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OCT 15 2019
JUDICIAL CENTRE
OF CALGARY

COURT FILE NUMBER 1901-03824
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
IN THE MATTER OF THE RECEIVERSHIP OF SURFACE PRO SERVICES INC., ATKINS KUNTZ CONSTRUCTION GROUP INC. and 2049829 ALBERTA INC.
PLAINTIFF ROYAL BANK OF CANADA
DEFENDANTS SURFACE PRO SERVICES INC., ATKINS KUNTZ CONSTRUCTION GROUP INC. and 2049829 ALBERTA INC.
DOCUMENT **SECOND REPORT OF THE COURT APPOINTED RECEIVER AND MANAGER OF SURFACE PRO SERVICES INC., ATKINS KUNTZ CONSTRUCTION GROUP INC. AND 2049829 ALBERTA INC.**

**DATED OCTOBER 15, 2019
PREPARED BY DELOITTE RESTRUCTURING INC.**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Counsel

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Introduction and background

1. Surface Pro Services Inc. ("**SPS**"), Atkins Kuntz Construction Group Inc. ("**AKC**") and 2049829 Alberta Inc. ("**204**") (collectively, the "**Companies**" or the "**Debtors**") are private companies incorporated in the Province of Alberta on February 16, 2011, September 11, 2012, and June 12, 2017, respectively. SPS performs landscaping and maintenance work for commercial and residential customers. AKC is a concrete company specializing in commercial and residential concrete formwork. 204 owned the land and building located at 8916 44 Street SE, Calgary, Alberta (the "**Real Property**"). SPS and AKC operated out of the yard, shop, and offices (the "**Premises**") located on the Real Property. SPS's and AKC's primary assets include concrete and landscaping equipment, vehicles, tools, accounts receivable, and the land and building located at 37 Anderson Road, St. Peter's, Prince Edward Island (the "**PEI Property**") (collectively, the "**Assets**").
2. The Companies' primary secured lender is the Royal Bank of Canada ("**RBC**") which was owed approximately \$3.27 million by the Debtors as at the Date of Receivership (defined later in this Second Report). RBC holds various registered security over the Assets and Real Property of SPS, AKC, and 204 (the "**RBC Security**") and is the first position secured creditor over the same. The Business Development Bank of Canada also holds registered security over the Assets of SPS and AKC, while Trisura Guarantee Insurance Company holds registered security over the accounts receivable, inventory, equipment, and motor vehicles of SPS.
3. On March 5, 2019, RBC demanded repayment of the loans and issued a notice of intention to enforce security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.
4. On March 15, 2019, RBC made an application to the Court of Queen's Bench of Alberta (the "**Court**") seeking appointment of Deloitte Restructuring Inc. ("**Deloitte**") as interim receiver over the Debtors (the "**Application**"). The Application was made due to RBC's concerns over the deterioration of the financial condition of the Companies, their inability to make payroll, and the conduct of Management (defined later in this Second Report). The Application was heard by the Honourable Justice K. Yamauchi, and ultimately, an Order was granted adjourning the Application to March 19, 2019 (the "**March 15, 2019 Order**").
5. The March 15, 2019 Order also required the Debtors to: i) provide RBC with proof that all goods and services tax ("**GST**") and payroll source deductions were remitted to the Canada Revenue Agency ("**CRA**") no later than the close of business on March 18, 2019; and ii) provide a list of employees and payroll amounts for the March 15, 2019 pay period.
6. The Debtors failed to provide all the required documentation noted in the March 15, 2019 Order, including but not limited to the proof that all GST and payroll source deductions were remitted to CRA, and on March 19, 2019 (the "**Date of Receivership**"), the Court granted an order (the "**Receivership Order**") appointing Deloitte as receiver and manager (the "**Receiver**") of all of the current and future assets, undertakings and properties of the Companies.
7. The Receivership Order, together with related Court documents and the notices sent to the creditors of the Companies have been posted on the Receiver's website (the "**Receiver's Website**") at <https://www.insolvencies.deloitte.ca/en-ca/Pages/Surface-Pro-et-al.-.aspx>. This Second Report will also be posted on the Receiver's Website after it has been filed with the Court.
8. The Receiver's independent legal counsel, Torys LLP ("**Torys**"), conducted an independent security review, and on April 22, 2019 opined on the validity, enforceability and priority of the RBC Security. This review concluded that RBC holds valid first ranking security over the Real Property and Assets of the Debtors, including the PEI Property held by SPS.

Terms of Reference

9. In Preparing This Second Report, the Receiver has relied upon unaudited financial information prepared by the Debtors' management ("**Management**"), the Debtors' books and records, and discussions with Management. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the information. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this Second Report.
10. Unless otherwise provided, all other capitalized terms not defined in this Second Report are as defined in the First Report.
11. All dollar amounts in this Second Report are in Canadian dollars, unless otherwise indicated.

Purpose

12. The purpose of this Second Report is to:

- a) Provide the Court with an update of the Receiver's activities since the filing of the First Report;
- b) Provide the Court with additional information regarding the marketing and sales process (discussed later in this Second Report); and
- c) Respectfully recommend that this Honourable Court:
 - i. Approve the activities of the Receiver as described in this Second Report, including without limitation, the steps taken by the Receiver pursuant to the Receivership Order;
 - ii. Approve the sale of the PEI property proposed by the Receiver, and authorizing and directing the Receiver to take all steps and actions reasonably necessary to implement, conduct and carry-out the sale; and
 - iii. Provide such further and other relief that the Court considers just and warranted in the circumstances.

Update on the Receiver's activities

14. Since the First Report, the Receiver has undertaken the following activities:

- a) Retained Coldwell Banker Parker Realty ("**Coldwell**" or the "**Realtor**") as listing agent for the PEI Property;
- b) Reviewed offers received and negotiated the extension of the acceptance of offers with several potential purchasers (discussed later in this Second Report);
- c) Corresponded with Torys on various legal matters relating to the PEI Property;
- d) Corresponded with the Realtor on a number of occasions to discuss matters relating to the PEI Property as they arose;
- e) Reviewed receipts and disbursements of the receivership estate, and arranged for payment of various invoices, including payroll for retained employees;
- f) Reviewed vehicle and equipment registrations, and arranged for payout to lessors with valid registration as appropriate;
- g) Oversight of the Mirterra Industrial Appraisers & Auctioneers online auction process that was conducted on September 16, 17, and 18, 2019 (the "**Online Auction**");
- h) Coordinated site maintenance and clean-up at the Companies' owned Premises;
- i) Corresponded with creditors and all other stakeholders;
- j) Administrated receivership estate banking and related transactions and reconciliations;
- k) Updated the Receiver's website for relevant documents;
- l) Secured and reviewed books and records of the Companies;
- m) Updated RBC with respect to the outcome of the Online Auction; and
- n) Addressed additional matters as they arose from time to time.

PEI Property

15. The circumstances in which the Receiver discovered the existence of the PEI Property are set out in the Receiver's First Report to Court.
16. The PEI Property was purchased by SPS on April 26, 2016 from Ms. Olive Cunningham ("**Ms. Cunningham**"), the mother-in-law of Mr. Doug Atkins, a member of Management. The PEI Property was purchased for \$40,000, significantly less than the taxable assessed value of \$85,100 that existed for the subject property at the time.
17. At the Date of Receivership, there were no registrations on title of the PEI Property, with the exception of a Life Interest, as defined below.
18. On August 1, 2019, the Receiver registered its interest on title to the PEI Property. A copy of the confirmation of the Receivership registration is attached hereto as Appendix "**A**".
19. On August 20, 2019, the Receiver engaged Coldwell, and after detailed discussions, the PEI Property was listed for \$139,900 (the "**List Price**"). The List Price was recommended by the Realtor and agreed upon by the Receiver based on the Realtor's 30 plus years of experience in the area and review of similar properties in the area.
20. Two offers were submitted to the Receiver on September 3, 2019 and a third offer was received on September 10, 2019 with two of the offers subsequently revised. All offers put forth were well over the original purchase price of \$40,000.
21. On September 5, 2019, Mr. Doug Atkins (part of Management) by way of his legal counsel Mr. Gene Bodnar, provided Torys with a document purporting to be a right of first refusal ("**ROFR**") granted to Ms. Cunningham on the PEI Property which would allow Ms. Cunningham to buy back the PEI Property at the original purchase price plus 10% interest. A copy of the ROFR is attached hereto as Appendix "**B**".
22. Upon notification of the potential ROFR, the Receiver negotiated an extension of the offer acceptance period with the potential purchasers to allow the Receiver further time to investigate the ROFR and other potential interests registered against the PEI Property. Ultimately, the Receiver allowed the extension to lapse.
23. Upon further investigation, it was confirmed that the ROFR was not registered on title to the PEI Property; as such, the ROFR is of no force and effect on the sale of the PEI Property, as confirmed by local counsel in Prince Edward Island that was retained to investigate, amongst other things, the validity and enforceability of the ROFR.
24. On September 6, 2019, the Receiver contacted legal counsel who facilitated the sale of the PEI Property between Ms. Cunningham and SPS in 2016. At this time, the Receiver was made aware of a life estate deed (the "**Life Interest**") in favour of Ms. Cunningham that was registered on title of the PEI Property.
25. One of the three potential purchasers subsequently amended their offer (the "**Amended MacDougall Offer**") to increase the purchase price over the listing price, and expressed their willingness to acknowledge the Life Interest registered. The Amended MacDougall Offer includes a proposed arrangement wherein Ms. Cunningham would be entitled to up to three weeks access to the PEI Property each summer, scheduled with mutual agreement. The Receiver has been advised that the potential purchasers have discussed their offer and proposed handling of the Life Interest on numerous occasions with Ms. Cunningham. Despite the Receiver's best efforts, the Receiver has

not been able to confirm this with Ms. Cunningham. The Amended MacDougall Offer is attached hereto as Appendix "C".

26. The Amended MacDougall Offer would bring greater value to the receivership estate and would significantly reduce the Companies' indebtedness to RBC. In addition, this offer is acceptable to the holder of the Life Interest registered on the PEI Property, and the potential purchaser is prepared to honour it. It is the Receiver's opinion that the Amended MacDougall Offer is the superior offer, and will maximize liquidation of the PEI Property.

Marketing and sales process

27. Coldwell advertised the PEI Property listing through various methods, as listed below:

- a) Published in the Eastern Graphic, a local newspaper;
- b) Posted on Coldwell's national and provincial websites;
- c) Posted on Kijiji, an online classified advertising service organized by city and urban region, used for posting local advertisements;
- d) Posted on a Multiple Listing Service (MLS) used by a group of real estate brokers; and
- e) Two "for sale" signs were placed outside of the property and on the main road leading up to the property.

28. Noteworthy terms of the Amended MacDougall Offer are as follows:

- a) A purchase price of \$150,400;
- b) The closing date has been revised from October 16, 2019 to November 13, 2019;
- c) The Amended MacDougall Offer provides for a \$26,000 deposit;
- d) The PEI Property is being sold to the purchaser on an "as is, where is" basis with no representations or warranties;
- e) The purchaser acknowledges the Life Interest registered against the PEI Property;
- f) The purchase price is the greatest offer on the PEI property received, and is in excess of the list price; and
- g) The sale of the PEI Property is subject to Court approval.

29. As part of the negotiation process with respect to the PEI Property, the Receiver consulted with Coldwell, Torys and RBC's counsel, and is satisfied that the Amended MacDougall Offer is commercially reasonable in the circumstances.

Conclusions and recommendations

30. Based on the foregoing, the Receiver respectfully requests the Court grant an Order:

- a) Approving the reported actions of the Receiver to date in respect of administering these receivership proceedings;
- b) Approving the sale of the PEI Property and the actions taken by the Receiver with respect to the sale of the PEI Property as outlined in this Second Report; and
- c) Providing such further or other relief that the Court considers just and warranted in the circumstances.

* * *

All of which is respectfully submitted at Calgary, Alberta this 15th day of October, 2019.

DELOITTE RESTRUCTURING INC.,

solely in its capacity as Court-appointed Receiver and
Manager of Surface Pro Services Inc., Atkins Kuntz
Construction Group Inc. and 2049829 Alberta Inc.,
and not in its personal or corporate capacity

Per:



Ryan Adlington, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDICES

Appendix "A"

1308

COURT FILE NUMBER 1901- 03824
 COURT COURT OF QUEEN'S BENCH OF ALBERTA
 JUDICIAL CENTRE Calgary
 PLAINTIFF ROYAL BANK OF CANADA
 DEFENDANTS SURFACE PRO SERVICES INC., ATKINS
 KUNTZ CONSTRUCTION GROUP INC.,
 2049829 ALBERTA INC., DOUGLAS
 ATKINS, DAVID KUNTZ and ROGER
 LEADER



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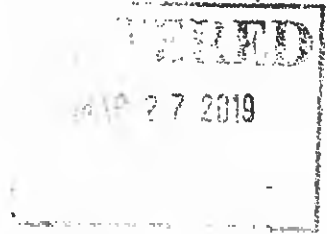
DOCUMENT RECEIVERSHIP ORDER

I hereby certify this to be a true copy of
 the original Receivership Order

Dated this 24 day of July, 2019

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
 Robyn Gurofsky
 Borden Ladner Gervais LLP
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 Email: rgurofsky@blg.com
 File No. 404600.000764

Mr. Gurofsky
 for Clerk of the Court



DATE ON WHICH ORDER WAS PRONOUNCED: March 19, 2019

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice K. Yamauchi

UPON the Application of the Royal Bank of Canada (the "Bank"), in respect of Surface Pro Services Inc. ("SPS"), Atkins Kuntz Construction Group Inc. ("AKC") and 2049829 Alberta Inc. ("204") (SPS, AKC and 204 are collectively referred to herein as the "Debtor"); AND UPON having read the Application and the Affidavit of Josh Coonan, sworn on March 12, 2019, filed; AND UPON having read the consent of Deloitte Restructuring Inc. to act as receiver and receiver-manager (the "Receiver") of the Debtor, filed; AND UPON hearing counsel for the Bank, and any other interested party present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and service thereof is deemed good and sufficient.

APPOINTMENT

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**"), and sections 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, and 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c.P-7, Deloitte Restructuring Inc. (the "**Receiver**") is hereby appointed receiver and receiver-manager, without security, of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. 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 Debtor, 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 Debtor;
 - (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 machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (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 Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) 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 Debtor, 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, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court.
- (k) to market any or all 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.
- (l) 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 \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; 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 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (m) to apply for any vesting order or other orders (including without limitation, confidentiality or sealing 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;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate 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;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity;
- (p) 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 Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. (i) The Debtor, (ii) all of its 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 (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver’s request.
5. 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 Debtor, 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 documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
6. 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.

NO PROCEEDINGS AGAINST THE RECEIVER

7. 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 DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor 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 Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a Regulatory Body’s investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. “**Regulatory Body**” means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

NO EXERCISE OF RIGHTS OF REMEDIES

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtor or the Receiver or affecting the Property are hereby stayed and suspended and shall not be

commenced, proceeded with or continued except with 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 Order shall:

- (a) empower the Debtor to carry on any business that the Debtor is not lawfully entitled to carry on;
 - (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien; or
 - (d) exempt the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment.
10. Nothing in this Order shall prevent any party from taking an action against the Debtor where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

NO INTERFERENCE WITH THE RECEIVER

11. No Person shall accelerate, suspend, 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 Debtor, except with the written consent of the Debtor and the Receiver, or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract (as defined in the BIA) from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
 - (b) oral or written agreements or arrangements with the Debtor, 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 Debtor

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtor or exercising any other remedy provided under such agreements or arrangements. The Debtor shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtor in accordance with the payment practices of the Debtor, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtor and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. 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. Subject to employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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*, S.C. 2005, c.47 ("**WEPPA**").

15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
 - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of

the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:

- A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
- (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,
- A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge

(the "Receiver's Charge") on the Property, which charge shall not exceed an aggregate amount of \$250,000 as security for their professional fees and disbursements, incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.

19. The Receiver and its legal counsel shall pass their accounts from time to time.
20. 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 the legal fees and disbursements, incurred at the normal 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. 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 \$250,000 (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, deemed 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 set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
22. 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.

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, to grant representative status of the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

31. 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. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs and a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
33. Any interested party may apply to this Court to vary or amend this Order on not less than 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.

FILING

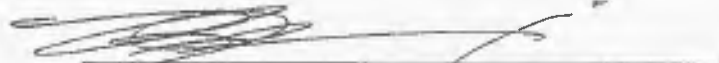
34. The Receiver shall establish and maintain a website in respect of these proceedings at <http://www.insolvencies.deloitte.ca/en-ca/Pages/Search-Insolvencies.aspx> and shall post there as soon as practicable:
 - (a) all materials prescribed by statute or regulation to be made publically available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
35. Service of this Order shall be deemed good and sufficient by:
 - (a) serving the same on:

- (i) the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
- (ii) any other person served with notice of the application for this Order;
- (iii) any other parties attending or represented at the application for this Order;
and

(b) posting a copy of this Order on the Receiver's Website,

and service on any other person is hereby dispensed with.

36. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.


Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver and receiver and manager (the "Receiver") of all of the assets, undertakings and properties of Surface Pro Services Inc., Atkins Kuntz Construction Group Inc. and 2049829 Alberta Inc. appointed by Order of the Court of Queen's Bench of Alberta (the "Court") dated the ____ day of March, 2019 (the "Order") made in action number 1901-_____, 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 [S] 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 the 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 (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, 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 defined in the Order) 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 _____, 2019

DELOITTE RESTRUCTURING INC., solely
in its capacity as Receiver of the Property (as

defined in the Order), and not in its personal capacity

Per: _____
Name:
Title:

Receivership Order

Charity Hogan
Cox & Palmer
97 Queen Street, Suite 600
Charlottetown, PE
File; 20044769-00001

**CERTIFICATE OF REGISTRATION OF
DUPLICATE INSTRUMENT**

**THIS DOCUMENT has not been examined, but
purports to be a duplicate of an instrument registered**

The 1st Day of Aug A.D., 2019, as

Doc # 1308

In Kings County Registry Office

Book 2189

Fee: 77.25


ASST REGISTRAR

Appendix "B"

March 1, 2016

Purchase Agreement for:

37 Anderson Road
St. Peters Bay, PE
C0A 2A0

Between: Olive Cunningham (Seller) and Doug and Dianne Atkins (daughter of Seller) representing Surface Pro Services. The sale price of \$40,000.00 will be accepted with the following considerations and conditions as it is underpriced and gifted to family:

While Olive Cunningham (Seller) is still alive, she will have first right of selecting what dates for using the cottage every year.

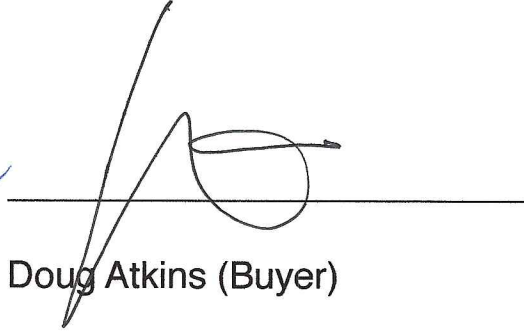
If Olive Cunningham chooses she may purchase back the cottage for the original price plus 10% interest per calendar year.

The purpose of the purchase of 37 Anderson Road is to reward employees and others, giving them the opportunity to experience Maritime hospitality and culture.

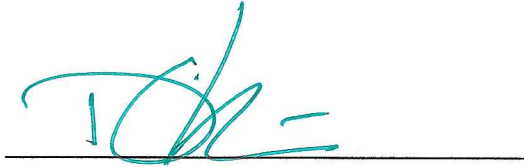
This property is not to be used as collateral, or to be used as a company asset. In the event of a dispute, the property will be assumed by Dianne Atkins in the way of a shareholders loan.



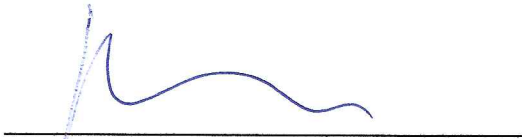
Olive Cunningham (Seller)



Doug Atkins (Buyer)



Dianne Atkins (Buyer)



John Cameron (Witness)

Appendix "C"

Dated October 7, 2019

Property address 37 Anderson Road, St. Peter's COA2A0

PID # 886747

Buyer C. Wayne MacDougall & Rebecca MacDougall

Seller Deloitte Restructuring Inc. in its capacity as court appointed receiver and manager of Surface Pro Services Inc. and not in its personal capacity.

Date of original Agreement of Purchase and Sale (the "Original Agreement") September 21, 2019

It is hereby understood and agreed between the undersigned parties that the following changes shall be made to the above noted Original Agreement and except for such changes noted below all, other terms and conditions in the Original Agreement shall remain as stated therein. Any amendments contemplated in this Amendment shall not be binding upon the parties unless duly executed by all parties hereto.

DELETE:

1. Completion Date: October 16th, 2019
2. Pre Close Viewing: October 15th, 2019
3. Title Search deadline October 9th, 2019

INSERT:

1. Closing date to be November 13th, 2019
2. Pre-Close Viewing to be November 12th, 2019
3. Title search deadline: November 8th, 2019

Dated at Alberton PEI USA this 8 day of October 2019

Witness Rebecca MacDougall

Buyer C. Wayne MacDougall

Witness C. Wayne MacDougall

Buyer Rebecca MacDougall

Dated at Calgary this 9th day of October 2019

Witness [Signature]

Seller [Signature]

Witness

Seller per: Ryan Adlington, Senior Vice President

PID# 886747



PRINCE EDWARD ISLAND
REAL ESTATE ASSOCIATION
SCHEDULE A



Address 37 Anderson Road St Peters COA 2A0

This Schedule is attached to and forms part of the Agreement between:

The Buyer C. Wayne MacDougall & Rebecca MacDougall

And

The Seller Deloitte Restructuring Inc. *in its capacity as court appointed receiver and manager of Surface Pro Services Inc. and not in its personal capacity.*

for the purchase and sale of

REAL PROPERTY:

Address 37 Anderson Road St Peters COA 2A0
and being parcel 886747 or part of parcel number _____

dated the 21 day of September, 2019 ("this Agreement").

The Parties agree that this Agreement is subject to the following terms and conditions:

We agree to work with the "LIFE ESTATE HOLDER" so that she may use the cottage. We would make the cottage available to the Life Estate Holder for up to three weeks each summer, scheduled with mutual agreement. Mutually agreed on vacation time will be granted to the Life Estate, upon release of the property.

Court approval, currently scheduled for Oct 25, 2019 *MA* *DBK*
am

- FINANCING:** This Agreement is conditional upon the Buyer obtaining financing on or before 5 p.m. the _____ day of _____, 20____, (the "Financing Deadline") at his or her own expense. Unless the Buyer provides written confirmation to the Seller, in accordance with this Agreement and not later than the Financing Deadline, that this condition has been fulfilled this Agreement shall become null and void and the deposit shall be returned to the Buyer in full without interest or penalty. This condition is inserted for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller, as aforesaid, before the Financing Deadline.
- HOME INSPECTION:** This Agreement is conditional upon a home inspection being carried out, satisfactory to the Buyer, on or before 5 p.m. the _____ day of _____, 20____ (the "Inspection Deadline"). Unless the Buyer provides written confirmation to the Seller, in accordance with this agreement, not later than the Inspection Deadline that this condition is fulfilled, this Agreement shall become null and void and the deposit shall be returned to the Buyer in full without any interest or penalty. The Seller hereby agrees to provide reasonable access to the Property, if necessary, for any inspection of the Property required for the fulfillment of this condition. This condition is inserted for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller, as aforesaid, before the Inspection Deadline.
- PROPERTY INSURANCE:** This Agreement is conditional upon the Buyer arranging insurance for the Property satisfactory to the Buyer in his or her sole discretion on or before 5 p.m. the _____ day of _____, 20____ (the "Insurance Deadline"). Unless the Buyer provides written confirmation to the Seller, in accordance with this Agreement, not later than the Insurance Deadline that this condition is fulfilled, this Agreement shall become null and void and the deposit shall be returned to the Buyer in full without interest or penalty. The Seller hereby agrees to provide reasonable access to the Property, if necessary, for any inspection of the Property required for the fulfillment of this condition. This condition is inserted for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller, as aforesaid, before the Insurance Deadline.
- FUEL TANK:** The Seller shall replace, at the Seller's expense, the fuel tank(s) on the Property if written confirmation that the Buyer's insurance company has deemed the fuel tank(s) not insurable is provided by the Buyer to the Seller, in accordance with this Agreement, before the Insurance Deadline. Any oil tank is to have been inspected and any vent pipe tagged in accordance with provincial regulations at the Seller's expense.

PS Sellers Initials
Carina Buyers Initials

PID# 886747

Address 37 Anderson Road

St Peters

COA 2A0

5. **SALE OF THE PURCHASERS PROPERTY:** This Agreement is conditional upon the unconditional sale of the Buyer's property located at _____ or before 5 p.m. the _____ day of _____ 20____ (the "Sale Deadline"). If this condition is not met by the Sale Deadline, this Agreement shall become null and void and the deposit shall be returned to the Buyer in full without interest or penalty. Provided further that until the Sale Deadline the Seller may continue to list the Property for sale and in the event that the Seller receives another offer that is acceptable to him or her (the "Second Offer"), the Seller shall notify the Buyer or the Buyer's agent in writing that the Buyer has _____ hours from the time of receipt of such notice to waive this condition by written notice, in accordance with this Agreement, failing which the Seller shall be at liberty to accept the Second Offer, and this Agreement shall be null and void and the Buyer's deposit shall be returned in full without interest or penalty.
6. **WATER QUALITY TEST REPORT:** This Agreement is conditional upon the Seller providing a Water Quality Test Report from the Environment Division of the Prince Edward Island Department of Communities, Land and Environment, or the successor thereto, confirming that the drinking water at the Property meets the recommended health standards for the Government of Canada with respect to bacteriological and chemical analysis (a "Clear Test") to the Buyer before the Completion Date. Should the Water Quality Test Report not meet the Government of Canada recommended health standards, the Seller may perform such work at his or her expense as may be required to obtain a Clear Test. If the Seller is not able to obtain a Clear Test prior to the Completion Date, this Agreement shall be null and void and the Buyer's deposit money shall be returned in full without interest or penalty. The Seller shall ensure that all water tests are sampled by a third party who does not have a vested interest in the sale of the Property.
7. **SEPTIC SYSTEM:** This Agreement is subject to the Buyer having the septic system on the Property pumped and inspected, at his or her expense, not later than 5pm on the _____ day of _____ 20____ (the "Septic Inspection Date"). The Seller shall ensure that the septic tank cover is accessible and exposed for pumping. The Buyer will give the Seller 48 hours' notice of the date and time that the pumping and inspection will take place. Unless the Buyer provides written confirmation to the Seller in accordance with this Agreement, not later than the Septic Inspection Date, that this condition is fulfilled, this Agreement shall become null and void and the deposit shall be returned to the Buyer in full without interest or penalty. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller before the Septic Inspection Date.

8. **PROPERTY CONDITION DISCLOSURE STATEMENT ("PCDS")** Buyer to select and initial one below:

- The Buyer acknowledges receiving a current and signed copy of the Property Condition Disclosure Statement ("PCDS") from the Seller and is hereby deemed to be satisfied with the contents thereof. The PCDS is attached to and forms part of this Agreement. Buyer[s] initials: _____
- The Buyer did not receive a current and signed copy of the Property Condition Disclosure Statement ("PCDS") from the Seller. Buyer[s] initials: Ron/Carol

Dated at _____ this 21 day of September 2019

Rebecca
Witness

C. Wayne MacSargall
Buyer

C. Wayne MacSargall
Witness

Rebecca
Buyer

Dated at Calgary this 7 day of October 20____

Surbhi Sikka
Witness

R. Agre
Seller

[Signature]
Witness

Deloitte Restructuring in its capacity as Court appointed receiver and manager of Surtees Pro Surtees.
Seller



PRINCE EDWARD ISLAND REAL ESTATE ASSOCIATION AGREEMENT OF PURCHASE AND SALE



Address 37 Anderson Road St Peters COA 2A0

This Agreement of Purchase and Sale dated this 21 day of September 2019

BUYER C. Wayne MacDougall & Rebecca MacDougall ("the Buyer"), agrees to purchase from Seller Deloitte Restructuring Inc. in its capacity as court appointed receiver and manager of Surrogate Pro Services Inc. and not in its personal capacity ("the Seller"), the following

REAL PROPERTY: Address 37 Anderson Road St Peters COA 2A0

and being parcel number 886747 or part of parcel number (complete one) (the "Property")

PURCHASE PRICE: One Hundred Fifty Thousand Four Hundred Dollars (CDN) \$150,400.00 Dollars (CDN) (the "Purchase Price").

HST: If the sale of the Property is subject to Harmonized Sales Tax ("HST"), then such tax shall be

- included in The Seller's Initials The Buyer's Initials
in addition to The Seller's Initials The Buyer's Initials
to be determined The Seller's Initials The Buyer's Initials

the Purchase Price. If the sale of the Property is not subject to HST, the Seller agrees to certify on or before closing that the sale of the Property is an exempt supply under the Excise Tax Act (Canada). Any HST on chattels, if applicable, is not included in the Purchase Price.

DEPOSIT: The Buyer submits upon acceptance [select one] 26,000.00 Dollars (CDN) by legal tender payable to the agent of the Seller COLDWELL BANKER/PARKER REALTY MONTAGUE (the "Seller's Agent") to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.

The Buyer agrees to pay the balance of the Purchase Price on the acceptance of title and delivery of conveyance.

The Buyer is aware that land transfer tax may be applicable to this transaction pursuant to the Real Property Transfer Tax Act of Prince Edward Island.

SCHEDULE(S) A and Limited Dual Agency attached hereto are incorporated herein by reference and form part of this Agreement.

- 1. COMPLETION DATE: This Agreement shall be completed on or before 5 p.m. (AST) the 16 day of October 2019 (the "Completion Date").
2. PRECLOSE VIEWING: The Buyer shall have the right to conduct a pre-closing viewing of the Property at 37 Anderson Road St Peters COA 2A0 the 10 day of October 2019. The Seller agrees to provide access to the Property for the purpose of this viewing.

Sellers Initials Buyers Initials

PID# 886747



PRINCE EDWARD ISLAND
REAL ESTATE ASSOCIATION
AGREEMENT OF PURCHASE AND SALE



Address 37 Anderson Road

St Peters

COA 2A0

3. **FIXTURES/CHATELS:** Unless otherwise stated in this Agreement, the chattels and the fixtures being transferred as part of this Agreement are the property of the Seller and the Seller agrees to convey all chattels and fixtures included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels. The Purchase Price includes all permanent fixtures and appurtenances attached to and belonging to the Property as viewed on 9 day of September, 2019 including, but not limited to, light fixtures, wall-to-wall carpet, curtain rods, drapery hardware, blinds, television wall mounts and built-in appliances as well as the following chattels

4. **RENTAL/LEASED ITEMS:** The following chattels and/or equipment are rented or leased and not included in the Purchase Price. The Buyer may assume the rental/lease contract(s), in his or her sole discretion, for the following chattels and/or equipment, if assumable, and where applicable the Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption:

5. **TITLE SEARCH:** The Buyer shall be allowed until 5 p.m. the 9 day of October, 2019 (the "Requisition Date") to examine the title to the Property at the Buyer's own expense. If, within that time, any valid objection to title is made in writing to the Seller, his or her solicitor or agent, which the Seller shall be unable or unwilling to remove within 4 days, and which the Buyer will not waive, or it is discovered by the Buyer that the present use of the property cannot be lawfully continued, at the option of the Buyer this Agreement shall, notwithstanding any intermediate acts or negotiations in respect of such objections, be null and void, and the deposit shall be returned to the Buyer. Save as to any valid objections made by the Buyer within such time, the Buyer shall be conclusively deemed to have accepted the Seller's title to the Property. The Seller hereby agrees to provide, upon request, documentation from the municipality or any other governmental agency affecting the Property as the Buyer may reasonably require.

6. **FUTURE USE:** Unless specifically provided for in this Agreement, the Seller and the Buyer agree that there is no representation or warranty of any kind that the intended use of the Property by the Buyer is or will be lawful.

7. **DOCUMENTS:** The Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the Property except such as are in the possession or control of the Seller. If requested by the Buyer, the Seller will deliver any sketch, plot plan, surveyor's certificate or survey of the Property within the Seller's control to the Buyer as soon as possible and prior to the Requisition Date but will not guarantee its use.

8. **INSURANCE:** All buildings on the Property and all other items being purchased under this Agreement shall be and remain until completion at the risk of the Seller. Pending completion, the Seller shall hold all insurance policies, if any, including any proceeds thereof, in trust for the Parties as their interests may appear and in the event of material damage to the Property the Buyer, in his or her sole discretion, may terminate this Agreement and have all monies paid returned without interest or deduction, or accept the proceeds of any insurance and complete the purchase.

9. **DOCUMENT PREPARATION:** The conveyance of the Property which is the subject of this Agreement shall be by a deed with the usual statutory covenants on Prince Edward Island form, drawn at the expense of the Buyer to be delivered by the Seller on payment of the Purchase Price on the Completion Date. The Property is to be conveyed free of all liens and encumbrances. The Seller will ensure, at the time of closing, that the provisions of the Family Law Act of Prince Edward Island have been satisfied.

Sellers Initials
Buyers Initials

PID# 886747



PRINCE EDWARD ISLAND
REAL ESTATE ASSOCIATION
AGREEMENT OF PURCHASE AND SALE



Address 37 Anderson Road

St Peters

COA 2A0

10. **RESIDENCY:** In the event the Seller is a non-resident of Canada the Seller shall obtain and provide to the Buyer a non-resident certificate of compliance from Canada Revenue Agency (the "Certificate of Compliance") in accordance with the provisions of the Income Tax Act of Canada.

11. **ADJUSTMENTS:** Any rents, deposits, mortgage interest, realty taxes including local improvement rates and public or private utility charges, and cost of fuel, as applicable, shall be adjusted on the Completion Date.

12. **PROPERTY ASSESSMENT:** Each of the Buyer and the Seller hereby acknowledges that the Property may be re-assessed retroactively for determining property taxes payable on the Property. Each of the Buyer and the Seller agree that no claim will be made against the other, or any brokerage, broker or salesperson, for any changes in the amount of the property tax as a result of a re-assessment of the Property, save and except for the amount of any property taxes that accrued prior to the Completion Date.

13. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing any matter provided for herein may be extended or abridged by agreement in writing signed by the Seller and the Buyer or by their respective lawyers.

14. **TENDER:** Any tender of documents or money hereunder may be made upon the Seller or the Buyer or their respective lawyers. Money shall be tendered by certified cheque, bank draft, wire transfer or lawyer's trust cheque.

15. **UFFI/ASBESTOS:** The Seller represents and warrants to the Buyer that during the time the Seller has owned the Property the Seller has not caused any building on the Property to be insulated with insulation containing urea formaldehyde and/or asbestos, and that to the best of the Seller's knowledge no building on the Property contains or has ever contained insulation that contains urea formaldehyde and/or asbestos. This warranty shall survive the completion of this transaction. If the Property is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.

16. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The Parties acknowledge that any information provided by their respective brokerages is not legal, tax or environmental advice.

17. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provisions added to the standard form of this Agreement (including in any Schedule and/or Property Condition Disclosure Statement attached hereto) and the provision as contained in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement shall constitute the entire Agreement between the Buyer and the Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, the Seller means the Seller and the Buyer means the Buyer. This Agreement shall be read with all changes of gender or number required by the context.

18. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the Property is located.

19. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

20. **PERIOD FOR ACCEPTANCE:** This offer shall be open for acceptance until 4 p.m. on the 18th day of October, 2019 after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest (if applicable).

MS Sellers Initials
CM Buyers Initials

PID# 836747

Address 37 Anderson Road

St Peters

COA 2A0

21. NOTICES: The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a separate brokerage has entered into a representation agreement with the Buyer (the "Selling Brokerage"), the Buyer hereby appoints the Selling Brokerage as agent for the Buyer for the purpose of giving and receiving notices pursuant to this Agreement. Where a brokerage represents both the Seller and the Buyer (dual agency), the Listing Brokerage shall be appointed and authorized to act as agent for both the Buyer and the Seller for the purpose of giving and receiving notices. Unless otherwise expressly provided for herein, any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein including in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement (any of them, "Document") shall be deemed given and received when delivered personally to the Address for Service below during normal business hours or, where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number during normal business hours or by email anytime, and in either case, the signature(s) of the party (parties) on the electronically transmitted documents shall be deemed to be original.

FAX No. (902) 838-5082
(For delivery of Documents to the Seller Representative)

Email Address: sharon@parkerrealty.ca
(For delivery of Documents to the Seller Representative)

Address for Service: 530 MAIN STREET
MONTAGUE
COA 1R0
(For delivery of Documents to the Seller Representative)

FAX No. (902) 838-5082
(For delivery of Documents to the Buyer Representative)

Email Address: sharon@parkerrealty.ca
(For delivery of Documents to the Buyer Representative)

Address for Service: 530 MAIN STREET
MONTAGUE
COA 1R0
(For delivery of Documents to the Buyer Representative)

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I/we have hereunto set my hand and seal:

Reuben Gm
(Witness)

C. Wayne MacFarland
(the Buyer)

DATE: 9/21/2019

C. Wayne MacFarland
(Witness)

Reuben Gm
(the Buyer)

DATE: 9/21/2019

To be completed by the listing agent, if applicable:

The undersigned accepts the above offer and agrees with the agent named below to pay him on the Completion Date the commission agreed to pursuant to the listing agreement plus applicable HST or _____ which commission and applicable HST may be deducted from the deposit, in consideration for his or her services in procuring the said Offer, and hereby irrevocably instructs his or her solicitor to pay directly to the Agent any unpaid balance of commission from the proceeds of this sale.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I/we have hereunto set my hand and seal:

Surbhi Sikka
(Witness)

White Rock Contracting Inc. in its capacity as contractor and receiver and manager of surface pro services Inc. and not as its personal capacity.
(the Seller)

DATE: _____

[Signature]
(Witness)

R. G. [Signature]
(the Seller)

DATE: 04 7, 2019

Sellers Initials
 Buyers Initials

PID# 886747



LIMITED DUAL AGENCY AGREEMENT

[For use with Seller and/or Buyer Brokerage Agreements]



This Agreement is Between:

The Buyer:

and

The Seller:

Name C. Wayne MacDougall & Rebecca MacDougall

Name Deloitte Restructuring Inc. *in its capacity as court*

Name Rebecca MacDougall

appointed receiver and manager of surface
Pro Services Inc. and not in its personal capacity.

Address 327 W Prairie Ave., Wheaton, IL

Address 700 850 2 Street, SW Calgary

60187 USA

AB T2 P0R8

(postal code)

(postal code)

and

The Brokerage:

Name COLDWELL BANKER/PARKER REALTY MONTAGUE

Address 530 MAIN STREET

MONTAGUE

COA 1R0

Phone (902) 838-2888

Fax (902) 838-5082

Email _____

(postal code)

The Salesperson(s):

Name SHARON RILEY

Name Sharon Riley

THIS AGREEMENT IS ENTERED INTO BY THE BUYER, THE SELLER AND THE BROKERAGE WITH RESPECT TO THE PROPERTY KNOWN AS: 37 Anderson Road

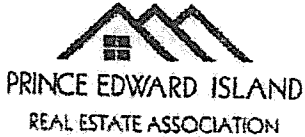
St Peters COA 2A0

(the Property) ON THE BASIS OF THE FOLLOWING FACTS:

- The Buyer is interested in purchasing, and the Seller is interested in selling, the Property;
- The Brokerage concurrently represents both the Buyer and the Seller;
- Such concurrent representation of both the Buyer and the Seller by the Brokerage prevents it from discharging the fiduciary obligations owed to the Buyer and the Seller respectively and, in particular, the obligations:
 - ❖ of utmost loyalty to the Buyer and to the Seller;
 - ❖ to act solely in the best interests of the Buyer and of the Seller;
 - ❖ to avoid all conflicts of interest including conflicts that may arise between the interests of the Buyer and of the Seller;
 - ❖ of full disclosure of all facts that may influence the decisions of the Buyer or of the Seller; and
 - ❖ to maintain the confidentiality of information obtained from the Buyer or from the Seller;
- Such concurrent representation by the Brokerage is only permitted by law with the fully informed and voluntary consent of both the Buyer and the Seller;
- The Buyer and the Seller have read the "Working With A Real Estate Agent" brochure and this Agreement, and have been given the opportunity to seek further information and independent advice concerning Limited Dual Agency representation and other relationships discussed therein;

THEREFORE THE BUYER AND THE SELLER CONSENT AND AGREE TO their continued representation by the Brokerage now acting in the capacity of Limited Dual Agent, on the following terms:

1. **Impartiality:** The Brokerage will treat the interests of both the Buyer and the Seller in a neutral, fair, objective and impartial manner.
2. **Reasonable Care and Skill:** The Brokerage will exercise reasonable care and skill in the performance of its mandate under this Agreement.
3. **Accuracy of Information:** The Brokerage will not negligently or knowingly give false or misleading information to the Buyer or the Seller.
4. **Instructions:** The Brokerage will obey the instructions of the Buyer or the Seller to the extent that they are consistent with the other terms of this Agreement.



PRINCE EDWARD ISLAND
REAL ESTATE ASSOCIATION
AGREEMENT OF PURCHASE AND SALE



Address 37 Anderson Road St Peters COA 2A0

REJECTION: I hereby confirm this offer was presented and rejected at _____ a.m./p.m. this _____ day of _____, 20_____

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I/we have hereunto set my hand and seal:

(Witness) _____ (the Seller/the Buyer) _____ Date: _____

(Witness) _____ (the Seller/the Buyer) _____ Date: _____

COUNTER OFFER: I hereby provide a counter offer to this Agreement dated the _____ day of _____, 20_____

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I/we have hereunto set my hand and seal:

(Witness) _____ (the Seller/the Buyer) _____ Date: _____

(Witness) _____ (the Seller/the Buyer) _____ Date: _____

LAWYER[S] INFORMATION

Seller Lawyer: _____

Telephone: _____ Fax: _____ Email: _____

Buyer Lawyer: _____

Telephone: _____ Fax: _____ Email: _____

INFORMATION ON BROKERAGE[S]

Listing Brokerage: COLDWELL BANKER/PARKER REALTY MONTAGUE

Telephone: (902) 838-2888 Fax: (902) 838-5082 Email: sharon@parkerrealty.ca

Selling Brokerage: COLDWELL BANKER/PARKER REALTY MONTAGUE

Telephone: (902) 838-2888 Fax: (902) 838-5082 Email: sharon@parkerrealty.ca

PID# 886747

14. This Agreement:

- (i) No amendment to the terms of this Agreement shall be effective unless it is in writing and signed by the Buyer, the Seller and the Brokerage.
- (ii) If there is conflict or discrepancy between any provision added to this Agreement and any provision in the standard pre-set portion hereof, the added provision will supersede the standard pre-set provision to the extent of such conflict or discrepancy.
- (iii) Subject to clauses 12 and 13, this Agreement will constitute the entire agreement between the Buyer, the Seller and the Brokerage, and there are no representations, warranties, collateral agreements or conditions, which affect this Agreement other than as expressed herein.
- (iv) This Agreement will be read with all changes of number required by the context.

SIGNED AND DELIVERED

this 21 day of September, 2019

Signature of Buyer: C. Wayne MacDougall

Printed Name: C. Wayne MacDougall & Rebecca MacDougall

Signature of Witness: Rebecca MacDougall

Signature of Buyer: Rebecca MacDougall

Printed Name: Rebecca MacDougall

Signature of Witness: C. Wayne MacDougall

SIGNED AND DELIVERED

this 23 day of September, 2019

Brokerage Representative Signature: Sharon Pirey

Signature of Witness: Sharon Pirey

15. Acknowledgement: The Buyer and the Seller, having both received and read this Agreement and the "Working With A Real Estate Agent" brochure and having been given the opportunity to request further information concerning this Agreement and the representation relationship described therein and in the "Working With A Real Estate Agent" brochure, acknowledge that:

- (i) this Agreement accurately sets out the terms agreed to by the Buyer, the Seller and the Brokerage; and
- (ii) the Buyer and the Seller have both received a true copy of this Agreement.

SIGNED AND DELIVERED

this 7 day of October, 2019

Signature of Seller: [Signature]
in its capacity as Court Appointed Receiver and manager of Subject to Services Inc. and not in its personal capacity.

Printed Name: Deloitte Restructuring Inc. Services Inc. and not in its personal capacity.

Signature of Witness: [Signature]

Signature of Seller: _____

Printed Name: _____

Signature of Witness: _____

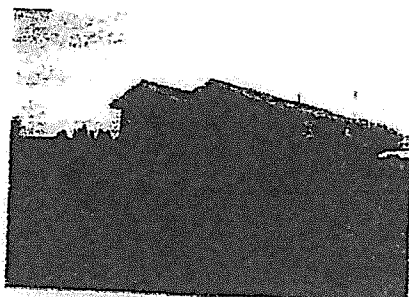
SIGNED AND DELIVERED

this 23 day of September, 2019

Brokerage Representative Signature: Sharon Pirey

Signature of Witness: _____

5. **Non-Disclosure of Certain Information:** The Brokerage will not disclose, without the informed written consent of the Buyer or the Seller, as the case may be:
- that the Buyer may be prepared to offer a higher price or terms other than those contained in the offer to purchase;
 - that the Seller may be prepared to accept a lower price or terms other than those contained in the Seller Brokerage Agreement;
 - the motivation of the Buyer or the Seller for wishing to respectively purchase or sell the Property; and
 - subject to clause 6 of this Agreement, personal information relating to the Buyer or the Seller and other information disclosed at any time in confidence by either to the Brokerage.
6. **Disclosure of Certain Information:** The Brokerage will disclose:
- to the Buyer, all material latent defects affecting the Property known to the Brokerage; and
 - to the Seller, all material facts relevant to the Buyer's ability to purchase the Property known to the Brokerage.
7. **Inspections and Inquiries:**
- The Brokerage will not, for the Buyer:
 - conduct an independent inspection of the Property, nor
 - in the absence of instructions from the Buyer, arrange or decide on arrangements for an inspection of the Property by another; nor
 - verify the accuracy or completeness of any information supplied or statements made by the Seller concerning the Property
 - The Brokerage will not, for the Seller:
 - conduct an independent inquiry into the financial status of the Buyer; nor
 - verify the accuracy or completeness of any financial information supplied by the Buyer.
8. **No Attribution of Knowledge:** The Brokerage's knowledge concerning the Buyer or the Seller will not be attributed or assumed to be known to either party or to the Brokerage.
9. **Vicarious Liability:** Neither the Buyer nor the Seller will be vicariously liable (that is, legally responsible) to the other for acts of the Brokerage.
10. **Facilitation Services:**
- The Brokerage will:
 - present to the Buyer and the Seller, in a timely manner, all offers and counter-offers to and from either regardless of whether the Property is already the subject of a contract;
 - convey to the Buyer and the Seller, in a timely manner, all information that either wishes to have communicated to the other;
 - keep the Buyer and the Seller informed regarding the progress of the transaction;
 - comply with the provisions of the Real Estate Trading Act, its regulations and the By-Law of the PEI Real Estate Commission.
 - The Brokerage will also perform for the Buyer and the Seller all necessary facilitation services, (that is, those services needed to assist the Buyer and the Seller to complete a transaction that do not require the exercise of discretion or judgment, or the giving of confidential advice or advocating on behalf of either the Buyer or the Seller) and will, when requested by the Buyer or the Seller:
 - provide real estate statistics and information on property including comparable property information available through listing services or other local data bases;
 - provide standard form Agreements of Purchase and Sale and other documents and assist in their preparation in accordance with the instructions of the Buyer or the Seller;
 - provide the names of real estate appraisers, surveyors, building inspectors, lenders, insurance agents, architects, engineers and the like, but the Brokerage will not recommend any particular professional.
11. **Brokerage's Responsibility:**
- The Brokerage will ensure that the member(s) of the Brokerage providing Limited Dual Agency services to the Buyer and the Seller under this Agreement:
 - complies with the Brokerage's policies and procedures governing Limited Dual Agency; and
 - treats the interests of both the Buyer and the Seller in a neutral, fair, objective and impartial manner.
 - The Brokerage will supervise the member of the Brokerage and support staff providing Limited Dual Agency services to the Buyer and the Seller to ensure that they properly fulfill this Agreement.
 - The Brokerage will hold all monies received in respect of the transaction in trust in accordance with the provisions of the Real Estate Trading Act.
12. **Brokerage Remuneration:** The Buyer and/or the Seller will remunerate the Brokerage in accordance with the terms of the Buyer Brokerage Agreement and the Seller Brokerage Agreement with the Brokerage respectively.
13. **Prior Agreements:** With the exception of clauses 2.A and 2.B in the Buyer Brokerage Agreement and 4.A and 4.B in the Seller Brokerage Agreement, which clauses specify the Brokerage's mandate, the rights and obligations of the Buyer, the Seller and the Brokerage will be determined in accordance with those agreements.



Listing Price \$139,900
MLS # 201920962
Region Eastern PEI
Province PE
Postal Code COA 2A0
List Date 8/23/2019
Glass Residential
Type Cottage / Rec. Properties
LotSize .69 acra
ApxTAcres
SqFootage 994
BLASqFest 0
TFinSqFt 994

PID # 886747
PID #2
Zoning Res
Tax Amount 2019.70
Tax Year 2019
Assessment \$101,300
Assessment Year 2019
Occupancy Vacant
Title to Land
Building Dimensions 36x24+10x13
PROPERTY SIZE 0.5 to 0.99 Acres
LAND FEATURES Cleared, Landscaped, Level Year Round Road

Open House Start Date
Open House Start Time
Open House End Time

Directions to Property From St. Peters Road (Rte 2) turn onto Anderson Road. Cottage is 2nd home on the left.

PROPERTY OVERVIEW

Property Overview Turn key cottage overlooking beautiful St. Peter's Bay. Completely furnished, with all appliances, this cottage won't last long. Enjoy stunning views from the large, 10x13 sun porch windows. 2 decks to enjoy the view from as well (10x10 & 10x12). This would be the perfect spot to escape for a little downtime or would also serve as a great rental income. 2 bedrooms, open concept kitchen, living room & dining area. Large 4 piece bathroom features stackable laundry team. There is also a mini barn (8x10) to store your summer/yard items. Taxes are based on a non-resident. Home is sold AS IS WHERE IS.

PDS Completed No
Sold As Is, Where Is Yes

INCLUSIONS, EXCLUSIONS AND PROPERTY FEATURES

APPLIANCES Stove, Dishwasher, Washer/Dryer
INCLUDED Combo, Freezer - Chest, Refrigerator

Inclusions Fridge, Stove, Microwave, stackable washer & dryer, deep freeze and furniture
Exclusions

EXTERIOR FINISH Vinyl
GARAGE None
DRIVEWAY /PARKING Gravel, Multiple Driveways
BASEMENT None
FOUNDATION None
ROOF Asphalt Shingle
Sign Yes
Rental Income Potential
HST Exempt from HST
Mobile/Leased Land Fees

RENTAL EQUIPMENT None

AbvGrdBeds 2
BwGrdBeds 0
Baths 1
FullBaths 1
HalfBaths 0
BlgdAge
ApxYrBlt

HEATING/COOLING TYPE Baseboard
FUEL TYPE Electric
WATER SOURCE Well
SEWAGE DISPOSAL Septic
Waterfront No
Water Frontage Units
WATER ACCESS/VIEW View: Bay

ROOM DIMENSIONS

Floor	Room	Size	Floor	Room	Size	Floor	Room	Size
Main Floor	Kitchen	combo						
Main Floor	Bedroom	10x10						
Main Floor	Bedroom	10x10						
Main Floor	Sun Room	10x13						

Compliments of

GOLDWELL BANKER/PARKER REALTY

Listing Office 1 - Office Name GOLDWELL BANKER/PARKER

All information displayed is believed to be accurate but is not guaranteed and should be independently verified. No warranties or representations are made of any kind.