



Telephone: (902) 425-3100
Fax: (902) 425-3777
www.bdo.ca

BDO Canada Limited
255 Lacewood Drive
Suite 201
Halifax NS B3M 4G2 Canada

Court File No. 2025 01G 0491

**THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION, IN BANKRUPTCY AND INSOLVENCY**

**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 AND ARRANGEMENT OF
KARWOOD CONTRACTING LTD., KARWOOD ONTARIO LTD., KARWOOD ENGINEERING INC., AND
KARWOOD DESIGN GROUP LTD.**

EIGHTH REPORT OF THE MONITOR

November 10, 2025

TABLE OF CONTENTS

PURPOSE 8
TERMS OF REFERENCE 9
UPDATE ON THE APPLICANTS’ ACTIVITIES 10
UPDATE ON THE MONITOR’S ACTIVITIES 11
PROPOSED DISTRIBUTION WATERFALL 12
PROFESSIONAL FEES AND DISBURSEMENTS 14
MONITOR RECOMMENDATIONS 16

LIST OF APPENDICES

Appendix A - Asset Purchase Agreement dated September 29, 2025

Appendix B - Statement of Receipts and Disbursements to November 7, 2025

Appendix C - Summary of Fees of the Monitor to November 7, 2025

Appendix D - Affidavit of Joshua Santimaw of Boyne Clarke LLP dated November 10, 2025

Appendix E - Outstanding Fees of the Monitor and its Legal Counsel to November 7, 2025

INTRODUCTION

1. On February 3, 2025, the Supreme Court of Newfoundland and Labrador (“**NL**”) in Bankruptcy and Insolvency (the “**Court**”) heard an application (the “**CCAA Application**”) by Karwood Contracting Ltd. (“**Karwood Contracting**”), Karwood Ontario Ltd. (“**Karwood Ontario**”), Karwood Engineering Inc., and Karwood Design Group Ltd. (collectively, the “**Companies**”, or the “**Applicants**”) for an initial order pursuant to the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (“**CCAA**”).
2. On February 3, 2025 (the “**Filing Date**”), the Court granted an initial order in these proceedings (the “**Initial Order**”) that:
 - a. appointed BDO as monitor of the Applicants in these CCAA proceedings (in such capacity, the “**Monitor**”);
 - b. approved a stay of proceedings (the “**Stay of Proceedings**”) for an initial 10-day period;
 - c. approved a charge of \$100,000 securing the fees and disbursement of professionals including the Applicant’s counsel, the Monitor, and the Monitor’s counsel (the “**Initial Administration Charge**”);
 - d. approved an entitlement, but not a requirement, of the Applicants to pay for goods and services supplied to the Applicants, whether incurred prior to or after the Initial Order, and if in the opinion of the Monitor, the supply of such goods or services is necessary for the preservation of the business or property of the Applicants;
 - e. exempted certain parcels of real property of Karwood Ontario from the Stay of Proceedings, namely:
 - i. the residential property located at 236 West Street, Belmont, Ontario, identified by property index number (“**PIN**”) 08195-0655; and
 - ii. the residential property located at 35 Honey Bend, St. Thomas, Ontario, identified by PIN 35244-2202 (collectively, the “**Exempt Property**”).
 - f. authorized Libro Credit Union Limited (“**Libro**”), as the secured mortgage lender of the Exempt Property, to take possession, market and sell the Exempt Property for purposes of applying the proceeds of sale against the secured mortgage debt of Libro; and

- g. excluded the Exempt Property from the Initial Administration Charge (or any subsequent administration charge), if within ten (10) days of the date of the Initial Order, Libro paid to the Monitor \$15,000 on account of the charge.
- 3. The Initial Order contemplated a comeback motion to be heard February 13, 2025 (the “**Comeback Motion**”). At the Comeback Motion, the Court granted a stay extension order extending the Stay of Proceedings granted in the Initial Order to February 20, 2025.
- 4. On February 20, 2025, the Court granted an amended and restated initial order (the “**ARIO**”). Amongst other things, the ARIO:
 - a. extended the Stay of Proceedings up to and including July 4, 2025;
 - b. approved an increase to the Administration Charge (as defined in the Second Report) to the maximum amount of \$250,000;
 - c. approved the debtor-in-possession (“**DIP**”) facility to be provided by the Bank of Montreal (“**BMO**” or the “**DIP Lender**”) pursuant to a DIP facility agreement dated February 20, 2025 (the “**DIP Term Sheet**”); and
 - d. approved the DIP Lender’s Charge (as defined in the Second Report) to the maximum amount of \$750,000 to match the maximum allowable borrowing amount as proposed in DIP Term Sheet.
- 5. Also on February 20, 2025, the Court granted a procedural order outlining a procedure for the Applicants, BMO and Kent Building Supplies, a division of J.D. Irving Ltd. (“**Kent**”) to file submissions, including security documents, to the Monitor for purposes of determining priority of security of claims with respect to three (3) of the residential properties, namely 61 Silver Birch Crescent, Paradise, NL (“**61 Silver Birch**”), 63 Silver Birch Crescent, Paradise, NL (“**63 Silver Birch**”) and 41 Yellow Wood Drive, Paradise, NL (“**41 Yellow Wood**”).
- 6. On February 26, 2025, the Court granted:
 - a. a sale approval and vesting order approving the property sale transaction of 55 Silver Birch Crescent, Paradise, NL (“**55 Silver Birch**”) in accordance with and subject to the terms of an agreement of purchase and sale; and
 - b. a distribution order approving the distribution of proceeds from the sale of 55 Silver Birch (the “**55 Silver Birch Distribution Order**”).

7. On March 24, 2025, the Monitor issued a certificate confirming that all terms and conditions of the 55 Silver Birch agreement of purchase and sale had been met, and the purchase funds called for thereunder have been paid. The Monitor also distributed \$156,384 to BMO pursuant to the 55 Silver Birch Distribution Order. On March 28, 2024, the Monitor distributed \$150,573, being the remaining net proceeds of sale not including the mechanic's lien funds held back on the sale of 55 Silver Birch, to Karwood Contracting pursuant to the 55 Silver Birch Distribution Order.
8. On April 11, 2025, the Court granted a sale approval and vesting order approving the property sale transaction of 59 Silver Birch Crescent, Paradise, NL ("**59 Silver Birch**") in accordance with and subject to the terms of an agreement of purchase and sale.
9. On April 22, 2025, the Monitor issued a certificate confirming that all terms and conditions of the 59 Silver Birch agreement of purchase and sale had been met, and the purchase funds called for thereunder have been paid. On April 24, 2025, the Court granted a distribution order approving the distribution of proceeds from the sale of 59 Silver Birch (the "**59 Silver Birch Distribution Order**").
10. On April 25, 2025, the Monitor distributed \$158,473 to BMO pursuant to the 59 Silver Birch Distribution Order. On April 28, 2025, the Monitor distributed \$159,180, the remaining net proceeds of sale not including the mechanic's lien funds held back on the sale of 59 Silver Birch, to Karwood Contracting pursuant to the 59 Silver Birch Distribution Order.
11. On June 5, 2025, the Court granted an order approving the proposed property sale transactions of:
 - a. 61 Silver Birch in accordance with and subject to the terms of an agreement of purchase and sale entered into by Karwood Contracting on May 31, 2023;
 - b. 63 Silver Birch in accordance with and subject to the terms of an agreement of purchase and sale entered into by Karwood Contracting on April 16, 2023;
 - c. 70 Silver Birch Crescent, Paradise, NL ("**70 Silver Birch**") in accordance with and subject to the terms of an agreement of purchase and sale entered into by Karwood Contracting on July 12, 2023; and
 - d. 41 Yellow Wood in accordance with and subject to the terms of an agreement of purchase and sale entered into by Karwood Contracting on April 23, 2024.
12. On June 30, 2025, the Court issued an order (the "**Stay Extension and Distribution Order**"):

- a. approving the Monitor to distribute certain sale proceeds with respect to 61 Silver Birch, 63 Silver Birch, 70 Silver Birch, and 41 Yellow Wood to the DIP Lender and Karwood Contracting;
 - b. approving the Monitor to hold in trust the statutory holdback amount required to be retained by Karwood Contracting on the sale of the residential properties pursuant to the *Mechanic's Lien Act*; and
 - c. extending the Stay of Proceedings up to and including October 1, 2025.
13. On July 4, 2025, the Monitor issued a certificate confirming that all terms and conditions of the 61 Silver Birch agreement of purchase and sale had been met, and the purchase funds called for thereunder have been paid. In addition, the Monitor distributed \$151,754 to BMO and \$168,248 to Karwood Contracting, being the remaining net proceeds of sale not including the mechanic's lien funds held back on the sale of 61 Silver Birch, pursuant to the Stay Extension and Distribution Order.
14. On July 7, 2025, the Monitor issued a certificate confirming that all terms and conditions of the 63 Silver Birch agreement of purchase and sale had been met, and the purchase funds called for thereunder have been paid. On July 8, 2025, the Monitor distributed \$151,754 to BMO and \$158,756 to Karwood Contracting being the remaining net proceeds of sale not including the mechanic's lien funds held back on the sale of 63 Silver Birch, pursuant to the Stay Extension and Distribution Order.
15. On August 13, 2025, the Monitor issued a certificate confirming that all terms and conditions of the 70 Silver Birch agreement of purchase and sale had been met, and the purchase funds called for thereunder have been paid. On August 14, 2025, and August 15, 2025, the Monitor distributed \$132,569 to BMO and \$103,987 to Karwood Contracting, being the remaining net proceeds of sale not including the mechanic's lien funds held back on the sale of 70 Silver Birch, pursuant to the Stay Extension and Distribution Order.
16. On September 9, 2025, the Monitor issued a certificate confirming that all terms and conditions of the 41 Yellow Wood agreement of purchase and sale had been met, and the purchase funds called for thereunder have been paid. In addition, the Monitor distributed \$128,701 to BMO with respect to the sale of 41 Yellow Wood pursuant to the Stay Extension and Distribution Order. The Monitor continues to hold in trust \$258,337, the remaining net proceedings of sale not including the mechanic's lien funds held back on the sale of 41 Yellow Wood.
17. On October 1, 2025, the Court granted an order extending the Stay of Proceedings up to and including October 30, 2025. The Court also granted a procedural order that, among other things, specified the date and time of service of:

- a. opposition submissions and affidavit(s) in response to applications of the Applicants, the Monitor and BMO;
 - b. serving interrogatories on the Monitor and its counsel;
 - c. replies to applications of the Applicants, the Monitor and BMO; and
 - d. the Monitor's response to interrogatories and any further report to the Court.
18. On October 24, 2025, the Court granted an order (the "**Vesting and Extension Order**"):
- a. extending the Stay of Proceedings up to and including November 24, 2025; and
 - b. approving the asset purchase agreement (the "**Asset Purchase Agreement**") executed between the Applicants and a recently incorporated numbered company ("**Newco**") controlled by the Private Investor (as defined herein) on September 29, 2025 (the "**Transaction**"); and
 - c. authorizing the Applicants to complete the Transaction in accordance with the Asset Purchase Agreement, authorizing the Applicants to execute such documents and take such additional steps as are necessary for that purpose, and upon completion of the Transaction (as evidenced by the Monitor filing a Monitor's certificate certifying the same), vesting the Purchased Assets (as defined in the Asset Purchase Agreement) in Newco free and clear of all liens, charges, security interests and other encumbrances.
19. The Monitor has provided the Court with the following reports:
- a. the report of the Proposed Monitor dated January 31, 2025 (the "**Proposed Monitor's Report**");
 - b. the first report of the Monitor dated February 12, 2025 (the "**First Report**");
 - c. the second report of the Monitor dated February 20, 2025 (the "**Second Report**");
 - d. the third report of the Monitor dated April 9, 2025 (the "**Third Report**");
 - e. the fourth report of the Monitor dated June 5, 2025 (the "**Fourth Report**");
 - f. the fifth report of the Monitor dated June 27, 2025 (the "**Fifth Report**");
 - g. the sixth report of the Monitor dated September 15, 2025 (the "**Sixth Report**");

- h. the seventh report of the Monitor dated October 2025 (the “**Seventh Report**”) to provide the Court with information primarily pertaining to:
 - i. a revised binding offer received by the Applicants from the private investor (the “**Private Investor**”) on September 15, 2025 (the “**Revised Binding Offer**”);
 - ii. the Asset Purchase Agreement executed between the Applicants and Newco on September 29, 2025; and
 - iii. the Applicants’ motion to seek an order approving the Asset Purchase Agreement and vesting the Purchased Assets (as defined in the Asset Purchase Agreement) in Newco free and clear of all liens, charges, security interests and other encumbrances;
- i. the confidential supplement to the Seventh Report (the “**Confidential Supplement**”) to provide the Court with information and the Monitor’s view on certain matters outlined in the Seventh Report which are commercially sensitive, including:
 - i. key terms of the Asset Purchase Agreement and the Monitor’s comments and views in respect of same, relative to the value attributed to the Companies’ assets pursuant to the Monitor’s realization analysis;
 - ii. the proposed distribution of the Purchase Price, 41 Yellow Wood Proceeds and the Mechanic’s Lien Funds; and
- j. the supplement to the Seventh Report (the “**Supplement Report**”) to provide the Court with information and the Monitor’s view on certain matters outlined in the position submissions to Court pursuant to the Procedural Order granted on October 1, 2025, namely the submission of Kent dated October 10, 2025.

PURPOSE

20. The purpose of this eighth report of the Monitor (the “**Eighth Report**”) is to:

- a. provide the Court with updates on the activities of the Applicants and the Monitor in relation to the CCAA proceedings since the Seventh Report;
- b. provide the Court with an update on the completion of the Transaction in accordance with the Asset Purchase Agreement;
- c. provide the Court with information regarding the Monitor’s motion to seek an order (the “**Distribution Order**”):
 - i. to distribute proceeds from the Asset Purchase Agreement;

- ii. to distribute funds held in trust by the Monitor related to the net sales proceeds of 41 Yellow Wood (the “**41 Yellow Wood Proceeds**”);
 - iii. to distribute mechanic’s lien holdback funds held in trust by the Monitor (the “**Mechanic’s Lien Funds**”) related to the sale of 55 Silver Birch, 59 Silver Birch, 61 Silver Birch, 63 Silver Birch, 70 Silver Birch, and 41 Yellow Wood (each, a “**Residential Property**” and collectively, the “**Residential Properties**”); and
 - iv. to distribute interest earned from funds held in trust related to the 41 Yellow Wood Proceed and the Mechanic’s Lien Funds;
- d. provide the Court with information regarding the Monitor’s motion to seek an order (the “**Fee Approval and Termination Order**”):
- i. approving the fees and disbursements of the Monitor and its counsel, Boyne Clarke LLP (“**Boyne Clarke**”), incurred in these CCAA proceedings;
 - ii. terminating these CCAA proceedings, effective as at the date the termination certificate (the “**Termination Certificate**”) is served by the Monitor on the service list in these CCAA proceedings certifying that, to the best of the knowledge and belief of the Monitor, all matters to be attended to in connection with these CCAA proceedings have been completed;
 - iii. discharging the Monitor effective the date the Termination Certificate;
 - iv. approving such further and other relief as the Court may deem just and equitable; and
- e. recommendations on the relief being sought by the Monitor.
21. Copies of Court materials filed in these proceedings may be obtained from the Monitor’s website established in connection with the CCAA proceedings (the “**Website**”):

<https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/karwood>.

TERMS OF REFERENCE

22. In preparing this Eighth Report and making the comments herein, the Monitor has been provided with, and has relied upon unaudited financial information, books and records and financial information prepared by the Companies, discussions with the Companies management (the “**Management**”) and employees of the Companies and other information from various sources (collectively the “**Information**”).

- a. The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the Information; and
 - b. Some of the Information referred to in this Eighth Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the Chartered Professional Accounts Canada Handbook, has not been performed.
23. Future-oriented financial information referred to in this Eighth Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
24. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in this Eighth Report concerning the Companies and its business is based on the Information, and not independent factual determinations made by the Monitor.
25. All references to monetary amounts in this Eighth Report are in Canadian dollars unless otherwise noted.

UPDATE ON THE APPLICANTS' ACTIVITIES

26. Since the issuance of the ARIO, the Applicants have continued taking steps and focusing on stabilizing operations. Management, with the assistance of the Monitor, has engaged in various discussions with stakeholders, suppliers, customers and employees. As of the date of this Eighth Report, the Applicants have maintained their business operations without significant disruption or issues.
27. Further, since the Seventh Report of the Monitor, the Companies have:
 - a. continued to negotiate and arrange for the post filing support of its vendors and subcontractors of the Companies, primarily Karwood Contracting;
 - b. consulted with the Monitor in respect of operations, cash management, and the approval of vendor and supplier payments;

- c. advanced negotiations with the Private Investor for the purpose of entering into the Asset Purchase Agreement to sell the Applicants' assets and undertakings for the benefit of the Companies' stakeholders;
- d. engaged with the DIP Lender and its private receiver, MNP Ltd. (the "Private Receiver"), in negotiations with respect to the Revised Binding Offer and the Asset Purchase Agreement; and
- e. completed all necessary steps to close the Transaction following the granting of the Vesting and Extension Order by the Court.

UPDATE ON THE MONITOR'S ACTIVITIES

- 28. The Monitor continues to maintain the Monitor's Website in respect of these CCAA proceedings. All court documents and certain other relevant documents have and will continue to be posted as they are made available.
- 29. Furthermore, since the Seventh Report, the Monitor has:
 - a. assisted the Applicants with stakeholder communications;
 - b. responded to calls and e-mails received from creditors and other parties with respect to the CCAA proceedings;
 - c. assisted the Applicants with respect to their operations, cash management, and the approval of vendor and supplier payments;
 - d. reviewed the Revised Binding Offer, and participated in discussions regarding same with the Applicants, their counsel, and the DIP Lender;
 - e. assisted the Applicants in advancing negotiations with a Private Investor for the purpose of executing the Asset Purchase Agreement to sell the Applicants' assets and undertakings for the benefit of the Companies' stakeholders;
 - f. assisted in the Applicants in engaging with the DIP Lender, the Private Receiver and the Private Investor in negotiations with respect to the Transaction;
 - g. monitored the closing of the Transaction following the granting of the Vesting and Extension Order by the Court;
 - h. prepared the Confidential Supplement and the Supplement Report to the Seventh Report of the Monitor; and
 - i. prepared the Eighth Report to the Court.

CLOSING OF THE TRANSACTION

30. An unredacted copy of the Asset Purchase Agreement for the Transaction was attached as a confidential appendix in the Confidential Supplement to the Seventh Report and is also attached as **Appendix “A”** to this Eighth Report. Capitalized terms in this section not otherwise defined herein have the meaning ascribed to them in the Asset Purchase Agreement.
31. Pursuant to the Asset Purchase Agreement, Newco purchased for a cash purchase price of \$575,000, plus HST (the “**Purchase Price**”), all of the right, title, and interest in the property, assets and undertakings of the Companies. Notably, the Purchased Assets consist of the following:
 - a. a 1.77-acre land parcel held for potential future development located on Kenmount Road, Paradise, NL and known as “Parcel A”;
 - b. an 8.2-acre land parcel held for potential future development located at civic address 211-215 Tolt Road, Portugal Cove, NL, and known as “Lot 2”;
 - c. receivables, consisting of deposits receivable, accounts receivable and miscellaneous receivables, most of which are subject to litigation; and
 - d. vehicles and trailers, equipment and tools used in residential development.
32. Pursuant to the Asset Purchase Agreement, Newco agreed to contribute up to a maximum of \$50,000 to be applied to the professional fees of the Monitor, its counsel and the counsel of the Applicants to close the Asset Purchase Agreement (the “**Professional Fee Contribution**”).
33. The Transaction is expected to close on November 11, 2025 (the “**Closing Date**”), and the Purchase Price and the Professional Fee Contribution is expected to be fully paid to the Monitor in trust by the Closing Date.

PROPOSED DISTRIBUTION WATERFALL

34. The Monitor anticipates holding \$1,099,390.90 in trust, as outlined in the attached Statement of Receipts and Disbursements dated November 10, 2025, attached hereto as **Appendix “B”**.
35. The Monitor has filed a motion seeking the Distribution Order to distribute:
 - a. the Purchase Price of \$575,000.00 to be received pursuant to the Asset Purchase Agreement;
 - b. funds held by the Monitor in trust, including:
 - i. \$198,867.05 being the Mechanic’s Lien Funds related to the sale of the Residential Properties completed and closed since the Filing Date;
 - ii. \$258,337.16 being the 41 Yellow Wood Proceeds;

- iii. \$15,000.00 held in trust as a contribution towards the Administration Charge by Libro pursuant to the ARIO;
 - iv. \$2,186.69 in interest earned from holding the above funds in trust (collectively, with the Purchase Price, the Mechanic's Lien Funds, and the 41 Yellow Wood Proceeds, the "**Distribution Funds**"); and
- c. the \$50,000.00 Professional Fee Contribution to be applied to the professional fees of the Monitor, its counsel, and counsel of the Applicants to close the Asset Purchase Agreement.

Post-Filing Obligations

36. Management has estimated the Companies have \$92,422.21 in outstanding post-filing obligations (the "**Post-Filing Obligations**"), including:
- a. \$43,755.61 in subcontractor expenses and other costs related to the completion of 70 Silver Birch and 41 Yellow Wood;
 - b. \$45,377.62 to the Canada Revenue Agency ("**CRA**") for Harmonized Sales Tax ("**HST**") remittances once all transactions incurred since the Filing Date and up to Transaction close are considered. Management have confirmed that all CRA obligations related to employee source deductions are current in the post-filing period; and
 - c. \$3,288.98 in administrative and overhead expenses.

The Monitor understand that all other obligations of the Applicants incurred post-filing have been settled by the Companies, or in certain recent cases, by a related party.

37. The Monitor proposes to distribute \$47,044.59 of the Distribution Funds to settle the Applicants' post-filing subcontractor, administration and overhead expenses. It is proposed that the Post-Filing Obligations will be settled prior to the distribution of the remainder of Distribution Funds.
38. The Monitor understands that Management intends to file a voluntary assignment for Karwood Contracting post-closing of the Transaction to clean up the estate.

Distributions Post-Closing

39. Pursuant to the ARIO, the Administrative Charge and the DIP Lender's Charge rank in priority to all Encumbrances (as defined in the ARIO). Therefore, the Monitor is of the view the mechanic's liens registered against the Residential Properties rank behind the Administrative Charge and the DIP Lender's Charge.
40. The Distribution Funds are insufficient to settle the DIP Lender's Charge, after payment of the Post-Filing Obligations Payment and settlement of the Administration Charge. As a result, the Monitor

does not anticipate funds being available for pre-filing mechanic’s lien claims, priority claims, secured or unsecured claims of the Applicants.

41. The Monitor’s proposed distribution is summarized in the following table:

Proposed Distribution	
<u>Distribution Funds</u>	
Purchase Price	\$ 575,000.00
41 Yellow Wood Proceeds	258,337.16
Mechanics' Lien Funds	198,867.05
Libro Administration Charge Funds	15,000.00
Interest on funds held by the Monitor	2,186.69
	<u>\$ 1,049,390.90</u>
<u>Proposed Distribution</u>	
Post-Filing Obligations	\$ 47,044.59
Administration Charge	250,000.00
DIP Lender's Charge	706,968.69
	<u>\$ 1,004,013.28</u>
<u>Withheld Funds</u>	
Funds withheld by Monitor on account of CRA's Deemed Trust Claim	\$ 45,377.62

42. The Monitor proposes withholding \$45,377.62 of the Distribution Funds on account of CRA’s deemed trust claim for post-filing HST obligations. As noted above, Management intends to file a voluntary assignment for Karwood Contracting post-closing of the Transaction. The funds withheld will fund the bankruptcy administration of Karwood Contracting, as required, with the balance available for distribution to estate creditors.

PROFESSIONAL FEES AND DISBURSEMENTS

43. The Monitor is seeking to have its fees and disbursements approved by the Court for the period of November 18, 2024, through to November 7, 2025. The Monitor has maintained detailed records of their professional time and costs.

44. The total fees of the Monitor for the period of November 18, 2024, through to November 7, 2025, amount to fees of \$284,289.50, expenses of \$636.00 and HST of \$40,869.21. A total of 578.70 hours were incurred during this period, at an average hourly rate of approximately \$491.26 before expenses and HST. The time spent by the Monitor is described in detail in **Appendix “C”**, which contains a summary of fees per invoice, the significant issues addressed, and the time and average hourly rate by staff. Copies of invoices that set out the services provided during this period can be made available to the Court upon request.

45. The Monitor is seeking to have the fees and disbursements of its legal counsel approved by the Court for the period of January 31, 2025 through November 7, 2025. The Monitor's legal counsel has maintained detailed records of their professional time and costs.
46. The total fees of the Monitor's legal counsel for the period of January 31, 2025 through November 7, 2025, amount to fees of \$123,647.00, credits applied of \$3,243.00, expenses of \$3,595.89 and HST of \$17,738.08. A total of 244.80 hours were incurred during this period, at an average hourly rate of \$505.09 before expenses and HST. The time spent by the Monitor's legal counsel is described in detail an affidavit sworn by Joshua Santimaw of Boyne Clarke LLP, attached hereto as **Appendix "D"**, which contains a summary of fees per invoice, the significant issues addressed, and the time and average hourly rate by staff. Copies of invoices that set out the services provided during this period can be made available to the Court upon request.
47. The Monitor notes that the average hourly rate for professionals is comparable to the rates charges by other professional firms in Atlantic Canada for the provision of similar services regarding commercial restructuring matters.
48. As of the date of this Eighth Report, the outstanding fees incurred to November 7, 2025 total \$151,948.89 for BDO Canada Limited in its role as Monitor and \$67,678.38 for its legal counsel, for a total of \$219,627.27. A listing of those invoices is attached as **Appendix "E"**.
49. The Monitor recommends that the outstanding fees of the Monitor and its legal counsel be paid from proceeds held in trust in relation to the closings of 41 Yellow Wood and the Transaction. The outstanding fees are a priority charge over the assets of the Companies. Specifically, the Administration Charge has priority as follows:
 - a. up to a maximum of \$125,000 against the residential properties, of which the Monitor holds in trust proceeds from the sale of 41 Yellow Wood; and
 - b. up to a maximum of \$125,000 against all other assets of the Companies, of which the Monitor holds in trust the Purchase Price related to the Transaction.
50. The Monitor understands the outstanding fees of the counsel of the Applicants incurred to November 7, 2025 total \$149,321.20. Together, with the outstanding fees of the Monitor and its counsel, total outstanding professional fees subject to the Administration Charge amount to approximately \$368,948.47. The Monitor proposes to partially settle the outstanding professional fees as follows:
 - a. \$250,000 to be paid prorate to the Monitor, its counsel and counsel of the Applicants, pursuant to the Administration Charge; and
 - b. \$50,000, being the Professional Fee Contribution, to be paid to the Monitor, its counsel and counsel of the Applicants, to partially settle remaining outstanding fees.

To be clear, the Monitor continues to hold a retainer obtained from Mr. Hussey personally that will be used to settle remaining outstanding professional fees of the Monitor and its counsel, and to partially fund estate administration costs of the anticipated voluntary bankruptcy assignment of Karwood Contracting Ltd.

51. The Monitor respectfully requests that the Court approve the abovementioned fees and disbursements of the Monitor and its counsel, and to partially pay the outstanding fees to November 7, 2025, of the Monitor, its legal counsel and counsel of the Applicants from funds in trust as described above.

MONITOR RECOMMENDATIONS

52. In the Monitor's view, the Applicants have acted and continue to act in good faith and with due diligence.
53. Based on the foregoing, the Monitor recommends the Court grant the orders:
- a. approving the distribution of proceeds from the Transaction, the 41 Yellow Wood Proceeds, and the Mechanic's Lien Funds as proposed by the Monitor;
 - b. approving the fees and disbursements of the Monitor and its counsel incurred in relation to these CCAA proceedings up to November 7, 2025;
 - c. approving the termination of these CCAA proceedings, effective as at the date the Termination Certificate is served by the Monitor; and
 - d. discharging the Monitor effective the date the Termination Certificate.

All of which is submitted to this Court on this 10th day of November 2025.

BDO CANADA LIMITED
Acting in its capacity as Monitor of
Karwood Contracting Ltd., Karwood Ontario Ltd.,
Karwood Engineering Inc., and Karwood Design Group Ltd.
and not in its personal capacity.

Per:



Neil Jones, CA, CPA, CIRP, LIT
Senior Vice-President

98536 NEWFOUNDLAND AND LABARDOR INC.

and

KARWOOD CONTRACTING LTD.

KARWOOD ENGINEERING INC.

KARWOOD ONTARIO LTD.

KARWOOD DESIGN GROUP LTD.

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT

Asset Purchase Agreement dated September 29th, 2025, between Karwood Contracting Ltd., Karwood Engineering Inc., Karwood Ontario Ltd., and Karwood Design Group Ltd. (together, the “**Vendor**”), and 98536 Newfoundland & Labrador Inc. (the “**Purchaser**”, and together with the Vendor collectively referred to as the “**Parties**”).

RECITALS:

- A. The Vendor is in the business of construction work and property development, management, building and design (the “**Business**”).
- B. Pursuant to an Order issued by the Supreme Court of Newfoundland and Labrador (the “**Court**”) on February 3, 2025, the Vendor was granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA Proceedings**” and the “**CCAA**”, respectively), and BDO was appointed as monitor under the CCAA (the “**Monitor**”).
- C. The Vendor intends to bring an application for an order by Court, among other things approving the sale of the Purchased Assets (as defined below) of the Vendor.
- D. The Purchaser wishes to purchase, and the Vendor has agreed to sell, the Purchased Assets pursuant to, and subject to and in accordance with the terms and conditions of this Agreement.
- E. The transactions contemplated by this Agreement are subject to, *inter alia*, the approval of the Court and will be consummated only pursuant to the Approval and Vesting Order (as that term is defined herein) being issued by the Court in the CCAA Proceedings.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

Article 1 - Interpretation

Section 1.01 Defined Terms.

As used in this Agreement (including the recitals above), the capitalized terms listed below shall have the corresponding meanings.

“**Affiliate**” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to “control” another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term “controlled” shall have a similar meaning.

“Agreement” means this Asset Purchase Agreement and all attached Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and all attached Schedules and unless otherwise indicated, references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Agreement.

“Ancillary Agreements” means all agreements, certificates and other instruments delivered or given pursuant to this Agreement.

“Approval and Vesting Order” means an approval and vesting order of the Court in form and in substance satisfactory to the Vendor and the Purchaser, each acting reasonably, approving this Agreement and vesting in and to the Purchaser the Purchased Assets, free and clear of and from any and all Encumbrances to the extent and as provided for in such approval and vesting order.

“Assignment Order” means an order or orders of the Court, in form and substance satisfactory to the Purchaser, acting reasonably, authorizing and approving the assignment of one or more Consent Required Contracts for which the consent, approval or waiver of the party or parties thereto (other than the Vendor) required to assign such Consent Required Contracts has not been obtained by Closing.

“Assumed Contracts” means all of the Contracts of the Vendor used in the Business, other than the Excluded Contracts, and includes obligations related to the Ford and GMC trucks that are leased or financed.

“Assumed Liabilities” means all liabilities and obligations of the Vendor, other than the Excluded Liabilities, in connection with the Purchased Assets from and after the Closing Date (and not before).

“BIA” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

“Books and Records” means all information in any form relating to the Purchased Assets, including books of account, financial, operations, sales books, tax, business, marketing, personnel and research information and records, technical information, drill logs, equipment logs, technical reports, operating guides and manuals and all other documents, files, correspondence and other information, including all data, information and databases stored on computer-related or other electronic media, but excluding the minute books and corporate records of the Vendor.

“Business” has the meaning specified in the recitals to this Agreement.

“Business Day” means any day of the year, other than a Saturday, Sunday or any day on which major Canadian chartered banks are closed for business in the Province of Newfoundland and Labrador or the federal laws of Canada applicable in the Province of Newfoundland and Labrador.

“Purchase Price” has the meaning specified in Section 3.01.

“CCAA” has the meaning given to such term in the preamble to this Agreement.

“CCAA Proceedings” has the meaning given to such term in the preamble to this Agreement.

“Closing” means the completion of the transaction of purchase and sale contemplated in this Agreement.

“Closing Date” means the date on which the Closing occurs, which date shall be no later than ten (10) Business Days’ from the issuance of the Approval and Vesting Order or such other date as mutually agreed between the Parties and the Monitor.

“Consent Required Contract” means any Assumed Contract or License that is material to the Business, which is not assignable in whole or in part without the consent, approval or waiver of the party or parties thereto (other than the Vendor).

“Contract” means all contracts, letters of intent, licenses, leases, agreements, obligations, promises, undertakings, arrangements, documents, commitments, entitlements or engagements to which the Vendor is a party or by which the Vendor is bound relating to the Purchased Assets and/or the Business, all as may be amended and/or restated, and including any and all related quotations, orders, proposals or tenders which remain open for acceptance, warranties and guarantees and documents ancillary thereto.

“Court” has the meaning given to such term in the preamble to this Agreement.

“Cure Costs” means, in respect of any Consent Required Contract for which an Assignment Order is required, all amounts owing as at the Closing Date by the Vendor pursuant to such Consent Required Contract and all amounts required to be paid to cure any monetary defaults thereunder, if any, required to effect an assignment thereof from the Vendor to the Purchaser, together with any fee or other monetary concession approved by the Purchaser and granted in connection with obtaining any Assignment Order for such Consent Required Contract, including all administrative fees and counsel fees of the counterparties required to be paid to obtain such Assignment Order.

“Encumbrance” means other than Permitted Encumbrances any mortgage, charge, pledge, hypothec, security interest, deemed trust (statutory or otherwise), assignment, lien (statutory or otherwise), leases, right of way, title defects, options, claim, adverse claims, encumbrances, easement, right of retention, ownership or title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant, judgment, writ or notice of seizure, writ or notice of execution, notice of sale, right of a third party (including any contractual rights such as, without limitation, purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual right) or encumbrance of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing (including without

limitation any conditional sale or title retention agreement, or any capital or financing lease), it being understood that the definition given to such term in the Approval and Vesting Order shall supersede and be deemed to constitute the applicable definition of this term in this Agreement.

“**Excluded Assets**” has the meaning specified in Section 2.02.

“**Excluded Contracts**” means all of the Contracts listed in Schedule 1.1(a) – Excluded Contract to this Agreement.

“**Excluded Liabilities**” means any and all liabilities and obligations of the Vendor including, without limitation, liabilities in respect to the Excluded Assets, Former Employee Liabilities and those liabilities listed in Schedule 1.1(b) – Excluded Liabilities to this Agreement.

“**Former Employee Liabilities**” means all liabilities relating to any former employees of the Vendors (it being understood and agreed that as of the date hereof the Vendor has no employees) including wages, vacation pay, termination costs, notice or pay in lieu of notice, severance, wrongful and constructive dismissal damages, human rights claims, all liabilities pursuant to any employee benefit plan.

“**Governmental Authorities**” means any domestic or foreign governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, Courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

“**HST**” means all goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada) or any other statute in any jurisdiction of Canada.

“**Intellectual Property**” means all intellectual property of the Vendor used by or currently being developed for use in the Business, and all rights, interests and benefits of the Vendor, through ownership, licensing or otherwise, including without limitation:

- (a) all patents, patent applications and other patent rights, including provisional and continuation patents;
- (b) all registered and unregistered trade-marks, service marks, logos, slogans, corporate names, business names and other indicia of origin, and all applications and registrations therefor;
- (c) registered and unregistered copyrights and mask works, including all copyright in and to computer software programs and applications and registrations of such copyright;

- (d) internet domain names, applications and reservations for internet domain names, uniform resource locators and the corresponding internet sites;
- (e) industrial designs;
- (f) trade secrets and proprietary information not otherwise listed in (a) through (d) above, including, without limitation, all inventions (whether or not patentable), invention disclosures, moral and economic rights of authors and inventors (however denominated), confidential information, technical data, customer lists, corporate and business names, trade names, trade dress, brand names, know-how, mask works, circuit topography, formulae, methods (whether or not patentable), designs, processes, procedures, technology, business methods, source codes, object codes, computer software programs (in either source code or object code form), databases, data collections and other proprietary information or material of any type, and all derivatives, improvements and refinements thereof, howsoever recorded or unrecorded;
- (g) any applications or registrations of the foregoing, issued patents, continuations in part, divisional applications or analogous rights therefor, in each case whether registered or not; and
- (h) all Licenses in respect to any intellectual property.

“Laws” means any principle of common law and all applicable (i) laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws; (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any governmental entity; and (iii) to the extent that they have the force of law, standards, policies, guidelines, notices and protocols of any governmental entity.

“Licenses” means all licenses, sub-licenses and other agreements by or through which other Persons grant the Vendor exclusive or non-exclusive rights or interests in or to any Intellectual Property that is used in connection with the Business.

“Monitor’s Certificate” has the meaning specified in Section 8.03.

“Notice” has the meaning specified in Section 10.01.

“Parties” has the meaning specified in the preamble above.

“Permits” means all permits, licences, certificates, approvals, authorizations, and registrations, or any item with a similar effect, issued or granted by any Governmental Authority in favour of the Vendor and that is necessary or related to the Purchased Assets.

“Permitted Encumbrances” means all those Encumbrances described in Schedule 1.1(c) – Permitted Encumbrances to this Agreement.

“Person” means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock

company, trust, unincorporated association, joint venture or other entity and pronouns have a similarly extended meaning.

“**Purchase Price**” has the meaning specified in Section 3.01.

“**Purchased Assets**” has the meaning specified in Section 2.01.

“**Purchaser**” has the meaning specified in the preamble above.

“**Real Property**” means, collectively, all real or immovable property used for the Business, including for reference but without limitation the real property parcels described in Schedule 1.1(d) – Description of Real Property to this Agreement, together with all plants, buildings, structures, improvements, appurtenances and fixtures (including fixed machinery and fixed equipment) thereon or forming part thereof.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended and any relevant legislation of a province imposing tax similar to the *Income Tax Act* (Canada).

“**Tax Returns**” means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and other documents filed or required to be filed in respect of Taxes.

“**Taxes**” means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies, rates, withholdings, dues, contributions and other charges, collections or assessments of any kind whatsoever; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed on or in respect of amounts of the type described in clause (i) or (ii) above; and (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) above as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

“**Vendor**” has the meaning specified in the preamble above.

Section 1.02 References and Usage.

Unless expressly stated otherwise, in this Agreement:

- (a) reference to a gender includes all genders;
- (b) the singular includes the plural and vice versa;
- (c) “or” is used in the inclusive sense of “and/or”;
- (d) “any” means “any and all”;
- (e) the words “including”, “includes” and “include” mean “including (or includes or include) without limitation”;
- (f) the phrase “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”;

- (g) \$ or dollars refers to the Canadian currency unless otherwise specifically indicated;
- (h) a statute includes all rules and regulations made under it, if and as amended, re-enacted or replaced from time to time;
- (i) a Person includes its predecessors, successors and permitted assigns;
- (j) the term “notice” refers to written notices except as otherwise specified;
- (k) the term “Agreement” and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be amended, restated, replaced, supplemented or novated and all schedules to it, except as otherwise provided in this Agreement; and
- (l) whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be required to be made or such action will be required to be taken on or not later than the next succeeding Business Day and in the computation of periods of time, unless otherwise stated, the word “from” means “from and excluding” and the words “to” and “until” each mean “to and including”.

Section 1.03 Headings, etc.

The use of headings (e.g. Article, Section, etc.) in this Agreement is reference only and is not to affect the interpretation of this Agreement. References in the Agreement to Article, Section etc., unless otherwise specified, shall mean the applicable Article, Section, etc. of this Agreement.

Section 1.04 Schedules.

The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.

<u>Schedule 1.1(a)</u>	Excluded Contracts
<u>Schedule 1.1(b)</u>	Excluded Liabilities
<u>Schedule 1.1(c)</u>	Permitted Encumbrances
<u>Schedule 1.1 (d)</u>	Description of Real Property
<u>Schedule 2.2(d)</u>	Excluded Assets
<u>Schedule 3.3</u>	Purchase Price Allocation

Section 1.05 Interpretation if Closing Does Not Occur.

If Closing does not occur, each provision of this Agreement which assumes that the Purchaser has acquired the Purchased Assets shall be construed as having been contingent upon Closing having occurred.

Article 2 - Purchase and Sale

Section 2.01 Purchased Assets.

Subject to the terms and conditions of this Agreement, the Vendor agrees to sell, assign and transfer to the Purchaser and the Purchaser agrees to purchase from the Vendor on the Closing Date, on an “as is, where is” basis, all of the Vendor’s right, title and interest in the Vendor’s property, assets and undertakings of every kind and description and wheresoever situate, of the Business, other than the Excluded Assets (collectively, the “**Purchased Assets**”), free and clear of all Encumbrances (including but without limitation those Encumbrances affecting the Real Property. Without limiting the foregoing, the Purchased Assets shall include:

- (a) **Equipment and Supplies.** All machinery, equipment, furnishings, furniture, parts, dies, molds, tooling, tools, computer and information technology equipment and hardware, inventory, supplies, accessories, appliances, fixtures and other tangible personal and moveable property owned by the Vendor and used in connection with the Business;
- (b) **Contracts.** All Assumed Contracts and all rights, title, interests and obligations thereunder;
- (c) **Computer Software.** All software and documentation used in the Business, including, all electronic data processing systems, program specifications, input data, report layouts, formats, algorithms, record file layouts, diagrams, functional specifications, narrative descriptions, flow charts, operating manuals;
- (d) **Vehicles.** All motor vehicles, including all trucks, vans, and cars registered in the name of the Vendor and used for the Business;
- (e) **Cash and Accounts Receivable.** All cash in the bank accounts of the Vendor, or held in trust, and all accounts receivable (including unbilled revenue from work in progress), bills receivable, contractual hold-backs, trade accounts, trade debts and book debts due or accruing due in connection with the Business, including any refunds and rebates receivable relating to the Business or the Purchased Assets and the full benefit of all security (including cash deposits), guarantees and other collateral held by the Vendor relating to the Business, and amounts receivable (or which may become receivable) by the Vendor under royalty agreements or other agreements or documents related thereto and all bank accounts;
- (f) **Prepaid Expenses.** All prepaid expenses of the Business;

- (g) **Proceeds from Litigation Claims.** All proceeds and amounts received in connection with or obtained from any litigation between the Vendor and any other Person;
- (h) **Real Property.** The Real Property;
- (i) **Intellectual Property.** All right, title and interest of the Vendor in and to the Intellectual Property owned by or licensed to the Vendor for use in connection with the Business or the Purchased Assets, including domain names and telephone numbers;
- (j) **Books and Records.** The Books and Records of the Vendor related to the Business, the Purchased Assets, or the Assumed Liabilities;
- (k) **Claims.** All claims of the Vendor relating to the Business or the Purchased Assets whether choate or inchoate, known or unknown, contingent or otherwise;
- (l) **Tax Refunds.** The proceeds of any and all refundable Taxes payable or paid by the Vendor net of any amounts withheld by any taxing authority, and any claim or right of the Vendor to any refund, rebate, or credit of Taxes;
- (m) **Goodwill.** The goodwill of the Business, including the exclusive right of the Purchaser to represent itself as carrying on the Business in continuation of and in succession to the Vendor (including all business names related thereto);
- (n) **Insurance.** The interest of the Vendor in: (i) all contracts of insurance, insurance policies and insurance plans which are assets of or maintained in connection with the Purchased Assets; (ii) any insurance proceeds net of any deductibles recovered by the Vendor under all other contracts of insurance, insurance policies (excluding D&O policies) and insurance plans between the date of this Agreement and the Closing Date; and (iii) the full benefit of the Vendor's rights to insurance claims relating to the Business and amounts recoverable in respect thereof net of any deductible to the extent any of the foregoing are transferable;
- (o) **Permits.** All Permits, to the extent the foregoing are transferable;
- (p) **Warranty Rights.** All warranty rights against manufacturers or suppliers relating to any of the Purchased Assets; and
- (q) **Other Property.** All other property, assets and undertakings of the Vendor of whatever nature or kind used in connection with the Business and/or the Purchased Assets, other than the Excluded Assets.

Section 2.02 Excluded Assets.

The Purchased Assets shall not include any of the following assets (collectively, the "Excluded Assets"):

- (a) the Excluded Contracts;
- (b) the Excluded Assets listed on Schedule 2.2(d);
- (c) the Excluded Liabilities; and
- (d) such Purchased Assets as the Purchaser may indicate by notice in writing to the Vendor and the Monitor prior to Closing, which specified Purchased Assets shall thereafter be deemed Excluded Assets, without any adjustment to the Purchase Price.

Section 2.03 Assignment and Assumption of Consent Required Contracts.

- (a) Notwithstanding anything in this Agreement, the Purchaser shall not assume and has no obligation to discharge any liability or obligation under or in respect of any Consent Required Contract unless: (i) the consent, approval or waiver of the party or parties to such Consent Required Contract (other than the Vendor) required to assign such Consent Required Contract has been obtained on terms satisfactory to the Purchaser, acting reasonably and the value of such Consent Required Contract has enured to the Purchaser; or (ii) such Consent Required Contract is subject to an Assignment Order.
- (b) The Vendor and the Purchaser shall use reasonable commercial efforts to obtain the consent, approval or waiver of the party or parties to each Consent Required Contract (other than the Vendor) to the assignment of such Consent Required Contract prior to Closing. For greater certainty, neither the Vendor nor the Purchaser is under any obligation to pay any money, incur any obligations, commence any legal proceedings (other than as set forth below with respect to Assignment Orders), or offer or grant any accommodation (financial or otherwise) to any third party in order to obtain any such consent, approval or waiver.
- (c) In the event that the consent, approval or waiver required to assign any Consent Required Contract is not obtained before the date the motion materials are filed for the Approval and Vesting Order, the Vendor shall, at the request of the Purchaser and prior to Closing, seek the Assignment Order for such Consent Required Contract in form and substance satisfactory to the Vendor and the Purchaser, each acting reasonably.
- (d) Subject to Closing, in the event that the consent to assign any Consent Required Contract is not obtained and the Vendor is required to obtain the Assignment Order for one or all of the Consent Required Contracts, the Purchaser shall pay the applicable Cure Costs related to such Consent Required Contracts on Closing.

Article 3 - Purchase Price

Section 3.01 Purchase Price.

The purchase price payable by the Purchaser to the Vendor for the Purchased Assets (the “**Purchase Price**”) shall be Five Hundred Seventy Five Thousand Dollars (\$575,000.00) plus applicable HST.

Section 3.02 Payment of the Purchase Price.

The Purchaser shall pay and satisfy the Purchase Price at Closing, in immediately available funds, as directed in writing by the Monitor.

Section 3.03 Purchase Price Allocation.

The Purchase Price shall be allocated among the Purchased Assets in the manner and form set out in Schedule 3.3 – Purchase Price Allocation of this Agreement. Such allocation shall be binding and the Purchaser and Vendor shall report the purchase and sale of the Purchased Assets and file all filings which are necessary or desirable under the Tax Act to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

Section 3.04 Professional Fees.

Relying on the representation of the Monitor, its counsel and counsel for the Vendor, the Purchaser understands that professional fees from the date of the 2nd Amended and Restated Binding Offer to Purchase, being September 15, 2025, until Closing, shall not exceed Fifty Thousand Dollars (\$50,000). On the condition that Bank of Montreal is in agreement with and support of this Agreement, the Purchaser shall contribute up to a maximum of Fifty Thousand Dollars (\$50,000) to be applied to the said professional fees so that the Purchase Price is entirely paid to creditors or as otherwise determined by the Court.

Section 3.05 No Effect on Other Rights.

The determination of the Purchase Price in accordance with the provisions of this Article will not limit or affect any other rights or causes of action either the Purchaser or the Vendor may have with respect to the representations, warranties or covenants in its favour contained in this Agreement.

Article 4 - Tax Matters

Section 4.01 Transfer Taxes.

The Purchaser shall be liable for and shall pay all sales Taxes and all other similar Taxes properly payable upon and in connection with the sale, assignment and transfer of the Purchased Assets from the Vendor to the Purchaser, other than any taxes payable on the Vendor's net income, profits or gains.

Section 4.02 Tax Elections.

The Parties shall use their commercially reasonable efforts in good faith to minimize (or eliminate) any taxes payable under the *Excise Tax Act* (Canada) in respect of the Closing by, among other things, making such elections and taking such steps as may be provided for under that Act, including, for greater certainty, making a joint election in a timely manner under Section 167 of that Act, under Section 22 of the *Tax Act* and under Subsections 20(24) and 20(25) of the *Tax Act* (and the corresponding sections of any provincial legislation) as may reasonably be requested by the Purchaser in connection with the Closing.

Article 5 - Representation and Warranties

Section 5.01 Representations and Warranties of the Vendor.

The Vendor represents and warrants as follows to the Purchaser and acknowledges and agrees that the Purchaser is relying upon the representations and warranties in connection with its purchase of the Purchased Assets.

- (a) **Incorporation and Qualification.** Each of the corporations constituting the Vendor is a corporation incorporated and existing under the laws of jurisdiction of its formation. Each of the corporations constituting the Vendor has the corporate power and authority to own and operate its property, carry on its Business and enter into and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is a party.
- (b) **Corporate Authorization.** Subject to the issuance of the Approval and Vesting Order, the execution and delivery of and performance by the Vendor of this Agreement and each of the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated by them have been duly authorized by all necessary and corporate action on the part of each of them or otherwise authorized by Order of the Court including, without limitation, the Approval and Vesting Order.
- (c) **Execution and Binding Obligation.** Subject to the issuance of the Approval and Vesting Order, this Agreement and each of the Ancillary Agreements to which the Vendor is a party have been duly executed and delivered by the Vendor and constitute legal, valid and binding agreements of it, enforceable against it in accordance with their respective terms.
- (d) **Residence of the Vendor.** None of the corporations constituting Vendor is a non-resident of Canada within the meaning of the *Tax Act*. None of the Vendor is a non Canadian within the meaning of the *Investment Canada Act*.
- (e) **HST Registrant.** Each of the corporations constituting the Vendor is a registrant for the purposes of the tax imposed under Part IX of the *Excise Tax Act* (Canada) and their registration numbers are as follows:
 - i. 870632783 for Karwood Contracting Ltd.;
 - ii. 733579312 for Karwood Ontario Ltd.; and
 - iii. 816372031 for Karwood Engineering Inc.
- (f) **Taxes.** The Vendor has, in accordance with applicable Laws, invoiced, collected, withheld, reported and remitted to the appropriate tax authority all Taxes which are due and payable by the Vendor. There are no liens for Taxes against the Purchased Assets. None of the Purchased Assets is the subject of any trust arising under any Law relating to Taxes.

Section 5.02 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants as follows to the Vendor and acknowledges and agrees that the Vendor is relying on such representations and warranties in connection with its sale of the Purchased Assets:

- (a) **Incorporation and Corporate Power.** The Purchaser is an entity that is duly formed and validly existing under the laws of the jurisdiction of its formation, has full power and capacity to own the Purchased Assets and to carry on the Business as now conducted has the power and authority to enter into and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is a party.
- (b) **Corporate Authorization.** The execution and delivery of and performance by the Purchaser of this Agreement and each of the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated by them have been duly authorized by all necessary action on the part of the Purchaser.
- (c) **Execution and Binding Obligation.** This Agreement and each of the Ancillary Agreements to which the Purchaser is a party have been duly executed and delivered by the Purchaser and constitute legal, valid and binding agreements of the Purchaser, enforceable against it in accordance with their respective terms subject only to any limitation under applicable Laws relating to (i) bankruptcy, winding-up insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (d) **HST Registrant.** The Purchaser will be as at Closing, a registrant for the purposes of the tax imposed under Part IX of the *Excise Tax Act* (Canada) and its registration number is #768242232.

Section 5.03 No Other Representations or Warranties.

The representations and warranties given by the Vendor in Section 5.01 are the only representations and warranties of the Vendor in connection with this Agreement and the transactions contemplated by it. Except for the representations and warranties given by the Vendor in Section 5.01, the Purchaser is purchasing the Purchased Assets on an "as is, where is" basis and does not rely upon any statements, representations, promises, warranties, conditions or guarantees whatsoever by the Vendor or the Monitor, whether express or implied (by operation of law or otherwise), oral or written, legal, equitable, conventional, collateral or otherwise, regarding any of the assets to be acquired or any of the liabilities to be assumed or the completeness of any information provided in connection therewith.. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets, the Business, or the Assumed Liabilities.

Section 5.04 AS IS, WHERE IS.

THE PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE PURCHASED ASSETS AND THE BUSINESS ARE PURCHASED ARE ASSUMED BY THE PURCHASER "AS IS, WHERE IS" AS THEY SHALL EXIST AT THE CLOSING DATE WITH ALL FAULTS AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN FACT OR BY LAW WITH RESPECT TO THE PURCHASED ASSETS AND THE BUSINESS, AND WITHOUT ANY RECOURSE TO ANY OF THE VENDOR, THE MONITOR OR ANY OF THEIR DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES, AGENTS, REPRESENTATIVES OR ADVISORS, OTHER THAN FOR

FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. THE PURCHASER AGREES TO ACCEPT THE PURCHASED ASSETS AND THE BUSINESS IN THE CONDITION, STATE AND LOCATION THEY ARE IN ON THE CLOSING DATE BASED ON THE PURCHASER'S OWN INSPECTION, EXAMINATION AND DETERMINATION WITH RESPECT TO ALL MATTERS AND WITHOUT RELIANCE UPON ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE MADE BY OR ON BEHALF OF OR IMPUTED TO ANY OF THE VENDOR OR THE MONITOR, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT. Unless specifically stated in this Agreement, the Purchaser acknowledges and agrees that no representation, warranty, term or condition, understanding or collateral agreement, whether statutory, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, is being given by the Vendor in this Agreement or in any instrument furnished in connection with this Agreement, as to description, fitness for purpose, sufficiency to carry on any business, operate, merchantability, quantity, condition, ownership, quality, value, suitability, durability, environmental condition, assignability or marketability thereof, or in respect of any other matter or thing whatsoever, and all of the same are hereby expressly excluded.

Section 5.05 Purchaser Commitments.

- (a) Following Closing, the Purchaser, as a sign of good faith and commitment to the Business, agrees to address and rectify all landscaping and driveway paving issues identified for 33 homeowners, at no cost to the homeowners.
- (b) The Purchaser commits to honouring all existing Karwood Atlantic Home Warranties after Closing.
- (c) The Purchaser agrees to assume financial responsibility for the vacation pay of the Vendor's existing and/or former employees estimated to be about Eighteen Thousand Dollars **\$18,000.00**.

Article 6 - Pre-Closing Covenants of the Parties

Section 6.01 Motion for Approval and Vesting Order.

As soon as reasonably practicable after the date of execution of this Agreement or such other time as the Purchaser may agree to in writing, the Vendor shall serve and file with the Court a motion for the issuance of the Approval and Vesting Order. The Vendor shall use their best efforts to seek the issuance and entry of the Approval and Vesting Order.

Section 6.02 Access by Purchaser.

Subject to applicable Law, from the date that this Agreement is accepted by the Parties until the Closing, the Vendor shall upon reasonable notice, permit the Purchaser and its partners and Affiliates, its and their respective employees, agents, counsel, accountants or other representatives, lenders, potential lenders and potential investors to have reasonable access during normal business hours to:

- (a) the premises of the Vendor;

- (b) the Purchased Assets, including all Books and Records and all minute books and corporate records of the Vendor;
- (c) the Assumed Contracts; and
- (d) furnish to the Purchaser or its partners, employees, agents, counsel, accountants or other representatives, lenders, potential lenders and potential investors such financial and operating data and other information with respect to the Purchased Assets and the Vendor (to the extent such data or information is in the Vendor's possession or, using commercially reasonable efforts, can be obtained by the Vendor or the Monitor) as the Purchaser from time to time reasonably requests.

Section 6.03 Access by Monitor.

From the Closing Date, the Purchaser shall, upon reasonable Notice, Permit representatives of the Monitor to have reasonable access during normal business hours to the Books and Records for the purpose of completing its mandate as the Monitor from time to time reasonably requests.

Section 6.04 Title and Risk.

- (a) The Purchased Assets shall remain at the risk of the Vendor until Closing and at the risk of the Purchaser from and after Closing. The Vendor covenants to the Purchaser that, during the period from and including the date hereof through and including the Closing Date or the earlier termination of this Agreement, the Vendor shall use commercially reasonable efforts to conduct the Business in substantially the same manner as conducted as of the date hereof.
- (b) If, prior to Closing, the Purchased Assets are substantially physically damaged or destroyed by fire, casualty or otherwise, then, at its option, the Purchaser may decline to complete the transaction. Such option shall be exercised within fifteen (15) calendar days after notification to the Purchaser by the Vendor of the occurrence of such physical damage or destruction (or prior to the Closing Date if such occurrence takes place within fifteen (15) calendar days of the Closing Date), in which event this Agreement shall be terminated automatically. If the Purchaser does not exercise such option, it shall complete the Transaction and shall be entitled to an assignment of any proceeds of insurance referable to such damage or destruction. Where any physical damage or destruction is not substantial, the Purchaser shall complete the Transaction and shall be entitled to an assignment of any proceeds of insurance referable to such physical damage or destruction. For the purposes of this section, substantial physical damage or destruction shall be deemed to have occurred if the physical loss or damage to the Purchased Assets exceeds 15% of the total Purchase Price.
- (c) If, prior to the Closing Date, all or a material part of the Purchased Assets is expropriated or a notice of expropriation or intent to expropriate all or a material part of the Real Property is issued by any Governmental Authority, the Vendor shall immediately advise the Purchaser thereof by Notice in writing. The Purchaser shall, by Notice in writing given within three (3) Business Days after the Purchaser receives Notice in writing from the Vendor of such expropriation, elect to either: (i) complete the transaction contemplated herein in

accordance with the terms hereof without reduction of the Purchase Price, and all compensation for expropriation shall be payable to the Purchaser and all right, title and interest of Vendor to such amounts, if any, shall be assigned to the Purchaser on a without recourse basis; or (ii) terminate this Agreement and not complete the transaction, in which case all rights and obligations of the Vendor and the Purchaser (except for those obligations which are expressly stated to survive the termination of this Agreement) shall terminate.

Section 6.05 Employees.

It is hereby confirmed, acknowledged and agreed that the Vendor has no employees as all of them have been transferred to a related company that is not part of the CCAA proceedings. Employee matters shall therefore be addressed outside of this Agreement, other than as set out in Section 5.05 above.

Section 6.06 Notices and Requests for Consents.

- (a) Subject to the acceptance of this Agreement by the Parties, the Vendor shall use its commercially reasonable efforts to obtain or cause to be obtained prior to Closing, at its expense, all consents, approvals and waivers that are required by the terms of the Consent Required Contracts, or an Assignment Order in order to complete the transactions contemplated by this Agreement.
- (b) The Vendor and the Monitor shall provide notices (in form and substance acceptable to the Purchaser, acting reasonably) that are required by the terms of the Assumed Contracts in connection with the transaction contemplated pursuant to the Approval and Vesting Order and this Agreement.

Section 6.07 Transfer of the Purchased Assets.

The Vendor shall take all necessary steps and proceedings to permit title to the Purchased Assets to be duly and validly transferred and assigned to the Purchaser at the Closing pursuant to the Approval and Vesting Order and this Agreement, free from all Encumbrances.

Section 6.08 Actions to Satisfy Closing Conditions.

- (a) The Vendor shall use its commercially reasonable efforts to take or cause to be taken all such actions so as to ensure compliance with all of the conditions set forth in Section 7.01.
- (b) The Purchaser shall use its commercially reasonable efforts to take or cause to be taken all such actions so as to ensure compliance with all of the conditions set forth in Section 7.02.

Article 7 - Conditions

Section 7.01 Conditions for the Benefit of the Purchaser.

The purchase and sale of the Purchased Assets is subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the exclusive benefit of the Purchaser and may be waived, in whole or in part, by the Purchaser in its sole discretion:

- (a) **Truth of Representations and Warranties.** The representations and warranties of the Vendor contained in this Agreement were true and correct, in all material respects, as of the date of this Agreement and as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Vendor shall have executed and delivered a certificate of a senior officer to that effect. Upon the delivery of such certificate, the representations and warranties of the Vendor in Section 5.01 will be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date.
- (b) **Performance of Covenants.** The Vendor shall have fulfilled or complied, in all material respects, with all covenants contained in this Agreement required to be fulfilled or complied with by it at or prior to the Closing, and the Vendor shall have executed and delivered a certificate of an authorized representative to that effect.
- (c) **Consents for Consent Required Contracts.** All consents, approvals or waivers for each Consent Required Contract shall have been obtained on terms acceptable to the Purchaser, acting reasonably, or an Assignment Order will have been obtained in respect thereof. All such consents, approvals, waivers or Assignment Orders will be in force and will not have been modified, rescinded, appealed or stayed.
- (d) **Title to Real Property.** The Purchaser shall have received the results of title searches for the Real Property, and such results must be satisfactory to the Purchaser, acting reasonably and in its sole discretion. Alternatively, the Purchaser may obtain title insurance for some or all of the Real Property, which must also be satisfactory to the Purchaser, acting reasonably and in its sole discretion.
- (e) **No Bankruptcy:** The Vendor shall not be and shall not have become a bankrupt under the BIA.
- (f) **Legal Action.** There shall be no order issued by any Governmental Authority delaying, restricting or preventing consummation of the transactions contemplated herein.
- (g) **Due Diligence.** The Purchaser shall be satisfied with its legal, financial, and environmental due diligence in respect of each company comprising the Vendor and their assets, including, but not limited to, real estate appraisals, status of litigation, insurance policies, leases (office), and Atlantic Home Warranty.
- (h) **Purchased Assets.** The Purchased Assets will be free and clear of all Encumbrances.
- (i) **Intentionally deleted.**
- (j) **Permits.** All Permits and licences shall be transferred to the Purchaser on or before Closing.
- (k) **Material Adverse Change.** From the date of signing of this Agreement through to the Closing Date, there shall have been no material adverse change in the Business, results of operations, prospects, condition (financial or otherwise), or the Purchased Assets of the Vendor.
- (l) **Deliveries.** The Vendor shall have delivered or caused to be delivered to the Purchaser the following in form and substance satisfactory to the Purchaser acting reasonably:

- i. consents to the assignment of the Consent Required Contracts to the extent that an Assignment Order was not obtained;
- ii. the certificates referred to in Section 7.01(a) and Section 7.01(b);
- iii. the issued and entered Approval and Vesting Order, which order shall not have been modified, rescinded, appealed or stayed;
- iv. a copy of the Monitor's Certificate (such certificate shall be filed with the Court by the Monitor following Closing and a copy of such filed Monitor's Certificate shall be delivered to the Purchaser promptly thereafter);
- v. the originals of the Books and Records, excluding those Excluded Assets but including all Tax Returns pertaining to corporate income Taxes of the Vendor for the previous five (5) years from the Closing Date, that are available to the Vendor using commercially reasonable efforts;
- vi. the Purchased Assets, which shall be delivered *in situ*, other than the cash held in the Vendor's bank accounts on the Closing Date, which shall be transferred to the Purchaser; and
- vii. an assignment and assumption agreement, bill of sale or such other conveyances, assignments, documents and instruments of transfer as may be reasonably required by the Purchaser to complete the transaction contemplated herein.

Section 7.02 Conditions for the Benefit of the Vendor.

The purchase and sale of the Purchased Assets is subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the exclusive benefit of the Vendor and may be waived, in whole or in part, by the Vendor in its sole discretion.

- (a) **Truth of Representations and Warranties.** The representations and warranties of the Purchaser contained in this Agreement were true and correct, in all material respects, as of the date of this Agreement as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Purchaser shall have executed and delivered a certificate of a senior officer to that effect. Upon delivery of such certificate, the representations and warranties of the Purchaser in Section 5.02 will be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date.
- (b) **Performance of Covenants.** The Purchaser shall have fulfilled or complied, in all material respects, with all covenants contained in this Agreement required to be fulfilled or complied with by it at or prior to Closing and the Purchaser shall have executed and delivered a certificate of a senior officer to that effect.
- (c) **Deliveries.** The Purchaser shall have delivered or caused to be delivered to the Vendor the following in form and substance satisfactory to the Vendor, acting reasonably:

- i. all resolutions of the board of directors of the Purchaser approving the entering into and completion of the transactions contemplated by this Agreement and the Ancillary Agreements;
 - ii. a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by appropriate government official of the jurisdiction of its incorporation;
 - iii. the certificates referred to in Section 7.02(a) and Section 7.02(b); and
 - iv. the Purchase Price.
- (d) **Proceedings.** All proceedings to be taken in connection with the transactions contemplated in this Agreement and any Ancillary Agreement are reasonably satisfactory in form and substance to the Vendor, acting reasonably, and the Vendor shall have received copies of all the instruments and other evidence as it may reasonably request in order to establish the consummation of such transactions and the taking of all proceedings in connection therewith.
- (e) **Legal Action.** There shall be no order issued by any Governmental Authority delaying, restricting or preventing consummation of the transactions contemplated herein.

Section 7.03 Conditions for the Benefit of the Purchaser and the Vendor.

The purchase and sale of the Purchased Assets is subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the benefit of both the Vendor and the Purchaser and may be jointly waived, in whole or in part, by the Vendor and the Purchaser.

- (a) **Approval and Vesting Order.** The Approval and Vesting Order shall have been obtained and shall not have been appealed, set aside, varied or stayed or, if appealed or stayed, all appeals shall have been dismissed and all stays shall have been lifted, respectively. The Vendor and the Purchaser acknowledge and agree that this Agreement is subject to Court approval, and Closing the transactions contemplated herein is subject to the issuance of the Approval and Vesting Order.
- (b) **Monitor's Certificate.** The Monitor shall have delivered the Monitor's Certificate confirming the satisfaction of all conditions under this Agreement, payment of the Purchase Price and the vesting of the Purchased Assets pursuant to the Approval and Vesting Order.

Article 8 - Closing

Section 8.01 Date, Time and Place of Closing.

Closing will take place on the Closing Date by exchanging signature pages of the Parties electronically, or at such place, on such other date and at such other time as may be consented to by the Monitor and agreed upon in writing between the Vendor and the Purchaser.

Section 8.02 Closing Procedures.

Subject to satisfaction or waiver by the relevant Party of the conditions of closing, on the Closing Date, the Closing shall be deemed completed upon the delivery of the Monitor's Certificate.

Section 8.03 Monitor's Certificate.

The Parties hereby acknowledge and agree that the Monitor shall be entitled to file a certificate, substantially in the form attached to the Approval and Vesting Order (the "**Monitor's Certificate**"), with the Court upon receiving written confirmation from the Purchaser and the Vendor that all conditions of Closing have been satisfied or waived.

Article 9 - Termination

Section 9.01 Termination Rights.

- (a) This Agreement will be terminated automatically, without any action by either Party, if the Approval and Vesting Order is not granted by such date as may be agreed to by the Parties.
- (b) This Agreement may, by Notice in writing given on or prior to the Closing Date, be terminated:
 - i. by mutual consent of the Vendor and the Purchaser;
 - ii. by the Purchaser, if:
 - (A) there has been a material breach of this Agreement by the Vendor and where such breach is capable of being cured, such breach has not been waived by the Purchaser in writing or cured within fifteen (15) days following written notice of such breach by the Purchaser; or
 - (B) any of the conditions in Section 7.01 have not been satisfied and it becomes reasonably apparent that any of such conditions will never be satisfied (other than as result of the failure of the Purchaser to perform any of its material obligations) and the Purchaser has not waived such condition in writing at or prior to Closing;
 - iii. by the Vendor, if:
 - (A) there has been a material breach of this Agreement by Purchaser and where such breach is capable of being cured, such breach has not been waived by the Vendor in writing or cured within fifteen (15) days following written notice of such breach by the Vendor; or
 - (B) any of the conditions in Section 7.02 have not been satisfied and it becomes reasonably apparent that any of such conditions will never be satisfied (other than as result of the failure of the Vendor to perform any of its material obligations) and the Vendor has not waived such condition in writing at or prior to Closing.

Article 10 - Miscellaneous

Section 10.01 Notices.

Any notice, direction or other communication given regarding the matters contemplated by this Agreement (each a “**Notice**”) must be in writing, sent by personal delivery, courier or email addressed:

i. to the Purchaser at:

98536 NEWFOUNDLAND & LABRADOR INC.

70 Heavy Tree Road
St. John’s, NL A1G 1P5

Attention: Blaine Sullivan

Email: Blainesullivan67@gmail.com

and a copy to:

COX & PALMER

Scotia Centre, Suite 1100
235 Water Street
St. John’s, NL A1C 1B6

Attn: Anna Cook, K.C.

Email: acook@coxandpalmer.com

ii. to the Vendor at:

1108 Kenmount Road
Suite 203
Paradise, NL A1L 1N3

Attn: Gregory Hussey

Email: greg@karwood.com

and a copy to:

O’KEEFE & SULLIVAN LAWYERS

80 Elizabeth Avenue
Suite 202
St. John’s, NL A1A 1W7

Attn: Darren O’Keefe

Email: dokeefe@okeefesullivan.com

iii. to the Monitor at:

BDO CANADA LIMITED

Clayton Professional Centre

255 Lacewood Dr.
Halifax, NS, B3M 4G2

Attn: Neil Jones, CPA, CA, CIRP, LIT
Email: nejones@bdo.ca

with a copy by email to:

Attn: Joshua J. Santimaw
Email: jsantimaw@boyneclarke.ca

A Notice is deemed to be given and received (i) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in the place of receipt) and otherwise on the next Business Day; or (ii) if sent email, on the next Business Day. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party.

Section 10.02 Time of the Essence.

Time shall be of the essence in respect of the obligations of the Parties arising prior to Closing under this Agreement.

Section 10.03 Third Party Beneficiaries.

Except as otherwise provided in this Agreement, (i) the Vendor and the Purchaser intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties; and (ii) no Person, other than the Parties, is entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. The Parties reserve their right to vary or rescind the rights at any time and in any way whatsoever, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person.

Section 10.04 Expenses.

Except as otherwise expressly provided in this Agreement, each Party will pay for its own costs and expenses (including the fees and expenses of legal counsel, accountants and other advisors) incurred in connection with this Agreement or any Ancillary Agreements and the transactions contemplated by them.

Section 10.05 Amendments.

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Vendor and the Purchaser.

Section 10.06 Waiver.

No waiver of any of the provisions of this Agreement or any Ancillary Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's acceptance of any certificate delivered on Closing or failure or delay in exercising any right under this Agreement will not operate as a waiver of that. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

Section 10.07 Entire Agreement.

This Agreement and the other documents executed in connection herewith constitutes the entire agreement between the Parties with respect to the transactions contemplated in this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties with respect to such transactions. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement.

Section 10.08 Successors and Assigns.

- (a) Upon execution of the Agreement by the Parties, it will be binding upon and enure to the benefit of the Vendor, the Purchaser and their respective successors and permitted assigns.
- (b) Except as provided in this Section 10.08, neither this Agreement nor any of the rights or obligations under this Agreement may be assigned or transferred, in whole or in part, by any Party without the prior written consent of the other Party. Upon giving Notice to the Vendor at any time on or prior to the Closing Date, the Purchaser may assign this Agreement or any of its rights and/or obligations under this Agreement to any of its Affiliates, provided that such Affiliate and the Purchaser shall be jointly and severally liable with respect to all of the obligations of the Purchaser, including the representations, warranties, covenants, indemnities and agreements of the Purchaser.

Section 10.09 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, from which no appeal exists or is taken, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 10.10 Governing Law and Jurisdiction.

- (a) This Agreement is governed by and will be interpreted and construed in accordance with the laws of the Province of Newfoundland and Labrador and the federal laws of Canada applicable therein.

- (b) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Court (and appellate courts therefrom) and waives objection to the venue of any proceeding in such court or that such court provides an inappropriate forum.

Section 10.11 Counterparts.

This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this Agreement.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF the Parties have executed this Asset Purchase Agreement.

KARWOOD CONTRACTING LTD.

Per: _____
Name: Gregory Hussey
Title: Director

KARWOOD ENGINEERING LTD.

Per: _____
Name: Gregory Hussey
Title: Director

KARWOOD GROUP DESIGN LTD.

Per: _____
Name: Gregory Hussey
Title: Director

KARWOOD ONTARIO LTD.

Per: _____
Name: Gregory Hussey
Title: Director

98536 NEWFOUNDLAND & LABRADOR INC.

Per: _____
Name: Blaine Sullivan
Title: Director

IN WITNESS WHEREOF the Parties have executed this Asset Purchase Agreement.

KARWOOD CONTRACTING LTD.

Per: _____
Name: Gregory Hussey
Title: Director

KARWOOD ENGINEERING LTD.

Per: _____
Name: Gregory Hussey
Title: Director

KARWOOD GROUP DESIGN LTD.

Per: _____
Name: Gregory Hussey
Title: Director

KARWOOD ONTARIO LTD.

Per: _____
Name: Gregory Hussey
Title: Director

98536 NEWFOUNDLAND & LABRADOR INC.

Per:  _____
Name: Blaine Sullivan
Title: Director

SCHEDULES

Schedule 1.1(a) – Excluded Contracts

To be finalized on or before Closing, but includes:

Contracts of Insurance

Contract with 77592 Newfoundland & Labrador Inc. for construction at 166 Park Ave

Schedule 1.1(b) – Excluded Liabilities

To be finalized on or before Closing, but includes:

Any liability in relation to the Excluded Assets.

Schedule 1.1(c) – Permitted Encumbrances

To be finalized on or before Closing, but includes:

GENERAL ENCUMBRANCES

1. All plans and instruments listed in the legal description on the parcel register for the property in question as of the Closing Date.
2. All plans of any kind registered on title to the property in question as of the date of this Agreement.
3. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown including, without limitation, the reservation of any mines and minerals in the Crown or in any other person.
4. All registered subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with government authorities or private or public utilities affecting the development or use of the Property.
5. Any easements or rights of way in favour of any governmental authority, any private or public utility, any railway company or any adjoining owner which in the aggregate do not materially impair the current use or operation of the real property
6. Any unregistered easements, rights-of-way or other unregistered interests or claims not disclosed by registered title in respect of the provision of utilities to the real property.
7. Registered restrictive covenants, exclusivity provisions, and other similar land use control agreements.
8. Minor encroachments by the improvements on the real property over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the real property from improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners that, in either case, do not materially impair the current use or operation of the real property.

9. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of the real property.

10. Any minor title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the real property as disclosed by any plan of survey.

Schedule 1.1(d) – Description of Real Property

To be completed on or before Closing, but shall include:

Lady Smith Drive

Kenmount Road

Tolt Road

-

Schedule 2.2(d) – Excluded Assets

To be completed on or before Closing, but shall include:

- shares in 81502 Newfoundland & Labrador Ltd.

Schedule 3.3 – Purchase Price Allocation

To be completed on or before Closing.

Karwood Contracting Ltd. et al.
 CCAA Proceedings
 Statements of Receipts and Disbursements
 From February 3, 2025, the Date of Appointment, to November 10, 2025

RECEIPTS:		Note
Proceeds from Sale of Residential Property	2,123,814.66	
Proceeds from Asset Purchase Agreement	575,000.00	
Professional Fee Contribution per Asset Purchase Agreement	50,000.00	
Libro Administration Charge Contribution	15,000.00	
Interest	2,186.69	
TOTAL RECEIPTS	\$ 2,766,001.35	
DISBURSEMENTS:		
To Mortgage Lender pursuant to Distribution Orders	879,634.82	
To Karwood pursuant to Distribution Orders	\$ 786,975.63	
TOTAL DISBURSEMENTS	\$ 1,666,610.45	
AMOUNT AVAILABLE FOR DISTRIBUTION	\$ 1,099,390.90	1

NOTE:

1. The amount available for distribution includes:
 - a. \$258,337.16 in proceeds from sale from 41 Yellow Wood, representing the portion of sale proceeds that were to be distributed to Karwood Contracting pursuant to the Distribution Order granted by the Court on June 30, 2025;
 - b. \$198,867.05 representing Mechanic's Lien Funds held back by the Monitor pursuant to the sale of the Residential Properties, namely 55 Silver Birch, 59 Silver Birch, 61 Silver Birch, 63 Silver Birch, 70 Silver Birch, and 41 Yellow Wood;
 - c. \$575,000.00 being the Purchase Price anticipated to be received following the closing of the Transaction pursuant to the terms of the Asset Purchase Agreement; and
 - d. \$50,000.00 being the Professional Fee Contribution pursuant to the terms of the Asset Purchase Agreement.

Karwood Contracting Ltd. et al
 Summary of Monitor Fees
 To November 7, 2025

Name	Position	Hourly Rate	Total Hours	Total Fees	Significant Activities
Clark Lonergan	Partner	595.00	24.10	14,339.50	Pre-filing matters; Quality Assurance Reviews of Monitor court reporting; Review of motion materials of the Applicants, Monitor and other stakeholders associated with Quality Assurance Reviews.
Neil Jones	Director	525.00	436.50	229,162.50	Pre-filing matters; Various pre-filing correspondence with Debtor re CCAA filing and related strategy; Information Request Listing for management; Various discussions and correspondence with BMO re DIP Financing, review and comment on DIP Term Sheet, and various information requests from BMO related to DIP Financing; Various correspondence with Debtor re Cash Flow Projections, review and comment various versions of same; Review of CCAA notices; Various correspondence with Monitor's Counsel; Monitor reports to Court; Review of motion materials of the Applicants, Monitor and other stakeholders; Preparation and attendance at various CCAA court hearings; Review of Asset Purchase Agreements related to Residential Properties, overseeing closings and issuance of Monitor's Certificates re same; Review of BMO, Kent and Monitor positions re priority of claims against residential property proceeds pursuant to Procedural Order, review of Mechanic's Lien claims; Correspondence with Applicants and counsel re potential inclusion of 81502 NL Ltd. in CCAA proceedings; Review of legal letters and other collection efforts of Applicants' receivables including deposit receivables from Tow of Paradise, Tarion Warranty Corporation, Government of NL Land Expropriation, etc.; Review of Asset Purchase Agreements and collection efforts re 1108 Kenmount Rd.; Various correspondence with Applicants and BMO re DIP Default and DIP Term Sheet amendment requests; Review and comment on Binding Offer from Prospective Purchaser and various correspondence re same; Review of BMO application to appoint Receiver; Review of Patrick Street Holdings Application re lifting of Stay of Proceedings; Review and comment on draft Asset Purchase Agreement, Monitor execution, closing of same; Various correspondence with realtors re Opinion of Value on Applicants' real property; Review of Cash Flow Projection Variance Analysis and Cash Flow monitoring; Various correspondence with Companies' stakeholders; Managing Accounts Payable review process, including review of Critical AP payments; Managing website maintenance; Managing banking activities including collection and tracking of Mechanic's Lien Funds, review of trust account reconciliations, payments pursuant to Distribution Orders, etc.
Paul Kouadio	Manager	375.00	92.90	34,837.50	Various correspondence with Companies' stakeholders; Review and approval of Companies' accounts payable payment requests and various correspondence with Applicants re same; Cash Flow Forecast review and monitoring performance against actuals; Reporting matters.
Luke Dobush	Senior Analyst	325.00	4.40	1,430.00	Review and approval of Companies' accounts payable payment requests and various correspondence with Applicants re same.
Tony Montesano	Senior Administrator	225.38	13.30	2,997.50	Set-up CCAA estate in Ascend; Prepare and mailing of CCAA notice to creditors, arrange for CCAA notice in newspaper; Set-up and manage Monitor website throughout CCAA proceedings.
Carla Casco	Administrator	203.00	7.50	1,522.50	Banking matters including opening estate trust account, processing deposits from home sales and wire payments pursuant to Distribution Orders.
			578.70	284,289.50	

Karwood Contracting Ltd. et al
Summary of Monitor Fees and Disbursements
To November 7, 2025
Invoices Issued by BDO Canada Limited

Invoice No.	Date	Hours	Fees	Expenses	HST	Total	Average Hourly Rate
CINV3275927	February 7, 2025	67.75	36,041.25	-	5,406.19	41,447.44	531.97
CINV3304821	March 5, 2025	51.65	25,052.25	-	3,757.84	28,810.09	485.04
CINV3331948	March 21, 2025	79.55	36,870.75	-	5,530.61	42,401.36	463.49
CINV3516729	May 12, 2025	58.90	27,616.50	-	3,866.31	31,482.81	468.87
CINV3428248	May 21, 2025	53.65	26,056.25	-	3,647.88	29,704.13	485.67
CINV3521244	July 15, 2025	43.15	20,444.75	-	2,862.27	23,307.02	473.81
CINV3562095	August 13, 2025	45.35	22,151.25	-	3,101.18	25,252.43	488.45
CINV3573277	August 27, 2025	39.75	19,228.75	-	2,692.03	21,920.78	483.74
CINV3603613	September 18, 2025	47.80	24,684.00	-	3,455.76	28,139.76	516.40
CINV3620947	October 2, 2025	43.90	22,852.50	636.00	3,288.39	26,776.89	520.56
CINV3670419	November 7, 2025	47.25	23,291.25	-	3,260.78	26,552.03	492.94
		578.70	284,289.50	636.00	40,869.21	325,794.71	491.26

2025 01G 0491
IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF the *Companies Creditors Arrangement Act* R.S.C., 1985 c. C-36 as Amended (the “**CCAA**”)

AND IN THE MATTER OF an application of Karwood Contracting Ltd., Karwood Engineering Ltd., Karwood Design Group Ltd., and Karwood Ontario Ltd. (the “**Applicants**”)

AFFIDAVIT

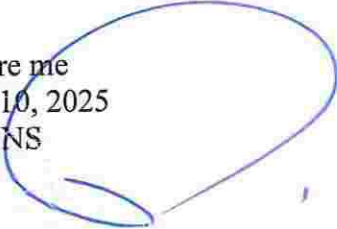
I, Joshua J. Santimaw, of Bedford, in the Province of Nova Scotia, MAKE OATH AND SAY THAT:

1. I am counsel for BDO Canada Limited in its capacity as the Court-appointed Monitor.
2. I have personal knowledge of the evidence sworn to in this affidavit except where otherwise stated to be based on information and belief.
3. I state, in this affidavit, the source of any information that is not based on my own personal knowledge, and I state my belief of the source.
4. Attached hereto as **Exhibit “A”** is a true copy of eight (8) interim invoices (the **Invoices**) rendered by BOYNECLARKE LLP in respect of the period February 24, 2025, to November 13, 2025. The Invoices contain the fees (including details of the billing rates and total hours of each of the members of BOYNECLARKE LLP who acted on behalf of the Monitor); disbursements, and HST charged by BOYNECLARKE LLP.
5. Attached hereto as “**Exhibit “B”**” is a true copy of a schedule summarizing each invoice in Exhibit “A”, the total billable hours charged for invoice, the total fees charged per invoice and the average hourly rate charged per invoice together with a summary of activities.
6. The schedules summarizes that BOYNECLARKE LLP expended a total of 244.80 hours at an average hourly rate of \$505.09 in connection with this matter during the period February 4, 2025, to November 7, 2025, giving rise to fees of \$123,647.00, plus disbursements of \$3,595.89, plus HST of \$17,738.08 for a total sum of \$141,737.98.
7. The Invoices are a fair and accurate description of the services provided, and the amounts charged by BOYNECLARKE LLP. To the best of my knowledge, BOYNECLARKE LLP’s rates and disbursements are consistent with those in the Atlantic Canada market for

this type of matter and the hourly billing rates charged by BOYNECLARKE LLP are comparable to the rates charged for services rendered in similar proceedings.

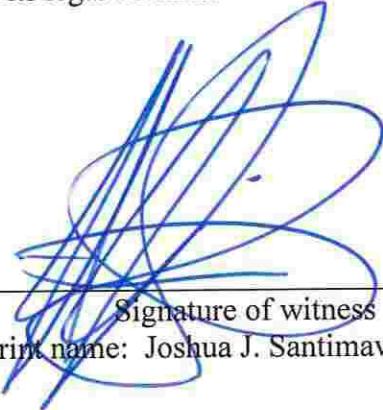
8. I make this affidavit in support of the Monitor's motion for, among other things, approval of the fees and disbursements of the Monitor and its legal counsel.

Sworn to before me
on November 10, 2025
at Dartmouth, NS



Signature of authority

Print name: PETER D. STANHOPE
Official capacity: A Barrister of the Supreme Court of Nova Scotia



Signature of witness

Print name: Joshua J. Santimaw

Exhibit Stamp

2025 01G 0491

This is Exhibit "A" referred to in the affidavit of Joshua J. Santimaw, sworn to before me on November 10, 2025

Signature

PETER D. STANHOPE
A Barrister of the Supreme
Court of Nova Scotia



BOYNECLARKE LLP TRANSACTIONS

Statement number 668946 and fee

Date	Prof	MatterID / Client / Description / Narrative	Comp / Task Code	Units	Value
1/31/2025	JJS	[REDACTED]	T	3.80	1,536.31
1/31/2025	JJS	[REDACTED]	T	0.30	121.29
2/2/2025	JJS	[REDACTED]	T	2.80	1,132.01
2/3/2025	JJS	[REDACTED]	T	3.30	1,334.16
2/3/2025	JJS	[REDACTED]	T	0.40	161.72
2/11/2025	JJS	[REDACTED]	T	3.80	1,536.30
2/12/2025	JJS	[REDACTED]	T	4.80	1,940.59
2/13/2025	JJS	[REDACTED]	T	1.80	727.72
2/14/2025	JJS	[REDACTED]	T	3.30	1,334.16
2/16/2025	JJS	[REDACTED]	T	2.20	889.44
2/16/2025	JJS	[REDACTED]	T	0.80	323.43
2/17/2025	JJS	[REDACTED]	T	0.80	323.43
2/19/2025	JJS	[REDACTED]	T	2.20	889.44
Grand Total				30.30	12,250.00

IN ACCOUNT WITH



INVOICE

P.O. Box 876 Dartmouth Main
Dartmouth, NS B2Y 3Z5
Canada
Telephone: (902) 469-9500
Fax: (902) 463-7500
Email: acctsrec@boyneclarke.ca
HST Reg. 121653653 RT0001

BDO Canada Limited (Halifax)
201 - 255 Lacewood Drive
Halifax, NS B3M 4G2

17-Apr-25

Our File No. 179452

Statement No: 674375

RE: Bankruptcy and Insolvency

TO PROFESSIONAL SERVICES RENDERED with respect to the above matter:

03/31/2025	[REDACTED]	JJS	1.10	561.00
04/01/2025	[REDACTED]	JJS	1.30	663.00
04/03/2025	[REDACTED]	JJS	0.90	459.00
04/04/2025	[REDACTED]	JJS	0.70	357.00
04/08/2025	[REDACTED]	JJS	0.80	408.00
04/08/2025	[REDACTED]	LCG	0.40	152.00
04/09/2025	[REDACTED]	JJS	2.20	1102.00
04/09/2025	[REDACTED]	JJS	0.40	204.00
04/10/2025	[REDACTED]	JJS	1.60	816.00
04/11/2025	[REDACTED]	JJS	2.80	1428.00
04/11/2025	[REDACTED]	JJS	1.20	612.00
	To Our Fee			6,762.00
	H.S.T. on Fees			946.68
	Total Fees			<u>7,708.68</u>

Total	7708.68
Summary:	
Total Fees	6,762.00
Total Other Charges	0.00
Total Disbursements	0.00
Total HST	946.68
Total Invoice	7,708.68
Previously Billed and Owing	47,553.45
Less Payment from Trust	0.00
TOTAL DUE & OWING CAD \$	55,262.13

Invoice Rendered By:

Joshua J. Santimaw

<u>Payment in Person/Delivery</u>	<u>Wire Payment</u>		<u>Mail</u>
99 Wyse Road, 6th Floor Dartmouth, NS, B3A 4S5	Bank: Royal Bank, 44 Portland St, Dartmouth, NS, Canada B2Y 1H3 Bank Number: 003	Transit Number: 01763 Account Number: 1021708 Swift Code: ROYCCAT2 ABA Routing 021000021	Address Above

Other Payment Methods

Cash, Cheque, Visa, MasterCard, Interac, Internet Banking
See Website: Boyneclarke.com/payment/

Interest is charged at 12% per annum on accounts over 30 days past due.

Note: All amounts are Canadian dollars.

IN ACCOUNT WITH

BOYNECLARKE
LAWYERS | LLP



INVOICE

P.O. Box 876 Dartmouth Main
Dartmouth, NS B2Y 3Z5
Canada
Telephone: (902) 469-9500
Fax: (902) 463-7500
Email: acctsrec@boyneclarke.ca
HST Reg. 121653653 RT0001

BDO Canada Limited (Halifax)
201 - 255 Lacewood Drive
Halifax, NS B3M 4G2

31-Mar-25

Our File No. 179452

Statement No: 673180

RE: Bankruptcy and Insolvency

TO PROFESSIONAL SERVICES RENDERED with respect to the above matter:

02/20/2025	[REDACTED]	JJS	0.80	408.00
02/20/2025	[REDACTED]	JJS	2.60	1326.00
02/22/2025	[REDACTED]	JJS	2.20	1122.00
02/22/2025	[REDACTED]	JJS	2.20	1122.00
02/22/2025	[REDACTED]	JJS	2.20	1122.00
02/23/2025	[REDACTED]	JJS	2.20	1122.00
02/23/2025	[REDACTED]	JJS	2.20	1122.00
02/23/2025	[REDACTED]	JJS	2.20	1122.00
02/24/2025	[REDACTED]	JJS	0.60	306.00
02/24/2025	[REDACTED]	SMC	1.10	522.50
02/25/2025	[REDACTED]	JJS	0.20	102.00
02/26/2025	[REDACTED]	JJS	0.40	204.00
02/26/2025	[REDACTED]	JJS	0.80	408.00
02/26/2025	[REDACTED]	RBM	0.50	77.50
02/26/2025	[REDACTED]	JJS	2.10	1071.00
02/26/2025	[REDACTED]	JJS	1.20	612.00

02/27/2025	[REDACTED]	JJS	2.20	1122.00
02/28/2025	[REDACTED]	JJS	0.40	204.00
02/28/2025	[REDACTED]	JJS	0.80	408.00
03/01/2025	[REDACTED]	JJS	5.40	2744.00
03/02/2025	[REDACTED]	JJS	0.60	306.00
03/06/2025	[REDACTED]	JJS	2.10	1071.00
03/13/2025	[REDACTED]	JJS	0.80	408.00
03/13/2025	[REDACTED]	JJS	1.20	612.00
03/19/2025	[REDACTED]	JJS	0.50	255.00
03/19/2025	[REDACTED]	KJP	0.60	285.00
03/28/2025	[REDACTED]	JJS	1.60	816.00
03/29/2025	[REDACTED]	JJS	4.30	2183.00
03/29/2025	[REDACTED]	JJS	0.40	204.00
03/29/2025	[REDACTED]	JJS	0.20	102.00
03/29/2025	[REDACTED]	JJS	0.40	204.00
03/29/2025	[REDACTED]	JJS	1.20	612.00
03/29/2025	[REDACTED]	JJS	0.40	204.00
03/30/2025	[REDACTED]	JJS	0.20	102.00
03/30/2025	[REDACTED]	JJS	0.80	408.00
03/30/2025	[REDACTED]	JJS	0.60	306.00
03/31/2025	[REDACTED]	JDM	0.50	262.50
03/31/2025	[REDACTED]	JJS	6.80	3448.00
03/31/2025	[REDACTED]	JJS	0.20	102.00
03/31/2025	[REDACTED]	CEC	0.60	93.00
03/31/2025	[REDACTED]	JJS	0.80	408.00

To Our Fee	28,638.50
H.S.T. on Fees	4,295.78
Total Fees	<u>32,934.28</u>

Other Charges

	Courier - Purolator	T	22.41
02/26/2025	NFLD - Judgment Search.	T	45.00
	Total Other Charges		<u>67.41</u>
	H.S.T. on Other Charges		10.11
	Total		<u>77.52</u>

Disbursements

03/10/2025	Search Fee.	T	350.00
	Total Disbursements		<u>350.00</u>
	H.S.T. on Disbursements		52.50
	Total		<u>402.50</u>

Total

33414.30

Summary:

Total Fees	28,638.50
Total Other Charges	67.41
Total Disbursements	350.00
Total HST	4358.39
Total Invoice	<u>33,414.30</u>
Previously Billed and Owing	14,139.15
Less Payment from Trust	0.00
TOTAL DUE & OWING CAD \$	<u>47,553.45</u>

Invoice Rendered By:

Joshua J. Santimaw

Payment in Person/Delivery	Wire Payment		Mail
99 Wyse Road, 6th Floor Dartmouth, NS, B3A 4S5	Bank: Royal Bank, 44 Portland St, Dartmouth, NS, Canada B2Y 1H3 Bank Number: 003	Transit Number: 01763 Account Number: 1021708 Swift Code: ROYCCAT2 ABA Routing 021000021	Address Above

Other Payment Methods

Cash, Cheque, Visa, MasterCard, Interac, Internet Banking
See Website: Boyneclarke.com/payment/

Interest is charged at 12% per annum on accounts over 30 days past due.

Note: All amounts are Canadian dollars.

IN ACCOUNT WITH

BOYNECLARKE
LAWYERS | LLP



INVOICE

P.O. Box 876 Dartmouth Main
Dartmouth, NS B2Y 3Z5
Canada
Telephone: (902) 469-9500
Fax: (902) 463-7500
Email: acctsrec@boyneclarke.ca
HST Reg. 121653653 RT0001

BDO Canada Limited (Halifax)
201 - 255 Lacewood Drive
Halifax, NS B3M 4G2

14-May-25

Our File No. 179452

Statement No: 676805

RE: Bankruptcy and Insolvency

TO PROFESSIONAL SERVICES RENDERED with respect to the above matter:

04/16/2025	[REDACTED]	JJS	0.80	408.00
04/17/2025	[REDACTED]	JJS	0.80	408.00
04/17/2025	[REDACTED]	JJS	0.40	204.00
04/20/2025	[REDACTED]	JJS	0.20	102.00
04/20/2025	[REDACTED]	JJS	0.40	204.00
04/21/2025	[REDACTED]	JJS	0.40	204.00
04/22/2025	[REDACTED]	JJS	1.20	612.00
04/23/2025	[REDACTED]	JJS	3.80	1938.00
04/24/2025	[REDACTED]	JJS	3.30	1683.00
04/24/2025	[REDACTED]	JJS	0.30	153.00
04/25/2025	[REDACTED]	JJS	1.40	714.00
04/25/2025	[REDACTED]	JJS	1.50	765.00
04/25/2025	[REDACTED]	JJS	0.50	255.00
04/29/2025	[REDACTED]	JJS	1.80	918.00
04/29/2025	[REDACTED]	JJS	0.40	204.00
04/30/2025	[REDACTED]	JJS	1.70	867.00
04/30/2025	[REDACTED]	JJS	0.70	357.00

04/30/2025	[REDACTED]	JJS	1.50	765.00
05/03/2025	[REDACTED]	JJS	0.40	204.00
05/03/2025	[REDACTED]	JJS	0.60	306.00
05/05/2025	[REDACTED]	JJS	0.60	306.00
05/05/2025	[REDACTED]	JJS	0.40	204.00
05/06/2025	[REDACTED]	JJS	1.00	510.00
05/07/2025	[REDACTED]	JJS	1.20	612.00
05/08/2025	[REDACTED]	JJS	1.00	510.00
05/12/2025	[REDACTED]	JJS	1.80	918.00
05/12/2025	[REDACTED]	JJS	0.80	408.00
	To Our Fee			14,739.00
	H.S.T. on Fees			2,063.46
	Total Fees			<u>16,802.46</u>

Disbursements

05/01/2025	Search Fee.	T		350.00
05/01/2025	Search Fee.	T		350.00
05/01/2025	Search Fee.	T		350.00
05/01/2025	Search Fee.	T		350.00
05/01/2025	Search Fee.	T		350.00
	Total Disbursements			<u>1,750.00</u>
	H.S.T. on Disbursements			245.00
	Total			<u>1,995.00</u>

Total	18797.46
Summary:	
	Total Fees 14,739.00
	Total Other Charges 0.00
	Total Disbursements 1,750.00
	Total HST 2308.46
	Total Invoice 18,797.46
	Previously Billed and Owing 55,262.13
	Less Payment from Trust 0.00
	TOTAL DUE & OWING CAD \$ 74,059.59

Invoice Rendered By:

Joshua J. Santimaw

<u>Payment in Person/Delivery</u>	<u>Wire Payment</u>	<u>Mail</u>
99 Wyse Road, 6th Floor Dartmouth, NS, B3A 4S5	Bank: Royal Bank, 44 Portland St, Dartmouth, NS, Canada B2Y 1H3 Bank Number: 003	Transit Number: 01763 Account Number: 1021708 Swift Code: ROYCCAT2 ABA Routing 021000021 Address Above

Other Payment Methods

Cash, Cheque, Visa, MasterCard, Interac, Internet Banking
See Website: Boyneclarke.com/payment/

Interest is charged at 12% per annum on accounts over 30 days past due.

Note: All amounts are Canadian dollars.

IN ACCOUNT WITH



INVOICE

P.O. Box 876 Dartmouth Main
Dartmouth, NS B2Y 3Z5
Canada
Telephone: (902) 469-9500
Fax: (902) 463-7500
Email: acctsrec@boyneclarke.ca
HST Reg. 121653653 RT0001

BDO Canada Limited (Halifax)
201 - 255 Lacewood Drive
Halifax, NS B3M 4G2

26-Jun-25

Our File No. 179452

Statement No: 681035

RE: Bankruptcy and Insolvency

TO PROFESSIONAL SERVICES RENDERED with respect to the above matter:

Table with columns for date, description (blacked out), JJS, and amounts. Includes summary rows: To Our Fee (10,608.00), Less Special Consideration (40.00), H.S.T. on Fees (1,479.52), Total Fees (12,047.52).

Other Charges

Copy Print/Scan Charge	T	4.40
Total Other Charges		<u>4.40</u>
H.S.T. on Other Charges		0.62
Total		<u>5.02</u>

Total 12052.54

Summary:

Total Fees	10,568.00
Total Other Charges	4.40
Total Disbursements	0.00
Total HST	1480.14
Total Invoice	<u>12,052.54</u>
Previously Billed and Owing	74,059.59
Less Payment from Trust	0.00
TOTAL DUE & OWING CAD \$	<u>86,112.13</u>

Invoice Rendered By:

Joshua J. Santimaw

<u>Payment in Person/Delivery</u>	<u>Wire Payment</u>	<u>Mail</u>
99 Wyse Road, 6th Floor Dartmouth, NS, B3A 4S5	Bank: Royal Bank, 44 Portland St, Dartmouth, NS, Canada B2Y 1H3 Bank Number: 003	Transit Number: 01763 Account Number: 1021708 Swift Code: ROYCCAT2 ABA Routing 021000021 Address Above

Other Payment Methods

Cash, Cheque, Visa, MasterCard, Interac, Internet Banking
See Website: Boyneclarke.com/payment/

Interest is charged at 12% per annum on accounts over 30 days past due.

Note: All amounts are Canadian dollars.

IN ACCOUNT WITH

BOYNECLARKE
LAWYERS | LLP



INVOICE

P.O. Box 876 Dartmouth Main
Dartmouth, NS B2Y 3Z5
Canada
Telephone: (902) 469-9500
Fax: (902) 463-7500
Email: acctsrec@boyneclarke.ca
HST Reg. 121653653 RT0001

BDO Canada Limited (Halifax)
201 - 255 Lacewood Drive
Halifax, NS B3M 4G2

25-Sep-25

Our File No. 179452

Statement No: 689234

RE: Bankruptcy and Insolvency

TO PROFESSIONAL SERVICES RENDERED with respect to the above matter:

06/26/2025	[REDACTED]	JJS	0.40	204.00
06/26/2025	[REDACTED]	JJS	0.20	102.00
06/27/2025	[REDACTED]	JJS	0.20	102.00
06/27/2025	[REDACTED]	JJS	0.40	204.00
06/27/2025	[REDACTED]	JJS	0.80	408.00
06/28/2025	[REDACTED]	JJS	3.30	1683.00
06/29/2025	[REDACTED]	JJS	0.20	102.00
07/02/2025	[REDACTED]	JJS	0.40	204.00
07/21/2025	[REDACTED]	JJS	0.90	459.00
07/22/2025	[REDACTED]	JJS	0.40	204.00
08/06/2025	[REDACTED]	JJS	1.80	918.00
08/11/2025	[REDACTED]	JJS	1.40	714.00
08/15/2025	[REDACTED]	JJS	1.80	918.00
08/16/2025	[REDACTED]	JJS	2.20	1122.00
09/10/2025	[REDACTED]	JJS	1.80	918.00
09/11/2025	[REDACTED]	JJS	2.40	1224.00

09/14/2025	[REDACTED]	JJS	4.40	2244.00
09/15/2025	[REDACTED]	JJS	4.40	2244.00
09/16/2025	[REDACTED]	JJS	2.20	1122.00
09/16/2025	[REDACTED]	JJS	3.30	1683.00
	To Our Fee			16,779.00
	H.S.T. on Fees			2,349.06
	Total Fees			<u>19,128.06</u>

Other Charges

Copy Print/Scan Charge	T	0.40
Total Other Charges		<u>0.40</u>
H.S.T. on Other Charges		0.06
Total		<u>0.46</u>

Total 19128.52

Summary:

Total Fees	16,779.00
Total Other Charges	0.40
Total Disbursements	0.00
Total HST	2349.12
Total Invoice	<u>19,128.52</u>
Previously Billed and Owing	12,052.54
Less Payment from Trust	0.00
TOTAL DUE & OWING CAD \$	<u>31,181.06</u>

Invoice Rendered By:

Joshua J. Santimaw

<u>Payment in Person/Delivery</u>	<u>Wire Payment</u>	<u>Mail</u>
99 Wyse Road, 6th Floor Dartmouth, NS, B3A 4S5	Bank: Royal Bank, 44 Portland St, Dartmouth, NS, Canada B2Y 1H3 Bank Number: 003	Transit Number: 01763 Account Number: 1021708 Swift Code: ROYCCAT2 ABA Routing 021000021 Address Above

Other Payment Methods

Cash, Cheque, Visa, MasterCard, Interac, Internet Banking
See Website: Boyneclarke.com/payment/

Interest is charged at 12% per annum on accounts over 30 days past due.

Note: All amounts are Canadian dollars.



IN ACCOUNT WITH

BOYNECLARKE
LAWYERS I LLP



INVOICE

P.O. Box 876 Dartmouth Main
Dartmouth, NS B2Y 3Z5
Canada
Telephone: (902) 469-9500
Fax: (902) 463-7500
Email: acctsrec@boyneclarke.ca
HST Reg. 121653653 RT0001

BDO Canada Limited (Halifax)
201 - 255 Lacewood Drive
Halifax, NS B3M 4G2

01-Oct-25

Our File No. 179452

Statement No: 690062

RE: Bankruptcy and Insolvency

TO PROFESSIONAL SERVICES RENDERED with respect to the above matter:

09/25/2025	[REDACTED]	CEC	1.20	186.00
09/25/2025	[REDACTED]	JJS	1.20	612.00
09/25/2025	[REDACTED]	JJS	2.20	1122.00
09/26/2025	[REDACTED]	JJS	4.90	2499.00
09/27/2025	[REDACTED]	JJS	6.60	3366.00
09/28/2025	[REDACTED]	JJS	6.70	3417.00
09/29/2025	[REDACTED]	JJS	6.80	3468.00
09/30/2025	[REDACTED]	JJS	4.50	2295.00
	To Our Fee			16,965.00
	H.S.T. on Fees			2,375.10
	Total Fees			19,340.10

Other Charges

Copy Print/Scan Charge	T	13.20
Total Other Charges		13.20
H.S.T. on Other Charges		1.85
Total		15.05

Disbursements

09/29/2025	Prothonotary.	NT	113.00
	Total Disbursements		<u>113.00</u>
	H.S.T. on Disbursements		
	Total		<u>113.00</u>

Total **19468.15**

Summary:

Total Fees	16,965.00
Total Other Charges	13.20
Total Disbursements	113.00
Total HST	2376.95
Total Invoice	<u>19,468.15</u>
Previously Billed and Owing	31,181.06
Less Payment from Trust	0.00
TOTAL DUE & OWING CAD \$	<u>50,649.21</u>

Invoice Rendered By:

Joshua J. Santimaw

<u>Payment in Person/Delivery</u>	<u>Wire Payment</u>	<u>Mail</u>
99 Wyse Road, 6th Floor Dartmouth, NS, B3A 4S5	Bank: Royal Bank, 44 Portland St, Dartmouth, NS, Canada B2Y 1H3 Bank Number: 003	Transit Number: 01763 Account Number: 1021708 Swift Code: ROYCCAT2 ABA Routing 021000021 Address Above

Other Payment Methods

Cash, Cheque, Visa, MasterCard, Interac, Internet Banking
See Website: Boyneclarke.com/payment/

Interest is charged at 12% per annum on accounts over 30 days past due.

Note: All amounts are Canadian dollars.

IN ACCOUNT WITH

BOYNECLARKE
LAWYERS | LLP



INVOICE

P.O. Box 876 Dartmouth Main
Dartmouth, NS B2Y 3Z5
Canada
Telephone: (902) 469-9500
Fax: (902) 463-7500
Email: acctsrec@boyneclarke.ca
HST Reg. 121653653 RT0001

BDO Canada Limited (Halifax)
201 - 255 Lacewood Drive
Halifax, NS B3M 4G2

13-Nov-25

Our File No. 179452

Statement No: 693490

RE: Bankruptcy and Insolvency

TO PROFESSIONAL SERVICES RENDERED with respect to the above matter:

09/30/2025	[REDACTED]	JJS	1.20	612.00
10/07/2025	[REDACTED]	JJS	1.80	918.00
10/09/2025	[REDACTED]	JJS	0.40	204.00
10/10/2025	[REDACTED]	JJS	1.80	918.00
10/21/2025	[REDACTED]	JJS	1.20	612.00
10/21/2025	[REDACTED]	JJS	0.20	102.00
10/21/2025	[REDACTED]	KAR5	0.70	136.50
10/22/2025	[REDACTED]	JJS	0.20	102.00
10/23/2025	[REDACTED]	JJS	0.40	204.00
10/24/2025	[REDACTED]	JJS	2.80	1428.00
11/06/2025	[REDACTED]	JJS	4.40	2244.00
11/06/2025	[REDACTED]	JJS	0.40	204.00
11/07/2025	[REDACTED]	JJS	0.30	153.00
11/07/2025	[REDACTED]	JJS	0.20	102.00
11/07/2025	[REDACTED]	JJS	3.30	1683.00
11/12/2025	[REDACTED]	JJS	2.50	1275.00
11/13/2025	[REDACTED]	JJS	5.50	2805.00
	To Our Fee			13,702.50
	H.S.T. on Fees			1,918.35
	Total Fees			<u>15,620.85</u>

Other Charges

Copy Print/Scan Charge	T	0.60
Courier - Purolator	T	61.97
Total Other Charges		<u>62.57</u>
H.S.T. on Other Charges		8.76
Total		<u>71.33</u>

Disbursements

10/02/2025	Search Fee.	T	350.00
10/02/2025	Search Fee.	T	350.00
10/02/2025	Search Fee.	T	350.00
10/06/2025	Prothonotary.	NT	(113.00)
10/06/2025	Probate Filing Fees.	NT	133.00
11/07/2025	Prothonotary.	NT	120.00
Total Disbursements			<u>1,190.00</u>
H.S.T. on Disbursements			147.00
Total			<u>1,337.00</u>

Total 17029.18

Summary:

Total Fees	13,702.50
Total Other Charges	62.57
Total Disbursements	1,190.00
Total HST	<u>2074.11</u>
Total Invoice	<u>17,029.18</u>
Previously Billed and Owing	<u>50,649.21</u>
Less Payment from Trust	0.00
TOTAL DUE & OWING CAD \$	<u>67,678.39</u>

Invoice Rendered By:

Joshua J. Santimaw

<u>Payment in Person/Delivery</u>	<u>Wire Payment</u>		<u>Mail</u>
99 Wyse Road, 6th Floor Dartmouth, NS, B3A 4S5	Bank: Royal Bank, 44 Portland St, Dartmouth, NS, Canada B2Y 1H3 Bank Number: 003	Transit Number: 01763 Account Number: 1021708 Swift Code: ROYCCAT2 ABA Routing 021000021	Address Above

Other Payment Methods

Cash, Cheque, Visa, MasterCard, Interac, Internet Banking
See Website: Boyneclarke.com/payment/

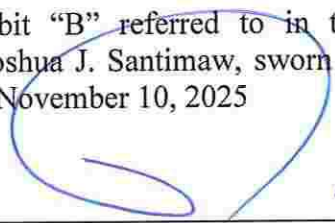
Interest is charged at 12% per annum on accounts over 30 days past due.

Note: All amounts are Canadian dollars.

Exhibit Stamp

2025 01G 0491

This is Exhibit "B" referred to in the affidavit of Joshua J. Santimaw, sworn to before me on November 10, 2025



Signature

PETER D. STANHOPE
A Barrister of the Supreme
Court of Nova Scotia



Karwood Contracting Ltd. et al
Summary of Monitor's Legal Counsel Fees and Disbursements
To November 7, 2025
Invoices Issued by Boyne Clarke

Invoice	Date	Hours	Fees	Credit	Expenses	HST	Total	Average Hourly Rate
668946	February 24, 2025	30.3	15,453.00	- 3,203.00	44.91	1,844.24	14,139.15	510.00
673141	March 31, 2025	57.1	28,638.50	-	417.41	4,358.39	33,414.30	501.55
674375	April 17, 2025	13.4	6,762.00	-	-	946.68	7,708.68	504.63
676805	May 14, 2025	28.9	14,739.00	-	1,750.00	2,308.46	18,797.46	510.00
681035	June 26, 2025	20.8	10,608.00	- 40.00	4.40	1,480.14	12,052.54	510.00
689234	September 25, 2025	32.9	16,779.00	-	0.40	2,349.12	19,128.52	510.00
690062	October 1, 2025	34.1	16,965.00	-	126.20	2,376.95	19,468.15	497.51
693490	November 7, 2025	27.3	13,702.50	-	1,252.57	2,074.11	17,029.18	501.92
		244.80	123,647.00	- 3,243.00	3,595.89	17,738.08	141,737.97	505.09

**Karwood Contracting Ltd. et al
Outstanding Fees of the Monitor and Monitor's Legal Counsel
To November 7, 2025**

Invoices Issued by BDO Canada Limited

Invoice No.	Date	Hours	Fees	Credit	Expenses	HST	Total
CINV3521244	July 15, 2025	43.15	20,444.75	-	-	2,862.27	23,307.02
CINV3562095	August 13, 2025	45.35	22,151.25	-	-	3,101.18	25,252.43
CINV3573277	August 27, 2025	39.75	19,228.75	-	-	2,692.03	21,920.78
CINV3603613	September 18, 2025	47.80	24,684.00	-	-	3,455.76	28,139.76
CINV3620947	October 2, 2025	43.90	22,852.50	-	636.00	3,288.39	26,776.89
CINV3670419	November 7, 2025	47.25	23,291.25	-	-	3,260.78	26,552.03
		267.20	132,652.50	-	636.00	18,660.39	151,948.89

Invoices Issued by Boyne Clarke

Invoice No.	Date	Hours	Fees	Credit	Expenses	HST	Total
681035	June 26, 2025	20.8	10,608.00	-	40.00	4.40	12,052.54
689234	September 25, 2025	32.9	16,779.00	-	-	0.40	19,128.52
690062	October 1, 2025	34.1	16,965.00	-	126.20	2,376.95	19,468.15
693490	November 7, 2025	27.3	13,702.50	-	1,252.57	2,074.11	17,029.18
		115.10	58,054.50	-	40.00	1,383.57	67,678.38

Total Outstanding			190,707.00	-	40.00	2,019.57	26,940.70	219,627.27
--------------------------	--	--	-------------------	----------	--------------	-----------------	------------------	-------------------