days of the signing of this Agreement, the Auctioneer will notify Drexler of the auction date (the "Auction Date") to take place within 45 days of the signing of this agreement.

5.

(a) Any notice, demand, acceptance, request, election, or waiver required or permitted to be given hereunder (the "Notice") shall be in writing and shall be deemed to be sufficiently given if personally delivered to Drexler or the Auctioneer or served by email as follows:

i. In the case of Drexler:

Drexler Construction Limited
R.R. #1 Rockwood,
Ontario N0B 2K0
Attention: Mr. Jerome Drexler

ii. In the case of the Auctioneer:

Canam Appraiz Inc.
30 Millwick Drive
Toronto, Ontario, M9L 1Y3
Attention: Sia Mizrahi

(b) This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement may be made and evidenced by facsimile transmission or E-mail.

- (c) The Auctioneer shall not be entitled to assign its rights and obligations hereunder without the written consent of Drexler, which may be unreasonably withheld.
- (d) This Agreement shall enure to the benefit of, and be binding upon, the parties thereto and their respective successors and permitted assigns.
- (e) This Agreement shall constitute the entire agreement between the parties hereto pertaining to the subject matter hereof and shall supersede all prior and contemporaneous agreement, undertakings, negotiations and discussions, whether oral or written, of the parties, and there are no agreement, or understandings between the parties in connection with the subject matter hereof except as specifically set forth herein. No supplement, modification, waiver or termination of such agreement shall be binding, unless executed in writing by the party to be bound thereby, provided that the time provided for doing any matter or thing contemplated herein may be abridged or extended by written agreement, in letter form or otherwise, executed by duly authorized signatories for the parties.
- (f) The validity and interpretation of this Agreement, and of each provision and part thereof, shall be governed by the laws of the Province of Ontario and the parties hereto irrevocably attorn to the jurisdiction of the courts of that province with respect to all matters arising out of this Agreement.

Drexler Construction Limited

Per:  **Jerome Drexler**
Name: Jerome Drexler S5DKKXAMNJLFPU5R

Title: Vice-President

(I have authority to bind the Corporation)

CANAM APPRAIZ INC.

Per:  **Sia Mizrahi**
Name: Sia Mizrahi SXYZJBM41HHC3PAL

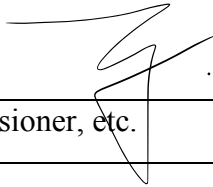
Title: President

(I have authority to bind the corporation)

Schedule A

#	YEA R	MODEL	VIN/SN	HOUR S	LIQUIDATI ON VALUES
		<i>INSPECTED ASSETS:</i>			
1	2010	JD 410J WHEEL LOADER	1TO410JXPA0182582	13789	██████████
2	2010	JD 310JXT WHEEL LOADER	T0310JXPA0180987	9976	██████████
6	2012	JD 724K LOADER	1DW724KHCBD641481	11465	██████████
12	2000	JD 650H CRAWLER DOZER	TO650HX885262	20245	██████████
13	2011	JD 310SJ BACKHOE LOADER	TO310SJ176323	12478	██████████
14		CASE 580 SUPER L DOZER/BACKHO	2959	-	██████████
16	2005	JD 450JH DOZER	#316		██████████
18	2009	JD 310SJ LOADER	TO310SJ176973	11654	██████████
20	1999	JOHN DEERE 544H	DW544HX571606	27550	██████████
22	1999	JOHN DEERE 330LC	FF0330X080221	21343	██████████
23	2000	JOHN DEERE 270LC	FF0270X070721	22594	██████████
24	2006	GRADALL XL3300 WHEELED	210017973	10635	██████████
26	2010	2010 JD 450DLC EXCAVATOR	1FF450DXVA0913998	12481	██████████
32	2010	JD 672D MOTOR GRADER	DW672D72DX601262	5226	██████████
56	2003	SIDE DUMP BUCKET	91203		
57	2006	RACK & WAGON			
58		12 YARD STONE SAVER			
59	2011	48" HIGH CAPACITY BUCKET			
63	2010	24" EXCAVATING BUCKET			
64	2012	HH 310S BUCKET 36"	H71603		
66		FORKS 544/624	No Serial # provided		
73		SNOW BLADES			
79	1995	JOHN DEERE 690E CRAWLER	DW690EL553623	22915	██████████
98	2001	JOHN DEERE 450LC	FF0450X090617	23596	██████████
99	2006	JOHN DEERE 544J LOADER			██████████
107	1998	JOHN DEERE 544H WHEEL LOAD	DW544HX571885	27088	██████████
108	2002	JOHN DEERE 330LC	FF330C1082045	18071	██████████
136	1998	TIMBER TAMER	(Attaches to 330 Excavator)		
137	2005	STONE SDAVER - 15 CU YD			
		lots 56,57,58,59,63,64,66,73,136,137			██████████
		not knowing full details hard tp appraise	range could be 10k-20k		

This is **Exhibit “D”** to the affidavit of Jerome Drexler sworn before me via Zoom this 22nd day of May, 2021 in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*



A Commissioner, etc.

Joël Turgeon

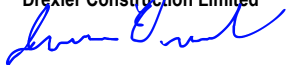
**DREXLER CONSTRUCTION LIMITED
REVISED STATEMENT OF PROJECTED CASH FLOWS
FOR THE 15 WEEK PERIOD ENDED AUGUST 29, 2021**

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	\$ 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**

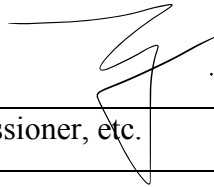


Bryan Gelman

S434R3XNEY7N3SFQ

Per: Bryan Gelman
May 22, 2021

This is **Exhibit “E”** to the affidavit of Jerome Drexler sworn before me via Zoom this 22nd day of May, 2021 in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*



A Commissioner, etc.

Joël Turgeon

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

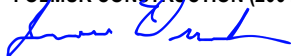
Week starting Week ending	Forecast														
	17-May-21	24-May-21	31-May-21	7-Jun-21	14-Jun-21	21-Jun-21	28-Jun-21	5-Jul-21	12-Jul-21	19-Jul-21	26-Jul-21	2-Aug-21	9-Aug-21	16-Aug-21	23-Aug-21
	23-May-21	30-May-21	6-Jun-21	13-Jun-21	20-Jun-21	27-Jun-21	4-Jul-21	11-Jul-21	18-Jul-21	25-Jul-21	1-Aug-21	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



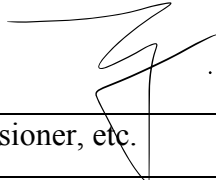
Bryan Gelman

S1GVK9DU9UJZR96D

Per: Bryan Gelman

May 22, 2021

This is **Exhibit “F”** to the affidavit of Jerome Drexler sworn before me via Zoom this 22nd day of May, 2021 in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*



A Commissioner, etc.

Joël Turgeon

**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.

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

Down Under Pipe And Cable Locating Ltd.



Per: Jerome Drexler
May 22, 2021

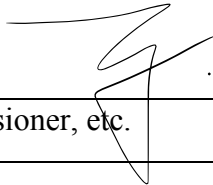


Bryan Gelman

SEP1CXQL84MBJWZ

Per: Bryan Gelman
May 22, 2021

This is **Confidential Exhibit “1”** to the affidavit of Jerome Drexler sworn before me via Zoom this 22nd day of May, 2021 in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*



A Commissioner, etc.

Joël Turgeon

[Omitted – Subject of sought sealing order]

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

ONTARIO
SUPERIOR COURT OF JUSTICE

AFFIDAVIT OF JEROME DREXLER
(sworn May 22, 2021)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto ON M5G 1V6

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

TAB 3
Draft Order

other parties being present although duly served as appears from the affidavit of service, filed:

NOTICE AND SERVICE

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

EXTENSION OF TIME TO FILE A PROPOSAL

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

VESTING ON SALE OF REDUNDANT EQUIPMENT

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

- a. upon the delivery to a purchaser (the “**Purchaser**”) of any item, part or whole of the Redundant Equipment or such further equipment as RBC may agree in writing (collectively, “**Purchased Assets**”), of a bill of sale in respect of such Purchased Assets from Canam Appraisz Inc. as auctioneer

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

- b. for the purposes of determining the nature and priority of Claims affecting or relating to Purchased Assets in respect of which a Bill of Sale has been delivered, the proceeds from the sale of those Purchased Assets (less the costs of disposition authorized by paragraph 21 of the April 16 Order) (collectively, the “**Net Proceeds**”) shall stand in the place and stead of those Purchased Assets, and that from and after the delivery of that Bill of Sale all Claims and Encumbrances with respect to those Purchased Assets shall

attach to the Net Proceeds from the sale of those Purchased Assets with the same priority as they had with respect to those Purchased Assets immediately prior to the sale, as if the said Purchased Assets had not been sold and remained in the possession or control of the Companies (or any of them);

- c. notwithstanding (i) the pendency of these proceedings, (ii) any applications for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of the Companies or any of them and any bankruptcy order issued pursuant to any such applications, and (iii) any assignment in bankruptcy made in respect of the Companies or any of them, the vesting of the applicable Purchased Assets in the applicable Purchaser pursuant to this order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Companies or any of them and shall not be void or voidable by creditors of the Companies or any of them, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation; and
- d. other than as provided herein, the April 16 Order is unchanged and remains in full force and effect in accordance with its terms.

APPROVAL OF PROPOSAL TRUSTEE'S FEES AND ACTIVITIES

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

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

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

SEALING

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

MISCELLANEOUS

8. **THIS COURT REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this order and to assist the Companies, the Proposal Trustee and their

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

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced in LONDON**

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

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

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Joël Turgeon (LSO #80984R)
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Email: turgeon@gsnh.com

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

TAB 4

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>
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<p>MACDONALD SAGER MANIS LLP</p> <p>150 York Street, Suite 800 Toronto ON M5H 3S5 Fax: 416 364 1453</p> <p>Howard Manis Tel: 416 364 5289 Email: hmanis@msmlaw.ca</p> <p>Lawyers for the Proposal Trustee</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>	<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>JOHN DEERE FINANCIAL INC.</p> <p>3430 Superior Court Oakville ON L6L 0C4</p> <p>295 Hunter Road, PO Box 1000 Grimsby ON L3M 4H5</p> <p>PPSA registrant</p>	<p>CANADIAN EQUIPMENT FINANCE & LEASING INC.</p> <p>250 Woolwich Street South, Suite 5 Breslau ON N0B 1M0</p> <p>Brent Keenan Tel: 519 648 3898 Email: brent.keenan@cefl.ca</p> <p>PPSA registrant</p>
<p>HARRISON PENZA LLP</p> <p>450 Talbot St. (map) London ON N6A 5J6 Fax: 519 667 3362</p> <p>Michael Cassone Tel: 519 661 6765 Email: mcassone@harrisonpensa.com</p> <p>Lawyers for TD Auto Finance (Canada) Inc.</p>	<p>THE BANK OF NOVA SCOTIA</p> <p>10 Wright Boulevard Stratford ON N5A 7X9</p> <p>4715 Tahoe Boulevard Mississauga ON L4W 0B4</p> <p>PPSA Registrant</p>
<p>WELLS FARGO EQUIPMENT FINANCE COMPANY</p> <p>1290 Central Parkway West, Suite 1100 Mississauga ON L5C 4R3</p> <p>Connie Roberts Tel: 905-283-4444 Fax: 1-866-967-4047 Email : connie.roberts@myleasingsource.com</p>	<p>BANK OF MONTREAL</p> <p>5750 Explorer Drive Mississauga ON L4W 0A9</p> <p>PPSA Registrant</p>

<p>GM FINANCIAL CANADA LEASING LTD.</p> <p>2001 Sheppard Avenue, Suite 600 Toronto ON M2J 4Z8</p> <p>Sulake Araye Tel: 416 753 4064 Email: sulake.araye@gmfinancial.com</p>	<p>XEROX CANADA LTD.</p> <p>20 York Mills Road, Suite 500, Box 700 Toronto ON M2P 2C2</p> <p>PPSA Registrant</p>
<p>CORWIN MORTGAGE CAPITAL INC.</p> <p>330 Wilson Avenue, Suite 300 Toronto ON M3H 1T2</p> <p>Kyle Fenwick Tel: 416 543 1298 Email: kyle@corwincapital.ca</p> <p>Debtor-in-possession lender</p>	

EMAIL ADDRESS LIST

bissell@gsnh.com ; turgeon@gsnh.com ; bgelman@albertgelman.com ; tmcelroy@albertgelman.com ;
hmanis@msmlaw.ca ; iaversa@airdberlis.com ; jnemers@airdberlis.com ; diane.winters@justice.gc.ca
; Rakhee.bhandari@justice.gc.ca ; kevin.ohara@ontario.ca ; dcorby@mastersinsurance.com ;
brent.mcallister@zurich.com ; brent.keenan@cefl.ca ; kyle@corwincapital.ca ;
connie.roberts@myleasingsource.com; mcassone@harrisonpensa.com ; sulake.araye@gmfinancial.com

**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 No. 35-2721716

ONTARIO
SUPERIOR COURT OF JUSTICE

MOTION RECORD
**(extension of time to file a proposal, vesting-upon-sale,
approval of fees and activities, sealing)**
(returnable May 28, 2021)

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