

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF
101133330 SASKATCHEWAN LTD. AND 101149825 SASKATCHEWAN LTD.,**

APPLICANTS

**THIRTEENTH REPORT OF THE MONITOR
DELOITTE RESTRUCTURING INC.**

June 21, 2019

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Exhibit E – Statement of Receipts and Disbursements for the Period April 9, 2019 to June 21, 2019

INTRODUCTION

1. On May 20, 2016, the Applicants, 101133330 Saskatchewan Ltd. (“**33330**”) and 101149825 Saskatchewan Ltd. (“**825**”) (collectively the “**Applicants**” or the “**Companies**”, and individually an “**Applicant**”), filed for and obtained protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”). Pursuant to the Order of the Court of Queen’s Bench for Saskatchewan (the “**Court**”) dated May 20, 2016 (the “**Initial Order**”), restructuring proceedings previously commenced by the Applicants under Division I of Part III of the *Bankruptcy and Insolvency Act* (the “**BIA**”) were taken up and continued under the CCAA. Deloitte Restructuring Inc. was appointed as the Monitor of the Applicants (the “**Monitor**”) in the CCAA proceedings and a stay of proceedings was granted in favour of the Applicants.
2. During these CCAA proceedings, the Court has extended the May 20, 2016 initial stay of proceedings on various dates, with the most recent stay of proceedings in respect of 33330 extended until July 5, 2019 (the “**Stay Period**”). By Order of the Court dated May 27, 2019, the CCAA proceedings in respect of 825 were terminated, and the Monitor was discharged in respect of 825.
3. The Monitor has provided the Court with a Pre-Filing Report of the Proposed Monitor dated May 12, 2016, and since the date of the Initial Order, the Monitor has filed twelve (12) reports, two (2) supplemental reports, and one confidential report (collectively the “**Monitor’s Reports**”) in these CCAA proceedings.
4. Copies of the Initial Order, all previously filed Monitor’s Reports, all motion materials and orders in the CCAA proceedings, and certain other documents related to the CCAA proceedings have been posted and are available on the Monitor’s website at www.insolvencies.deloitte.ca/en-ca/101133330and101149825SkLtd.

PURPOSE

5. The purpose of this thirteenth report of the Monitor (the “**Thirteenth Report**”) is to provide the Court with information with respect to the following:

- a) A summary of the Monitor’s activities since the twelfth report dated May 23, 2019 (the “**Twelfth Report**”);
- b) An update on the closing of the Pinnacle Developments Inc. (“**Pinnacle**”) acquisition of the 33330 Property (the “**Pinnacle Transaction**”);
- c) An update of the Applicant’s cash flow forecast and comments on variances between actual results and forecast results for the period ended June 16, 2019;
- d) The fees and disbursements of the Monitor for the period April 27, 2019 to June 10, 2019 and the fees and disbursements of its legal counsel for the period April 27, 2019 to June 19, 2019; and
- e) The Monitor’s request for its discharge in respect of 33330’s CCAA proceedings.

TERMS OF REFERENCE

- 6. In preparing this Thirteenth Report, the Monitor has relied upon unaudited interim financial information, the Applicants’ books and records, the affidavits of John Orr sworn on May 12, May 19, June 6, June 9, August 12, and December 16, 2016, the affidavits of John Orr sworn on May 24, May 30, December 15, and December 19, 2017, the affidavits of John Orr sworn on May 29, and August 27, 2018, the Confidential Supplement to the Tenth Supplemental Affidavit of John Orr sworn on August 27, 2018, the affidavits of John Orr sworn on February 19, February 20, April 23, April 25, and May 23, 2019, the Confidential Supplement to the Eleventh Supplemental Affidavit of John Orr sworn on February 19, 2019, the affidavits of David Calyniuk, Chief Executive Officer of Land and Commercial Development for North Ridge Development Corporation (“**North Ridge**”), sworn on August 12, and December 16, 2016, the affidavits of David Calyniuk sworn on May 23, and December 15, 2017, the confidential affidavit of David Calyniuk sworn on May 23, 2017, the affidavit of David Calyniuk sworn on May 29, 2018, the confidential affidavit of David Calyniuk sworn on May 29, 2018, and discussions with management of the Applicants (“**Management**”) and legal advisors to the Applicants.

7. The financial information of the Companies has not been audited, reviewed or otherwise verified by the Monitor as to its accuracy or completeness, nor has it necessarily been prepared in accordance with generally accepted accounting principles and the reader is cautioned that this Thirteenth Report may not disclose all significant matters about the Applicants. Additionally, none of the Monitor's procedures were intended to detect defalcations or other irregularities. If the Monitor were to perform additional procedures or to undertake an audit examination of the financial statements in accordance with generally accepted auditing standards, additional matters may have come to the Monitor's attention. Accordingly, the Monitor does not express an opinion nor does it provide any other form of assurance on the financial or other information presented herein. The Monitor may refine or alter its observations as further information is obtained or brought to its attention after the date of this Thirteenth Report.
8. The Monitor assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction or use of this Thirteenth Report. Any use which any party makes of this Thirteenth Report, or any reliance or decision to be made based on this Thirteenth Report, is the sole responsibility of such party.
9. Unless otherwise stated, all monetary amounts contained in this Thirteenth Report are expressed in Canadian dollars.
10. Capitalized terms used in this Thirteenth Report but not defined herein are as defined in all previously filed Monitor's Reports and Court Orders, as applicable, in these proceedings.

ACTIVITIES OF THE MONITOR SINCE THE TWELFTH REPORT

11. Since the Monitor's Twelfth Report, the Monitor has engaged in the following activities, amongst others:
 - a) Monitored on a weekly basis the receipts and disbursements of 33330;
 - b) Monitored the closing of the Pinnacle Transaction and filed the Monitor's closing certificate (the "**Monitor's Closing Certificate**") with the Court;

- c) Distributed the sale proceeds (the “**Sale Proceeds**”) from the Pinnacle Transaction in accordance with the Ninth Extension, Sale Approval, Vesting, and Distribution Order dated April 26, 2019 (the “**Sale Approval and Distribution Order**”);
- d) Responded to ongoing inquiries from creditors and other stakeholders of 33330;
- e) Participated in hearings and reported to Court in respect to the Applicants’ request for a further extension of the Stay Period in respect of 33330, and the discharge of the Monitor in respect of 825; and
- f) Prepared, reviewed, and finalized this Thirteenth Report.

CLOSING OF THE PINNACLE TRANSACTION

12. In accordance with the Sale Approval and Distribution Order, the Pinnacle Transaction closed on June 14, 2019, subsequent to the Monitor receiving the balance of the Sale Proceeds (net of closing adjustments). The Monitor executed the Monitor’s Closing Certificate on June 14, 2019, and filed same with the Court on June 17, 2019, a copy of which is attached hereto as Exhibit A.

DISTRIBUTION OF SALE PROCEEDS

13. In accordance with the Sale Approval and Distribution Order, the Monitor was authorized to:
- a) distribute certain of the Sale Proceeds to the City of Regina, Canada Revenue Agency (“**CRA**”), and Affinity Credit Union (“**Affinity**”);
 - b) maintain a residual holdback of \$285,000 (the “**Residual Holdback**”) on account of outstanding professional fees owing to the Monitor, the Monitor’s legal counsel, MLT Aikins LLP (“**MLT Aikins**”), and the Applicants’ legal counsel, McDougall Gauley LLP (“**McDougall Gauley**”), and on account of such further professional fees and disbursements as may be incurred to complete the administration of these proceedings and apply for the Monitor’s discharge; and

- c) maintain a \$2,000 holdback (the “**Armstrong Holdback**”) in respect of amounts owing to Mervin Armstrong (“**Mr. Armstrong**”), a former employee of 33330, pending further Order of the Court.
14. As at the date of this Thirteenth Report, the Monitor has made the following distributions in accordance with the Sale Approval and Distribution Order:
- a) Paid \$17,020.70 to the City of Regina in respect of outstanding property taxes (the “**Property Tax Debts**”) on June 20, 2019;
 - b) Paid \$86,706.85 to CRA in respect of 33330’s unpaid employee source deduction arrears on June 20, 2019;
 - c) Paid \$2,351,448.00 to Affinity on account of amounts owing under DIP Facility #6 on June 21, 2019; and
 - d) Paid \$3,152,510.88 to Affinity on account of amounts owing under Affinity’s first mortgage and assignment of leases and rents in respect of the 33330 Property (the “**Mortgage Distribution**”) on June 21, 2019
- (collectively the “**Approved Distributions**”).
15. Paragraph 20(c)(iii)(B) of the Sale Approval and Distribution Order authorized the Monitor to pay the remainder of the Sale Proceeds, subsequent to payment of the Approved Distributions, to Affinity on account of the residual debts owing by 33330 to Affinity. Accordingly, on June 20, 2019, with the consent of Affinity, the Monitor paid \$294.92 to the City of Regina in respect of additional interest and penalties accruing on the Property Tax Debts subsequent to the issuance of the Sale Approval and Distribution Order.
16. As detailed in the Fourteenth Supplementary Affidavit of John Orr dated April 25, 2019 (the “**Fourteenth Supplementary Orr Affidavit**”), on April 24, 2019, the Employment Standards Division of the Ministry of Labour Relations and Workplace Safety (“**Employment Standards**”) sent correspondence to the Applicants (the “**Employment Standards Correspondence**”) advising that, according to its 2016 assessment, Mr. Armstrong’s unpaid vacation accrued during the six (6) month period preceding the Initial

Order was \$2,077.20. The Employment Standards Correspondence was attached as Exhibit A to the Fourteenth Supplementary Orr Affidavit.

17. The Applicants have now had the opportunity to review the Employment Standards Correspondence and do not dispute the vacation pay claimed by Mr. Armstrong earned during the six (6) month period preceding the Initial Order. Accordingly, the Monitor is recommending the release of the Armstrong Holdback to Mr. Armstrong.
18. Prior to closing the Pinnacle Transaction, on June 14, 2019, McDougall Gauley advised the Monitor and Affinity that on that day, they had become aware of an issue with United Food Commercial Workers Local 1400 (“**UFCW**”), one of the Orr Centre tenants. As 33330 believed that the UFCW lease expired on March 31, 2016, and the option to renew was not exercised by UFCW, 33330 and Colliers International (“**Colliers**”), the Orr Centre property manager, both were operating on the understanding that UFCW was a month-to-month tenant with no long-term lease in place. However, when Pinnacle’s agent delivered the termination notice to UFCW on June 14, 2019, UFCW presented a signed lease expiring March 31, 2021 (the “**New Lease**”).
19. McDougall Gauley further advised that the New Lease appeared to have been executed on April 4, 2016 by Mr. Armstrong, former manager of the Orr Centre, and was not provided by Mr. Armstrong to 33330 prior to his termination in May 2016.
20. In order to ensure that the Pinnacle Transaction closed, 33330 and Pinnacle, with notice to Affinity, agreed that \$25,000 would be held back from the Sale Proceeds (the “**UFCW Holdback**”) to address any settlement that may be necessary to have UFCW vacate the Orr Centre. The UFCW Holdback has been excluded from the Mortgage Distribution paid to Affinity.
21. Subsequent to the Mortgage Distribution, 33330 remains indebted to Affinity for an amount in excess of \$8,100,000 (the “**Residual Affinity Debt**”). As such, in accordance with the Sale Approval and Distribution Order, the remaining proceeds, if any, from the Residual Holdback and the UFCW Holdback will be paid to Affinity, to be applied against the

Residual Affinity Debt in accordance with the Affinity Security (as defined in the Eleventh Report of the Monitor dated April 23, 2019).

RESIDUAL ASSETS OF 33330

22. As the Pinnacle Transaction closed on June 14, 2019, the only remaining assets of 33330 are the two (2) Prince Albert Condominium Units (the “**PA Condos**”), further detailed in the Twelfth Report. As 33330 will not be able to file a viable plan of arrangement with its creditors, there is no longer any need for 33330 to continue its CCAA proceedings. At the time of this Thirteenth Report, McDougall Gauley has advised that the PA Condos will likely be addressed through foreclosure (or other creditor driven enforcement) proceedings, and that 33330 has not yet determined whether it will file a voluntary bankruptcy assignment.

CASH FLOW STATEMENT AND LIQUIDITY

23. 33330’s cash receipts and disbursements for the period May 20, 2019 to June 16, 2019 are attached hereto as Exhibit B with a comparison to the updated cash flows that were attached as Exhibit C to the Twelfth Report (the “**Revised Cash Flow**”).

24. The Monitor has conducted weekly reviews of 33330’s actual cash flow compared to the Revised Cash Flow. The Monitor’s comments on the actual cash flow to June 16, 2019 are as follows:

- a) Compared with the Revised Cash Flow, 33330 experienced a favorable variance of approximately \$224,000 in respect of the net cash outflows.
- b) This variance is primarily attributable to the following:
 - i. \$1,000 unfavorable cash receipts variance compared to the forecast due to the timing of rental income receipts.
 - ii. \$60,000 favorable operating and other cost variance due primarily to the timing of property insurance and property tax payments (\$47,000), a reduction in utility costs (\$17,000), a reduction in wage (and source

deduction remittance) costs (\$6,000), timing of GST remittances (\$5,000), offset by an increase in repairs and maintenance and contract services costs (\$15,000).

- iii. \$165,000 favorable restructuring cost variance due to the timing of professional fee payments (\$155,000), and not having to draw on the contingency reserve (\$10,000).

25. As of the date of this Thirteenth Report, with the exception of interest payments to Firm Capital Mortgage Fund Inc. (“**Firm Capital**”) and Affinity, the Applicants have been able to manage their cash flow through utilization of the Affinity DIP Facility as outlined in the DIP Facility #6 Order dated August 30, 2018.

DEBTOR IN POSSESSION FINANCING

26. As detailed in the Twelfth Report, the Sale Approval and Distribution Order approved certain distributions to Affinity from the Sale Proceeds (the “**Interim Distributions**”), and adjourned *sine die* the determination of the allocation of the remaining Affinity DIP Facility (subsequent to the Interim Distributions) amongst the assets of 33330 and 825 (the “**Residual DIP Allocation**”). Subsequent to the Interim Distributions, the outstanding Affinity DIP Facility approximates \$1,704,874 (excluding accrued interest since March 6, 2019).

27. On June 18, 2019, MLT Aikins (counsel to the Monitor) sent correspondence to Olive Waller Zinhan & Waller LLP (“**OWZW**”), legal counsel to Affinity, inquiring as to whether OWZW would be making any arguments at the June 26, 2019 hearing (the “**June 26, 2019 Hearing**”) with respect to the Residual DIP Allocation. OWZW has verbally informed MLT Aikins that it intends to argue allocation issues at the June 26, 2019 Hearing. The Monitor anticipates that the only parties taking an active role in submissions to the Court on the Residual DIP Allocation issue will be Affinity and the mortgagee on the PA Condos (Canadian Western Trust).

28. Since the granting of the Initial Order on May 20, 2016, the Applicants have expended approximately \$1,904,000 in Professional Fees and approximately \$1,502,000 in Interest

payments to Firm Capital and the DIP Lenders (i.e. Pillar Capital Corp., Staheli Construction Co. Ltd., and Affinity). The aggregate of these two expenditures of approximately \$3,406,000 accounts for approximately 86% of the \$3,950,000 advanced under the Affinity DIP Facility.

29. Based on interim invoices rendered by the Monitor and MLT Aikins, which remain unpaid by the Applicants, and outstanding unbilled work in progress of the Monitor, MLT Aikins, and McDougall Gauley, collectively, the outstanding professional fees approximate \$200,000 to June 16, 2019.

FEES AND DISBURSEMENTS OF THE MONITOR AND ITS LEGAL COUNSEL

30. Professional fees and disbursements charged by the Monitor in relation to the administration of these proceedings for the period April 27, 2019 to June 10, 2019 were \$14,687.50 (excluding GST). A copy of the Monitor's account for this period is included in the Affidavit of Brent Warga sworn June 19, 2019 and is attached hereto as Exhibit C. The Monitor estimates that its fees and disbursements for its time incurred subsequent to June 10, 2019, and for its time to finalize this Thirteenth Report, prepare for and attend the June 26, 2019 hearing, and to finalize the Monitor's discharge will approximate \$25,000 (plus taxes) (the "**Estimated Monitor's Fees**").
31. The fees charged by the Monitor are based on the amount of professional time required at hourly billing rates, which vary depending upon the experience level and location of the professionals involved. The average hourly rate charged by the Monitor in these proceedings for invoices issued to date is \$447 per hour. The rates charged by the Monitor are the normal rates and charges for engagements of this nature, and are comparable to the rates charged for the provision of services by other professional firms providing specialized financial advisory and restructuring services.
32. The Monitor is of the view that its fees and disbursements are fair and reasonable in the circumstances and have been duly rendered in response to the required and necessary duties of the Monitor in accordance with the provisions of the various Orders issued in these CCAA proceedings.

33. Professional fees and disbursements charged by MLT Aikins, independent legal counsel to the Monitor, for the period April 27, 2019 to June 19, 2019 were \$8,424.50 (excluding GST and PST). MLT Aikins estimates that its fees and disbursements to prepare and attend the June 26, 2019 hearing and to assist with finalizing the Monitor's discharge will approximate \$7,500 (plus taxes) (the "**Estimated Legal Counsel Fees**"). A copy of MLT Aikins' account for this period is included in the affidavit of Jeff Lee sworn June 20, 2019 and is attached hereto as Exhibit D.
34. The Monitor has reviewed the invoices rendered by its legal counsel and finds them reasonable and validly incurred in accordance with the provisions of the various Orders issued in these CCAA proceedings.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

35. Attached hereto as Exhibit E is the Monitor's Statement of Receipts and Disbursements with respect to the proceeds received and the disbursements made from the Sale Proceeds for the period April 9, 2019 to June 21, 2019. Subsequent to the Interim Distributions, the Monitor continues to hold the Residual Holdback, the Armstrong Holdback, and the UFCW Holdback.

MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

36. As the only remaining assets of 33330 are the two PA Condos, 33330 has advised the Monitor that it will not be able to file a viable plan of arrangement to its creditors in the CCAA proceedings. Accordingly, in accordance with section 23(1)(h) of the CCAA, the Monitor is of the opinion that it would be more beneficial to 33330's creditors if proceedings were taken under the BIA, or another creditor driven enforcement proceeding (rather than under a continuation of these CCAA proceedings).
37. For the reasons outlined above, the Monitor respectfully requests the following:
 - a) That the Court provide an Order approving all activities, actions and proposed courses of action of Deloitte Restructuring Inc. (collectively, the "**Actions of the Monitor**") to date in relation to the discharge of its duties and mandate as Monitor

of 33330 pursuant to the Orders of this Court in these proceedings (collectively, the "**Monitor's Mandate**"), as such Actions of the Monitor are more particularly described in the Thirteenth Report and all other Monitor's Reports filed in these proceedings;

- b) That the Court provide an Order approving the fees and disbursements of the Monitor and its legal counsel for the period April 27, 2019 to June 10, 2019 and April 27, 2019 to June 19, 2019 respectively;
- c) That the Court provide an Order approving the Estimated Monitor Fees and the Estimated Legal Counsel Fees to complete the within application and to finalize the CCAA proceedings, without the requirement of taxation or formal passing of accounts;
- d) That the Court provide an Order approving the release of the Armstrong Holdback with payment of the funds to Mr. Armstrong;
- e) Upon the Monitor distributing any amounts remaining from the Residual Holdback and the UFCW Holdback to Affinity, and upon the Monitor filing with this Honourable Court its discharge certificate (the "**Monitor's Discharge Certificate**") confirming such final distribution to Affinity, that the 33330 CCAA proceedings be terminated and that Deloitte Restructuring Inc. be discharged as Monitor in regard to the 33330 CCAA proceedings, provided that notwithstanding such discharge:
 - i. The Monitor shall remain Monitor for the performance of such routine administrative tasks as may be required to complete the administration of the CCAA proceedings; and
 - ii. The Monitor shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of Deloitte Restructuring Inc. in its capacity as Monitor.

- f) That the Court provide an Order adjudging and declaring that:
- i. The Monitor has acted honestly and in good faith and carried out the Monitor's Mandate in a commercially reasonable manner;
 - ii. The Monitor has satisfied all of its duties and obligations pursuant to the Monitor's Mandate;
 - iii. The Monitor shall not be liable for any act or omission arising from, relating to or in connection with its discharge of the Monitor's Mandate, save and except for any liability arising out of fraud, gross negligence or willful misconduct on the part of the Monitor;
 - iv. The Monitor has never had and shall not in the future have any liability in regard to any act or omission of 33330, including, without limitation, in relation to the business of 33330, payment of and/or accounting for any taxes (including, without limitation, goods and services tax) on revenues earned or any indebtedness or obligations whatsoever or howsoever incurred by 33330; and
 - v. No person shall commence an action or proceeding asserting a claim against the Monitor arising from, relating to or in connection with its discharge of the Monitor's Mandate without first obtaining an Order of this Honourable Court (on notice to the Monitor) granting such person leave to commence such action or proceeding, and any such action or proceeding commenced without such leave being obtained is a nullity.
- g) That the Court provide an Order declaring that, subject to the foregoing, any claims against the Monitor in connection with the Monitor's Mandate are hereby stayed, extinguished and forever barred.

All of which is respectfully submitted at Saskatoon, Saskatchewan, this 21st day of June 2019.

DELOITTE RESTRUCTURING INC.

In its capacity as Monitor of
101133330 Saskatchewan Ltd.,
and not in its personal capacity.



Per: Brent Warga, CPA, CA, CIRP, LIT
Senior Vice-President

Exhibit A – Monitor’s Closing Certificate

SCHEDULE "B" – MONITOR'S CERTIFICATE

COURT FILE NUMBER 643 of 2016

COURT QUEEN'S BENCH FOR SASKATCHEWAN
 IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

APPLICANTS 101133330 SASKATCHEWAN LTD. and
 101149825 SASKATCHEWAN LTD.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF 101133330 SASKATCHEWAN LTD. and 101149825 SASKATCHEWAN LTD.

RECITALS


- A. 101133330 Saskatchewan Ltd. ("**33330**") and 101149825 Saskatchewan Ltd. (collectively, the "**Applicants**") sought and obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 pursuant to the Initial Order of the Honourable Justice N.G. Gabrielson dated May 20, 2016 (the "**Initial Order**"). The Initial Order also appointed Deloitte Restructuring Inc. as the monitor (the "**Monitor**") of the Applicants.
- B. Pursuant to an Order of the Court dated April 26, 2019 (the "**Ninth Extension, Sale Approval, Vesting, and Distribution Order**") the Court approved the asset purchase agreement (the "**Agreement**") between 33330, Pinnacle Developments Inc. (the "**Purchaser**"), and the Monitor and provided for the vesting in the Purchaser of 33330'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 Monitor to the Court of a certificate confirming that the Transaction has closed to the Monitor's satisfaction.

THE MONITOR CERTIFIES the following:

1. The Transaction has closed to the Monitor's satisfaction.
2. This Certificate was delivered by the Monitor at 4:45 p.m. on June 14, 2019.

DELOITTE RESTRUCTURING INC.

In its capacity as Monitor of 101133330 Saskatchewan Ltd. and 101149825 Saskatchewan Ltd.,
and not in its personal capacity



Brent Warga, CPA, CA, CIRP, LIT
Senior Vice-President

Exhibit B – Actual vs. Forecast Cash Flows for the Period May 20, 2019 to June 16, 2019

101133330 SASKATCHEWAN LTD. AND
101149825 SASKATCHEWAN LTD.
4-Week Forecast to Actual Results
May 20, 2019 to June 16, 2019

Week Start Week End	Notes	Forecast Week 1 20-May-19 26-May-19	Actual Week 1 20-May-19 26-May-19	Forecast Week 2 27-May-19 2-Jun-19	Actual Week 2 27-May-19 2-Jun-19	Forecast Week 3 3-Jun-19 9-Jun-19	Actual Week 3 3-Jun-19 9-Jun-19	Forecast Week 4 10-Jun-19 16-Jun-19	Actual Week 4 10-Jun-19 16-Jun-19	Forecast Total 20-May-19 16-Jun-19	Actual Total 20-May-19 16-Jun-19	Variance Actual vs. Forecast surplus/(shortfall)
Receipts												
DIP Proceeds	(1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest		-	-	-	-	-	-	-	-	-	-	-
Prince Albert Condo Income	(2)	-	-	-	-	-	-	-	-	-	-	-
Rental Income		-	1,680	20,000	9,260	-	7,907	-	-	20,000	18,848	(1,152)
Total Receipts		-	1,680	20,000	9,260	-	7,907	-	-	20,000	18,848	(1,152)
Disbursements												
Operating Costs	(3)											
Management Fees		-	-	4,200	4,242	-	-	-	-	4,200	4,242	42
Property Insurance		-	844	4,950	-	-	105	-	-	4,950	950	(4,000)
Property Taxes		-	-	43,520	-	-	-	-	-	43,520	-	(43,520)
Utilities - Electrical		-	-	11,500	-	-	-	-	-	11,500	-	(11,500)
Utilities - Gas/Heat		-	-	10,150	-	-	6,242	-	-	10,150	6,242	(3,908)
Utilities - Water/Sewer		-	-	1,500	-	-	295	-	-	1,500	295	(1,205)
Wages & Benefits		2,400	367	-	-	2,400	248	-	-	4,800	615	(4,185)
Payroll Deductions (CRA)		800	-	-	-	800	-	-	-	1,600	-	(1,600)
Repairs and Maintenance		-	7,878	5,925	4,292	-	-	-	-	5,925	12,170	6,245
Cleaning		-	-	650	117	-	-	-	-	650	117	(533)
Office Expenses		-	326	500	1,117	-	449	-	-	500	1,892	1,392
Contract Services		-	4,900	7,125	11,335	-	-	-	-	7,125	16,235	9,110
Subtotal		3,200	14,315	90,020	21,103	3,200	7,340	-	-	96,420	42,758	(53,662)
Other Costs	(4)											
Bank Service Charges		-	15	350	125	-	301	-	-	350	441	91
Contract Consulting Fee	(5)	-	5,500	5,775	-	-	-	-	-	5,775	5,500	(275)
City Taxes (Prince Albert Condos)		-	-	600	-	-	-	-	-	600	-	(600)
Computer Internet		-	-	150	-	-	-	-	-	150	-	(150)
GST Remittance	(6)	-	-	5,000	-	-	-	-	-	5,000	-	(5,000)
Prince Albert Condo Repairs and Maintenance	(7)	-	-	500	-	-	-	-	-	500	-	(500)
Television		-	176	100	-	-	-	-	-	100	176	76
Vehicle Expense		75	272	75	111	75	-	75	141	300	524	224
Subtotal		75	5,963	12,550	236	75	301	75	141	12,775	6,640	(6,135)
Restructuring Costs												
Professional Fees	(8)	-	-	105,000	-	50,000	-	-	-	155,000	-	(155,000)
Restructuring Cost Contingency	(9)	-	-	5,000	-	-	-	5,000	-	10,000	-	(10,000)
Subtotal		-	-	110,000	-	50,000	-	5,000	-	165,000	-	(165,000)
Total Disbursements		3,275	20,278	212,570	21,339	53,275	7,641	5,075	141	274,195	49,399	(224,796)
Cash Surplus / (Deficit)		\$ (3,275)	\$ (18,598)	\$ (192,570)	\$ (12,078)	\$ (53,275)	\$ 266	\$ (5,075)	\$ (141)	\$ (254,195)	\$ (30,551)	\$ 223,644
Consolidated Cash Balance (beginning of period)		\$ 130,836	\$ 130,836	\$ 127,561	\$ 112,238	\$ (65,009)	\$ 100,160	\$ (118,284)	\$ 100,426	\$ 130,836	\$ 130,836	
Consolidated Cash Balance (end of period)		\$ 127,561	\$ 112,238	\$ (65,009)	\$ 100,160	\$ (118,284)	\$ 100,426	\$ (123,359)	\$ 100,285	\$ (123,359)	\$ 100,285	
Represented by Bank Balances:												
33330 CIBC Account (#21310)			13,056		19,768		19,145		19,003			
33330 CIBC Account (#14519)			93		34		32		32			
825 CIBC Account (#21817)			269		263		263		263			
Affinity Credit Union Account			-		-		-		-			
Colliers International (33330 Property Manager Account)			66,683		47,958		49,322		49,322			
DIP Facility - McDougall Gauley LLP (In Trust)			32,137		32,137		31,665		31,665			
Total Cash Per Bank		-	112,238	-	100,160	-	100,426	-	100,285			

Summary of Notes and Assumptions

- (1) No additional DIP financing is being requested as the April 26, 2019 Order provided for a \$285,000 holdback by the Monitor from the Orr Centre sale proceeds to continue with operations until closing.
- (2) As the Prince Albert Condos are both vacant, no rental revenues are expected during the forecast period.
- (3) Operating costs have been budgeted by Colliers International ("Colliers") who was engaged as property manager for the Orr Centre commencing June 1, 2017 for a one (1) year term. The Colliers engagement has been extended for an additional one (1) year term, subject to the sale of the 33330 Property.
- (4) Operating costs are based on historical operations and actual 2018/19 results. Disbursements exclude any deposits that could be required by the various service providers in order to continue servicing the Orr Centre.
- (5) Contract consulting fee paid to shareholder (inclusive of 5% GST).
- (6) GST remittance is net of GST collected and GST paid to suppliers and is remitted quarterly.
- (7) Estimated costs for minor condo repairs for the two rental units.
- (8) Estimated based on expenses already incurred and future expenses pertaining to professional services to be provided with respect to the May 27, 2019 hearing and ongoing CCAA proceedings.
- (9) Contingency reserve for unbudgeted restructuring costs.

Exhibit C – Affidavit of Brent Warga sworn on June 19, 2019

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF
101133330 SASKATCHEWAN LTD. AND 101149825 SASKATCHEWAN LTD.,**

APPLICANTS

**AFFIDAVIT OF BRENT M. WARGA
(Sworn June 19, 2019)**

I, BRENT M. WARGA, of the City of Winnipeg, in the Province of Manitoba, **MAKE OATH AND SAY:**

1. I am a Senior Vice-President of Deloitte Restructuring Inc. ("**Deloitte**"), the Court appointed Monitor of the Applicants (the "**Monitor**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and were so stated I verily believe it to be true.

2. On May 20, 2016, the Applicants, 101133330 Saskatchewan Ltd. (“33330”) and 101149825 Saskatchewan Ltd. (“825”) (collectively the “Applicants” or the “Companies”), filed for and obtained protection under the *Companies’ Creditors Arrangement Act* (the “CCAA”). Pursuant to the Order of the Court of Queen’s Bench for Saskatchewan (the “Court”) dated May 20, 2016 (the “Initial Order”), restructuring proceedings previously commenced by the Applicants under Division I of Part III of the *Bankruptcy and Insolvency Act* (the “BIA”) were taken up and continued under the CCAA. Deloitte was appointed as the Monitor in the CCAA proceedings and a stay of proceedings was granted in favour of the Applicants. On June 13, 2016, the Court extended the stay of proceedings until August 31, 2016. On August 17, 2016, the Court extended the stay of proceedings until January 1, 2017. On December 22, 2016, the Court extended the stay of proceedings until June 12, 2017. On May 31, 2017, the Court extended the stay of proceedings until December 24, 2017. On December 20, 2017, the Court extended the stay of proceedings until June 17, 2018. On June 1, 2018, the Court extended the stay of proceedings until October 1, 2018. On August 30, 2018, the Court extended the stay of proceedings until March 4, 2019. On February 22, 2019, the Court extended the stay of proceedings until May 6, 2019. On April 26, 2019, the Court extended the stay of proceedings until May 31, 2019. On May 27, 2019, the Court extended the stay of proceedings in respect of 33330 until July 5, 2019, and discharged the Monitor in respect of 825.

3. Attached hereto and marked as Exhibit “A” is a copy of the twenty-eighth interim invoice rendered by the Monitor in respect of the period April 27, 2019 to June 10, 2019 and time details related thereto.

4. The invoice contains the fees (including details of the total hours of each of the members of Deloitte who acted on behalf of the Monitor in these proceedings), disbursements, and GST charged by Deloitte in these proceedings. The time details provide a description of the time spent by each staff person for the tasks fulfilled on each particular date.

5. Attached hereto and marked as Exhibit “B” is a schedule summarizing each invoice in Exhibit “A”, the total billable hours charged by invoice, the total fees charged per invoice, and the average hourly rate charged per invoice. The Monitor expended a total of 31.9 hours in connection

with this matter during the period April 27, 2019 to June 10, 2019, giving rise to fees and disbursements totalling \$15,421.88, including GST.

6. 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 Winnipeg,
in the Province of Manitoba, on this 19th day
of June, 2019.



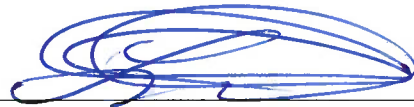
A Commissioner for taking affidavits
Name: Todd Dew

*my Commission expires
March 18, 2021.*



BRENT M. WARGA

This is Exhibit "A" referred to in the
affidavit of Brent M. Warga
sworn before me, this 19th
day of June, 2019



A Commissioner for Taking Affidavits

my Commission expires
March 18, 2021



Invoice 8000633923

Deloitte Restructuring Inc.

360 Main St
Suite 2300
Winnipeg MB R3C 3Z3

ATTN: John Orr
101133330 Saskatchewan Ltd.
101149825 Saskatchewan Ltd.
4400 4th Avenue
Regina SK S4T 0H8
Canada

Tel: (204) 942-0051
Fax: (204) 947-9390
www.deloitte.ca

Date: June 13, 2019
Client No.: 1182238
WBS#: 101C0020
Engagement Partner: Brent Warga

GST Registration: 133245290RT0001

For professional services rendered

Fees

Professional services rendered in accordance with the CCAA proceedings for the period April 27, 2019 to June 10, 2019.

Warga, Brent - Partner (28.9 hrs) - \$13,727.50
Fritz, John - Senior Manager (2.4 hrs) - \$900.00
Keene, Ashley - Technician (0.6 hrs) - \$60.00
Total - 31.9 hrs - \$14,687.50

GST applicable 14,687.50

Sales Tax

GST at 5.00% 734.38

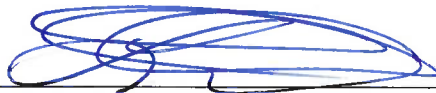
Total Amount Due (CAD) 15,421.88

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Time Detail
Invoice No: 8000633923

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Amount</u>	<u>Narrative</u>
5/8/2019	Warga, Brent	1.6	\$ 760.00	Review of Colliers reporting and updates to forecast to actual reporting; e-mail correspondence with Colliers.
5/9/2019	Warga, Brent	2.7	1,282.50	Drafting of Twelfth Report; e-mail correspondence with C. Frith; drafting of R&D.
5/10/2019	Warga, Brent	0.3	142.50	Review of e-mail correspondence from C. Frith.
5/13/2019	Warga, Brent	1.7	807.50	Review of bank details; updates to forecast to actual reporting; e-mail correspondence to J. Orr and Sam; e-mail correspondence with C. Frith; updates to Twelfth Report.
5/21/2019	Warga, Brent	5.7	2,707.50	Drafting of Twelfth Report; call with C. Frith; call with J. Lee; updates to cash flows; review of Orr Affidavit; updates to forecast to actual results.
5/22/2019	Fritz, John	0.9	337.50	Monitor's report edits.
5/22/2019	Warga, Brent	4.9	2,327.50	Updates to Twelfth Report; revisions to cash flows; call with C. Frith; revisions to Draft Order.
5/23/2019	Keene, Ashley	0.5	50.00	Website updates.
5/23/2019	Fritz, John	1.5	562.50	Finalize and file Monitor's report.
5/23/2019	Warga, Brent	2.3	1,092.50	Finalization of Twelfth Report; updates to website.
5/24/2019	Warga, Brent	0.3	142.50	Review of various e-mail correspondence.
5/25/2019	Warga, Brent	1.1	522.50	Review of bank details; updates to forecast to actual results; e-mail correspondence with J. Orr and Sam; e-mail correspondence with Colliers.
5/27/2019	Warga, Brent	0.9	427.50	Attendance at Court hearing by phone; updates to website; updates to forecast to actual reporting.
5/28/2019	Keene, Ashley	0.1	10.00	Website update.
5/31/2019	Warga, Brent	1.8	855.00	Drafting of Thirteenth Report; review of e-mail correspondence from Sam; updates to forecast to actual reporting.
6/2/2019	Warga, Brent	0.7	332.50	Review of bank details; updates to forecast to actual reporting; e-mail correspondence with J. Orr and Sam.
6/3/2019	Warga, Brent	1.7	807.50	Drafting of Thirteenth Monitor's Report; review of e-mail correspondence from Colliers; updates to forecast to actual reporting.
6/5/2019	Warga, Brent	0.3	142.50	Review of e-mail correspondence.
6/6/2019	Warga, Brent	1.0	475.00	E-mail correspondence to/from Sam; updates to forecast to actual reporting; review of Orr Centre closing correspondence.
6/10/2019	Warga, Brent	1.9	902.50	Review of bank details; updates to forecast to actual results; call with C. Frith re: file matters; review of various e-mail correspondence.
Total		31.9	\$ 14,687.50	

This is Exhibit "B" referred to in the
affidavit of Brent M. Warga
sworn before me, this 19th
day of June, 2019



A Commissioner for Taking Affidavits

my Commission expires
March 18, 2021

EXHIBIT B

Monitor's Invoice and Time Summary for the period of April 27, 2019 to June 10, 2019

Invoice #	Date	Fees	Disbursements	GST	Total	Hours	Average Rate
8000633923	6/13/2019	\$ 14,687.50	\$ -	\$ 734.38	\$ 15,421.88	31.9	\$ 460.42
Total		\$ 14,687.50	\$ -	\$ 734.38	\$ 15,421.88	31.9	\$ 460.42

Exhibit D – Affidavit of Jeff Lee sworn on June 20, 2019

COURT FILE NUMBER Q.B. 643 of 2016
COURT QUEEN'S BENCH FOR SASKATCHEWAN IN
BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE SASKATOON
APPLICANTS 101133330 SASKATCHEWAN LTD. and
101149825 SASKATCHEWAN LTD.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985 c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF 101133330 SASKATCHEWAN LTD AND 101149825 SASKATCHEWAN LTD.

AFFIDAVIT OF JEFF LEE
(Sworn June 20, 2019)

I, JEFF LEE, of the City of Saskatoon, in the Province of Saskatchewan, **MAKE OATH AND SAY:**

1. I am a barrister and solicitor qualified to practice in the Province of Saskatchewan and am a Partner with the law firm of MLT Aikins LLP ("**MLT Aikins**"), and therefore have knowledge of the matters sworn to in this affidavit. Where this affidavit is based on information and belief, I have stated the source of that information and believe it to be true.

2. On May 20, 2016, the Applicants, 101133330 Saskatchewan Ltd. ("**33330**") and 101149825 Saskatchewan Ltd. ("**825**") (collectively the "**Applicants**" or the "**Companies**") filed for and obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). Pursuant to the Order of the Court of Queen's Bench for Saskatchewan (the "**Court**") dated May 20, 2016 (the "**Initial Order**"), restructuring proceedings previously commenced by the Applicants under Division I of Part III of the *Bankruptcy and Insolvency Act* (the "**BIA**") were taken up and continued under the CCAA. Deloitte Restructuring Inc. ("**Deloitte**") was appointed as the Monitor (the "**Monitor**") in the CCAA proceedings and a stay of proceedings was granted in favour of the Applicants. On June 13, 2016, the Court extended the stay of proceedings until August 31, 2016. On August 17, 2016, the Court further

extended the stay of proceedings until January 1, 2017. On December 22, 2016, the Court further extended the stay of proceedings until June 12, 2017. On May 31, 2017, the Court further extended the stay of proceedings until December 24, 2017. On December 20, 2017, the Court further extended the stay of proceedings until June 17, 2018. On June 1, 2018, the Court further extended the stay of proceedings until October 1, 2018. On August 30, 2018, the Court further extended the stay of proceedings until March 4, 2019. On February 22, 2019, the Court further extended the stay of proceedings until May 6, 2019. On April 26, 2019 the Court further extended the stay of proceedings until May 31, 2019. On May 27, 2019 the Court further extended the stay of proceedings until July 5, 2019. MLT Aikins are lawyers of record for Deloitte in its capacity as Monitor.

3. Attached and marked collectively as Exhibit "A" to this Affidavit are true copies of the twenty-ninth and thirtieth interim invoices rendered by MLT Aikins in respect of its work during the period from April 4, 2019 to June 19, 2019 (the "**Subject Invoices**").

4. The Subject Invoices describe in detail the professional fees (including details of the time spent by each staff person for the tasks fulfilled on each particular date), disbursements, GST and PST charged by MLT Aikins in these proceedings.

5. Attached and marked as Exhibit "B" to this Affidavit is a schedule summarizing the Subject Invoices comprising Exhibit "A" to this Affidavit, the total billable hours charged, the total fees charged, and the average hourly rate charged. MLT Aikins expended a total of 15.3 hours in connection with this matter during the period from April 4 to June 19, 2019, giving rise to fees and disbursements totalling \$9,330.15, including GST and PST.

6. To the best of my knowledge, based upon my communications with senior insolvency lawyers from other Western Canadian law firms, MLT Aikins' rates and disbursements are consistent with those charged in the market for these types of matters. Further, the hourly billing rates charged by the MLT Aikins lawyers who have worked on this matter are the normal rates charged by such lawyers for services rendered in similar proceedings.

7. I swear this Affidavit for filing in a matter on which I intend to appear as counsel on the basis that the matters herein deposed to by me are mere formalities which are uncontroverted.

SWORN BEFORE ME at the City of
Saskatoon, in the Province of Saskatchewan,
this 20th day of June, 2019.


A COMMISSIONER FOR OATHS for the
Province of Saskatchewan.
My Commission expires September 30, 2021

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JEFF LEE

This is Exhibit "A" referred to in the
Affidavit of Jeff Lee
sworn before me this 20th
day of June, 2019



A Commissioner for Oaths for
the Province of Saskatchewan
My Commission expires: September 30, 2021

INVOICE

Deloitte Restructuring Inc.
2300, 360 Main Street
Winnipeg, MB R3C 3Z3
Canada
Brent Warga

TO PROFESSIONAL SERVICES RENDERED TO AND INCLUDING 05/31/19 AS FOLLOWS

RE: Restructuring of 101133330 Saskatchewan Ltd. and 101149825 Saskatchewan Ltd.
FILE: 0056074-00009

Date	Initials	Hours	Narrative
Apr 04/2019	JML	0.20	Reviewing correspondence from D. Gerecke regarding Firm Capital court application for Order Nisi For Sale and prepare reply correspondence and correspondence to B. Warga and J. Fritz
May 01/2019	JML	0.10	Reviewing correspondence from C. Frith regarding status of closing of Orr Centre transaction and prepare reply correspondence
May 02/2019	PDO	0.90	Reviewing and revising Sale Process, Sale Process Order, and stalking horse Asset Purchase Agreement
May 02/2019	JML	0.10	Reviewing correspondence from C. Frith regarding status of closing of Orr Centre transaction
May 06/2019	JML	0.10	Reviewing correspondence from C. Frith regarding status of eviction of tenant and status of closing of receiver's sale transaction
May 11/2019	JML	0.10	Reviewing correspondence from C. Frith regarding status of eviction of tenant and closing of transaction
May 13/2019	JML	0.10	Reviewing correspondence from C. Frith regarding hearing to evict tenant of Orr Centre and prepare reply correspondence
May 14/2019	JML	0.10	Reviewing correspondence from counsel to City of Prince Albert requesting to be added to Service List
May 16/2019	JML	0.10	Reviewing correspondence from C. Frith regarding outcome of hearing before Office of Residential Tenancies and prepare reply correspondence
May 21/2019	JML	0.20	Correspondence to B. Warga regarding file administration matters

Date	Initials	Hours	Narrative
May 22/2019	JML	0.10	Reviewing correspondence from C. Frith regarding May 27 extension application
May 22/2019	JML	0.10	Reviewing correspondence from B. Warga requesting Affidavit as to MLT Aikins fees and disbursements and prepare reply correspondence
May 22/2019	JML	0.30	Reviewing Brief of Law and Affidavit filed on behalf of Affinity Credit Union
May 22/2019	JML	0.10	Telephone attendance on R. Sandbeck regarding allocation issues
May 22/2019	JML	1.00	Revising Draft Order providing for Discharge of Monitor in regard to CCAA proceedings by 825
May 23/2019	JML	0.20	Attending to revise and finalize court application materials
May 23/2019	JML	0.10	Reviewing correspondence from J. Fritz regarding delivery of Twelfth Monitor's Report and give instructions to arrange for filing of same
May 24/2019	JML	0.10	Reviewing correspondence from C. Frith regarding City of Regina property taxes and prepare reply correspondence
May 24/2019	JML	0.10	Reviewing correspondence from C. Frith regarding adjournment of DIP allocation argument
May 27/2019	JML	0.10	Reviewing correspondence from R. Sandbeck regarding Consent Order executed by Affinity Credit Union
May 27/2019	JML	0.60	Reviewing materials and prepare for May 27 court application
May 27/2019	JML	0.50	Court appearance before Mr. Justice Meschishnick on application to extend 3330 stay of proceedings and application to terminate 825 stay of proceedings and to discharge Monitor
May 27/2019	JML	0.10	Reviewing May 27, 2019 Stay Extension Order of Justice Meschishnick
May 29/2019	JML	0.00	Reviewing correspondence from City of Regina regarding procedure for discharge of tax lien
May 30/2019	JML	0.10	Reviewing correspondence from C. Frith regarding status of eviction of tenant

Total Fees: 3,645.50

SUMMARY OF PROFESSIONAL SERVICES

	HOURS	HOURLY RATE	AMOUNT
Jeffrey M. Lee	0.00	0.00	0.00
Paul D. Olfert	0.90	345.00	310.50
Jeffrey M. Lee	4.60	725.00	3,335.00
	<u>5.50</u>		<u>3,645.50</u>

DISBURSEMENTS AND OTHER CHARGES

Imaging Services		248.75
PPR Online - Saskatoon		32.00
	TOTAL TAXABLE	280.75
	Sub-Total Disbursements:	280.75

BILL SUMMARY

Total Fees	\$	3,645.50
GST	\$	182.28
SK PST	\$	218.73
Total Disbursements	\$	280.75
GST	\$	14.04
Subtotal	\$	<u>4,341.29</u>
TOTAL AMOUNT DUE CDN DOLLARS:	\$	<u>4,341.29</u>

MLT Aikins LLP

To the extent possible, we have made every effort to include fees and disbursements for the current billing period. In the event further fees or disbursements are incurred on your behalf, a subsequent account will be forwarded.

"Other Charges" are based on rates established by MLT AIKINS LLP and may change from time to time. A schedule of those rates is available on request.

TERMS: DUE UPON RECEIPT

Interest at the rate of 14% per annum is added to all amounts overdue by 30 days or more.

June 20, 2019
Invoice #6047164

INVOICE

Deloitte Restructuring Inc.
2300, 360 Main Street
Winnipeg, MB R3C 3Z3
Canada
Brent Warga

TO PROFESSIONAL SERVICES RENDERED TO AND INCLUDING 06/19/19 AS FOLLOWS

RE: Restructuring of 101133330 Saskatchewan Ltd. and 101149825 Saskatchewan Ltd.
FILE: 0056074-00009

Date	Initials	Hours	Narrative
Jun 05/2019	PDO	0.40	Reviewing reverse trust letter and proposed closing mechanism from purchaser's counsel
Jun 06/2019	PDO	0.20	Correspondence with borrowers' counsel regarding closing mechanics
Jun 11/2019	PDO	0.10	Reviewing draft trust letters for closing of sale transaction
Jun 11/2019	JML	0.30	Reviewing correspondence from C. Frith and B. Warga regarding proposed trust letters for Orr Centre closing and prepare reply correspondence
Jun 12/2019	PDO	0.50	Reviewing proposed draft trust letters; telephone attendance on office of Purchaser's counsel; attending to closing matters
Jun 13/2019	PDO	0.80	Advising regarding trust conditions on closing of real property transaction
Jun 13/2019	JML	0.10	Reviewing correspondence from B. Warga regarding trust letter and prepare reply correspondence
Jun 14/2019	PDO	0.80	Attending to closing matters; reviewing trust letter from Purchaser's counsel; telephone attendance on and correspondence with Purchaser's counsel and Debtor's counsel
Jun 14/2019	JML	0.10	Reviewing correspondence from K. Remarchuk regarding wire transfer of funds and delivery of trust letters
Jun 14/2019	JML	0.20	Reviewing status of closing and related matters
Jun 14/2019	JML	0.10	Reviewing status of closing

Date	Initials	Hours	Narrative
Jun 16/2019	PDO	0.30	Correspondence with Debtor's counsel regarding closing matters; attending to delivery and filing of Monitor's Certificate
Jun 17/2019	PDO	0.90	Telephone attendance on and correspondence with B. Warga regarding closing and discharge matters
Jun 17/2019	JML	0.10	Reviewing correspondence from B., Warga regarding File Administration Matters and prepare reply correspondence
Jun 17/2019	JML	0.20	Reviewing proposed application for discharge of Monitor and logistics of application
Jun 17/2019	JML	0.30	Telephone attendance on B. Warga regarding discharge of Monitor and maintenance of holdbacks
Jun 18/2019	JML	0.10	Reviewing correspondence from B. Warga and prepare reply correspondence
Jun 18/2019	PDO	1.80	Telephone attendance on B. Warga, J. Fritz, and Debtor's counsel; correspondence with B. Warga; telephone attendance on Debtor's counsel; preparing and filing materials in support of Order abridging time for service; preparing to draft materials in support of application for discharge of Monitor and related matters
Jun 18/2019	JML	0.50	Attending conference call with Monitor and counsel regarding June 26 court application
Jun 18/2019	JML	0.20	Telephone attendance on B. Warga regarding Monitor's court application for June 26, 2019
Jun 18/2019	JML	0.30	Correspondence to R. Sandbeck regarding request for position of Affinity Credit Union regarding outstanding issues
Jun 18/2019	JML	0.20	Revising draft correspondence to R. Sandbeck
Jun 19/2019	JML	0.10	Correspondence to B. Warga regarding File Administration Matters
Jun 19/2019	PDO	1.20	Drafting Notice of Application and Order (Termination of Proceedings and Discharge of Monitor)

Total Fees: 4,445.00

SUMMARY OF PROFESSIONAL SERVICES

	HOURS	HOURLY RATE	AMOUNT
Paul D. Olfert	7.00	345.00	2,415.00
Jeffrey M. Lee	2.80	725.00	2,030.00
	<u>9.80</u>		<u>4,445.00</u>

DISBURSEMENTS AND OTHER CHARGES

Imaging Services			33.25
		TOTAL TAXABLE	33.25
Local Registrar - Saskatoon			20.00
		TOTAL NON-TAXABLE	20.00
		Sub-Total Disbursements:	53.25

BILL SUMMARY

Total Fees	\$	4,445.00
GST	\$	222.25
SK PST	\$	266.70
Total Disbursements	\$	53.25
GST	\$	1.66
Subtotal	\$	<u>4,988.86</u>
TOTAL AMOUNT DUE CDN DOLLARS:	\$	<u>4,988.86</u>

JML/ SMS

MLT Aikins LLP

To the extent possible, we have made every effort to include fees and disbursements for the current billing period. In the event further fees or disbursements are incurred on your behalf, a subsequent account will be forwarded.

"Other Charges" are based on rates established by MLT AIKINS LLP and may change from time to time. A schedule of those rates is available on request.

TERMS: DUE UPON RECEIPT

Interest at the rate of 14% per annum is added to all amounts overdue by 30 days or more.

This is Exhibit "B" referred to in the

Affidavit of Jeff Lee

sworn before me this 20th

day of June, 2019

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right, positioned above a horizontal line.

A Commissioner for Oaths for
the Province of Saskatchewan
My Commission expires: September 30, 2021

EXHIBIT B

MLT Aikins LLP Invoice and Time Summary for the period of April 27, 2019 to June 19, 2019

Invoice #	Date	Fees	Disbursements	GST	PST	Total	Hours	Average Rate
6046800	6/18/2019	\$ 3,645.50	\$ 280.75	\$ 196.31	\$ 218.73	\$ 4,341.29	5.5	\$ 662.82
6047164	6/20/2019	4,445.00	-53.25	223.91	266.70	4,988.86	9.8	453.57
Total		\$ 8,090.50	\$ 334.00	\$ 420.22	\$ 485.43	\$ 9,330.15	15.3	\$ 528.79

Exhibit E – Statement of Receipts and Disbursements for the Period April 9, 2019 to June 21, 2019

101133330 SASKATCHEWAN LTD.
STATEMENT OF RECEIPTS AND DISBURSEMENTS
for the period of April 9, 2019 to June 21, 2019

	Notes	Amount
Receipts		
Deposit - Pinnacle Developments Inc.		\$ 300,005
Interest		216
Proceeds from the Pinnacle Developments Inc. Sale Transaction	1	5,619,761
Total Receipts		5,919,981
Disbursements		
City of Regina (property tax arrears)	2	17,021
City of Regina (accrued interest and penalties)	3	295
Canada Revenue Agency	2	86,707
Affinity Credit Union - DIP	2	2,351,448
Affinity Credit Union - Mortgage	2	3,152,511
Total Disbursements		5,607,981
Excess of Receipts over Disbursements - Funds Held in Trust as at June 21, 2019		312,000
Represented by:		
Residual Holdback	2	285,000
Armstrong Holdback	2	2,000
UFCW Holdback	4	25,000
Subtotal		312,000
Remaining Funds Held in Trust Subsequent to Holdbacks		\$ -

Notes:

1) Net sale proceeds from the Pinnacle Developments Inc. transaction as follows:

Purchase Price	6,000,100
Less Deposit	(300,005)
Less Closing Adjustments:	
Allocation of rental revenues pre/post June 14, 2019	(40,761)
Allocation of property taxes pre/post June 14, 2019	(39,574)
Net Proceeds	5,619,761

2) As approved by Order of the Court dated April 26, 2019.

3) Additional interest and penalties accrued subsequent to the issuance of the April 26, 2019 Court Order.

4) United Food Commercial Workers Local 1400 (UFCW) holdback on account of potential costs associated with the early termination of the UFCW lease (expiring March 2021).