

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF 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 Envision
Engineering & Contracting Inc., Iona Contractors Ltd., Western Construction and Combustion
Services Inc., Bow Valley Electrical Services Ltd., Inter Project Systems Inc. and Landex
Construction Inc. (the "Applicants")

APPLICATION UNDER Rule 14.05 of the *Rules of Civil Procedure* R.R.O. 1990, Reg. 194
and section 10 of the *Companies' Creditors Arrangement Act*, R.S.C 1985, c.C-36, as amended

APPLICATION RECORD OF THE APPLICANT

Cavanagh Williams Conway Baxter LLP
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Ottawa ON K2C 3T2

Thomas Conway LSUC 29214C
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Lawyers for the Applicants

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF 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 Envision Engineering & Contracting Inc., Iona Contractors Ltd., Western Construction and Combustion Services Inc., Bow Valley Electrical Services Ltd., Inter Project Systems Inc. and Landex Construction Inc. (the "Applicants")

APPLICATION UNDER Rule 14.05 of the *Rules of Civil Procedure* R.R.O. 1990, Reg. 194 and section 10 of the *Companies' Creditors Arrangement Act*, R.S.C 1985, c.C-36, as amended

NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicants. The claim made by the applicants appears on the following page.

THIS APPLICATION will come on for a hearing before a judge on DATE at 10:00am or as soon as possible thereafter at the Ottawa Courthouse, 161 Elgin St, Ottawa, ON K2P 2K1.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least two days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date December 7, 2010

Issued by _____
Local registrar

Address of 161 Elgin St., 2nd Floor
court office Ottawa, ON K2P 2K1

TO: ATB Corporate Financial Services
Suite 600-444, 7th Avenue S.W.
Calgary AB T2P 0X8

Attn: Darryl Elliott

APPLICATION

1. The applicants make application for an Order:
 - (a) abridging the time for, or dispensing with service, of this Notice of Application;
 - (b) an order declaring that the applicants are corporations to which the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 applies;
 - (c) appointing RSM Richter Inc. (the "Monitor") as officer of this Court to monitor the assets, businesses and affairs of the applicants;
 - (d) staying all proceedings taken or that might be taken in respect of the applicants or the Monitor;
 - (e) for the other relief as set out in the draft Initial Order attached as Tab 1A to this Application Record, including an Order sealing the cash flow statements filed herein; and
 - (f) such further and other relief as counsel may advise and this Honourable Court may deem just.

2. The grounds for the application are:
 - (a) the applicants are companies to which the CCAA applies;
 - (b) the applicants are insolvent;
 - (c) the claims against the applicants exceed \$5,000,000;
 - (d) the applicant Envision Engineering & Contracting Inc., which wholly owns the remaining applicants, is a corporation incorporated under the laws of Canada, with its head office in Ottawa, Ontario;

- (e) due to the urgency of the Application, it has not been possible to provide all interested parties with notice of the relief requested, however ATB Financial, the principal secured creditor, has been given notice;
 - (f) Rules 2.03, 3.02 and 14.05 of the Rules of Civil Procedure and the urgency associated with obtaining a stay of proceedings under the CCAA;
 - (g) the circumstances set out in the Affidavit of Lynn Zienka, sworn December 7, 2010 make the order sought by the applicants just and appropriate;
 - (h) such other grounds as counsel may advise and this Honourable Court may permit.
3. The following documentary evidence will be used at the hearing of the application:
- (a) the affidavit of Lynn Zienka, sworn on December 7, 2010, and the Exhibits referred to therein;
 - (b) the consent of RSM Richter to act as monitor;
 - (c) the proposed draft order; and
 - (d) such further and other materials as counsel may advise and this Honourable Court may permit.

December 7, 2010

Cavanagh Williams Conway Baxter LLP
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Lawyers for the applicants

**IN THE MATTER OF 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 Envision Engineering
& Contracting Inc., Iona Contractors Ltd., Western Construction and Combustion Services Inc.,
Bow Valley Electrical Services Ltd., Inter Project Systems Inc. and Landex Construction Inc. (the
"Applicants")**

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Ottawa

NOTICE OF APPLICATION

Cavanagh Williams Conway Baxter LLP
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Ottawa ON K2C 3T2

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Lawyers for the Applicants

TAB A

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)
JUSTICE)
) DAY OF DECEMBER, 2010
 , THE

**IN THE MATTER OF 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** Envision Engineering & Contracting Inc., Iona
Contractors Ltd., Western Construction and Combustion Services
Inc., Bow Valley Electrical Services Ltd., Inter Project Systems Inc.
and Landex Construction Inc. (the "Applicants")

INITIAL ORDER

THIS APPLICATION, made by the applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCA") was heard this day at 161 Elgin Street, Ottawa, Ontario.

ON READING the affidavit of Lynn Zienka sworn December 7, 2010 and the Exhibits thereto, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the applicants, no one appearing for Alberta Treasury Branches , although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of RSM Richter to act as the Monitor,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). Subject to further Order of this Court, the applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "Business") and Property. The applicants shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "Assistants") currently retained or employed by them, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the applicants in respect of these proceedings, at their standard rates and charges.

6. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the applicants shall be entitled but not required to pay all reasonable expenses incurred by the applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the applicants following the date of this Order.

7. THIS COURT ORDERS that the applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the applicants in connection with the sale of goods and services by the applicants, but only where such Sales Taxes are accrued or collected

after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the applicants.

8. THIS COURT ORDERS that, except as specifically permitted herein, the applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

9. THIS COURT ORDERS that the applicants shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of their businesses or operations, and to dispose of redundant or non-material assets not exceeding \$200,000 in any one transaction; and
- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate;
- (c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the applicants to proceed with an orderly restructuring of the Business (the "Restructuring").

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

10. THIS COURT ORDERS that until and including thirty days from the date of this order, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of the applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the applicants to carry on any business which the applicants are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

12. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right,

contract, agreement, licence or permit in favour of or held by the applicants, except with the written consent of the applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

13. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the applicants, and that the applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the applicants in accordance with normal payment practices of the applicants or such other practices as may be agreed upon by the supplier or service provider and each of the applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

14. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

15. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the

former, current or future directors or officers of the applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

16. THIS COURT ORDERS that the applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

17. THIS COURT ORDERS that the directors and officers of the applicants shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for the indemnity provided in paragraph 16 of this Order. The Directors' Charge shall have the priority set out in paragraphs 28 and 30 herein.

18. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the applicants directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 16 of this Order.

APPOINTMENT OF MONITOR

19. THIS COURT ORDERS that RSM Richter is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the applicants

with the powers and obligations set out in the CCAA or set forth herein and that the applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

20. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the applicants receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters
- (c) advise the applicants in their development of the Plan and any amendments to the Plan;
- (d) assist the applicants, to the extent required by the applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the applicants, to the extent that is necessary to adequately assess the applicants business and financial affairs or to perform its duties arising under this Order;
- (f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (g) perform such other duties as are required by this Order or by this Court from time to time.

21. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

22. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

23. THIS COURT ORDERS that that the Monitor shall provide any creditor of the applicants with information provided by the applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the applicants may agree.

24. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except

for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

25. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the applicants as part of the costs of these proceedings. The applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the applicants on a weekly basis and, in addition, the applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the applicants, retainers in the amount[s] of \$25,000 each to be held by them as security for payment of their respective fees and disbursements outstanding from time to time

26. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

27. THIS COURT ORDERS that the Monitor, counsel to the Monitor, if any, and the applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel; both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 28 and 30 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

28. THIS COURT ORDERS that the priorities of the Directors' Charge and the Administration Charge as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$500,000);

Second – Directors' Charge (to the maximum amount of \$500,000).

29. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge or the Administration Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

30. THIS COURT ORDERS that each of the Directors' Charge and the Administration Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person.

31. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge or the Administration Charge, unless the applicants also obtain the prior written consent of the Monitor and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

32. THIS COURT ORDERS that the Directors' Charge and the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the applicants of any Agreement to which they are a party; and
- (b) the payments made by the applicants pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SEALING ORDER/PUBLICATION BAN

33. THIS COURT ORDERS that the cashflow statements attached as Exhibit "D" to the affidavit of Lynn Zienka be and hereby are filed under seal of this Court, and that any publication of those statements is prohibited pursuant to s.10(3) of the CCAA, subject to any further order of this Court.

SERVICE AND NOTICE

34. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in [newspapers specified by the Court] a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the applicants of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

35. THIS COURT ORDERS that the applicants and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the applicants creditors or other interested parties at their respective addresses as last shown on the records of the applicants and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be

received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

36. THIS COURT ORDERS that the applicants, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at www.rsmrichter.com .

GENERAL

37. THIS COURT ORDERS that the applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

38. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the applicants, the Business or the Property.

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

40. THIS COURT ORDERS that each of the applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a

representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

41. THIS COURT ORDERS that any interested party (including the applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

42. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

DRAFT

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF 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** Envision Engineering & Contracting Inc.,
Iona Contractors Ltd., Western Construction and Combustion
Services Inc., Bow Valley Electrical Services Ltd., Inter Project
Systems Inc. and Landex Construction Inc. (the "Applicants")

**AFFIDAVIT OF LYNN ZIENKA
(sworn December 7, 2010)**

I, Lynn Zienka, of the City of Ottawa, **MAKE OATH AND SAY:**

1. I am the Vice President, Finance for Envision Engineering & Contracting Inc. ("Envision") and as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate otherwise, these matters are within my own knowledge. Where I have indicated that I have obtained information from other sources, I state the source of that information and verily believe it to be true.

Overview

2. This affidavit is sworn in support of the application by Envision and certain affiliated companies as described in Paragraph 3 (collectively "the Group") for certain relief under the Companies' Creditors Arrangements Act, R.S.C. 1985, c. C-36 (the "CCAA").

3. The Group includes Envision, a corporation incorporated under the Canada Corporations Act, and the following wholly or majority owned subsidiaries of Envision:

(a) Iona Contractors Ltd. ("Iona");

- (b) Western Construction and Combustion Services Inc. ("Western");
 - (c) Bow Valley Electrical Services Ltd. ("Bow Valley");
 - (d) Inter Project Systems Inc. ("Interproject");
 - (e) Landex Construction Inc. ("Landex");
4. The total of the claims against the Group is in excess of 35 million dollars.
5. The Group is presently insolvent on the basis that its total liabilities exceed its total assets by approximately 2 million dollars. Without relief under the CCAA, it will also soon face the inability to pay its obligations as they come due.
6. The Group seeks an order granting a stay of proceedings against all of the creditors of the Group and the appointment of RSM Richter Inc. ("Richter") as monitor under the provisions of the CCAA. Richter has advised that it is willing to act as Monitor.
7. There are no immediate additional sources of financing available to the Group and, in the absence of the relief sought on this application, the Group will be forced to cease all or part of its operations, with the attendant loss of jobs, default and/or disruption of ongoing construction projects, losses to creditors and the loss of the value of the going concern to all stakeholders.
8. Envision has had discussions with Richter, and intends to develop a restructuring plan. The stay which the Group is requesting will afford the Group with the opportunity to review the viability of each project and company within the Group and to devise a strategy to preserve and maximize value. That will take time.

The Envision Business

9. Envision was incorporated under the Canada Business Corporations Act in 2006. Its principal business is to acquire and centrally manage companies in the construction, electrical and environmental services sectors. It also engages in environmental consulting. Envision wholly owns the other companies in the Group, and when able, it seeks out

construction projects where several companies in the Group can act as subcontractors to the same project. Envision itself has approximately 20 employees.

10. Iona was incorporated under the laws of Alberta in 2005. Its predecessor Iona Construction Co. started business in 1973. Its head office is in Calgary. Iona specializes in underground services, site excavation, grading and preparation, demolition and environmental site clean-up. It was acquired by Envision in 2007. Iona has approximately 70 employees.

11. Western was incorporated under the laws of Alberta in 2008. Its head office is in Calgary. Western is a full service construction company. A majority (95%) interest in Western was acquired by Envision in 2008. Western has approximately 70 employees.

12. Bow Valley was incorporated under the laws of Alberta in 1979. Its head office is in Calgary. It is an electrical contractor which specializes in commercial and multi-family projects. It was acquired by Envision in 2008. Bow Valley has approximately 15 employees.

13. Interproject was incorporated under the laws of British Columbia in 2001. Its head office is in Burnaby. It is in the business of hazardous materials disposal. It was acquired by Envision in 2009. Interproject has approximately 15 employees

14. Landex was incorporated under the laws of Ontario in 2003. Its head office is in Ottawa. It is a general construction company with approximately 10 employees. A majority (80%) interest in Landex was acquired by Envision in 2008.

15. In total the Group has approximately 200 employees who, in 2009, were paid salaries in excess of \$15 million.

Envision's Finances

16. The Group is presently involved in approximately 32 significant projects in Ontario, Saskatchewan, Alberta and BC. Most projects are with respect to municipal, provincial or federal government works.

17. For example, in Ottawa, the Group is completing a contract for a groundwater remediation system for the Montfort Hospital. Other clients include the National Capital Commission and the City of Ottawa.

18. A sampling of other projects include large drainage pipe projects in Edmonton and Saskatoon, and various roadwork and school construction projects in Alberta.

19. There are other substantial projects on the horizon. For example, there is a Calgary Airport Expansion project commencing in 2011 for which the bidding process is complete. This project could bring in as much as \$30 million to the Group.

20. In 2009, the Group had net revenues of \$78 million, and was profitable. A true copy of the financial statements for the Group for the year ending October 31, 2009 are attached as Exhibit "A" to this my affidavit. These are the most recent financial statements for the Group, reviewed by the companies' external accountants.

21. In 2010 the business environment in the construction industry has been more challenging. To address these issues, Envision has taken steps to reduce costs. For example, the Toronto and Kelowna offices have been closed. Unnecessary heavy equipment leases have been cancelled. Local management at Western has been replaced. Office space in Calgary will be consolidated in the spring of 2011 when current leases expire.

22. The principal lender to the Group is the Alberta Treasury Branches through ATB Financial ("ATB"). ATB is the principal secured lender of the Group. The ATB loan is presently in the amount of approximately \$11 million. The loan is apportioned between Envision, Iona, Western Construction and Bow Valley and guaranteed by all of the applicants. Each portion of the loan is secured by a General Security Agreement over the assets of all of the applicants.

23. The Group also now has unsecured accounts payable in the amount of approximately \$16.7 million, owed primarily to trade creditors.

24. On the other hand, the Group has accounts and holdbacks receivable in excess of \$25 million.

25. Therefore I believe that, but for a single looming issue, the Group would be in a position to weather the current economic conditions.

26. However Iona is facing serious difficulties in one very large project, the Saskatoon Southern Ring Road project, as will be described below. Owing to the cross-securitization of the ATB loans, this problem has affected the entire Group.

The Saskatoon Project

27. In 2008, the City of Saskatoon ("the City") announced that the southern portion of the Circle Drive Ring Road (the "Ring Road") would be completed. In 2010 the contract was awarded to the Graham-Flatiron joint venture ("Flatiron").

28. Iona was awarded the sub-contract for installing sewer pipe for the Ring Road. The contract price is \$22 million, including several change orders.

29. The specifications for the pipe were contained in the head contract. There was only one manufacturer of the specified pipe – Expocrete Concrete Products Ltd., ("Expocrete"), a Saskatoon company.

30. Accordingly Iona commenced work on the project and paid over \$1.2M to Expocrete for a portion of the necessary pipe.

31. When Iona attempted to install the pipe, it was discovered that the pipe sections would not fit together due to a design or manufacturing flaw. To that point Iona had expended over \$5M in construction costs in addition to the \$1.2M spent on the pipe.

32. An independent third-party conducted engineering tests on the pipe and determined it was unusable. Flatiron and Iona therefore rejected the pipe. Iona then approached the City requesting a new specification. The City refused, saying that the pipe from Expocrete must

be used. Iona is therefore caught in the middle of a dispute which it did not cause and cannot resolve.

33. The resulting impasse between the City and Flatiron has meant that Iona has not been able to do further work on the project, and it has been paid only \$3.2 million towards the work and expenses incurred to date; \$1.8 million remains unpaid . This has caused both additional employee expenses and a serious cash flow problem at Iona.

34. The Ring Road contract specifies that Iona must complete its work by April 1, 2011. With no immediate resolution in sight to the Expocrete issue and with winter fast approaching, it will be virtually impossible for Iona to complete the Ring Road project on time. In such event, Iona will be potentially liable for late penalties of \$30,000 per day.

35. Iona has recently filed suit for damages against the City and Expocrete, and it is considering other legal remedies in the nature of injunctive or declaratory relief. Attached as Exhibit "B" to this affidavit is a copy of the statement of claim. It is unlikely that this legal action will bring timely cash flow relief to Iona that is sufficient to redress the problem referred to above.

The Cash Flow Problem

36. The cash flow problem at Iona has had consequences for the entire Group. The need for cash conservation across the Group has led to some of the suppliers to the Group not being paid on time. Many suppliers have filed liens against various projects of Group members, even when not permitted to do so by law.

37. This in turn has created concern amongst other contracting parties that other Group companies may be in difficulty. Certain customers have been reluctant to make progress payments to Group members for work already completed, and are unreasonably withholding those payments.

38. For this reason, even though receivables exceed payables by some \$8 million, a serious cash flow problem has developed, leading to a vicious circle which has placed the entire Group in jeopardy.

39. The Group is now in breach of all the covenants contained in the ATB loan. This places the Group at risk of the ATB loan being called immediately. If the ATB loan were called, the Group has neither the cash nor the immediate ability to raise sufficient cash to satisfy the call. It would therefore have no choice but to default on the loan.

The Matter is Now Urgent

40. After extensive discussions regarding a possible extension of the loan, the ATB last week advised the Group that no extension will be granted and that it will now be reducing the Group's line of credit by \$200,000 per week. The Group cannot meet this timetable. This will put the ATB loan in default.

41. In addition, as of late last week, trade creditors have begun to take such actions as threatening to remain in Group offices until payments are made. The staff has begun to fear for its safety and the Group is considering hiring security personnel.

42. I believe that the cash flow issues have come to a critical head and that action must be taken this week in order to stabilize what is fast becoming a chaotic situation.

The Proposed Monitor

43. The Group has had discussions with Richter, and in particular with Robert J. Taylor, CA, CIRP, CFE, a partner in Richter. I have given Mr. Taylor complete access to the financial information of the Group. He also has complete access to the management of the Group.

44. I am informed by Mr. Taylor that he is certified as a Chartered Accountant in the Province of Alberta (CA), a Certified Fraud Examiner (CFE), and is certified by the Canadian Association of Insolvency and Restructuring Professionals (CIRP). Mr. Taylor is licensed by the Superintendent of Bankruptcy to act as a Trustee within the meaning of s.2(1) of the Bankruptcy and Insolvency Act.

45. He also informed me that he has acted as the President of the Calgary Association of Chartered Accountants, Treasurer of the Alberta Insolvency Practitioners Association and as a Director of the Alberta Insolvency Practitioners Association.

46. Mr. Taylor has indicated that he is willing to act as Monitor in these proceedings.

47. Mr. Taylor has completed a preliminary draft report, which is attached hereto as Exhibit "C". The conclusions of Mr. Taylor may be summarized in the following manner:

- (a) Based on his preliminary review of the Group's financials and cash flow statements, it appears that no DIP financing will be required over the term of the initial order sought and the period covered by the cash flow statements; and
- (b) The Group needs the relief sought in this application under the CCAA in order to rectify its cash flow shortfall and consider all of its options to continue as a viable going concern, failing which the Group will not be able to continue.

CCAA is the Right Solution

48. The preliminary report of the proposed monitor confirms my belief that the problems of the Group are essentially cash flow and receivables problems. Attached hereto as Exhibit "D" to this my Affidavit is a confidential cash flow statement indicating the weekly projected cash flow of the Group. Exhibit "D" was prepared by each of the applicants and reviewed by me with the assistance of Richter, and may be amended from time to time. I believe the cash flow statement to be a fair and reasonable projection based on the current state of affairs.

49. I believe that a CCAA application provides the only viable means of giving the Group the ability to work through these immediate problems, and to develop a viable restructuring plan. The Group needs the time to bring in its receivables. This will lead to the ability to pay creditors in an orderly manner, and to bring the Group back within the ATB covenants. Time is also needed to develop and execute any necessary restructuring plan.

50. I believe that the Group's core business is sound. Over the years, the component companies of the Group have forged successful long-standing relationships with its various lenders, trades and suppliers, all elements critical to success in the construction industry. This is a valuable intangible asset that would be lost and unrecoverable to the Group's stakeholders in the context of a receivership, liquidation, or bankruptcy scenario.

51. There is significant value in many of the projects now underway. The Group's intention is to review with the Monitor and the affected secured lenders the viability of each project. In this way, secured lenders will have transparency on their collateral, and the inherent value of the projects can be realized in a deliberate fashion for the benefit of all of the Group's stakeholders.

52. The cash-flow statement indicates that, under CCAA protection, the Group would generate positive cash flow. This would ensure that the position of ATB as secured creditor would not be eroded during the stay period.

53. I believe that with the time afforded by this CCAA application, the Group can develop a viable way forward that preserves the most value for all stakeholders. I also concur with Richter's preliminary conclusion that, without CCAA protection, the Group will be forced into receivership or Bankruptcy, with the attendant negative consequences for all stakeholders.

54. The alternative is undesirable and benefits no one. If the Group was not afforded an opportunity to restructure and it was left to collapse, I believe the ramifications would include:

- (a) piecemeal liquidation of the Group, with its complex corporate structure and cross-collateralized credit facilities, would be inefficient and expensive;
- (b) significant loss of value to stakeholders from the loss of the value discussed above, and the loss of skilled craftsman, management and marketing initiatives that the Group has developed over the past 30 years and more; and

- (c) significant loss of recovery and future job opportunities to the Group's trade creditors and employees.

Nature of the Order Sought

55. The Group seeks a Stay of Proceedings. The Group is concerned that if any creditor acts precipitously that there will be erosion in the value of the projects, goodwill and other assets of the Group, to the serious detriment to the Group and its stakeholders. With the requested Stay, the Group will have time to further assess its projects and devise a strategy to maximize value and to return to profitability.

56. The Group is seeking a \$500,000 Administration Charge as security for the professional fees and disbursements incurred by the proposed monitor, its counsel and the Group's counsel in relation to work done in relation to and after the commencement of the CCAA Proceedings. The Group does not have sufficient free resources to fund these expenses without such an order.

57. I am informed by my counsel, and do verily believe, that the cost of a receivership or some similar liquidation proceeding for the Group would be comparable to, or exceed, the Administration Charge. As such it is my belief that that ATB will not be prejudiced by the Proposed Administration Charge.

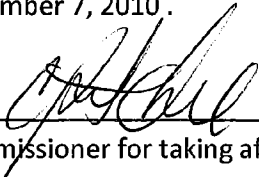
58. The Group is seeking a Directors Charge in the amount of \$500,000. In the normal course of business the Group accrues an amount of outstanding payroll, statutory deductions and GST in excess of \$400K between pay periods and remittances. There is no policy of indemnification insurance in place for any of the directors of the Group. I believe that, given the difficult state of the finances of the Group, such insurance cannot presently be obtained either in a timely manner or at a reasonable cost, if at all.

59. Almost all of the work of the Group is obtained through competitive bidding processes. Therefore the release of the cash flow statement and other financial information contained in this application would be unduly prejudicial to the Group in that it would provide an unfair advantage to competitors. The Group therefore requests that there be a

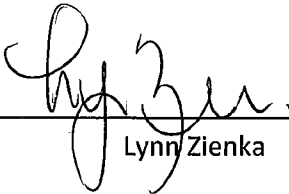
sealing order and publication ban with respect to the cash flow statements attached as Exhibit "D" hereto, pursuant to section 10(3) of the CCAA.

60. I swear this affidavit in support of an application for certain relief under the CCAA and for no other or improper purpose.

SWORN BEFORE ME at the City of
Ottawa, in the Province of Ontario, on
December 7, 2010.



Commissioner for taking affidavits



Lynn Zienka

**IN THE MATTER OF 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 ENVISION
ENGINEERING & CONTRACTING INC., IONA CONTRACTORS LTD., WESTERN CONSTRUCTION AND
COMBUSTION SERVICES INC. AND BOW VALLEY ELECTRICAL SERVICES LTD**

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at OTTAWA

AFFIDAVIT OF LYNN ZIENKA

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Lawyers for the Applicants

TAB A

This is Exhibit "A" referred to in the
Affidavit of Lynn Zienka,
sworn before me, this 7th day of December, 2010.



A Commissioner for Taking Affidavits



Consolidated Financial Statements

(Unaudited)

Envision Engineering & Contracting Inc.

October 31, 2009

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Review Engagement Report

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To the Shareholders of
Envision Engineering & Contracting Inc.

We have reviewed the consolidated balance sheet of Envision Engineering & Contracting Inc. at October 31, 2009 and the consolidated statement of earnings, retained earnings and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Company.

A review does not constitute an audit and consequently we do not express an audit opinion on these consolidated financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these consolidated financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Calgary, Alberta

February 28, 2010

Chartered Accountants

Envision Engineering & Contracting Inc.

Consolidated Statement of Earnings

(Unaudited)

	Year Ended October 31, 2009	Ten months Ended October 31, 2008
Revenue	\$ 78,498,515	\$ 36,445,499
(Loss) gain on disposal of investment	(3,052)	163,636
Loss on disposal of property and equipment	-	(23,951)
Other income	<u>35,604</u>	<u>2,313</u>
	<u>78,531,067</u>	<u>36,587,497</u>
Cost of sales		
Amortization - heavy equipment	434,931	298,280
Demolition	1,241,794	285,714
Environmental	3,376,548	724,674
Equipment rent	1,011,581	115,355
Excavation and backfill	4,392,457	1,133,859
Fuel	1,051,379	624,472
General conditions	1,835,709	1,132,199
Hauling	1,259,207	549,434
Heavy equipment rental	1,596,381	566,174
Purchases	8,523,115	929,295
Site improvements and amenities	485,552	617,379
Sub-contract	12,540,822	8,937,903
Travel and lodging	847,634	386,631
Underground and site services	19,316,669	7,217,399
Wages and benefits	<u>11,476,438</u>	<u>3,740,394</u>
	<u>69,390,217</u>	<u>27,259,162</u>
Gross profit	9,140,850	9,328,335
General and administrative expenses (Schedule)	<u>7,923,334</u>	<u>3,270,056</u>
Earnings before income taxes and non-controlling interest	<u>1,217,516</u>	<u>6,058,279</u>
Income tax expense (recovery)		
Current	(220,321)	1,298,259
Future	<u>868,040</u>	<u>393,918</u>
	<u>647,719</u>	<u>1,692,177</u>
Earnings before non-controlling interest	569,797	4,366,102
Non-controlling interest	<u>148,783</u>	<u>141,873</u>
Net earnings	<u>\$ 421,014</u>	<u>\$ 4,224,229</u>

See accompanying notes to the consolidated financial statements.

Envision Engineering & Contracting Inc.
Consolidated Statement of Retained Earnings

(Unaudited)

	Year Ended October 31, 2009	Ten months Ended October 31, 2008
Retained earnings, beginning of year	\$ 6,079,131	\$ 1,854,902
Share redemption	(71,774)	-
Dividends	(1,305,000)	-
Net earnings	<u>421,014</u>	<u>4,224,229</u>
Retained earnings, end of year	<u>\$ 5,123,371</u>	<u>\$ 6,079,131</u>

See accompanying notes to the consolidated financial statements.

Envision Engineering & Contracting Inc. Consolidated Balance Sheet

(Unaudited)

October 31	2009	2008
Assets		
Current		
Receivables	\$ 18,527,139	\$ 15,693,921
Holdbacks receivable	6,721,415	1,933,438
Income taxes recoverable	498,177	-
Inventory	180,526	176,596
Prepays	121,932	108,900
Due from related parties (Note 7)	32,797	-
Due from shareholders	<u>49,082</u>	<u>-</u>
	26,131,068	17,912,855
Future income tax asset	-	50,452
Intangible assets (Note 5)	657,550	739,745
Goodwill (Note 6)	2,192,546	1,613,765
Property and equipment (Note 8)	<u>1,666,645</u>	<u>560,224</u>
	<u>\$ 30,647,809</u>	<u>\$ 20,877,041</u>
Liabilities		
Current		
Bank indebtedness (Note 9)	\$ 4,733,682	\$ 4,495,396
Payables and accruals	17,391,268	7,393,666
Income taxes payable	-	1,240,719
Due to related parties (Note 7)	-	184,560
Current portion of long-term debt (Note 10)	<u>650,133</u>	<u>205,495</u>
	22,775,083	13,519,836
Long-term debt (Note 10)	663,877	309,574
Shareholders' loans	-	342,587
Future income taxes	<u>1,416,521</u>	<u>483,940</u>
	<u>24,855,481</u>	<u>14,655,937</u>
Non-controlling interest	<u>668,857</u>	<u>141,873</u>
Shareholders' Equity		
Capital stock (Note 11)	100	100
Retained earnings	<u>5,123,371</u>	<u>6,079,131</u>
	<u>5,123,471</u>	<u>6,079,231</u>
	<u>\$ 30,647,809</u>	<u>\$ 20,877,041</u>

Commitments (Note 15)

Subsequent event (Note 19)

On behalf of the Board

Director_____
Director

See accompanying notes to the consolidated financial statements.

Envision Engineering & Contracting Inc.

Consolidated Statement of Cash Flows

(Unaudited)

	Year Ended October 31, 2009	Ten months Ended October 31, 2008
Cash flows from operating activities		
Net earnings	\$ 421,014	\$ 4,224,229
Adjustments for		
Amortization	656,470	390,947
Future income taxes	868,040	393,918
Loss (gain) on disposal of investment	3,052	(163,636)
Loss on sale of property and equipment	-	23,951
Amortization of intangible assets	<u>82,194</u>	<u>82,194</u>
	2,030,770	4,951,603
Change in non-cash working capital items (Note 13)	<u>2,933,795</u>	<u>(7,127,107)</u>
	<u>4,964,565</u>	<u>(2,175,504)</u>
Cash flows from investing activities		
Net cash paid on acquisitions	(1,240,217)	(2,149,509)
Non-controlling interest	148,783	141,873
Advances (to) from shareholders	(391,669)	142,587
Purchase of property and equipment	(1,651,118)	(297,119)
Proceeds on disposal of property and equipment	-	195,406
Loan receivable	-	100,000
Due from related parties	<u>(217,357)</u>	<u>184,560</u>
	<u>(3,351,578)</u>	<u>(1,682,202)</u>
Cash flows from financing activities		
Bank indebtedness	(738,686)	4,038,513
Redemption of shares	(80,000)	(100,000)
Repayment of long-term debt	(344,672)	(230,507)
Proceeds of long-term debt	855,371	149,700
Dividends paid	<u>(1,305,000)</u>	<u>-</u>
	<u>(1,612,987)</u>	<u>3,857,706</u>
Net increase, being cash, end of year	\$ <u>-</u>	\$ <u>-</u>

See accompanying notes to the consolidated financial statements.

Envision Engineering & Contracting Inc.

Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

1. Business

The Company was incorporated on December 21, 2006 under the provisions of the Canada Business Corporations Act. The Company provides general construction contracting services.

2. Summary of significant accounting policies

Basis of presentation

These consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles within the framework of the accounting policies summarized below.

The following table summarizes how the Company accounts for its various investments:

Investment	Interest	Basis of accounting
InterProject Systems Inc.	100%	Consolidation
Iona Contractors Ltd.	100%	Consolidation
Western Construction and Combustion Services Inc.	91.0%	Consolidation
RGT Electric Ltd.	80.0%	Consolidation
LandEx Construction Inc.	77.2%	Consolidation
Bow Valley Electrical Services Ltd.	71.0%	Consolidation

Use of estimates

The preparation of the consolidated financial statements in accordance with Canadian generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from and affect the results reported in these consolidated financial statements. Uncertainty is inherent in estimating the costs to complete construction projects. The impact on the consolidated financial statements of any differences from these estimates could be material.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short-term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Revenue recognition

Revenue from construction contracts is recognized on the percentage of completion basis. Percentage of completion is determined based on the costs incurred on each construction contract to the end of the respective accounting period as a percentage of total estimated project cost. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined.

Envision Engineering & Contracting Inc.

Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

2. Summary of significant accounting policies (Continued)

Property and equipment

Property and equipment are recorded at cost and are being amortized over their estimated useful lives on a declining balance basis, commencing in the year of addition up to and excluding the year of disposal, at the following rates:

Heavy equipment	30%
Automotive equipment	30%
Construction equipment	20-30%
Office equipment	30%
Computer equipment	30%
Leasehold improvements	straight-line over term of lease

Inventory

Inventory is comprised of operating supplies used on construction sites, and cost is determined on a weighted average basis. Inventory is valued at the lower of cost and net realizable value.

Intangible assets

Intangible assets acquired individually or as part of a group of other assets are initially recognized and measured at cost. The cost of intangible assets acquired in a business combination that meet the specified criteria for recognition apart from goodwill is allocated to the individual assets acquired based on their estimated fair values.

Intangible assets with finite useful lives are amortized over their useful lives. Intangible assets with indefinite useful lives are reviewed for impairment annually or more frequently if circumstances indicate the intangible might be impaired. The Company has no intangible assets with indefinite useful lives.

The amortization methods and estimated useful lives of intangible assets, which are reviewed annually, as are follows:

Customer relationships	Straight-line - 10 years
Trade names	Straight-line - 10 years

Income taxes

The Company uses the tax liability method for determining income taxes. Under this method, future tax assets and liabilities are determined according to differences between their respective carrying amounts and tax bases. Future tax assets and liabilities are measured based on enacted or substantively enacted tax rates and laws at the date of the consolidated financial statements for the years in which these temporary differences are expected to reverse. Adjustments to these balances are recognized in earnings as they occur.

Envision Engineering & Contracting Inc.

Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

2. Summary of significant accounting policies (Continued)

Goodwill

Goodwill represents the excess of the purchase price of an acquisition over the fair value of the underlying net assets acquired at the date of acquisition. Goodwill arising from acquisitions is not amortized and is tested for impairment annually, or more frequently if events or changes in circumstances indicate the asset might be impaired. Impairment is tested by comparing the carrying amount of the reporting unit, including goodwill, with its fair value. Fair value is determined using the discounted, estimated future operating cash flows of the reporting unit. When the fair value of the reporting unit exceeds its carrying value, goodwill of the reporting unit is not considered to be impaired. When the carrying value of the reporting unit exceeds its fair value, the implied fair value of the reporting unit's goodwill, determined in the same manner as the value of goodwill is determined in a business combination, is compared with its carrying amount to measure the amount of the impairment loss, if any.

Financial instruments

The Company's financial instruments consist of receivables, holdbacks receivable, due from related parties, bank indebtedness, payables and accruals and long-term debt. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks and these financial instruments approximate their carrying values, except for due from related company, for which fair value is not readily determinable.

3. Change in accounting policies and future accounting pronouncements

Effective November 1, 2008, the Company adopted the CICA standard Section 3031, "Inventories". The new standard provides additional guidance concerning measurement, classification and disclosure. The standard allows for the reversal of write-downs to net realizable value when there is a change in the circumstances giving rise to the impairment. Management has assessed that the adoption of this standard will result in enhanced disclosure in its consolidated financial statements.

Effective November 1, 2008, the Company adopted the CICA Section 3064, "Goodwill and Intangible Assets". This standard replaces the existing "Goodwill and Intangible Assets" Section 3062 and establishes new standards for the recognition, measurement and disclosure of goodwill, intangible assets and research and development costs. It also includes requirements for recognizing internally generated intangibles. Management has assessed that the adoption of this standard will result in enhanced disclosure in its consolidated financial statements.

Envision Engineering & Contracting Inc. Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

3. Change in accounting policies and future accounting pronouncements (Continued)

Future accounting pronouncements

For fiscal years beginning on or after January 1, 2011, publicly accountable enterprises will be required to report interim and annual financial statements using the International Financial Reporting Standards ("IFRS"). While non-publicly accountable enterprises have the option of reporting under IFRS, the Canadian Institute of Chartered Accountants Accounting Standards Board ("AcSB") has developed a new GAAP framework for private enterprises. Private enterprises will be required to prepare their financial statements in accordance with Accounting Standards for Private Enterprises ("PEGAAP") for year ends beginning on or after January 1, 2011. Early adoption of PEGAAP is permitted.

In January 2009, the CICA Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1062 "Non-controlling interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes the standards for the accounting for business combinations that is equivalent to the business combination accounting standards under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Sections 1061 and 1602 are applicable for the Company's interim and annual financial statements for its fiscal year beginning January 1, 2011. Early adoption of these standards is permitted.

The Company is currently assessing the impact of these standards on its financial statements.

4. Business combinations

a) Bow Valley Electrical Services Ltd.

On October 30, 2008, the Company entered into an agreement to purchase 91% of the outstanding common shares of Bow Valley Electrical Services Ltd. ("Bow Valley"), an Alberta based electrical construction and contracting firm, for total cash consideration of \$1,365,000. The final price adjustment was not recorded as the criteria for downward adjustment of the purchase price was not met. The transaction closed on November 1, 2008 and the acquisition has been accounted for as a purchase and is summarized as follows:

Purchase price:

Cash	\$ 1,365,000
Legal fees to close	<u>13,887</u>
	<u>\$ 1,378,887</u>

Net assets acquired:

Current assets	\$ 2,735,305
Property and equipment	204,793
Goodwill	443,925
Current liabilities	(1,797,674)
Future tax liability	(114,993)
Non-controlling interest	<u>(92,469)</u>
	<u>\$ 1,378,887</u>

Envision Engineering & Contracting Inc. Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

4. Business combinations (Continued)

As part of the acquisition of RBT Electric Ltd., the Company surrendered 60 Class A and Class B shares of Bow Valley as purchase price consideration. This has been accounted for as a disposition and resulted in decrease in goodwill by \$97,565 and increase in non-controlling interest by \$205,486. A loss on disposal of \$3,052 has been recorded on the date of disposal.

b) RBT Electric Ltd.

On November 7, 2008, the Company entered into an agreement to purchase 80% of the outstanding common shares of RBT Electric Ltd. ("RBT"), an Alberta based electrical contracting firm, for total consideration of \$400,000, comprised of \$100,000 in cash and \$300,000 by way of 60 Class A and 60 Class B shares of Bow Valley Electrical Services Ltd. The transaction closed on November 14, 2008 and the acquisition has been accounted for as a purchase and is summarized as follows:

Purchase price:	
Cash	\$ 100,000
Shares of Bow Valley Electrical Services Ltd.	300,000
Legal fees to close	<u>12,119</u>
	\$ <u>412,119</u>
 Net assets acquired:	
Current assets	\$ 550,855
Property and equipment	83,801
Goodwill	67,584
Current liabilities	(129,558)
Long-term debt	(74,429)
Non-controlling interest	<u>(86,134)</u>
	\$ <u>412,119</u>

c) LandEx Construction Inc.

On May 1, 2009, the Company entered into an agreement to purchase 77.23% of the outstanding common shares of LandEx Construction Inc. ("LandEx"), an Ontario based landscaping and general construction company, for total cash consideration of \$35,000. The transaction closed on May 1, 2009 and the acquisition has been accounted for as a purchase and is summarized as follows:

Envision Engineering & Contracting Inc. Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

4. Business combinations (Continued)

Purchase price:

Cash	\$	35,000
Legal fees to close		<u>13,981</u>
	\$	<u>48,981</u>

Net assets acquired:

Current assets	\$	89,492
Investment in Panorama Property Maintenance		2,000
Property and equipment		147,493
Goodwill		41,051
Current liabilities		(98,982)
Long-term debt		(129,734)
Non-controlling interest		<u>(2,339)</u>
	\$	<u>48,981</u>

d) InterProject Systems Inc.

On April 28, 2009, the Company entered into an agreement to purchase 100% of the outstanding common shares of InterProject Systems Inc., a British Columbia based company specializing in utility mapping and 3D GIS modeling, for total consideration of \$35,001. The transaction closed on April 30, 2009 and the acquisition has been accounted for as a purchase and is summarized as follows:

Purchase price:

Cash	\$	35,001
Legal fees to close		<u>6,478</u>
	\$	<u>41,479</u>

Net assets acquired:

Current assets	\$	31,035
Property and equipment		56,824
Goodwill		123,786
Current liabilities		(86,087)
Long-term debt		<u>(84,079)</u>
	\$	<u>41,479</u>

Envision Engineering & Contracting Inc. Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

5. Intangible assets

The Company through its wholly-owned subsidiary, Western Construction and Combustion Services Inc., acquired certain assets and assumed the liabilities of Western Construction and Combustion Services Inc. Total intangible asset additions during the year were \$Nil (2008 - \$821,938).

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2009 Net Book Value</u>	<u>2008 Net Book Value</u>
Customer relationships	\$ 410,969	\$ 82,194	\$ 328,775	\$ 369,872
Trade name	<u>410,969</u>	<u>82,194</u>	<u>328,775</u>	<u>369,873</u>
	\$ <u>821,938</u>	\$ <u>164,388</u>	\$ <u>657,550</u>	\$ <u>739,745</u>

6. Goodwill

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 1,613,765	\$ 714,150
Acquisitions (Note 4)	676,346	-
Purchase price adjustment	-	899,615
Disposal	<u>(97,565)</u>	<u>-</u>
Balance, end of year	\$ <u>2,192,546</u>	\$ <u>1,613,765</u>

As part of the acquisition of RGT Electric Ltd., the Company surrendered 60 Class A and Class B shares of Bow Valley Electrical Services Ltd. ("Bow Valley") representing 20% of the outstanding shares of Bow Valley, as part of the purchase price. The estimated fair value of these shares was \$300,000. This resulted in a decrease in the Company's ownership interest in Bow Valley and as such, the goodwill on acquisition has been reduced by \$97,565 to reflect the ownership interest.

7. Due from (to) related parties

	<u>2009</u>	<u>2008</u>
Nicky D's	\$ 46,169	\$ 45,440
1301965 Ontario Inc.	-	(230,000)
Panorma Property Maintenance	<u>(13,372)</u>	<u>-</u>
	\$ <u>32,797</u>	\$ <u>(184,560)</u>

Envision Engineering & Contracting Inc.

Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

7. Due from related parties (Continued)

The balance due from related parties is unsecured, due on demand, non-interest bearing with no specific terms of repayment. As such, the entire balance has been classified as a current asset.

8. Property and equipment

			<u>2009</u>	<u>2008</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Heavy equipment	\$ 1,757,872	\$ 885,087	\$ 872,785	\$ 348,224
Automotive equipment	832,489	565,693	266,796	58,697
Construction equipment	406,220	226,250	179,970	58,528
Office equipment	164,440	81,275	83,165	51,516
Computer equipment	315,519	154,673	160,846	34,717
Leasehold improvements	<u>131,408</u>	<u>28,325</u>	<u>103,083</u>	<u>8,542</u>
	<u>\$ 3,607,948</u>	<u>\$ 1,941,303</u>	<u>\$ 1,666,645</u>	<u>\$ 560,224</u>

9. Bank indebtedness

The Company has available lines of credit to a maximum of \$11,200,000 (2008 - \$8,000,000) of which \$6,466,318 (2008 - \$4,400,000) is unused at fiscal year end. The authorized maximum of \$11,200,000 or 75% of accounts receivable requires a maximum total Debt to Equity ratio of 3.75:1, determined on a consolidated basis. Security provided consists of a general security agreement, present and future acquired property, general assignment of book debts and guarantees by the subsidiaries. Interest is charged at rates ranging from prime plus 1.5% to prime plus 2.5%, depending on Debt to Equity ratio, on all advances. The effective interest rate at October 31, 2009 ranges from 3.75% to 4.75% per annum.

During the year, the Company was in violation of two of its covenants.

Envision Engineering & Contracting Inc. Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

10. Long-term debt	<u>2009</u>	<u>2008</u>
Equipment loan, repayable in monthly installments of \$3,172, including interest at 7.1% per annum, secured by equipment with carrying values of \$65,621, and maturity date of April 2010.	\$ 18,408	\$ 53,770
Equipment loan, repayable in monthly installments of \$3,397, including interest at 7.1% per annum, secured by equipment with carrying values of \$65,621, and maturity date of April 2010.	19,714	57,585
Equipment loan, repayable in monthly installments of \$3,068, including interest at 6.8% per annum, secured by equipment with carrying values of \$179,977, and maturity date of November 2011.	71,331	102,151
Equipment loan, repayable in monthly installments of \$4,824, including interest at 6.05% per annum, secured by equipment with carrying values of \$179,977, and maturity date of November 2011.	113,052	162,471
Equipment loan, repayable in monthly installments of \$4,431, including interest at 7.35% per annum, and maturity date of July 2011.	87,070	139,092
Equipment loan, repayable in monthly installments of \$931, with no interest terms, and a maturity date of September 2012.	30,617	-
Equipment loan, repayable in monthly installments of \$485, including interest at 7.68% per annum with a maturity date of October 2011.	10,752	-
Equipment loan, repayable in monthly installments of \$726, including interest at 8.29% per annum with a maturity date of July 2010.	6,311	-
Equipment loan, repayable in monthly installments of \$1,527, including interest at 7.4% per annum with a maturity date of January 2014.	66,630	-

Envision Engineering & Contracting Inc. Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

10. Long-term debt (Continued)	<u>2009</u>	<u>2008</u>
Equipment loan, repayable in monthly installments of \$1,009, with no interest terms, and a maturity date of January 2013.	39,165	-
Equipment loans, repayable in monthly installments of \$8,072, including interest at 3.75% per annum with maturity date of September 2011.	176,872	-
Equipment loan, repayable in monthly installments of \$9,603, including interest at 3.75% per annum with a maturity date of September 2011.	210,414	-
Equipment loan, repayable in monthly installments of \$4,731, including interest at 3.75% per annum with a maturity date of September 2011.	103,670	-
Equipment loan, repayable in monthly installments of \$11,094, including interest at 3.75% per annum with a maturity date of September 2011.	243,065	-
Equipment loan, repayable in monthly installments of \$3,874, including interest at 3.75% per annum with a maturity date of September 2011.	84,870	-
Conditional sales contract, repayable in monthly installments of \$549, including interest at 1%, secured by specific equipment.	18,211	-
Conditional sales contract, repayable in monthly installments of \$395, including interest at 8.19%, secured by specific equipment.	<u>13,858</u>	<u>-</u>
	1,314,010	515,069
Less current portion	<u>(650,133)</u>	<u>(205,495)</u>
	\$ 663,877	\$ 309,574

Principal repayments of term loans over the next five years are estimated as follows:

2010	\$	650,133
2011		583,818
2012		54,089
2013		18,807
2014		<u>7,163</u>
	\$	<u>1,314,010</u>

Envision Engineering & Contracting Inc.

Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

11. Capital stock 2009 2008

Authorized:

Unlimited number of Class A common voting shares
 Unlimited number of Class B common non-voting shares
 Unlimited number of Class C common voting shares
 Unlimited number of Class D common voting shares
 Unlimited number of Class E common voting shares
 Unlimited number of Class A preferred non-voting shares
 Unlimited number of Class B preferred non-voting shares
 Unlimited number of Class C preferred non-voting shares

Issued:

11 Class A common shares	\$	11	\$	11
40 Class C common shares		40		40
11 Class D common shares		11		11
38 Class E common shares		<u>38</u>		<u>38</u>
	\$	<u>100</u>	\$	<u>100</u>

12. Income taxes

Tax losses available

The Company has incurred losses for Canadian income tax purposes of \$1,188,517 (2008 - \$116,277). Unless sufficient taxable income is earned to apply against, these losses will expire as follows:

2015	\$	962		
2026		25,403		
2027		85,525		
2028		4,387		
2029		<u>1,072,240</u>		
	\$	<u>1,188,517</u>		

Envision Engineering & Contracting Inc. Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

13. Supplementary cash flow information	<u>2009</u>	<u>2008</u>
Changes in non-cash operating working capital:		
Receivables	\$ 281,919	\$ (9,851,368)
Holdbacks receivable	(4,787,977)	(1,843,438)
Prepaid expenses	15,129	(28,195)
Inventory	260,911	(144,296)
Accounts payable and accrued liabilities	8,989,852	4,108,682
Income taxes payable	<u>(1,826,039)</u>	<u>631,508</u>
	<u>\$ 2,933,795</u>	<u>\$ (7,127,107)</u>
Interest paid	<u>\$ 246,420</u>	<u>\$ 106,182</u>
Income taxes paid	<u>\$ 1,605,814</u>	<u>\$ 681,774</u>

14. Related party transactions

Except as disclosed elsewhere in the notes to the consolidated financial statements, the Company entered into these transactions with the following related parties:

1301965 Ontario Inc., a shareholder of the Company.

During the period, the Company paid \$48,000 (2008 - \$26,500) in rent to a shareholder of the Company.

The above transactions are in the normal course of operations and are measured at the exchange amount, which management believes represents fair value.

15. Commitments

The Company is party to agreements to lease equipment, vehicles, office equipment and real estate for a period not exceeding five years. The minimum lease payments are as follows:

<u>Year</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Premises</u>	<u>Total</u>
2010	\$ 106,749	\$ 1,011,712	\$ 286,044	\$ 1,404,505
2011	70,129	688,395	228,477	987,001
2012	32,259	-	49,154	81,413
2013	17,923	-	27,485	45,408
2014	-	-	21,510	21,510

Envision Engineering & Contracting Inc.

Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

16. Financial instruments

As disclosed in Note 2, the Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to interest rate risk and credit risk.

Credit risk

Receivables include amounts receivable for construction project sales, which are generally made to credit worthy customers with prior positive payment history. As well, the Company has established and follows strict credit policies with customers including credit checks and credit limits. Accordingly, the Company views credit risks on these amounts as low.

Interest rate risk

Fixed rate debt is subject to interest rate price risk, as the value will fluctuate as a result of changes in market rates. Floating rate debt is subject to interest rate cash flow risk, as the required cash flows to service the debt will fluctuate as a result of changes in market rates.

Fair value risk

The fair values of cash and cash equivalents, receivables, holdback receivables, bank indebtedness and payables and accruals approximate their carrying amount due to the short-term maturity of those instruments.

17. Capital risk management

The Company's objective when managing its capital structure is to ensure the Company can meet its financial obligations and retain an appropriate level of leverage relative to the risk of operations.

In the management of capital, the Company includes the components of shareholders' equity, short-term and long-term borrowing, as well as cash.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, issue new debt, require shareholders to advance additional funds or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is externally restricted to the level of capital available and covenant requirements per the Company's credit facility agreement.

Envision Engineering & Contracting Inc.

Notes to the Consolidated Financial Statements

(Unaudited)
October 31, 2009

17. Capital risk management (Continued)

During the year, the Company did not comply with the debt covenants that require a minimum working capital ratio of 1.2:1 and a maximum debt equity ratio of 3.75:1. As a result, the management has submitted a plan to the bank to address the breach of covenants.

The plan includes increased level of scrutiny with respect to forecasted margins on current jobs and future jobs, reduction in non-key staff, elimination of dividends for the next fiscal year, curtailing discretionary promotion and entertainment expenses, reduction in future capital spending, increased collection efforts for receivables, and commitments by the shareholders with respect to cash/equity injections.

18. Comparative figures

Certain comparative figures have been reclassified in order to conform to the financial statement presentation adopted in the current year.

19. Subsequent events

Subsequent to the year end, the Company acquired the remaining 20% of RBT Electric Ltd. for cash consideration of \$250,000 and the remaining 29% of Bow Valley Electrical Services Ltd. for cash consideration of \$350,000.

As a result of these transactions both RBT Electric Ltd. and Bow Valley Electrical Services Ltd. are wholly owned subsidiaries of the Company.

Envision Engineering & Contracting Inc.
Consolidated Schedule of General and
Administrative Expenses

(Unaudited)

	Year Ended October 31, 2009	Ten months Ended October 31, 2008
Advertising and promotion	\$ 352,557	\$ 248,917
Amortization	221,539	92,667
Amortization of intangible assets	82,194	82,194
Automotive	515,902	201,782
Bad debts	97,689	8,591
Insurance	179,282	111,136
Interest and bank charges	250,658	118,534
Interest on long-term debt	75,917	53,093
Licenses and dues	30,680	17,462
Office	202,930	123,060
Professional fees	460,656	129,788
Rent and occupancy costs	504,699	219,498
Repairs and maintenance	346,104	124,277
Telephone	208,518	87,654
Travel	367,967	167,907
Wages and salaries	4,026,042	1,482,109
Warranty expense	<u>-</u>	<u>1,387</u>
	\$ 7,923,334	\$ 3,270,056



Grant Thornton

www.GrantThornton.ca

TAB B

This is Exhibit "B" referred to in the
Affidavit of Lynn Zienka,
sworn before me, this 7th day of December, 2010.



A Commissioner for Taking Affidavits

Q.B. NO. 1728 / 10

IN THE COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
JUDICIAL DISTRICT OF SASKATOON

BETWEEN:

IONA CONTRACTORS LTD.

Plaintiff

-and-

**AECOM CANADA LTD., EXPOCRETE CONCRETE PRODUCTS LTD. and THE CITY OF
SASKATOON**

Defendants

NOTICE TO THE DEFENDANTS

- (1) The Plaintiff may enter judgment in accordance with this Statement of Claim or such judgment as may be granted pursuant to the Rules of Court, unless:

within 20 days if you were served in Saskatchewan,
within 30 days if you were served elsewhere in Canada or in the United States of America
within 40 days if you were served outside of Canada and the United States of America

(excluding the day of service) you serve a Statement of Defence on the Plaintiff and file a copy thereof in the office of the local Registrar of the Court of the Judicial Centre above-named.

- (2) In many cases a Defendant may have the trial of the action held at a judicial centre other than the one at which the Statement of Claim is issued. Every Defendant should consult his lawyer as to his rights.
- (3) This Statement of Claim is to be served within 6 months from the date on which it is issued.
- (4) This Statement of Claim is issued at the above named judicial centre the 22 day of November, 2010.

V. GROFF
DEPUTY LOCAL REGISTRAR
Local Registrar

STATEMENT OF CLAIM***The Parties***

1. The Plaintiff Iona Contractors Ltd. ("Iona") is an Alberta corporation, duly incorporated pursuant to the laws of the Province of Alberta, and carries on business in the City of Calgary, in the Province of Alberta, and throughout Canada, as a general construction contractor.
2. The Defendant AECOM Canada Ltd. ("AECOM") is a federal corporation, duly incorporated pursuant to the laws of the Country of Canada, and carries on business in the City of Saskatoon, in the Province of Saskatchewan as a consulting, engineering, construction and management service provider.
3. The Defendant Expocrete Concrete Products Ltd. ("Expocrete") is a Saskatchewan corporation, duly incorporated pursuant to the laws of the Province of Saskatchewan, and carries on business in the City of Saskatoon, in the Province of Saskatchewan, as a manufacturer and supplier of concrete pipes.
4. The Defendant, the City of Saskatoon (the "City"), is a municipal corporation pursuant to the *Urban Municipalities Act*, R.S.S. 1983 - 84, c. U-11.
5. Collectively, where appropriate, AECOM, Expocrete and the City will be referred to as the "Defendants".

The Project

6. At all material times to the within Action, in or about May, 2010, Iona was hired as a subcontractor by general contractor Graham Flatiron Joint Venture (the "General Contractor") to install 3050 millimeter and 2700 millimeter rigid concrete pipe ("RCP") to government property owned or managed by the City, in or around the City of Saskatoon, in the Province of Saskatchewan, between May, 2010 and November, 2010 (herein the "Circle Drive Project").
7. Iona states, and the fact is, that the Circle Drive Project is a multi-million dollar project, is extensive in its scope, and requires complex and intricate engineering.
8. Iona states, and the fact is, that the City mandated that Iona only use Expocrete O-Ring RCP, as herein defined, for the Circle Drive Project, as opposed to the traditional type of pipe commonly used in these types of projects, being SuperSeal RCP.

9. Iona further states, and the fact is, that the City and Expocrete have an unusually close relationship, whereby Expocrete is the preferred supplier of RCP to the City. In fact, Iona was forced to forgo the choice it had for other RCP suppliers it would have preferred and to select from the City's list, which included Expocrete, its preferred supplier.

The Contract

10. On or about May, 2010, at the direction of the City, Iona entered into a manufacture and supply contract with AECOM and/or Expocrete, whereby AECOM and/or Expocrete contracted to provide the following O-Ring RCP to Iona for installation in the Circle Drive Project (the "Contract"):
- I. Manufacture and supply 144.57 meters of 3050 millimeter RCP Design 1;
 - II. Manufacture and supply 100.65 meters of 3050 millimeter RCP Design 2;
 - III. Manufacture and supply 64.05 meters of 3050 millimeter RCP Design 3;
 - IV. Manufacture and supply 190.32 meters of 3050 millimeter RCP Design 4; and
 - V. Such other particulars as will be proven in the trial of this Action.
- (collectively, the "Pipe")
11. In consideration for AECOM and/or Expocrete providing the Pipe, the Contract set forth the price payable for the Pipe. Specifically, the Contract was a unit price contract, whereby Expocrete would pay Iona (exclusive of GST and PST):
- I. \$445,376.25 for 144.57 meters of 3050 millimeter RCP Design 1;
 - II. \$514,669.20 for 100.65 meters of 3050 millimeter RCP Design 2;
 - III. \$233,782.50 for 64.05 meters of 3050 millimeter RCP Design 3; and
 - IV. \$710,845.20 for 64.05 meters of 3050 millimeter RCP Design 3.
12. The total cost for the Pipe was \$1,904,673.15, plus \$25,800.00 for freight, for an aggregate total of \$1,930,473.15 for the Pipe, exclusive of GST and PST.
13. Iona states, and the fact is, it was a further term of the Contract that:

- i. All Pipe would conform to shop drawings provided by and or approved by AECOM and the City, which would be further approved by Expocrete prior to the manufacturing of the Pipe (the "Shop Drawings");
- ii. Joint designs would be marked on each Pipe;
- iii. Pipes containing O-Ring Gaskets would require lubricant, which would be supplied with the Pipe;
- iv. The Pipes would conform to ASTM C1417;
- v. Such other particulars as will be proven in the trial of this Action.

(collectively, the "Pipe Construction")

14. Further, the Contract contained implied warranty or condition as to the quality and/or fitness of the Pipe in that it would be manufactured and supplied to be installed in the Circle Drive Project, pursuant to the terms of the *Sale of Goods Act*, R.S.S. 1978, c. S-1.

AECOM and/or Expocrete Approve the Shop Drawings

15. In or about May, 2010, representatives from Iona met with representatives from Expocrete and AECOM, whereby AECOM and/or Expocrete approved the Shop Drawings.
16. In or about May, 2010, and subsequent to the approval of the Shop Drawings by AECOM and/or Expocrete, Expocrete began manufacturing and supplying some of the Pipe to Iona.

Problems with the Manufacturing of the Pipe

17. Iona states that in or about August, 2010, Iona experienced significant difficulty with connecting certain Pipes together as the Pipe was being installed in the ground by Iona. Specifically, Iona states that the spigot and the bell ends of the Pipe containing O-Rings would not join together (the "Deficient Pipe"), whereby Iona is unable to complete its work in installing the Pipe for its General Contractor.
18. Iona states, and the fact is, in or about August, 2010, and after Iona discovered the Deficient Pipe, Iona commissioned a series of investigations with respect to the Pipe (the "Investigations"). The results from the investigations determined the sole problem with the Deficient Pipe is that the dimensions of the spigot and the bell ends of the Pipe were not in

accordance with the Shop Drawings, did not fit together, and were thus manufactured in a negligent manner (the "Deficient Manufacturing").

19. Due to the negligence, lack of skill and breach of contract by AECOM and Expocrete in respect to the Shop Drawings, and the employees of Expocrete in manufacturing the Pipe, as further characterized herein, various trades people and trade corporations associated with Iona and the Circle Drive Project quit or suspended installing the Pipe, further increasing the delays in installing the Pipe.
20. Due to the negligence, lack of skill and breach of contract by AECOM and Expocrete in respect to the Shop Drawings, and the employees of Expocrete in manufacturing the Pipe, as further characterized herein, and due to various trades people and trade corporations associated with Iona and the Circle Drive Project, Iona has and continues to be delayed in installing the Pipe to the Circle Drive Project, through no fault of its own.

The City Refuses to Permit Iona to Utilize SuperSeal RCP

21. On or about November 3, 2010, and subsequent to the discovery of the Deficient Pipe by Iona, Iona contacted the City and requested a variance to utilize SuperSeal RCP instead of the Expocrete O-Ring Pipe (the "Variance Request"). Iona states, and the fact is, that the City rejected the Variance Request.

The Defendants Deny any Deficiencies

22. In or about November, 2010, Iona informed the Defendants of the results of the Investigation, and, that the Pipe was deficient; however, the Defendants denied that the Pipe was deficient or manufactured in a negligent manner, and have failed and/or refused to take any steps to address the Deficient Pipe.

Negligence and Breach of Contract of AECOM

23. Iona states that AECOM has delayed Iona from installing the Pipe, to which Iona suffered losses and damages.
24. Iona further states that AECOM has breached the Contract, and is negligent, the particulars of which include, but are not limited to, *inter alia*:

- i. Failing and/or refusing to ensure that all Pipe would conform to the Shop Drawings;
- ii. Providing specifications and/or drawings for the Pipe which were out of tolerance and/or deficient;
- iii. Approving Show Drawings that were deficient;
- iv. Failing to have inspected the manufacturing process; and
- v. Such other particulars as will be proven in the trial of this Action.

Breach of Contract and Negligence of Expocrete

25. Iona states that Expocrete has delayed Iona from installing the Pipe, to which Iona suffered losses and damages.
26. Iona further states that Expocrete has breached the Contract, and is negligent, the particulars of which include, but are not limited to, *inter alia*:
 - i. Failing and/or refusing to ensure that all Pipe would conform to the Shop Drawings;
 - ii. Failing and/or refusing to design, implement, and/or carry out the appropriate plans and inspections with respect to manufacturing of the Pipe;
 - iii. Failing and/or refusing to mark the joint designs on each Pipe;
 - iv. Failing and/or refusing to ensure that the Pipes would conform to ASTM C1417;
 - v. Failing and/or refusing to mitigate the losses and damages of Iona when it knew of the results of the Investigations;
 - vi. Failing and/or refusing to ensure proper construction materials were available for use for the Pipe; and
 - vii. Such other particulars as will be proven in the trial of this Action.

Breach of Duty of Care and Negligence of the City

27. Iona states that the City has delayed Iona from installing the Pipe, and has prevented Iona from mitigating its damages, to which Iona has suffered losses and damages.
28. Iona further states that the City owed a duty of care to Iona, has breached that duty, and is negligent, the particulars of which include, but are not limited to, *inter alia*:
 - i. Directing Iona to only utilize Expocrete O-Ring Pipe when it knew or ought to have known that that the Expocrete O-Ring Pipe was deficient;
 - ii. Directing that Iona use the City's preferred supplier of Pipe when it knew or ought to have known that that the Expocrete O-Ring Pipe was deficient;
 - iii. Refusing to permit Iona to utilize other RCP suppliers when it knew or ought to have known that that the Expocrete O-Ring Pipe was deficient;
 - iv. Failing and/or refusing to permit Iona to substitute other types of RCP, including SuperSeal RCP, which would have been suitable for use in the Circle Drive Project; and
 - v. Such other particulars as will be proven in the trial of this Action.

Inducement of Breach of the Contract with Iona's General Contractor

29. Due to Expocrete's breach of Contract, the breach of the duty of care owed by the City, and due to the negligence of the Defendants, the Defendants have induced breach of contract of with Iona's General Contractor, to which Iona has incurred significant losses and damages, with such losses and damages to be proven at the trial of this Action.

Quantification of Losses and Damages Suffered by Iona

30. Due to Expocrete's Breach of Contract, the breach of the duty of care owed by the City, and due to the negligence of the Defendants, Iona has suffered the following losses and damages:
 - i. \$1,791,531.20 for labour, material and equipment for the installation of the Deficient Pipe;
 - ii. Loss of profit and economic opportunity in the amount of \$1,435,511.95;

- iii. Return of existing and broken Pipe to Expocrete, which Iona has already paid for, in the amount of \$563,064.84;
- iv. Extra winter working condition costs in the amount of \$745,158.49; and
- v. Such other particulars as will be proven in the trial of this Action.

(collectively, the "Damages")

31. Further, as a result of AECOM's and Expocrete's breach of Contract, the breach of the duty of care owed by the City, and due to the negligence of the Defendants, Iona has suffered the following additional losses and damages:

- i. Unlawful interference with economic interests, in an amount as will be proven in the trial of this Action;
- ii. Inducing breach of contract with Iona's General Contractor, in an amount as will be proven in the trial of this Action; and
- iii. Such other particulars as will be proven at the trial of this Action.

32. As a result of Expocrete's Breach of Contract, the breach of the duty of care owed by the City, and due to the negligence of the Defendants, Iona has suffered and will continue to suffer losses and damages as will be proven in the trial of this Action.

33. Iona pleads and relies upon the *Sale of Goods Act*, R.S.S. 1978, c. S-1, and the amendments thereto.

34. Iona proposes that the trial of this action be held at the Court House, in the City of Saskatoon, in the Province of Saskatchewan.

WHEREFORE THE PLAINTIFF IONA CONTRACTORS LTD. CLAIMS AGAINST THE DEFENDANTS AECOM CANADA LTD., EXPOCRETE CONCRETE PRODUCTS LTD. AND THE CITY OF SASKATOON:

a) Judgment in the amount of \$4,535,266.47 for:

- i. Labour, material and equipment for the installation of the Deficient Pipe;
- ii. Loss of profit and economic opportunity;

- iii. The return of existing and broken Pipe to Expocrete;
- iv. Extra winter working condition costs;
- b) Unlawful interference with economic interests, in an amount as will be proven in the trial of this Action;
- c) Inducing breach of contract with Iona's General Contractor, in an amount as will be proven in the trial of this Action;
- d) Punitive damages in the amount of \$500,000.00;
- e) For the purposes aforesaid and for all other of the purposes hereof, all proper directions, enquiries and accounts;
- f) Solicitor and client costs on a full indemnity basis;
- g) Any applicable Goods and Services tax pursuant to the terms of the *Excise Tax Act*, R.S.C. 1985, c. E-15, Part IX, and amendments thereto;
- h) Interest on the above claimed awards pursuant to the *Judgment Interest Act*, R.S.A. 2000, c. J-1; and
- i) Such further and other relief as to this Honourable Court may seem just.

DATED at the City of Saskatoon, in the Province of Saskatchewan, this 22 day of November, 2010.

Wallace Meschishnick Clackson Zawada

Per: 

Saskatchewan Agents for the Solicitors for
the Plaintiff, Iona Contractors Ltd.

This Statement of Defence delivered by:
Wallace Meschishnick Clackson Zawada
Barristers and Solicitors
901, 119 - 4th Avenue South
Saskatoon, Saskatchewan, S7K 5X2

Agents for:
McLeod & Company LLP
Lawyers

Suite 300, 14505 Bannister Road S.E.
Calgary, Alberta, T2X 3J3
Telephone: 403-278-9411
File No.: 84520

And the address for service is the same as above
Lawyer in Charge of File: Colin D. Clackson
Telephone: (306) 659-1227
Facsimile: (306) 933-2006

TAB C

This is Exhibit "C" referred to in the
Affidavit of Lynn Zienka,
sworn before me, this 7th day of December, 2010.

A handwritten signature in black ink, appearing to be "C. H. H.", written over a horizontal line.

A Commissioner for Taking Affidavits

RSM Richter

**Report of RSM Richter Inc.
as Proposed CCAA Monitor of
Envision Engineering and Contracting
Inc., Iona Contractors Ltd., Western
Construction and Combustion Services
Inc., Bow Valley Electrical Services Ltd.
Inter Project Services Inc. and Landex
Construction Inc.**

RSM Richter Inc.
Calgary, December 7, 2010

DRAFT

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DRAFT

**ONTARIO
SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST -**

**IN THE MATTER OF 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
ENVISION ENGINEERING AND CONTRACTING INC., IONA CONTRACTORS
LTD., WESTERN CONSTRUCTION AND COMBUSTION SERVICES INC., BOW
VALLEY ELECTRICAL SERVICES LTD., INTERPROJECT SYSTEMS INC., AND
LANDEX CONSTRUCTION INC. ("THE ENVISION GROUP")**

**REPORT OF RSM RICHTER INC.
AS PROPOSED CCAA MONITOR OF
THE ENVISION GROUP**

December 7, 2010

1. Introduction

RSM Richter Inc. ("Richter") understands that the Envision Group intend to make an application to this Honourable Court to commence proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA Proceedings"). It is proposed that Richter would be appointed as the monitor ("Proposed Monitor") in the CCAA Proceedings. Richter has consented to act in such capacity.

The Affidavit of Lynn Zienka, the Envision Group's Vice President of Finance, sworn December 7, 2010 (the "Affidavit") and filed in connection with the Envision Group's CCAA Proceedings, describes, *inter alia*, the Envision Group's background, including the reasons for the commencement of these proceedings. According to the Affidavit, the primary purpose of these restructuring proceedings is to allow the Envision Group the opportunity to review each contract in detail with a view to developing a strategy to preserve and maximize value.

1.1 Purposes of this Report

The purposes of this report ("Report") are to:

- a) Provide background information about the Envision Group;
- b) Provide a summary of the Envision Group's assets and liabilities;
- c) Detail the proposed Court-ordered charges in these proceedings, being the Administration Charge and the Directors' and Officers' Charge ("D&O Charge");
- d) Provide comments on the Envision Group's cash flow statement filed in connection with these proceedings; and
- e) Recommend that this Honourable Court make and order granting the relief requested by the Envision Group under the draft Initial Order.

1.2 Currency

Unless otherwise noted, all currency references in this Report are to Canadian dollars.

2. Background

The Envision Group's principal business is to acquire and centrally manage companies in the construction, electrical and environmental services sectors. It also engages in environmental consulting. The Envision Group, when able, seeks out construction projects where several companies in the Envision Group can act as subcontractors to the same project.

The Envision Group provides construction and remediation services to both private and governmental organizations in Ontario and Western Canada. A brief description of each entity is included in the affidavit of Lynn Zienka.

The Envision Group currently employs approximately 200 people.

2.1 The City of Saskatoon Project

In 2010, Iona Contractors Ltd. ("Iona") was awarded a sub-contract in connection with a construction project in the City of Saskatoon. Iona has spent in excess of \$6.2 million in connection with this project. The Proposed Monitor is advised that a dispute arose among the City of Saskatoon, the general contractor, Graham-Flatiron joint venture and the supplier of the pipe, Expocrete Concrete Products Ltd., in respect of the pipe supplied in connection with this project. As a result, Iona has been unable to collect monies owed to it of approximately \$1.8 million. This has severely impacted the Envision Group's cash flow to the point where it can no longer meet its obligations as they become due.

Delays in the Envision Group paying suppliers have caused a delay in collecting other accounts receivable from other projects. Customers are reluctant to make progress payments as the Envision Group has not paid its suppliers, placing a further strain on cash flows.

The Envision Group requires protection from its creditors to attempt to resolve its current financial difficulties.

3. Assets and Liabilities

A copy of the Envision Group's most recent reviewed financial statements are included in the affidavit of Lynn Zienka. A comparative summary of the assets and liabilities is provided below:

	October 31, 2010 (\$000's)	October 31, 2009 (\$000's)
ASSETS		
Accounts receivable	20,178	18,527
Holdback receivable	5,087	6,721
Inventory	261	181
Property and equipment	1,925	1,667
Intangible assets and Goodwill	6,002	3,552
	<u>33,453</u>	<u>30,648</u>
LIABILITIES		
Bank indebtedness	13,121	4,734
Trade payables and accruals	19,879	17,391
Equipment and other Loans	845	1,314
Future Income taxes	1,417	1,417
	<u>35,262</u>	<u>24,856</u>
Equity and minority interest (Deficit)	<u>(1,809)</u>	<u>5,792</u>

Alberta Treasury Branches ("ATB") provides the Envision Group with an operating bank loan which is secured against the Envision Group's assets. Management advises that the indebtedness has been reduced from the \$13.1 million noted above to \$11 million.

In addition to the secured debt the Envision Group currently has aggregate trade debt estimated in excess of \$16.7 million owing to more than 100 vendors. We are advised that the Envision Group is current with both payroll and GST remittances to Canada Revenue Agency.

4. Major Contracts

The Envision Group has contracts in Ontario and Western Canada, mostly with public works departments of municipal and provincial governments. A sample of the contracts currently being completed by the Envision Group are as follows:

Customer and project	Contract (\$000's)
Fort Vermillion School – construction of school	4,000
Picture Butte High School – Modernization	7,800
City of Lethbridge – Public works yard and fleet repair & Vehicle storage	15,000
City of Calgary – Restoration of treatment channel	1,200
Calgary Airport Authority – placing granular for pavement	2,400
	30,400

The Envision Group's ability to service these and other contracts has been affected by the difficulties encountered on the Saskatoon Project.

5. Cash Flow

The Envision Group's 13 week cash flow projection for the period commencing December 3, 2010 and ending February 25, 2011 is attached to the Affidavit. In developing the cash flow projection, the Envision Group has determined that the collection of unimpaired accounts receivable will be sufficient to cover its operating expenses over the period covered by the cash flow projection. The Envision Group does not expect that it will require additional financing during this period.

The Proposed Monitor has reviewed the cash flow and underlying assumptions. The projected cash flow is a projection based on the Envision Group's assumptions regarding

future events. Actual results will vary from the information presented even if the forecast assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

6. Directors' and Officers' Charge

The draft Initial Order contemplates a charge in the amount of \$500,000 in favour of the Envision Group's Directors and Officers in order to indemnify them, if necessary, for any liabilities that they may incur from and after the commencement of the CCAA Proceedings.

The Directors' and Officers' Charge is a standard provision of orders made in CCAA Proceedings in order to maintain the involvement of the Directors and Officers. The involvement of these individuals facilitates the continued operations of a business during its restructuring proceedings. The information made available to the Proposed Monitor appears to reflect the Directors' and Officers' exposure in these proceedings, as set out above. It is the Proposed Monitors view that the contemplated \$500,000 Directors' and Officers' Charge is sufficient.

7. Administration Charge

The draft Initial Order contemplates a charge in the amount of \$500,000 as an Administrative Charge, as security for the professional fees and disbursements incurred by the Proposed Monitor, its counsel and the Envision Groups' counsel for work done in relation to and after the commencement of the CCAA Proceedings .

The Administration Charge is a standard provision of orders made in CCAA Proceedings in order to maintain the involvement of the Proposed Monitor, its counsel and counsel to the

Envision Group. The involvement of these individuals facilitates the continued operations of a business during its restructuring proceedings. The projected cash flow includes a provision for professional fees; however, there is a risk, due to complexities that may arise over the course of the restructuring, that the professional fees exceed those reflected in the cash flow.

8. Conclusion and Recommendation

The Proposed Monitor is respectfully of the view that the relief detailed in Section 1.1 (e) is necessary as it will provide the following benefits to the Envision Group and its creditors:

- a) Breathing space to assess the projects on an individual basis and determine the appropriate action in each case;
- b) Continue with the projects which provides the Envision Group with an income stream;
- c) Stabilize the Envision Group's cash flow to pay trades for new work provided; and;
- d) Provide employment to more than 200 individuals.

Based on the foregoing, the Proposed Monitor respectfully recommends that this Honourable Court make and order granting the relief detailed in Section 1.1 (e) of this Report.

* * *

All of which is respectfully submitted this 7th day of December 2010.

**RSM RICHTER INC.
IN ITS CAPACITY AS PROPOSED CCAA MONITOR OF
THE ENVISION GROUP
AND NOT IN ITS PERSONAL CAPACITY**

TAB D

This is Exhibit "D" referred to in the
Affidavit of Lynn Zienka,
sworn before me, this 7th day of December, 2010.

CONFIDENTIAL INFORMATION FILED SEPARATELY
UNDER SEAL



A Commissioner for Taking Affidavits

Court File No:

IN THE MATTER OF 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 Envision Engineering & Contracting Inc., Iona Contractors Ltd., Western Construction and Combustion Services Inc., Bow Valley Electrical Services Ltd., Inter Project Systems Inc. and Landex Construction Inc. (the "Applicants")

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at OTTAWA

APPLICATION RECORD OF THE APPLICANTS

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