



**COURT FILE NUMBER** 1501-06320

**COURT** COURT OF QUEEN'S BENCH OF ALBERTA

**JUDICIAL CENTRE** CALGARY

**PLAINTIFF** WELLS FARGO FOOTHILL CANADA ULC

**DEFENDANTS** BIG EAGLE HYDRO-VAC INC., BIG EAGLE LIMITED PARTNERSHIP, BIG EAGLE HYDRO-VAC (NORTH) INC., and BIG EAGLE (NORTH) LIMITED PARTNERSHIP

**DOCUMENT** FIFTH REPORT OF THE COURT APPOINTED RECEIVER AND MANAGER OF BIG EAGLE HYDRO-VAC INC., BIG EAGLE LIMITED PARTNERSHIP, BIG EAGLE HYDRO-VAC (NORTH) INC., and BIG EAGLE (NORTH) LIMITED PARTNERSHIP

DATED MAY 10, 2016

PREPARED BY DELOITTE RESTRUCTURING INC.

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# Introduction and background

## Introduction

1. Pursuant to an Order (the “**Receivership Order**”) granted by the Court of Queen’s Bench of Alberta (the “**Court**”) on June 8, 2015 (the “**Date of Receivership**”), Deloitte Restructuring Inc. (“**Deloitte**”) was appointed as receiver and manager (the “**Receiver**”) of Big Eagle Hydro-Vac Inc., Big Eagle Limited Partnership, Big Eagle Hydro-Vac (North) Inc., and Big Eagle (North) Limited Partnership (collectively “**Big Eagle**” or the “**Companies**”). A copy of the Receivership Order and other information regarding these proceedings can be accessed on the Receiver’s website at:  
<http://www.insolvencies.deloitte.ca/en-ca/Pages/Big-Eagle-Group.aspx>.
2. The Receivership Order was granted pursuant to an application by Wells Fargo Foothill Canada ULC (“**Wells Fargo**”), who holds registered security over all of the Companies’ present and after-acquired personal property (“**Wells’ Security**”).
3. The Receiver’s independent legal counsel, Gowling Lafleur Henderson LLP (“**Gowlings**”), has been assisting the Receiver with various matters and previously completed an independent review (the “**Security Review**”) of the Wells’ Security over the property, assets and undertakings of the Companies (the “**Assets**”), including the three (3) pieces of owned real estate (the “**Owned Properties**”). Gowlings has concluded that Wells Fargo has valid and enforceable security, in first priority, in relation to all of the Companies’ Assets and the Owned Properties.

## Notice to reader

4. In preparing this report, Deloitte has relied on unaudited financial information, the Companies’ books and records and discussions with former management, Realization Services, Inc. (“**RSI**”), interested parties and the Companies’ stakeholders. The Receiver has not performed an independent review or audit of the information provided.
5. All amounts in this report are in Canadian dollars unless otherwise indicated.
6. Capitalized terms used in this fifth report (the “**Fifth Report**”) but not defined herein are as defined in the first report of the Receiver dated June 26, 2015 (the “**First Report**”), the second report of the Receiver dated July 17, 2015 (the “**Second Report**”), the third report of the Receiver dated August 12, 2015 (the “**Third Report**”), the fourth report of the Receiver dated September 16, 2015 (the “**Fourth Report**”), and the confidential report of the Receiver dated September 16, 2015 (the “**Confidential Report**”), as applicable.

## Background

7. Big Eagle provided industrial and oilfield service solutions across the energy sector in Western Canada and the Northwest Territories. With its fleet of over 450 units, which included Nitrogen, Coiled Tubing, Super Heaters, Vac, Water, Hydro-vac, Combo, Heating and Pressure Equipment, Tank Cleaning, Pipeline and Plant Turn-around support crews and equipment, the Companies provided a comprehensive range of recurring and non-discretionary facility services, including facility turnaround and maintenance, industrial cleaning, hydro excavating, and tank cleaning. The Companies also provided extensive upstream services, including nitrogen pumping, fluid management, and frac water heating.
8. Wells Fargo and Big Eagle (Lux) s.a.r.l. as assignee of certain interests of Apollo Big Eagle SPV, Ltd. ("**Apollo SVP**") were the most significant economic stakeholders in Big Eagle (the "**Stakeholders**") with combined indebtedness owing of approximately \$53.9 million as at the Date of Receivership (the "**Secured Debt**"). Wells Fargo was the principal lender to the Companies and held various security positions as against the Companies and their Assets.
9. Apollo SVP is the majority shareholder of Big Eagle. Apollo SVP also purchased and has subordinated participation interests in the Secured Debt in the aggregate amount of approximately \$34.9 million at the Date of Receivership, with interest accruing since that date (the "**Apollo SVP Participation**"). The Apollo SVP Participation is secured by the Wells' Security. Wells Fargo's senior portion of the secured debt was approximately \$19.0 million at the Date of Receivership.
10. Big Eagle Limited Partnership was the operating entity which owned the Companies' Assets and retained the employees. Big Eagle (North) Limited Partnership ("**Big Eagle North**") did not own any of the Companies' Assets and, as at the Date of Receivership, Big Eagle North had no active employees.
11. The First Report provided an update on the steps taken by the Receiver to take possession and control of the Assets of the Companies as well as details of the agency and consulting agreements entered into by the Receiver, the ongoing operations of the Companies and the Assets owned and liabilities outstanding. The First Report also provided details of the auction proposal solicitation process undertaken by the Receiver and RSI and the auction services agreement (the "**Great American ASA**") entered into by the Receiver with Great American Global Partners, LLC ("**Great American**"). In the First Report, the Receiver sought approval of the reported actions of the Receiver, approval of the Coil Tubing Sale (as defined below), approval of the Great American ASA, and approval of an auction and asset solicitation process (the "**AASP**").
12. Pursuant to the First Report, the Court granted an Order on June 29, 2015 (the "**AASP Order**") declaring and ordering that, among other things:
  - a) The actions of the Receiver reported to date were ratified and approved;
  - b) The Receivership Order was amended to reflect the proper legal description of the Owned Properties;
  - c) The Great American ASA (the "**Stalking Horse Bid**") was approved;
  - d) The AASP was approved;

- e) The Receiver was authorized to take any steps that were reasonably necessary or desirable to carry out the AASP; and
  - f) The sale of the five (5) coiled tubing units and trailers to 2015 DHS Capital Co. (the “**Coil Tubing Sale**”) was approved.
13. The Second Report provided an update on the Receiver’s activities since the First Report, detailed the results of the AASP, sought Court approval of the Successful Bidder, and requested an interim distribution to Wells Fargo.
14. Pursuant to the Second Report, the Court granted an Order on July 23, 2015 (the “**Distribution Order**”) declaring and ordering that, among other things:
- a) The actions of the Receiver reported to date were ratified and approved;
  - b) That the Stalking Horse Bid was the successful bid in accordance with the AASP;
  - c) The Receiver was authorized and directed to pay to Wells Fargo an interim distribution in the amount of \$3,400,000; and
  - d) The Receiver was authorized to make such further and other distributions required to satisfy the amounts owing by the Company to Wells Fargo, subject to any reserves the Receiver deemed necessary.
15. The Third Report provided an update on the Receiver’s activities since the Second Report and sought the advice and direction of the Court with regards to the priority of security interests as between Wells Fargo and Gator Frac Heating and Rentals, LLC (“**Gator Frac**”) as they related to two leased units.
16. Pursuant to the Third Report, on August 31, 2015, the Court issued Reasons for the Decision in relation to the leased Gator Frac units, and ordered that the Receiver was entitled to dispose of the two leased units in accordance with the Receivership Order and distribute the proceeds of sale in accordance with the Distribution Order dated July 23, 2015.
17. The Fourth Report provided an update on the Receiver’s activities since the Third Report, requested approval of the sale of the Fort Nelson property (the “**Fort Nelson Property**”), and sought approval to distribute the net proceeds from the sale of any Owned Properties to Wells Fargo in accordance with the Wells Security. Since the Fort Nelson Property sale had not closed at the time of writing the Fourth Report, as the transaction required approval from the Court, the Receiver also sought a sealing order for its Confidential Report which disclosed confidential information pertaining to the Fort Nelson Property transaction.
18. Pursuant to the Fourth Report and the Confidential Report, the Court granted an Order on September 22, 2015 (the “**Approval and Sealing Order**”) declaring and ordering that, among other things:
- a) The actions of the Receiver reported to date were ratified and approved;

- b) The Fort Nelson Property sale was approved and a vesting order was granted, subject to delivery of the Receiver's certificate certifying the completion of the Transaction (the "**Receiver's Certificate**");
  - c) The Receiver was authorized and directed to pay to Wells Fargo the net proceeds from the sale of the Fort Nelson Property and any other proceeds realized from the sale of the Owned Properties, subject to any reserves the Receiver deemed necessary; and
  - d) The Confidential Report was to be sealed until the earlier of the completion of the Fort Nelson Property sale, March 22, 2016, or such later date as may be determined by further order of the Court.
19. The Fifth Report is filed in support of the Receiver's application to this Honourable Court on May 18, 2016 seeking the following:
- a) Approval of the reported actions of the Receiver since the Fourth Report in respect of administering these receivership proceedings;
  - b) Approval to distribute the residual proceeds in the estate to Wells Fargo for further distribution to Apollo SVP in accordance with the Apollo SVP Participation, subject to a holdback in the amount of \$70,000 (the "**Holdback**");
  - c) Approval of the fees and disbursements of the Receiver and its legal counsel;
  - d) Approval of the Receivers Statement of Receipts and Disbursements for the period between June 8, 2015 and May 10, 2016; and
  - e) An order discharging the Receiver.

### **Powers of the Receiver**

20. The Receiver's powers are detailed in Paragraph 4 of the Receivership Order. They include the power to take and maintain possession and control of the assets of the Companies; the power to manage, operate and carry on the business of the Companies; and the power to market and sell the Companies' assets (subject to Court approval if one sale exceeds \$400,000 or if in the aggregate the sales exceed \$2.0 million), among others.
21. The Receivership Order also empowers the Receiver to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$3.0 million (or such greater amount as the Court may by further Order authorize) (the "**Borrowing Facility**").

# Update on the Receiver's activities

## Receiver's activities

22. Since the Fourth Report, the Receiver has undertaken, with the assistance of RSI in some cases, the following activities:

- a) Supervising and directing RSI and the other retained employees;
- b) Corresponding with creditors and parties interested in the assets of Big Eagle;
- c) Administering the Wage Earner Protection Program and corresponding with employees in regards to same;
- d) Collecting various refunds and accounts receivable and sweeping funds from Big Eagle's Bank of Montreal account to the Receiver's account;
- e) Working with the collection agency to finalize collections of outstanding customer accounts;
- f) Finalizing the coordination and consolidation of the Companies assets at the Swift Current, Edmonton and Grande Prairie locations (the "**Remaining Sites**") where the assets were to be auctioned;
- g) Closing the sale of the Fort Nelson Property pursuant to the Approval and Sealing Order;
- h) Negotiating and closing the sale of the High Level property that did not require Court approval as it was below the threshold in the Receivership Order;
- i) Reviewing vehicle liens and arranging for payout of valid lien holders as appropriate;
- j) Coordinating site maintenance and clean-up at the Companies' various leased premises and disclaiming the related leases;
- k) Terminating the Receiver's interim short term lease for head office space for the Company;
- l) Corresponding with CRA in regards to the GST and payroll source deductions pre and post receivership along with the related trust audits and filing requirements. CRA has completed its trust audits and there are no source deductions or GST outstanding, and the Receiver is not aware of any other statutory claims;
- m) Monitoring, in accordance with paragraph 14 of the Receivership Order, the reserve account (the "**Statutory Payment Reserve**") established for the sole purpose of enabling Big Eagle to pay certain pre-filing statutory obligations. In this regard, all of the known pre-filing wages, vacation pay and payroll source deductions have been paid and the final stub period GST and provincial

sales tax returns (the “**Final Returns**”) have been filed for the period June 1 to June 8, 2014. There is currently no remaining balance in the Statutory Payment Reserve account and the Receiver has paid \$63,950 to cover the shortfall to date;

- n) Finalizing the orderly shut-down of the operations, which included terminating a number of the previously retained employees;
- o) Finalizing the equipment maintenance and repair needs with Great American pursuant to the Great American ASA;
- p) Assisting Great American in preparation for the September auction which included reviewing and coordinating equipment repair requests, assisting with staff retention and hiring of temporary mechanics/labourers, reviewing publication materials and website postings, and coordinating ongoing security at the Remaining Sites;
- q) Monitoring the Great American on-line auction process that was conducted on September 16<sup>th</sup>, 17<sup>th</sup>, and 18<sup>th</sup>, 2015 (the “**On-Line Auction**”);
- r) Establishing, managing and reconciling the joint trust account with Great American (the “**Joint Trust Account**”) pursuant to the Great American ASA and dealing with the related receipts and disbursements;
- s) Reconciling the assets sold during the On-Line Auction to the Master Asset Listing compiled by the Receiver and RSI to ensure all assets were realized and the proceeds for same were paid to the Receiver;
- t) Reviewing the realizations from the On-Line Auction to ensure that the appropriate Buyer’s Premium was retained by Great American and the necessary taxes were collected and remitted to the appropriate taxing authorities;
- u) Monitoring and reporting on the ongoing Receivership budget prepared by the Receiver and RSI;
- v) Distributing proceeds realized from the On-Line Auction, the collection of accounts receivable, and the sale of the Owned Properties, to Wells Fargo in accordance with the July 23, 2015 and September 22, 2015 Court Orders;
- w) Updating the Secured Lenders on a regular basis with respect to the status of the Receivership proceedings;
- x) Dealing with the Tax Lawsuit, as defined and detailed later in this Fifth Report;
- y) Dealing with the books and records of the Company and coordinating the offsite storage;
- z) Reviewing disbursements and arranging for payment, including payroll for the retained employees; and
- aa) Dealing with the estate banking and related transactions and reconciliations.



# Wage Earner Protection Program

23. On June 29, 2015, former employees of Big Eagle working in the provinces of Alberta and Saskatchewan were sent correspondence regarding their rights under the *Wage Earner Protection Program Act* (“**WEPPA**”). The communication included a pre-populated proof of claim form and a copy of the employee information summary filed with Service Canada. Each package contained the employee’s name, address, job title, social insurance number, and the amount of termination pay that the employee was owed.
24. On July 7, 2015, the Receiver was informed that a package containing the above confidential employee information had been sent to the incorrect employee. Upon further investigation, it was determined that there were additional instances in which such packages were sent to the wrong employee. This incident was the result of human error as certain letters had been placed into incorrect envelopes. Following an internal investigation, five (5) instances of such letters being sent to the wrong employee (out of a total of 178 mailings) were identified.
25. On August 5, 2015, the Receiver notified the Office of the Information and Privacy Commissioner for Alberta (“**OIPCA**”) of the privacy breach. The communication identified potential risks to the affected employees and detailed actions taken by the Receiver to mitigate the risks, which included the following:
  - a) Upon identifying the privacy breach, the Receiver notified its internal Privacy Office and began an investigation into the incident.
  - b) The Receiver contacted, or tried to contact, all potentially impacted individuals by phone to determine whether they received the proper information. Individuals who did not answer their phones were left voice messages and those who did not have active voice mailboxes were contacted two additional times, if necessary.
  - c) The Receiver wrote to all impacted individuals outlining the nature of the incident.
  - d) Deloitte organized the purchase of credit monitoring for all affected individuals with Equifax at Deloitte’s expense, for a one year period.
26. The Receiver also took steps to ensure that the letters that arrived at the incorrect destination were returned or destroyed, and the Receiver informed individuals that incorrectly received a letter that the information contained therein was confidential.
27. The Receiver continues to correspond with the OIPCA with respect to the privacy breach, and the OIPCA has been content with the Receiver’s mitigation strategy to-date.

# Tax Lawsuit

28. Pursuant to an amended statement of claim filed on March 16, 2015 by R&S Industries Ltd. and Roger Stokowski (collectively, the “**Plaintiffs**”) as against Big Eagle Limited Partnership (the “**Limited Partnership**”) et al and Apollo SVP, certain allegations were made in regards to the Limited Partnership amending its 2009 and 2010 tax filings (the “**Amended Filings**”) to the detriment of the Plaintiffs (the “**Tax Lawsuit**”) who suffered losses as a result.
29. The Tax Lawsuit was stayed against the Limited Partnership as a result of the Receivership. The Plaintiffs have continued discussions in relation to whether the Receiver was to have any role in relation to any tax filings that may be necessary either as a result of the outcome of the Tax Lawsuit or any resolution thereof.
30. The Receiver advised the Plaintiffs and Apollo SVP that it viewed itself as being in the middle of the dispute between those stakeholders, and did not consider that it was capable of adding any value to the matters that were at issue between them. Further, the estate will not benefit from the outcome of the Tax Lawsuit. Provided the Receiver had not completed its administration of this receivership, the Receiver was willing to continue to work with the Plaintiffs and Apollo SVP to the extent that its involvement was necessary in order to further advance the Tax Lawsuit or discussions as between those parties. However, due to the fact that the Receiver has largely completed its administration of this receivership, and the lack of benefit of the Tax Lawsuit to the estate, the Receiver is of the view that it should be discharged from its duties, and that the Plaintiffs and Apollo SVP should address any issues in the Tax Lawsuit as between them.
31. A related party of the Receiver, Deloitte LLP, previously filed tax returns on behalf of the Limited Partnership, and is therefore in possession of historical information in relation to the Limited Partnership. Deloitte LLP will maintain those records for the purpose of the Tax Lawsuit, and will disclose such records pursuant to the terms of any Court order issued within such action, or will disclose such records at its discretion upon obtaining the consent of all necessary parties.

# Auction results and proposed distribution

32. In accordance with the terms of the Great American ASA, and as approved by the July 23, 2015 Court Order, Great American was authorized to market and sell the Companies' Assets free and clear of any encumbrances and prior charges.
33. Great American invited interested parties to inspect the Assets which were located on the Remaining Sites on September 9<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup>, 14<sup>th</sup>, and 15<sup>th</sup>, 2015 between 10:00am and 4:00pm (MDT) daily. The On-Line Auction for the Assets occurred on September 16<sup>th</sup>, 17<sup>th</sup>, and 18<sup>th</sup>, 2015, under the supervision of RSI and the Receiver.
34. During the period preceding the On-Line Auction, Great American was able to negotiate Asset sales with interested parties, subject to the Receiver's approval ("**Pre-Sales**").
35. Gross proceeds realized by Great American from the Pre-Sales and the On-Line Auction totaled approximately \$25.1 million. After payment of the Buyer's Premium to Great American (\$3.1 million), remittance of GST (\$1.1 million) and PST (\$0.2 million) collected on the sales to the respective taxing authorities, and payment of the Great American expense reimbursement (\$0.5 million) as provided for in the Great American ASA, the net proceeds realized by the Receiver approximated \$20.2 million.
36. As previously discussed, Gowlings completed its review of the Wells' Security and concluded that Wells Fargo had valid and enforceable security, in first priority, in relation to the Assets and the Owned Properties. Furthermore, the July 23, 2015 and September 22, 2015 Court Orders authorized the Receiver to distribute to Wells Fargo such further and other distributions required to satisfy the amounts owing under the Credit Agreement. Accordingly, the Receiver has made the following payments to Wells Fargo to satisfy the Company's obligation under the Credit Agreement:
  - a) July 27, 2015 - \$3,740,000;
  - b) October 13, 2015 - \$10,000,000;
  - c) November 9, 2015 - \$5,000,000;
  - d) November 17, 2015 - \$500,000; and
  - e) December 10, 2015 - \$477,810.

In addition to the above payments, the Receiver has also made payments directly to legal counsel engaged by Wells Fargo in these proceedings in the amount of \$612,142. In aggregate, \$20,329,951

has been paid to Wells Fargo and its legal counsel in full satisfaction of Big Eagle's obligation under the Credit Agreement.

37. As previously discussed, the Apollo SVP Participation (in the approximate amount of \$34.9 million) is secured by the Well's Security.
38. At the May 18, 2016 Application, the Receiver will seek Court approval to distribute any of the remaining proceeds in the estate to Wells Fargo for further distribution to Apollo SVP in accordance with the Apollo SVP Participation.
39. The Receiver is of the view that a general holdback of \$70,000 should be held to offset fees and disbursements of the Receiver (\$40,000) and its legal counsel (\$20,000) in dealing with the current motion for distribution and discharge and for completing certain statutory tax filings (GST and corporate tax filings), and for the final commissions owing to RSI (\$10,000).

# Fees and disbursements of the Receiver and its legal counsel

40. Pursuant to paragraph 22 of the Receivership Order, the Receiver and its legal counsel shall pass their accounts from time to time. The Receiver is of the view that the primary parties of interest are Wells Fargo and Apollo SVP given that they hold priority security interests over all of the Assets of Big Eagle. Wells Fargo and Apollo SVP have been served with all of the reports and invoices of the Receiver as well as other materials within these proceedings.
41. Attached as **Appendix A** is a summary of the invoices of the Receiver for fees and disbursements incurred during the course of the proceedings. The Receiver's accounts total \$779,278 in fees and disbursements excluding GST and the proposed Holdback.
42. The fees charged by the Receiver are based on the amount of professional time required at standard hourly billing rates, which vary depending upon the experience level and location of the professionals involved. The average blended hourly rate charged by the Receiver in these proceedings for invoices issued to date is \$330 per hour. The rates charged by Receiver are comparable to the rates charged for the provision of services by other professional firms providing specialized financial advisory and restructuring services.
43. In the Receiver's view, the services rendered in respect of its fees and disbursements have been duly rendered in response to the required and necessary duties of the Receiver, and are reasonable in the circumstances.
44. Attached as **Appendix B** is a summary of the invoices of counsel to the Receiver for fees and disbursements incurred during the course of the proceedings. The accounts total \$264,771 in fees and disbursements excluding Retail Sales Tax and GST and the proposed Holdback.
45. The Receiver has reviewed the invoices rendered by its legal counsel and finds them reasonable and validly incurred in accordance with the provisions of the Receivership Order.

# Statement of Receipts and Disbursements

46. The Receiver has prepared a Statement of Receipts and Disbursements for the period of June 8, 2015 to May 10, 2016 for Big Eagle, as shown in **Appendix C**.
47. As at the date of this Fifth Report, the Receiver has realized sufficient funds from asset realizations and, as a result, has not drawn on the Court authorized Borrowing Facility.

# Approvals sought

48. Upon payment of the amounts set out herein and certifying that it has completed all outstanding matters in the administration of this proceeding, the Receiver recommends that these proceedings be terminated and that it be discharged as Receiver, provided however that notwithstanding such discharge:
- a) The Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of these proceedings; and
  - b) The Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stay of proceedings in favor of Deloitte Restructuring Inc. in its capacity as Receiver.
49. The Receiver recommends that the Court declare that it has duly and properly discharged its duties, responsibilities and obligations as Receiver. Furthermore, the Receiver recommends that it be forever released and discharged from any and all liability that the Receiver now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of the Receiver while acting in its capacity as Receiver pursuant to its appointment in accordance with the Receivership Order, or otherwise, save and except for any gross negligence or willful misconduct on the part of the Receiver.
50. Finally, the Receiver recommends that the Court order that no action or other proceeding shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver except with prior leave of this Court and on prior written notice to the Receiver and such further order securing, as security for costs, the costs of the Receiver in connection with any proposed action or proceeding as the Court hearing the motion for leave to proceed may deem just and appropriate.
51. As a result of the foregoing, the Receiver respectfully requests:
- a) Approval of the reported actions of the Receiver since the Fourth Report in respect of administering these receivership proceedings;
  - b) Approval to distribute the net proceeds in the estate to Wells Fargo for further distribution to Apollo SVP in accordance with the Apollo SVP Participation, subject to the Holdback;
  - c) Approval to use the Holdback to offset the fees and disbursements of the Receiver and its counsel in dealing with the discharge of the Receiver, the final commission payment to RSI, and for completing required statutory tax filings;
  - d) Approval of the fees and disbursements of the Receiver and its legal counsel;

- e) Approval of the Receivers Statement of Receipts and Disbursements for the period between June 8, 2015 and May 10, 2016; and
- f) An order discharging the Receiver.

**DELOITTE RESTRUCTURING INC.,**  
in its capacity as Receiver and Manager of  
Big Eagle Hydro-Vac Inc, Big Eagle Limited  
Partnership, Big Eagle Hydro-Vac (North) Inc.,  
and Big Eagle (North) Limited Partnership  
and not in its personal capacity.



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Jeff Keeble, CA • CIRP, CBV  
Senior Vice President



# Appendix A – Fees and Costs of the Receiver

**BIG EAGLE HYDRO-VAC INC., BIG EAGLE LIMITED PARTNERSHIP,  
BIG EAGLE HYDRO-VAC (NORTH) INC., and BIG EAGLE (NORTH) LIMITED PARTNERSHIP**

**SUMMARY OF RECEIVER FEES AND COSTS**

<b>Date</b>	<b>Invoice #</b>	<b>Fees</b>	<b>Costs</b>	<b>GST</b>	<b>Total</b>	<b>Hours</b>
6/22/2015	3857736	\$ 152,228	\$ -	\$ 7,611	\$ 159,839	489.3
7/15/2015	3870418	70,841	457	3,565	74,863	195.6
7/21/2015	3874507	71,068	-	3,553	74,621	205.2
7/21/2015	3874486	26,663	-	1,333	27,996	64.1
8/5/2015	3882614	28,774	38	1,441	30,253	83.6
8/5/2015	3882633	33,600	-	1,680	35,280	89.0
8/27/2015	3893988	34,586	-	1,729	36,315	111.4
8/27/2015	3894014	31,993	-	1,600	33,592	113.1
9/4/2015	3897078	25,450	-	1,273	26,723	83.0
9/4/2015	3897084	25,020	-	1,251	26,271	69.3
9/22/2015	3897092	-	21,027	1,051	22,079	-
9/22/2015	3907709	20,058	-	1,003	21,060	53.6
9/22/2015	3907712	21,985	-	1,099	23,084	62.5
9/22/2015	3907711	22,470	-	1,123	23,593	66.4
10/14/2015	3919662	15,754	-	788	16,542	45.2
10/14/2015	3919661	18,748	-	937	19,686	54.5
10/14/2015	3919660	23,759	-	1,188	24,947	78.8
10/14/2015	3919659	14,963	-	748	15,711	45.9
11/12/2015	3937841	13,680	-	684	14,364	40.6
11/12/2015	3937887	17,557	-	878	18,435	51.4
11/12/2015	3937866	7,910	-	396	8,306	24.1
12/15/2015	3964208	9,065	-	453	9,518	28.7
12/15/2015	3964212	5,890	-	295	6,185	17.0
12/15/2015	3964216	7,740	-	387	8,127	23.4
12/15/2015	3964221	9,943	-	497	10,440	28.4
12/15/2015	3964222	4,410	-	221	4,631	14.3
1/18/2016	3974821	8,335	3,600	597	12,532	35.0
2/22/2016	3997234	-	1,103	55	1,158	-
2/22/2016	3997275	13,036	-	652	13,687	39.4
4/1/2016	4029911	15,026	2,501	874	18,402	60.4
<b>Total Fees and Costs</b>		<b>\$ 750,551</b>	<b>\$ 28,727</b>	<b>\$ 38,962</b>	<b>\$ 818,240</b>	<b>2,273</b>

# Appendix B – Fees and Costs of Legal Counsel

**BIG EAGLE HYDRO-VAC INC., BIG EAGLE LIMITED PARTNERSHIP,  
BIG EAGLE HYDRO-VAC (NORTH) INC., and BIG EAGLE (NORTH) LIMITED PARTNERSHIP**

**SUMMARY OF LEGAL FEES AND COSTS**

**Gowling WLG**

Date	Invoice #	Fees	Costs	Fees & Costs	GST	PST	Total	Hours
30-Jun-15	18239366	\$ 56,267	\$ 1,098	\$ 57,365	\$ 2,866	\$ -	\$ 60,231	121.1
5-Aug-15	18261561	25,357	1,436	26,793	1,325	-	28,118	75.1
31-Aug-15	18276933	32,595	1,554	34,149	1,699	-	35,847	113.6
30-Sep-15	18297446	7,562	342	7,904	393	-	8,297	18.0
28-Oct-15	18315542	437	-	437	22	-	458	0.9
30-Nov-15	18337191	97	7	104	5	-	109	0.2
31-Dec-15	18361844	1,019	-	1,019	51	-	1,070	2.1
9-Mar-16	18405026	1,650	-	1,650	83	-	1,733	3.0
5-Apr-16	18423010	715	4	719	36	-	755	1.3
22-Apr-16	18434412	660	3	663	33	-	696	1.2
<b>Subtotal</b>		<b>126,358</b>	<b>4,443</b>	<b>130,801</b>	<b>6,512</b>	<b>-</b>	<b>137,313</b>	<b>336.5</b>

**McMillan LLP**

Date	Invoice #	Fees	Costs	Fees & Costs	GST	PST	Total	Hours
8-Sep-15	3006681	90,264	-	90,264	4,513	120	94,897	200.2
21-Sep-15	3006735	1,968	29	1,997	100	-	2,096	4.1
26-Oct-15	3006876	22,313	166	22,479	1,121	-	23,600	49.1
5-Nov-15	3006932	5,438	-	5,438	272	-	5,709	13.7
5-Jan-16	3007091	1,210	30	1,240	62	-	1,302	2.2
31-Dec-15	3007292	3,905	-	3,905	195	-	4,100	7.1
19-Feb-16	3007455	1,980	47	2,027	101	-	2,128	3.6
16-Mar-16	3007551	5,755	173	5,927	296	-	6,224	17.0
15-Apr-16	3007782	684	10	694	35	-	729	1.8
<b>Subtotal</b>		<b>133,516</b>	<b>455</b>	<b>133,970</b>	<b>6,696</b>	<b>120</b>	<b>140,786</b>	<b>298.8</b>

<b>Total Fees and Costs</b>		<b>\$ 259,874</b>	<b>\$ 4,898</b>	<b>\$ 264,771</b>	<b>\$ 13,208</b>	<b>\$ 120</b>	<b>\$ 278,099</b>	<b>635.3</b>
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Appendix C –  
Statement of Receipts and  
Disbursements for the Period June 8,  
2015 to May 10, 2016

**BIG EAGLE HYDRO-VAC INC., BIG EAGLE LIMITED PARTNERSHIP, BIG EAGLE HYDRO-VAC  
(NORTH) INC. and BIG EAGLE (NORTH) LIMITED PARTNERSHIP  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
for the period of June 8, 2015 to May 10, 2016**

Accounts receivable collections	\$	2,989,338
Funds swept by Wells Fargo prior to June 17, 2015 and paid to Receiver		1,231,509
Great American Group LLC bid deposit		3,740,000
Great American Group LLC - pre-sales		6,099,357
Great American Group LLC - auction sales		17,713,119
Great American Group LLC - GST collections		1,190,561
Great American Group LLC - PST collections		165,049
Government refunds		61,573
GST collections		108,682
GST Refund		70,548
Interest		339
Other		15,080
Rental fees		18,016
Refunds (WCB/Insurance/CAFO)		803,766
Sale of equipment		120,429
Sale of real estate		695,495
Transfer from Bank of Montreal disbursement and payroll account		82,354
<b>Total Receipts</b>	<b>\$</b>	<b>35,105,216</b>
Bank fees	\$	2,754
Business tax		1,885
Commissions on sales		294,085
Commissions on accounts receivable collections		17,338
Contract consultants - C. Anderson and M. Myden		104,011
Contract mechanics / labour		71,920
Courier charges		286
Disposal costs		59,919
Employee expenses		23,837
Employment insurance refund to employees		25,408
Environmental assessments		12,900
Fuel		44,055
Filing fees		280
GST paid on disbursements		99,996
GST paid on legal fees		13,208
GST paid on Receiver's fees and costs		38,962
GST paid on Realization Services Inc. fees and costs		65,063
GST remittance to CRA		1,177,153
Great American LLC make ready costs		161,410
Great American LLC deposit		3,740,000
Great American LLC expenses (per ASA)		500,000
Great American LLC buyers premium		3,067,935
Insurance		639
Legal fees and costs		264,771
Locksmith charges		5,137
Miscellaneous		18,700
Occupation rent		478,350
Payments to secured creditors (equipment release)		63,220
Pre-funding statutory reserve shortfall		63,950
Property taxes		87,701
PST paid on operations		6,573
PST paid on legal fees		120
PST remittance to Minister of Finance		165,049
Real estate appraisals		10,969
Realization Services Inc. commissions		359,053
Realization Services Inc. expenses		156,164
Realization Services Inc. fees		265,584
Realization Services Inc. withholding tax		191,070
Receiver's fees		750,551
Receiver's travel costs and disbursements		28,727
Repairs and maintenance		12,155
Safety audit		7,918
Security		441,726
Source deductions		288,813
Tax filings		87,740
Technology costs		44,063
Transportation costs		365,050
Tank cleaning		102,604
Utilities		46,670
Wages		506,765
<b>Total Disbursements</b>	<b>\$</b>	<b>14,342,237</b>
<b>Payments to Wells Fargo</b>		<b>20,329,951</b>
<b>Excess of Receipts over Disbursements</b>	<b>\$</b>	<b>433,027</b>
<b>Proposed distribution to Wells Fargo for further distribution to Apollo SVP</b>		<b>363,027</b>
<b>Residual Funds Held in Trust</b>	<b>\$</b>	<b>70,000</b>
Represented By:		
Funds in Trust		
Provision for Receiver fees to complete administration		40,000
Provision for legal fees to complete administration		20,000
Provision for RSI commissions		10,000
	<b>\$</b>	<b>70,000</b>