

Action No. 1003 05560  
Bankruptcy Action No. 24-115359

IN THE COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL DISTRICT OF EDMONTON

IN THE MATTER OF THE  
*BANKRUPTCY AND INSOLVENCY ACT*,  
R.S.C. 1985, c. B-3, AS AMENDED

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF COW HARBOUR CONSTRUCTION LTD.

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FOURTEENTH REPORT TO THE COURT  
SUBMITTED BY DELOITTE & TOUCHE INC.  
IN ITS CAPACITY AS MONITOR

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July 21, 2010

## INTRODUCTION AND PURPOSE OF THIS REPORT

1. On April 7, 2010, Cow Harbour Construction Ltd. ("CHC" or the "Company") filed and obtained protection from its creditors under the *Companies' Creditors Arrangement Act* ("CCAA") pursuant to an Order rendered by this Honourable Court (the "Initial Order").
2. The Initial Order provides, inter alia, for the following:
  - a. No proceeding or enforcement process in any court or tribunal shall be commenced or continued against or in respect of the Company or its property, or affecting the Company's business operations and activities until and including May 3, 2010 (the "Stay Period").
  - b. All persons having agreements with the Company for the supply of goods and services must continue to provide goods and services in the normal course of business.
  - c. No person shall discontinue, fail to honour, alter, interfere with, repudiate, resiliate, cancel, terminate or cease to perform any right, renewal right, contract, agreement, license or permit in favour of or held by the Company, except with the written consent of the Company and the Monitor, or with leave of the Court.
  - d. The appointment of Deloitte & Touche ("Deloitte") as monitor of the Company under the CCAA.
3. On April 29, 2010, the Court rendered a judgment extending the Initial Order and the Stay Period until May 21, 2010.
4. On May 21, 2010, the Court rendered a judgment extending the Initial Order and the Stay Period until June 4, 2010.
5. On June 4, 2010, the Court rendered a judgment extending the Initial Order and the Stay Period until July 6, 2010.

6. On July 6, 2010, the Court rendered a judgment extending the Initial Order and the Stay Period until July 23, 2010.
7. This Report ("Fourteenth Report") covers:
  - a. An update on the Company's operations;
  - b. Amended Cash Flow;
  - c. Update on Critical Suppliers claim process;
  - d. Priority charges and allocation of costs;
  - e. Proposed future services of the Monitor;
  - f. Funds segregated in accordance with paragraph 10 of the Order dated May 21, 2010;
  - g. Facilitator's First Report; and
  - h. The Company's request for an extension of the Stay Period.
8. In preparing this Report, the Monitor has relied upon unaudited interim financial information, the Company's records, the Court Ordered Transaction Facilitator's (the "Facilitator") first report and discussions with management of the Company, their financial and legal advisors. While the Monitor has reviewed the information, some in draft format, submitted in the abridged time available, the Monitor has not performed an audit or other verification of such information.
9. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars. Capitalized terms not defined in this Report are as defined in the previous reports of the Monitor.
10. Copies of the Monitor's Reports, including a copy of this Fourteenth Report, the motion record in this CCAA Proceeding and further reports of the Monitor will be available on the Monitor's website at [www.deloitte.com/ca/cowharbour](http://www.deloitte.com/ca/cowharbour). The Monitor has also established a toll free telephone number that is referenced on the Monitor's website so that parties may contact the Monitor if they have questions with respect to the Company's restructuring or the CCAA.

## **UPDATE ON THE COMPANY'S OPERATIONS**

11. The highlights of the Company's financial performance for the period commencing on June 26, 2010 and ending on July 16, 2010 are presented in the cash flow variance analysis annexed hereto as Appendix A. Our comments on the financial performance of the Company during this period are as follows:

- a. Compared with the projected cash flow statement ("Cash Flow Statement") presented by the Company and attached to the Monitor's Twelfth Report filed on July 5, 2010, the Company experienced a favorable variance of \$395,000 in respect of cash inflows, related to receipt of corporate tax refund amounts.
- b. Compared with the Cash Flow Statement, the Company experienced a unfavorable variance of approximately \$2,208,000 in respect of the cash outflows. The variance is primarily attributable to the following:
  - i. Favorable variance of \$316,000 related to supplier and maintenance and repair costs disbursements. As mentioned in paragraph 42 of the Monitor's Tenth Report, it is the Monitor's opinion that maintenance repairs should only be made on equipment which will generate short term revenues. Consequently, this favorable variance is mainly caused by a reduced level of repairs and maintenance and timing issue.
  - ii. Favorable variance of \$188,000 related to other payroll expenses due to timing issues.
  - iii. Favorable variance of \$111,000 related to operating lease and miscellaneous rental disbursements due to timing issues.
  - iv. Unfavorable variance of approximately \$2,655,000 in regards to other unplanned disbursements. The unplanned disbursements included all cash on hand as at July 6, 2010 of approximately \$2,690,000, which was segregated by RBC into a separate account in accordance with paragraph 3 of the July 6, 2010 Order.

- v. Unfavorable variance of \$136,000 in regards to restructuring costs, due to higher than anticipated professional fees and also timing issues.
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- 12. The net effect of the variances noted above has resulted in a current Interim Financing owing balance of approximately \$5,431,000, as at July 16, 2010, which includes both the bank overdraft balance and cheques outstanding.
  - 13. As at the date of this report, all post-filing expenses invoiced and incurred by the Company have been or will be paid in the normal course of business out of the existing working capital of the Company, which includes the Interim Financing Facility of \$15 million.

#### **AMENDED CASH FLOW**

- 14. You will find attached as Appendix B an updated version of the Cash Flow Statement, which was included in the Monitor's Twelfth Report. This updated version of the Cash Flow Statement takes into consideration the actual balances as at July 16, 2010. No other modifications were made to the Cash Flow Statement. As noted in this schedule, the Interim Financing as at September 3, 2010 is projected to be approximately \$10.2 million.

#### **CRITICAL SUPPLIERS CLAIM PROCESS**

- 15. In accordance with paragraph 11 of the Order dated May 21, 2010, on May 28, 2010 the Monitor sent the Proof of Claim form to all of the known Company's creditors.
- 16. Pursuant to the May 21, 2010 Order, each party seeking status as a "Critical Supplier" under the Initial Order was required to deliver a completed Proof of Claim form to the Monitor on or before June 16, 2010.

#### ***Payable claims as at April 1, 2010***

- 17. In order to determine if the suppliers who filed a Proof of Claim could be categorized as Critical Suppliers, the Monitor and the Monitor's counsel completed the following procedures:
  - a. Reviewed all payables and accrued payables at April 1, 2010;

- b. Identified those payables that are in respect of prevenient contracts;
- c. Identified those goods and services provided within 45 days of April 1, 2010 and the extent to which these and prior obligations might be critical supplies;
- d. Determined with CHC's representatives the specific location where the parts or the services were rendered;
- e. Reconciled with CHC's representatives the amount claimed in the Proof of Claim by the various creditors.

18. Some of the claims were disallowed by the Monitor (either in part or in their entirety) on the basis that the requirements as set forth in the *Builders' Lien Act* (Alberta) (the "BLA") were not satisfied. Below is a summary of typical reasons critical supplier claims were denied, in whole or in part, by the Monitor. The Monitor notes that this summary is not intended to be exhaustive.

- a. Based on the information provided in the Proofs of Claim, the Monitor concluded that some of the parties were claiming critical supplier status for services which were not furnished on, or in respect of, an improvement; hence, were not lienable as required under section 6 of the BLA. To the extent that the service had no nexus to the construction process, critical supplier status was denied.
- b. To the extent that the Monitor was unable to conclude, based on its review of a Proof of Claim form, that materials were furnished in accordance with section 9 of the BLA, critical supplier status was denied. Section 9 of the BLA provides that if material is not delivered to the site where it is going to be used (or in the immediate vicinity of that site), or if it is not incorporated into an improvement, there is no lien for the furnished material.
- c. Claimants were denied critical supplier status to the extent they did not establish that their material or service was provided within the 45 day lien period required under section 41 of the BLA. To the extent that materials or services were provided prior to the 45 day period, and the claimant did not establish a prevenient arrangement (or that the material or service was provided pursuant to a clearly defined contract that continued into the lien period), critical supplier status was denied.
- d. The Monitor notes that a large number of the lien claimants failed to specify the last day their services or materials were furnished, as requested in the Proof of Claim form. As

such, the Monitor used the date specified on the last invoice provided as the critical date, as this would appear to be the most reasonable approach at determining the timing of the provision of services or materials.

- e. Pursuant to section 35(3) of the BLA, a claimant may not register a lien unless the claim equals or exceeds \$300. As such, claimants seeking critical supplier status for claims less than \$300 were denied such status.

19. Once it was determined which claimants did qualify as Critical Suppliers, the Monitor completed a detailed analysis of the amount claimed by the various claimants.

20. Based on the Monitor's records, a total of sixty-two Proof of Claim forms (for Payable Claims as at April 1, 2010) were received totaling \$21,453,041 (excluding equipment lessors claims).

21. As at July 21, 2010, the review process is well underway and the Monitor has attached as Appendix C his preliminary assessment as to which suppliers may be categorized as Critical Suppliers and the quantum. As at July 21, 2010, the Monitor and the Monitor's counsel have determined that a total of 24 suppliers do meet the various criteria to qualify as Critical Suppliers for Payable Claims as at April 1, 2010.

22. \$5,170,090 was allowed by the Monitor as a Critical Supplier for Payable Claims. The difference between the amount claimed by the suppliers in their Proof of Claim and the amount allowed by the Monitor is mostly due to the following:

- a. Based on the Monitor's counsel analysis, it is the Monitor's view that the time limit to place a lien on the Syncrude site is 45 days, subject to prevenient arrangements. Consequently, the Monitor reviewed CHC's accounts payable ledger in detail in order to identify the invoices which referred to goods or services rendered between February 15, 2010 and April 1, 2010. The Monitor only allowed invoices that were issued between February 15, 2010 and April 1, 2010.
- b. The Monitor's counsel also reviewed the various suppliers' agreements in order to determine if there was any prevenient arrangement. Based on its analysis, the Monitor's counsel came to the conclusion that there was no prevenient arrangement with any of

CHC's trade suppliers. Consequently, the Monitor did not allow any amount claimed prior to February 15, 2010.

23. The Monitor acknowledges that in the event an invoice was rendered post-February 15, 2010 this does not mean that the service or material was supplied within the lien period. However, based on our analysis and various discussions with CHC's representatives, the Monitor came to the conclusion that the invoice date is a sufficient indicator as to when the parts were delivered or the service provided. The Monitor is still performing some analysis on this and consequently, the allowed Critical Supplier Payable Claim could change.
24. In accordance with paragraph 11 of the May 21, 2010 Order, any lessor or claimant of a payable failing to deliver to the Monitor by June 16, 2010, a completed Proof of Claim, shall be disqualified as a Critical Supplier and not entitled to the benefit of the Critical Suppliers' Charge, unless otherwise ordered by the Court.
25. A total of four suppliers claiming a total amount of approximately \$60,000 filed their Proof of Claim after June 16, 2010. At this time, the Monitor did not do any analysis of these proofs of claim to determine if they would qualify as a Critical Supplier. The Monitor will seek directions from this Honourable Court in order to determine if those claims should be reviewed.
26. The Monitor proposes to report back to this Honorable Court once the review process on the Critical Suppliers Payable Claims has been finalized

***Lessors' claims***

27. In order to determine if the lessors who filed a Proof of Claim could be categorized as Critical Suppliers, the Monitor and the Monitor's counsel wanted to obtain various information detailed in the Monitor's Checklist attached as Appendix A to the Monitor's Fifth Report. In particular, the Monitor wanted the followings:
  - a. The specific location of each item of equipment since CHC first missed payment through to the date of this report;
  - b. The specific use of each item of equipment in CHC's operations since CHC first missed payment through to the date of this report;



- c. Whether each item of equipment is “reasonably required to be available for the purpose of the work” since CHC first missed payment through to the date of this report;
- d. Whether the equipment was inoperable for an extended time period.

28. Following various analysis and discussions with CHC’s representatives, the Monitor came to the following conclusions:

- a. *The specific location of each item of equipment since CHC first missed payment through to the date of this report* – The Monitor was able to obtain the location of most of the equipment based on an analysis of the TAC Data and discussions with CHC’s management. The Monitor still needs to investigate as to the location of some of the equipment but should be in a position to conclude within the next few weeks.
- b. *The specific use of each item of Equipment in CHC's operations since CHC first missed payment through to the date of this report:* Based on various analysis performed by the Monitor and in particular, the analysis done in relation with the fleet requirement status described in the Monitor’s Tenth Report, approximately 55% of the equipment was used during the month of May and June on Syncrude’s sites in connection with either, overburden removal, reclamation work or hourly rental of equipment. Subsequent to June the level of equipment activity has reduced. The Monitor still needs to investigate for some of the pieces of equipment but should be in a position to conclude within the next few weeks.
- c. *Whether each item of equipment is “reasonably required to be available for the purpose of the work” since CHC first missed payment through to the date of this report:* As mentioned in the Monitor’s Tenth Report, even though the Company does not utilize its entire heavy equipment fleet due to a reduced level of activity, CHC’s management considers that all of its equipment located on the Syncrude sites are necessary for its ongoing operations for the following reasons:
  - i. It is difficult to determine which specific type of equipment will be rented by Syncrude on a day-to-day basis, or to the extent that CHC’s overburden contract work at Syncrude’s Aurora site will resume. Syncrude sporadically requests

contracted services and equipment rentals based on its ongoing needs and those demands could be made with very short notice;

ii. In case of break downs of a specific piece of equipment, CHC needs to be in a position to readily have access to other equipment of the same category.

d. *Whether the equipment was inoperable for an extended time period:* The Monitor acknowledges that some of the equipment could have been inoperable for an extended period since April 1, 2010 thus compromising the lessor from filing a Critical Supplier claim. However, even though the equipment could have been inoperable, in some cases, CHC was removing some parts of this inoperable equipment in order to temporarily repair other pieces of equipment which needed specific parts. Consequently, even though the specific piece of equipment was not used, the fact that CHC was using some of the parts of this equipment confirmed to the Monitor that this inoperable equipment met the criteria of being "reasonably required to be available for the purpose of the work".

29. Based on the above, the Monitor came to the conclusion that in fact, all pieces of equipment located at Syncrude's sites are reasonably required to be available for the purpose of the work. Consequently, all lessors who have equipment located at Syncrude's sites were considered as Critical Suppliers by the Monitor.
30. Since the commencement of the CCAA proceedings, equipment usage at Suncor's site has been minimal such that most of the equipment located on this site is not reasonably required to be available for work purposes. Consequently, all lessors who have equipment located at Suncor which is not currently being leased by Suncor were not considered as Critical Suppliers by the Monitor. However, if the equipment was leased by Suncor, the lessors of this equipment were considered Critical Suppliers by the Monitor.
31. Some of the equipment is located at CHC head office. This equipment is mostly pickup trucks and buses that travel between sites. Based on the Monitor's counsel analysis, the lessors of this equipment should be considered as Critical Suppliers.
32. As at July 21, 2010, the review process is well underway and the Monitor has attached as Appendix D his preliminary assessment as to which lessors may be categorized as Critical Suppliers and the quantum.

33. Based on the Monitor's records, the various lessors are claiming a total amount of \$6,502,180 as at April 1, 2010, of which \$5,822,971 were allowed by the Monitor as a Critical Supplier lessor claim for pre April 1, 2010.
34. Based on the Monitor's records, the total claim from the various lessors totals \$33,190,192 for the period April 1, 2010 to July 23, 2010, based on the monthly accrual calculated by the Monitor using the monthly payment indicated in the Proof of Claim and vetted by CHC. Of the total amount claim of \$33,190,192, an amount of \$30,514,108 was allowed by the Monitor as a Critical Supplier lessor claim for post April 1, 2010.
35. You will find in the chart below the details of our analysis as at July 21, 2010:

Location	Lienable (Yes/No)	Pre April 1 claim	Post April 1 claim	Total Claim
TBD	To be determined	\$ 496,590.20	\$ 2,055,512.95	\$ 2,552,103.15
Syncrude	Yes	\$ 4,327,542.46	\$ 28,552,141.55	\$ 32,879,684.01
Suncor Leased	Yes	\$ 1,439,441.70	\$ 1,335,091.22	\$ 2,774,532.92
Suncor	No	\$ 182,618.12	\$ 583,362.60	\$ 765,980.72
Newfoundland	No	\$ -	\$ 37,207.80	\$ 37,207.80
CHC Head Office	Yes	\$ 55,987.75	\$ 626,875.92	\$ 682,863.67
		\$ -		\$ -
		\$ 6,502,180.23	\$ 33,190,192.03	\$ 39,692,372.26

36. Appendix D includes the leases which were categorized as capital leases (versus true leases) by the Monitor's counsel and disputed by the various lessors. Consequently, the amount of the Critical Supplier Claim may have to be reduced once a decision has been rendered by this Honourable Court on the lease categorization dispute.

#### **PRIORITY CHARGES AND ALLOCATION OF COSTS**

37. Paragraph 58 of the Initial Order reads as follows:

"The priorities of the Excavator Charge, Administration Charge, DIP (i.e., Interim Financing) Lender's Charge, Critical Suppliers' Charge and Directors' Charge as among them, shall be as follows:

First – the Excavator Charge (up to the amount outstanding under the Excavator Loan but only as against the Excavator or its proceeds);

Second – Administration Charge (to the maximum amount of \$2,000,000.00);

Third – DIP Lender's Charge (to a maximum amount of \$15,000,000.00);

Fourth – Critical Suppliers' Charge (to a maximum amount of \$8,000,000.00); and

Fifth – the Directors' Charge (to the maximum amount of \$2,500,000.00)."

38. The quantum of priority charges will vary significantly depending on whether there is an en bloc sale of the assets or whether the Company ceases to operate. Comments regarding the priority charges and their affect on secured creditors (RBC and Capital Lessors) are:

a. Excavator Charge

As noted in paragraph 60 of the Initial Order, the Excavator Charge has priority only against the Excavator.

b. Administration Charge

Outstanding administration charges are minimal as costs invoiced to July 16, 2010 have been paid by the Company. The exceptions are contingency fees that may be owing to the Advisor. As noted in Appendix D of the Advisor's Second Report, the Advisor is entitled to a completion fee of \$500,000 three months after the date a plan of arrangement is sanctioned by the Court, plus one percent of sales/refinancing sourced by the Advisor. The Advisor subsequently agreed to reduce his contingency fee by amounts paid to Ernst & Young Orenda Corporate Financial Inc. ("E&Y"), which are \$286,177 to date. There has been much discussion in Court regarding the Advisor's entitlement to these contingency fees. Until such time as a sales/refinancing occurs, it is premature to resolve this matter. However, assuming an en bloc sale of assets occurs to a party sourced by the Advisor, arguments to be made in Court appear to involve:

i. Is the fee agreement enforceable?

- ii. Should the fee be reduced as a result of activities performed by the Facilitator (as defined in paragraph 13.2 of the Order Amending the Initial Order) as this party is performing duties previously expected to be performed by the Advisor?
- iii. Should the Advisor's fee rank as a priority charge over the secured creditors?
- iv. Is the fee applicable if a receivership is utilized to conclude the sale of assets?

For illustrative purposes only, we calculate that the Advisor's maximum contingency fee entitlement might approximately be \$2 million if there is an en bloc sale of assets through the CCAA proceedings to a party sourced by the Advisor and a priority entitlement as per the Advisor's services contract.

c. Interim Financing (i.e., DIP) Lender's Charge

At July 30, 2010, the Company anticipates collecting a \$7.5 million receivable from Syncrude. Should this occur, the Interim Financing balance is expected to approximate \$1.8 million at that date, which includes cheques outstanding. However, if a Receiver is appointed on July 23, 2010, and operations cease, the Syncrude receivable may not be collected due to Syncrude having to secure future services from an alternative supplier and exercising set off. If this were to occur, the Interim Financing balance will approximate \$7.1 million, which includes cheques outstanding.

d. Critical Suppliers' Charge

Amount owing to Critical Suppliers will be significantly greater than \$8 million. Critical Suppliers include certain accounts payable at the commencement of the CCAA proceedings and ongoing indebtedness owing to a majority of the Capital Lessors. This charge has a circular effect in that some or all of this charge will be borne by the Capital Lessors who, in turn, will be the primary, but not the only beneficiaries of the receipt of this charge (although on an asset by asset basis this might not be circular for each Capital Lessor on those particular assets that were not required for business operations during the CCAA proceedings).

There remains \$5 million in trust for critical suppliers pursuant to paragraph 63(b) of the Initial Order. At this time there is uncertainty as to whether the fund forms part of the \$8

million Critical Suppliers' Charge, or whether this is in addition to the \$5 million funds already in trust.

e. Directors' Charge

Should an en bloc sale of assets occur, most employees will continue employment with the new owner, thus minimizing claims against the Company and its director. However, if the Company ceases to operate on or about July 23, 2010, there would be approximately one week outstanding payroll and source deductions owing. This amount is estimated to be \$0.8 million. Most of these costs would have a priority on the current assets of the Company, which ordinarily would reduce the director's exposure, but should the Company cease operations, there would appear to be minimal current assets.

f. Other Charges

Should the Company cease operations on July 23, 2010, there may be other priority charges such as union dues, GST, garage keeper's liens, etc. It is premature to quantify these costs for purposes of this report and overall we do not expect these costs to be material.

## Summary of Allocation of Charges

39. We are advised that the secured creditors are desirous of the Monitor providing an estimate of priority charges that may occur should the Company cease operations on July 23, 2010 versus priority charges if an en bloc sale of the assets occurs on July 31, 2010. Given that there are numerous legal and business issues outstanding, such an analysis is speculative. With this caveat, we set out below a summary of possible priority charges for both scenarios. Readers are cautioned that this is a preliminary analysis with unsupported assumptions and, as such, undue reliance should not be placed on this analysis.

	En bloc sale of <u>assets</u> (millions)	Business operations <u>cease</u> (millions)
Administration Charge	1.0 (1)	- (2)
Interim Financing Lender's Charge	1.8 (3)	7.1 (4)
Critical Suppliers' Charge	8.0 (5)	8.0 (5)
Directors' Charge	<u>0.8 (6)</u>	<u>0.8 (7)</u>
Sub total	11.6	15.9
Less recoveries from segregated funds	(5.0) (8)	(5.0) (8)
Less recoveries from Critical Suppliers' Charge	<u>(7.0) (9)</u>	<u>(7.0) (9)</u>
NET COST (RECOVERY) TO SECURED CREDITORS BEFORE POST JULY 16, 2010 PROFESSIONAL FEES	(0.4) (10)	3.9 (10)
Post July 16, 2010 professional fees (12)	<u>? (11)</u>	<u>? (11)</u>
NET COST (RECOVERY) TO SECURED CREDITORS	<u>?</u>	<u>?</u>

Note 1: The CRA's maximum entitlement is approximately 2 million (maximum). For purposes of this analysis, we have assumed an entitlement of \$1 million.

Note 2: Nominal as all costs are paid to July 16, 2010.

Note 3: Estimated balance at July 31, 2010.

Note 4: Estimated balance at July 23, 2010. Assumes Syncrude receivable will not be collected on July 31, 2010.

Note 5: Most of these funds would be for the benefit of the Capital Lessors.

Note 6: Most employees would continue employment with the purchaser. However, there would be one week of arrears owing.

Note 7: Estimated at one week outstanding payroll, assuming July 23, 2010 employee payments are honored by the Bank. Assumes no current assets for WEPPA.

Note 8: Accounts held in trust pursuant to paragraph 63(b) of the Initial Order.

Note 9: Most of the \$8.0 million Critical Suppliers' Charge would be for the benefit of Capital Lessors. A very preliminary analysis suggests approximately \$7 million will be allocated to Capital Lessors.

Note 10: This analysis does not address entitlement to funds segregated pursuant to paragraph 63(f) of the Initial Order (\$5.233 million); funds segregated pursuant to paragraph 10 of the May 21, 2010 Order (disputed true leases \$7.730 million); and funds segregated pursuant to paragraph 3 of the July 6, 2010 Order (positive bank balance \$2,690 million).

Note 11: In both scenarios there will be additional professional fees. Fees would be much greater if the business ceases to operate.

Note 12: Allocation of already incurred administration costs are considered separately below.

As can be observed from the above, the priority charges to the secured creditors as a group appear to be minimal in an en bloc sale of assets scenario. Those secured creditors that are not determined to be Critical Suppliers will bear a greater portion of the charges in comparison to their indebtedness.

40. In addition to the charges on the Company's property, there have been the following administration costs (including disbursements and GST) paid to July 16, 2010 by the Company in regards to these proceedings. In accordance with paragraph 64 of the Initial Order, these and subsequent administration costs may be allocated to the secured creditors:

Bank's accounting advisor	\$ 1,181,463
Monitor	1,105,083
Monitor's legal counsel	331,164
CRA's accounting advisor	286,176
Bank's legal counsel	236,943
CRA	153,296
Company's legal counsel	149,569
CRA's legal counsel	102,487
Total paid to July 16, 2010	<u>\$ 3,546,181</u>

The allocation of these costs is complex wherein consideration must be given to the following, and other matters:

- a. Payment of these costs from the Company's operating accounts caused the Interim Financing balance to increase. As the Interim Financing balance is to be allocated to the creditors, an adjustment has to be considered to avoid duplicating allocated costs to creditors.
- b. Certain costs (Bank's accounting advisor and legal counsel) were paid from the Company's operating account causing the Interim Financing balance to increase. As the Interim Financing balance is allocated to creditors, a determination has to be made as to whether these costs should be borne by all creditors or only the specific creditor that commissioned these services.
- c. We set forth a possible methodology for allocating of these costs:
  - i) If the Interim Financing balance exceeds the administration costs, reduce the Interim Financing balance to be allocated by the quantum of the administration costs (the Adjusted Interim Financing Balance). Then perform a separate allocation of both the Adjusted Interim Financing Balance and the administration costs.



- ii) If the Interim Financing balance is less than the administration costs:
  - Allocate the Interim Financing balance amongst the creditors.
  - Allocate the administration costs amongst the secured creditors.
  - Each secured creditor's administration charge is then equal to the difference between the allocated administration costs and the Interim Financing allocation (as they will already have been charged with their share of the Interim Financing balance in the allocation of priority charges).
- iii) If there is no Interim Financing balance (i.e., positive bank account balance), allocate the administration costs amongst the secured creditors.
- d. At this time we are not in a position to comment as to whether some of the segregated funds could be applied to offset the administration costs.

#### **PROPOSED FUTURE SERVICES OF THE MONITOR**

- 41. In addition to monitoring the Company's financial and operations matters, the Monitor and its legal counsel have been involved in numerous matters wherein unique knowledge has been gained.
- 42. Whether the assets of the Company are sold en bloc or operations cease, the Monitor's services are likely required for the following tasks:

- a. **Cost Allocation**

Paragraph 64 of the Initial Order allows for an allocation of, "...the costs of administration of these proceedings, the Administration Charge, the Critical Suppliers' Charge, the DIP Lender's Charge and the Directors' Charge amongst the various assets comprising the Property." Given the Monitor's knowledge of these matters, the Monitor proposes that they provide guidance to the Court on allocating of costs.

- b. **Critical Supplier Claims**

The determination of the Critical Supplier claims is a complex matter wherein the

Monitor has been working extensively with their legal counsel, the creditors and the Company. The Monitor anticipates their services will be required to complete this task.

c. Emeco Canada Limited Dispute

The Company rented equipment from Emeco Canada Limited from November 2009 to March 2010. Emeco Canada Limited takes the position that rent is to be paid for all hours that the equipment operated, including idling hours due to cold weather concerns, whereas the Company takes the position that rent is only payable for those hours that the Company invoiced Syncrude (which are actual hours of construction activities). \$1.7 million remains in trust pending resolution of this matter. The Monitor is preparing a detailed analysis as to utilization of all 67 pieces of equipment rented from Emeco Canada Limited. This has included a review of information provided by both Emeco Canada Limited and the Company; meeting with representatives of the Company; requesting further information from Emeco Canada Limited; and planning a meeting with Emeco Canada Limited in an attempt to resolve this matter or a determination as to seeking Court directions. The Monitor anticipates their services will be required to complete resolution of this dispute.

d. Segregated Funds

In addition to the trust funds relating to the Emeco Canada Limited dispute, the following amounts are segregated:

i) Payments in accordance with paragraph 63(b) of the Initial Order (Critical Suppliers)	\$5.000 million
ii) Payments in accordance with paragraph 63(f) of the Initial Order (balance of Syncrude funds)	\$5.233 million
iii) Payments in accordance with paragraph 10 of the May 21, 2010 Order (True Leases)	\$7.730 million
iv) Payments in accordance with paragraph 3 of the July 6, 2010 Order (Positive Bank balance)	\$2.690 million

Presumably, interested parties will seek directions from the Court as to whom these funds should be distributed to. The Monitor anticipates they will have to provide information to

relevant parties to assist in distribution of these segregated funds.

e. En Bloc Sale of Assets

In the event there is an en bloc sale of assets, the Monitor anticipates their assistance will be required for the provision of information to enable the prospective purchaser to complete its due diligence tasks. In addition, the Monitor anticipates creditors will want the Monitor to review the purchase price allocation amongst the various assets so as to ensure equitable distribution of the sale proceeds.

**FUNDS SEGREGATED IN ACCORDANCE WITH PARAGRAPH 10 OF THE ORDER  
DATED MAY 21, 2010**

43. In accordance with paragraph 10 of the Order dated May 21, 2010, CHC shall pay to the Monitor's counsel in trust, monthly payments from April 1, 2010 which would have been required to be paid by CHC to lessors under:
  - a. those leases in which there is a dispute as to categorization as a capital lease; and
  - b. those leases which the Monitor's counsel has not been able to categorize as either capital leases or true leases.
44. The Monitor's counsel shall hold such funds in trust pending determination of entitlement thereto under Section 11.01 of the CCAA by Court Order.
45. As mentioned in the Monitor's Twelfth Report, a request for a wire transfer was made on July 5, 2010 to RBC by CHC's management but at the time, RBC wanted to ask for directions from this Honourable Court on July 6, 2010 before initiating this wire transfer.
46. The Monitor advises this Honourable Court that an amount of \$2,036,901 was transferred to the Monitor's counsel on July 8, 2010.
47. In accordance with the above, a total amount of approximately \$7,730,000 was transferred to the Monitor's counsel as at July 21, 2010. This amount represented the total obligations under the various leases in dispute for the period between April 1, 2010 and July 31, 2010.

## **FACILITATOR FIRST REPORT**

48. On July 21, 2010, the Facilitator filed its first report ("Facilitator's First Report") in order to provide this Honourable Court with the status on the negotiation process. The Monitor advises this Honourable Court that it had reviewed the Facilitator's First Report and agrees in principle with the recommended methodology for the purchase price allocation amongst the secured creditors, subject to further comments from the Capital Lessors.
49. In addition to reviewing the accuracy of the allocation, the Monitor proposes to perform a detailed analysis of the allocation of the sales proceeds between equipment versus other assets such as real estate and the Syncrude contract.

## **EXTENSION TO THE STAY OF PROCEEDINGS PERIOD**

50. Pursuant to the Fourth Extension Order dated July 6, 2010, a Stay Period was granted until July 23, 2010.
51. The Company notified the Monitor of its intention to request a further extension of the Stay Period to allow the Company to develop and submit a plan of arrangement to its creditors under the CCAA.
52. Based on the Facilitator's First Report, the Facilitator is requesting that this Honourable Court allow the Facilitator to pursue a transaction with one of the prospective purchasers and further report with this Honourable Court before July 30, 2010.
53. It is the Monitor's opinion that it is necessary to extend the Stay Period up to August 2, 2010 in order to give additional time for the Facilitator to conclude a transaction with a prospective purchaser.
54. In support of the Company's request for an extension of the Stay Period, an Amended Cash Flow Statement for the period from July 17 to September 3, 2010 is attached hereto as Appendix B. Based on this Amended Cash Flow Statement, the Company will have sufficient funds to operate

until September 3, 2010. However, as shown in the Amended Cash Flow, there will be a deterioration of the financial situation of the Company after August 2, 2010 considering that the Interim Financing will increase by approximately \$8.4 million between July 30, 2010 and September 3, 2010.

55. It is the Monitor's view that the Company has acted in accordance with the Initial Order.

56. It is the Monitor's opinion that an extension of the Stay Period be allowed to enable the Facilitator to conclude a transaction with an accepted bidder.

The Monitor respectfully submits to the Court this, its Fourteenth Report.

Dated at Edmonton, this 21st day of July, 2010

Deloitte & Touche Inc.  
in its capacity as Monitor of  
Cow Harbour Construction Ltd.

Per:

A handwritten signature in black ink, appearing to read 'Gordon Smith', written over a horizontal line.

Gordon Smith  
Senior Vice-President

## **APPENDIX A**

	Period of (Inclusive)				Period of (Inclusive)				Period of (Inclusive)			
	Sat. 25-Jun-10 to 7 days		Fri. 02-Jul-10 to 7 days		Sat. 03-Jul-10 to 7 days		Fri. 09-Jul-10 to 7 days		Sat. 10-Jul-10 to 7 days		Fri. 16-Jul-10 to 7 days	
	Actual Cash Flow	Projected Cash Flow	Variance Actual - Proj		Actual Cash Flow	Projected Cash Flow	Variance Actual - Proj		Actual Cash Flow	Projected Cash Flow	Variance Actual - Proj	
<b>Cash Receipts</b>												
Suncor cash receipts	\$ 343 \$	335 \$	8 \$		6 \$	6 \$	6 \$		6 \$	6 \$	-	6
Syncrude cash receipts	18,786	18,785	1		-	-	-		-	-	-	-
Release of Syncrude holdbacks	-	-	-		-	-	-		-	-	-	-
Other cash receipts	2	-	2		0	0	0		-	-	-	-
Rec'd from Syncrude re: Emeco Canada Limited	-	-	-		-	-	-		-	-	-	-
Corporate income tax receipts	-	-	-		-	-	-		-	-	-	-
	\$ 19,131	\$ 19,120	\$ 11		\$ 6	\$ 6	\$ 6		\$ 372	\$ 372	\$ -	372
												379
<b>Cash Disbursements</b>												
Payroll	\$ 588	586	2		504	550	(46)		594	550	44	44
Source deductions	-	250	(250)		547	250	297		216	250	(34)	(34)
Union payments	-	-	-		259	243	16		-	-	-	-
Other payroll/life insurance/WCB	-	63	(63)		-	-	-		-	125	(125)	(125)
GST and corporate taxes	216	216	0		-	-	-		-	-	-	-
Loans/capital leases	-	-	-		-	-	-		-	-	-	-
Operating leases, misc. rentals	-	215	(215)		104	-	104		-	-	-	-
Supplier payments	448	280	168		231	250	(19)		606	250	356	356
Repairs and maintenance	235	400	(165)		49	400	(351)		75	400	(325)	(325)
Restructuring costs	226	250	(24)		427	200	227		133	200	(67)	(67)
Interest on DIP loan	58	58	0		-	-	-		-	-	-	-
Interest on operating line	176	176	0		-	-	-		-	-	-	-
Interest on EX1900	16	16	0		-	-	-		-	-	-	-
Payments on new EX1900	-	-	-		500	500	-		-	-	-	-
Payment in accordance with par. 63(b) of initial order (critical suppliers)	-	-	-		-	-	-		-	-	-	-
Payment in accordance with par. 63(f) of initial order (excess cash)	-	-	-		-	-	-		-	-	-	-
Fund transfer for true lease/capital lease disagreement	-	-	-		2,037	2,037	(0)		-	-	-	-
Misc. (unplanned disbursements)	-	50	(50)		2,805	50	2,755		-	50	(50)	(50)
Paid to Emeco Canada Limited	-	-	-		-	-	-		-	-	-	-
Funds remaining in trust account re: Emeco Canada Limited	-	-	-		-	-	-		-	-	-	-
<b>Total Cash Disbursements</b>	\$ 1,965	\$ 2,539	\$ (574)		\$ 7,464	\$ 4,478	\$ 2,984		\$ 1,624	\$ 1,824	\$ (200)	(200)
<b>Net cash inflow (outflow)</b>	\$ 17,166	\$ 16,581	\$ 585		\$ (7,458)	\$ (4,478)	\$ (2,978)		\$ (1,245)	\$ (1,824)	\$ 579	579
Bank, opening	\$ (40,163)	\$ (40,163)	\$ -		\$ (22,987)	\$ (23,582)	\$ 595		\$ (30,455)	\$ (28,061)	\$ (2,394)	(2,394)
Bank, ending	\$ (22,987)	\$ (23,582)	\$ 595		\$ (30,455)	\$ (28,061)	\$ (2,394)		\$ (31,700)	\$ (29,885)	\$ (1,815)	(1,815)
Change	\$ (17,166)	\$ (16,581)	\$ (585)		\$ (7,458)	\$ (4,478)	\$ (2,978)		\$ 1,245	\$ 1,824	\$ (579)	(579)
<b>Allocation of Bank, end of period</b>												
Payment against pre-CCAA bank line	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	-
Pre-CCAA bank line, ending	\$ (26,269)	\$ (26,269)	\$ -		\$ (26,269)	\$ (26,269)	\$ -		\$ (26,269)	\$ (26,269)	\$ -	-
Current account (DIP financing), incl. cheques OS as at July 16, 2010	\$ 3,272	\$ 2,887	\$ 585		\$ (4,186)	\$ (1,792)	\$ (2,394)		\$ (5,431)	\$ (3,616)	\$ (1,815)	(1,815)
	\$ (22,987)	\$ (23,582)	\$ 595		\$ (30,455)	\$ (28,061)	\$ (2,394)		\$ (31,700)	\$ (29,885)	\$ (1,815)	(1,815)
<b>Cumulative net cash inflow (outflow)</b>	\$ 17,166	\$ 16,581	\$ 585		\$ 9,708	\$ 12,102	\$ (2,394)		\$ 8,453	\$ 10,278	\$ (1,815)	(1,815)
<b>Selected Cumulative Disbursements</b>												
Payment in accordance with par. 63(b) of initial order (critical suppliers)	\$ 5,000	\$ 5,000	\$ -		\$ 5,000	\$ 5,000	\$ -		\$ 5,000	\$ 5,000	\$ -	-
Payment in accordance with par. 63(f) of initial order (excess cash)	\$ 5,233	\$ 5,233	\$ -		\$ 5,233	\$ 5,233	\$ -		\$ 5,233	\$ 5,233	\$ -	-
Fund transfer for true lease/capital lease disagreement	\$ 5,683	\$ 5,683	\$ -		\$ 7,730	\$ 7,730	\$ (0)		\$ 7,730	\$ 7,730	\$ (0)	(0)
Funds remaining in trust account re: Emeco Canada Limited	\$ 1,700	\$ 1,700	\$ -		\$ 1,700	\$ 1,700	\$ -		\$ 1,700	\$ 1,700	\$ -	-
Excess cash flow transfer to separate account (par. 3 of the July 6 Order)	-	-	-		\$ 2,690	\$ 2,690	\$ -		\$ 2,690	\$ 2,690	\$ -	-
<b>Total segregated funds</b>	\$ 17,626	\$ 17,626	\$ -		\$ 22,353	\$ 19,663	\$ 2,690		\$ 22,353	\$ 19,663	\$ 2,690	2,690

Cow Harbour Construction  
Approved Cheques vs. 12th Report Projection Variance Analysis  
July 20, 2010

	Cumulative Period of (inclusive)			
	Sat. 20-Jun-10	16	Fri. 16-Jul-10	
	Actual	21 Days	Projected	Variance
(\$000's CAD)	Cash Flow	Cash Flow	Actual - Proj	
<b>Cash Receipts</b>				
Sponsor cash receipts	\$ 355 \$	335 \$	20	
Synchrude cash receipts	18,786	18,785	1	
Release of Synchrude holdbacks	-	-	-	
Other cash receipts	2	-	2	
Rec'd from Synchrude re: Enmeo Canada Limited	-	-	-	
Corporate income tax receipts	372	-	372	
	<u>\$ 19,515 \$</u>	<u>19,120 \$</u>	<u>396</u>	
<b>Cash Disbursements</b>				
Payroll	\$ 1,686 \$	1,686 \$	(0)	
Source deductions	763	750	13	
Union payments	259	243	16	
Other payroll/mile insurance/MCB	-	188	(188)	
GST and corporate taxes	216	216	0	
Loans/capital leases	-	-	-	
Operating leases, misc. rentals	104	215	(111)	
Supplier payments	1,265	760	525	
Repairs and maintenance	359	1,200	(841)	
Restructuring costs	786	650	136	
Interest on DIP loan	58	58	0	
Interest on operating line	178	178	2	
Interest on EX1900	16	16	(0)	
Payments on new EX1900	500	500	-	
Payment in accordance with per. 63(b) of initial order (critical suppliers)	-	-	-	
Payment in accordance with per. 63(f) of initial order (excess cash)	2,037	2,037	(0)	
Fund transfer for true lease/capital lease disagreement	2,805	150	2,655	
Misc. (unlearned disbursements)	-	-	-	
Paid to Enmeo Canada Limited	-	-	-	
Funds remaining in trust account re: Enmeo Canada Limited	-	-	-	
<b>Total Cash Disbursements</b>	<u>\$ 11,053 \$</u>	<u>8,845 \$</u>	<u>2,208</u>	
<b>Net cash inflow (outflow)</b>	<u>\$ 8,463 \$</u>	<u>10,275 \$</u>	<u>(1,812)</u>	
Bank, opening	\$ (40,163) \$	(40,163) \$	-	
Bank, ending	<u>\$ (31,700) \$</u>	<u>(29,887) \$</u>	<u>(1,812)</u>	
Change	<u>\$ (8,463) \$</u>	<u>(10,275) \$</u>	<u>1,812</u>	
<b>Allocation: of Bank, end of period</b>				
Payment against pre-CCAA bank line	\$ - \$	- \$	-	
Pre-CCAA bank line, ending	\$ (26,269) \$	(26,269) \$	-	
Current account (DIP financing), incl. cheques OS as at July 16, 2010	<u>\$ (5,431) \$</u>	<u>(3,619) \$</u>	<u>(1,812)</u>	
	<u>\$ (31,700) \$</u>	<u>(29,887) \$</u>	<u>(1,812)</u>	
<b>Cumulative net cash inflow (outflow)</b>	<u>\$ 8,463 \$</u>	<u>10,275 \$</u>	<u>(1,812)</u>	
<b>Selected Cumulative Disbursements:</b>				
Payment in accordance with per. 63(b) of initial order (critical suppliers)	\$ 5,000 \$	5,000 \$	-	
Payment in accordance with per. 63(f) of initial order (excess cash)	5,233	5,233	-	
Fund transfer for true lease/capital lease disagreement	7,730	7,730	(0)	
Funds remaining in trust account re: Enmeo Canada Limited	1,700	1,700	-	
Excess cash flow transfer to separate account (par. 3 of the July 6 Order)	2,690	-	2,690	
<b>Total segregated funds</b>	<u>\$ 22,353 \$</u>	<u>19,663 \$</u>	<u>2,690</u>	



## APPENDIX B



## APPENDIX C

# Critical Suppliers

Appendix C  
DRAFT

## Claims Process

## Trade Suppliers

Claim #	Name of the claimant	Amount claimed	Lienable (Yes/No)	If Lienable		
				Allowed	Disallowed	Total
1	Air Liquide Canada Inc.	\$ 21,691.86	Yes	\$ 5,911.67	\$ 15,780.19	\$ 21,691.86
2	AAA Plumbing Heating Gasfitting Ltd.	3,995.48	Yes	588.74	3,405.74	3,995.48
3	Alberta Fuel Distributors	208,552.78	Yes	157,488.75	51,064.03	208,552.78
4	Armtec Limited Partnership	80,112.96	Yes	14,775.45	45,337.51	80,112.96
5	CAT Rental Store - "Raydon Rental Ltd."	16,892.67	Yes	7,227.38	9,665.31	16,892.67
6	Cummins Alberta - FTMC	381,832.72	Yes	342,755.77	38,876.95	381,632.72
7	EMCO Waterworks Corporation	4,925.87	Yes	4,925.87	-	4,925.87
8	ESCO Supply	778,289.39	Yes	130,333.36	645,956.03	778,289.39
9	Fastenal	71,798.32	Yes	41,580.95	30,217.37	71,798.32
10	Finnig Canada	7,800,418.18	Yes	243,693.31	7,556,724.87	7,800,418.18
11	Flynn Canada Ltd.	303,857.41	Yes	0.00	303,857.41	303,857.41
12	Fort McMurray Home Hardware Building Centre	1,884.06	Yes	1,809.49	74.57	1,884.06
13	Goodall Rubber	7,818.03	Yes	4,783.41	3,052.62	7,818.03
14	Ground Force Mechanical & Rental	2,330,729.89	Yes	2,200,301.89	130,428.00	2,330,729.89
15	Inspek Crushing Ltd.	85,483.52	Yes	5,427.11	80,036.41	85,483.52
16	Levitt Safety	323,176.74	Yes	273,174.95	50,001.79	323,176.74
17	Mammoth Canada Western Ltd.	760,776.15	Yes	249,157.35	511,818.80	760,776.15
18	Petro-Canada	274,399.36	Yes	249,982.58	24,416.78	274,399.36
19	Premay Equipment LP	77,007.00	Yes	74,686.50	2,320.50	77,007.00
20	TBG Contracting Ltd.	383,592.35	Yes	284,927.39	98,664.96	383,592.35
21	TransTech	511,423.26	Yes	125,710.00	385,713.26	511,423.26
22	WAJAX	3,065,153.35	Yes	699,698.22	2,365,255.13	3,065,153.35
23	Ward's Hydraulic Services Ltd.	33,540.91	Yes	31,439.71	2,101.20	33,540.91
24	Waterloo Ford & Lincoln	21,908.32	Yes	19,530.29	2,378.03	21,908.32
25	Aircon Technologies	927.89	No	-	927.89	927.89
26	Altac Voice and Data	3,734.75	No	-	3,734.75	3,734.75
27	Banks-Hill System Ltd.	4,016.25	No	-	4,016.25	4,016.25
28	Bell Mobility	6,299.94	No	-	6,299.94	6,299.94
29	Bobcat of Fort McMurray	13,417.55	No	-	13,417.55	13,417.55
30	Brandt Tractor Ltd.	47,459.18	No	-	47,459.18	47,459.18
31	Canada Revenue Agency	1,253,882.31	No	-	1,253,882.31	1,253,882.31
32	Canada Revenue Agency	58,232.05	No	-	58,232.05	58,232.05
33	CANSEL Survey Equipment	14,048.82	No	-	14,048.82	14,048.82
34	Ceda-Reactor Ltd.	12,895.67	No	-	12,895.67	12,895.67
35	Commercial Solutions Inc.	289.48	No	-	289.48	289.48
36	Cypress Stake and Lath	14,774.38	No	-	14,774.38	14,774.38
37	Denesoline Environment Ltd. Part.	8,523.90	No	-	8,523.90	8,523.90
38	Enterprise Steel & Sales Ltd.	30,618.12	No	-	30,618.12	30,618.12
39	Fort McMurray Vehicle Licensing	44.90	No	-	44.90	44.90
40	GE Canada Leasing Services Co.	94,088.54	No	-	94,088.54	94,088.54
41	Girardin Blue Bird	799.62	No	-	799.62	799.62
42	Global Heat Transfer Ltd.	28,472.97	No	-	28,472.97	28,472.97
43	Grand & Toy	2,480.31	No	-	2,480.31	2,480.31
44	Guthrie Mechanical Services Ltd.	3,960.78	No	-	3,960.78	3,960.78
45	Kel Tire	1,876,468.90	No	-	1,876,468.90	1,876,468.90
46	L. Robert Enterprises	14,335.54	No	-	14,335.54	14,335.54
47	Lafarge Canada Inc	16,989.00	No	-	16,989.00	16,989.00
48	Lemax Machine & Welding Ltd.	2,989.87	No	-	2,989.87	2,989.87
49	McCordick Glove & Safety Inc	5,985.57	No	-	5,985.57	5,985.57
50	McMurray Business Machines	533.91	No	-	533.91	533.91
51	Meyers Norris Penny	55,746.38	No	-	55,746.38	55,746.38
52	MicroAge Solutions Centres	5,154.65	No	-	5,154.65	5,154.65
53	NEWALTA Corporation	2,872.04	No	-	2,872.04	2,872.04
54	Nor-mar Industries	38,740.03	No	-	38,740.03	38,740.03
55	Northstar Ford Mercury	47,804.74	No	-	47,804.74	47,804.74
56	Puroletor Courier Ltd.	1,973.24	No	-	1,973.24	1,973.24
57	RIMEX Supply (Atta)	27,571.48	No	-	27,571.48	27,571.48
58	SimplexGrinnell	1,174.78	No	-	1,174.78	1,174.78
59	Sumac Fabrication Co. Ltd.	200,000.00	No	-	200,000.00	200,000.00
60	Telus Communications	629.91	No	-	629.91	629.91
61	Triton Communications	14,317.40	No	-	14,317.40	14,317.40
62	T & S Signs Ltd.	15,971.90	No	-	15,971.90	15,971.90
Total		\$ 21,453,041.91		\$ 5,170,090.92	\$ 16,282,950.99	\$ 21,453,041.91

## APPENDIX D

[illegible]

## PER PROOF OF CLAIM

Lessor	Disputed Lease (Yes/No)	Location of Equipment	Monthly Lease PNT (including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Liable (Yes/No)
<b>Cat Rental Store - "Raydon Rentals Ltd."</b>							
Contract # 6067154	Exp March 30, 2010	Synchrude	4,314.40	10,792.74	17,257.60	28,050.34	Yes
Contract # 6067428	Exp March 30, 2010	TBD	208.4	518.28	825.60	1,343.88	To be determined
Contract # 6067483	Exp March 30, 2010	Synchrude	2,568.80	5,394.48	10,275.20	15,669.68	Yes
Contract # 6067951	Exp March 24, 2010	Synchrude	210.4	437.98	841.60	1,279.58	Yes
<b>Caterpillar Financial Services (on behalf of BAL Global Finance)</b>							
Contract # 453309		Synchrude	29,817.75	61,765.34	119,271.01	181,036.35	Yes
Contract # 451795		Synchrude	15,278.27	31,847.83	61,113.07	92,760.90	Yes
Contract # 452891		Synchrude	26,447.40	53,660.44	105,789.80	159,440.04	Yes
Contract # 453726		Synchrude	27,446.94	56,854.37	108,787.75	166,042.12	Yes
Contract # 453860		Synchrude	12,446.25	25,603.70	49,784.99	75,388.99	Yes
Contract # 453970		Synchrude	12,446.25	25,603.70	49,784.99	75,388.99	Yes
Contract # 453971		Synchrude	16,327.08	33,597.14	65,308.36	98,895.50	Yes
Contract # 453872		Synchrude	14,987.82	30,626.37	59,551.30	90,177.67	Yes
Contract # 454173		Synchrude	12,828.75	26,386.46	51,306.99	77,693.45	Yes
Contract # 454174		Synchrude	12,828.75	26,386.46	51,306.99	77,693.45	Yes
Contract # 454176		Synchrude	13,071.78	26,890.51	52,287.10	79,177.81	Yes
Contract # 457249		Synchrude	52,436.07	107,868.48	208,744.26	317,612.75	Yes
Contract # 457251		Synchrude	52,436.07	108,366.87	208,744.26	319,110.93	Yes
Contract # 457918		Synchrude	53,442.71	110,702.77	213,770.84	324,473.61	Yes
Contract # 457921		Synchrude	51,874.06	107,453.73	207,486.25	314,949.98	Yes
Contract # 457929		Synchrude	31,818.06	66,365.53	127,276.34	193,841.87	Yes
Contract # 457931		Synchrude	53,139.33	110,633.45	212,557.34	323,390.79	Yes
Contract # 457936		Synchrude	32,739.05	67,816.61	130,956.21	198,772.82	Yes
Contract # 457937		Synchrude	51,776.70	107,251.74	207,106.79	314,358.53	Yes
Contract # 457938		Synchrude	21,445.83	44,423.11	85,782.52	130,205.63	Yes
Contract # 460773		Synchrude	31,106.34	64,978.97	124,425.38	189,404.35	Yes
Contract # 460553		Synchrude	39,003.74	80,793.80	156,014.86	236,808.44	Yes
Contract # 460556		Synchrude	39,054.15	80,897.80	156,216.61	237,114.51	Yes
Contract # 462645		Synchrude	40,488.64	83,823.74	161,866.57	246,690.31	Yes

Lessor	Lender (Original)	Disputed Lease (Year/No)	Location of Equipment	Monthly Lease PMT (Including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Liensable (Yes/No)
Contract #62567	CAT Financial Services		Synchrude	40,466.84	64,401.83	161,866.57	226,268.40	Yes
Contract #62685	CAT Financial Services		Synchrude	53,308.12	10,419.83	213,228.47	323,644.30	Yes
Contract #63279	CAT Financial Services		Synchrude	11,055.40	22,800.46	44,221.59	67,122.05	Yes
Contract #63280	CAT Financial Services		Synchrude	12,131.70	25,129.95	48,526.80	73,656.75	Yes
Contract #63282	CAT Financial Services		Synchrude	10,651.04	21,855.73	42,204.18	64,058.89	Yes
Contract #63283	CAT Financial Services		Synchrude	12,135.94	25,336.73	49,543.77	73,882.50	Yes
Contract #63285	CAT Financial Services		Synchrude	48,689.46	96,713.87	186,757.83	283,471.70	Yes
Contract #63286	CAT Financial Services		Synchrude	12,103.73	25,072.01	48,414.91	73,488.92	Yes
Contract #63287	CAT Financial Services		Synchrude	10,546.16	21,851.82	42,196.64	64,048.46	Yes
Contract #63290	CAT Financial Services		Synchrude	10,189.48	21,127.51	40,787.92	61,925.43	Yes
Contract #63291	CAT Financial Services		Synchrude	46,689.46	96,713.87	186,757.83	283,471.70	Yes
Contract #63292	CAT Financial Services		Synchrude	10,535.92	21,824.38	42,143.68	63,968.07	Yes
Contract #63305	CAT Financial Services		Synchrude	12,505.92	25,804.80	50,023.26	75,828.16	Yes
Contract #63305	CAT Financial Services		Synchrude	20,847.07	42,768.93	82,588.30	125,357.23	Yes
Contract #63307	CAT Financial Services		Synchrude	20,851.64	42,778.40	82,606.57	125,384.97	Yes
Contract #63307	CAT Financial Services		Synchrude	21,555.45	44,690.58	86,221.80	130,912.38	Yes
Contract #63309	CAT Financial Services		Synchrude	10,523.23	21,798.10	42,082.80	63,891.00	Yes
Contract #63313	CAT Financial Services		Synchrude	21,550.33	44,639.96	86,201.30	130,841.26	Yes
Contract #63313	CAT Financial Services		Synchrude	20,703.84	42,686.51	82,815.35	125,501.86	Yes
Contract #63333	CAT Financial Services		Synchrude	9,878.11	9,817.38	38,716.44	48,533.82	Yes
Contract #63907	CAT Financial Services		Synchrude	48,644.24	97,286.98	186,576.98	283,863.57	Yes
Contract #64124	CAT Financial Services		Synchrude	23,992.94	48,078.22	94,771.74	143,849.96	Yes

[illegible]

GIT Financial Ltd.						
Contract # 800-0446133-001	Wellax Finance - a division of CIT Financial Ltd.	Syncrude	44,801.40	179,205.60	179,205.60	Yes
Contract # 800-0445014-001	CIT Financial	Syncrude	3,004.93	12,019.72	12,019.72	Yes
	CIT Financial					
	CIT Financial					
Contract # 900-0450098-001	CIT Financial	Syncrude	4,676.17	18,704.68	18,704.68	Yes



## PER PROOF OF CLAIM

Lessor	Lender (Original)	Disputed Lease (Yes/No)	Location of Equipment	Monthly Lease PMT (Including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Lienable (Yes/No)
Concentra Financial Services Association Lease # 79527 Lease # 10030	Concentra ABC Mutual	Yes	Synchrone	33,633.40 4,330.00	135,341.50 150,564.04		135,341.50 150,564.04	Yes Yes
De Lage Landen Financial Services Inc. Lease #1-121173 Lease #1-116287 Lease #1-87733	De Lage Landen De Lage Landen De Lage Landen	Yes	Synchrone TBD TBD	150,000 1,720.20 478.5	649,108.27 6,880.80 1,914.00		649,108.27 6,880.80 2,514.98	Yes To be determined To be determined
Dutchman (Heavy Metal) Dutchman Proof of Claim #157 Dutchman Proof of Claim #158 Dutchman Proof of Claim #159 Dutchman Proof of Claim #160 Dutchman Proof of Claim #161 Dutchman Proof of Claim #162 Dutchman Proof of Claim #163 Dutchman Proof of Claim #164			Synchrone TBD TBD TBD TBD TBD TBD TBD	135.00 per truck hour    131.00 per hour   135.00 per truck hour	18,725.83    100,835.29   169,384.19	18,725.83    98,668.55 120,839.29  117,631.00	Yes To be determined To be determined To be determined To be determined To be determined To be determined Yes	
Equitrax Vehicle Leasing Lease # ZNCS/001 Lease # ZNEX/002 Lease # ZNEW/002 Lease # ZNEY/002	Kemperfelt Leasing Kemperfelt Leasing Kemperfelt Leasing Kemperfelt Leasing	Yes Yes Yes Yes	TBD TBD TBD TBD	4,328.10 2,164.55 3,128.99 2,164.55	13,451.78 6,827.39 9,778.96 6,827.39		17,780.88 8,981.94 12,907.95 8,981.94	To be determined To be determined To be determined To be determined
Essex Capital Transportation Leasing Corp Lease # 50012 Lease # 50013 Lease # 50014 Lease # 50015	Essex Capital Essex Capital Essex Capital Essex Capital		TBD TBD TBD TBD	22,170.15 2,135.80 2,135.80 2,135.80	6,910.45 TBD TBD TBD		6,910.45 TBD TBD TBD	To be determined To be determined To be determined To be determined
Experienced Equipment Sales & Rentals Hourly equipment sales			TBD		147,113.76		147,113.76	To be determined
Finling Lease #1 Lease #2 Lease #3 Lease #4 Lease #5 Lease #6 Lease #7	Finling Finling Finling Finling Finling Finling Finling	Yes Yes Yes Yes Yes Yes Yes	Synchrone Synchrone Synchrone Synchrone Synchrone Synchrone Synchrone	13,810.58 52,500.00 92,400.00 168,000.00 168,000.00 14,500.00 168,000.00	0.00 210,000.00 389,600.00 672,000.00 672,000.00 378,000.00 672,000.00		13,810.58 210,000.00 389,600.00 672,000.00 672,000.00 378,000.00 672,000.00	Yes Yes Yes Yes Yes Yes Yes

Lessor	Lender (Original)	Disputed Lease (Yes/No)	Location of Equipment	Monthly Lease PMT (including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Liable (Yes/No)
Lease #8	Fining	Yes	Synchrude	52,500.00	-	210,000.00	210,000.00	Yes
Lease #9	Fining	Yes	Synchrude	94,500.00	-	378,000.00	378,000.00	Yes
Lease #10	Fining	Yes	Synchrude	94,500.00	-	378,000.00	378,000.00	Yes
Lease #11	Fining	Yes	Synchrude	168,000.00	-	672,000.00	672,000.00	Yes
Lease #12	Fining	Yes	Synchrude	94,500.00	-	378,000.00	378,000.00	Yes
Lease #13	Fining	Yes	Synchrude	168,000.00	-	672,000.00	672,000.00	Yes
<b>Wells Fargo Equipment Finance Company</b>								
Lease \$63,045	Wells Fargo		Synchrude	31,522.52	-	126,090.08	126,090.08	Yes
	Wells Fargo		Synchrude					Yes
	Wells Fargo		Synchrude					Yes
	Wells Fargo		Synchrude					Yes
	Wells Fargo		Synchrude					Yes
	Wells Fargo		Synchrude					Yes
	Wells Fargo		Synchrude					Yes
	Wells Fargo		Synchrude					Yes
Lease 27895.001	Wells Fargo		Synchrude	21,159.10	-	84,636.40	84,636.40	Yes
Lease 27895.001 Item #2	Wells Fargo		Synchrude	4,411.54	-	17,646.18	17,646.18	No
Lease 30775	Wells Fargo		Synchrude	17,583.10	-	70,372.40	70,372.40	Yes
Lease 33818	Wells Fargo		Synchrude	34,584.88	-	138,338.52	138,338.52	To be determined
Lease 34789	Wells Fargo		Synchrude	54,396.12	-	217,544.48	217,544.48	Yes
Lease 36959	Wells Fargo		Synchrude	97,801.03	-	271,204.12	271,204.12	Yes
Lease 37724	Wells Fargo		Synchrude		-			Yes
Lease 37724 Item #2	Wells Fargo		Synchrude		-			Yes
Lease 37724 Item #3	Wells Fargo		Synchrude		-			Yes
Lease 37724 Item #4	Wells Fargo		Synchrude		-			Yes
Lease 37724 Item #5	Wells Fargo		Synchrude		-			Yes
Lease 32354	Wells Fargo		Synchrude	17,064.89	-	68,259.58	68,259.58	Yes
<b>Western Industrial Equipment</b>								
Lease #1	WS Leasing		TBD	2,130.00	-	15,417.00	15,417.00	To be determined
Lease #2	WS Leasing		TBD	2,635.64	-	10,546.16	10,546.16	To be determined
Lease #3	WS Leasing		TBD	3,981.91	-	35,926.45	35,926.45	To be determined
Lease #4	WS Leasing		TBD	6,696.60	-	66,966.00	66,966.00	To be determined
Lease #1	WS Leasing		TBD	989.5	-	26,386.40	26,386.40	To be determined
Lease #2	WS Leasing		TBD	989.5	-	3,958.00	3,958.00	To be determined
Lease #3	WS Leasing		TBD	1,834.88	-	7,339.52	7,339.52	To be determined
Lease #4	WS Leasing		TBD		-			To be determined

**Suncor Coats PM Drainage**

## PER PROOF OF CLAIM

Lessor	Disputed Lease (Yes/No)	Lender (Original)	Location of Equipment	Monthly Lease PMT (including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Lienable (Yes/No)
RSC Rental Service	Invoice # 85998852-001		TBD		280.76		280.76	To be determined
	Invoice # 86145420-001		TBD		520.22		520.22	To be determined
	Invoice # 85975071-001		TBD		854.03		854.03	To be determined
	Invoice # 85998780-001		TBD		2,520.00		2,520.00	To be determined
	Invoice # 86462700-001		TBD		275.75		275.75	To be determined
	Invoice # 86729918-001		TBD			226.10		To be determined
	Invoice # 88403478-002		TBD	2,043.80		1,339.89		To be determined
	Invoice # 87179573-002		TBD			31.81		To be determined
GE Canada Leasing Services Co.	Invoice # 87179231-002		TBD			2,599.61		To be determined
	Invoice # 87179630-002		TBD			2,030.95		To be determined
	Invoice # 3017627-002		TBD					To be determined
	Invoice # 3034472-001		TBD					To be determined
	Invoice # 3070031-001		TBD					To be determined
	Invoice # 31150875-014		TBD					To be determined
	Invoice # 3197632-001		TBD					To be determined
	Invoice # 3257050-003		TBD					To be determined
GE Canada Leasing Services Co.	Invoice # 3155972-002		TBD					To be determined
	Invoice # 3070024-001		TBD					To be determined
	Invoice # 3056720004		TBD					To be determined
	Lease \$94,086	Wells Fargo	Synchrude	47,043.27		94,086.54	94,086.54	Yes
	Lease \$21,032	Wells Fargo	Synchrude					Yes
	Lease \$23,119	Wells Fargo	Synchrude					Yes
	Lease \$12,433	Wells Fargo	Synchrude					Yes
	Lease \$12,433 (2)	Wells Fargo	Synchrude					Yes
GE Canada Leasing Services Co.	Lease \$5,970.81	Wells Fargo	Synchrude					Yes
	Lease \$5,624.78	Wells Fargo	Synchrude					Yes
	Lease \$5,979.24	Wells Fargo	Synchrude					Yes
	Lease \$21,032	Wells Fargo	Synchrude					Yes
	Lease \$23,119	Wells Fargo	Synchrude					Yes
	Lease \$12,433	Wells Fargo	Synchrude					Yes
	Lease \$12,433 (2)	Wells Fargo	Synchrude					Yes
	Lease \$5,970.81	Wells Fargo	Synchrude					Yes



## PER PROOF OF CLAIM

Lessor	Lender (Original)	Disputed Lease (Yes/No)	Location of Equipment	Monthly Lease PMT (Including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Liensable (Yes/No)
Lease \$327,661.95	CHI		Synchrude	109,220.65		436,882.61	436,882.61	Yes
			Synchrude					Yes
			Synchrude					Yes
Lease \$327,661.95 (2)	CHI		Synchrude	5,925.27		23,701.08	23,701.08	Yes
			Synchrude					Yes
			Synchrude					Yes
			Synchrude					Yes
			Synchrude					Yes
			Synchrude					Yes
			Synchrude					Yes
			Synchrude					Yes
Lease \$37,738.11	CHI		Synchrude	12,578.37		50,317.48	50,317.48	Yes
Lease \$272,435.28	CHI		Synchrude	90,811.76		363,247.04	363,247.04	Yes
Lease \$18,574.59	CHI		Synchrude	6,191.53		24,766.12	24,766.12	Yes
Lease \$54,543.72	CHI		Synchrude	18,181.24		72,724.97	72,724.97	Yes
Lease \$126,060.74	CHI		Synchrude	42,286.58		169,186.32	169,186.32	Yes
Lease \$126,124.68	CHI		Synchrude	43,041.56		172,166.24	172,166.24	Yes
Lease \$125,529.39	CHI		Synchrude	41,843.13		167,372.52	167,372.52	Yes
Lease \$18,091.89	CHI		Synchrude	6,330.63		25,322.52	25,322.52	Yes
Lease \$136,114.23	CHI		Synchrude	45,371.41		181,485.65	181,485.65	Yes
			Synchrude					Yes
			Synchrude					Yes
			Synchrude					Yes
			Synchrude					Yes
Lease \$35,628.90	CHI		Synchrude	11,876.30		47,505.19	47,505.19	Yes
Lease \$124,907.62	GE		Synchrude	62,453.81		249,815.24	249,815.24	Yes
Lease \$124,907.62 (2)	GE		Synchrude	62,453.81		249,815.24	249,815.24	Yes
Lease \$261,229.80	GE		Synchrude	130,614.90		522,459.60	522,459.60	Yes

PER PROOF OF CLAIM

Lessor	Lender (Original)	Disputed Lease (Yes/No)	Location of Equipment	Monthly Lease PMT (including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Lienable (Yes/No)
Lease \$209,683.38	GE		Synaride	89,894.46	89,894.46	279,577.83	349,472.28	Yes
Lease \$53,572.58	GE		Synaride	28,786.28	-	107,145.15	107,145.15	Yes
Lease \$123,878.06	GE		Synaride	81,939.03	-	247,756.11	247,756.11	Yes
Lease \$58,035.44	GE		Synaride	29,017.72	-	116,070.88	116,070.88	Yes
Lease \$246,540.36	GE		Synaride	123,270.18	-	493,080.71	493,080.71	Yes
Lease \$7,363.84	GE		Synaride	3,681.87	-	14,727.88	14,727.88	Yes
Lease \$7,364.74	GE		Synaride	3,682.37	-	14,729.48	14,729.48	Yes
Indicom Transportation Leasing Inc. Lease #00240-0040 Lease #00241-0041	Indicom Transportation Indicom Transportation		CHC Head Office CHC Head Office	2,151.10 2,150.81	-	8,604.40 11,153.24	8,604.40 11,153.24	Yes Yes
Lease #001944-01644 Lease #001758-01758	Indicom Transportation Indicom Transportation		CHC Head Office CHC Head Office	3,522.42 2,270.15	-	14,328.88 8,080.60	14,328.88 8,080.60	Yes Yes
John Deere Credit Inc. Lease #100-0231631-001	John Deere		Synaride	135,428.00	-	541,716.00	541,716.00	Yes
Lease #100-0231631-002	John Deere		Synaride	29,186.83	-	116,787.32	116,787.32	Yes
Kramer Ltd. Lease #300110-00001 Lease #300223-00002	Kramer Ltd. Kramer Ltd.		Synaride Synaride	21,000 21,000	52,838.00 49,449.00	84,000.00 84,000.00	130,838.00 133,449.00	Yes Yes

Lessor	Disputed Lease (Yes/No)	Location of Equipment	Monthly Lease PMT (including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Lienable (Year/No)
Leasebank Credit Corporation		TBD	2,925	-	11,701.04	-	To be determined
Maple Lease Financial Services Ltd. Lease #2NPLJMTXQAM104029		Maple Lease Financial	2,634.86	-	10,539.44	10,539.44	Yes
National City Commercial Capital Corp. - PNC Equipment Finance							
Lease # 117385000		National City	1,918.56	-	7,674.24	7,674.24	To be determined
Lease # 106896000		National City	73,405.58	-	283,622.33	283,622.33	Yes
Lease # 118113000		National City	40,928.10	-	163,712.39	163,712.39	Yes
Lease # 117833000		National City	94,325.06	-	377,300.20	377,300.20	To be determined
Royal Bank of Canada							
Lease # 10397		RBC	17,115.06	-	68,460.25	68,460.25	Yes
Lease # 11723		RBC	104,903.77	-	242,950.70	242,950.70	Yes
Lease # 26753		RBC	128,470.21	-	632,351.06	632,351.06	Yes
Lease # 10666		RBC	49,210.88	-	246,054.38	246,054.38	Yes
Lease # 10124		RBC	228,147.70	-	1,140,738.48	1,140,738.48	Yes
Lease # 10124-Item#2		RBC	33,531.23	-	167,656.13	167,656.13	Yes
Lease # 10185		RBC	33,531.23	-	322,653.08	322,653.08	Yes
Lease # 10185-Item#2		RBC	64,530.62	-	1,062,334.30	2,501,776.00	Yes
Lease # 11429		RBC	212,466.86	1,439,441.70	-	-	Yes
Lease # 48180		RBC	-	-	-	-	Yes
Lease # 48180-Item#2		RBC	-	-	-	-	Yes
Lease # 48180-Item#3		RBC	-	-	-	-	Yes
Lease # 48180-Item#4		RBC	-	-	-	-	Yes
Lease # 48180-Item#5		RBC	-	-	-	-	Yes
Lease # 48180-Item#6		RBC	-	-	-	-	Yes
Lease # 48180-Item#7		RBC	-	-	-	-	Yes
Lease # 26752		RBC	200,088.18	-	800,384.72	800,384.72	To be determined
Lease # 26752-Item#2		RBC	-	-	-	-	Yes

## PER PROOF OF CLAIM

Lessor	Lender (Original)	Disputed Lease (Yes/No)	Location of Equipment	Monthly Lease PMT (Including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Lienable (Yes/No)
Lease # 26752-Merrill3	RBC		Synchrude	196,734.77	-	983,673.86	983,673.86	Yes
Lease # 48181	RBC		Synchrude	37,624.10	-	188,120.52	188,120.52	Yes
Lease # 47773	RBC		Synchrude	29,817.75	-	149,088.77	149,088.77	Yes
Lease # 89039	CAT Financial Services		Synchrude	29,817.75	-	149,088.77	149,088.77	Yes
Lease # 89043	CAT Financial Services		Synchrude	25,116.88	-	125,584.41	125,584.41	Yes
Lease # 89046	CAT Financial Services		Synchrude	68,215.82	-	341,079.11	341,079.11	Yes
Lease # 89049	CAT Financial Services		Synchrude	28,022.02	-	130,110.12	130,110.12	Yes
Lease # 89055	CAT Financial Services		Synchrude	31,818.69	-	159,083.43	159,083.43	Yes
Lease # 89058	CAT Financial Services		Synchrude	31,818.69	-	159,083.43	159,083.43	Yes
Lease # 89078	CAT Financial Services		Synchrude	13,796.88	-	68,984.42	68,984.42	Yes
Lease # 89080	CAT Financial Services		Synchrude	13,796.88	-	68,984.42	68,984.42	Yes
Lease # 89083	CAT Financial Services		Synchrude	13,796.88	-	68,984.42	68,984.42	Yes
Lease # 89073	CAT Financial Services		Synchrude	13,796.88	-	68,984.42	68,984.42	Yes
Lease # 89087	CAT Financial Services		Synchrude	15,039.83	-	75,199.16	75,199.16	Yes
Lease # 89099	CAT Financial Services		Synchrude	25,408.51	-	127,047.53	127,047.53	Yes
Lease # 89069	CAT Financial Services		Synchrude	13,796.88	-	68,984.42	68,984.42	Yes
Lease # 89076	CAT Financial Services		Synchrude	13,796.88	-	68,984.42	68,984.42	Yes
Lease # 89065	CAT Financial Services		Synchrude	13,796.88	-	68,984.42	68,984.42	Yes
Lease # 89090	CAT Financial Services		Synchrude	14,971.88	-	74,858.28	74,858.28	Yes
Lease # 89092	CAT Financial Services		Synchrude	14,971.88	-	74,858.28	74,858.28	Yes
Lease # 89095	CAT Financial Services		Synchrude	5,764.37	-	28,821.87	28,821.87	Yes

Raymond Inc.	Raymond Inc.	Yes	Synchrude	1,980	-	9,544.00	9,544.00	To be determined
Lease # 15224	Raymond Inc.		Synchrude	1,980	-	9,544.00	9,544.00	To be determined
Lease # 20750	Raymond Inc.		Synchrude	1,980	-	9,544.00	9,544.00	To be determined
Lease # 14530	Raymond Inc.		Synchrude	1,980	-	9,544.00	9,544.00	To be determined

## Scott Capital Group Inc.

Lease # 6049520-007	Scott Capital	Yes	Synchrude	10,982.45	-	43,988.80	43,988.80	Yes
Lease # 6049520-002	Scott Capital	Yes	Synchrude	19,083.02	-	76,372.08	76,372.08	Yes
Lease # 6049520-003	Scott Capital	Yes	Synchrude	5,556.75	-	22,239.00	22,239.00	Yes
Lease # 6049520-004	Scott Capital	Yes	Synchrude	17,553.08	-	70,212.24	70,212.24	Yes
Lease # 6049520-005	Scott Capital	Yes	TBO	7,549.50	7,190.00	30,198.00	37,388.00	To be determined



[illegible]

## PER PROOF OF CLAIM

Lessor	Lender (Original)	Disputed Lease (Yes/No)	Location of Equipment	Monthly Lease PMT (Including GST)	Total of Invoices as of April 1	Total of Invoices after April 1 until July 23	Total Claim	Lienable (Yes/No)
Lease # 8417391			CHC Head Office	865.40	-	3,981.60	3,981.60	Yes
Lease # 8511083			CHC Head Office	2,202.90	-	8,811.60	8,811.60	Yes
Lease # 8511084			CHC Head Office	2,202.90	-	8,811.60	8,811.60	Yes
Lease # 8016142			CHC Head Office	1,316.70	-	5,266.80	5,266.80	Yes
Lease # 8211533			CHC Head Office	1,005.90	-	4,023.60	4,023.60	Yes
Lease # 8211534			CHC Head Office	1,005.90	-	4,023.60	4,023.60	Yes
Lease # 8211117			CHC Head Office	1,005.90	-	4,023.60	4,023.60	Yes
Lease # 8211118			CHC Head Office	1,005.90	-	4,023.60	4,023.60	Yes
Lease # 8214334			CHC Head Office	1,005.90	-	4,023.60	4,023.60	Yes
Lease # 8214333			CHC Head Office	1,005.90	-	4,023.60	4,023.60	Yes
Lease # 8314305			CHC Head Office	1,062.60	-	4,250.40	4,250.40	Yes
Lease # 8314656			CHC Head Office	1,066.30	-	4,225.20	4,225.20	Yes
Lease # 8411120			CHC Head Office	1,269.45	-	5,077.80	5,077.80	Yes
Lease # 8511119			CHC Head Office	1,269.45	-	5,077.80	5,077.80	Yes
Lease # 8212309			CHC Head Office	1,725.15	-	6,900.60	6,900.60	Yes
Lease # 9212400			CHC Head Office	698.05	-	3,982.20	3,982.20	Yes
Lease # 9212401			CHC Head Office	998.05	-	3,982.20	3,982.20	Yes
Lease # 9212370			CHC Head Office	1,142.67	-	4,570.68	4,570.68	Yes
Lease # 5760835	Exp. 2/8/2010		CHC Head Office	1,051.40	-	4,205.60	4,205.60	Yes
Lease # 5213298	Exp. 2/10/2010		CHC Head Office	3,875.00	2,775.00	14,700.00	17,475.00	Yes
Lease # 52183798	Exp. 2/8/2010		CHC Head Office	4,095.00	3,095.00	16,380.00	19,475.00	Yes
Lease # 5213960	Exp. 2/2/2010		CHC Head Office	3,875.00	2,775.00	14,700.00	17,475.00	Yes
Lease # 5213961	Exp. 1/31/2010		CHC Head Office	14,560.35	13,560.25	58,241.40	71,801.65	Yes
Lease # 57E9784	Exp. 2/13/2010		CHC Head Office	13,597.50	12,597.50	54,390.00	66,987.50	Yes
Lease # 5218091	Exp. 4/3/2010		CHC Head Office	22,785.00	21,185.00	91,140.00	112,325.00	Yes
Lease # 5218092	Exp. 4/10/2010		CHC Head Office	13,597.50	-	54,390.00	54,390.00	Yes

Total Amounts

\$ 8,142,659.01 \$ 6,502,180.23 \$ 33,252,076.49 \$ 39,682,372.28

Action No. 1003 05560  
Bankruptcy Action No.: 24-115359

2010

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IN THE COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL DISTRICT OF EDMONTON

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IN THE MATTER OF THE  
*BANKRUPTCY AND INSOLVENCY ACT*,  
R.S.C. 1985, c. B-3, AS AMENDED

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

AND IN THE MATTER OF A PLAN OF COMPROMISE  
OR ARRANGEMENT OF COW HARBOUR  
CONSTRUCTION LTD.

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FOURTEENTH REPORT TO THE COURT  
SUBMITTED BY DELOITTE & TOUCHE INC.  
IN ITS CAPACITY AS MONITOR

July 21, 2010

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MCLENNAN ROSS <sup>LLP</sup>  
LEGAL COUNSEL

#600 West Chambers  
12220 Stony Plain Road  
Edmonton, AB T5N 3Y4  
Lawyer: Charles P. Russell, Q.C.  
Telephone: (780) 482-9115  
Fax: (780) 482-9102  
File: 101122

