

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

B E T W E E N:

HSBC BANK CANADA

Applicant

- and -

INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.

Respondents

MOTION RECORD OF DELOITTE RESTRUCTURING INC.
(Returnable December 3, 2018)

November 22, 2018

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TO:

THE SERVICE LIST

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.

Respondents

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ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

B E T W E E N:

HSBC BANK CANADA

Applicant

- and -

INNOVATIVE STEAM TECHNOLOGIES INC. and
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Respondents

MOTION RECORD OF DELOITTE RESTRUCTURING INC.
(Returnable December 3, 2018)

INDEX

Tab No.	Description	Page Nos.
1.	Notice of Motion, returnable December 3, 2018	1
2.	Third Report of the Receiver, dated November 21, 2018	10
<i>App. A</i>	<i>Appointment Order dated May 1, 2018</i>	<i>23</i>
<i>App. B</i>	<i>Approval and Vesting Order of Dunphy J., dated June 12, 2018</i>	<i>39</i>
<i>App. C</i>	<i>Approval and Vesting Order of Hainey J., dated June 27, 2018</i>	<i>46</i>
<i>App. D</i>	<i>Order of Hainey J., dated June 27, 2018</i>	<i>54</i>
<i>App. E</i>	<i>Receipts and Disbursements of the Receiver from the period of May 1, 2018 to November 16, 2018</i>	<i>57</i>

Tab No.	Description	Page Nos.
<i>App. F</i>	<i>Fee Affidavit of the Receiver, sworn November 21, 2018</i>	58
<i>App. G</i>	<i>Fee Affidavit of Dentons Canada LLP, sworn November 21, 2018</i>	107
<i>App. H</i>	<i>Fee Affidavit of Baker McKenzie, sworn November 21, 2018</i>	133
<i>App. I</i>	<i>Security Opinion of Baker McKenzie, dated October 12, 2018</i>	160
3.	Draft Discharge Order and Comparison to Model Order	165

Tab 1

Court File No. CV-18-596878-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

B E T W E E N:

HSBC BANK CANADA

Applicant

-and-

INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.

Respondents

NOTICE OF MOTION
(Returnable December 3, 2018)

DELOITTE RESTRUCTURING INC. ("**Deloitte**") in its capacity as the court-appointed receiver (the "**Receiver**") of the assets, undertakings and properties (the "**Property**") of Innovative Steam Technologies Inc. ("**IST**") and IST Boiler Components Inc. ("**IST Boiler**") (together the "**Company**"), will make a motion to a judge presiding over the Commercial List, on Monday, December 3, 2018, at 10:00 a.m. or as soon after that time as the motion can be heard, at the Court House at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: This motion is to be heard orally.

THIS MOTION IS FOR AN ORDER:

- (a) approving the activities of the Receiver as set out in the Third Report of the Receiver dated November 21, 2018 ("**Third Report**");

- (b) approving the Receiver's Final Statement of Receipts and Disbursements from the period June 13, 2018 to November 16, 2018;
- (c) approving the proposed distribution of funds as set out in the Third Report;
- (d) approving the fees and disbursements of the Receiver from April 30, 2018 to October 31, 2018 and its legal counsel, Baker & McKenzie LLP from May 17, 2018 to October 31, 2018, and its legal counsel, Dentons LLP from May 1, 2018 to October 31, 2018 and the estimated fees to complete the administration of the receivership;
- (e) approving the discharge and release of Deloitte as Receiver of the Property, upon the filing a Certificate with the Court confirming the administration of the receivership has been completed;
- (f) if necessary, abridging the time for service of this Notice of Motion and Motion Record and dispensing with further service hereof; and
- (g) such other relief as this Honourable Court deems just.

THE GROUNDS FOR THIS MOTION ARE:

1. On the application of HSBC Bank Canada (the "**Lender**"), this Honourable Court granted the Receivership Order (the "**Receivership Order**"), dated May 1, 2018, appointing Deloitte as the Receiver over the Property of the Company.
2. IST is an Ontario corporation which, prior to the receivership, was the main operating company, holding 100% of the shares of IST Boiler, a company incorporated in Alberta which operated in Delta, British Columbia. IST was a supplier of heat recovery steam generators for medium size steam generators and IST Boiler was a supplier and installer of emergency boiler parts used in steam boiler applications.
3. Fulcrum Capital Partners (Collector) V, LP ("**Fulcrum**") is the majority shareholder of

IST which in turn wholly owns the subsidiary, IST Boiler. Fulcrum is the subordinated secured creditor to the Lender.

4. Recovery from all of the Company's assets has yielded a significant shortfall such that there are no projected recoveries for Fulcrum or any of the other Company's stakeholders. The Receiver has obtained an independent opinion confirming the validity and enforceability of the Lender's security and the Receiver is seeking approval of distribution of the net proceeds of the receivership to the Lender as they become available up to a maximum of CAD\$13,122,309.32 without further order of this Court.
5. Aside from ancillary matters set out in the Third Report, the activities of the Receiver and its counsel are now complete and, accordingly, the Receiver is seeking its discharge upon the filing of a Certificate with the Court confirming that the administration of the receivership has been completed.
6. The Receiver's fees and disbursements including the fees of its legal counsel are detailed in the affidavits filed in support of this motion.
7. The Receiver's fees including the fees of its counsel are fair and reasonable.
8. Rules 1.04, 2.03, 3.02, 16.08 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, section 100 of the *Courts of Justice Act* R.S.O. 1990, c. C-43, sections 243, 249-250 of the *Bankruptcy and Insolvency Act* R.S.C. 1985, c. B-3 and sections 1, 2, and the provisions of the *Personal Property Security Act* R.S.O. 1990, c. P.10 as amended.
9. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

- (a) Third Report of the Receiver dated November 21, 2018, and the appendices thereto; and
- (b) such further and other material as counsel may advise and this Honourable Court may permit.

November 22, 2018

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ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

INNOVATIVE STEAM TECHNOLOGIES INC. and
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HSBC BANK CANADA
Applicant

-and-

**INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.**
Respondents

Court File No: CV-18-596878-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at Toronto, Ontario

NOTICE OF MOTION
(Returnable December 3, 2018)

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Tab 2

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

(COMMERCIAL LIST)

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.**

Respondents

**THIRD REPORT OF THE RECEIVER
DATED NOVEMBER 21, 2018**

TABLE OF CONTENTS

INTRODUCTION	3
TERMS OF REFERENCE	7
RECEIVER’S ACTIVITIES SINCE JUNE 13, 2018	9
STATEMENT OF RECEIPTS AND DISBURSEMENTS	10
FEES AND DISBURSEMENTS OF THE RECEIVER AND LEGAL COUNSEL	11
DISTRIBUTION OF FUNDS HELD BY THE RECEIVER	11
RECEIVER’S REQUEST TO THE COURT	12

APPENDICES

- Appendix “A”: Appointment Order dated May 1, 2018
- Appendix “B”: Approval and Vesting Order of Mr. Justice Dunphy dated June 12, 2018
- Appendix “C”: Approval and Order of Mr. Justice Hainey dated June 27, 2018
- Appendix “D”: Order of Mr. Justice Hainey dated June 27, 2018
- Appendix “E”: Receipts and Disbursements of the Receiver from the period May 1, 2018 to November 16, 2018
- Appendix “F”: Fee Affidavit of the Receiver
- Appendix “G”: Fee Affidavit of Dentons
- Appendix “H”: Fee Affidavit of Baker
- Appendix “I”: Security Opinion

INTRODUCTION

1. By Order of Mr. Justice Wilton-Siegel of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 1, 2018 (the “**Appointment Order**”), Deloitte Restructuring Inc. was appointed receiver and manager (the “**Receiver**”) of all the assets, undertakings and properties (“**Property**”) of Innovative Steam Technologies Inc. (“**IST**”) and IST Boiler Components Inc. (“**IST Boiler**”, and together with IST, the “**Company**”). A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. IST is an Ontario corporation and was the main operating company. IST holds 100% of the shares of IST Boiler, a company incorporated in Alberta which operated in Delta, British Columbia. IST was a supplier of heat recovery steam generators for medium size steam generators and IST Boiler was a supplier and installer of emergency boiler parts used in steam boiler applications. The predecessor corporation of the IST business was founded in 1991.
3. Fulcrum Capital Partners (Collector) V, LP (“**Fulcrum**”) is the majority shareholder of IST, which in turn wholly owns the subsidiary, IST Boiler. Fulcrum is the subordinated secured creditor to the Applicant, HSBC Bank Canada (the “**Lender**”).
4. The ordinary course operations of the Company ceased as of the opening of business on May 1, 2018, and the employment of all of the employees of the Company was terminated by the Receiver on the Company’s behalf as provided for under the Appointment Order. This was due to financial losses of approximately \$1.7 million incurred by the Company for the three-months ended March 31, 2018 (which in

aggregate were approximately \$19 million under the current ownership structure), erosion of the customer sales pipeline, ongoing projected cash flow losses, deteriorating customer relationships and contract defaults. There was insufficient funds to sustain the Company's operations.

5. The Company did not own any real property and operated out of three leased locations:
 - i. 549 Conestoga Boulevard, Cambridge, Ontario;
 - ii. 1 Natura Way, Suite 100, Cambridge, Ontario; and
 - iii. Suite 100, 6425 River Road, Delta, British Columbia.

6. Prior to the Appointment Order, IST engaged approximately 68 non-unionized employees and IST Boiler engaged 8 employees, including 5 employees pursuant to a Collective Agreement with the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers Lodge 359.

7. The Appointment Order authorized the Receiver to, among other things, take possession of, and exercise control over the Property and any and all proceeds, receipts and disbursements, arising out of, or from, the Property. In addition, the Receiver was authorized to sell, convey, transfer, lease or assign the Property or any part thereof out of the ordinary course of business:
 - i. without the approval of the Court in respect of any transaction not exceeding \$250,000 provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and

- ii. with the approval of the Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause.
8. On June 12, 2018, the Receiver brought a motion to, among other things, approve the transaction detailed in the Asset Purchase Agreement dated June 6, 2018 (the “**IST Boiler APA**”) between the Receiver and Canerector Inc. in trust for its assignee 8882703 Canada Inc. (“**Canerector**”) in respect of the Property of IST Boiler and vesting IST Boiler’s right title and interest in the Purchased Assets (as defined in the IST Boiler APA), to Canerector upon the closing of the transaction (the “**IST Boiler Transaction**”). In support of that motion, the Receiver filed the First Report to the Court dated June 7, 2018 (the “**First Report**”).
9. Based on the First Report and the submissions made to the Court by counsel to the Receiver and the Lender, on June 12, 2018, Mr. Justice Dunphy of the Court granted an Approval and Vesting Order (the “**Canerector Vesting Order**”) approving the IST Boiler APA and vesting the right, title, and interest in the Purchased Assets to Canerector. A copy of this Canerector Vesting Order is attached hereto as **Appendix “B”**.
10. On June 27, 2018, the Receiver brought a motion to, among other things, approve the transaction detailed in the Asset Purchase Agreement (the “**IST APA**”) between the Receiver and Propak Systems Ltd. (“**Propak**”) in respect of the Property of IST and vesting IST’s right, title, and interest in the Purchased Assets (as defined in the IST

APA), to Propak upon the closing of the transaction (the “**IST Propak Transaction**”). In support of that motion, the Receiver filed the Second Report to the Court dated June 15, 2018 (the “**Second Report**”).

11. Based on the Second Report and the submissions made to the Court by counsel to the Receiver, the Lender and Propak, on June 27, 2018, Mr. Justice Hainey of the Court granted an Approval and Vesting Order (the “**Propak Vesting Order**”) approving the IST APA and vesting the right, title, and interest in the Purchased Assets to Propak. A copy of this Propak Vesting Order is attached hereto as **Appendix “C”**.
12. Also on June 27, 2018, Mr. Justice Hainey granted an Order approving the Receiver’s Statement of Receipts and Disbursements for the period May 1 to June 12, 2018, and approving the First and Second Reports and the Receiver’s actions and activities as outlined therein. A copy of the Order is attached hereto as **Appendix “D”**.
13. The Appointment Order, together with other Orders of this Court, Court materials, the Notice to Creditors, previous reports to the Court and this Third Report have been posted to the Receiver’s website at www.insolvencies.deloitte.ca/en-ca/ist.
14. The purpose of this Third Report of the Receiver (the “**Third Report**”) is to:
 - i. provide the Court with an update on the Receiver’s activities since June 12, 2018;
 - ii. provide the Court with the Receiver’s review of the validity and enforceability of the security held by the Lender and the opinion thereon

of the Receiver's independent legal counsel, Baker McKenzie LLP (**"Baker"**);

- iii. recommend that the Court make an order or orders:
 - a. approving the Receiver's Statement of Receipts and Disbursements for the period from June 13, 2018 to November 16, 2018;
 - b. approving the activities of the Receiver since June 13, 2018 as outlined in this Third Report;
 - c. approving the accounts of the Receiver, Dentons Canada LLP (**"Dentons"**) and Baker, inclusive of an accrual for the fees and disbursements in connection with the completion of these proceedings, including the costs of this motion as detailed out in the fee affidavits filed in connection with this Motion Record;
 - d. approving the distribution of all funds held by the Receiver, and any further amounts that may be collected by the Receiver, to the Lender up to the value of its indebtedness, subject to such reserves as the Receiver deems necessary, acting reasonably; and
 - e. granting the Receiver its discharge conditional on the completion of its administration.

TERMS OF REFERENCE

- 15. In preparing this Third Report, the Receiver has been provided with, and has relied upon unaudited, draft and/or internal financial information, the Company's books and records,

discussions with former management of the Company, and information from third-party sources (collectively, the “**Information**”). The Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CAS**”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CAS in respect of the Information. The Receiver has prepared this Third Report in its capacity as a Court-appointed officer to support the Court’s approval of the relief being sought. Parties using the Third Report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes.

16. Unless otherwise stated, all dollar amounts contained in this Third Report are expressed in Canadian dollars.
17. Unless as otherwise stated, all capitalized terms not otherwise defined in this Third Report are as defined in the Appointment Order, the First Report or the Second Report.
18. During the course of the receivership administration, the Receiver has sought the advice of Dentons, counsel to the Lender, for general legal matters that have arisen in respect of the receivership to avoid additional legal expense. Where the Receiver has required independent legal advice, the Receiver has sought the counsel of Baker.

RECEIVER'S ACTIVITIES SINCE JUNE 13, 2018

19. On June 15, 2018, the Receiver closed the IST Boiler Sale Transaction.
20. On June 29, 2018, the Receiver closed the IST Sale Transaction.
21. Other activities and duties performed by the Receiver since June 13, 2018 include the following:
 - a) administrative matters related to the closings of the IST Boiler Sale Transaction and IST Sale Transaction such as facilitating access to the premises in Delta, British Columbia and Cambridge, Ontario, providing the books and records and other assets to Propak and Canerector, facilitating IT access, finalizing the statement of adjustment related to the IST Sale Transaction, finalizing the billings for utilities and other services incurred during the receivership;
 - b) reporting to and responding to inquiries from creditors and other stakeholders;
 - c) providing updates and attending discussions with the Lender, Dentons and Baker regarding the receivership proceeding;
 - d) contacting the Company's insurer through its broker, Hub International, in order to cancel coverages and follow up with collection of prepaid insurance premiums paid by the Company pre-receivership;
 - e) completion of HST and corporate tax returns;

- f) discussions with counsel to Aecon Construction Group (“**Aecon**”) regarding its assertion that it is contractually entitled to continue litigation that was commenced by the predecessor-in-interest to IST in respect of damages alleged to be caused by a subcontractor engaged by the IST predecessor, at a time when the IST predecessor was owned by Aecon; and
 - g) Wage Earner Protection Program (“**WEPP**”) administration and other employee matters.
22. With the exception of a few ancillary items which include the completion of the final HST returns, payment of the accounts of the Receiver and legal counsel and distribution of all funds held by the Receiver, the Receiver has completed the administration of the receivership and, other than is detailed herein, is not aware of any other actions that need to be completed. In the circumstances, the Receiver is of the view that it is appropriate to be discharged from its mandate, subject to completing the tasks associated with the Aecon litigation, collection of the insurance refund, and completing the WEPP administration.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

23. The receipts and disbursements of the Receiver from the period May 1, 2018 to November 16, 2018 are summarized in the Receiver’s Statement of Receipts and Disbursements as shown in **Appendix “E”**. As reflected therein, as at November 16, 2018, \$5,471,292.00 is being held in trust by the Receiver, before estimated unpaid amounts owing for certain receivership liabilities and professional fees and costs, which

indicates that there are available funds on hand for a distribution to the Lender of \$5,200,000.00.

FEES AND DISBURSEMENTS OF THE RECEIVER AND LEGAL COUNSEL

24. Professional fees and disbursements charged by the Receiver and legal counsel in relation to the administration of the receivership total approximately \$668,900 (exclusive of HST), including the estimated remaining billings to completion of \$95,000. Copies of the Receiver's account are included in the Affidavit of Warren L. Leung sworn November 20, 2018 which is attached hereto as **Appendix "F"**. Copies of Dentons' accounts are included in the Affidavit of Dennis R. Wiebe sworn November 21, 2018 which is attached hereto as **Appendix "G"**. Copies of Baker McKenzie's accounts are included in the Affidavit of John Pirie sworn November 21, 2018 which is attached hereto as **Appendix "H"**.

DISTRIBUTION OF FUNDS HELD BY THE RECEIVER

25. As set out in Exhibit "G" to the Affidavit of John Borch sworn April 27, 2018 in support of the application for the appointment of the Receiver, as of April 27, 2018, the Lender had secured indebtedness of CA\$13,122,309.32 and US\$2,998,840.00. The Receiver was advised that in early June 2018 that the Lender obtained an insurance recovery of approximately US\$3.0 million from an EDC Performance Security Guarantee relating to the liquidated damages claims against IST on an unsuccessful contract with its customer, Petrofac International Ltd. of United Arab Emirates. As a result, the Lender's secured indebtedness continues to be in excess of CA\$13 million.

26. As the Receiver currently holds approximately \$5.5 million in its trust account with no further anticipated material recoveries from the Company's assets, the Lender will be experiencing a significant shortfall such that there are no projected recoveries for any other subordinate stakeholders of the Company.
27. The Receiver has obtained an independent, written legal opinion from Baker with respect to the validity and enforceability of the Lender's security (the "**Security Opinion**"). According to the Security Opinion, it is Baker's view that, subject to the customary qualifications and limitations included therein, the Lender's security is valid and enforceable against all of the Property of the Company. A copy of the Security Opinion is attached hereto as **Appendix "T"**.
28. The Receiver made payments of \$38,990 to CRA in relation to the deemed trust for payroll source deduction and HST arrears and \$77,308 to ESDC in relation to employee claim for unpaid wages pursuant to WEPP, both of which rank in priority to the Lender's claims.

RECEIVER'S REQUEST TO THE COURT

29. At this time, the Receiver is seeking Court approval of its discharge, payment of its fees and estimated future costs, and approval to distribute the net proceeds of the receivership to the Lender as they become available up to a maximum of \$13,122,309.32 without further order of this Court.
30. Accordingly, the Receiver is respectively seeking an order:

- i. approving this Third Report and the actions and activities of the Receiver for the period up to November 21, 2018 as described herein;
- ii. approving the accounts of the Receiver, Dentons and Baker, inclusive of an accrual for the fees and disbursements in connection with the completion of these proceedings, including the costs of this application;
- iii. approving the Receiver's Statement of Receipts and Disbursements from the period June 13, 2018 to November 16, 2018;
- iv. approving the payment of estimated unpaid amounts owing for certain receivership liabilities and the distribution of available funds to the Lender; and
- v. conditionally discharging the Receiver upon it filing a certificate with the Court confirming that the administration of the receivership has been completed.

All of which is respectfully submitted at Toronto, Ontario this 21st day of November, 2018.

Deloitte Restructuring Inc.,
solely in its capacity as the
Court-appointed receiver of
Innovative Steam Technologies Inc. and
IST Boiler Components Inc., and not in its
corporate or its personal capacity



Per:
Rob Biehler, CPA, CA, CIRP, LIT
Senior Vice-President

Appendix A

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.)
JUSTICE H. J. WILTON-SIBER)

TUESDAY, THE 1ST)
DAY OF MAY, 2018)

AKS

B E T W E E N :

HSBC BANK CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES and
IST BOILER COMPONENTS INC.**

Respondents



**ORDER
(appointing Receiver)**

THIS APPLICATION made by HSBC Bank Canada (the “**Applicant**”), for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing Deloitte Restructuring Inc. (“**Deloitte**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of Innovation Steam Technologies Inc. and IST Boiler Components Inc. (together, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of John Borch, sworn April 27, 2018 and the Exhibits thereto, and the Notice of Application, issued April 30, 2018, and on hearing the submissions of counsel for the Applicant, no other party appearing, and on reading the Consent of Deloitte to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Deloitte is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

- (p) to negotiate the termination of any interests encumbering the Property and undertake such actions necessary to maximize the value of the Debtors' assets;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data

storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (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 THE RECEIVER

11. **THIS COURT ORDERS** that 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 Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors 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 Debtors 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 Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current 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 Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver 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*, the *Ontario Occupational Health and Safety Act*, the *British Columbia Fisheries Act*, the *British Columbia Environmental Management Act*, or the *British Columbia Fish Protection Act*, and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’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.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$300,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver's Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “A” hereto (the “**Receiver’s Certificates**”) for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service->

protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol, ~~with the following UPI [●],~~ *with the following UPI [●]*.

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute 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 facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile 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.

RETENTION OF COUNSEL

27. **THIS COURT ORDERS** that the Receiver may retain counsel to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. Such counsel may include Dentons Canada LLP, lawyers for the Applicant herein, in respect of any matter where there is no conflict of interest. The Receiver shall, however, retain independent counsel in respect of any legal advice or services where a conflict exists, or may arise.

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

30. **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 Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. **THIS COURT ORDERS** that the Receiver 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 Receiver 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.

32. **THIS COURT ORDERS** that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

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

W. Han - Mr J.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAY 01 2018

PER / PAR:

MJ

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties of Innovative Steam Technologies Inc. and IST Boiler Components Inc. (together, the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ____ day of April 2018 (the "**Order**") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the ____ day of each month] after the date hereof at a notional rate per annum equal to the rate of ____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

Deloitte Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal or corporate capacity

Per: _____
Name:
Title:

HSBC BANK CANADA

- and -

INNOVATIVE STEAM TECHNOLOGIES and
IST BOILER COMPONENTS INC.

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

**ORDER
(appointing Receiver)**

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

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Lawyers for HSBC Bank Canada

Appendix B

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.)	TUESDAY, THE 12th
)	
JUSTICE DUNPHY)	DAY OF JUNE, 2018

BETWEEN:

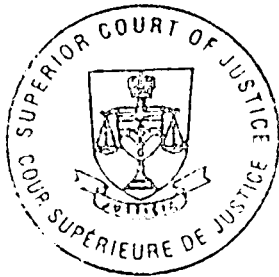
HSBC BANK CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.**

Respondents



APPROVAL AND VESTING ORDER

THIS MOTION, made by Deloitte Restructuring Inc., in its capacity as the Court-appointed receiver and manager (in such capacities, the "**Receiver**"), without security, of all of the assets, undertakings and properties of Innovative Steam Technologies Inc. ("**IST**") and IST Boiler Components Inc. (the "**Debtor**", and together with IST, the "**Debtors**") acquired for or used in relation to a business carried on by the Debtors, for an order approving the transaction (the "**Transaction**") contemplated by the Asset Purchase Agreement (the "**Sale Agreement**") between the Receiver and Canerector Inc. ("**Canerector**") dated June 6, 2018, to be assigned by Canerector to 8882703 Canada Inc. (the "**Purchaser**") immediately before the Closing of the Transaction, appended to the First Report of the Receiver dated June 7, 2018 (the "**First Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report and on hearing the submissions of counsel for the Receiver, HSBC Bank Canada, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Anastasia Markaroff sworn June 8, 2018 filed:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged, and that service of the redacted First Report as effected is hereby validated so that this motion is properly returnable today, and hereby dispenses with further service thereof.
2. THIS COURT ORDERS AND DECLARES that any capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Sale Agreement.
3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Wilton-Siegel dated May 1, 2018; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**) and, for greater certainty, this

Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

8. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or

voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. 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 Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

10. THIS COURT ORDERS that the unredacted First Report filed including Confidential Appendix "D" and "E" to the First Report shall be sealed, kept confidential and not form part of the public record, but shall be placed separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon completion of the Transaction or ~~upon further order of the Court.~~ *June 30 2018 subject to further order.*

ADD

11. THIS COURT ORDERS ~~that the First Report of the Receiver is hereby approved and the activities of the Receiver as set out therein be and hereby are approved including the Receiver's Interim Statement of Receipts and Disbursements for the period May 1, 2018 to June 1, 2018.~~

APP.



ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JUN 12 2018

PER / PAR: *MS*

Schedule A – Form of Receiver’s Certificate

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) _____, THE _____
JUSTICE)
) DAY OF _____, 2018

B E T W E E N:

HSBC BANK CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.**

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice H. J. Wilton-Siegel of the Ontario Superior Court of Justice (the "**Court**") dated May 1, 2018, Deloitte Restructuring Inc. was appointed as the receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of Innovative Steam Technologies Inc. ("**IST**") and IST Boiler Components Inc. (the "**Debtor**", and together with IST, the "**Debtors**") acquired for or used in relation to a business carried on by the Debtors.

B. Pursuant to an Order of the Court dated June 12, 2018, the Court approved the Asset Purchase Agreement (the "**Sale Agreement**") between the Receiver and Canerector Inc.

("Canerector"), which was assigned by Canerector to 8882703 Canada Inc. (the "Purchaser"), and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by Canerector of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 11 of the Sale Agreement have been satisfied or waived by the Receiver and Canerector; and (iii) the Transaction has been completed to the satisfaction of the Receiver..

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. Canerector has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 11 of the Sale Agreement have been satisfied or waived by the Receiver and Canerector; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

DELOITTE RESTRUCTURING INC., in its capacity as receiver and manager of the undertaking, property and assets of INNOVATIVE STEAM TECHNOLOGIES and IST BOILER COMPONENTS INC., and not in its personal or corporate capacity

Per: _____

Name:

Title:

HSBC BANK CANADA
Applicant

-and-

INNOVATIVE STEAM TECHNOLOGIES INC. et al.
Respondents

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

PROCEEDING COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER

BAKER & MCKENZIE LLP
Barristers and Solicitors
181 Bay Street, Suite 2100
Toronto, ON M5J 2T3

John Pirie (LSO #40993K)
e: john.pirie@bakermckenzie.com
t: 416.865.2325 / f: 416.863.6275

Michael Nowina (LSO #496330)
e: michael.nowina@bakermckenzie.com
t: 416.865.2312 / f: 416.863.6275

Lawyers for the Receiver, Deloitte Restructuring Inc.

Appendix C

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**



THE HONOURABLE MR.)

WEDNESDAY, THE 27th

JUSTICE HAINES)

DAY OF JUNE, 2018

JUSTICE HAINES)

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.**

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Innovative Steam Technologies (the "Debtor") and IST Boiler Components Inc. for an order approving the transaction (the "Transaction") contemplated by the Asset Purchase Agreement (the "Sale Agreement") between the Receiver and Propak Systems Ltd. (the "Purchaser") dated June 14, 2018 and appended to the Second Report of the Receiver dated June 15, 2018 (the "Second Report"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report and on hearing the submissions of counsel for the Receiver, HSBC Bank Canada, the Purchaser, no one appearing for any other person on the

service list, although properly served as appears from the affidavit of Anastasia Markaroff sworn June 19, 2018 and the affidavit of Brendan O'Grady sworn June 22, 2018 filed:

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Wilton-Siegel in this Action dated May 1, 2018; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule B hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule C) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the

sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

4. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

5. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

6. THIS COURT ORDERS that, notwithstanding:

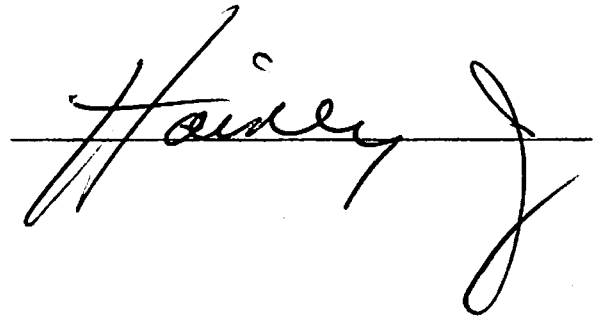
- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

8. THIS COURT ORDERS that any person, creditor or party who has or may make a Claim or has or may make or register an Encumbrance as against or with respect to the Purchased Assets (an "IST/Purchased Assets Claim"), is hereby enjoined and prohibited from registering any Encumbrance with respect to such IST/Purchased Assets Claim and from advancing such IST/Purchased Assets Claim, whether against the Purchaser or any third-party customer or purchaser of part or all of the Purchased Assets from the Purchaser (a "Customer") or against the property, estate or assets of the Purchaser or a Customer. This Court orders that any such Encumbrances filed or registered with respect to an IST/Purchased Assets Claim are hereby expunged and discharged as against the property, estate or assets of the Purchaser or a Customer.

9. 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 Receiver and its agents in carrying out the terms of this Order, including assistance in enforcing the injunction ordered in paragraph 8 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

A handwritten signature in black ink, appearing to read "Hainey", is written over a horizontal line. The signature is fluid and cursive.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JUN 27 2018

PER / PAR:

Handwritten initials "pl" in black ink, positioned to the right of the "PER / PAR:" label.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	_____ , THE _____
)	
JUSTICE)	DAY OF _____ , 2018

B E T W E E N:

HSBC BANK CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.**

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice H. J. Wilton-Siegel of the Ontario Superior Court of Justice (the "**Court**") dated May 1, 2018, Deloitte Restructuring Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Innovative Steam Technologies Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated June 27, 2018, the Court approved the Asset Purchase Agreement (the "**Sale Agreement**") between the Receiver and Propak Systems Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming

(i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 11 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 11 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

DELOITTE RESTRUCTURING INC., in its capacity as Receiver of the undertaking, property and assets of INNOVATIVE STEAM TECHNOLOGIES and IST BOILER COMPONENTS INC., and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Claims

None

HSBC BANK CANADA
Applicant

-and-

INNOVATIVE STEAM TECHNOLOGIES INC. et al.
Respondents

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

PROCEEDING COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER

BAKER & MCKENZIE LLP
Barristers and Solicitors
181 Bay Street, Suite 2100
Toronto, ON M5J 2T3

John Pirie (LSO #40993K)
e: john.pirie@bakermckenzie.com
t: 416.865.2325 / f: 416.863.6275

Michael Nowina (LSO #496330)
e: michael.nowina@bakermckenzie.com
t: 416.865.2312 / f: 416.863.6275

Lawyers for the Receiver, Deloitte Restructuring Inc.

Appendix D

Court File No. CV-18-596878-00CL

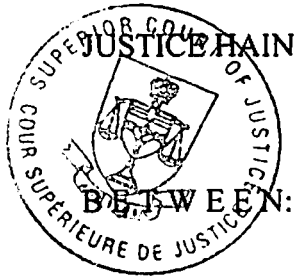
**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.

WEDNESDAY, THE 27TH

JUSTICE HAINEY

DAY OF JUNE, 2018



HSBC BANK CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.**

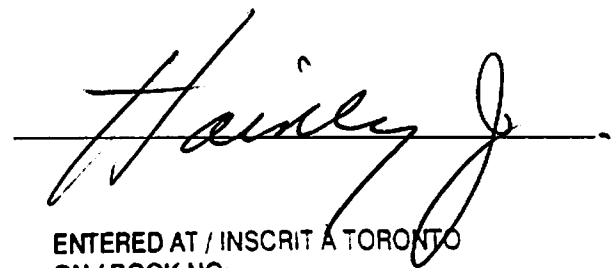
Respondents

ORDER

THIS MOTION, made by Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Innovative Steam Technologies and IST Boiler Components Inc. for an order: (a) sealing Confidential Appendices 1-4 referred to in the Second Report of the Receiver dated June 15, 2018 (the "**Second Report**"); (b) approving the actions and activities of the Receiver as set out in the First Report of the Receiver, dated June 7, 2018 ("**First Report**") and Second Report; and (c) approving the Receiver's Interim Statement of Receipts and Disbursements, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report and the Second Report, and on hearing the submissions of counsel for the Receiver, HSBC Bank Canada, Propak Systems Ltd., no one appearing for any other person on the service list, although properly served as appears from the affidavit of Anastasia Markaroff sworn June 19, 2018 and the affidavit of Brendan O'Grady sworn June 22, 2018 filed:

1. **THIS COURT ORDERS** that the Confidential Appendices 1-4 referred to in the Second Report of the Receiver and filed as a separate Confidential Brief shall be sealed, kept confidential and not form part of the public record, but shall be placed separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings with a statement that the contents are subject to a sealing order and shall only be opened after August 31, 2018, or upon further order of the Court.
2. **THIS COURT ORDERS** that the Receiver's First Report and the Second Report and the actions and activities of the Receiver as out therein be and is hereby approved.
3. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements for the period of May 1, 2018 to June 12, 2018 be and is hereby approved.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JUN 27 2018

PER / PAR:



HSBC BANK CANADA
Applicant

-and-

INNOVATIVE STEAM TECHNOLOGIES INC. et al.
Respondents

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

PROCEEDING COMMENCED AT TORONTO

ORDER

BAKER & MCKENZIE LLP
Barristers and Solicitors
181 Bay Street, Suite 2100
Toronto, ON M5J 2T3

John Pirie (LSO #40993K)
e: john.pirie@bakermckenzie.com
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Michael Nowina (LSO #496330)
e: michael.nowina@bakermckenzie.com
t: 416.865.2312 / f: 416.863.6275

Lawyers for the Receiver, Deloitte Restructuring Inc.

Appendix E

**In the Matter of the Receivership of
Innovative Steam Technologies Inc. and IST Boiler Components Inc.
Statement of Receipts and Disbursements
For the period from May 1, 2018 to November 16, 2018**

<u>Description</u>	<u>Amount</u>	<u>Notes</u>
Receipts		
Cash on hand - CAD\$	\$ 94,626	
Cash on hand - USD\$	156,946	1
Accounts receivable - CAD\$	448,228	
Accounts receivable - USD\$	214,696	1
Sale of Inventory	741,711	2
Sale of Assets En Bloc	4,850,808	
GST/HST collected post-receivership	13,893	
Other - CAD\$	57,019	
Other - USD\$	2,752	1
Total actual receipts	<u>6,580,680</u>	
Disbursements		
Receiver's Fees	456,975	
Legal Fees	171,741	
Contract employees	35,471	3
Occupation rent	242,774	
Insurance	39,767	
HST paid post-receivership	48,848	
WEPP	77,308	5
Unremitted Source Deductions	2,677	6
Miscellaneous disbursements - CAD\$	33,812	
Miscellaneous disbursements - USD\$	15	1
Total actual disbursements	<u>1,109,388</u>	
Excess of Receipts over Disbursements	<u>\$ 5,471,292</u>	4

Notes:

- 1 Balances translated at CAD/USD exchange rate of 1.30.
- 2 Sale of inventory represents orders that were completed post-receivership.
- 3 The Receiver contracted certain former employees to assist with records of employment, sale of inventory, computer systems backup and other receivership administration.
- 4 Net receipts recorded on cash basis; exclude certain expenses that are accruing but not paid (e.g. Receiver fees, legal fees)
- 5 Payment to Employment and Social Development Canada in relation to superpriority employee claim for unpaid wages.
- 6 Payment to CRA in relation to the deemed trust for payroll source deduction.

Appendix F

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.**

Respondents

**AFFIDAVIT OF WARREN L. LEUNG
(Sworn November 20, 2018)**

I, WARREN L. LEUNG, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Vice-President of Deloitte Restructuring Inc. ("**Deloitte**"), the Court appointed Receiver in these proceedings (the "**Receiver**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. Deloitte was appointed as Receiver pursuant to the Order granted by the Honourable Mr. Justice Wilton-Siegel dated May 1, 2018 (the "**Appointment Order**").
3. Attached hereto and marked as **Exhibit "A"** are the copies of the interim invoices rendered by the Receiver in respect of the periods from April 30, 2018 to October 31, 2018. The invoice contains the fees (including details of the billing rates and total hours of each of the members of


- 2 -

Deloitte who acted on behalf of the Receiver in these proceedings), disbursements and HST charged by Deloitte in these proceedings.

4. Attached hereto and marked as **Exhibit "B"** is a schedule summarizing the invoice in **Exhibit "A"**, the total billable hours charged, the total fees charged and the average hourly rate charged. The Receiver expended a total of 1,082.9 hours in connection with this matter during the period from April 30, 2018 to October 31, 2018, giving rise to fees and disbursements totalling \$524,831.79, including HST.

5. To the best of my knowledge, Deloitte's rates and disbursements are consistent with those in the market for these types of matters and the hourly billing rates charged by Deloitte are comparable to the rates charged by Deloitte for services rendered in similar proceedings.

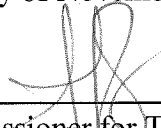
SWORN before me in the City of Toronto,
in the Province of Ontario, on this 20th day
of November, 2018.


A Commissioner for taking affidavits
Name:


WARREN L. LEUNG

Anna Koroneos, a Commissioner, etc.,
Province of Ontario
for Deloitte Restructuring Inc.,
Licensed Insolvency Trustee,
Expires June 3, 2019.

This is Exhibit "A" referred to in the
affidavit of Warren L. Leung
sworn before me, this 20th
day of November, 2018.



A Commissioner for Taking Affidavits

**Anna Koroneos, a Commissioner, etc.
Province of Ontario
for Deloitte Restructuring Inc.,
Licensed Insolvency Trustee.
Expires June 3, 2019.**


Invoice 8000151707
Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

Innovative Steam Technologies Inc. and IST Boiler Components Inc.
c/o Deloitte Restructuring Inc., Receiver
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: June 12, 2018
Client No.: 1136634
WBS#: HON00034
Engagement Partner: Paul Casey

HST Registration: 12289 3605

For professional services rendered
Fees

By Deloitte Restructuring Inc. as Court appointed Receiver of Innovative Steam Technologies Inc. and IST Boiler Components Inc. ("IST" or the "Company") for the period from April 30, 2018 to May 7, 2018.

Please see the attached appendices for details.

Expense
Sales Tax

HST applicable	109,050.00
HST applicable	3,668.90
HST at 13.00%	<u>14,653.46</u>
Total Amount Due (CAD)	<u>127,372.36</u>



Appendix # 1

Summary of Fees					
Professional	Position	Hours	Rate		
Paul Casey	Partner	2.0	\$650	\$	1,300.00
Robert Biehler	Partner	37.0	\$650		24,050.00
Jeff Keeble	Partner	15.0	\$650		9,750.00
Anna Koroneos	Senior Manager	29.0	\$500		14,500.00
Warren Leung	Senior Manager	31.5	\$500		15,750.00
Brian Casey	Manager	1.0	\$400		400.00
Dominic Davis	Senior	28.2	\$325		9,165.00
Bosco Ngai	Senior	19.0	\$325		6,175.00
Prithpal Pardal	Senior	20.0	\$325		6,500.00
Magdalena Delgado	Analyst	8.5	\$250		2,125.00
Soo Won Youn	Analyst	68.0	\$250		17,000.00
Emily Klein	Analyst	4.0	\$250		1,000.00
Rose Brown	Admiistrator	8.9	\$150		1,335.00
Total Professional hours and fees		<u>272.1</u>		\$	<u>109,050.00</u>
		<u>Out of pocket expenses</u>			
		Car Rental	\$519.11		
		Hotel	858.77		
		Meals	1,048.22		
		Mileage	188.86		
		Parking	16.07		
		Taxi	144.12		
		Miscellaneous	512.95		
		Office Supplies	248.34		
		Postage	132.46		
					<u>3,668.90</u>
			Subtotal	\$	112,718.90
			HST @ 13%		14,653.46
			Amount Payable (CAD)	\$	127,372.36



Appendix # 2

Date	Professional	Description	Hours
4/30/2018	Davis, Dominic	Briefing calls with J. Keeble and W. Leung; review of IST Boiler data room files.	1.0
4/30/2018	Youn, Soo Won	Preparation of website set-up; insurance letter; notice of receivership; list of creditors; bank letters; RC59; employee termination letter.	6.0
5/1/2018	Biehler, Robert	Call with prospective purchaser; attending in Toronto court; planning discussions with Deloitte team; attendance in Cambridge to meet with management and employee team; chair employee meeting; call with auctioneer to discuss timeframes; call with HSBC.	9.0
5/1/2018	Brown, Rose	Trust banking administration: open bank accounts; website page; prepare labels for employees.	1.5
5/1/2018	Casey, Brian	Project planning; collection for on-site visit.	0.5
5/1/2018	Davis, Dominic	Call with J. Keeble, W. Leung, and IST; receivership possession activities for IST Boiler; employee terminations; changing locks; information gathering from management.	6.1
5/1/2018	Delgado, Magdalena	Onsite imaging of servers and laptops.	8.5
5/1/2018	Keeble, Jeff	Review Court order; review and sign employee letters; call with company re receivership; attend at premises and meet with and terminate employees; review f/s and other information; review assets and tour premises and take preliminary inventory.	3.0
5/1/2018	Koroneos, Anna	Travel to and attend at client site; meeting with management and employees; meeting with staff accountant and HR; preserve assets; arrange for and meet with locksmith; letter to insurance broker and TD bank to freeze accounts; team meeting and call to HSB.	9.0
5/1/2018	Leung, Warren	Attend at Court; attend onsite in Cambridge at both locations, changed locks, secured premises, meeting with management to discuss receivership plan, meeting with certain employees re retention, termination of all employees onsite.	8.0
5/1/2018	Ngai, Bosco	Onsite imaging of servers and laptops.	8.5
5/1/2018	Pardal, Prithpal	Onsite imaging of servers and laptops.	8.5
5/1/2018	Youn, Soo Won	Notice of termination; various employee matters; collection of laptops and cellphones.	7.0
5/2/2018	Biehler, Robert	Attend on site; attend to sales process, plant possession and control; attending to customer matters (AR and orders); team meetings re employees, possession and sales process; update calls and emails with Dentons and HSBC.	8.0
5/2/2018	Brown, Rose	Trust banking administration: bank accounts and import creditor list into Ascend; prepare courier request.	1.2

Date	Professional	Description	Hours
5/2/2018	Davis, Dominic	Receivership possession control of IST Boiler; detailed review of Jobs in progress, AR and AP with management; weekly cash burn review and assessment of continuing operations.	6.7
5/2/2018	Keeble, Jeff	Attend at premises, calls and emails with customers re orders; meeting with interested party and tour of premises; meeting with landlord; review AR and AP and inventory; review and update WIP analysis and cash flow.	5.0
5/2/2018	Klein, Emily	Call with W. Leung and preparation of AR demand letters.	1.0
5/2/2018	Koroneos, Anna	At client site with HR to prepare for WEPP and vacation accruals; other receivership matters; team meeting to update checklist.	10.0
5/2/2018	Leung, Warren	Attend onsite in Cambridge; review creditors listing; obtain latest financial records; coordinate with employees abroad; letter to TD re receivership; facilitate imaging of computers and servers; coordinate AR demand letters; update call with team.	10.0
5/2/2018	Ngai, Bosco	Onsite imaging of servers and laptops.	9.5
5/2/2018	Pardal, Prithpal	Onsite imaging of servers and laptops.	9.0
5/2/2018	Youn, Soo Won	Various employee matters; collection of laptops and cellphones; inventory verification; fixed asset verification; list of creditor update; site inspection; dataroom update.	10.0
5/3/2018	Biehler, Robert	Calls with auctioneers; call with Dentons re: customer matters; emails and calls re customer matters; discussion with J. Youn re staffing, possession and customer matters; emails re sales process.	3.0
5/3/2018	Brown, Rose	Trust banking administration: set up bank account on Ascend and send banking information to the team; prepare deposit and take to the bank.	0.8
5/3/2018	Casey, Brian	Project management.	0.5
5/3/2018	Davis, Dominic	Receivership possession control of IST Boiler; detailed review of Jobs in progress; weekly cash burn review and assessment of continuing operations.	5.7
5/3/2018	Keeble, Jeff	Call with interested party; review information required from contractors; review Teck project in detail and costs to complete; review 30 day good claims; review asset listing; review asset info and call with Century; review f/s and employees matters.	3.0
5/3/2018	Klein, Emily	Preparation of AR demand letters.	3.0
5/3/2018	Koroneos, Anna	Emails and telephone calls; review documents and instructions to J. Youn.	2.0
5/3/2018	Leung, Warren	Call with landlord; letter to HSBC re receivership; respond to team queries; facilitate AR demand letters; respond to emails and voicemails.	2.5
5/3/2018	Ngai, Bosco	Project management re data imaging.	0.5
5/3/2018	Pardal, Prithpal	Project management re data imaging.	2.5

Date	Professional	Description	Hours
5/3/2018	Youn, Soo Won	Coordination with Adcom Worldwide re: Isle of Man project shipping; collection of cellphones and laptops; personal belonging pick-up supervision; supervision of landlord visit; fixed asset verification; Isle of Man project budget analysis.	11.0
5/4/2018	Biehler, Robert	Calls and analysis re: customer opportunities; conference call with Deloitte BC team; sales process activities; t/t HSBC representative; possession and control matters; email correspondence.	8.0
5/4/2018	Brown, Rose	Trust banking administration: review account online for deposits; print ROEs and labels and stuff and send out by mail.	1.7
5/4/2018	Davis, Dominic	Call with J. Keeble, R. Biehler; receivership possession control activities; prepare IST Boiler information for data room; inventory count with management.	5.8
5/4/2018	Keeble, Jeff	Attend at premises to meet with contractors and landlord; review cash flow and contract analysis; review information required for data room; calls with customers re order status; call with interested party; call with team re update; review AR.	4.0
5/4/2018	Koroneos, Anna	Respond to emails; review of vacation accrual and implement into WEPP.	2.0
5/4/2018	Leung, Warren	Call and email employees abroad; respond to emails and voicemails re receivership administration.	2.0
5/4/2018	Youn, Soo Won	Coordination with former employees for Isle of Man project; ROE reconciliation; computer software, hardware verification; WIP analysis for projects in Isle of Man, Australia, and Israel; various employee matters; laptop and cellphone pick-up; supervision.	14.0
5/5/2018	Youn, Soo Won	Dataroom update; employee invoices; reconciliation of IST Boiler and IST; inventory summary; fixed asset summary.	6.0
5/6/2018	Biehler, Robert	Email correspondence and review of customer and sale process matters.	1.0
5/6/2018	Youn, Soo Won	Sales process; various employee matters.	2.0
5/7/2018	Biehler, Robert	Update call with Deloitte team; email correspondence re customer matters; call with Manx re shipment opportunity; attend to customer matters and sale process; approve form of notice.	8.0
5/7/2018	Brown, Rose	Trust banking administration: prepare of letter and documents for 2 re-direction of mail and take to the post office; input various disbursement cheques; review accounts online and input transfer from company A/Cs; scan deposit slip; update employee mailing address.	3.7
5/7/2018	Casey, Paul	Meeting A. Koroneos; attend team update call and follow up with R. Biehler; attend call re sales process and review teaser.	2.0
5/7/2018	Davis, Dominic	Review of BC ROEs and email to Union on same; review and update to IST Boiler AR schedule; liaise with auctioneers; coordination of hard-drive imaging; follow-up on Delta lease.	2.9

Date	Professional	Description	Hours
5/7/2018	Koroneos, Anna	Work on WEPP calculations; telephone calls and emails to insurance; report on insurance; request payment; contractor payments; with ADP on payroll, T4, ROES; respond to internal inquiries and emails.	6.0
5/7/2018	Leung, Warren	Review NDAs, emails to Gowlings re IPs and trademarks, respond to employees and creditors; coordinate IT imaging; email to customers re assets onsite; emails to customers to notify of receivership; finalize notice of the receiver; sales process.	9.0
5/7/2018	Ngai, Bosco	Project management re data imaging.	0.5
5/7/2018	Youn, Soo Won	Sales process; various employee matters; Isle of Man project supervision; various accounting matters.	12.0
Total			272.1


Invoice 8000151706
Deloitte Restructuring Inc.

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8 Adelaide Street West, Suite 200
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Canada

Tel: (416) 601-6150
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Date: June 12, 2018
Client No.: 1136634
WBS#: HON00034
Engagement Partner: Paul Casey
HST Registration: 12289 3605

For professional services rendered
Fees

By Deloitte Restructuring Inc. as Court appointed Receiver of Innovative Steam Technologies Inc. and IST Boiler Components Inc. ("IST" or the "Company") for the period from May 8, 2018 to May 18, 2018.

Please see the attached appendices for details.

Sales Tax

HST applicable 120,897.50

HST at 13.00% 15,716.68

Total Amount Due (CAD) 136,614.18



Appendix # 1

Summary of Fees				
Professional	Position	Hours	Rate	
Paul Casey	Partner	1.7	\$650	\$ 1,105.00
Robert Biehler	Partner	50.0	\$650	32,500.00
Jeff Keeble	Partner	6.6	\$650	4,290.00
Anna Koroneos	Senior Manager	27.6	\$500	13,800.00
Warren Leung	Senior Manager	51.0	\$500	25,500.00
Brian Casey	Manager	1.0	\$400	400.00
Peter Sanford	Manager	2.0	\$400	800.00
Dominic Davis	Senior	28.9	\$325	9,392.50
Bosco Ngai	Senior	6.0	\$325	1,950.00
Li Ji Zhou	Consultant	12.0	\$250	3,000.00
Naveen Kumar Venugopal	Analyst	6.0	\$250	1,500.00
Soo Won Youn	Analyst	81.5	\$250	20,375.00
Emily Klein	Analyst	12.0	\$250	3,000.00
Rose Brown	Adminstrator	21.9	\$150	3,285.00
Total Professional hours and fees		<u>308.2</u>		<u>\$ 120,897.50</u>
			HST @ 13%	15,716.68
			Amount Payable (CAD)	\$ 136,614.18



Appendix # 2

Date	Professional	Description	Hours
5/8/2018	Biehler, Robert	Attend on site; walk through with operations staff re Manx customer order and equipment; call with Manx; attend to sales process and customer matters; update call with HSBC.	6.0
5/8/2018	Brown, Rose	Trust banking administration: deposit; disbursement cheques; prepare fax to OSB and send; print AR letters; review online banking for incoming wire and input into Ascend; prepare labels for mailing.	3.5
5/8/2018	Casey, Paul	Review status emails and respond to W. Leung.	0.2
5/8/2018	Davis, Dominic	Review and update to IST Boiler AR schedule; liaise with auctioneers; correspond with TECK Metals.	1.7
5/8/2018	Keeble, Jeff	Calls and emails with Teck Metals and its counsel; call with Century re assets and auction proposal.	0.5
5/8/2018	Koroneos, Anna	Work on WEPP schedule; insurance payments; mail merge for employee; retained staff payments; attend at first insurance for payment and meeting with FI staff on continuation of funding; work on AR letters and mail merge; work on POC for WEPP.	6.0
5/8/2018	Koroneos, Anna	Review of emails from former employees on benefits and from Kamila Goch on ADP emails re: payment of payroll.	0.5
5/8/2018	Leung, Warren	Call with Manx re work in progress; discussions with Propak re work in progress; respond to creditors; coordinate sales process; emails to Gowlings re IPs and trademarks; emails and calls to customers to notify of receivership.	8.0
5/8/2018	Ngai, Bosco	Project management re data imaging.	0.5
5/8/2018	Youn, Soo Won	Sales process; various employee matters; Isle of Man project supervision; various accounting matters.	12.0
5/9/2018	Biehler, Robert	Calls and emails re sales process and customer matters.	4.0
5/9/2018	Brown, Rose	Trust banking and estate administration: disbursement cheques and courier; review online banking report for incoming wire and process receipts to Ascend GL; mailing of Notice and Statement of Receiver; print labels for AR correspondence.	4.5
5/9/2018	Casey, Brian	Meetings; project management; QC.	0.5
5/9/2018	Casey, Paul	Emails to team and HSBC.	0.5
5/9/2018	Davis, Dominic	Calls with security company, Unifirst and Super Save re proceedings; liaise with TECK metals and attending TECK visit onsite and review of job materials; liaise with auctioneers; coordinate hard-drive imaging.	5.1
5/9/2018	Klein, Emily	Preparation of AR demand letters.	3.5

Date	Professional	Description	Hours
5/9/2018	Koroneos, Anna	With E. Klein on A/R mail merge; add another letter; with R. Brown on mailing to creditors and OSB estate number; with OSB on estate number; emails to ADP on payroll and requests; review several team emails; with Manulife on benefits.	4.0
5/9/2018	Leung, Warren	Discussions with Propak re work in progress; calls with counsel re NDAs and other matters; respond to employee and creditors; coordinate the sales process; call with Manx re work in progress; meet with auctioneer for site visit.	8.0
5/9/2018	Ngai, Bosco	Project management re data imaging.	0.5
5/9/2018	Venugopal, Naveen Kumar	Onsite imaging of servers and laptops.	6.0
5/9/2018	Youn, Soo Won	Sales process; various employee matters; Isle of Man project supervision; various accounting matters; auctioneer matters, site tour.	12.0
5/10/2018	Biehler, Robert	Calls and emails re sales process and customer matters.	4.0
5/10/2018	Brown, Rose	Trust banking administration: review account for incoming wires; review GL for AR received to date and email J. Youn; sent full GL report to W. Leung; prepare Affidavit of Mailing; prepare administration folders and for receipts & disbursements.	2.0
5/10/2018	Casey, Brian	Meetings; project management; QC.	0.5
5/10/2018	Casey, Paul	Attend update call with R. Biehler and W. Leung; emails re reporting, sales process, other.	1.0
5/10/2018	Davis, Dominic	Liaise with TECK metals re second visit; attend onsite for second TECK visit and detailed review of material certifications; report on TECK visit and review of IST files for materials support; coordinate hard-drive imaging; email to K. O'rouke.	5.9
5/10/2018	Keeble, Jeff	Draft update for IST Boiler receivership; review outstanding matters; review Teck Metals correspondence; review AR and AP; review emails from customers and vendors; discussion with D. Davis re outstanding matters.	1.3
5/10/2018	Koroneos, Anna	Review and respond to team emails; call with J. Youn; emails on AR and update draft report from W. Leung.	1.5
5/10/2018	Leung, Warren	Discussions with prospective buyers; internal update call and draft reporting update to HSBC; management of contractors retained; oversee auctioneer site visit; research into Propak contract and cost details and emails with counsel.	6.5
5/10/2018	Ngai, Bosco	Project management re data imaging.	1.5
5/10/2018	Sanford, Peter	Project management: Forensic Collection coordination.	1.0
5/10/2018	Youn, Soo Won	Sales process; various employee matters; various accounting matters; auctioneer site inspection.	8.0
5/10/2018	Zhou, Li Ji	Pre-imaging discussion.	1.0
5/11/2018	Biehler, Robert	Update email to bank; emails and calls re customer matters and sale process.	3.0

Date	Professional	Description	Hours
5/11/2018	Brown, Rose	Trust banking administration: review account online for incoming wires.	0.3
5/11/2018	Davis, Dominic	Attend onsite for auctioneer visits and hard-drive imaging; discussions with auctioneers on assets; calls with Cora Bike Racks and detailed inventory count onsite with Cora representative; review of IST files for bike rack pricing.	6.2
5/11/2018	Keeble, Jeff	Respond to status update; call with CIMS re potential offer; review costs incurred with Teck Metals and supporting documents and prepare summary schedule; email and calls with Teck Metals counsel; call with Cora Bikes re outstanding purchase order and viewing.	1.5
5/11/2018	Klein, Emily	Preparation of AR demand letters.	2.5
5/11/2018	Koroneos, Anna	Review and respond to emails.	0.2
5/11/2018	Leung, Warren	Revise update to the Bank; update call with R. Biehler; correspondence with counsel re NDA and Propak; respond to suppliers and customers, team management.	3.5
5/11/2018	Ngai, Bosco	Project management re data imaging.	1.0
5/11/2018	Sanford, Peter	Project management re data imaging.	0.5
5/11/2018	Youn, Soo Won	Sales process; various employee matters; various accounting matters; various suppliers, vendors matters.	8.0
5/11/2018	Zhou, Li Ji	Forensic imaging.	8.0
5/14/2018	Biehler, Robert	Calls and correspondence re sales process and attending to file administration matters.	7.0
5/14/2018	Brown, Rose	Trust banking administration: disbursement cheques and scanning; review online banking for incoming wires; provide GL report to J. Youn.	1.2
5/14/2018	Davis, Dominic	Calls with auctioneers; draft Cora invoice.	1.2
5/14/2018	Keeble, Jeff	Calls with G. Martel re operations and Teck Metals job; review and update invoice to Cora Bikes; call with Cora Bikes; review 30 day goods claim; email Cora invoice wording to Dentons for review and comments.	0.8
5/14/2018	Koroneos, Anna	With ADP on call re: payroll; report to team; with insurance on new policy changes and financing; report to team; amend WEPP calculations to reflect ADP payment; process Trustee Information Form on Service Canada; with R. Brown on payments in bank; email re AR.	5.0
5/14/2018	Leung, Warren	Calls and emails with prospective buyers re due diligence; calls and emails with counsel re NDAs; respond to suppliers and employees; review SRD.	7.0
5/14/2018	Ngai, Bosco	Project management re data imaging.	0.5
5/14/2018	Sanford, Peter	Project management: Forensic Collection communications and instructions.	0.5

Date	Professional	Description	Hours
5/14/2018	Youn, Soo Won	Sales process; various employee matters; various accounting matters; various suppliers and vendors matters.	8.0
5/14/2018	Zhou, Li Ji	Encrypted drives and shipped drive to Toronto.	3.0
5/15/2018	Biehler, Robert	Attending to outstanding receivership matters; sales process; calls with stakeholders.	8.0
5/15/2018	Brown, Rose	Trust banking and estate administration: Get Affidavit of Mailing signed; print & send letters out registered & regular mail; review WEPP letters as requested; print labels for WEPP mailing; pick up re-directed mail and sort to obtain cheques for J. Youn; scan disbursement and receipt.	4.5
5/15/2018	Davis, Dominic	Liaise with Cora re inventory collection; liaise with G. Martel for visit and 30 day goods; compile IST Boiler photographs for auctioneer.	0.7
5/15/2018	Keeble, Jeff	Calls with G. Martel re Teck Metals order and costs incurred; review supporting documents; emails with counsel for Teck Metals; meeting with D. Davis re outstanding matters; review AR.	1.0
5/15/2018	Klein, Emily	Preparation of WEPP forms.	4.0
5/15/2018	Koroneos, Anna	Administer WEPP information package; instruct staff.	5.0
5/15/2018	Leung, Warren	Calls and emails with customer re work orders and foreign assets onsite; calls and emails and onsite meetings with prospective buyers re due diligence; review tax forms; emails and calls with counsel re NDAs.	6.0
5/15/2018	Ngai, Bosco	Project management re data imaging.	1.0
5/15/2018	Youn, Soo Won	Sales process; various employee matters; various accounting matters; various suppliers and vendors matters.	8.0
5/16/2018	Biehler, Robert	Calls and emails re: sales process; staff meetings to review customer, receivership matters.	7.0
5/16/2018	Brown, Rose	Trust banking administration: review account online for any new wire and clear of cheques; prepare disbursement cheques; deposits.	2.1
5/16/2018	Davis, Dominic	Emails to and from IST Boiler security company; attend IST Boiler with G. Martel to identify and discuss inventory relating to Exocor, Canfor, Cora, and other customers.	3.1
5/16/2018	Keeble, Jeff	Call from interested party; call to customer re status of order; emails with counsel for Teck Metals; call with G. Martel.	0.5
5/16/2018	Klein, Emily	Preparation of WEPP forms.	2.0
5/16/2018	Koroneos, Anna	Call with W. Leung and R. Biehler on employees, ADP, new ROEs, WSIB, WCB, Worksafe BC and payment of contractors.	0.5
5/16/2018	Koroneos, Anna	Complete details for WEPP mailings; with ADP; with insurance; with team on letters; with R. Brown on receivables; with E. Klein on WEPP packages and instruction; review WEPP mailing packages; review of redirected mail and respond where required.	4.5

Date	Professional	Description	Hours
5/16/2018	Leung, Warren	Calls and emails with prospective buyers; team update re same; calls and emails with former customers re work products; call with team re employees; meeting with landlord re site inspection; review submitted bids.	6.5
5/16/2018	Ngai, Bosco	Project management re data imaging.	1.0
5/16/2018	Youn, Soo Won	Sales process; various employee matters; various accounting matters; various suppliers and vendors matters.	8.5
5/17/2018	Biehler, Robert	Calls with counsel and interested parties re sales process; review status of outstanding matters.	7.0
5/17/2018	Brown, Rose	Trust banking administration: review account online for any new wire and clear of cheques, prepare disbursement cheques; deposits.	2.5
5/17/2018	Davis, Dominic	Attend IST Boiler for collection of Cora inventory; review of TECK emails; review of correspondence received; liaise with Delta landlord on rent.	3.2
5/17/2018	Keeble, Jeff	Call with R. Biehler re sales process update and other matters; call with Faskens re Teck Metals; review emails from customers.	0.5
5/17/2018	Koroneos, Anna	With W. Leung on sales process and updates on WEPP; amended ROES, insurance.	0.4
5/17/2018	Leung, Warren	Call with counsel and team re sales process and bids; call with various interested parties who submitted offers; update calls with team; revise draft first report of the Receiver; review Propak service agreement and provide comments to counsel.	5.5
5/17/2018	Youn, Soo Won	Sales process; various employee matters; various accounting matters; various suppliers and vendors matters.	9.0
5/18/2018	Biehler, Robert	Calls and emails with counsel and interested parties re sales process, receivership administration matters.	4.0
5/18/2018	Brown, Rose	Trust banking administration: scan creditor invoices and prepare mailing of notice to 8 new creditors; print and AR listing to J. Youn.	1.3
5/18/2018	Davis, Dominic	Email to IST Boiler security company; liaise with J. Youn on TECK, Cora and other queries.	1.8
5/18/2018	Keeble, Jeff	Review Teck Metals agreement and send to Dentons; emails with Teck counsel; call with G. Martel re update; review updated AR schedule.	0.5
5/18/2018	Youn, Soo Won	Sales process; various employee matters; various accounting matters; various suppliers and vendors matters.	8.0
Total			308.2


Invoice 8000151705
Deloitte Restructuring Inc.

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Date: June 12, 2018
Client No.: 1136634
WBS#: HON00034
Engagement Partner: Paul Casey

HST Registration: 12289 3605

For professional services rendered
Fees

By Deloitte Restructuring Inc. as Court appointed Receiver of Innovative Steam Technologies Inc. and IST Boiler Components Inc. ("IST" or the "Company") for the period from May 19, 2018 to May 26, 2018.

Please see the attached appendices for details.

Sales Tax

HST applicable	38,450.00
HST at 13.00%	<u>4,998.50</u>
Total Amount Due (CAD)	<u>43,448.50</u>



Appendix # 1

Summary of Fees					
Professional	Position	Hours	Rate		
Paul Casey	Partner	1.4	\$650	\$	910.00
Robert Biehler	Partner	24.5	\$650		15,925.00
Jeff Keeble	Partner	3.8	\$650		2,470.00
Anna Koroneos	Senior Manager	12.5	\$500		6,250.00
Dominic Davis	Senior	8.0	\$325		2,600.00
Soo Won Youn	Analyst	36.0	\$250		9,000.00
Emily Klein	Analyst	1.4	\$250		350.00
Rose Brown	Adminstrator	6.3	\$150		945.00
Total Professional hours and fees		<u>93.9</u>			
			HST @ 13%	\$	38,450.00
					4,998.50
			Amount Payable (CAD)	\$	43,448.50



Appendix # 2

Date	Professional	Description	Hours
5/22/2018	Biehler, Robert	Attending on-site in Cambridge; meeting with real estate agent and prospective tenant; calls with customers and other stakeholders; call with HSBC rep and counsel; meeting with employees; email correspondence re AR and sales process; introduction call with all lawyers.	9.0
5/22/2018	Brown, Rose	Trust banking administration: review account online for incoming wires; prepare disbursement cheques; update creditors on Ascend and send out notices.	1.9
5/22/2018	Casey, Paul	Review Offer Summary, letter and emails team; teleconference R. Biehler.	0.7
5/22/2018	Davis, Dominic	Update IST Boiler WIP, discussions with J. Keeble and J. Youn on same.	0.3
5/22/2018	Keeble, Jeff	Call with Faskens; update Teck Metals agreement; emails with Teck Metals.	0.5
5/22/2018	Koroneos, Anna	With J. Youn on employee invoices; review and approve for payment; prepare and file 4 ADP cancellation forms and forward to Dan at ADP; with D. Turner of Hub via email and several calls to follow up on insurance; review letters for utilities with J. Youn.	3.0
5/22/2018	Youn, Soo Won	Utilities letter and notification; on-site supervision of former employees, site-visits, and equipment pick-up; A/R updates; sales process material circulation; sales process coordination with purchaser.	8.0
5/23/2018	Biehler, Robert	Calls and email correspondence re on site activities, sale process and summarizing offers; attending to customer matters.	7.0
5/23/2018	Brown, Rose	Trust banking administration: review account online for incoming wires; pick up cheques and prepare deposit slip and take to the bank; send email to RBC to open account.	0.9
5/23/2018	Casey, Paul	Emails re Propak offer and action plan; review proposals re IST Boiler and emails.	0.5
5/23/2018	Davis, Dominic	Coordinate TECK visit for materials; liaise with Exocor for goods collection; discussions with J. Keeble on Teck and Exocor; correspond with J. Youn on various matters.	3.1
5/23/2018	Keeble, Jeff	Call with Century re update; call with supplier re update; review the Teck Metals agreement and updates and respond to Dentons and execute; review 30 day good claim and position and review of assets; review outstanding items; review other WIP and AR.	2.0
5/23/2018	Klein, Emily	Returning calls to unsecured creditors.	1.2

Date	Professional	Description	Hours
5/23/2018	Koroneos, Anna	With several former employees re: WEPP; update register and file with Service Canada; with K. Goch, former HR on payroll records for audit; email to team re same; with ADP on closing documents and CD request for records; with D. Turner of Hub re insurance.	3.5
5/23/2018	Youn, Soo Won	Discussion with landlord; cellphone/laptop retrieval; creditor communication; on-site supervision of former employees; TSSA inspection; A/R updates; summary of bids 2.0.	12.0
5/24/2018	Biehler, Robert	Call with HSBC reps; attending to calls and emails re: sales process and on site activities; call with IST Cambridge purchaser.	3.0
5/24/2018	Brown, Rose	Trust banking administration: check account online for income wire and returns; set up RBC Bank account on Ascend; prepare deposits and take to the bank; disbursement review and print back to disbursements.	1.8
5/24/2018	Davis, Dominic	Attend and oversee TECK visit for materials and CAD files; call with creditor (Valmont Industries); correspond with J. Youn and follow-up on various matters.	4.1
5/24/2018	Keeble, Jeff	Review and respond to emails from customers re orders and materials on site; review Teck Metals status and coordinate pick up; review AR; emails with team re sales update.	0.5
5/24/2018	Klein, Emily	Reviewing new mail.	0.2
5/24/2018	Koroneos, Anna	With D. Turner and First Insurance on insurance premiums and Court Order reflecting they cannot terminate; teleconference with R. Biehler on same; review of J. Youn emails; forward bank emails to R. Brown for tracking; with several employees on WEPP, update register.	4.0
5/24/2018	Youn, Soo Won	Summary of bids 2.0; occupancy cost summary; utilities correspondence; creditor communication; A/R update; supervision of former employees; communication with landlords; employee matters; sales process due diligence.	8.0
5/25/2018	Biehler, Robert	Calls re IST Boiler and IST Cambridge sales process and due diligence; email correspondence.	3.5
5/25/2018	Brown, Rose	Trust banking administration: input transfer from company accounts; prepare deposit; scan copy of invoice and send to J. Youn.	1.7
5/25/2018	Casey, Paul	Estate disbursements; email re sale process.	0.2
5/25/2018	Davis, Dominic	Correspond with J. Youn on various IST Boiler queries.	0.5
5/25/2018	Keeble, Jeff	Review offers for IST Boiler; call with R. Biehler re update and next steps; call with prospective buyer re IST Boiler assets and offer and next steps.	0.8
5/25/2018	Koroneos, Anna	WEPP; employee benefits emails re: Manulife; teleconference with creditors.	2.0

Date	Professional	Description	Hours
5/25/2018	Youn, Soo Won	A/R updates; mail review; creditor communication; utilities correspondence; employee matters; sales process due diligence; employee staffing coordination; on-site supervision.	8.0
5/26/2018	Biehler, Robert	File review; email correspondence re: IST Boiler and IST Cambridge sale process.	2.0
Total			93.9


Invoice 8000154459
Deloitte Restructuring Inc.

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Date: June 14, 2018
Client No.: 1136634
WBS#: HON00034
Engagement Partner: Paul Casey

HST Registration: 12289 3605

For professional services rendered
Fees

By Deloitte Restructuring Inc. as Court appointed Receiver of Innovative Steam Technologies Inc. and IST Boiler Components Inc. ("IST" or the "Company") for the period from May 27, 2018 to June 9, 2018.

Please see the attached appendices for details.

HST applicable	70,540.00
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Expense

HST applicable	1,419.95
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Sales Tax

HST at 13.00%	<u>9,354.79</u>
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Total Amount Due (CAD)	<u>81,314.74</u>
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Appendix # 1

Summary of Fees				
Professional	Position	Hours	Rate	
Paul Casey	Partner	5.7	\$650	\$ 3,705.00
Robert Biehler	Partner	42.0	\$650	27,300.00
Jeff Keeble	Partner	5.8	\$650	3,770.00
Hartey Bricks	Director	1.0	\$550	550.00
Anna Koroneos	Senior Manager	12.2	\$500	6,100.00
Warren Leung	Senior Manager	30.5	\$500	15,250.00
Dominic Davis	Senior	19.4	\$325	6,305.00
Cecilia Faria	Administrator	0.3	\$150	45.00
Emily Klein	Analyst	2.4	\$250	600.00
Soo Won Youn	Analyst	24.0	\$250	6,000.00
Rose Brown	Administrator	6.1	\$150	915.00
Total Professional hours and fees		<u>149.4</u>		<u>\$ 70,540.00</u>
		<u>Out of pocket expenses</u>		
		Hotel	\$447.99	
		Meals	669.27	
		Mileage	34.79	
		Taxi	267.90	1,419.95
			Subtotal	\$ 71,959.95
			HST @ 13%	9,354.79
			Amount Payable (CAD)	\$ 81,314.74



Appendix # 2

Date	Professional	Description	Hours
5/28/2018	Biehler, Robert	Emails and discussions re sales process.	1.5
5/28/2018	Brown, Rose	Trust banking administration: deposit.	0.5
5/28/2018	Davis, Dominic	Coordinate Canerector site visit and information requests; call with G. Martel; discussion with J. Keeble on Canerector; liaise with J. Youn on various matters.	0.9
5/28/2018	Keeble, Jeff	Call with Canerector re LOI and next steps; review emails re AR collections; meeting with D. Davis re next steps.	0.5
5/28/2018	Klein, Emily	WEPP administration.	0.2
5/28/2018	Koroneos, Anna	With E. Klein on WEPP instructions; review and forward emails from former employees; teleconference with former employees and creditors; review of message from ADP on amended ROES and T4 production; with J. Youn on various; review of redirected mail.	2.0
5/29/2018	Biehler, Robert	Attending to sale process and oversight of receivership.	3.0
5/29/2018	Brown, Rose	Trust banking administration: disbursement cheques and deposits.	0.8
5/29/2018	Davis, Dominic	Attend to Canerector on site due diligence review of IST Boiler and various discussions and information gathering for same; handle collection of goods by Exocor and Canfor.	6.8
5/29/2018	Keeble, Jeff	Call with Dentons to discuss draft PSA's for Propak and Canerector; review sale issues for IST Boiler.	1.1
5/29/2018	Klein, Emily	WEPP administration.	0.5
5/29/2018	Koroneos, Anna	Several discussions with former employees on ROEs and WEPP; with insurance broker on progress re:insurance payments; email with team; review of redirected mail and cheque to R. Brown.	2.0
5/29/2018	Leung, Warren	Call with Dentons re APA; call with R. Biehler re status update; review latest APA.	2.5
5/30/2018	Biehler, Robert	Travel to and attendance on site; meetings with prospective purchaser; attending to sale process matters and administration.	8.0
5/30/2018	Casey, Paul	Emails with team and counsel re transactions; sign estate disbursement.	0.5
5/30/2018	Davis, Dominic	Attend to Canerector on site due diligence review of IST Boiler and various discussions and gather information for same; liaise with J. Youn on various matters.	4.2
5/30/2018	Keeble, Jeff	Review Canerector PSA and provide comments and changes; call with G. Martel re update; update meeting with D. Davis re o/s matters.	0.8

Date	Professional	Description	Hours
5/30/2018	Klein, Emily	WEPP administration.	0.5
5/30/2018	Koroneos, Anna	Calls with former employees; review of emails; forward POC of employees to E. Klein and R. Brown for processing.	1.3
5/30/2018	Leung, Warren	Meeting with potential purchaser to facilitate due diligence; draft first court report of the receiver; review schedules for APA, team update meeting.	5.5
5/30/2018	Youn, Soo Won	Review of May rent; correspondence with customers, suppliers, former employees, auctioneers and purchaser; purchaser memo; assistance with IST Boiler due diligence.	8.0
5/30/2018	Brown, Rose	Trust banking administration: online banking review account for incoming wires; disbursements and deposits; send out two notices.	1.2
5/31/2018	Biehler, Robert	Calls and emails re sale process.	0.5
5/31/2018	Davis, Dominic	Liaise with Delta Landlord on deposit; calls from interested parties; call with Jansen Combustion; follow-up on employee WEPP queries.	2.3
5/31/2018	Keeble, Jeff	Email with counsel re PSA issues; review landlord status; review employee issues.	0.4
5/31/2018	Klein, Emily	WEPP administration.	0.1
5/31/2018	Koroneos, Anna	With employees on claims; review of mail redirected; with D. Davis of BC on employee calls re: WEPP and documents sent.	1.0
5/31/2018	Leung, Warren	Update first report of the receiver; discussions with prospective buyer; call with counsel re APA; correspondence with creditors and other stakeholders; team supervision.	3.5
5/31/2018	Youn, Soo Won	WCB account closure; APA (IST Boiler) schedules; APA (IST) schedules; correspondence with CRA, former employees, Energy+ Inc. (hydro), Rogers; updated occupancy cost summary; staffing for Propak due diligence; sea cargo logistics correspondence.	8.0
5/31/2018	Brown, Rose	Trust banking administration: review account online for income wires; scanning POC for WEPP and saving on Q Drive.	1.0
6/1/2018	Biehler, Robert	Call with Boiler purchaser; call with counsel re ATCO payment and other matters; call with W. Leung; email correspondence.	2.0
6/1/2018	Brown, Rose	Trust banking administration: review account online and pick up mail.	0.5
6/1/2018	Davis, Dominic	Correspond with Jansen Combustion and IST Boiler employees.	0.4
6/1/2018	Klein, Emily	Summarize IST permits.	1.0
6/1/2018	Koroneos, Anna	With D.Davis on BC employees and WEPP collect info and forward for email to employee; with D. Faykosh in expenses; review and email to team on same; review of POCs received and forward to E. Klein for Service Canada.	1.0
6/1/2018	Leung, Warren	Call with prospective buyer on due diligence update; draft reporting update to the Bank; discussions onsite with prospective buyer; call with landlord; call with counsel re AR and outstanding APA items.	5.0

Date	Professional	Description	Hours
6/1/2018	Youn, Soo Won	Statement of receipts and disbursements; review of Ascend GLs (CAD and USD), correspondence with utilities; employee invoices; APA schedule updates; due diligence supervision (former employees).	8.0
6/4/2018	Biehler, Robert	Update report for Lender representatives; calls and correspondence re APA for both transactions being proposed; drafting court report.	7.0
6/4/2018	Brown, Rose	Trust banking administration: review accounts online and input receipts.	0.2
6/4/2018	Davis, Dominic	Follow-up on IST June rent; email to Union.	0.4
6/4/2018	Klein, Emily	WEPP proof of claims.	0.1
6/4/2018	Koroneos, Anna	Respond to former employee questions on WEPP; forward claims to R. Brown and E. Klein; with W. Leung on employee addresses, termination and severance amounts.	1.2
6/4/2018	Leung, Warren	Draft first report of the Receiver; discussion with R. Biehler on the same; correspondence with prospective purchaser; calls with counsel re mailing and APA matters; review of APA schedules.	4.5
6/4/2018	Casey, Paul	Review Court Report; other emails and reporting to HSBC.	1.5
6/5/2018	Biehler, Robert	Calls and correspondence re APA matters; drafting court report and appendices.	7.0
6/5/2018	Brown, Rose	Trust banking administration: disbursement cheques.	0.8
6/5/2018	Davis, Dominic	Call with Delta landlord; retrieving AP invoices re lien; review of APA schedules and amendments to same.	3.0
6/5/2018	Keeble, Jeff	Call with R. Biehler re changes to Canerector APA; review changes to APA; review landlord status and APA impact; call with Dentons re APA; review schedules and provide comments and changes; email Dentons re changes to schedules and Canerector queries.	2.0
6/5/2018	Koroneos, Anna	Redirected mail review; with R. Brown; with ADP on ROES and T4; review billings.	1.5
6/5/2018	Leung, Warren	Finalize first report of the receiver; discussion with R. Biehler re same; address P. Casey's comments on the report; call with landlord re lease assignment; responding to creditors and former employees.	3.0
6/5/2018	Casey, Paul	Review Court Report and other correspondence.	0.7
6/6/2018	Biehler, Robert	Attend to calls in respect of IST APA to prepare for negotiations and attending to outstanding matters; attend to landlord.	6.0
6/6/2018	Davis, Dominic	Call with Canerector; call with W. Leung; review of APA schedules.	0.9
6/6/2018	Keeble, Jeff	Review updated APA and schedules and sign off; review WIP schedule and call with W. Leung re same.	0.5
6/6/2018	Koroneos, Anna	With ADP on ROE and T4 invoices; forward to R. Brown for payment; review of message from First Insurance and forward.	0.5

Date	Professional	Description	Hours
6/6/2018	Leung, Warren	Call with counsel re IST deal; call with prospective buyer re same; review service list; prepare AR schedule and list of collections; responding to calls from creditors and former employees.	4.0
6/6/2018	Casey, Paul	Review emails; meeting W. Leung; prepare for and attend status call with R. Biehler and counsel; teleconference HSBC; follow-up call with counsel re Propak transaction and landlord, A/R issues.	3.0
6/7/2018	Biehler, Robert	Update court report and prepare for June 12th attendance; call with Lender representative for update; attend to landlord and APA matters.	4.0
6/7/2018	Bricks, Hartley	QA review of first report to court.	1.0
6/7/2018	Brown, Rose	Trust banking administration: review online for incoming wires; prepare disbursement cheques and prepare deposit.	1.1
6/7/2018	Davis, Dominic	Review of Delta books & records listing and email to team on same.	0.5
6/7/2018	Keeble, Jeff	Review closing matters including 3rd party assets and customer inventory on site and discuss next steps with D. Davis; review books and records; review final APA.	0.5
6/7/2018	Koroneos, Anna	Review of redirected mail and respond where required; instructions to E. Klein on WEPP forms received; review of email from Ahmad Alsabak, former employee and new claim; discussions with W. Leung on former employee who was terminated looking for WEPP forms.	0.5
6/7/2018	Leung, Warren	Correspondence with CRA; landlords and former employee re books and records.	1.5
6/8/2018	Biehler, Robert	Calls and emails re transactions and court appearances. Call with IST purchaser and landlord representatives.	3.0
6/8/2018	Faria, Cecilia	Estate administration	0.3
6/8/2018	Koroneos, Anna	With Constantine former employee sent to Kuwait on April 29 re expenses; review and respond to emails review of mail redirection.	1.2
6/8/2018	Leung, Warren	Correspondence with insurers; CRA.	1.0
Total			149.4


Invoice 8000170494

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Date: July 06, 2018
 Client No.: 1136634
 WBS#: HON00034
 Engagement Partner: Paul Casey

HST Registration: 12289 3605

For professional services rendered
Fees

For services by Deloitte Restructuring Inc. as Court appointed Receiver of Innovative Steam Technologies Inc. and IST Boiler Components Inc. ("IST" or the "Company") for the period from June 10, 2018 to June 29, 2018.

Please see the attached appendices for details.

Expense
Sales Tax

HST applicable	66,000.00
HST applicable	1,903.35
HST at 13.00%	<u>8,827.44</u>
Total Amount Due (CAD)	<u>76,730.79</u>



Appendix # 1

Summary of Fees				
Professional	Position	Hours	Rate	
Paul Casey	Partner	1.6	\$650	\$ 1,040.00
Robert Biehler	Partner	43.0	\$650	27,950.00
Jeff Keeble	Partner	3.1	\$650	2,015.00
Anna Koroneos	Senior Manager	5.8	\$500	2,900.00
Warren Leung	Senior Manager	35.0	\$500	17,500.00
Adam Boettger	Manager	11.9	\$400	4,760.00
Dominic Davis	Senior	26.2	\$325	8,515.00
Emily Klein	Analyst	2.6	\$250	650.00
Ada Koo	Analyst	0.7	\$250	175.00
Rose Brown	Administrator	3.3	\$150	495.00
Total Professional hours and fees		<u>133.2</u>		\$ 66,000.00
		<u>Out of pocket expenses</u>		
		Car Rental	\$417.68	
		Hotel	773.10	
		Meals	685.78	
		Parking	26.79	1,903.35
			Subtotal	\$ 67,903.35
			HST @ 13%	8,827.44
			Amount Payable (CAD)	\$ 76,730.79



Appendix # 2

Date	Professional	Description	Hours
6/11/2018	Biehler, Robert	Calls and emails re IST transaction with purchaser, landlord and counsel; draft court report; review APA.	3.0
6/11/2018	Brown, Rose	Trust banking administration: disbursement cheque and review accounts online for incoming wires.	0.5
6/11/2018	Leung, Warren	Onsite to supervise compilation of Boiler records for Canerector.	3.0
6/12/2018	Biehler, Robert	Attend in Toronto for Court hearing; debrief calls and meetings; draft 2nd report and schedules; email IST Boiler purchaser to propose next steps.	10.0
6/12/2018	Brown, Rose	Trust banking administration: disbursement cheque and online banking review.	0.3
6/12/2018	Davis, Dominic	Liaise with G. Martel re Thursday visit for excluded assets; liaise with W. Leung on various matters.	0.6
6/12/2018	Klein, Emily	WEPP administration.	0.5
6/12/2018	Koroneos, Anna	Mail review and provide to E. Klein for WEPP entries and R. Brown for creditors updates; review and forward correspondence; review of redirected mail.	0.4
6/12/2018	Leung, Warren	Update bid comparison sheet, calls and discussions with team and counsel re same; call with counsel and team re court.	4.0
6/13/2018	Biehler, Robert	Call with purchaser of IST Boiler to discuss closing and next steps; attend to landlord call about alarm at site; instruct A. Boettger to attend on-site to inspect and meeting with landlord; attend to draft report and IST transaction matters.	4.0
6/13/2018	Boettger, Adam	Attend at Company's location; respond to emergency call; photograph and review damage from water leak; schedule repair of sprinkler system; cut extra key for property manager; team update and discussion of security for premises.	2.8
6/13/2018	Davis, Dominic	Call with Canerector; call with creditor; discussion of transition matters with J. Keeble.	0.8
6/13/2018	Keeble, Jeff	Attend closing call with Canerector and next steps; meeting with D. Davis re closing matters and next steps; review closing related emails.	0.8
6/13/2018	Koroneos, Anna	With former employees and W. Leung on WEPP; discussion with Caleb re entitlement and non arms length; review of mail and respond where required.	0.5
6/13/2018	Leung, Warren	Update SRD; calls with A. Boettger re Conestoga premises; call with R. Biehler re Canerector close; call with Canerector re same.	3.0
6/14/2018	Biehler, Robert	Attend to IST transaction; address second report and motion; calls and emails re transactions and landlord matters.	5.5

Date	Professional	Description	Hours
6/14/2018	Boettger, Adam	Attend at Company's location; perform building walkthrough; gather records on previous security monitoring company; provide key to property manager.	2.0
6/14/2018	Davis, Dominic	Attend at IST Boiler to segregate excluded assets with G. Martel; assessment of damages with Delta landlord; correspond with W. Leung re computer access; follow-up on PO query.	4.0
6/14/2018	Koroneos, Anna	Review of redirected mail and discussion banking with staff for cheque received; respond to W. Leung questions; provide WEPP payments to E. Klein for entry into the schedule.	1.0
6/14/2018	Leung, Warren	Respond to customers, suppliers and other stakeholders; update call with R. Biehler.	2.0
6/15/2018	Biehler, Robert	Calls and emails re Boiler transaction and closing; attend to second report and attending to landlord matters; email correspondence; discussion with HSBC rep for update.	5.0
6/15/2018	Keeble, Jeff	Emails re closing matters; discussion with D. Davis re handover of keys and assets.	0.4
6/15/2018	Koroneos, Anna	Review redirected mail and cheque deposit instructions.	0.3
6/15/2018	Leung, Warren	Onsite attendance to facilitate CRA Trust Examination; respond to questions from CRA auditor.	3.0
6/18/2018	Biehler, Robert	Calls and emails re transactions and upcoming court attendance; call re landlord.	1.5
6/18/2018	Davis, Dominic	Attend handover of Delta premises with Canerector; various discussions with Canerector, G. Martel & K. O'Rourke; emails to customers; resolve computer access.	5.7
6/18/2018	Keeble, Jeff	Review closing matters with D. Davis; review PPR search for third party assets; review list of third party assets and accounts.	0.5
6/18/2018	Klein, Emily	WEPP administration.	0.5
6/18/2018	Koo, Ada	Record receipt in Ascend and deposit the cheque to HSBC bank account.	0.1
6/18/2018	Koroneos, Anna	Review of emails; forward claims; email to ADP on ROEs and T4s.	0.5
6/18/2018	Leung, Warren	Review Boiler AR collections; coordinate security; correspondence with landlord; suppliers and Canerector; review landlord invoices.	2.5
6/19/2018	Biehler, Robert	Calls and emails re IST transaction and assets.	1.0
6/19/2018	Casey, Paul	Emails re status of Propak transaction.	0.2
6/19/2018	Davis, Dominic	Correspond with Canerector and W. Leung on computer access; draft Delta lease disclaimer.	0.9
6/19/2018	Klein, Emily	WEPP administration.	0.7
6/19/2018	Koo, Ada	Trust accounts reconciliation.	0.5
6/19/2018	Koo, Ada	Record receipt to Ascend and deposit the cheque to HSBC account.	0.1

Date	Professional	Description	Hours
6/19/2018	Koroneos, Anna	Review of redirected mail and forward WEPP document to team; with W. Leung on CRA mail; review of ADP email, respond and forward on T4s and ROES.	1.0
6/19/2018	Leung, Warren	Onsite attendance to facilitate transfer of assets to Canarector; walk-through with security; correspondence with landlord and suppliers; updates to R. Biehler.	4.0
6/20/2018	Biehler, Robert	Discussions re landlords and assignments; emails re IST premises and IST transaction; review and provide feedback re communications of IST Boiler transaction.	2.0
6/20/2018	Boettger, Adam	Call ADT security and inquire about security system; call Tyco Integrated Fire and inquire about security; reset fire monitoring alarm; update property management company on status of alarm.	1.5
6/20/2018	Brown, Rose	Trust banking administration: disbursement cheques and input incoming wire into Ascend.	0.8
6/20/2018	Davis, Dominic	Correspond with G. Martel and K. O'Rourke; update customer tube inventory listing and draft notice for same; draft notice re account transfers.	2.6
6/20/2018	Keeble, Jeff	Review AR and email customers re o/s payments; review landlord disclaimer letter and update; review customer inventory letter and update; review account transfer letters and update.	0.6
6/20/2018	Klein, Emily	Mail T4s.	0.3
6/20/2018	Koroneos, Anna	Review of redirected mail; several emails with ADP; instructions to E. Klein; forward claims and WEPP forms to E. Klein; emails to W. Leung; review payments with R. Brown.	1.0
6/20/2018	Leung, Warren	Calls with landlords re lease assignment; calls re 549 Conestoga for onsite issues; correspondence with team re IT backup; correspondence with suppliers and customers.	2.0
6/21/2018	Biehler, Robert	Email correspondence re post closing matters and IST premises.	0.5
6/21/2018	Brown, Rose	Trust banking administration: disbursement cheque.	0.2
6/21/2018	Davis, Dominic	Correspond with Canarector on computer access; finalize notices for tube inventory collection and coordinate mailout of same.	2.9
6/21/2018	Keeble, Jeff	Discussion with D. Davis re closing matters; review updated letters; review AR and email to Cora re outstanding AR; email to landlord.	0.4
6/21/2018	Leung, Warren	Reviewed and commented on the Factum; correspondence with customers, suppliers and the purchaser.	2.0
6/22/2018	Biehler, Robert	Review email correspondence and prepare for court.	1.0
6/22/2018	Brown, Rose	Update website.	0.2
6/22/2018	Casey, Paul	Review factum of Receiver and emails; web posting and instructions.	0.5
6/22/2018	Davis, Dominic	Correspond with K. O'Rourke on various matters; mailout of notices for collection of inventory; call with creditor and email on same.	2.5
6/22/2018	Klein, Emily	WEPP administration.	0.2

Date	Professional	Description	Hours
6/22/2018	Leung, Warren	Onsite attendance to supervise transfer of assets re IST Boiler.	3.0
6/25/2018	Boettger, Adam	Prepare property pick-up acknowledgements for employees collecting laptops; attend at Company's location; deliver laptop computers to former employees of the Company; Perform visual facility walkthrough.	5.3
6/25/2018	Brown, Rose	Scan and filing of Receipts and Disbursements for two weeks.	0.8
6/25/2018	Klein, Emily	WEPP administration.	0.2
6/25/2018	Koroneos, Anna	With former employee on claim for and discussion with E. Klein on filing with WEPP; forward claims; with J. Youn on claims received and instructions for each.	0.5
6/25/2018	Leung, Warren	Coordinate access to premises by Propak, correspondence re suppliers.	0.5
6/25/2018	Biehler, Robert	Emails and calls re closing and administration.	1.0
6/25/2018	Davis, Dominic	Email to Canerector; review of IST Boiler mail; emails to customers re tube inventory collection.	1.1
6/26/2018	Boettger, Adam	Notification from property manager about repair to sprinkler system; team discussion of process to disable fire monitoring system.	0.3
6/26/2018	Leung, Warren	Correspondence with Tyco re security.	0.5
6/26/2018	Davis, Dominic	Finalize account transfer letters and liaise with K. O'Rourke on same; call with creditor; reply to customer on tube inventory.	1.8
6/27/2018	Casey, Paul	Emails re Propak Court approval motion and review orders and endorsements.	0.3
6/27/2018	Klein, Emily	WEPP administration.	0.2
6/27/2018	Koroneos, Anna	Review of mail and email to ADP on T4 and ROE status.	0.2
6/27/2018	Leung, Warren	Prepare and court attendance re sale to Propak; prepare statement of adjustment.	2.5
6/27/2018	Biehler, Robert	Attend to Court for approval and vesting order; emails and meetings re outstanding matters.	3.0
6/27/2018	Davis, Dominic	Mailout of account transfer letters and liaise with K. O'Rourke on same; email to G. Martel; liaise with J. Youn on various items.	1.8
6/27/2018	Keeble, Jeff	Review closing matters with D. Davis; review and sign account transfer letters; review status of customer inventory.	0.4
6/28/2018	Biehler, Robert	Attend on-site at both premises; meet with staff member re site security; call with Propak; attend to email correspondence and calls.	4.0
6/28/2018	Casey, Paul	Emails team re Propak.	0.2
6/28/2018	Leung, Warren	Call with R. Biehler re closing; discussion with J. Youn re closing logistics; review communications with utilities supplier.	2.0
6/29/2018	Biehler, Robert	Attend to closing matters; sign documentation; email correspondence.	1.5

Date	Professional	Description	Hours
6/29/2018	Brown, Rose	Trust banking administration: review bank account online and input funds received for sale of Assets.	0.5
6/29/2018	Casey, Paul	Review communication to HSBC; closing matters; teleconference J. Borch.	0.4
6/29/2018	Davis, Dominic	Correspond with K. O'Rourke on various matters; review of Telus transfer documents; call with SaskPower re inventory; email to creditors not on listing.	1.5
6/29/2018	Koroneos, Anna	Teleconference with Barrios former employee on WEPP; emails with former employee who was overseas on payment.	0.4
6/29/2018	Leung, Warren	Correspondence with Propak re closing; discussion with team re same; review of update email; review closing documents.	1.0
Total			133.2


Invoice 8000210918
Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

Innovative Steam Technologies Inc. and IST Boiler Components Inc.
c/o Deloitte Restructuring Inc.
8 Adelaide Street West, Suite 200
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Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: August 22, 2018
Client No.: 1136634
WBS#: HON00034
Engagement Partner: Paul Casey
HST Registration: 12289 3605

For professional services rendered
Fees

For services by Deloitte Restructuring Inc. as Court appointed Receiver of Innovative Steam Technologies Inc. and IST Boiler Components Inc. ("IST" or the "Company") for the period from June 29, 2018 to July 31, 2018.

Please see the attached appendices for details.

Expense
Sales Tax

HST applicable 29,745.00

HST applicable 3,008.57

*HST at 13.00% 4,257.96

Total Amount Due (CAD) 37,011.53



Appendix # 1

Summary of Fees				
Professional	Position	Hours	Rate	
Paul Casey	Partner	0.1	\$650	\$ 65.00
Robert Biehler	Partner	13.5	\$650	8,775.00
Jeff Keeble	Partner	1.1	\$650	715.00
Anna Koroneos	Senior Manager	4.1	\$500	2,050.00
Warren Leung	Senior Manager	13.0	\$500	6,500.00
Dominic Davis	Senior	13.0	\$325	4,225.00
Soo Won Youn	Analyst	21.0	\$250	5,250.00
Emily Klein	Analyst	5.6	\$250	1,400.00
Rose Brown	Administrator	5.1	\$150	765.00
Total Professional hours and fees		<u>76.5</u>		<u>\$ 29,745.00</u>
<u>Out of pocket expenses</u>				
	Car Rental		\$778.85	
	Hotel		679.19	
	Meals		642.50	
	Mileage		293.71	
	Miscellaneous		35.53	
	Parking		4.46	
	Postage		183.22	
	Taxi, Train		391.11	\$3,008.57
			Subtotal	\$ 32,753.57
			HST @ 13%	4,257.96
Amount Payable (CAD)				\$ 37,011.53



Appendix # 2

Date	Professional	Description	Hours
6/29/2018	Youn, Soo Won	Correspondence with Tyco; reconciliation of purchase price.	2.0
7/3/2018	Biehler, Robert	Calls and emails re transition and post-closing matters.	2.0
7/3/2018	Brown, Rose	Trust banking administration: review Ascend GL for payments for Telus and send copy to J. Youn; scan and send utilities bill to J. Youn.	0.4
7/3/2018	Davis, Dominic	Corresponding with K. O'Rourke on Telus account.	0.1
7/3/2018	Koroneos, Anna	Review of insurance emails and redirected mail.	0.4
7/3/2018	Youn, Soo Won	On-site supervision (new purchaser transition); creditor communication; landlord (1 Natura Way) communication; utilities transition; interim SRD draft.	8.0
7/4/2018	Biehler, Robert	Calls and analysis re file completion and transition.	3.0
7/4/2018	Brown, Rose	Trust banking administration: disbursement cheques and prepare draft R&D and Ascend report and send to J. Youn.	1.2
7/4/2018	Davis, Dominic	Review of Delta rent invoice; emails to K. O'Rourke, email to Telus; review of IST Boiler A/R.	2.1
7/4/2018	Klein, Emily	Review IST related mail.	0.2
7/4/2018	Koroneos, Anna	Review of redirected mail; review of insurance emails; with Sunlife on claim and forward to team.	0.3
7/4/2018	Youn, Soo Won	Interim SRD; utilities/service vendor payment; statement of NRV; Ascend detailed GL reconciliation; A/R schedule update; mailbox review.	5.0
7/5/2018	Biehler, Robert	Transition and file administration matters.	2.0
7/5/2018	Brown, Rose	Trust banking administration: deposit.	0.2
7/5/2018	Davis, Dominic	Emails to G. Martel and K. O'Rourke; review of Telus outstanding payments; email to Canfor; email replies to creditors.	2.2
7/5/2018	Keeble, Jeff	Review landlord calculations of June rent and adjusted triple net costs and the deposit; review outstanding A/R; update with D. Davis on supplier contract transfers and customer inventory.	0.5
7/5/2018	Leung, Warren	Call with R. Biehler re outstanding items; meeting with J. Youn re status update and HST remittances; review landlord claims.	2.0

Date	Professional	Description	Hours
7/5/2018	Youn, Soo Won	Utilities invoice review; occupancy invoice review; estimated NRV schedule; WSIB premium calculation.	2.0
7/6/2018	Brown, Rose	Trust banking administration: disbursement cheques.	0.7
7/9/2018	Davis, Dominic	Call with K. O'Rourke on pending items and Telus accounts.	0.2
7/9/2018	Klein, Emily	Create a summary chart of WEPP to date for employees (who have filed and who have been paid).	0.5
7/9/2018	Leung, Warren	Review and revise SRD and ERV.	2.0
7/10/2018	Davis, Dominic	Follow-up emails to customers on outstanding A/R; follow-up on account transfer statuses; email to customer re tubing inventory; emails and calls to Telus.	1.9
7/10/2018	Koroneos, Anna	WEPP super priority calculation to date.	0.6
7/10/2018	Leung, Warren	Review landlord charges and correspondence.	1.0
7/11/2018	Brown, Rose	Trust banking administration: disbursement cheques and deposit.	0.8
7/11/2018	Davis, Dominic	Follow-up on account transfer statuses; corresponding with Canfor re release letter; email to customer re tubing inventory.	1.0
7/11/2018	Keeble, Jeff	Review PST closing document; review Telus account closure and costs; review status of customer inventory responses; review Canfor release; review other closing matters.	0.6
7/11/2018	Klein, Emily	Input WEPP information sent from Service Canada.	0.5
7/11/2018	Koroneos, Anna	Several emails with ADP on ROES and T4s.	0.4
7/12/2018	Davis, Dominic	Email to IST Boiler re labour notice; corresponding with Canfor re release letter; email to customer re tubing inventory.	0.5
7/13/2018	Casey, Paul	Email R. Biehler and W. Leung regarding distribution and discharge planning.	0.1
7/13/2018	Davis, Dominic	PST account closure; calls to Telus re account closures; reminder emails to customers re tubing inventory.	1.2
7/16/2018	Brown, Rose	Estate administration: update in Ascend WEPPA claims.	1.8
7/16/2018	Koroneos, Anna	With ADP on obtaining the ROEs and T4s; discussion with mailroom on location and subsequent email from J. Youn; with IT on ROE email not coming through; with Dan of ADP teleconference to discuss next steps to get ROEs.	1.0
7/16/2018	Youn, Soo Won	HST/GST filings for IST and Boiler.	2.0
7/17/2018	Klein, Emily	Compile Amended ROEs and T4s to be sent to former IST employees.	2.0

Date	Professional	Description	Hours
7/17/2018	Koroneos, Anna	With E. Klein on T4 instructions and email to ADP on confirmation of employee copies sent; receipt of ROEs and instructions to E. Klein; emails with Dan of ADP on further details regarding the T4s; emails from former employee Hamid Golafshani on Manulife.	1.0
7/17/2018	Leung, Warren	Review of HST returns, correspondence with insurer and former employees.	1.0
7/18/2018	Klein, Emily	Update WEPP schedule and send out amended ROEs and T4s.	2.2
7/19/2018	Koroneos, Anna	With E. Klein on T4 and ROE summary, confirmation of all sent.	0.3
7/23/2018	Davis, Dominic	Various emails and calls with IST Boiler, Telus, and TYCO re account closures; review of Cascade Law request letter and email on same.	0.8
7/23/2018	Leung, Warren	Draft Third Report of the Receiver.	2.0
7/24/2018	Davis, Dominic	IST Boiler A/R follow-up.	0.4
7/24/2018	Koroneos, Anna	With W. Leung on WEPP statement request for super priority pay out.	0.1
7/24/2018	Leung, Warren	Draft Third Report of the Receiver; update call with R. Biehler.	2.5
7/25/2018	Biehler, Robert	Calls and emails to update and address outstanding administration points.	2.5
7/25/2018	Davis, Dominic	Various emails and calls with IST Boiler, Telus, and Super Save re account closures.	1.4
7/25/2018	Leung, Warren	Update SRD.	1.0
7/26/2018	Davis, Dominic	Email to Air Liquide on account closure.	0.1
7/26/2018	Leung, Warren	Update ERV.	0.5
7/28/2018	Biehler, Robert	Reviewing file and correspondence for outstanding matters, call w/ counsel re: security review; attending to o/s matters.	4.0
7/30/2018	Davis, Dominic	Email to creditor and various emails to Canerector re: Telus payments and accounts.	0.7
7/30/2018	Klein, Emily	Update WEPP schedule for a former employee that filed proof of claim.	0.2
7/30/2018	Youn, Soo Won	Boiler HST returns; set up of new account for Boiler.	2.0
7/31/2018	Davis, Dominic	Liassing with J. Youn and Canerector re Telus payments.	0.4
7/31/2018	Leung, Warren	Correspondence with former customers, discussion with J. Youn re HST returns.	1.0
Total			76.5


Invoice 8000225077
Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

Innovative Steam Technologies Inc. and IST Boiler Components Inc.
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8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: September 07, 2018
Client No.: 1136634
WBS#: HON00034
Engagement Partner: Paul Casey
HST Registration: 12289 3605

For professional services rendered
Fees

For services by Deloitte Restructuring Inc. as Court appointed Receiver of Innovative Steam Technologies Inc. and IST Boiler Components Inc. ("IST" or the "Company") for the period from August 1, 2018 to August 31, 2018.

HST applicable 10,630.00

Expense

HST applicable 1,661.32

Sales Tax

*HST at 13.00% 1,597.87

Total Amount Due (CAD) 13,889.19



Appendix # 1

Summary of Fees				
Professional	Position	Hours	Rate	
Paul Casey	Partner	0.2	\$650	\$ 130.00
Robert Biehler	Partner	0.5	\$650	325.00
Jay Wismer	Partner	1.5	\$650	975.00
Anna Koroneos	Senior Manager	1.7	\$500	850.00
Warren Leung	Senior Manager	1.0	\$500	500.00
Dominic Davis	Senior	2.3	\$325	747.50
Xiaofei Li	Senior	10.5	\$325	3,412.50
Soo Won Youn	Analyst	11.0	\$250	2,750.00
Emily Klein	Analyst	1.9	\$250	475.00
Ada Koo	Analyst	0.6	\$250	150.00
Rose Brown	Administrator	2.1	\$150	315.00
Total Professional hours and fees		<u>33.3</u>		<u>\$ 10,630.00</u>
			<u>Out of pocket expenses</u>	
			Car Rental \$1,260.21	
			Hotel 119.21	
			Postage 281.90	\$ 1,661.32
			Subtotal	\$ 12,291.32
			HST @ 13%	1,597.87
			Amount Payable (CAD)	\$ 13,889.19



Appendix # 2

Date	Professional	Description	Hours
8/1/2018	Davis, Dominic	Various emails and calls with IST Boiler on Telus payments.	0.5
8/2/2018	Davis, Dominic	Email to creditor re unsecured claims; liaise with J. Youn on Telus cheques.	0.5
8/2/2018	Koroneos, Anna	Telephone call to Service Canada regarding WEPP statement timing.	0.1
8/3/2018	Davis, Dominic	Email to creditor re statement of account; emails to IST Boiler re Telus.	0.4
8/3/2018	Koo, Ada	June bank account reconciliations for 3 accounts.	0.6
8/3/2018	Leung, Warren	Correspondence with Canarector and Dentons re bill of sale.	0.5
8/8/2018	Brown, Rose	Trust banking administration: disbursement cheques.	0.5
8/8/2018	Casey, Paul	Emails W. Leung re discharge activities.	0.1
8/8/2018	Davis, Dominic	Emails re Tyco payments.	0.1
8/8/2018	Youn, Soo Won	CRA notice of reassessment for GST/HST calls and reconciliation.	2.0
8/9/2018	Brown, Rose	Trust banking administration: void cheque to CRA.	0.2
8/9/2018	Youn, Soo Won	CRA HST/GST reconciliation.	1.0
8/10/2018	Davis, Dominic	Emails re Tyco billing.	0.2
8/10/2018	Leung, Warren	With J. Youn re HST returns.	0.5
8/10/2018	Youn, Soo Won	Amendments to the Boiler RT0001 May return.	1.0
8/13/2018	Klein, Emily	Amend WEPP form for C. Mantzounis.	0.1
8/13/2018	Koroneos, Anna	Several emails with G. Mantzounis and S. Mantzounis, former employee regarding Service Canada; with E. Klein on reviewing G. Mantzounis' WEPP entry and update; respond to G. Mantzounis.	0.5
8/15/2018	Biehler, Robert	Attending to outstanding matters.	0.5
8/15/2018	Brown, Rose	Trust banking administration: print HST support for cheque issuing and discuss with J. Youn.	0.4
8/15/2018	Youn, Soo Won	Mail reviews; HST payment for May to July; mail redirection.	4.0
8/16/2018	Davis, Dominic	Email to creditor re unsecured claim.	0.2

Date	Professional	Description	Hours
8/20/2018	Brown, Rose	Trust banking administration: prepare disbursement cheques.	0.7
8/20/2018	Casey, Paul	Review and sign DAS and HST remittances.	0.1
8/20/2018	Klein, Emily	Go over CRA's WEPP schedule and ensure our amounts match theirs.	1.0
8/20/2018	Koroneos, Anna	With E. Klein on schedule from Service Canada and reconciliation with WEPP schedule for super priority amount.	0.3
8/21/2018	Klein, Emily	Insert amounts owed to former employees from WEPP in schedule and finding total for vacation and wages owed.	0.5
8/21/2018	Koroneos, Anna	Review of WEPP reconciliation; with E. Klein on same.	0.5
8/22/2018	Davis, Dominic	Emails to, from K. O'Rourke re cheque receipt.	0.1
8/22/2018	Klein, Emily	Walk J. Youn through IST WEPP process.	0.3
8/22/2018	Wismer, Jay	Tax T2 status update.	0.4
8/23/2018	Li, Xiaofei	Prepare 2017 & 2018 T2 for the 2 companies.	4.0
8/23/2018	Wismer, Jay	Tax discussion with R. Biehler.	0.3
8/24/2018	Li, Xiaofei	Prepare 2017 & 2018 T2 for the 2 companies.	6.5
8/27/2018	Davis, Dominic	Review of AR receipt and courier to J. Youn.	0.2
8/27/2018	Koroneos, Anna	Enter WEPP payment info and forward to R. Brown for updates to amounts provided; discussion on super priority payment to Service Canada.	0.3
8/28/2018	Davis, Dominic	Voice mail from Dawson City and creditor distribution analysis.	0.1
8/28/2018	Wismer, Jay	Tax discussion with X. Li re returns.	0.8
8/29/2018	Youn, Soo Won	T2 followups regarding IST, namely, opening deficit reconciliation, 2018 reserve schedule, and asset disposals.	3.0
8/31/2018	Brown, Rose	Trust banking administration: deposit.	0.3
Total			33.3


Invoice 8000304253
Deloitte Restructuring Inc.

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Toronto ON M5H 0A9

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Innovative Steam Technologies Inc. and IST Boiler Components Inc.
c/o Deloitte Restructuring
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Date: November 19, 2018
Client No.: 1136634
WBS#: HON00034
Engagement Partner: Paul Casey

HST Registration: 122893605RT0001

For professional services rendered
Fees

For services by Deloitte Restructuring Inc. as Court appointed Receiver of Innovative Steam Technologies Inc. and IST Boiler Components Inc. ("IST" or the "Company") for the period from September 1, 2018 to October 31, 2018.

Please see the attached appendices for details.

Expense

HST applicable 6,885.00

HST applicable 593.32

Sales Tax

HST at 13.00% 972.18

Total Amount Due (CAD) 8,450.50



Appendix # 1

Summary of Fees				
Professional	Position	Hours	Rate	
Paul Casey	Partner	0.2	\$650	\$ 130.00
Robert Biehler	Partner	4.5	\$650	2,925.00
Jay Wismer	Partner	0.5	\$650	325.00
Anna Koroneos	Senior Manager	2.5	\$500	1,250.00
Dominic Davis	Senior	0.3	\$325	97.50
Golnaz Haghiri	Senior	2.3	\$325	747.50
Soo Won Youn	Analyst	3.5	\$250	875.00
Ada Koo	Analyst	1.6	\$250	400.00
Rose Brown	Administrator	0.9	\$150	135.00
Total Professional hours and fees		<u>16.3</u>		<u>\$ 6,885.00</u>
	<u>Out of pocket expenses</u>			
	Meals		74.91	
	Taxi		518.41	\$ 593.32
			Subtotal	\$ 7,478.32
			HST @ 13%	972.18
			Amount Payable (CAD)	\$ 8,450.50

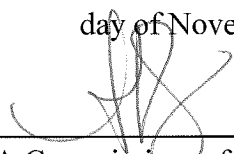


Appendix # 2

Date	Professional	Description	Hours
9/5/2018	Wismer, Jay	Discussion with Xiaofei re issues around tax returns.	0.5
9/10/2018	Biehler, Robert	Reviewing estimated security position; discussions re: outstanding matters.	1.5
9/10/2018	Casey, Paul	Review Statement of Realizations for HSBC; discussion W. Leung.	0.2
9/11/2018	Koroneos, Anna	Review of message from Bill Meyers and letter from Service Canada; check claims received and update SC site; review of email from WL on insurance and respond.	0.6
9/12/2018	Davis, Dominic	Emails to creditors re payment status.	0.3
9/17/2018	Brown, Rose	Trust Banking Administration - Prepare disbursement cheques.	0.3
9/18/2018	Youn, Soo Won	IST and Boiler 2017 T2 tax return documentation support.	1.5
9/24/2018	Koo, Ada	July bank reconciliations - 3 trust accounts.	0.5
9/26/2018	Biehler, Robert	following up outstanding matters, including tax and query from Aecon legal counsel.	1.0
10/1/2018	Koroneos, Anna	Review of POC for WEPP, register with SC and forward to R. Brown.	0.4
10/9/2018	Koroneos, Anna	Review of SC mail and update schedule (WEPP).	0.2
10/15/2018	Brown, Rose	Trust Banking Administration - Disbursement cheque.	0.3
10/15/2018	Koo, Ada	August bank reconciliations for 3 bank accounts.	0.6
10/17/2018	Koroneos, Anna	Review of emails from two former employees; update WEPP with their claims and respond.	0.4
10/22/2018	Haghiri, Golnaz	Prepare letters for employees who have not filed WEPP application with Service Canada.	0.7
10/22/2018	Koroneos, Anna	Review of email from Service Canada; look through unfiled names of employees and reconcile to our schedule; instructions to J. Haghiri re: same.	0.5
10/23/2018	Haghiri, Golnaz	Finalize letters for employees who have not filed WEPP application with Service Canada; Update records with Service Canada; Prepare letters for mailing.	1.4
10/23/2018	Koo, Ada	September bank reconciliations - 3 accounts.	0.5
10/23/2018	Koroneos, Anna	With J. Haghiri on WEPP letters; review and amend; forward WEPP schedule and POCs issued.	0.4

Date	Professional	Description	Hours
10/26/2018	Biehler, Robert	Attending to outstanding matters in file completion; emails w/ working group from bank counsel and bank and receiver counsel.	2.0
10/29/2018	Youn, Soo Won	September HST returns, updated R&D, refund tracker.	2.0
10/30/2018	Brown, Rose	Trust banking Administration - Deposit.	0.3
10/31/2018	Haghiri, Golnaz	Update TIF for former employees on Service Canada.	0.2
Total			16.3

This is Exhibit "B" referred to in the
affidavit of Warren L. Leung
sworn before me, this 20th
day of November, 2018.



A Commissioner for Taking Affidavit

Jana Koroneos, a Commissioner, etc.,
Province of Ontario
for Deloitte Restructuring Inc.,
Licensed Insolvency Trustee,
Expires June 3, 2019.

EXHIBIT "B"

Calculation of Average Hourly Billing Rates of
 Deloitte Restructuring Inc.
 for the period April 30, 2018 to October 31, 2018

Invoice No.	Fees	Disbursements	HST	Hours	Average Rate	Total
8000151707 (April 30 to May 7, 2018)	\$109,050.00	\$3,668.90	\$14,653.46	272.1	\$400.77	\$127,372.36
8000151706 (May 8 to May 18, 2018)	\$120,897.50	\$0.00	\$15,716.68	308.2	\$392.27	\$136,614.18
8000151705 (May 19 to May 26, 2018)	\$38,450.00	\$0.00	\$4,998.50	93.9	\$409.48	\$43,448.50
8000154459 (May 27 to June 9, 2018)	\$70,540.00	\$1,419.95	\$9,354.79	149.4	\$472.16	\$81,314.74
8000170494 (June 10 to 29, 2018)	\$66,000.00	\$1,903.35	\$8,827.44	133.2	\$495.50	\$76,730.79
8000210918 (June 29 to July 31, 2018)	\$29,745.00	\$3,008.57	\$4,257.96	76.5	\$388.82	\$37,011.53
8000225077 (August 1 to 31, 2018)	\$10,630.00	\$1,661.32	\$1,597.87	33.3	\$319.22	\$13,889.19
8000304253 (September 1 to October 31, 2018)	\$6,885.00	\$593.32	\$972.18	16.3	\$422.39	\$8,450.50
	\$452,197.50	\$12,255.41	\$60,378.88	1,082.9	\$417.58	\$524,831.79

Appendix G

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N :

HSBC BANK CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES and
IST BOILER COMPONENTS INC.**

Respondents

**AFFIDAVIT OF DENNIS R. WIEBE
(sworn November 21, 2018)**

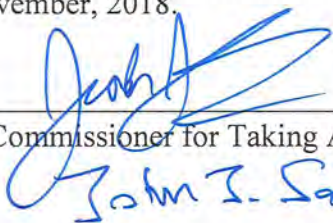
I, **DENNIS R. WIEBE**, of the City of Mississauga, in the Province of Ontario, **SWEAR
AND SAY AS FOLLOWS:**

1. I am a Partner with Dentons Canada LLP ("**Dentons**"), counsel to Deloitte Restructuring Inc., appointed as the receiver and manager (the "**Receiver**") of the assets, undertakings and properties of Innovative Steam Technologies and IST Boiler Components Inc. (together, the "**Debtors**") pursuant to the Order of the Honourable Mr. Justice Wilton-Siegel, dated May 1, 2018 (the "**Receivership Order**"). As such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.
2. The Receivership Order provides at paragraph 18 that the Receiver, and counsel to the Receiver, shall be paid their reasonable fees and disbursements at their standard rates and charges.

3. The Dentons fees and disbursements for the period of May 1, 2018 to November 21, 2018 (the “**Fee Period**”), are summarized in the invoices rendered to the Receiver (the “**Invoices**”). The Invoices are a fair and accurate description of the services provided, the disbursements incurred and the amounts charged by Dentons. I am advised by the Receiver that it has reviewed the Invoices and that it considers the fees and disbursements as fair and reasonable. Attached and marked as **Exhibit “A”** are the Invoices.
4. Attached and marked as **Exhibit “B”** is a schedule summarizing the Invoices, the total billable hours charged, the total fees charged along with the average hourly rate charged.
5. Attached hereto as **Exhibit “C”** is a schedule summarizing the respective years of call and standard billing rates of each of the solicitors at Dentons who acted for the Receiver.
6. To the best of my knowledge, the hourly billing rates charged by Dentons throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.
7. The hourly billing rates outlined in **Exhibit “C”** and to this affidavit are comparable to the hourly rates charged by Dentons for services rendered in relation to similar proceedings.
8. In connection with the further time that may be expended by Dentons in the completion of the administration of the receivership of the Debtors, the estimated amount for Dentons’ fees and expenses (inclusive of HST) is \$40,000.
9. I make this affidavit in support of a motion by the Receiver for, *inter alia*, approval of the fees and disbursements of Dentons and for no other or improper purpose.

SWORN before me at the City of Toronto
in the Province of Ontario, this 21st day of
November, 2018.

A Commissioner for Taking Affidavits, etc.


John I. Salmas

} _____

DENNIS R. WIEBE

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF SERVICE OF DENNIS R. WIEBE
SWORN BEFORE ME THIS 21st DAY OF
NOVEMBER, 2018.



A Commissioner for Taking Affidavits, etc.

大成 DENTONS

Dentons Canada LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON, Canada M5K 0A1

T 416 863 4511
F 416 863 4592

大成 Salans FMC SNR Denton McKenna Long
dentons.com

Deloitte Restructuring Inc.
22 Adelaide Street West
Suite 200
Toronto ON M5H 0A9
Attention: Mr. Paul Casey
Senior Vice President

INVOICE # 3357510

GST/HST # R121996078
QST # 1086862448 TQ 0001

<u>Date</u>	<u>Matter Number</u>	<u>Lawyer</u>
June 13, 2018	569588-000002	Dennis R. Wiebe

Deloitte Restructuring Inc.
Re: Court Appointed Receiver of Innovative Steam
Technologies Inc.

Professional Fees	\$ 79,345.00
Disbursements	572.45
HST (13.0%) on \$79,917.45	10,389.27
Total Amount Due	\$ 90,306.72 CAD

DENTONS CANADA LLP

Per: 

Dennis R. Wiebe

Payment Options:

Cheques:

Cheques payable to Dentons Canada LLP
and mailed to the above noted address.

Wire Transfer:

Bank of Montreal
1st Canadian Place, Toronto, ON
Swift Code: BOFMCAM2
Bank ID: 001 Transit: 00022
CAD Funds Bank Account : 0004-324

Internet Banking:

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 569588. Please email us at Edm.Accounting@dentons.com referencing invoice number and payment amount.

Credit Card:

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. _____
Expiry Date: _____ Amount: _____
Cardholder Name: _____
Signature: _____

Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.
Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

*We are very grateful to have you as a client and appreciate your business.
Please provide your feedback to us at www.dentons.com/en/clientfeedbackcanada*

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3357510
 Page 2 of 8

Matter # 569588-000002

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

Date	ID	Description of Work	Hours
01-May-18	SV	Review and respond to various emails regarding receivership appointment. Prepare for and attend court on motion for appointment of receiver.	1.5
01-May-18	DRW	Meeting with HSBC and Deloitte prior to court attendance. Email correspondence and discussions regarding receivership order and outstanding matters.	1.2
01-May-18	JS	Various internal correspondence regarding potential Holcan purchase; Review amendments to Receivership Order; Messages to and from HSBC.	0.8
01-May-18	VG	Preparing for and attending at receivership application. Attending to issuance of Order. Call with John Borch regarding update on receivership application. Discussion with Dennis Wiebe regarding same.	2.9
02-May-18	DRW	Email correspondence with Deloitte and HSBC regarding outstanding matters. Discussion with Vanja Ginic regarding draft Non-Disclosure Agreement.	1.0
02-May-18	JS	Review correspondence regarding Atco transaction; Consider treatment of Atco A/R; Review form of Non-Disclosure Agreement; Internal discussions.	0.8
02-May-18	VG	Email from Rob Biehler regarding proposed template Non-Disclosure Agreement for sales process. Review of same. Discussion with Dennis Wiebe regarding comments. Various email correspondence with Deloitte regarding Atco.	1.4
03-May-18	DRW	Numerous email correspondence with regard to outstanding matters. Reviewed draft letter to BC landlord regarding duplicate keys. Discussions with Vanja Ginic and John Salmas.	1.6
03-May-18	JS	Correspondence to and from Deloitte regarding landlord issues; Review correspondence from Chris Simard, Bennett Jones; Review and comment on form of Non-Disclosure Agreement; Telephone conversations with Chris Simard; Review Propak/Innovative agreements; Discussions with Deloitte regarding Propak agreement; Review numerous correspondence regarding various customer orders; Messages from and discussions with BC Hydro counsel; Discussion regarding form of Non-Disclosure Agreement; Review BC Hydro Supply and Install Agreement; Correspondence from Kendall Anderson, BLG, counsel to BC Hydro; Discussions with Vanja Ginic and Dennis Wiebe.	4.1
03-May-18	VG	Revising and reviewing template non-disclosure agreement. Meeting with John Salmas to discuss Propak contracts. Reviewing Delta lease agreement. Drafting letter agreement regarding landlord request for keys and revising same. Various email correspondence. Voicemail from	6.1

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3357510
 Page 3 of 8

Matter # 569588-000002

Date	ID	Description of Work	Hours
		BC Hydro. Reviewing Propak contracts.	
04-May-18	DRW	Numerous email correspondence regarding outstanding matters.	1.5
04-May-18	JS	Correspondence to and from Deloitte regarding BC Hydro position with respect to the Supply and Install Agreement; Finalize form of Non-Disclosure Agreement; Telephone conversation with Natasha MacParland, counsel to Ironbridge; Correspondence from Parlee McLaws LLP, counsel to MA Steel Foundry; Telephone conversation with Kendale Anderson; Consider Atco A/R issues; Review correspondence from Propak General Counsel; Meeting with Vanja Ginic regarding Atco, Propak and BC Hydro; Discussions and correspondence with Deloitte regarding Propak agreements; Discussions with HSBC regarding BC Hydro solution; Review various executed Non-Disclosure Agreements.	3.3
04-May-18	VG	Revising Non-Disclosure Agreement. Email correspondence regarding BC Hydro. Discussion with John Salmas regarding Atco contract review and BC Hydro settlement. Emails to Natasha MacParland and Chris Simard regarding Non-Disclosure Agreement. Email correspondence with Deloitte regarding additional Non-Disclosure Agreement for Propak regarding specific access in connection with Propak contract.	1.3
05-May-18	JS	Consider many utilities issues; Correspondence to and from and discussions with Deloitte; Messages to Kendall Anderson regarding BC Hydro matter; Discussions with Vanja Ginic regarding Atco contract.	2.1
07-May-18	DRW	Email correspondence regarding outstanding matters,	1.0
07-May-18	JS	Correspondence to and from Propak and Deloitte regarding outstanding Propak Orders; Negotiations regarding various Non-Disclosure Agreements; Correspondence to and from BC Hydro; Review various BC Hydro agreements and emails; Review correspondence and related documents regarding Manx Utilities; Telephone conversations with and correspondence involving Chris Simard regarding Propak transaction and possible Propak bid; Discussions (several) with Deloitte regarding customer related matters; Review and comment on draft Teaser; Discussions with Rob Biehler regarding Manx Utilities matters; Correspondence to and from HSBC.	4.1
07-May-18	VG	Meeting with John Salmas to discuss various issues. Review of Propak agreements. Various discussions and email correspondence with John Salmas and Deloitte regarding Propak NDA and IST teaser. Drafting and revising Propak Non-Disclosure Agreement for specific access. Email to Chris Simard regarding same. Reviewing IST teaser and providing comments. Revising IST teaser. Email to Deloitte regarding same.	5.2
08-May-18	JS	Correspondence to and from Chris Simard; Review and comment on Propak Permitted Use Non-Disclosure Agreement; Discussions with Chris Simard; Negotiations regarding various non-disclosure agreements; Review teaser mailing to prospective bidders; Review settlement offer from Propak regarding outstanding contracts; Correspondence to and from Deloitte regarding IP issues.	2.5

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3357510
 Page 4 of 8

Matter # 569588-000002

Date	ID	Description of Work	Hours
08-May-18	VG	Attending to Non-Disclosure Agreements. Email from Chris Simard. Review of Atco Project purchase orders and invoices. Hilco Non-Disclosure Agreement review. Email correspondence with Warren Leung regarding same.	0.8
09-May-18	JS	Correspondence to and from and discussions with Deloittes; Various negotiations regarding the Non-Disclosure Agreements; Correspondence regarding Petrofac issues; Correspondence to and from HSBC regarding BC Hydro; Discussions regarding BC Hydro; Correspondence regarding litigation; Discussions regarding Atco contract; Discussions with Vanja Ginic regarding Non-Disclosure Agreements.	3.1
09-May-18	VG	Revising Non-Disclosure Agreements. Reviewing Propak offer. Conference call to discuss issues with Propak offer. Review of Propak IP letter agreements. Email to Warren Leung regarding Hamon Non-Disclosure Agreement. Call with Warren Leung and Hamon counsel to discuss same. Review of Hamon Non-Disclosure Agreement with John Salmas. Attending to review of incoming Non-Disclosure Agreements and email correspondence regarding same.	4.9
10-May-18	JS	Deal with Non-Disclosure Agreement negotiations; Discussions with Deloittes regarding Non-Disclosure Agreements; Propak and Atco matters; Messages to and from Propak's counsel; Internal discussions with respect to customer and bidder issues; Consider issues relating to Propak contract and IP.	2.6
10-May-18	VG	Attending to incoming NDAs. Calls and email correspondence with Warren Leung regarding Non-Disclosure Agreement comments. Considering issues relating to Propak contract and intellectual property. Reviewing Travelling IP agreement.	2.2
11-May-18	JS	Discussions with Vanja Ginic; Negotiations regarding various Non-Disclosure Agreements; Review correspondence from and discussions with Propak counsel; Review Deloitte update to HSBC; Discussions with Deloittes regarding bidding process and Propak issues; Various discussions relating to sales process.	2.4
11-May-18	VG	Attending to incoming Non-Disclosure Agreements and service list matters. Various email correspondence with Deloitte. Review of Innova Non-Disclosure Agreement. Comments on Non-Disclosure Agreement to Craig Story. Call with Craig Story to discuss Non-Disclosure Agreement comments. Discussion of Innova Non-Disclosure Agreement comments with John Salmas. Call with Warren Leung to discuss employee issues.	2.8
14-May-18	JS	Review executed Non-Disclosure Agreements; Correspondence to and from and discussions with Deloittes regarding sales process; Review IST Offer Form; Review correspondence regarding Boiler lease; Telephone conversation with Warren Leung; Review DataSite disclaimer; Consider issue regarding Conestoga Blvd. Cambridge cranes; Discussion with Vanja Ginic; Correspondence from Bennett Jones regarding Services Agreement, License Agreement and Approval and Vesting Order.	3.6

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3357510

Page 5 of 8

Matter # 569588-000002

Date	ID	Description of Work	Hours
14-May-18	VG	Various email correspondence with Deloitte. Reviewing Offer Form for IST bids. Reviewing and revising proposed language for Canerector Non-Disclosure Agreement. Discussion with John Salmas regarding same. Reviewing and revising Cora invoice.	2.1
15-May-18	JS	Messages to and from and discussions with Deloittes regarding Canerector Inc. and other Non-Disclosure Agreement parties; Internal discussions regarding Non-Disclosure Agreements; Telephone conversation with Warren Leung regarding offer form and Terms and Conditions of Sale; Messages to and from Bennett Jones regarding Propak; Internal discussions; Discussions regarding Atco contract.	3.3
15-May-18	VG	Reviewing Atco contract. Comments on Canerector Non-Disclosure Agreement. Call with Warren Leung regarding same. Review and revise form of offer. Various email correspondence with Deloitte.	0.9
16-May-18	DRW	Receipt and brief review of offer to purchase assets. Telephone call with Brian Pettit and Rob Biehler. Discussion with Vanja Ginic.	0.4
16-May-18	VG	Email correspondence with Warren Leung regarding Baytex invoice. Revising invoice. Email correspondence regarding bids. Discussion with John Salmas regarding Propak contract bid.	1.2
17-May-18	JS	Discussions regarding Baytex matters; Internal discussions; Messages to Deloittes regarding Conestoga cranes; Review various offers; Discussions with Deloittes with respect to sales process; Discussions with Bennett Jones; Attend to BC Hydro matter; Review amended Propak Services Agreement; Review auctioneer proposals; Telephone conversation with Deloittes.	3.6
17-May-18	VG	Various email correspondence regarding bids and independent counsel. Reviewing proposed Propak licence agreement and providing comments regarding same. Cross-referencing licence agreement with existing form of travelling licence agreement. Inquiring as to court availability for an approval and vesting order. Email correspondence with John Salmas regarding same.	1.3
18-May-18	DRW	Email correspondence regarding outstanding matters.	0.3
18-May-18	JS	Telephone conversations with Deloittes; Telephone conversations with Deloittes and HSBC; Telephone conversations with and correspondence from Bennett Jones; Review various offers; Internal discussions regarding matter; Deal with Teck Metals matter.	3.1
18-May-18	VG	Review of Atco contract. Discussion with John Salmas regarding same, and Propak Offer. Email from Rob Biehler regarding IST Boiler customer agreement. Considering issues regarding customer offer. Call with John Salmas and Email to Rob Biehler regarding same. Email from Jeff Keeble. Brief review of Teck agreement.	1.9
19-May-18	VG	Review and revise Teck Purchase Agreement. Email to John Salmas regarding same.	1.1
21-May-18	JS	Review and comment on Teck Purchase Agreement; Correspondence from Deloittes; Discussions with Vanja Ginic.	0.8
22-May-18	IL	Update Service List with Michael Nowina and John Pirie.	0.5

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3357510

Page 6 of 8

Matter # 569588-000002

Date	ID	Description of Work	Hours
22-May-18	JS	Discussions and correspondence with Deloitte regarding matter; Review correspondence with Teck Metals; Internal discussions regarding matter; Review correspondence regarding GE Power & Water; Review Fulcrum Intercreditor Agreement; Telephone conversation with and correspondence to Chris Simard; Review Non-Disclosure Agreements; Deal with HSBC regarding no-interest letter; Propak wire transfer; Telephone conversations with Faskens.	2.9
22-May-18	VG	Email correspondence with Deloitte and its independent counsel. Email to John Salmas regarding Atco contract and potential conflict. Conference call with Baker McKenzie to discuss purchase transaction and Atco contract. Email correspondence with Deloitte regarding Teck purchase agreement. Email correspondence regarding Propak purchase status and "no interest letter" request from Teck. Voicemail to Jeff Keeble and discussion with John Salmas regarding "no interest letter". Instructions to Ilan Levy regarding maintenance of service list. Call with counsel to Teck.	3.3
23-May-18	JS	Review correspondence from Faskens; Review various Teck agreements; Discussions with and correspondence to Deloitte with respect to Propak transaction; Telephone conversation with Chris Simard; Internal discussions regarding matter; Messages to Bennett Jones; Discussions regarding court time for sale approval orders; Review amendments to Propak Non-Disclosure Agreement; Review amendments to Teck Agreement of Purchase and Sale; Messages to HSBC; Discussions with Baker McKenzie; Correspondence to and from Faskens; Discussions with Chris Simard with respect to sales process.	3.0
23-May-18	VG	Review revised Teck purchase agreement. Various discussions regarding comments on purchase agreement. Revising same. Inquiring with court office as to availability. Email to Michael Nowina and John Pirie regarding same. Review of final version of Teck purchase agreement. Email correspondence with Deloitte and Faskens regarding finalizing purchase agreement. Attending to Teck closing matters.	3.5
24-May-18	DRW	Brief discussion with John Salmas regarding outstanding matters.	0.5
24-May-18	JS	Discussions with respect to Teck Metals; Discussions with Baker McKenzie; Correspondence to and from HSBC; Review correspondence from Faskens; Discussions to and from and correspondence with Deloitte regarding various IST related issues; Internal discussions regarding matter; Finalized court timing.	2.9
24-May-18	VG	Discussion with John Salmas regarding Teck and Propak transactions. Attending to various Teck closing matters.	1.9
25-May-18	JS	Deal with Teck Metals sale matter; Discussions with Baker McKenzie; Review correspondence from HSBC with respect to Petropac; Internal discussions regarding matter; Message from Chris Simard; Discussions with Deloitte.	2.3
25-May-18	VG	Reviewing bid summaries. Attending to Teck closing matters. Various email correspondence regarding same and next steps for approval and vesting orders.	1.4

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3357510

Page 7 of 8

Matter # 569588-000002

Date	ID	Description of Work	Hours
26-May-18	JS	Messages to and from Deloittes; Review correspondence regarding Canerector; Review correspondence from Bennett Jones; Review Propak Purchase Agreement.	0.8
26-May-18	VG	Various email correspondence with Deloitte regarding Boiler offer and Propak Asset Purchase Agreement.	0.3
27-May-18	JS	Correspondence from Deloittes with respect to Canerector.	0.8
28-May-18	JS	Review and comment on Propak offer; Correspondence to Deloittes regarding Propak offer; Correspondence from Deloittes with respect to Canerector offer; Telephone conversation and correspondence with Canerector regarding IST Boiler sale.	4.1
28-May-18	VG	Various email correspondence regarding Teck transactions and Propak Asset Purchase Agreement.	0.4
29-May-18	JS	Begin drafting form of Canerector offer; Attend telephone conference conversation with Deloittes with respect to Canerector Asset Purchase Agreement and Propak Asset Purchase Agreement; Correspondence to Bennett Jones; Discussions with Propak CFO.	3.6
29-May-18	VG	Review emails from John Salmas with comments on Propak Asset Purchase Agreement. Revise Propak Asset Purchase Agreement. Call with Deloitte to review Asset Purchase Agreement.	1.8
30-May-18	JS	Correspondence from Deloittes with respect to Canerector deposit; Messages to and from Deloittes regarding purchase transactions; Amendments to draft Canerector Purchase Agreement; Discussions with Vanja Ginic; Correspondence to and from Canerector; Correspondence to and from Propak counsel; Correspondence with respect to BC Hydro; Messages to Deloittes regarding Bennett Jones requests regarding the Service List.	2.8
30-May-18	VG	Drafting Canerector Asset Purchase Agreement. Call with Bennett Jones to discuss revised Propak Asset Purchase Agreement.	2.9
31-May-18	JS	Review and comment on draft Canerector Purchase Agreement; Messages to Jeff Keeble; Review correspondence from Deloittes; Discussions with Vanja Ginic; Amendments to Canerector Purchase Agreement; Messages to and from Baker McKenzie with respect to Atco issues; Discussions with Warren Leung; Telephone conversations with Chris Simard; Messages to and from Canerector; Review creditor and customer lists.	2.8
31-May-18	VG	Discussion with John Salmas regarding lease issue in Canerector APA. Call with Warren Leung regarding customer list. Reviewing Asset Purchase Agreement. Email correspondence regarding Propak Asset Purchase Agreement.	0.6
		Total	127.9

TOTAL PROFESSIONAL FEES

\$ 79,345.00

TAXABLE DISBURSEMENTS

Binding Books / Documents

\$ 159.75

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3357510

Page 8 of 8

Matter # 569588-000002

Long Distance Telephone Calls	2.73	
Meals & Beverages	13.05	
Photocopy & Printing Charges	388.50	
Transportation Costs	8.42	
TOTAL TAXABLE DISBURSEMENTS	\$ 572.45	
TOTAL DISBURSEMENTS		<u>572.45</u>
TOTAL FEES AND DISBURSEMENTS	\$ 79,917.45	
TAXES		
HST (13.0%) on Professional Fees of \$79,345.00	\$ 10,314.85	
HST (13.0%) on Taxable Disbursements of \$572.45	74.42	
TOTAL TAXES		<u>10,389.27</u>
TOTAL AMOUNT DUE	\$ 90,306.72	CAD


大成 DENTONS

Dentons Canada LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON, Canada M5K 0A1

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大成 Salans FMC SNR Denton McKenna Long
dentons.com

Deloitte Restructuring Inc.
22 Adelaide Street West
Suite 200
Toronto ON M5H 0A9
Attention: Mr. Paul Casey
Senior Vice President

INVOICE # 3360899

GST/HST # R121996078
QST # 1086862448 TQ 0001

<u>Date</u>	<u>Matter Number</u>	<u>Lawyer</u>
June 30, 2018	569588-000002	Dennis R. Wiebe

Deloitte Restructuring Inc.
Re: Court Appointed Receiver of Innovative Steam
Technologies Inc.

Professional Fees	\$ 85,065.70
Disbursements	698.30
HST (13.0%) on \$85,764.00	11,149.32
Total Amount Due	\$ <u>96,913.32</u> CAD

DENTONS CANADA LLP

Per: 

Dennis R. Wiebe

Payment Options:	
<p><u>Cheques:</u> Cheques payable to Dentons Canada LLP and mailed to the above noted address.</p>	<p><u>Internet Banking:</u> Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 569588. Please email us at Edm.Accounting@dentons.com referencing invoice number and payment amount.</p>
<p><u>Wire Transfer:</u> Bank of Montreal 1st Canadian Place, Toronto, ON Swift Code: BOFMCAM2 Bank ID: 001 Transit: 00022 CAD Funds Bank Account : 0004-324</p>	<p><u>Credit Card:</u> Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one). Card No. _____ Expiry Date: _____ Amount: _____ Cardholder Name: _____ Signature: _____</p>
<p>Please email us at AR.Canada@dentons.com referencing invoice number and payment amount. Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.</p>	

*We are very grateful to have you as a client and appreciate your business.
Please provide your feedback to us at www.dentons.com/en/clientfeedbackcanada*

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3360899

Page 2 of 6

Matter # 569588-000002

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

Date	ID	Description of Work	Hours
01-Jun-18	JS	Correspondence to and from Deloitte with respect to Canerector Transaction; Correspondence to and from Bennett Jones regarding IST Boiler Union matter; Internal discussions regarding IST Boiler Collective Bargaining Agreement; Review schedules for IST APA; Correspondence to Baker; Review correspondence from Propak with respect to Service List; Review Canerector comments on draft APA; Correspondence to and from Deloittes; Review Propak comments on Service List; Review and comment on draft AVO with respect to Propak; Review comments from Bennett Jones regarding Propak APA.	6.7
02-Jun-18	JS	Messages to and from Deloittes with regard to Propak APA; Messages to Bennett Jones with respect to Propak APA; Messages to Bennett Jones regarding service issues; Comments on amendments to IST Boiler - Canerector APA.	1.4
03-Jun-18	NAL	Review receivership and successor questions and email to Andy Pushalik.	0.4
03-Jun-18	JS	Correspondence to and from Deloittes; Internal discussions regarding Propak suggested amendments to Propak APA employment sections.	0.7
03-Jun-18	VG	Review of comments on Canerector APA. Call with John Salmas to discuss same. Revising Canerector APA.	3.5
04-Jun-18	AGP	Review purchase agreements. Telephone attendance with Vanja Ginic regarding same.	0.5
04-Jun-18	MC	Conferences with Vanja Ginic and Andy Pushalik regarding excluded liability and transferred employees and contractors. Review and revise language to purchaser's counsel and insert references to employment standards legislation.	0.5
04-Jun-18	JS	Discussions with Andy Pushalik regarding Propak APA; Messages to and from Bennett Jones with respect to amendments to APA; Review correspondence from Propak's counsel; Review revised Canerector APA; Internal discussions regarding Sale Agreements; Telephone conversation with Deloittes with respect to Propak and Canerector APA; Telephone conversations with Nicholas Emter and Chris Simard, Bennett Jones; Attend telephone conference conversation with Deloitte and Baker; Review correspondence from Canerector; Messages to Deloittes with respect to employee related matters; Correspondence from Bennett Jones in connection with Propak APA; Internal discussions regarding matter; Messages to and from and correspondence with Bennett Jones with respect to Excluded Liabilities; discussions with Michael Nowina regarding service issues; Amendments to Propak APA; Amendments to Canerector APA.	8.2
04-Jun-18	VG	Instructions to Amanda Campbell regarding formatting of Canerector	12.0

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3360899

Page 3 of 6

Matter # 569588-000002

Date	ID	Description of Work	Hours
		APA. Revising and reviewing APA. Email to Tim Buckland regarding same. Email from Chris Simard regarding Propak transaction. Email to Andy Pushalik regarding employee issues. Call with John Salmas and Andy Pushalik regarding same. Call with Bennett Jones regarding comments on Propak APA. Call with Deloitte and Baker regarding same. Call with Tim Buckland regarding Canerector comments. Discussion with Matt Curtis regarding successor-employer liability language in Propak APA. Email correspondence with Bennett Jones regarding same. Review of revised Propak APA and bill of same. Call with Nick Emter to discuss comments on Propak APA. Email correspondence with John Salmas regarding comments on Canerector APA. Drafting and revising Canerector APA.	
05-Jun-18	JS	Messages to and from and discussions with Canerector regarding APA; Amendments to the Canerector APA; Correspondence to and from Deloitte with respect to termination and severance obligations; Correspondence (several) and discussions (several) with Bennett Jones regarding Propak agreement and schedules; Discussions regarding Propak-landlord discussions; Messages (several) to and from Deloitte; Messages to and from Deloitte and Baker with respect to Receiver's Report; Review and comment on draft Receiver's Report; Telephone conference conversation with Bennett Jones; Consider landlord issues; Internal discussions regarding Canerector APA; Amendments to Propak APA; Amendments to Propak AVO; Correspondence to and from HSBC with respect to EDC Claim.	8.0
05-Jun-18	VG	Email to Tim Buckland attaching revised APA. Review of Canerector APA. Various discussions with John Salmas regarding same. Email correspondence with Deloitte regarding comments. Various email correspondence regarding Canerector and Propak APAs. Email to Tim Buckland regarding comments on APA and updated schedules. Drafting Approval and Vesting Order. Various email correspondence with Tim Buckland regarding comments on APA. Revising Canerector APA.	5.2
06-Jun-18	JS	Telephone conversations and messages with Rob Biehler; Messages to and from and telephone conversations (several) with Bennett Jones; Discussions regarding appraisal; Messages and discussions with respect to Propak APA adjustments for collection of AR; Amendments to draft Propak AVO; Consider issues regarding Conestoga Lease; Attended telephone conference conversation with Propak, Deloitte and Bennett Jones.	7.1
06-Jun-18	VG	Review of Propak APA and Approval and Vesting Order. Email to Deloitte and John Salmas regarding same. Revising Approval and Vesting Order for both Canerector and Propak. Email to Canerector regarding revisions to schedules and representations and warranties. Call with Tim Buckland regarding inventory list. Call with Warren Leung regarding same. Various calls with Deloitte, Propak and Propak's counsel regarding price adjustment to APA and Approval and Vesting Order motion next week. Call and email correspondence with Michael Nowina regarding Canerector APA and approval motion. Finalizing	8.5

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3360899
 Page 4 of 6

Matter # 569588-000002

Date	ID	Description of Work	Hours
		Canerector APA. Various email correspondence regarding Propak landlord issues.	
07-Jun-18	JS	Messages and discussions with respect to Conestoga lease documents; Telephone conversations with Bennett Jones regarding working capital adjustments; Finalization of Canerector Motion materials; Discussions regarding Canerector books of records; Review and comment on draft Lease Assignment for Natura Way Lease; Deal with Deloitte on various APA schedules; Discussions with Baker with respect to Court availability for Propak AVO; Telephone conversation with Deloitte; Messages to and from Bennett Jones; Review Receiver Motion Record in connection with June 12, 2018 Court appearance.	4.9
07-Jun-18	VG	Email correspondence with Tim Buckland regarding APA schedules. Revising APA schedules. Email to Michael Nowina regarding same. Discussion with John Salmas regarding outstanding issues on Propak APA. Attending to scheduling of AVO motion. Review of Propak assignment agreement. Attending to scheduling of AVO motion.	2.9
08-Jun-18	JS	Discussions with Baker; Discussions (several) with Deloitte; Amendment to Lease Assignment documents; Internal discussions regarding Propak APA and ancillary documents; Amendments to Propak agreement; Emails from Deloitte.	3.0
08-Jun-18	VG	Reviewing service list. Email to Michael Nowina advising additional parties need to be served. Email correspondence confirming motion and scheduling. Revising lease assignment agreement. Various email correspondence regarding same. Email to Rob Bhieler with Propak update.	2.9
10-Jun-18	JS	Correspondence from HSBC regarding proposed sale proceeds; Telephone conversations (several).	0.3
11-Jun-18	JS	Review HSBC emails with respect to EDC Claim; Amendments to Propak APA; Amendments to form of Lease Assignment; Finalized Natura Way Assignment Agreement; Discussions (several) with Bennett Jones; Telephone conference conversation with Bennett Jones; Discussions regarding Propak matters with Deloitte; Amendments to Propak Agreement; Considered lease assignment matters; Amendments to AVO.	3.6
11-Jun-18	VG	Various email correspondence with Propak's counsel and Deloitte regarding APA and lease assignment. Revising Propak Approval and Vesting Order.	1.7
12-Jun-18	JS	Internal discussions regarding matter; Review Assignment Agreement; Review and comment on draft Second Report of Receiver; Considered issues relating to former IST Boiler employees; Discussions regarding Canerector APA court appearance; Telephone conversation with Michael Nowina and Vanja Ginic with respect to court appearance; Telephone conversations with Bennett Jones; Messages to and from Bennett Jones; Review Order and Endorsement of Justice Dunphy; Amendments to Bid Summary document; Discussions with Baker with respect to Propak APA Factum; Amendments to APA with respect to	5.8

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3360899

Page 5 of 6

Matter # 569588-000002

Date	ID	Description of Work	Hours
		landlord matters.	
12-Jun-18	VG	Reviewing revised Canerector Approval and Vesting Order. Preparing for and attending at motion for an approval and vesting order in respect of the Canerector transaction. Various calls regarding Propak approval and vesting order.	8.6
13-Jun-18	JS	Discussions regarding disclosure of appraisal; Amendments to Bid Comparison document; Telephone conversation with Deloitte; Messages to and conversations with Bennett Jones; Amendments to Propak APA; Scheduling Propak AVO motion; Telephone conversation with Bennett Jones; Internal discussions regarding matter; Discussions with respect to Suncor agreements; Considered lease agreement issues.	4.9
13-Jun-18	VG	Preparing fee affidavit. Attending to scheduling matter regarding Propak approval motion. Various email correspondence regarding Propak APA and Canerector closing. Attending conference call regarding Canerector closing.	1.9
14-Jun-18	JS	Correspondence to and from Deloitte; Deal with Canerector deal closing issues; Correspondence to Baker; Attend telephone conference conversation with Baker and Deloitte; Messages to Court office; Telephone conversation with Bennett Jones; Finalizing Propak APA; Amendments to Propak AVO; Finalized Second Report; Deal with Fee Affidavit; Messages to Deloitte; Finalization of Second Report; Review Canerector Bring Down Certificate; Deal with Natura Way lease issues.	5.9
14-Jun-18	VG	Email correspondence regarding Canerector closing and Propak APA. Reviewed revised Propak APA. Discussion with John Salmas regarding lease deposit issue and omitted revisions regarding lease assignment deliverables. Email to Nicholas Emter regarding same. Call with Nicholas Emter regarding certain revisions to APA.	3.7
15-Jun-18	JS	Correspondence to and from Deloitte; Messages to and from Baker with respect to AVO; Review Canerector Bill of Sale; Review and finalize executed and compiled Canerector APA; Review correspondence from landlords in connection with the lease assignments; Telephone conversation with Bennett Jones; Amendment to Propak AVO; Closing Canerector transactions; Finalized Receiver's Second Report; Service of Motion Record with respect to Propak APA.	6.0
15-Jun-18	VG	Attending to Canerector closing matters. Reviewing and revising Canerector bill of sale. Various email correspondence and calls regarding closing.	2.5
18-Jun-18	DRW	Brief review of motion materials for upcoming asset sale.	0.5
20-Jun-18	JS	Review correspondence with respect to IST lease assignments; Correspondence to and from Bennett Jones; Review finalized lease assignments; Review and comment on draft Factum.	2.2
21-Jun-18	JS	Review amended Factum; Discussions with Deloitte; Telephone conversations with Bennett Jones; Deal with Propak Issues; Messages to and conversations with Michael Nowina; Internal discussions	1.9

DENTONS CANADA LLP
 Deloitte Restructuring Inc.
 Re: Court Appointed Receiver of Innovative Steam
 Technologies Inc.

INVOICE 3360899
 Page 6 of 6

Matter # 569588-000002

Date	ID	Description of Work	Hours
		regarding matter; Review service version of Receiver's Factum.	
21-Jun-18	VG	Email correspondence with Michael Nowina, John Salmas and Warren Leung regarding factum. Reviewing factum and providing comments.	2.5
22-Jun-18	JS	Consider issues with respect to IST Boiler data usage by Canerector; Internal discussions regarding matter.	0.6
26-Jun-18	JS	Review finalized Motion Record; Preparation for Court appearance; Correspondence to and from Baker and Bennett Jones.	1.0
27-Jun-18	JS	Attend at Propak AVO Motion; Discussions with John Borch; Meeting with Deloitte's; Review correspondence to Service List.	3.0
28-Jun-18	VG	Various email correspondence regarding Propak closing. Instructions to Amanda Campbell regarding preparation of blacklines. Review of Propak closing documents. Email to John Salmas with comments on closing documents.	1.3
29-Jun-18	JS	Deal with Propak Agreement and closing matters; Correspondence to and from Bennett Jones; Correspondence to and from Deloitte's with respect to closing of Propak deal.	3.1
		Total	137.4

TOTAL PROFESSIONAL FEES \$ 85,065.70

TAXABLE DISBURSEMENTS

Long Distance Telephone Calls \$ 8.05
 Photocopy & Printing Charges 690.25

TOTAL TAXABLE DISBURSEMENTS \$ 698.30

TOTAL DISBURSEMENTS 698.30

TOTAL FEES AND DISBURSEMENTS \$ 85,764.00

TAXES

HST (13.0%) on Professional Fees of \$85,065.70 \$ 11,058.54
 HST (13.0%) on Taxable Disbursements of \$698.30 90.78

TOTAL TAXES 11,149.32

TOTAL AMOUNT DUE \$ 96,913.32 CAD

大成 DENTONS

Dentons Canada LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON, Canada M5K 0A1

T 416 863 4511
F 416 863 4592

大成 Salans FMC SNR Denton McKenna Long
dentons.com

Deloitte Restructuring Inc.
22 Adelaide Street West
Suite 200
Toronto ON M5H 0A9
Attention: Mr. Paul Casey
Senior Vice President

INVOICE # 3377411


GST/HST # R121996078
QST # 1086862448 TQ.0001

<u>Date</u>	<u>Matter Number</u>	<u>Lawyer</u>
November 21, 2018	569588-000002	Dennis R. Wiebe

Deloitte Restructuring Inc.
Re: Court Appointed Receiver of Innovative Steam
Technologies Inc.

Professional Fees	\$ 7,867.50
Disbursements	190.58
HST (13.0%) on \$8,058.08	1,047.56
Total Amount Due	\$ 9,105.64 CAD

DENTONS CANADA LLP

Per: 
Dennis R. Wiebe

Payment Options:	
<p>Cheques: Cheques payable to Dentons Canada LLP and mailed to the above noted address.</p>	<p>Internet Banking: Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 569588. Please email us at Edm.Accounting@dentons.com referencing invoice number and payment amount.</p>
<p>Wire Transfer: Bank of Montreal 1st Canadian Place, Toronto, ON Swift Code: BOFMCAM2 Bank ID: 001 Transit: 00022 CAD Funds Bank Account : 0004-324</p>	<p>Credit Card: Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one). Card No. _____ Expiry Date: _____ Amount: _____ Cardholder Name: _____ Signature: _____</p>
<p>Please email us at AR.Canada@dentons.com referencing invoice number and payment amount. Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.</p>	

*We are very grateful to have you as a client and appreciate your business.
Please provide your feedback to us at www.dentons.com/en/clientfeedbackcanada*

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

Date	ID	Description of Work	Hours
02-Jul-18	JS	Review correspondence regarding Propak proposed purchase price allocation; Discussions with Deloitte.	0.5
04-Jul-18	JS	Messages to and from Rob Biehler regarding receivership administration.	0.3
06-Jul-18	JS	Messages to and from Rob Biehler regarding receivership administration; Discussions with Deloitte with respect to Receiver's Certificates for each of sale transactions involving Propak and Canerector; Discussions with Vanja Ginic.	0.9
06-Jul-18	VG	Email correspondence and call with Rob Biehler to discuss Canerector Receiver's Certificate. Call with John Salmas regarding same. Drafting execution version of certificate. Instructions to Christina Emberley regarding filing of certificate with the court.	1.1
09-Jul-18	JS	Messages to and from Deloitte regarding receivership administration; Internal discussions regarding receivership proceedings.	0.4
10-Jul-18	JS	Messages to and from Deloitte.	0.2
10-Jul-18	VG	Discussion with John Salmas regarding receiver's certificate. Drafting Propak Receiver's certificate.	0.5
12-Jul-18	JS	Telephone conversation with Rob Biehler.	0.3
16-Jul-18	VG	Attending to receiver's certificates.	0.2
19-Jul-18	VG	Revising receiver's certificates to be effective as at closing. Email to Rob Biehler regarding same.	0.2
03-Aug-18	JS	Review and comment on Bill of Sale; Discussions with V. Ginic.	0.3
03-Aug-18	VG	Review and revise Canerector Bill of Sale. Email correspondence with John Salmas and Deloitte regarding same.	0.8
13-Aug-18	JS	Discussions with V. Ginic regarding finalized Receiver's Certificates.	0.2
13-Aug-18	VG	Email correspondence with Rob Biehler regarding receiver's certificates.	0.1
15-Aug-18	SF	Reviewed Ernst and Young's insolvency database to find the AbitibiBowater Inc. indenture for the 7.95% unsecured notes.	1.5
16-Aug-18	SF	Reviewed Ernst and Young's insolvency database and DisclosureNet to find the AbitibiBowater Inc. indenture document for the 7.95% unsecured loans for Sara-Ann Van-Allen requested.	1.3
17-Aug-18	SF	Submit documents to the Commercial List on 330 University Avenue for Vanja Ginic.	0.5
28-Aug-18	JS	Correspondence from Deloitte; Messages to Rob Biehler; Review Propak Asset Purchase Agreement; Messages to Propak in-house counsel; Telephone conversation with Propak in-house counsel.	1.3

Date	ID	Description of Work	Hours
05-Sep-18	JS	Discussion regarding timing of IST discharge and distribution motions.	0.3
23-Oct-18	JS	Messages to and from HSBC. Correspondence to and from Commercial List Office. Review correspondence from Greg Nomod.	0.8
24-Oct-18	JS	Correspondence to and from HSBC.	0.3
25-Oct-18	DRW	Discussion with John Salmas regarding outstanding matters.	0.2
25-Oct-18	JS	Review Propak and Canerector Agreements. Discussions with Bennett Jones. Review EDC PSG. Consider sale agreements. Correspondence to HSBC. Review correspondence from HSBC.	1.5
Total			13.7

TOTAL PROFESSIONAL FEES \$ **7,867.50**

TAXABLE DISBURSEMENTS

Binding Books / Documents	\$ 8.00
Long Distance Telephone Calls	1.08
Photocopy & Printing Charges	181.50
TOTAL TAXABLE DISBURSEMENTS	\$ 190.58

TOTAL DISBURSEMENTS 190.58

TOTAL FEES AND DISBURSEMENTS \$ **8,058.08**

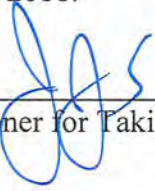
TAXES

HST (13.0%) on Professional Fees of \$7,867.50	\$ 1,022.78
HST (13.0%) on Taxable Disbursements of \$190.58	24.78

TOTAL TAXES 1,047.56

TOTAL AMOUNT DUE \$ **9,105.64** CAD

THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF SERVICE OF DENNIS R. WIEBE
SWORN BEFORE ME THIS 21ST DAY OF
NOVEMBER, 2018.



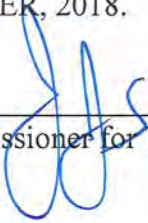
A Commissioner for Taking Affidavits, etc.

EXHIBIT "B"**Summary of Invoices and Calculation of Average Hourly Billing Rates of Dentons
Canada LLP**

The Period May 1, 2018- November 21, 2018

Date	Invoice No.	Fees	Disbursements	Taxes(HST)	Hours	Average Rate	Total
June 13, 2018	3357510	\$79,345.00	\$572.45	\$10,389.27	127.9	\$620.36	\$90,306.72
June 30, 2018	3360899	\$85,065.70	\$698.30	11,149.32	137.4	\$619.10	\$96,913.32
Nov. 21, 2018	3377411	\$7,867.50	\$190.58	\$1,047.56	13.7	\$574.27	\$9,105.64
TOTALS:		\$172,278.20	\$1,461.33	\$22,586.15	279.0	\$617.48	\$196,325.68

THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF SERVICE OF DENNIS R. WIEBE
SWORN BEFORE ME THIS 21ST DAY OF
NOVEMBER, 2018.



A Commissioner for Taking Affidavits, etc.

EXHIBIT "C"**Standard Billing Rates of Dentons Canada LLP**

For the period May 1, 2018 – November 21, 2018

	<u>Rate</u>	<u>Year of Call</u>
Anneli LeGault	\$900.00	1982
Dennis R. Wiebe	\$850.00	1985
John Salmas	\$780.00	1999
Andy Pushalik	\$640.00	2007
Sara-Ann Van Allen	\$600.00	2008
Matthew Curtis	\$595.00	2012
Vanja Ginic	\$395.00	2016

HSBC BANK CANADA

- and -

INNOVATIVE STEAM TECHNOLOGIES and
IST BOILER COMPONENTS INC.

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF DENNIS R. WIEBE
(sworn November 21st, 2018)

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

John Salmas (LSO # 42336B)
Tel: (416) 863-4737
Fax: (416) 863-4592
john.salmas@dentons.com

Dennis Wiebe (LSO # 25189V)
Tel: (416) 863-4475
dennis.wiebe@dentons.com

Appendix H

Court File No. CV-18-596878-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(*Commercial List*)

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

INNOVATIVE STEAM TECHNOLOGIES INC. and
IST BOILER COMPONENTS INC.

Respondents

AFFIDAVIT OF JOHN PIRIE
(sworn Wednesday, November 21, 2018)

I, **JOHN PIRIE**, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am a partner at the law firm of Baker & McKenzie LLP ("**Baker McKenzie**"), counsel for Deloitte Restructuring ("**Deloitte**") in its capacity as court-appointed receiver and manager (the "**Receiver**") of Innovative Steam Technologies Inc. ("**IST**") and IST Boiler Components Inc. ("**IST Boiler**"), and as such have knowledge of the matters deposed herein, save and except where such knowledge is stated to be based on information from others, in which case the source of the information is specified and in which case I do verily believe the information to be true.
2. By an Order of the Honourable Justice Wilton-Siegel, dated May 1, 2018, Deloitte was appointed as receiver and manager over the properties, assets and undertakings of IST and IST Boiler.

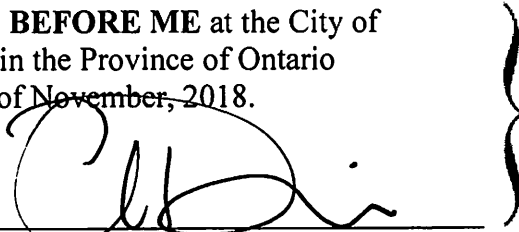

3. Baker McKenzie was retained as counsel for the Receiver on or about May 17, 2018.

4. For the period of May 17, 2018 to October 31, 2018 Baker McKenzie has incurred fees in the amount of \$58,888.00 and disbursements in the amount of \$5,565.58, plus applicable HST in the amount of \$8,336.33, for a total of \$72,789.91. The fees and disbursements are summarized in invoice nos. 9155037976, 9155042068, and 9155043014, true copies of which are attached hereto and marked as **Exhibit "A"**.

5. A statement of experience for the lawyers and staff is attached hereto and marked as **Exhibit "B"**.

6. This affidavit is sworn in support of the Receiver's motion for, among other things, approval of its fees and disbursements and those of its legal representatives, and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario this 21st of November, 2018.

	}	
<p><i>Commissioner for Taking Affidavits (or as may be)</i></p> <p><i>Christina J.A. Doria</i></p>		<p>JOHN PIRIE</p>

This is **Exhibit "A"** referred to in the Affidavit of John Pirie,
sworn this 21st day of November, 2018.

A handwritten signature in black ink, consisting of a large, stylized initial 'P' followed by a series of loops and a wavy line ending in a small hook.

Commissioner for Taking Affidavits (or as may be)

**Baker
McKenzie.**

Baker & McKenzie LLP
181 Bay Street
Brookfield Place, Suite 2100
Toronto ON M5J 2T3
Canada

TAX #: 11940 7625 RT
Tel: +1 416 863 1221
Fax: 1 416 863 6275

www.bakermckenzie.com

June 12, 2018

Attention: Rob Biehler	Client:	10077357
Deloitte Restructuring Inc.	Payer:	10077357
1005 Skyview Drive, Suite 200	Matter Number:	50479178
Burlington ON L7P 5B1	Invoice Number:	9155037976
Canada	Invoice Due Date:	Payable in 30 days

Professional services and disbursements incurred for the period ending: May 31, 2018

RE: Innovative Steam Technologies Inc. and IST Boiler Components Inc. - Insolvency

Summary

Taxable Fees.....	5,900.00 CAD
Taxable Amount.....	5,900.00 CAD
HST 13.000%.....	767.00 CAD
Non-Taxable Disbursements.....	160.00 CAD
Total Amount Due.....	6,827.00 CAD



Wire Transfer:| HSBC Bank Canada| 70 York Street| Toronto, Ontario M5J 1S9| Bank#: 016;| Transit#: 10002;| Swift: HKBCCATT|
Canadian General Account#: 002-427753-001

Cheque:| Brookfield Place| 181 Bay Street, Suite 2100| P.O. Box 874| Toronto, Ontario M5J 2T3| Attn: Accounts Receivable

Baker & McKenzie LLP is a member of Baker & McKenzie International, a Swiss Verein.

Matter Number: 50479178
Invoice Number: 9155037976
Invoice Due Date: Payable in 30 days

June 12, 2018

RE: Innovative Steam Technologies Inc. and IST Boiler Components Inc. - Insolvency

Time Details

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
05/17/2018	Michael Nowina	Call with R. Biehler and J. Pirie to discuss status of receivership.	0.60	625.00	375.00
05/18/2018	John Pirie	Review materials forwarded including application record and recent email traffic.	1.10	775.00	852.50
05/18/2018	Michael Nowina	Review application record in support of receivership application.	0.70	625.00	437.50
05/22/2018	John Pirie	Call with Deloitte and Dentons to discuss next steps; review correspondence concerning AR; instruct M. Nowina on various issues.	1.40	775.00	1,085.00
05/22/2018	Michael Nowina	Conference call with R. Biehler, J. Salmas and J. Pirie to discuss next steps in the receivership; review application record and correspondence relating to customer payments; emails with R. Biehler confirming advice regarding monies received from customers.	1.70	625.00	1,062.50
05/23/2018	Michael Nowina	Review and reply to emails from R. Biehler regarding contract issue and V. Ginic regarding scheduling court date.	0.40	625.00	250.00
05/25/2018	Michael Nowina	Secure motion date for sale approval motion; review emails from J. Salmas and reply.	0.30	625.00	187.50
05/30/2018	Michael Nowina	Review email from R. Biehler regarding status of finalizing purchase agreements; call with R. Biehler to discuss same.	0.30	625.00	187.50
05/31/2018	John Pirie	Consider AR issues and	1.00	775.00	775.00

**Baker
McKenzie.**

Matter Number: 50479178
Invoice Number: 9155037976
Invoice Due Date: Payable in 30 days

June 12, 2018

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
05/31/2018	Michael Nowina	related contracts; instruct M. Nowina on go forward steps. Review further documents in relation to ATCO contract; email to J. Salmas and R. Biehler regarding same; brief J. Pirie on issues.	1.10	625.00	687.50
Total Hours: 8.60			Total:	5,900.00	CAD

**Baker
McKenzie.****Matter Number: 50479178**
Invoice Number: 9155037976
Invoice Due Date: Payable in 30 daysJune 12, 2018

Time Summary**Toronto**

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
John Pirie	3.50	775.00	2,712.50
Michael Nowina	5.10	625.00	3,187.50
		Total:	5,900.00
Total Hours 8.60		Total Fees	5,900.00 CAD

**Baker
McKenzie.****Matter Number: 50479178**
Invoice Number: 9155037976
Invoice Due Date: Payable in 30 days

June 12, 2018

Disbursement Summary

<u>Description</u>	<u>Qty</u>	<u>Amount</u>
Toronto		
Filing/Registration Fees	1.00	160.00
	Sub total	160.00
	Total Disbursements	160.00 CAD



Baker & McKenzie LLP
181 Bay Street
Brookfield Place, Suite 2100
Toronto ON M5J 2T3
Canada

TAX #: 11940 7625 RT
Tel: +1 416 863 1221
Fax: 1 416 863 6275
www.bakermckenzie.com

Remittance

June 12, 2018

	Client:	10077357
Attention: Rob Biehler	Payer:	10077357
Deloitte Restructuring Inc.	Matter Number:	50479178
1005 Skyview Drive, Suite 200	Invoice Number:	9155037976
Burlington ON L7P 5B1	Invoice Due Date:	Payable in 30 days
Canada		

Invoice Statement Summary

Professional services and disbursements incurred for the period ending: May 31, 2018

RE: Innovative Steam Technologies Inc. and IST Boiler Components Inc. - Insolvency

Taxable Fees.....	5,900.00 CAD
Taxable Amount.....	5,900.00 CAD
HST 13.000%.....	767.00 CAD
Non-Taxable Disbursements.....	160.00 CAD
Total Amount Due.....	6,827.00 CAD

Wire Transfer:| HSBC Bank Canada| 70 York Street| Toronto, Ontario M5J 1S9| Bank#: 016;| Transit#: 10002;| Swift: HKBCCATT|
Canadian General Account#: 002-427753-001

Cheque:| Brookfield Place| 181 Bay Street, Suite 2100| P.O. Box 874| Toronto, Ontario M5J 2T3| Attn: Accounts Receivable

Baker & McKenzie LLP is a member of Baker & McKenzie International, a Swiss Verein.



Baker & McKenzie LLP
181 Bay Street
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Toronto ON M5J 2T3
Canada

TAX #: 11940 7625 RT
Tel: +1 416 863 1221
Fax: 1 416 863 6275
www.bakermckenzie.com

October 29, 2018

Attention: Rob Biehler
Deloitte Restructuring Inc.
1005 Skyview Drive, Suite 200
Burlington ON L7P 5B1
Canada

Client: 10077357
Payer: 10077357
Matter Number: 50479178
Invoice Number: 9155042068
Invoice Due Date: Payable in 30 days

Professional services and disbursements incurred for the period ending: September 30, 2018

RE: Innovative Steam Technologies Inc. and IST Boiler Components Inc. - Insolvency

Summary

Taxable Fees.....	51,298.00 CAD
Taxable Disbursements.....	237.58 CAD
	<hr/>
Taxable Amount.....	51,535.58 CAD
HST 13.000%.....	6,699.63 CAD
Non-Taxable Disbursements.....	168.00 CAD
	<hr/>
Total Amount Due.....	58,403.21 CAD

Wire Transfer:| HSBC Bank Canada| 70 York Street| Toronto, Ontario M5J 1S9| Bank#: 016;| Transit#: 10002;| Swift: HKBCCATT|
Canadian General Account#: 002-427753-001

Cheque:| Brookfield Place| 181 Bay Street, Suite 2100| P.O. Box 874| Toronto, Ontario M5J 2T3| Attn: Accounts Receivable

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Matter Number: 50479178
Invoice Number: 9155042068
Invoice Due Date: Payable in 30 days

October 29, 2018

RE: Innovative Steam Technologies Inc. and IST Boiler Components Inc. - Insolvency

Time Details

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/01/2018	John Pirie	Review file and call with Bank's counsel and Receiver to discuss various issues; review relevant agreements and receivables lists and instruct M. Nowina.	1.50	775.00	1,162.50
06/01/2018	Michael Nowina	Conference call with J. Salmas, J. Pirie and R. Biehler to discuss receivables issue; review IST Boiler sale agreement; review updates receivables list.	1.60	625.00	1,000.00
06/04/2018	Charles Magerman	Office consultation with M. Nowina regarding purchase transaction and treatment of accounts receivables.	0.30	895.00	268.50
06/04/2018	Michael Nowina	Conference call with J. Salmas regarding transaction with ProPak; emails with W. Leung; revisions to Notice of Motion.	1.70	625.00	1,062.50
06/05/2018	Michael Nowina	Review draft receiver report and provide comments to R. Biehler; provide instructions to A. Markaroff regarding motion record and service issues; review email from W. Leung regarding status of APAs; final revisions to revised draft report.	2.30	625.00	1,437.50
06/06/2018	Michael Nowina	Email revised first report to R. Biehler; finalize notice of motion; provide instructions to A. Markaroff regarding motion record; calls with R. Biehler regarding status of transaction; call with J. Salmas regarding transaction with ProPak; further call with R. Biehler to discuss	3.30	625.00	2,062.50



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October 29, 2018

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
		pending motion and status of transactions; brief J. Pirie on status.			
06/07/2018	Michael Nowina	Review and revise Deloitte court report; call with R. Biehler to discuss report; call with J. Salmas to discuss revisions to agreements; reply to emails from V. Ginic regarding court motion; revise notice of motion; final review of motion record and provide instructions to serve record.	1.60	625.00	1,000.00
06/08/2018	Michael Nowina	Review emails from V. Ginic and reply; emails to & from R. Biehler.	0.20	625.00	125.00
06/11/2018	Michael Nowina	Conference call with R. Biehler and J. Salmas to discuss ProPak agreement status; finalize orders for approval of Canerector transaction; prepare for motion hearing.	1.50	625.00	937.50
06/12/2018	John Pirie	Discuss upcoming unopposed motion with M. Nowina; de-brief following motion and consider matters raised by Justice Dunphy; provide further input to M. Nowina on same.	1.30	775.00	1,007.50
06/12/2018	Michael Nowina	Attend at Commercial List court for sale approval and vesting order; conference call with P. Casey, R. Biehler, W. Leung, J. Salmas and V. Ginic to discuss pending motion for approval of ProPak transaction; conference call with ProPak counsel; email to R. Biehler with outline of factum argument and relevant case law for	5.50	625.00	3,437.50



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Invoice Number: 9155042068
Invoice Due Date: Payable in 30 days

October 29, 2018

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
		approval in context of short sales processes; review email from V. Ginic.			
06/13/2018	Jan Nato	Analysis of legal question regarding the court's discretion to grant sealing orders; Drafting email to M. Nowina	2.20	250.00	550.00
06/13/2018	John Pirie	Review file and discuss with M. Nowina go forward steps and content of material necessary for upcoming approvals motion.	1.20	775.00	930.00
06/13/2018	Michael Nowina	Obtain motion date for approval motion; review and revisions to draft second report; confirm legal issues relating to revised relief sought in second report; email with R. Biehler regarding finalizing draft report; discuss revisions with J. Pirie.	4.30	625.00	2,687.50
06/14/2018	Michael Nowina	Revisions to Notice of Motion; review emails from V. Ginic; final review and revisions to second report; provide instructions to A. Markaroff.	3.30	625.00	2,062.50
06/15/2018	John Pirie	Provide input on draft report and materials.	0.80	775.00	620.00
06/15/2018	Michael Nowina	Finalize notice of motion; call with R. Biehler regarding second report; final review and revisions to second report; emails regarding final vesting order; update draft vesting order; provide instructions to A. Markaroff; review and revise motion record; provide instructions for service.	2.80	625.00	1,750.00
06/18/2018	Brendan	Review file including	7.10	365.00	2,591.50

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October 29, 2018

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
	O'Grady	affidavits and reports; review test for sales approval; draft facts section of Factum.			
06/18/2018	Michael Nowina	Provide instructions to B. O'Grady regarding draft factum; provide instructions to A. Markaroff regarding service issues; reporting email to R. Biehler and W. Leung.	0.40	625.00	250.00
06/19/2018	Brendan O'Grady	Review of guiding test for sales approval on expedited basis; draft facts and argument sections of Factum.	6.40	365.00	2,336.00
06/20/2018	Brendan O'Grady	Draft the Factum for the sales approval motion.	7.90	365.00	2,883.50
06/20/2018	Michael Nowina	Review draft factum and provide comments to B. O'Grady; review primary GSA security in favour of HSBC for security opinion; further review and revisions to draft factum; email circulating draft factum for comments.	3.60	625.00	2,250.00
06/21/2018	Brendan O'Grady	Revise factum on motion for sales approval; finalize for service.	7.40	365.00	2,701.00
06/21/2018	John Pirie	Review draft factum and provide input on same.	0.70	775.00	542.50
06/21/2018	Michael Nowina	Finalize draft factum; provide instructions to B. O'Grady; call with V. Ginic regarding draft factum; review email from W. Leung and reply.	1.60	625.00	1,000.00
06/22/2018	John Pirie	Review file and recent correspondence and instruct M. Nowina.	0.50	775.00	387.50
06/22/2018	Michael Nowina	Review email from J. Pirie; confirm instructions to A.	0.20	625.00	125.00



Matter Number: 50479178
Invoice Number: 9155042068
Invoice Due Date: Payable in 30 days

October 29, 2018

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/25/2018	John Pirie	Markaroff regarding filing of documents. Review materials and authorities and prepare for Propak sale approval motion.	2.70	775.00	2,092.50
06/26/2018	John Pirie	Review recent correspondence and draft orders and prepare for hearing regarding Propak sale approval; confer with M. Nowina re same.	2.90	775.00	2,247.50
06/26/2018	Michael Nowina	Finalize sale approval and vesting order; finalize second order for approval of Receiver's reports and conduct; prepare for court hearing.	2.10	625.00	1,312.50
06/27/2018	John Pirie	Review file and attend on Propak sale approval motion; de-brief with client and M. Nowina and circulate issued orders and endorsement.	1.20	775.00	930.00
06/27/2018	Michael Nowina	Attend at motion for approval of sale to Propak; debrief with R. Biehler and W. Leung; provide instructions to A. Markaroff regarding service of order on service list.	1.10	625.00	687.50
06/28/2018	Brendan O'Grady	Consultation with M. Nowina about opinion on HSBC's security; review GSA and PPSA registrations.	1.80	365.00	657.00
06/28/2018	Michael Nowina	Provide instructions to B. O'Grady on security review.	0.30	625.00	187.50
07/04/2018	Brendan O'Grady	Review security documents.	3.30	390.00	1,287.00
07/05/2018	Alexandra Burke	Conduct a corporate search to obtain a certified PPSA search report against	0.50	420.00	210.00

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October 29, 2018

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
		Innovative Steam Technologies Inc.			
07/05/2018	Brendan O'Grady	Instruct A. Burke (BM Toronto) to run corporates profile search and PPSA searches.	0.20	390.00	78.00
07/06/2018	Brendan O'Grady	Draft legal opinion on validity of HSBC's security.	4.00	390.00	1,560.00
07/12/2018	Brendan O'Grady	Consultation with M. Nowina about opinion on validity of security; review notes about the same.	0.40	390.00	156.00
07/12/2018	Michael Nowina	Review draft security opinion and provide comments to B. O'Grady.	0.80	650.00	520.00
07/13/2018	Brendan O'Grady	Revise security opinion.	1.20	390.00	468.00
07/31/2018	Michael Nowina	Review and revise draft security opinion.	0.70	650.00	455.00
09/05/2018	Michael Nowina	Review and reply to emails from R. Biehler regarding security opinion review.	0.20	650.00	130.00
09/12/2018	John Pirie	Discuss need for and content of security opinion on British Columbia PPSA issues with M. Nowina.	0.30	805.00	241.50
09/12/2018	Michael Nowina	Review draft security opinion on British Columbia PPSA issues and email to A. Giradin with comments.	0.80	650.00	520.00
09/26/2018	Michael Nowina	Review opinion on British Columbia security issues and reply to A. Giradin regarding same.	0.60	650.00	390.00
Total Hours: 96.30			Total:	51,298.00	CAD

**Baker
McKenzie.**

Matter Number: 50479178
Invoice Number: 9155042068
Invoice Due Date: Payable in 30 days

October 29, 2018

Time Summary

Toronto

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Charles Magerman	0.30	895.00	268.50
John Pirie	13.10	775.69	10,161.50
Michael Nowina	40.50	626.91	25,390.00
Alexandra Burke	0.50	420.00	210.00
Brendan O'Grady	39.70	370.73	14,718.00
Jan Nato	2.20	250.00	550.00
		Total:	51,298.00
Total Hours	96.30	Total Fees	51,298.00 CAD



Matter Number: 50479178
Invoice Number: 9155042068
Invoice Due Date: Payable in 30 days

October 29, 2018

Disbursement Summary

<u>Description</u>	<u>Qty</u>	<u>Amount</u>
Toronto		
Agents Fee/Foreign	1.00	110.00
Filing/Registration Fees	1.00	160.00
Photocopies	1.00	102.96
Searches	1.00	32.62
	Sub total	405.58
	Total Disbursements	405.58 CAD



Baker & McKenzie LLP
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Tel: +1 416 863 1221
Fax: 1 416 863 6275
www.bakermckenzie.com

Remittance

October 29, 2018

Attention: Rob Biehler
Deloitte Restructuring Inc.
1005 Skyview Drive, Suite 200
Burlington ON L7P 5B1
Canada

Client: 10077357
Payer: 10077357
Matter Number: 50479178
Invoice Number: 9155042068
Invoice Due Date: Payable in 30 days

Invoice Statement Summary

Professional services and disbursements incurred for the period ending: September 30, 2018

RE: Innovative Steam Technologies Inc. and IST Boiler Components Inc. - Insolvency

Taxable Fees.....	51,298.00 CAD
Taxable Disbursements.....	<u>237.58 CAD</u>
Taxable Amount.....	51,535.58 CAD
HST 13.000%.....	6,699.63 CAD
Non-Taxable Disbursements.....	<u>168.00 CAD</u>
Total Amount Due.....	<u>58,403.21 CAD</u>

Wire Transfer:| HSBC Bank Canada| 70 York Street| Toronto, Ontario M5J 1S9| Bank#: 016;| Transit#: 10002;| Swift: HKBCCAT|
Canadian General Account#: 002-427753-001

Cheque:| Brookfield Place| 181 Bay Street, Suite 2100| P.O. Box 874| Toronto, Ontario M5J 2T3| Attn: Accounts Receivable

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www.bakermckenzie.com

November 21, 2018

Attention: Rob Biehler
Deloitte Restructuring Inc.
1005 Skyview Drive, Suite 200
Burlington ON L7P 5B1
Canada

Client: 10077357
Payer: 10077357
Matter Number: 50479178
Invoice Number: 9155043014
Invoice Due Date: Payable in 30 days

Professional services and disbursements incurred for the period ending: October 31, 2018

RE: Innovative Steam Technologies Inc. and IST Boiler Components Inc. - Insolvency

Summary

Taxable Fees.....	1,690.00 CAD
Taxable Disbursements.....	5,000.00 CAD
Taxable Amount.....	6,690.00 CAD
HST 13.000%.....	869.70 CAD
Total Amount Due.....	7,559.70 CAD

Wire Transfer:| HSBC Bank Canada| 70 York Street| Toronto, Ontario M5J 1S9| Bank#: 016;| Transit#: 10002;| Swift: HKBCCATT|
Canadian General Account#: 002-427753-001

Cheque:| Brookfield Place| 181 Bay Street, Suite 2100| P.O. Box 874| Toronto, Ontario M5J 2T3| Attn: Accounts Receivable

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Matter Number: 50479178
Invoice Number: 9155043014
Invoice Due Date: Payable in 30 days

November 21, 2018

RE: Innovative Steam Technologies Inc. and IST Boiler Components Inc. - Insolvency

Time Details

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
10/09/2018	Michael Nowina	Review and revisions to finalize security opinion for Receiver.	1.60	650.00	1,040.00
10/10/2018	Michael Nowina	Final revisions to opinion letter.	0.40	650.00	260.00
10/12/2018	Michael Nowina	Finalize opinion on HSBC security; email to R. Biehler.	0.60	650.00	390.00
Total Hours: 2.60			Total:	1,690.00	CAD

**Baker
McKenzie.****Matter Number: 50479178**
Invoice Number: 9155043014
Invoice Due Date: Payable in 30 days

November 21, 2018

Time Summary**Toronto**

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Michael Nowina	2.60	650.00	1,690.00
		Total:	1,690.00
Total Hours 2.60		Total Fees	1,690.00 CAD

**Baker
McKenzie.****Matter Number: 50479178**
Invoice Number: 9155043014
Invoice Due Date: Payable in 30 days

November 21, 2018

Disbursement Summary

<u>Cost Details</u>	<u>Amount</u>
Toronto	
Miller Thomson Inv#3254311 Outside Counsel - British Columbia (JJP);	5,000.00
Sub total	5,000.00
Total Disbursements	5,000.00 CAD



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Remittance

November 21, 2018

Attention: Rob Biehler
Deloitte Restructuring Inc.
1005 Skyview Drive, Suite 200
Burlington ON L7P 5B1
Canada

Client: 10077357
Payer: 10077357
Matter Number: 50479178
Invoice Number: 9155043014
Invoice Due Date: Payable in 30 days

Invoice Statement Summary

Professional services and disbursements incurred for the period ending: October 31, 2018

RE: Innovative Steam Technologies Inc. and IST Boiler Components Inc. - Insolvency

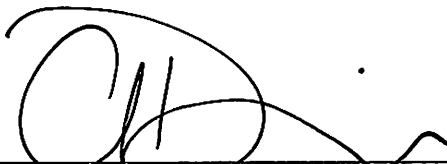
Taxable Fees.....	1,690.00 CAD
Taxable Disbursements.....	<u>5,000.00 CAD</u>
Taxable Amount.....	6,690.00 CAD
HST 13.000%.....	<u>869.70 CAD</u>
Total Amount Due.....	<u>7,559.70 CAD</u>

Wire Transfer:| HSBC Bank Canada| 70 York Street| Toronto, Ontario M5J 1S9| Bank#: 016;| Transit#: 10002;| Swift: HKBCCATT|
Canadian General Account#: 002-427753-001

Cheque:| Brookfield Place| 181 Bay Street, Suite 2100| P.O. Box 874| Toronto, Ontario M5J 2T3| Attn: Accounts Receivable

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This is **Exhibit "B"** referred to in the Affidavit of John Pirie,
sworn this 21st day of November, 2018.

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a vertical line and a horizontal line, with a small flourish at the end.

Commissioner for Taking Affidavits (or as may be)

STATEMENT OF EXPERIENCE

Timekeeper's Name	Timekeeper's Title	Year of Call
Charles Magerman	Partner	1989
John Pirie	Partner	1998
Michael Nowina	Partner	2004
Brendan O'Grady	Associate	2014
Alexandra Burke	Law Clerk	N/A
Jan Nato	Student	N/A

HSBC BANK CANADA
Applicant

-and-

INNOVATIVE STEAM TECHNOLOGIES INC. et al.
Respondents

Court File No. CV-18-596878-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF JOHN PIRIE
(sworn Wednesday, November 21, 2018)

BAKER & MCKENZIE LLP
Barristers and Solicitors
181 Bay Street, Suite 2100
Toronto, ON M5J 2T3

John Pirie (LSO #40993K)
e: john.pirie@bakermckenzie.com
t: 416.865.2325 / f: 416.863.6275

Michael Nowina (LSO #496330)
e: michael.nowina@bakermckenzie.com
t: 416.865.2312 / f: 416.863.6275

Lawyers for the Receiver, Deloitte Restructuring Inc.

Appendix I



Baker & McKenzie LLP
Barristers & Solicitors

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October 12, 2018

Our ref: 50479178

Rob Biehler, CPA, CA, CIRP
Senior Vice-President
Deloitte Restructuring Inc.
1005 Skyview Drive Suite 200
Burlington, ON L7P 5B1

By email
rbiehler@deloitte.ca

Dear Mr. Biehler:

Review of Security Held by HSBC Bank Canada ("HSBC") over Innovative Steam Technologies Inc. ("IST") formerly known as 2460623 Ontario Inc. ("246") and IST Boiler Components Inc. ("IST Boiler")

We are writing to provide you with our opinion on the security granted to HSBC by 246 which was continued as IST after an amalgamation on April 10, 2015, and the security granted to HSBC by IST Boiler. This opinion is provided to you in your capacity as court-appointed receiver and manager of the property, assets and undertakings of IST and IST Boiler, and it may not be used or relied upon by any other person or for any other purpose, nor may this opinion be quoted in whole or in part or otherwise referred to, without our prior written consent. Our opinion is based on our review of the documents provided to us by counsel to HSBC and the searches we conducted as noted herein.

Background

Pursuant to a facility letter, dated April 10, 2015 (the "**2015 Facility Letter**"), and as amended by a side letter of the same date, HSBC provided credit facilities to 246, all of which were secured by security granted to HSBC.

Pursuant to a Share Purchase Agreement, dated April 10, 2015, 246 purchased all of the shares of IST and IST Boiler. On the same day, 246 was amalgamated with IST and the amalgamated entity continued as IST which then assigned to HSBC all of 246's rights flowing from the said Share Purchase Agreement. In addition, IST Boiler guaranteed the obligations of IST to HSBC by way of a guarantee dated April 10, 2015 and granted additional security to HSBC.

The terms of the 2015 Facility Letter were modified by an amended and restated facility letter, dated March 28, 2016 (the "**2016 Facility Letter**"), pursuant to which HSBC provided credit facilities to IST, all of which were secured by security granted to HSBC (collectively, the security granted by IST and IST Boiler are referred to together as "**HSBC's Security**").

IST Personal Property Security Opinion

246 entered into a General Security Agreement, dated April 10, 2015 (the "**GSA**"). The GSA grants security to HSBC over 246's present and after-acquired personal property. The GSA was properly perfected under Ontario's *Personal Property Security Act* ("**PPSA**") under Registration Number 20150402 1253 1793 3638 (File No.

704780469). The *PPSA* registration was amended twice on April 10, 2015 to record the Amalgamation (Registration Number 20150410 1641 1793 3866) and to record the change of name from 246 to IST (Registration Number 20150410 1640 1793 3865).

Subject to the assumptions and qualifications set out in Schedule "A", it is our opinion that the GSA granted to HSBC has been duly authorized, executed and delivered by IST, and is enforceable against IST, subject to general provisions of the *PPSA*, the *Bankruptcy and Insolvency Act* and principles of contract law, and creates a valid security interest in favour of HSBC in the collateral described therein.

Additional Agreements

Prior to the amalgamation, 246 duly executed two additional security agreements in favour of HSBC. First, 246 entered a General Assignment of Book Debts, dated April 10, 2015, whereby 246 assigned and transferred to HSBC, *inter alia*, all of its present and future debts, claims, demands, moneys and choses in action.

Subject to the assumptions and qualifications set out in Schedule "A", it is our opinion that the General Assignment of Book Debts granted to HSBC has been duly authorized, executed and delivered by 246, and is enforceable against IST, subject to general provisions of the *PPSA*, the *Bankruptcy and Insolvency Act* and principles of contract law, and creates a valid security interest in favour of HSBC in the collateral described therein.

In addition, 246 entered a Security over Cash, Credit Balances and Deposit Instruments Agreement, dated April 10, 2015, whereby 246 lodged and pledged in favour of HSBC a fixed mortgage, charge and a security interest in the entire right, title, claim and interest in all monies at the 70 York Street, Toronto branch of HSBC which stand to the credit of 246.

Subject to the assumptions and qualifications set out in Schedule "A", it is our opinion that the Security over Cash, Credit Balances and Deposit Instruments Agreement granted to HSBC has been duly authorized, executed and delivered by 246, and is enforceable against IST, subject to general provisions of the *PPSA*, the *Bankruptcy and Insolvency Act* and principles of contract law, and creates a valid security interest in favour of HSBC in the collateral described therein.

Also prior to the amalgamation, 246 executed an agreement entitled "Assignment of Monies which may become payable under Insurance Policies 8611164 and 8611165 issued by Zurich Insurance Co. Ltd.", dated April 10, 2015. After the amalgamation, IST duly executed, *inter alia*, the following agreements in favour of HSBC:

1. Assumption and Confirmation Agreement, dated April 10, 2015, whereby IST assumed all of the obligations of 246 to HSBC including those obligations contemplated in the 2015 Facility Letter;
2. Pledge of Investment Collateral, dated April 10, 2015, whereby IST pledged to HSBC, *inter alia*, all of IST Boiler's shares as security for payment and performance of all of 246's present and future obligations and indebtedness to HSBC; and
3. Guarantee, dated April 10, 2015, whereby IST guaranteed and assumed joint and several financial liability to repay all of 246's obligations to HSBC.

Other Secured Parties

The only other *PPSA* (Ontario) registration is Registration Number: 20150402 1912 1793 3651 (File Number: 704802402) in favour of Fulcrum Capital Partners (Collector) V, LP ("**Fulcrum**"). The *PPSA* registration was amended twice on April 10, 2015 to record the amalgamation (Registration Number 20150410 1642 1793 3868) and to record the change of name from 246 to IST (Registration Number 20150410 1641 1793 3867).

We note that an Intercreditor Agreement, dated April 10, 2015, was executed by HSBC, Fulcrum, 246, IST and IST Boiler pursuant to which security held by HSBC shall rank in priority to security held by Fulcrum.

IST Boiler Property Security Opinion

IST Boiler entered into a General Security Agreement, dated April 10, 2015, with HSBC, and an Security over Cash, Credit Balances and Deposit Instruments Agreement, dated April __, 2015. These agreements are governed by the laws of Ontario and have been duly authorized executed and delivered by IST Boiler and are enforceable against IST Boiler, subject to general provisions of the *Bankruptcy and Insolvency Act* and principles of contract law.

As IST Boiler is incorporated pursuant to the laws of Alberta and domiciled in British Columbia, we have relied on the legal opinion of our agent in British Columbia that the Boiler Security creates a valid security interest in favour of HSBC and is properly registered under British Columbia's *Personal Property Security Act* so as to perfect the security interests created by each of the above-noted security agreements in favour of HSBC.

If you have any questions with respect to the foregoing, please contact the undersigned.

Yours truly,

BAKER & McKENZIE LLP



Michael Nowina
tel.: 416 865 2312
michael.nowina@bakermckenzie.com

Schedule “A” – Assumptions and Qualifications

There are a number of assumptions and qualifications that we generally apply when performing a review of security which we have applied for the purpose of our review and which you should be aware of when considering this report. These are as follows:

Specific Qualifications and Assumptions

1. We conducted and relied upon a *PPSA* (Ontario) search having a file currency date of July 5, 2018, with respect to IST, and relied on a *PPSA* (BC) search having a file currency date as of April 24, 2018 provided by counsel for HSBC with respect to IST Boiler.
2. We conducted and relied upon a Ontario Corporate Profile Search conducted in respect of IST dated April 24, 2018.
3. That the agreement entitled "Security over Cash, Credit Balances and Deposit Instruments Agreement" granted by IST Boiler in favour of HSBC, which is dated "April __, 2015" was executed on April 10, 2015 along with the balance of the transaction documents.
4. Our opinion with respect to due authorization, execution and delivery is based upon apparent authority alone. We have not examined copies of any corporate authorizing resolutions or transaction opinions with respect to the above-noted security agreements. Although those opinions based on both actual and apparent authority are more strongly supportable than those based upon actual authority alone, and those based upon actual authority alone are more strongly supportable than those based upon apparent authority alone, we are sufficiently comfortable with the evidence of authority for the above-noted security agreements to provide you with the opinions indicated above, subject to the assumptions and the qualification herein.

General Qualifications and Assumptions

1. That HSBC has in fact advanced funds from which the security was obtained, that amounts remain outstanding under such advances in the amounts now claimed and that, at no time since such advances were made or sums otherwise became due, was the amount owing to HSBC reduced to zero.
2. Original copies of all documents contained in HSBC's Security were in fact signed by the person named therein.
3. IST and IST Boiler had, at the time of execution of the documents contained in HSBC's Security, the necessary corporate status, power and capacity to have granted to HSBC the documents contained in HSBC's Security and to perform its obligations under each of those documents.
4. Unless otherwise stated, the security documents contained in HSBC's Security were delivered by IST and IST Boiler on the date stated therein.
5. Where we have been provided with a copy of a verification statement or have relied on a search pursuant to the *PPSA* (Ontario), with respect to a registration, rather than the financing statement or financing change statement to which it relates, we have assumed that the relevant financing statement or financing change statement was properly executed by or on behalf of HSBC.
6. Unless specifically requested to do so, we express no opinion with respect to the enforceability of HSBC's Security against fixtures.

7. That verification statements were provided to IST in accordance with the provisions of the *PPSA* unless waived in writing by IST.
8. Whether a security interest has the special status of a purchase money security interest depends upon factors which vary with each transaction and we express no opinion as to whether that special status will be available.
9. While the security contained in HSBC's Security may be valid as against IST and other third parties, such security may be subject to trust or other equitable claims concerning which we have no information.
10. We have assumed the completeness and the accuracy of the searches we have conducted.
11. We express no opinion as to whether IST or IST Boiler holds title to or any rights in the collateral described in HSBC's Security nor as to the priority of any security interest created by HSBC's Security.
12. All of the investment assets that are subject matter of any control agreements are "securities accounts" and that such assets have been properly credited to such accounts within the meaning of the *Securities Transfer Act*.
13. That each of the securities intermediaries under any control agreements are entities governed by the laws of the Province of Ontario.
14. We have conducted no searches in respect of any trademarks, trade-names, patents, copyrights or other intellectual property rights. We express no opinion with respect to the validity or enforceability of any of the security granted to HSBC and any property which is a trade mark, copyright, industrial design, patent, patent application, license, approval, privilege, quota, franchise, permit or any other intellectual property in which IST or IST Boiler have purported to grant a security interest to HSBC.
15. Any adverse possessory rights or prescriptive rights affecting any property.
16. Any liens for taxes, rates, assessments, or charges or levies not yet due or payable.
17. Any outstanding public utility charges or liens affecting the various properties which may form a lien on the properties in the same manner as unpaid property taxes.
18. We are solicitors qualified to practice law in the Province of Ontario and can only opine as to the laws in the Province of Ontario and the laws of Canada in force in the Province of Ontario.
19. The opinions are limited to the matters addressed in this opinion letter and are not to be read as an opinion in respect to any other matter.
20. The opinions expressed herein are given as of the date set out on the first page of this letter and we undertake no obligation to advise you of any change in any matters set forth herein.

Tab 3

Court File No. CV-18-596878-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

THE HONOURABLE)	MONDAY, THE 3 RD
)	
JUSTICE)	DAY OF DECEMBER, 2018

B E T W E E N:

HSBC BANK OF CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES INC. and IST
BOILER COMPONENTS INC.**

Respondents

DISTRIBUTION & DISCHARGE ORDER

THIS MOTION, made by Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as the court-appointed receiver (the "**Receiver**") of the assets, undertakings and properties of Innovative Steam Technologies Inc. and IST Boiler Components Inc. (together the "**Debtors**"), for an order:

- (a) approving the activities of the Receiver as set out in the third report of the Receiver dated November 21, 2018 (the "**Third Report**");
- (b) approving the fees and disbursements of the Receiver and its counsel as described in the Third Report and accompanying affidavits;
- (c) authorizing and directing the Receiver to make distributions as described in the Third Report;

- (d) discharging Deloitte as Receiver of the assets, undertakings and properties of the Debtors upon filing a Certificate with the Court confirming the administration of the receivership has been completed; and
- (e) releasing the Receiver from any and all liability, as set out in paragraph 6 of this Order,

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report, the affidavits of the Receiver and its counsel as to their fees (the "**Fee Affidavits**"), and on hearing the submissions of counsel for the Receiver and the Applicant, HSBC Bank Canada ("**HSBC**"), no one else appearing although served as evidenced by the Affidavit of _____ sworn _____, filed;

1. **THIS COURT ORDERS** that the actions and activities of the Receiver as set out in the Third Report be and hereby is approved, provided, however, that only the Receiver, in its personal or corporate capacity and only with respect to its own personal or corporate liability, shall be entitled to rely upon or utilize in any way such approvals.

2. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements as set out in the Third Report be and hereby is approved.

3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver from April 30, 2018 to October 31, 2018, its counsel Baker & McKenzie LLP from May 17, 2018 to October 31, 2018, and its counsel Dentons LLP from May 1, 2018 to October 31, 2018 as set out in the Third Report and the Fee Affidavits, are hereby approved.

4. **THIS COURT ORDERS** that, after payment of the fees and disbursements herein approved, the Receiver shall pay the monies remaining in its hands to HSBC up to a maximum of CAD\$13,122,309.32 from available surplus funds.

5. **THIS COURT ORDERS** that upon payment of the amounts set out in paragraph 4 hereof, and upon the Receiver filing a certificate in the form attached as Appendix "A" certifying that it has completed the other activities described in the Third Report and all other ancillary matters, the Receiver shall be discharged as Receiver of the assets, undertakings and properties of the Debtors, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Deloitte in its capacity as Receiver.

6. **THIS COURT ORDERS AND DECLARES** that Deloitte is hereby released and discharged from any and all liability that Deloitte now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Deloitte while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Deloitte is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

Appendix "A"

Court File No. CV-18-596878-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

HSBC BANK OF CANADA

Applicant

- and -

**INNOVATIVE STEAM TECHNOLOGIES INC. and IST
BOILER COMPONENTS INC.**

Respondents

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

- (A) Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated May 1, 2018, Deloitte Restructuring Inc. was appointed the receiver (the "**Receiver**") of all of the assets, undertakings and properties of Innovative Steam Technologies Inc. and IST Boiler Components Inc. (together the "**Debtors**").
- (B) Pursuant to an Order of the Court dated _____, 2018 (the "**Discharge Order**"), amongst other things Deloitte was discharged as Receiver of the Debtors, with such discharge to be, effective upon the filing by the Receiver of a Certificate with this Court certifying that all matters to be attended to in connection with the receivership as set out in the Third Report of the Receiver, dated November 21, 2018 (the "**Third Report**") have been completed to the satisfaction of the Receiver.

THE RECEIVER HEREBY CERTIFIES that all matters to be attended to in connection with the receivership as set out in the Third Report have been completed to the satisfaction of the Receiver.

DATED AT TORONTO, THIS _____ DAY OF _____, 2018.

DELOITTE RESTRUCTURING INC., solely in its capacity as the Receiver, with no personal or corporate liability

Per: _____
Name:
Title:

HSBC BANK CANADA

-and-

**INNOVATIVE STEAM TECHNOLOGIES INC. and IST
BOILER COMPONENTS INC.**

Applicant

Respondents

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

PROCEEDING COMMENCED AT TORONTO

RECEIVER'S DISCHARGE CERTIFICATE

BAKER & MCKENZIE LLP

Barristers and Solicitors
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Michael Nowina (LSO #49633O)
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t: 416.865.2312 / f: 416.863.6275

Lawyers for the Receiver, Deloitte Restructuring Inc.

HSBC BANK CANADA

-and-

**INNOVATIVE STEAM TECHNOLOGIES INC. and IST
BOILER COMPONENTS INC.**

Applicant

Respondents

CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

PROCEEDING COMMENCED AT TORONTO

DISTRIBUTION & DISCHARGE ORDER

BAKER & MCKENZIE LLP

Barristers and Solicitors

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Lawyers for the Receiver, Deloitte Restructuring Inc.

Court File No. —CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

(Commercial List)

THE HONOURABLE) ~~WEEKDAY~~MONDAY, THE #3RD
)
JUSTICE) DAY OF ~~MONTH~~DECEMBER,
) ~~20YR~~2018

B E T W E E N:

HSBC BANK OF CANADA

~~PLAINTIFF~~Applicant
Plaintiff

- and -

~~DEFENDANT~~

INNOVATIVE STEAM TECHNOLOGIES INC. and IST
BOILER COMPONENTS INC.

Respondents

~~Defendant~~

DISTRIBUTION & DISCHARGE ORDER

THIS MOTION, made by ~~[RECEIVER'S NAME]~~Deloitte Restructuring Inc. ("Deloitte") in its capacity as the ~~Court-appointed~~court-appointed receiver (the "**Receiver**") of the ~~undertaking, property and assets of [DEBTOR]~~ (the "~~Debtor~~assets, undertakings and properties of Innovative Steam Technologies Inc. and IST Boiler Components Inc. (together the "Debtors""), for an order:

- (a) ~~+~~ approving the activities of the Receiver as set out in the third report of the Receiver dated ~~[DATE]~~November 21, 2018 (the "**Third Report**");

(b) ~~2.~~ approving the fees and disbursements of the Receiver and its counsel as described in the Third Report and accompanying affidavits;

~~3. approving the distribution of the remaining proceeds available in the estate of the Debtor; [and]~~

(c) authorizing and directing the Receiver to make distributions as described in the Third Report;

(d) ~~4.~~ discharging ~~[RECEIVER'S NAME]~~ Deloitte as Receiver of the ~~undertaking, property and assets of the Debtor~~ assets, undertakings and properties of the Debtors upon filing a Certificate with the Court confirming the administration of the receivership has been completed; and

(e) ~~5.~~ releasing ~~[RECEIVER'S NAME]~~ the Receiver from any and all liability, as set out in paragraph ~~56~~ of this Order¹,

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report, the affidavits of the Receiver and its counsel as to their fees (the "**Fee Affidavits**"), and on hearing the submissions of counsel for the Receiver and the Applicant, HSBC Bank Canada ("HSBC"), no one else appearing although served as evidenced by the Affidavit of ~~[NAME]~~ _____ sworn ~~[DATE]~~ _____, filed²;

¹ If this relief is being sought, stakeholders should be specifically advised, and given ample notice. See also Note 4, below.

² This model order assumes that the time for service does not need to be abridged.

1. **THIS COURT ORDERS** that the actions and activities of the Receiver, as set out in the Third Report, ~~are hereby approved.~~ be and hereby is approved, provided, however, that only the Receiver, in its personal or corporate capacity and only with respect to its own personal or corporate liability, shall be entitled to rely upon or utilize in any way such approvals.

2. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements as set out in the Third Report be and hereby is approved.

3. ~~2.~~ **THIS COURT ORDERS** that the fees and disbursements of the Receiver from April 30, 2018 to October 31, 2018, its counsel Baker & McKenzie LLP from May 17, 2018 to October 31, 2018, and its counsel, Dentons LLP from May 1, 2018 to October 31, 2018 as set out in the Third Report and the Fee Affidavits, are hereby approved.

4. ~~3.~~ **THIS COURT ORDERS** that, after payment of the fees and disbursements herein approved, the Receiver shall pay the monies remaining in its hands to ~~[NAME OF PARTY]~~³ HSBC up to a maximum of CAD\$13,122,309.32 from available surplus funds.

5. ~~4.~~ **THIS COURT ORDERS** that upon payment of the amounts set out in paragraph ~~34~~ hereof ~~},~~ and upon the Receiver filing a certificate in the form attached as Appendix "A" certifying that it has completed the other activities described in the Third Report ~~} and all other ancillary matters~~, the Receiver shall be discharged as Receiver of the ~~undertaking, property~~

³ ~~This model order assumes that the material filed supports a distribution to a specific secured creditor or other party.~~

~~and~~ assets, undertakings and properties of the ~~Debtor~~Debtors, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of ~~[RECEIVER'S NAME]~~Deloitte in its capacity as Receiver.

6. ~~5.~~ ~~[THIS COURT ORDERS AND DECLARES~~ that ~~[RECEIVER'S NAME]~~Deloitte is hereby released and discharged from any and all liability that ~~[RECEIVER'S NAME]~~Deloitte now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of ~~[RECEIVER'S NAME]~~Deloitte while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, ~~[RECEIVER'S NAME]~~is Deloitte is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.]⁴

~~⁴The model order subcommittee was divided as to whether a general release might be appropriate. On the one hand, the Receiver has presumably reported its activities to the Court, and presumably the reported activities have been approved in prior Orders. Moreover, the Order that appointed the Receiver likely has protections in favour of the Receiver. These factors tend to indicate that a general release of the Receiver is not necessary. On the other hand, the Receiver has acted only in a representative capacity, as the Court's officer, so the Court may find that it is appropriate to insulate the Receiver from all liability, by way of a general release. Some members of the subcommittee felt that, absent a general release, Receivers might hold back funds and/or wish to conduct a claims bar process, which would unnecessarily add time and cost to the receivership. The general release language has been added to this form of model order as an option only, to be considered by the presiding Judge in each specific case. See also Note 1, above.~~

Appendix "A"Court File No. CV-18-596878-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:HSBC BANK OF CANADAApplicant- and -

INNOVATIVE STEAM TECHNOLOGIES INC. and IST
BOILER COMPONENTS INC.

RespondentsRECEIVER'S DISCHARGE CERTIFICATERECITALS

- (A) Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated May 1, 2018, Deloitte Restructuring Inc. was appointed the receiver (the "Receiver") of all of the assets, undertakings and properties of Innovative Steam Technologies Inc. and IST Boiler Components Inc. (together the "Debtors").
- (B) Pursuant to an Order of the Court dated _____, 2018 (the "Discharge Order"), amongst other things Deloitte was discharged as Receiver of the Debtors, with such discharge to be, effective upon the filing by the Receiver of a Certificate with this Court certifying that all matters to be attended to in connection with the receivership as set out in the Third Report of the Receiver, dated November 21, 2018 (the "Third Report") have been completed to the satisfaction of the Receiver.

THE RECEIVER HEREBY CERTIFIES that all matters to be attended to in connection with the receivership as set out in the Third Report have been completed to the satisfaction of the Receiver.

DATED AT TORONTO, THIS _____ DAY OF _____, 2018.

DELOITTE RESTRUCTURING INC., solely in its capacity as the Receiver, with no personal or corporate liability

Per: _____

Name:

Title:

HSBC BANK CANADA

-and-

INNOVATIVE STEAM TECHNOLOGIES INC. and IST
BOILER COMPONENTS INC.

Applicant

Respondents

Court File No. CV-18-596878-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

PROCEEDING COMMENCED AT TORONTO

RECEIVER'S DISCHARGE CERTIFICATE

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Lawyers for the Receiver, Deloitte Restructuring Inc.

HSBC BANK CANADA

-and-

INNOVATIVE STEAM TECHNOLOGIES INC. and IST
BOILER COMPONENTS INC.

Applicant

Respondents

CV-18-596878-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

PROCEEDING COMMENCED AT TORONTO

DISTRIBUTION & DISCHARGE ORDER

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Summary report:	
Litéra® Change-Pro TDC 10.0.0.27 Document comparison done on 11/22/2018 1:12:08 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Model Discharge Order-2761185-v1-TORDMS.DOC	
Modified filename: 2018-11-17 - Draft Discharge Order (Motion to Discharge returnable Dec 3 18)-2979081-v2-TORDMS.DOCX	
Changes:	
Add	87
Delete	85
Move From	0
Move To	0
Table Insert	5
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	177

HSBC BANK CANADA
Applicant

-and-

INNOVATIVE STEAM TECHNOLOGIES INC. et al.
Respondents

Court File No. CV-18-596878-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

PROCEEDING COMMENCED AT TORONTO

**MOTION RECORD OF DELOITTE
RESTRUCTURING INC.
(Returnable December 3, 2018)**

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