

Clerk's Stamp

COURT FILE NO. Q.B.G. No. 480 of 2019

COURT COURT OF QUEEN'S BENCH
FOR SASKATCHEWAN IN BANKRUPTCY
AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS P.S. ELECTRIC LTD. and HARVEY KING

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

DOCUMENT **THIRD REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS
COURT-APPOINTED RECEIVER OF P.S. ELECTRIC LTD.**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT

MLT AIKINS LLP
#1201, 409 - 3rd Avenue S
Saskatoon, SK S7K 5R5

Phone: 306.956.6970
Fax: 306.975.7145

Attention: Jeff Lee, Q.C.
jmlee@mltaikins.com

Paul Olfert
polfert@mltaikins.com

File No. 0063921-00008

TABLE OF CONTENTS

INTRODUCTION	3
PURPOSE OF THIRD REPORT	3
BACKGROUND.....	4
ACTIVITIES OF THE RECEIVER.....	5
CLAIMS PROCESS.....	7
PROPOSED PROPERTY AUCTION.....	7
STATEMENT OF RECEIPTS AND DISBURSEMENTS	9
PROFESSIONAL FEES.....	10
ORDER SOUGHT	11

EXHIBITS

- A Order of Justice R.W. Elson, dated October 16, 2020
- B First Report of the Receiver, dated December 8, 2020, without Exhibits
- C Second Report of the Receiver, dated April 28, 2021, without Exhibits
- D Order (Interim Distribution), dated May 3, 2021
- E Appraisal Report, Brunsdon Lawrek & Associates, dated July 13, 2021
- F Appraisal Report, Ema-Lyn/Crown Appraisals, dated July 12, 2021
- G Claims Process Order, dated May 3, 2021
- H Claims Package & Newspaper Advertisements
- I Schedule of Unsecured Claims
- J Receiver's Interim Statement of Receipts and Disbursements, dated May 31, 2023
- K Summary Schedule Detailing the Billings of the Receiver and its independent Legal Counsel
- L Correspondence with Davey Crocket Investments Ltd.
- M City of Estevan Tax Enforcement Notice and Letter Correspondence In Response

INTRODUCTION

1. On application by Royal Bank of Canada, the Debtor's senior secured lender, BDO Canada Limited was appointed as the Receiver (the "**Receiver**"), without security, of all of the assets, undertakings and properties of P.S. Electric Ltd. ("**PSEL**" or the "**Debtor**"), pursuant to an Order of the Court of Queen's Bench for Saskatchewan (the "**Court**"), granted by the Honourable Mr. Justice R.W. Elson on October 13, 2020 (the "**Receivership Order**"), and issued by the Court on October 16, 2020. A copy of the Receivership Order is attached as **Exhibit "A"**.

PURPOSE OF THIRD REPORT

2. This Third Report is prepared and filed with the Court to:
- (a) Supplement the Receiver's First and Second Reports dated December 8, 2020 and April 28, 2021 respectively, attached hereto as **Exhibits "B" and "C"** without exhibits;
 - (b) Report on the Receiver's activities since its Second Report including its marketing efforts and proposed auction regarding the real property owned by the Debtor located at 1314 3rd Street, Estevan, Saskatchewan (the "**Real Property**"); and
 - (c) Seek approval of remaining matters and to otherwise bring the receivership to conclusion.
3. The Receiver requests an Order, *inter alia*:
- (a) Approving the Receiver's proposed auction of the Real Property;
 - (b) Approving the Receiver's proposed distribution of the proceeds from the sale of the Real Property;

- (c) Approving the Third Report of the Receiver and the conduct of the Receiver as outlined in this Third Report;
- (d) Approving the Receiver's Statement of Receipts and Disbursements dated May 31, 2023;
- (e) Approving the fees and disbursements of the Receiver and its independent legal counsel as outlined in this Third Report;
- (f) Declaring that the Receiver has duly and properly discharged its duties, responsibilities, and obligations as Receiver and, upon completion of the final distributions to PSEL's unsecured creditors, if any, is hereby discharged and released from any and all further obligations as Receiver, or any claims which have been raised or could have been raised in these proceedings and any and all liability in respect of any act done or default made by the Receiver or any acts or omissions of the Receiver in respect of the receivership and its conduct as Receiver pursuant to its appointment; and
- (g) Discharging the Receiver.

BACKGROUND

4. The Debtor is a privately owned corporation which operated as an electrical contractor servicing the industrial, oilfield, and commercial markets throughout South Eastern Saskatchewan.

5. As detailed in the Second Report, the Receiver had substantially completed its realization efforts relative to the assets of PSEL, with the exception of certain accounts receivable and the Real Property.

6. The Receiver has since concluded its realization efforts in regard to the accounts receivable. As of the date of the Receiver's appointment, PSEL had

outstanding accounts receivable of approximately \$565,000. The Receiver has collected \$400,400. The balance of remaining accounts receivable was determined by the Receiver, for reasons including a lack of supporting documentation, to be uncollectible. No further collections are anticipated.

7. The sole remaining asset in the receivership which can, practically speaking, be realized upon for the benefit of the creditors of PSEL is the Real Property. On July 20, 2021, the Receiver engaged ICR Commercial Real Estate (“ICR”) to market the Real Property for sale. ICR subsequently marketed the Real Property for approximately 18 months, with periodic price reductions, during which time no offers were received.

ACTIVITIES OF THE RECEIVER SINCE THE SECOND REPORT

8. As detailed in the Second Report, realizations generated at that time were sufficient to fully retire PSEL’s priority and secured creditor claims, including the first charge mortgage in favour of the Business Development Bank of Canada (“BDC”), in relation to the Real Property.

9. Pursuant to an Order (Interim Distribution) dated May 3, 2021, attached as Exhibit “D”, the Receiver made the following interim distributions to PSEL’s priority and secured creditors:

Business Development Bank of Canada	\$523,418.35
Royal Bank of Canada	\$383,684.39
Saskatchewan Ministry of Finance (PST)	\$23,486.99
Employment and Social Development Canada (WEPP)	\$16,178.74
Canada Revenue Agency (GST)	\$15,928.57
Canada Revenue Agency (Source Deductions)	\$3,335.13

10. Following payment of the above noted priority and secured claims, which total \$966,032.17, the remaining gross surplus held by the Receiver approximated \$56,609 before accrued and future costs of the receivership administration.

11. BDC subsequently discharged its mortgage at which time the Real Property became an unencumbered asset within the receivership estate, requiring the Receiver to attempt to realize on same for the benefit of unsecured creditors.

12. In this regard, the Receiver commissioned two appraisals with respect to the Real Property which are summarized below:

Appraiser	Report Date	Market Value
Brunsdon Lawrek & Associates	July 13, 2021	\$450,000
Ema-Lyn/Crown Appraisals	July 12, 2021	\$400,000

The appraisal completed by Brunsdon Lawrek & Associates is attached as Exhibit “E” and the appraisal completed by Ema-Lyn/Crown Appraisals is attached as Exhibit “F”.

13. As reported above, following completion of the appraisals, the Receiver engaged ICR to market the Real Property for sale. Set out below is a summary of the historical listing particulars:

Original list price - \$450,000.00 effective July 20, 2021
Reduction to - \$399,000.00 effective January 4, 2022
Reduction to - \$349,000.00 effective April 12, 2022
Reduction to - \$299,000.00 effective June 9, 2022
Reduction to - \$249,000.00 effective August 31, 2022
Reduction to - \$199,000.00 effective November 14, 2022

14. No offers were received during the above noted listing periods and the most recent ICR listing agreement expired on February 3, 2023.

15. In the circumstances, the Receiver is of the view the most expeditious and cost-effective means to sell the Real Property is to proceed by way of public auction discussed in more detail below.

CLAIMS PROCESS

16. Pursuant to a Claims Process Order dated May 3, 2021, the Receiver implemented a claims process with respect to PSEL's unsecured creditors. A copy of the Claims Process Order is attached as **Exhibit "G"**.

17. The Claims Process Order required the Receiver to, among other items, mail a Claims Package to PSEL's known unsecured creditors and to also coordinate placement of newspaper advertisements in local media in the event there were additional unsecured creditors to which the Receiver was unaware. A copy of the Claims Package, along with copies of newspaper advertisements, is attached as **Exhibit "H"**.

18. The Receiver administered the Court sanctioned claims process which required unsecured creditors of PSEL to submit a Proof of Claim, including documentation in support of their claim, by no later than July 3, 2021 being the Claims Bar Date.

19. During the period leading up to the Claims Bar Date, the Receiver accepted unsecured claims totaling \$372,969.56. A schedule summarizing claims accepted by the Receiver is attached as **Exhibit "I"**.

PROPOSED PROPERTY AUCTION

20. As detailed above, the Receiver's efforts to market the Real Property for sale to date have proven unsuccessful. Further, the Receiver has fully utilized the remaining gross surplus referenced at Paragraph 10 and is now directly funding carrying costs associated with the Real Property (i.e. insurance, utilities, and property maintenance).

21. As of the date of this report, the Receiver has directly funded carrying costs totaling \$5,281.51 which are not reflected in the Receiver's interim Statement of Receipts and Disbursements discussed below. Future carrying costs associated with

the Real Property are estimated at approximately \$1,800 per month, during the summer months.

22. The Receiver therefore recommends disposition of the Real Property by way of public auction. In this regard, the Receiver has entered into a Consignment To Auction Agreement (“CTAA”) with McDougall Auctioneers Ltd., Real Estate Division (“McDougall”), on a reserve basis, which is subject to this Honourable Court’s approval. A copy of the CTAA, which discloses the auction reserve, is annexed as Confidential Exhibit “A” to the Confidential Supplement of this Third Report and is subject to the sealing order requested herein.

23. McDougall are a widely known provider of auction services in the Province of Saskatchewan, and regularly sells lands and assets on behalf of secured creditors, receivers, other insolvency professionals, and selling officers in foreclosure proceedings, all with approval of the Court. McDougall’s proposal regarding the Real Property envisions a three week marketing period, to include property showings, and use of their online auction marketing platform which has over 93,000 registered bidders.

OTHER MATTERS

24. In the summer and early fall of 2021, the Receiver attempted to work with a party (Davey Crocket Investments Ltd.) that claimed ownership of certain of the personal property stored at the Real Property, to coordinate the removal of some or all of the personal property claimed. The claimant ultimately did not remove any of the personal property, and the Receiver deemed it to be abandoned. Correspondence from the Receiver’s counsel to the principal of the claimant on October 27, 2021, and the claimant’s e-mail response confirming abandonment of the personal property, is

attached as **Exhibit “L”**. (The personal property in question appears to consist primarily of a large volume of historical paper business records of no financial value.)

25. On June 29, 2021, the Receiver issued a claim against one of the parties with accounts receivable in the amount of \$32,248.96 owing to PSEL; namely, Turnbull Excavating Ltd. (“**Turnbull Excavating**”). Turnbull Excavating defended the litigation and counterclaimed against PSEL. Mandatory mediation took place on October 26, 2021, and a without prejudice settlement offer was sent by the Receiver’s counsel to counsel for Turnbull Excavating on October 28, 2021. No response to the settlement offer was received. The Receiver determined that, due to the low dollar value of the claim against Turnbull Excavating, the factually specific nature of the allegations in the pleadings, a credible intention expressed on behalf of Turnbull Excavating to vigorously defend the litigation, and limited funds in the receivership estate to pursue litigation, the Receiver elected not to pursue the Turnbull Excavating litigation any further.

26. In late 2022, the Receiver obtained a “Form C - Six Month Notice” from the City of Estevan, indicating that property taxes in the amount of \$46,275.88 are required to be paid on or before May 29, 2023 in order to redeem the Real Property. On May 18, 2023, the Receiver’s counsel wrote to the City of Estevan and informed the City of the stay of proceedings in effect as a result of these receivership proceedings. The “Form C - Six Month Notice”, and counsel’s correspondence in response (with enclosures omitted), are attached as **Exhibit “M”**.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

27. A summary of the Receiver’s interim Statement of Receipt and Disbursements for the period from October 16, 2020 to May 31, 2023 is attached as **Exhibit “J”**. As illustrated, receipts total \$1,262,413 related primarily to the sale of equipment,

vehicles, and inventory (net of liquidator costs and commission), collection of accounts receivable, and seizure of the PSEL bank account following the Receiver's appointment.

28. The Receiver has made disbursements totaling \$1,261,068 of which \$966,032 was distributed to PSEL's priority and secured creditors pursuant to the Interim Distribution Order dated May 3, 2021. The balance of disbursements pertains primarily to professional costs, expenses associated with recovery and evaluation of PSEL's assets, and carrying costs associated with the Real Property.

29. Based on the foregoing, as at May 31, 2023, the Receiver holds net funds on hand of \$1,344.

PROFESSIONAL FEES

30. Pursuant to Paragraph 17 of the Receivership Order, any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees and disbursements of the Receiver and those of its legal counsel, shall be allowed on a passing of accounts and constitute the Receiver's Charge.

31. For the period April 1, 2021 to May 31, 2023, fees and disbursements of the Receiver total \$74,874.89 inclusive of disbursements and HST.

32. For the period August 1, 2021 to January 31, 2023, fees and disbursements of the Receiver's independent legal counsel, MLT Aikins LLP, total approximately \$7,050, inclusive of disbursements and taxes. The professional fees of MLT Aikins LLP from February 1, 2023 through the conclusion of this matter are estimated to total approximately \$11,050.

33. A summary schedule detailing the billings of the Receiver and its independent legal counsel is attached as **Exhibit "K"**.

ORDER SOUGHT

34. The Receiver submits this Third Report to this Honourable Court in support of its application requesting, *inter alia*, an Order:

- (i) Approving the Receiver's proposed auction of the Real Property;
- (ii) Approving the Receiver's proposed distribution of the proceeds from the sale of the Real Property;
- (iii) Approving the Third Report of the Receiver and the conduct of the Receiver as outlined in this Third Report;
- (iv) Approving the Receiver's Statement of Receipts and Disbursements dated May 31, 2023;
- (v) Approving the fees and disbursements of the Receiver and its independent legal counsel as outlined in this Third Report;
- (vi) Declaring that the Receiver has duly and properly discharged its duties, responsibilities, and obligations as Receiver and, upon completion of the final distributions to PSEL's unsecured creditors, if any, is hereby discharged and released from any and all further obligations as Receiver, or any claims which have been raised or could have been raised in these proceedings and any and all liability in respect of any act done or default made by the Receiver or any acts or omissions of the Receiver in respect of the receivership and its conduct as Receiver pursuant to its appointment; and
- (vii) Discharging the Receiver.

All of which is respectfully submitted this 13th day of June, 2023.

**BDO CANADA LIMITED, Court Appointed Receiver of
P.S. Electric Ltd.**

Per:


Name: Christopher Mazur, CIRP, LIT

Title: Senior Vice President

"EXHIBIT A"

COURT FILE NUMBER **Q.B.G. No. 480 of 2019**

**COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY**

JUDICIAL CENTRE **SASKATOON**

PLAINTIFF **ROYAL BANK OF CANADA**

DEFENDANTS **P.S. ELECTRIC LTD. and HARVEY KING**

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

Before the Honourable Mr. Justice R.W. Elson in Chambers the 13th day of October, 2020.

Upon the application of Jeffrey M. Lee, Q.C. and Paul Olfert, counsel for the Applicant, Royal Bank of Canada, in respect of P.S. Electric Ltd. (the "**Debtor**"); and upon having read the Notice of Application, the Affidavit of Natalia Naraine sworn on May 13, 2019, the Second Affidavit of Natalia Naraine sworn on August 31, 2020, Draft Order, and Briefs of Law; and upon reading the consent of BDO Canada Limited to act as receiver ("**Receiver**"); all filed;

The Court Orders:

SERVICE

1. To the extent required, the time for service of notice of the application for this order is hereby abridged and service thereof is deemed good and sufficient.

APPOINTMENT

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("**BIA**") and section 64(8) of *The Personal Property Security Act*, 1993, SS 1993, c P-6.2 (the "**PPSA**") (choose applicable statute(s)) **BDO CANADA LIMITED** is hereby appointed Receiver, without security, of all of assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property, and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business,

cease to carry on all or any part other business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties including, without limitation, those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause, and in each such case notice under section 59(10) of the PPSA shall not be required;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and

to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

- 4. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
- 4A. The Receiver shall have the right to access and occupy all real property owned or leased by the Debtor for the purposes of carrying out its duties as Receiver of the Property.
- 5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto provided, however, that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
- 6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written

consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require, including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor or the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall: (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on; (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment; (iii) prevent the filing of any registration to preserve or perfect a mortgage or security interest; or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect a lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further steps shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the Debtor and the Receiver. The stay and suspension shall not apply in respect of any "**Eligible Financial Contract**" as defined in section 65.1 of the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, including, without limitation, insurance coverage, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an Eligible Financial Contract with the Debtor from terminating such contract or exercising any rights of set-off, in accordance with its terms.

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

13. Subject to the employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5), 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c 47.
14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:

- (i) before the Receiver's appointment; or
 - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within ten (10) days after the order is made if no time is so specified, within ten (10) days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within ten (10) days after the order is made or within ten (10) days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
 - (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

Nothing in this Order shall derogate from the protection afforded to the Receiver by section 14.06 of the BIA or any other applicable legislation.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

17. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements and the Receiver and counsel to the Receiver shall be entitled to, and are hereby granted, a charge (the "**Receiver's Charge**") on the Property as security for such fees and disbursements both before and after the making of this Order in respect of these proceedings and, subject to paragraph 17A hereof, the Receivers' Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
- 17A. Canada Revenue Agency ("**CRA**") has raised the issue of whether and to what extent it can be ordered that the Receiver's Charge and/or the Receiver's Borrowings Charge (as hereinafter defined) rank in priority to the CRA deemed trust claim for payroll source deductions made by the Debtors from the wages of their employees as required by the *Income Tax Act* (Canada); the *Canada Pension Plan*, the *Employment Insurance Act* (Canada) and counterpart provisions in respect of provincial income tax in provincial fiscal statutes (the "**Payroll Source Deduction Priority Issue**"). The hearing of the Payroll Source Deduction Priority Issue shall be adjourned to be heard and decided by the Court at a later date to be determined by the Court, if the matter is not resolved in writing as among the Applicant, the Receiver and CRA.
18. The Receiver and its legal counsel shall pass their accounts from time to time.
19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. The Receiver shall be at liberty and is hereby empowered to borrow, by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not at any time exceed \$250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. Subject to paragraph 17A hereof, the whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

24. Any interested party may apply to this Court, on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

25. The Receiver may, from time to time, apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
26. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
27. Unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.
28. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
29. The Receiver shall be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and for the recognition that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
30. The Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
31. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

NOTICE AND SERVICE

32. The Applicant shall, within ten (10) days of the date of this Order, cause a true copy of this Order to be served by prepaid ordinary mail on all Persons to whom the Receiver is required to send notice pursuant to section 245(1) of the BIA (the "**Notice**").
33. The Notice shall be deemed to have been received on the seventh day after mailing.
34. The Notice served pursuant to paragraph 32 above shall be accompanied by a cover letter in the form attached as Schedule "B" to this Order.
35. The Electronic Case Information and Service Protocol attached as Schedule "C" hereto (the "**Protocol**") is approved and adopted for these proceedings. Terms which are capitalized herein but otherwise not defined shall bear the respective meanings ascribed to them in the Protocol.

Service of documents made in accordance with the Protocol shall (subject to review by the Court at the time of any application) constitute valid and effective service. A Case Website shall be established in accordance with the Protocol with the following URL: *. Applications in respect of this matter may be made upon three days notice.

36. The failure of any Person to forward a Request for Electronic Service or a Request for Facsimile Service to the Service List Keeper shall release the Receiver, the Applicant, and any other interested Person serving court materials in this matter from any requirement to provide further notice in respect of these proceedings to any such Person until such time as a properly completed request for such service is received from such Person by each of the counsel for the Receiver and the Applicant.
37. The Applicant and the Receiver shall be at liberty to serve the Notice on any other interested Person by prepaid ordinary mail, courier, personal delivery, facsimile or other electronic transmission to such Persons at their respective addresses as last shown on the records of the Applicant.

ISSUED at the City of Saskatoon, in the Province of Saskatchewan, this 16th day of October, 2020


DEPUTY LOCAL REGISTRAR

CONTACT INFORMATION AND ADDRESS FOR SERVICE:

Name of firm:	MLT Aikins LLP
Lawyer in charge of file:	Jeffrey M. Lee, Q.C. and Paul Olfert
Address of firm:	1500, 410 22 nd Street E, Saskatoon SK S7K 5T6
Telephone number:	306.975.7100
Fax number:	306.975.7145
Email address:	jmlee@mltaikins.com / polfert@mltaikins.com

SCHEDULE "A"

RECEIVER'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that BDO Canada Limited, the receiver (the "**Receiver**") of the assets, undertakings and properties of P.S. Electric Ltd. (the "**Debtor**") acquired for, or used in relation to the Debtor's business, including all proceeds thereof (the "**Property**") appointed by Order of the Court of Queen's Bench of Saskatchewan (the "**Court**") issued the _____ day of October, 2020 (the "**Order**") made in Q.B. No. 480 of 2019, Judicial Centre of Saskatoon, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act* (Canada) and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at *.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake any personal liability to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

BDO CANADA LIMITED, solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____
Name:
Title:

SCHEDULE "B"

COVER LETTER OF DEMAND FOR NOTICE

[Date]

[Address]

[Address]

[Address]

[Address]

Attention:

RE: IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

A Receiver has been appointed by Order of the Court of Queen's Bench for Saskatchewan over the property, assets and undertaking of P.S. Electric Ltd.. A copy of the Court Order appointing BDO Canada Limited as Receiver is posted on the Case Website at: *

You may wish to monitor these proceedings. If you wish to do so, you may obtain up to date information respecting all court matters, including court applications and Receiver's reports by accessing the Case Website at _____.

If at any time, you would like to be served with court documents relating to further proceedings in relation to this matter, please review the Electronic Case Information and Service Protocol (the "**Protocol**") set forth in Schedule "C" to the Order and complete and transmit a Request for Electronic Service (or where permitted a Request for Facsimile Service) to each of the following persons:

1. MLT Aikins LLP
1500 – 410 22nd Street East
Saskatoon, SK S7K 5T6
Attention: Stephanie Chernoff
Email: SChernoff@mltaikins.com

If you do not properly complete a request for service and forward that request by email to each of the above-referenced persons indicating that you require to be served with court documents in these proceedings, then you will not receive, nor will you be entitled to receive, any further notice of the proceedings.

DEMAND FOR NOTICE

TO:

1. MLT Aikins LLP
1500 – 410 22nd Street East
Saskatoon, SK S7K 5T6
Attention: Stephanie Chernoff
Email: SChernoff@mltaikins.com

Re: In the Matter of the Receivership of P.S. Electric Ltd.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

- (a) by email, at the following email address:

_____, or

- (b) I do not have the ability to receive electronic mail, and am therefore eligible to request, and do hereby request, notice by facsimile at the following facsimile number:

_____.

Signature: _____

Name of Creditor: _____

Address of Creditor: _____

Phone Number: _____

SCHEDULE "C"
ELECTRONIC CASE INFORMATION AND SERVICE PROTOCOL
EFFECTIVE AS OF DECEMBER 6, 2017

APPLICATION

1. This Electronic Case Information and Service Protocol shall apply to this proceeding except as otherwise ordered by the Court.

DEFINITIONS

2. For the purposes of this Protocol, the following capitalized terms shall have the meanings ascribed below:
 - (a) "**Case Website**" means the website referenced in paragraph * of the Implementation Order;
 - (b) "**Court**" means the Court of Queen's Bench for Saskatchewan, sitting in bankruptcy if applicable;
 - (c) "**Court Document**" means a document in this proceeding which must be served for the purposes of this proceeding and/or is to be filed, or has been filed or issued in the Court, including:
 - (i) originating applications;
 - (ii) notices of application;
 - (iii) affidavits;
 - (iv) reports of a Court Officer;
 - (v) briefs of law;
 - (vi) books of authorities;
 - (vii) draft orders;
 - (viii) fiats; and
 - (ix) issued orders;
 - (d) "**Court Officer**" means the receiver, monitor or proposed trustee appointed by or reporting to the Court in this proceeding;
 - (e) "**Creditor List**" means the list of creditors to be compiled in accordance with the terms of the Implementation Order;
 - (f) "**Email**" means electronic mail transmitted to a specified addressee or addressees;
 - (g) "**Email Address List**" means the Word Format list provided for in paragraph 23 of this Protocol;

- (h) **"Hyperlink"** means an active link located within an Email message or on a website, by which means an interested person can click to be linked to a document or part of a document on the Case Website;
- (i) **"Implementation Order"** means the order of the Court to which this Protocol is scheduled, and by which this Protocol is implemented;
- (j) **"PDF Format"** means the Portable Document Format compatible with a number of programs, including Adobe Acrobat and Acrobat Reader;
- (k) **"Protocol"** means this Electronic Case Information and Service Protocol;
- (l) **"Request for Electronic Service"** or **"RES"** means a request in the form appended to this Protocol as Appendix 1;
- (m) **"Request for Facsimile Service"** or **"RFS"** means a request in the form appended to this Protocol as Appendix 2;
- (n) **"Request for Removal from Service List"** or **"RFR"** means a request in the form appended to this Protocol as Appendix 3;
- (o) **"Service List"** means the list to be created pursuant to paragraphs 16 to 19 of this Protocol;
- (p) **"Service List Keeper"** means the person(s) appointed to keep the Service List pursuant to paragraph 16 of this Protocol;
- (q) **"Supplementary Email Address List"** has the meaning given to it in paragraph 26(b) of this Protocol;
- (r) **"Supplementary Service List"** has the meaning given to it in paragraph 26(a) of this Protocol;
- (s) **"URL"** means a Uniform Resource Locator which acts as an address for a webpage or Hyperlink;
- (t) **"Web Host"** means that person or persons appointed by the Court Officer for the purposes of hosting and maintaining the Case Website and receiving and posting case information to the Case Website as provided for in the Implementation Order and in this Protocol; and
- (u) **"Word Format"** means a format compatible with Microsoft Word

CASE WEBSITE

3. The Case Website shall be established in accordance with the Implementation Order.
4. The Case Website shall be hosted by the Web Host.
5. The Case Website shall be designed to ensure easy public access thereto and to any documents posted thereon. The Case Website shall be specifically devoted to the posting, organization, storage and display of electronic versions of Court Documents and other related documents as provided for herein.
6. The Web Host shall post the following categories of documents, as served or to be served:

- (a) originating applications;
 - (b) notices of application;
 - (c) affidavits, including exhibits, and other material filed by a moving or responding party with respect to an application;
 - (d) briefs and written arguments filed by any party with respect to an application;
 - (e) books of authorities (where the Web Host, in its discretion, determines that a book of authorities should be posted);
 - (f) reports filed by the Court Officer;
 - (g) orders, fiats, endorsements and judgments;
 - (h) the current version of the Service List and Email Address List;
 - (i) the name and Email address of each of the Service List Keeper(s) and the Web Host(s); and
 - (j) any document that requires dissemination to interested parties, such as summaries of claims processes, proof of claim forms, notices of creditor meetings, plan disclosure statements, plans of reorganization and voting letters, as requested by a party or the Court Officer.
7. Documents that have been sealed by Court order and documents in respect of which sealing orders have been or are being requested shall not be posted on the Case Website.
 8. The Web Host may post other case-related information to the Case Website in its discretion. Nothing in this Protocol shall affect any requirements set out in any legislation or regulations with respect to the posting of documents to a website by the Court Officer.
 9. To the extent practicable, the Web Host shall post links to foreign proceedings related to this proceeding on the Case Website.
 10. If the Web Host is uncertain whether a document should be posted on the Case Website, the Web Host may seek directions from the Court.
 11. Any party intending to bring an application in this proceeding shall, if reasonably practicable, provide an electronic copy of Court Documents to be served to the Web Host for posting on the Case Website prior to service to facilitate service by use of Hyperlink.
 12. The Web Host shall use its best efforts to post documents provided to it by a party to these proceedings in PDF Format on the Case Website as soon as practicable.
 13. The Web Host shall maintain the Case Website for a period of at least six months after the earlier of the completion of this proceeding or the discharge of the Court Officer.
 14. The Web Host is entitled to charge for the time spent maintaining the Case Website at its usual hourly rates. No additional charges or fees may be claimed with respect to the establishment and maintenance of the Case Website.
 15. The Web Host shall use its best efforts to maintain the Case Website in a current and complete state. In addition to any other protection that may be available to the Web Host by statute or court

order the Web Host shall incur no liability or obligation in carrying out the provisions of this Protocol and, in particular, with respect to the creation and maintenance of the Case Website, except as a result of any gross negligence or wilful misconduct on the part of the Web Host.

SERVICE LIST

16. Prior to serving notice of the Implementation Order, the Court Officer shall designate and identify, in conjunction with service thereof, a person or persons who shall be responsible for keeping the Service List in this proceeding (the "**Service List Keeper**").
17. Following service of the Implementation Order, the Service List Keeper shall prepare the initial Service List for this proceeding, which shall include:
 - (a) counsel for the applicant in the proceeding;
 - (b) the Court Officer appointed in the matter and counsel for the Court Officer; and
 - (c) counsel for any party who appeared at the application giving rise to the Implementation Order.
18. Thereafter, the Service List Keeper shall add to the Service List in a timely manner:
 - (a) any person completing and delivering to the Service List Keeper a Request for Electronic Service (or RES) in the form contained in Appendix 1;
 - (b) any person (other than legal counsel, who are required to receive service by Email) completing and delivering to the Service List Keeper a Request for Facsimile Service (or RFS) in the form contained in Appendix 2, in which they certify that they do not have access to Email; and
 - (c) any other person as the Court may order.
19. The Service List shall list names, addresses, Email addresses, facsimile numbers (where permitted pursuant to this Protocol) and telephone numbers (if available) of the persons thereon.
20. Upon adding a person to the Service List, the Service List Keeper shall send an Email (or where permitted, facsimile) message to that person identifying themselves as the Service List Keeper and advising that:
 - (a) the person has been placed upon the Service List,
 - (b) Court Documents will be validly served upon the person by Email (or where permitted, facsimile); and
 - (c) any person on the Service List may serve Court Documents on any other person on the Service List in accordance with this Protocol.
21. Any person on the Service List may request in writing that the Service List Keeper remove that person by delivering a Request for Removal from Service List (or RFR) in the form contained in Appendix 3. Upon receipt of any such request, the Service List Keeper shall comply with the request. Subject to order of the Court, upon removal, any such person will no longer be entitled to service of documents or notice of further proceedings.

22. Those persons who are interested in monitoring a proceeding but are not required to be served with Court Documents are not to be placed on the Service List. Such persons should monitor this proceeding by accessing the Case Website.
23. In addition to the Service List, the Service List Keeper shall create and maintain a document, capable of being copied in Word Format, which contains the up to date Email addresses of all persons on the Service List (the "**Email Address List**"). The purpose of the Email Address List is to allow persons on the Service List to copy and paste the Email addresses of the persons listed on the Service List into Emails for the purpose of serving Court Documents. This process is designed to avoid service of Court Documents using out of date or inaccurate Service Lists, and to discourage the undesirable practice of serving Court Documents by a "reply to all" on a previous Email.
24. The Service List Keeper shall, on a timely and periodic basis, provide an updated copy of the Service List and of the Email Address List to the Web Host for posting on the Case Website.
25. The Service List Keeper shall use its best efforts to maintain the Service List and Email Address List in a current and accurate state. In addition to any other protection that may be available to the Service List Keeper by reason of statute or court order, the Service List Keeper shall incur no liability in carrying out the provisions of this Protocol and, in particular, with respect to the creation or maintenance of the Service List and Email Address List, except for any gross negligence or wilful misconduct on its part.
26. During the course of this proceeding, certain applications may require service of Court Documents on respondents with an interest in that particular application only (for example, service on lien claimants with an interest only in a specific property which is the subject of a proposed sale approval and vesting order). In such circumstances:
 - (a) the party bringing the application shall prepare a service list identifying only the respondents that the applicant is required to serve or otherwise wishes to serve (a "**Supplementary Service List**");
 - (b) the party bringing the application shall prepare an Email address list corresponding to the Supplementary Service List (a "**Supplementary Email Address List**");
 - (c) the body of the original service Email shall note that the entire Service List has not been served;
 - (d) the party bringing the application shall append the Supplementary Service List and Supplementary Email Address List to the original service Email; and
 - (e) the affidavit of service with respect to that application shall include the Supplementary Service List.

SERVICE OF DOCUMENTS

27. Unless otherwise ordered by the Court, and except as provided herein, Email shall be the required mechanism to serve Court Documents on those persons referenced on the Service List.
28. All Court Documents shall be served by Email by way of a PDF Format file attached to, or by Hyperlink to such Court Document(s) embedded in, a service Email.
29. Any party wishing to serve a Court Document in this proceeding shall serve them upon the recipients listed in the current the Email Address List posted on the Case Website, as well as any recipients listed in the Service List entitled to service other than by e-mail pursuant to this

Protocol. If possible, the serving party shall first make enquiries of the Service List Keeper to determine if the Service List Keeper is aware of any person who has filed a request to be added to the Service List or the Email Address List who has not yet been added.

30. Originating Applications, Notices of Application and any other document specified by court order shall be appended in PDF Format to the service Email.
31. All other documents shall, unless it is impracticable to do so by reason of time constraints or otherwise, be served by way of a Hyperlink embedded in the service Email, in accordance with the following:
 - (a) Any party filing material with the Court in these proceedings may request that the Web Host post documents (including Court Documents) to the Case Website. Any such document shall be provided in PDF Format. The Web Host shall post such documents as soon as practicable. The Web Host shall retain the discretion to refuse documents which do not appear to comply with the requirements of this Protocol. The Web Host shall inform the party providing documents immediately upon posting, and provide Hyperlink information for each such document.
 - (b) Where a party is serving more than one document by Email by way of Hyperlink, the service Email shall specify each document being served and shall include a separate Hyperlink for each such document being served.
32. A service Email shall:
 - (a) clearly state in the subject line of the Email:
 - (i) notification that a Court Document is being served;
 - (ii) a recognizable short form name of this proceeding; and
 - (iii) the nature of this proceeding or the order being served;
 - (b) identify the document(s) being served and:
 - (i) where the document(s) is/are attached, so indicate, with the identified documents attached in PDF Format with identifying filenames;
 - (ii) where the document(s) is/are being served by Hyperlink, so indicate and link the document(s) by Hyperlink to the Case Website. Where a party is serving more than one document in this manner, the service Email shall specify each document being served and shall include a separate Hyperlink for each such document being served;
 - (c) identify the party serving the Court Document; and
 - (d) provide the date of the proceeding and any other specific information with respect to the proceeding such as, for example, a specific commencement time or court location if known, in substantial accordance with format set forth in Appendix 4.
33. Where service by facsimile is authorized:
 - (a) the transmission shall contain a copy of the service Email and of any document attached thereto;

- (b) the facsimile cover sheet shall contain the following notation:

You are being served by fax with court documents, pursuant to the Order of the Court of Queen's Bench for Saskatchewan made <insert date> and in particular, the provisions of paragraphs <insert paragraph numbers> thereof. You may view that Order at the Case Website, and this transmission and reference to that document constitutes service of that Order upon you.

Particulars of the documents to be served and other information related to the associated Court matter are contained in the message following.

Please note that documents referenced in the following message but which are not attached to this transmission may be viewed at the Case Website located at <insert a list of documents and the URL for each document>.

34. Upon serving documents not already posted on the Case Website, the serving party shall immediately send an electronic copy of each to the Web Host, with a request to post the documents.
35. If a serving party receives notification of an Email or facsimile transmission failure, they shall make reasonable efforts to ensure that successful transmission of the Court Document occurs or that the Court Documents and related information come to the attention of the intended recipient or his or her firm.
36. Even though a Court Document has been served in accordance with this Protocol, a person may show that the Court Document:
- (a) did not come to the person's notice;
 - (b) came to the person's notice later than when it was served or effectively served; or
 - (c) was incomplete or illegible.
37. Each party serving a Court Document in accordance with this Protocol shall prepare an affidavit of service containing the particulars of the service including the Service List served, the Email addresses to which Court Documents were sent and the time of the Emailing. A copy of the affidavit of service shall be filed with the Court.
38. Where, by the nature of the matter before the Court, it is appropriate to serve persons that are not on the Service List, any Court Document may be served as follows:
- (a) if the person is listed on the Creditor List, by prepaid ordinary mail, courier, personal delivery, facsimile or other electronic transmission to such person at their respective addresses as last shown on the Creditor List, in which case service shall be deemed to have been effected if sent by personal delivery, on the date of delivery; if sent by courier, facsimile or other electronic transmission, on the next business day following the date of forwarding thereof; or if sent by prepaid ordinary mail, on the seventh day after mailing;
 - (b) if the person is not listed on the Creditor List, by prepaid ordinary mail, courier, personal delivery, facsimile or other electronic transmission to such persons at their respective addresses as last shown on the records of the applicant or the Court Officer or as otherwise publicly available; and
 - (c) otherwise, by service effected in accordance with *The Court of Queen's Bench Rules*.

APPENDIX 1

REQUEST FOR ELECTRONIC SERVICE ("RES")

Please refer to important notes below.

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN In Bankruptcy and Insolvency	
In the Matter of the Receivership of P.S. Electric Ltd.	
<*>	
Legal Counsel to Person listed below: (please provide firm name, lawyer's name, address and Email address) Please indicate your preference (by checking applicable box below): <input type="checkbox"/> Serve counsel only <input type="checkbox"/> Serve counsel & person listed below	Law Firm Name: _____ Lawyer Name: _____ Address: _____ _____ Email address: _____
Name of Person requesting Service: (please provide full legal name, address, Email address and describe legal relationship to the Debtor)	Name: _____ Address: _____ _____ Email address: _____
Date: (insert current date)	Date: _____

I acknowledge having read the Saskatchewan Court of Queen's Bench Electronic Case Information and Service Protocol. I hereby request to be placed on the Service List. By so doing, I agree that the person(s) named above that each accepts service by electronic means in this matter and will be bound by that service:

Name and Position of Person Making Request

PLEASE RETURN SIGNED COPY OF FORM TO Stephanie Chernoff <SChernoff@mltaikins.com>

IMPORTANT NOTES

1. The Service List is intended to provide a timely and efficient method for effecting service in bankruptcy and insolvency in accordance with the Electronic Case Information and Service Protocol, a copy of which has been posted at <*>.
2. Persons interested solely in monitoring the proceedings should do so by reference to the Case Website noted above and should not request to be placed on the Service List.

3. By filing this RES form, you hereby agree that that you and any other person referenced herein accepts service by facsimile transmission as the sole means of service and will be bound by that service.
4. Parties residing outside of Saskatchewan should consider whether, based on substantive law, the delivery of an RES constitutes an attornment to the Saskatchewan proceedings.

APPENDIX 2

REQUEST FOR FACSIMILE SERVICE ("RFS")

(only available to parties not having access to Email)

Please refer to important notes below.

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN In Bankruptcy and Insolvency	
In the Matter of the Receivership of P.S. Electric Ltd.	
<*>	
Name of Person requesting Service: (please provide full legal name, address, Email address and describe legal relationship to the Debtor)	Name: _____ Address: _____ _____ Facsimile number: _____
Date: (insert current date)	Date: _____

I acknowledge having read the Saskatchewan Court of Queen's Bench Electronic Case Information and Service Protocol. I hereby request to be placed on the Service List.

I hereby certify that I do not have access to Email, and that I require to be given notice of and to be served with documents by way of facsimile transmission.

By so doing, I agree that I accept service by facsimile in this matter and will be bound by that service:

Name and Position of Person Making Request

PLEASE RETURN SIGNED COPY OF FORM TO Stephanie Chernoff <SChernoff@mltaikins.com>

IMPORTANT NOTES:

1. The Service List is intended to provide a timely and efficient method for effecting service in bankruptcy and insolvency in accordance with the Electronic Case Information and Service Protocol, a copy of which has been posted at <*>.
2. Persons interested solely in monitoring the proceedings should do so by reference to the Case Website noted above and should not request to be placed on the Service List.
3. By filing this RFS form, you hereby agree that you accept service by facsimile transmission as the sole means of service and will be bound by that service.
4. Parties residing outside of Saskatchewan should consider whether, based on substantive law, the delivery of an RFS constitutes an attornment to the Saskatchewan proceedings.

APPENDIX 3

REQUEST FOR REMOVAL FROM SERVICE LIST ("RFR")

Please refer to important notes below.

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN In Bankruptcy and Insolvency	
In the Matter of the Receivership of P.S. Electric Ltd.	
<*>	
Name of Person or Counsel requesting Removal from Service List: (please provide full legal name, address, Email address (or facsimile number))	Name: _____ Address: _____ _____ Email address: _____
Date: (insert current date)	Date: _____

I wish to opt out of all further notice of these proceedings, and hereby request to be removed from the Service List.

I understand and acknowledge that delivery of this request to any party to this proceeding relieves all parties to this proceeding from any requirement to provide further notice of any steps in these proceedings to me.

I hereby represent that I am the person named above or have authority to deliver this request on behalf of such person.

Name and Position of Person Making Request

PLEASE RETURN SIGNED COPY OF FORM TO Stephanie Chernoff <SChernoff@mltaikins.com>

APPENDIX 4

FORMAT FOR SERVICE EMAILS

TO: <Email addresses of parties to be served>

FROM: <Email address of party serving documents>

SUBJECT: Service of Court Documents - QB No. 480 of 2019, Judicial Centre of Saskatoon -
<Nature of Proceeding or Order Being Served>

ATTACHMENTS: <Documents Attached to Email>

You are hereby served with the Court Documents referenced below by <Name of Counsel> of <Name of Firm>, legal counsel for <Name of Party Represented> <Email address for service of counsel serving>.

The following Court Documents for service are attached to this Email:

<u>Name of Document</u>	<u>Filename</u>
<enumerated list of documents and filenames>	

The following Court Documents for service are posted on the Case Website and can be accessed by way of the links embedded in the filenames below:

<u>Name of Document</u>
<enumerated list of documents with embedded Hyperlinks>

[If required] This matter will be heard on <day>, <date> at <time> before <Justice of the Court if known> at the courthouse at <City>, located at <address>.

This Email is effecting service of court documents pursuant to the Order of the Court of Queen's Bench made <insert date > and in particular, the provisions of paragraphs <insert paragraph numbers> thereof. You may view that Order by clicking <here (with embedded link)>, and this Email constitutes service of that order upon you.

You are receiving this Email because you have filed a request for service of documents in this proceeding with the MLT Aikins LLP. If you do not wish further notice of these proceedings (which includes service of all court documents) you may contact Stephanie Chernoff at <SChernoff@mltaikins.com>, and ask to be removed.

"EXHIBIT B"

Clerk's Stamp

COURT FILE NO. Q.B.G. No. 480 of 2019
COURT COURT OF QUEEN'S BENCH
FOR SASKATCHEWAN IN BANKRUPTCY
AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS P.S. ELECTRIC LTD. and HARVEY KING

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

DOCUMENT **FIRST REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS
COURT-APPOINTED RECEIVER OF P.S. ELECTRIC LTD.**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT

MLT AIKINS LLP
#1201, 409 - 3rd Avenue S
Saskatoon, SK S7K 5R5

Phone: 306.956.6970

Fax: 306.975.7145

Attention: Jeff Lee, Q.C.
jmlee@mltaikins.com

Paul Olfert
polfert@mltaikins.com

File No. 0063921-00008

TABLE OF CONTENTS

INTRODUCTION AND PURPOSE OF THIS REPORT 3
BACKGROUND 5
RECEIVERSHIP ACTIVITIES 5
RECOMMENDED EQUIPMENT DISPOSITION STRATEGY 8
COBRA RENTALS LTD. 10
POTENTIAL PRIORITY CLAIMS 11
SUMMARY AND RECOMMENDATIONS 12

EXHIBITS

- A** Redacted Equipment Sale Proposal dated December 8, 2020
- B** E-mail Exchange With Mr. Harvey King (With Attachments)
- C** Letter from MLT Aikins LLP to Mr. Harvey King dated November 10, 2020

INTRODUCTION AND PURPOSE OF THIS REPORT

1. P.S. Electric Ltd. (“**PSEL**” or the “**Debtor**”) is a corporation incorporated on March 16, 1995 pursuant to the laws of the Province of Saskatchewan. PSEL is a privately owned corporation which operated as an electrical contractor providing electrical repairs, service, rentals, and the supply of electrical components.

2. The Debtor operated, primarily, from a rural acreage in the Rural Municipality of Estevan No. 5, Saskatchewan, legally described as Surface Parcel #111241178, Blk/Par A Plan No 97R13367 Extension 0 (the “**Rural Estevan Premises**”).

3. PSEL is indebted to the Royal Bank of Canada (“**RBC**”) with respect to certain credit facilities made available by RBC pursuant to and under the terms of a Loan Agreement dated May 1, 2017 and accepted on May 10, 2017, as amended by a Loan Agreement dated January 10, 2018.

4. On February 15, 2019, RBC made written demand on the Debtor for payment of the indebtedness (the “**Debtor Demand Letter**”). The Debtor Demand Letter was accompanied by a Notice of Intention to Enforce Security addressed to the Debtor and prepared pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, (the “**BIA**”). At the time of the demand, the Debtor was indebted to RBC in the amount of \$904,802.44.

5. On application by RBC, the Debtor’s senior secured lender, BDO Canada Limited (“**BDO**”) was appointed as the Receiver (the “**Receiver**”), without security, of all of

the assets, undertakings and properties of the Debtor, pursuant to an Order of the Court of Queen's Bench for Saskatchewan (the "**Court**"), granted by the Honourable Mr. Justice R.W. Elson on October 13, 2020 (the "**Receivership Order**"), issued by the Court on October 16, 2020.

6. The Receiver has retained MLT Aikins LLP ("**MLT**") as its legal counsel. MLT is also counsel for RBC. Accordingly, the Receiver has sought, and will continue to seek, the advice of independent legal counsel with respect to any matters where a perceived or actual conflict of interest exists or could arise between RBC, on one hand, and the Receiver in its capacity as officer of the Court, on the other.

7. The purposes of this Report are to:

- (a) inform the Court of the activities of the Receiver taken to date, in particular with respect to taking possession of the Debtor's equipment, inventory, and vehicles (the "**Assets**") and to request the Court's approval of the actions of the Receiver taken to date;
- (b) advise the Court of the proposed liquidation of the Assets via public auction, request the approval of the Equipment Sale Proposal entered into between the Receiver and McDougall Auctioneers Ltd. ("**McDougall**") on December 8, 2020 (the "**Auction Contract**"), a redacted copy of which is annexed as **Exhibit "A"**, and request an Order vesting title in the purchases of the respective Assets at auction; and
- (c) request an Order sealing the confidential supplement to this First Report (the "**Confidential Supplement**") on the Court file, in order to preserve the integrity of the sales and marketing process, until the sale

of the Assets pursuant to the Auction Contract is completed, or until further Order of this Honourable Court.

BACKGROUND

8. The Debtor is a privately owned corporation which operated as an electrical contractor servicing the industrial, oilfield, and commercial markets throughout South Eastern Saskatchewan.

9. The Debtor's head office is located at the Rural Estevan Premises. The Assets were kept, primarily, at the Rural Estevan Premises.

10. RBC was the Debtor's primary operating lender. As security for its obligations to RBC, the Debtor granted a security interest to RBC in substantially all of its assets including, without limitation, a General Security Agreement ("GSA") granted on June 14, 1996. The GSA grants in favour of RBC a security interest in all of the Debtor's present and after-acquired property in order to secure the payment and performance of all present and future obligations owed by the Debtor to RBC.

RECEIVERSHIP ACTIVITIES

11. Immediately following issue of the Receivership Order on October 16, 2020, the Receiver notified Mr. Harvey King (the sole director and officer, and the controlling mind, of PSEL), of its appointment by way of an e-mail which included a copy of the Receivership Order.

12. Pursuant to Paragraph 3(d) of the Receivership Order, the Receiver was authorized to engage the services of Cavers Investigations & Bailiff Services Inc. (“Cavers”), to provide civil enforcement and bailiff services, to assist, as the Receiver’s agent, with the exercise of the Receiver’s powers and duties.

13. Following notification to Mr. King of issuance of the Receivership Order, and pending Asset recovery, the Receiver coordinated with Cavers and McDougall to attend the Rural Estevan Premises on October 16, 2020 in order to commence recovery of the Assets. The recovery of the Assets by Cavers and McDougall concluded on October 19, 2020.

14. The Assets were transported to a secure storage yard in or near Regina maintained by McDougall, who had familiarity with the Assets, having been previously engaged by BDO in its capacity as agent to RBC to conduct an appraisal of the Assets prior to the receivership.

15. On October 16, 2020, the Receiver contacted the branch of The Toronto-Dominion Bank in Estevan, Saskatchewan where PSEL maintained a corporate bank account, and effected seizure of the Debtor’s bank account.

16. On October 19, 2020, the Receiver communicated with Business Development Bank of Canada (“BDC”) regarding PSEL’s property in the City of Estevan civically described as 1314 3rd Street, over which BDC holds a first-charge mortgage. In subsequent communications, BDC and its legal counsel requested that the Receiver take no action with respect to this property. On October 30, 2020, the Receiver consented to a formal request received from BDC’s legal counsel for BDC to demand

payment from PSEL and to commence a foreclosure action outside of the receivership. The Receiver has not taken, and will not be taking, possession of the BDC-mortgaged property in the City of Estevan.

17. On October 19, 2020, the Receiver further communicated with Mr. King and with PSEL's bookkeeper, Ms. Donna Fleck, relative to various employee and accounting-related matters. The Receiver confirmed to both Mr. King and Ms. Fleck that it would not be continuing the operations of PSEL and that all employees had been terminated as a result of the receivership.

18. The Receiver attempted to engage the services of Ms. Fleck to assist with matters relevant to the receivership administration. On October 21, 2020, the Receiver was notified by Mr. King that Ms. Fleck was unable to provide the requested administrative assistance. Mr. King provided contact information for a former PSEL employee, Ms. Brandy Cullen, who was reportedly familiar with PSEL's employees and accounting system, having been a former long-term employee of PSEL herself.

19. On October 22, 2020, the Receiver engaged the services of Ms. Cullen on an independent contractor basis to assist with matters relevant to the receivership administration. The assistance provided by Ms. Cullen to date includes, among other items, updating PSEL's books and records to the date of the receivership, identification of employees, calculation of unpaid employee liabilities, identification and quantification of amounts owing to unsecured creditors, customer invoicing, quantification of accounts receivable including generation of supporting invoices, and preparation of final tax filings.

20. On October 26, 2020, the Receiver prepared and issued the prescribed notices and statements of the Receiver pursuant to sections 245(1) and 246(1) of the BIA, which were sent to known creditors of the Debtor.

21. On November 4, 2020, following identification of PSEL's nine employees, and quantification of unpaid employee obligations, the Receiver wrote to the employees confirming termination of their employment while also providing details of *The Wage Earner Protection Program Act* ("**WEPPA**"), a federal government program established for the making of certain payments to eligible terminated employees when there is a receivership or bankruptcy. The Receiver also corresponded with a local union, the International Brotherhood of Electrical Workers ("**IBEW**") Local 2038, to which three of PSEL's nine employees were reportedly members.

22. On November 11, 2020, following completion of customer invoicing, the Receiver wrote to the customers of PSEL and requested that payment of accounts receivable be directed to the Receiver. During the intervening period, Ms. Cullen forwarded to the Receiver payments received from the customers of PSEL. The Receiver's efforts to collect accounts receivable are continuing.

RECOMMENDED EQUIPMENT DISPOSITION STRATEGY

23. Pursuant to the Receivership Order, the Receiver is authorized to market for sale any or all of the Debtor's property and negotiate such terms and conditions of sale as the Receiver in its discretion may deem appropriate.

24. Following recovery of the Assets, and subsequent evaluation, McDougall supplied a liquidation proposal which is annexed to the Confidential Supplement.

25. The Receiver obtained a second appraisal of the Assets which was completed by Canam-Appraiz Inc. (“**Canam**”). The appraisal is annexed to the Confidential Supplement.

26. The Receiver reviewed and assessed the Canam appraisal to evaluate the liquidation proposal received from McDougall.

27. The Receiver considers the net minimum guarantee collective option (“**NMG**”) submitted by McDougall as the most attractive option set out in their liquidation proposal. The quantum of the NMG is supported by the Canam appraisal. Accordingly, the Receiver, with the consent of RBC, accepted the NMG option subject to Court approval.

28. McDougall’s liquidation proposal contemplates conducting an auction from their secured storage yard in or near Regina where the Assets are presently located. Advertising of the public auction is contemplated to occur over a three-week period and to comprise notification to McDougall’s existing pre-qualified buyers, internet advertising, direct mailings, and newspaper advertisements. The auction is to be completed via both live bidding and online bidding to maximize exposure of the Assets to the marketplace. The proposed timing of the auction is during the week of January 4, 2021.

COBRA RENTALS LTD.

29. On October 20, 2020, Mr. King contacted McDougall advising that certain equipment recovered from the Rural Estevan Premises was property of a separate company, Cobra Rentals Ltd. (“Cobra”). On October 21, 2020, MLT corresponded with Mr. King requesting particulars of the equipment in question, with such particulars received from Mr. King on October 22, 2020 and November 9, 2020 (e-mail exchange and attachments annexed as **Exhibit “B”**). Subsequent searches completed by MLT confirmed that (a) Mr. King had been a director and shareholder of Cobra, but that Cobra had been struck from the Saskatchewan Corporate Registry on January 30, 2020; and (b) Cobra had not perfected any security interest in the equipment in question by registration in the Saskatchewan Personal Property Registry.

30. The Receiver has been advised by MLT that, based upon the information currently available, it appears that RBC, as the senior secured creditor of PSEL, holds a security interest in the equipment in question which has priority over any interest of Cobra.

31. MLT wrote to Mr. King on November 10, 2020 advising of the Receiver’s position relative to the equipment purportedly owned by Cobra. A copy that correspondence is annexed as **Exhibit “C”**.

32. Out of an abundance of caution, in the event that the Court were to determine on a future distribution application that RBC does not have priority over the equipment purportedly owned by Cobra, the Receiver has requested that McDougall segregate, and provide a separate net minimum guarantee in relation to, that equipment.

POTENTIAL PRIORITY CLAIMS

33. Following its appointment, the Receiver engaged with Canada Revenue Agency (“CRA”) to coordinate scheduling of final trust examinations to quantify amounts which may be owing in respect of unremitted employee withholdings and/or GST. In addition, the Receiver (via counsel) made a similar request from the Department of Justice Canada as counsel to CRA.

34. As of the date of this report, CRA have not responded to the Receiver’s requests for scheduling of final trust examinations. As a result, the Receiver is unable to quantify potential CRA priority claims at this time.

35. Following its appointment, the Receiver engaged with the Saskatchewan Ministry of Finance regarding provincial sales tax (“PST”). The Ministry of Finance has advanced a preliminary PST claim in the amount of \$23,457.08.

36. The Receiver is in the process of administering employee *WEPPA* claims which may result in a future priority claim from Service Canada to a maximum of \$2,000.00 per employee pursuant to sections 81.3 and 81.4 of the BIA.

37. The Receiver has added the union IBEW Local 2038 to the Service List in the event there are unremitted pension contributions in relation to PSEL’s three former unionized employees, which may form the basis of a priority claim pursuant to sections 81.5 and 81.6 of the BIA.

SUMMARY AND RECOMMENDATIONS

38. The Receiver is satisfied that its recommended disposition strategy will sufficiently expose the Assets to the marketplace. Furthermore, the Receiver is of the view that the NMG submitted by McDougall will generate the highest and best recovery available in relation to the Assets. The Auction Contract and NMG are supported by RBC.

39. Accordingly, the Receiver respectfully requests an Order:

- (i) Approving the Receiver's activities as set out herein;
- (ii) Authorizing and approving the Auction Contract and NMG;
- (iii) Providing for the vesting of the Assets in the purchasers as provided for in the Sale Approval and Vesting Order; and
- (iv) Sealing the Confidential Supplement.

All of which is respectfully submitted this 8th day of December, 2020.

**BDO CANADA LIMITED, Court Appointed Receiver of
P.S. Electric Ltd.**

Per: 

Name: Christopher Mazur, CIRP, LIT

Title: Senior Vice President

"EXHIBIT C"

Clerk's Stamp

COURT FILE NO.

Q.B.G. No. 480 of 2019

COURT

COURT OF QUEEN'S BENCH
FOR SASKATCHEWAN IN BANKRUPTCY
AND INSOLVENCY

JUDICIAL CENTRE

SASKATOON

PLAINTIFF

ROYAL BANK OF CANADA

DEFENDANTS

P.S. ELECTRIC LTD. and HARVEY KING

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

DOCUMENT

**SECOND REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY
AS COURT-APPOINTED RECEIVER OF P.S. ELECTRIC LTD.**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT

MLT AIKINS LLP
#1201, 409 - 3rd Avenue S
Saskatoon, SK S7K 5R5

Phone: 306.956.6970

Fax: 306.975.7145

Attention: Jeff Lee, Q.C.
jmlee@mltaikins.com

Paul Olfert
polfert@mltaikins.com

File No. 0063921-00008

TABLE OF CONTENTS

INTRODUCTION	3
PURPOSE OF SECOND REPORT	3
REALIZATIONS GENERATED TO DATE	4
BOOKS AND RECORDS.....	5
PRIORITY AND SECURED CREDITOR CLAIMS.....	6
PROPOSED DISTRIBUTION.....	7
PROPOSED CLAIMS PROCESS.....	8
STATEMENT OF RECEIPTS AND DISBURSEMENTS	9
PROFESSIONAL FEES.....	10
ORDER SOUGHT.....	10

EXHIBITS

- A** Order of Justice R.W. Elson, dated October 16, 2020
- B** First Report of the Receiver, dated December 8, 2020, without Exhibits
- C** Sale Approval and Vesting Order granted December 14, 2020 by the Honourable Mr. Justice R.W. Elson
- D** Business Development Bank of Canada
- E** Royal Bank of Canada Statement
- F** Saskatchewan Ministry of Finance (PST)
- G** Employment and Social Development Canada (WEPP)
- H** Canada Revenue Agency (GST)
- I** Canada Revenue Agency (Source Deductions)
- J** Proposed Proof of Claim Form
- K** Receiver’s Interim Statement of Receipts and Disbursements as at April 27, 2021
- L** Summary Schedule Detailing the Billings of the Receiver and its Independent Legal Counsel

INTRODUCTION

1. On application by Royal Bank of Canada, the Debtor's senior secured lender, BDO Canada Limited was appointed as the Receiver (the "**Receiver**"), without security, of all of the assets, undertakings and properties of P.S. Electric Ltd. ("**PSEL**" or the "**Debtor**"), pursuant to an Order of the Court of Queen's Bench for Saskatchewan (the "**Court**"), granted by the Honourable Mr. Justice R.W. Elson on October 13, 2020 (the "**Receivership Order**"), and issued by the Court on October 16, 2020. A copy of the Receivership Order is attached as **Exhibit "A"**.

PURPOSE OF SECOND REPORT

2. This Second Report is prepared and filed with the Court to:
- (a) Supplement the Receiver's First Report dated December 8, 2020 attached hereto as **Exhibit "B"** without exhibits; and
 - (b) Report on the Receiver's activities since its First Report generally, including details of realizations generated to date, its proposed interim distribution to priority and secured creditors, and proposed strategy to administer unsecured claims.
3. The Receiver requests an Order, *inter alia*:
- (a) Approving the Second Report of the Receiver and the conduct of the Receiver as outlined in this Second Report;
 - (b) Approving the Receiver's proposed interim distribution to the priority and secured creditors as outlined in this Second Report;
 - (c) Authorizing the Receiver to conduct a claims process with respect to the unsecured creditors as outlined in this Second Report;

- (d) Approving the Receiver's Statement of Receipts and Disbursements as at April 27, 2021; and
- (e) Approving the fees and disbursements of the Receiver and its independent legal counsel as outlined in this Second Report.

REALIZATIONS GENERATED TO DATE

4. Pursuant to a Sale Approval and Vesting Order dated December 15, 2020 (the "SAVO"), the Court approved the auction sale process as contemplated in the proposal by McDougall Auctioneers Ltd. ("McDougall") with respect to PSEL's equipment, vehicles, and inventory. A copy of the SAVO is attached as **Exhibit "C"**.
5. The auction of PSEL's fixed assets (as contemplated by the SAVO) was conducted by McDougall on January 7, 2021. Resulting sale proceeds (net of liquidator costs and commission) totaled \$694,071.79. On February 10, 2021, as required pursuant to the SAVO, the Receiver filed a Receiver's Certificate in respect of the assets sold at auction.
6. As of the date of the Receiver's appointment, PSEL had outstanding accounts receivable of approximately \$565,000. To date, the Receiver has collected \$345,479. The Receiver's efforts to collect the remaining balance of approximately \$220,000 continue.
7. As detailed in Paragraph 16 of the First Report, PSEL owns real property in the City of Estevan, civically described as 1314 3rd Street, over which Business Development Bank of Canada ("BDC") holds a first charge mortgage. At the request of BDC and its legal counsel, the Receiver took no action with respect to this property. The Receiver's investigations lead it to believe there is no significant equity in this property over and above BDC's first charge mortgage.

8. Save and except for the balance of accounts receivable, and excluding the BDC mortgaged property owned by PSEL, the Receiver has substantially completed its realization efforts relative to the assets of PSEL.

9. Realizations generated to date are sufficient to fully retire PSEL's priority and secured creditor claims leaving a surplus for distribution to unsecured creditors as further detailed below.

BOOKS AND RECORDS

10. As detailed in Paragraphs 18 and 19 of the First Report, the Receiver engaged the services of PSEL's former bookkeeper, Ms. Brandy Cullen, to assist with matters relevant to the receivership administration including updating PSEL's books and records.

11. The Receiver has continued to engage Ms. Cullen relative to employee matters including preparation of employee T4's and administration of employee claims under The Wage Earner Protection Program Act ("WEPP").

12. The Receiver, with the assistance of Ms. Cullen, coordinated final trust examinations with Canada Revenue Agency ("CRA") in order to quantify amounts outstanding with respect to GST and employee source deductions.

13. The Receiver, with the assistance of Ms. Cullen, coordinated preparation of final tax filings in order to quantify amounts outstanding with respect to PST and corporate taxes.

14. The Receiver, with the assistance of Ms. Cullen, has received third party verification of various priority claims which form part of the Receiver's proposed interim distribution detailed below.

15. The Receiver has been unable to verify, with certainty, the claims of unsecured creditors. The Receiver's preliminary estimate is that the total aggregate amount of unsecured claims may exceed \$300,000.

16. In the circumstances, in order to determine if there are any unsecured claims over and above those of which it is aware, the Receiver is of the view the most efficient and cost effective means to identify, validate, and otherwise administer the claims of unsecured creditors is to proceed by way of a claims process discussed in more detail below.

PRIORITY AND SECURED CREDITOR CLAIMS

17. The following table sets out the amounts owing by PSEL to its priority and secured creditors:

Business Development Bank of Canada *	\$516,300.80
Royal Bank of Canada	\$383,684.39
Saskatchewan Ministry of Finance (PST)	\$23,486.99
Employment and Social Development Canada (WEPP)	\$16,178.74
Canada Revenue Agency (GST)	\$15,928.57
Canada Revenue Agency (Source Deductions)	\$3,335.13

* Subject to additional interest and/or costs accruing from and after March 31, 2021

18. Copies of respective statements and/or correspondence confirming amounts set out in the above table are attached as **Exhibits "D", "E", "F", "G", "H", and "I"**.

19. Following its appointment, the Receiver obtained two separate independent legal opinions confirming that, subject to customary assumptions and qualifications, the security of both Business Development Bank of Canada and Royal Bank of Canada were valid and enforceable in accordance with their respective terms and the security

interests provided therein were perfected by registration pursuant to provisions of the Saskatchewan PPSA.

PROPOSED DISTRIBUTION

20. Realizations generated to date are sufficient to fully retire PSEL's priority and secured creditor claims as described in the above table.

21. Based on the foregoing, in order of priority, the Receiver's proposed interim distribution is to pay the following creditors in the following sequence:

- (i) The priority claim of CRA with respect to employee source deductions in the amount of \$3,335.13 (deemed trust portion);
- (ii) The priority claim of CRA with respect to GST in the amount of \$15,928.57 (deemed trust portion);
- (iii) The priority claim of the Saskatchewan Ministry of Finance with respect to PST in the amount of \$23,486.99;
- (iv) The priority claim of Employment and Social Development Canada with respect to employee claims under WEPP in the amount of \$16,178.74 (super priority portion);
- (v) The secured claim of Royal Bank of Canada in the amount of \$383,684.39 including accrued interest to May 3, 2021; and
- (vi) The secured claim of Business Development Bank of Canada in the amount of \$516,300.80 plus any interest and/or costs accruing from and after March 31, 2021.

22. Following payment of the above noted priority and secured claims, which total \$958,914.62 (subject to adjustment relative to BDC's secured claim), the remaining gross surplus held by the Receiver will approximate \$56,609 before accrued and future costs of the receivership administration.

23. As reported above, the Receiver's efforts relative to accounts receivable collections continue which may result in additional recoveries not reflected in the current surplus figure.

PROPOSED CLAIMS PROCESS

24. As described above, a surplus remains after payment of PSEL's priority and secured claims. In order to administer the claims of unsecured creditors, the Receiver proposes to implement the following claims process in order to determine if there are additional unsecured claims over and above those of which it is presently aware (the "Claims Process"):

- (i) The Receiver will send a Proof of Claim form to all known creditors of PSEL of which the Receiver is aware setting out information the creditor will have to supply in order to prove that it has a valid claim. A copy of the proposed Proof of Claim form is attached as **Exhibit "J"**;
- (ii) The Receiver will, as soon as reasonably possible should this Honourable Court approve the proposed Claims Process, post advertisements in one or more local newspapers in the city in which PSEL formerly operated (Esteron, SK) informing any possible creditors of the Claims Process;
- (iii) A publically advertised claims bar date will be set providing creditors with a reasonable period to file their claims. The Receiver proposes that the claims bar date be the date that is 60 days after the date of the newspaper advertisement, after which time the claims of creditors who fail to prove their claims in accordance with the Claims Process Order will be forever barred;

- (iv) If the Receiver disputes a particular creditor's claim, then the Receiver will issue a disallowance letter to such creditor disallowing the claim in whole or in part;
- (v) The disallowed creditor will then have 30 days within which to dispute the disallowance, failing which the claim will be disallowed as set out in the Receiver's disallowance letter;
- (vi) Any disputed disallowances will either be settled by the Receiver, with the assistance of counsel, or will be the subject of an application to Court to make a determination; and
- (vii) Subject to approval of the Court, the Receiver will distribute the funds remaining after the payment of all priority claims, secured claims, and professional fees to the proven unsecured creditors on a pro-rata basis.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

25. A summary of the Receiver's interim Receipt and Disbursements ("R&D") for the period from October 16, 2020 to April 27, 2021 is attached as **Exhibit "K"**. As illustrated, receipts total \$1,173,252 related primarily to the sale of equipment, vehicles, and inventory (net of liquidator costs and commission), collection of accounts receivable, and seizure of the PSEL bank account following the Receiver's appointment.

26. The Receiver has made disbursements totaling \$157,727 related primarily to professional costs and expenses associated with recovery and evaluation of PSEL's assets.

27. Based on the foregoing, as at April 27, 2021, the Receiver holds net funds on hand of \$1,015,524.

PROFESSIONAL FEES

28. Pursuant to Paragraph 17 of the Receivership Order, any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees and disbursements of the Receiver and those of its legal counsel, shall be allowed on a passing of accounts and constitute the Receiver's Charge.

29. For the period October 13, 2020 to March 31, 2021, fees and disbursements of the Receiver total \$107,497.52 inclusive of disbursements and HST.

30. For the period October 18, 2020 to March 31, 2021, fees and disbursements of the Receiver's independent legal counsel, MLT Aikins LLP, total \$23,052.77 inclusive of disbursements and HST.

31. A summary schedule detailing the billings of the Receiver and its independent legal counsel is attached as **Exhibit "L"**.

ORDER SOUGHT

32. The Receiver submits this Second Report to this Honourable Court in support of its application requesting, *inter alia*, an Order:

- (i) Approving the Second Report of the Receiver and the conduct of the Receiver as outlined in this Second Report;
- (ii) Approving the Receiver's proposed interim distribution to the priority and secured creditors as outlined in this Second Report;
- (iii) Authorizing the Receiver to conduct a claims process with respect to the unsecured creditors as outlined in this Second Report;
- (iv) Approving the Receiver's Statement of Receipts and Disbursements as at April 27, 2021; and

- (v) Approving the fees and disbursements of the Receiver and its independent legal counsel as outlined in this Second Report.

All of which is respectfully submitted this 28th day of April, 2021.

**BDO CANADA LIMITED, Court Appointed Receiver of
P.S. Electric Ltd.**

A handwritten signature in black ink, appearing to read 'C. Mazur', is written over a horizontal line.

Per: _____
Name: Christopher Mazur, CIRP, LIT
Title: Senior Vice President

"EXHIBIT D"

COURT FILE NUMBER Q.B.G. No. 480 of 2019

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS P.S. ELECTRIC LTD. and HARVEY KING

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

ORDER

(Interim Distribution)

MR. JUSTICE N.G. GABRIELSON

Before the Honourable ___ Justice _____ in Chambers the 3rd day of May, 2021.

On the application of BDO Canada Limited, in its capacity as the Court-appointed receiver (the "**Receiver**") of the assets, undertakings and properties of P.S. Electric Ltd. (the "**Debtor**") pursuant to the Order of this Court made on October 13, 2020 (the "**Receivership Order**"); and upon hearing from counsel for the Receiver and upon reading the Notice of Application dated April 28, 2021, the Second Report of the Receiver dated April 27, 2021 (the "**Second Report**") and a proposed Draft Order, all filed, and the pleadings and proceedings herein:

THE COURT ORDERS:

1. Terms which are capitalized in this Order but not defined herein shall bear the respective meanings ascribed to them in the Receivership Order.

INTERIM DISTRIBUTION

2. The Receiver shall be and is hereby authorized to make from the receivership estate the following distributions, namely:
 - (a) to Canada Revenue Agency, the sum of \$19,263.70 (comprising \$15,928.57 in respect of GST and \$3,335.13 in respect of unremitted source deductions);
 - (b) to Service Canada, the sum of \$16,178.74;
 - (c) to the Saskatchewan Ministry of Finance, the sum of \$23,486.99;
 - (d) to Royal Bank of Canada, the sum of \$383,684.39; and
 - (e) to Business Development Bank of Canada, the sum of \$516,300.80 (plus any interest and/or costs accruing from and after March 31, 2021).

APPROVAL OF ACTIVITIES AND DISBURSEMENTS OF THE RECEIVER

- 3. All activities, actions and proposed courses of action of the Receiver from December 8, 2020 to the present date in relation to the discharge of its duties and mandate as receiver of the Property, as more particularly described in the Second Report, as well as the statement of receipts and disbursements contained in the Second Report, shall be and are hereby approved and confirmed.
- 4. The professional fees and disbursements of the Receiver, as set out in the Second Report, are hereby approved without the necessity of a formal passing of its accounts.
- 5. The professional fees and disbursements of the Receiver's legal counsel, MLT Aikins LLP, as set out in the Second Report, are hereby approved without the necessity of a formal assessment of its accounts.

ISSUED at Saskatoon, Saskatchewan, this 3rd day of May, 2021.



(Deputy) Local Registrar

CONTACT INFORMATION AND ADDRESS FOR SERVICE

Name of firm:	MLT Aikins LLP
Name of lawyer in charge of file:	Paul Olfert
Address of legal firms:	1201 – 409 3rd Avenue South, Saskatoon, SK S7K 5T6
Telephone number:	(306) 975-7100
Fax number:	(306) 975-7145
E-mail address:	POlfert@mltaikins.com
File No:	63921.8

"EXHIBIT E"



BRUNSDON LAWREK & ASSOCIATES
REAL ESTATE APPRAISALS AND ADVISORY SERVICES

Peter Lawrek, B.A., AACI, P.App, Fellow
Darren Bird, B.Admin., C.M.A., AACI, P.App
Rosanne Wood, B.A., AACI, P.App
Amber Reynolds, B.Admin., CRA, P.App
Dustin Cross, B.A. CRA, P.App

Commercial • Industrial • Agricultural • Reserve Fund Studies
Residential • Real Estate and Property Tax Consulting
Offices in Regina and Saskatoon

2126 Rose Street
Regina, Saskatchewan
S4P 2A4

regina@brunsdonlawrek.com
www.brunsdonlawrek.com
Office (306) 721-5522
Fax (306) 721-5532

Samantha Lawrek, B.A., AACI, P.App
Erin Kendel, B.Comm., AACI, P.App
Murray Grapentine, AIC Candidate Member
Brent Lawrek, Appraisal Analyst
Leanne McLeod, BBA, AACI, P.App.

July 13, 2021

BDO Canada Limited
and its client Royal Bank of Canada
25 Main Street West Suite 805
Hamilton, Ontario L8P 1H1
Attention: Mr. Glenn Harper

Dear Sir:

RE: Appraisal Report
1314 3rd Street, Estevan, Saskatchewan

This letter is a supplement to our appraisal with a June 30, 2020 effective date at \$490,000 (our file C20-0239). We appraised the building based on information from the owner that the roof was in satisfactory condition and had been repaired. You recently sent quotes from roofing companies who indicate that the roof should be at minimum repaired but they recommend a full replacement as the best solution. These quotes are attached.

The roofing quotes start at approx. \$20,000 for a repair which appears to be a patch job. Replacement estimates vary from over \$51,000 to over \$95,000.

Our appraisal at \$490,000 in June 2020 assumed the roof was in satisfactory condition but not new. Therefore, a deduction in value using the higher quotes of \$76,000 to over \$95,000 would be too extreme. Since the \$20,000 repair job does not appear sufficient the estimated reduction in value is \$40,000.

Therefore, the revised estimate of market value as of June 30, 2020 (original effective date) is:

$\$490,000 - \$40,000 = \$450,000$

Respectfully submitted,
BRUNSDON LAWREK & ASSOCIATES

Murray Grapentine, AIC Candidate Member
Email: murraygrapentine@brunsdonlawrek.com
Phone: (306)-721-5528

Peter Lawrek, B.A., AACI, P.App, Fellow
Email: peterlawrek@brunsdonlawrek.com
Phone: 306-721-5523

1.0 CERTIFICATION


I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
3. We have no past, present or prospective interest in the property that is the subject of this report, and we have no personal and/or professional interest or conflict of interest with respect to the parties involved with this assignment.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in and compensation for this assignment is not contingent upon developing and reporting predetermined results, the amount of the value estimate or a conclusion favouring the client, or the occurrence of a subsequent event.
6. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) and the International Valuation Standards (IVS).
7. We have the knowledge and experience to complete the assignment competently, and where applicable this report is co-signed in compliance with CUSPAP.
8. The undersigned have both personally inspected the property that is the subject of this report unless otherwise noted.
9. Except as herein disclosed, no one has provided significant professional assistance to the persons signing this report.
10. The Appraisal Institute of Canada has a mandatory continuing professional development program for designated members. As of the date of this report the undersigned have fulfilled the requirements of The Appraisal Institute of Canada's Continuing Professional Development Program.
11. The undersigned are all members in good standing of the Appraisal Institute of Canada.
12. I, Peter Lawrek, B.A., AACI, P.App, Fellow, directly supervised Murray Grapentine, AIC Candidate Member who prepared this appraisal report. I have reviewed the report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certification, and am taking full responsibility for the appraisal and the appraisal report.

Effective Date of Appraisal	June 30, 2020
Date Viewed	June 24, 2020
Date of Report/Certification	July 13, 2021
Location	1314 3rd Street, Estevan, Saskatchewan
Estimate of Current Market Value	\$450,000
Certified and Viewed by:	Certified but not Viewed by:



Murray Grapentine, AIC Candidate Member



Peter Lawrek, B.A., AACI, P.App, Fellow

Below is the estimate from Action Roofing for the roof repair and replacement in Estevan.

Recommend full replacement of the roof. Let me know if you have any questions or require anything further at this time.

“RE: 1314-3rd Street – Estevan, Sask.

We are pleased to submit the following proposal and quotation on above structure as follows.

After looking at roof and interior leaks, it would be in its best interest to re-roof building, but if repairs were to be done there is wet insulation in area's that would have to be replaced and area's re-roofed.

Repair cost would be \$16,580.00 plus 829.00 GST and 994.80 PST for a cost of \$18,403.80. If wet area's are larger than 1,000 sq. ft. additional cost would be \$9.20 plus GST/PST per sq. ft.

Budget cost to re-roof would be \$68,380.00 plus applicable taxes. If any wet or damaged insulation is present cost to remove and replace would be \$2.50 plus GST/PST per sq. ft. in addition. Also if any rotted decking it would be removed and replaced at \$5.00 plus GST/PST per sq. ft. in addition.

Thanking you for the opportunity to tender the above.

Darrell Kotylak
President, Action Roofing”

Note: Taxes are $\$68,380 \times 11\% = \$75,902$



Roofing Proposal

Prepared For:

Richmond Advisory Services
60 Renfrew Drive Suite 360
Markham, ON
L3R 1E0

Job Location:

1314 3rd St
Estevan, SK

Prepared By:

Utchane Richard
Owner/ Estimator
Acadien Construction
(306) 421-4550
utchane@acadienconstruction.com

This project has been specified in accordance with industry standard and manufacturer requirements. All work will be installed by certified craftsmen to assure qualification for long term warranty.

RE-ROOF SECTION 7798 SQ FT

REMOVE ROOF TO DECK
 REPLACE ANY ROTTEN WOOD (AT OWNERS EXPENSE)
 MOP DOWN 2" INSULATION
 MOP DOWN ½" FIBRE BOARD
 HEAT WELD ALL LAPS
 INSTALL NEW VENTS & DRAINS
 STRIP-IN POTRUSIONS/PERIMETER WALLS 180 BASE
 HEAT WELD ALL LAPS
 TORCH DOWN 250 CAP SHEET
 STRIP-IN POTRUSIONS/PERIMETER WALLS 250 CAP SHEET
 RE-INSTALL METAL FLASHING

\$85,778.77 plus applicable taxes

WEATHERSKIN MEMBRANE

10- OR 25-YEAR TRANSFERABLE WARRANTY
 2-LAYER HIGH PERFORMANCE ACRYLIC ELASTOMERIC MEMBRANE.
 SUPERIOR PROTECTION AGAINST FROST, EXTERME HEAT AND HAIL
 IMPACT
 ULTRAVIOLET/ SUNLIGHT FRIENDLY
 NON-TOXIC

10 Year Warranty \$46,267.60 plus applicable taxes

25 Year Warranty \$59,720.84 plus applicable taxes

Note: Disposal of old material and delivery of new material included.

"EXHIBIT F"

**REPORT ON APPRAISAL OF
1314 3rd STREET
ESTEVAN, SASKATCHEWAN**



**AS AT
MAY 27, 2021
AMENDMENT**

**PREPARED BY
ROBIN JOHNSON, M.A. ECON., AACI, P. APP.
EMA-LYN REAL ESTATE APPRAISALS AND CONSULTING/CROWN
APPRAISALS
2350 2ND AVENUE
REGINA, SASKATCHEWAN
S4R 1A6**

EMA-LYN REAL ESTATE APPRAISALS AND CONSULTING

COMMERCIAL - INDUSTRIAL - AGRICULTURAL - RECREATIONAL

Serving Southern Saskatchewan and Western Manitoba

2350 2ND Avenue
Regina, SK
S4R 1A6

708 South Railway Street
Box 850
Whitewood, SK
S0C 5C0

Email: johnsonr@accesscomm.ca
Office (306) 529-3236
www.emalynappraisals.ca

July 12, 2021

BDO Canada Limited
25 Main Street West
Hamilton, ON
L8P 1H1
dgriffiths@bdo.ca

Attention: Darren Griffiths:

Re: 1314 3rd Street, Estevan, SK

As per your instructions, an appraisal report on the above referenced property has been completed, which is legally described as:

Lots 5 - 7, Block 52, Plan No. 12675

As a result of my investigation and analysis, it is my opinion that the estimate of market value of the subject property, as of the effective date of May 27, 2021, was:

Four Hundred Thousand (\$400,000) Dollars

The amended report takes into consideration that the subject property roof will need replacement. As a result the estimate of market value has changed from the original report.

The definition of "market value" is outlined in the attached report. The estimate of value assumes no duress on the part of either a purchaser or vendor, it does not take into consideration any existing mortgages against the property, and it assumes a reasonable marketing time to find a purchaser, which in this case is estimated to be from three to 12 months. The estimate of value does not include any value for the minerals, if any.

The following report describes the methods of appraisal and contains data compiled in the investigation, which to the best of my knowledge is correct subject to the limiting conditions set out in this report.

Respectfully submitted,

EMA-LYN APPRAISALS & CONSULTING

Per:

Robin Johnson

Robin Johnson, M.A. Econ., AACI, P. App.

Table of Contents

PART ONE - INTRODUCTION.....	1
Table of Contents	3
Executive Summary.....	4
PART TWO - BASIS OF THE APPRAISAL.....	5
Client and Intended Use	5
Purpose of the Appraisal	5
Property Rights Appraised.....	5
Type of Report.....	5
Definitions.....	5
Assumptions & Limiting Conditions.....	7
Scope of Work	11
PART THREE - FACTUAL INFORMATION	12
History of Subject Property	12
Local and Economic Data.....	13
Description of Improvements	22
Zoning.....	25
PART FOUR - ANALYSES AND CONCLUSION	26
Principle of Highest and Best Use	26
Valuation Approach	27
Site Valuation	28
Income Approach to Value	39
Direct Comparison Approach.....	46
Reconciliation and Final Estimate of Value.....	61
Exposure and Marketing Time Analysis.....	62
Appraiser's Certification	63
Appraiser's Qualifications	64
SUPPORTING DATA.....	66
Photographs	67
Maps.....	
Titles.....	
Assessment Profile.....	

Executive Summary

Type of Property:	Office Building
Location:	1314 3rd Street, Estevan, SK
Legal Description:	Lots 5 - 7, Block 52, Plan No. 12675
Effective Date of Appraisal:	May 27, 2021
Date of Inspection:	May 27, 2021
Zoning:	Commercial
2021 Assessed Value:	\$788,300
2021 Property Taxes:	\$23,911
Site Area:	18,000 sf
Improvements:	7,155 sf
Age:	Built in 1964
Highest and Best Use:	Current Use
Cost Approach:	n/a
Bare Land:	\$180,000
Income Approach:	\$404,000
Direct Comparison:	\$395,000
Final Estimate of Value:	\$400,000

PART TWO - BASIS OF THE APPRAISAL

Client and Intended Use

The report is intended for the use only by the client, Darren Griffiths representing BDO Canada Limited of Hamilton, Ontario. The report is intended to assist the client for asset valuation. Use of this report by others is not intended by the appraiser and any liability in this respect is strictly denied.

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the subject property located at 1314 3rd Street, Estevan, SK, free and clear of all encumbrances, as of the effective date, May 27, 2021.

Property Rights Appraised

Fee simple interest subject to any lease agreements outlined in this report.

Type of Report

The report is a short narrative estimating current market value.

Definitions

Market Value: It is the most probable price in terms of money which a property should bring in an open and competitive market. Under these conditions, it is assumed that the buyer and seller are in an arms-length transaction, each acts prudently, knowledgeably and without compulsion. Most recently, it has been defined as “the most probable selling price of a property.”

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) both buyer and seller are typically motivated;
- 2) both parties are well informed or well advised, and acting in what they consider their own best interests;
- 3) a reasonable time is allowed for exposure in the open market;
- 4) payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
- 5) the price represents the normal consideration for the property sold unaffected by special creative financing or sales concessions granted by anyone associated with the sale.

Market value as defined by International Valuation Standards 2000:

“Market value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Gross Lease: The landlord pays all costs such as property taxes, building insurance, heat, lights, water, janitorial and maintenance and repairs and property management.

Triple Net Lease: Tenant pays all expenses such as property taxes, building insurance, repairs and maintenance and all utilities. Landlord has no expenses other than structural maintenance and property management.

Absolute Net Lease: Tenant pays all expenses except structural maintenance.

Assumptions & Limiting Conditions

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No registry office search has been performed and the appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.

-
7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
 8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
 9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
 10. The term “inspection” refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
 11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building

inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.

-
16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.
17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
19. Extra-ordinary Limiting Condition: One or two of the three traditional approaches to value may have been excluded. The reasons for any exclusions are explained in this report.
20. Extra-ordinary Assumption: Refer to covering letter for discussion of extra-ordinary assumptions.
21. The coronavirus pandemic is causing a significant degree of uncertainty in capital markets and could have an effect on real estate values depending on the duration and severity of the crisis. At present, it is too early to predict how values may be affected, but it may be likely that market demand is adversely affected in the short term.

Scope of Work

Inspection

We inspected the subject site on May 27, 2021. Our identification of the property also involved a review of mapping prepared by the local municipality, and our earlier files on the property. The photographs were taken on the date of inspection.

Type of Analysis

This appraisal complies with the Canadian Uniform Standards of Professional Appraisal Practice. We are competent in this type of appraisal analysis and have appraised this type of property previously.

Data Research

We received our instructions from the client who provided information on the property. Publications produced by the City of Estevan provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board, I.S.C. - including those reported by local assessors, real estate agents, vendors and purchasers active in the market. I.S.C. provided information on the state of title.

Audits and Technical Investigations

We did not complete technical investigations such as:

- Detailed investigations or engineering review of the plans of the structure;
- An environmental review of the property;
- A site or building survey;
- Investigations into the bearing qualities of the soils; and
- Audits of financial and legal arrangements concerning the leases.

Verification

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

PART THREE - FACTUAL INFORMATION

Identification of the Property

The subject property is located at 1314 3rd Street, Estevan, SK and is legally described as:

Lots 5 - 7, Block 52, Plan No. 12675

History of Subject Property

According to Information Services Corporation (I.S.C.), the following information is provided:

- P.S. Electric Ltd is the registered owner.
- No interests registered.

Sales History

- There appears to have been a transfer for \$900,000 in 2016.
- We are not aware of whether the property has been listed for sale or whether there have been any offers to purchase in the past three years.

Saskatchewan Overview

Population

- October 2020 - 1,177,900 (up from 1,176,300 in October 2019).
- From January to September 2020, net migration from Saskatchewan to other areas increased by approximately 2.4% year over year.

Major Cities in Saskatchewan & Population

Major Cities	2016	2011	% Change
Regina	215,016	193,100	11.3%
Saskatoon	246,376	222,189	10.9%
Moose Jaw	33,890	33,274	1.9%
Prince Albert	35,926	35,129	2.3%
Yorkton	16,343	15,669	4.3%
Estevan	11,483	11,054	3.9%
Weyburn	10,870	10,484	3.7%
Swift Current	16,604	15,503	7.1%
Lloydminster	11,765	9,772	20.4%
North Battleford	14,315	13,888	3.1%

Political Environment

- Saskatchewan became a province in 1905.
- Legislature has 61 seats.
 - Premier: Scott Moe
 - Saskatchewan Party: 48 Seats
 - New Democratic Party: 13 Seats

Geography

- 251,366 square miles.
- Located between Alberta and Manitoba.

Major Industries

- Oil and gas - Second largest producer in Canada. Saskatchewan accounts for approximately 12% of total crude oil production and is the sixth-largest onshore oil-producing jurisdiction in Canada and the United States behind Texas, Alberta, North Dakota, California, and Alaska. Oil and gas production were down in the first 11 months of 2020 over the same period in 2019, by 10.2% and 10.9%, respectively.
- Potash – Largest producer in world. Second largest export. According to the Saskatchewan Ministry of the economy, mining companies are expected to invest tens of billions of dollars in the potash sector over the next 20 years in Saskatchewan. Potash production was up approximately 14.5% in 2020 over 2019.

-
- Uranium – Second largest producer in the world. Northern Saskatchewan has the world's largest high-grade uranium deposits and accounted for more than 13 per cent of the world's primary uranium production in 2018. Overall there has been a significant drop in uranium production since 2016 due to low prices. Uranium production was down 50.7% in 2020 over 2019.
 - Agriculture – cereal crops, specialty crops, livestock. Largest exporter of lentils, dried peas and canola.
 - Forestry – Located in northern Sask.
 - Coal: Third largest producer.
 - Services: Finance & Administration, High Technology.

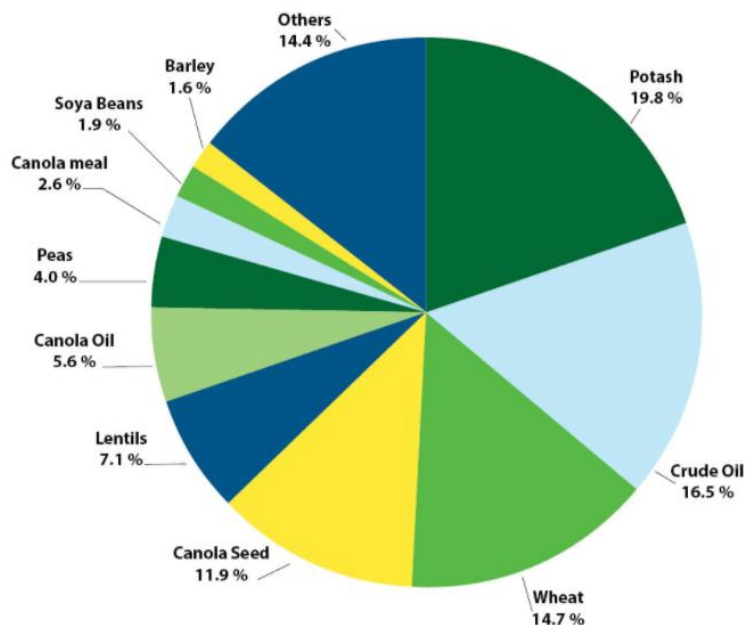
The Economy

- According to Statistics Canada's GDP by industry, as a total Saskatchewan industries experienced a decline of 0.9% from 2018 to 2019.
- Saskatchewan ranked tenth among the provinces in terms of percentage growth for the same period of time
- The Manufacturing industry showed the largest decline of 5.7%, followed by Construction and Mining, Oil and Gas industry by – 4.4% and - 3.4%, respectively.
- The Conference Board of Canada reported that nationally, Saskatchewan and Alberta recorded large declines in real GDP last year due to a combination of a poor response to the virus (especially in Alberta) and the devastation in the energy industry caused by the collapse in global demand for oil.

Exports

- In 2020, total exports were \$30.4 billion, up from slightly \$29.7 billion in 2019.
- Metal Ores & Non-metallic Mineral exports declined by 59.9%, followed by Energy Product exports decline of 33.5% and Basic and Industrial Chemicals, Plastic and Rubber exports decline of 26.4%.
- Farm, Fishing & Intermediate Food Products exports increased by 31.5%, followed by Electronic & Electrical Equipment & Parts exports increase of 24.8% Consumer Goods exports increase of 11.5%.
- Saskatchewan's top export products in dollar value are Farm, Fishing & Intermediate Food Products (\$16.87 billion), Energy Products (\$5.14 billion) and Metal Ores and Non-Metallic Mineral Products
- The United States is Saskatchewan's top market, followed by China, Japan, Brazil and India. The province exports about 67.7% of what it produces to outside of Saskatchewan.

2020 EXPORT DIVERSITY



*Source: Trade Data Online, accessed February 2021

Source: Government of Canada Trade Data Online

Investment

- In 2020, capital investment in Saskatchewan totalled \$12.39 billion, down from 2019 capital investment of \$14.79 billion.
- In 2021, capital investment in Saskatchewan is expected to be at \$12.81 billion, an increase of 3.4% increase from 2020.
- In 2020, Construction permits for the province totaled approximately \$1.385 billion, down from approximately \$1.588 billion in 2019. Residential permits in 2020 were a total dollar value of approximately \$823 million, up from approximately \$669 million in 2019. Total non-residential permit values (commercial, industrial and institutional) decreased close to 40% from approximately \$919 million to approximately \$563 million.
- Each year the Fraser Institute conducts an Annual Survey of Mining Companies, which focuses on attractiveness for investment in mining as related to issues such as policy, taxation, infrastructure and mineral quality. This year it was based a study of 77 jurisdictions world-wide.

Based on the Investment Attractiveness which rates regions based on their geologic attractiveness, that measures the effects of government policy on attitudes toward exploration investment Index, Saskatchewan climbed eight spots from 11th in 2019 to 3rd in 2020. The Policy Perception Index (PPI), a composite index measuring the overall policy attractiveness of the 77 jurisdictions in the survey, placed Idaho and Wyoming in first and second place, respectively. Along with Idaho and Wyoming the top 10 ranked jurisdictions are Finland, the Republic of Ireland, Nevada, Utah, Arizona, Newfoundland & Labrador, Saskatchewan, and New Mexico.

- BuildForce Canada says, Saskatchewan's construction and maintenance industry should experience significant recovery in 2021, citing increases in new-housing construction and the public-sector capital spending plan.
- In May 2020, the provincial government announced a \$7.5 billion, two-year capital plan to build a strong Saskatchewan and stimulate Saskatchewan's economic recovery from the impact of the COVID-19 pandemic. The \$7.5 billion in infrastructure funding represents a \$2.0 billion increase over the government's existing capital plan.
 - As part of this, The Municipal Economic Enhancement Program (MEEP) 2020 was launched, which will provide \$150 million to municipalities to support investments in infrastructure to stimulate economic recovery and encourage local job creation. Examples of these projects include: Northern Hamlet of Cole Bay (lagoon expansion); RM of Preeceville (replace Hinchliffe Bridge); Town of Turtleford: (repave Main Street); Village of Calder: (community hall renovation).

Other capital expenditure projects in the province include:

- Construction of a SaskPower Logistics Warehouse Complex at the Global Transportation Hub (GTH). Ground construction began in the fall of 2020. The two-phase construction activities will begin in 2021. The first phase will be complete in 2023, and the second in 2026. The first phase of the project is estimated to cost \$100 million. All contracts are being awarded through a public procurement process.
- New overpass project on Highway 1 east of Swift Current, Sask.
- The Highfield Solar project that SaskPower has awarded to Saturn Power, a Canadian renewable energy developed, to build, own, and operate is expected to be in service by the end of 2021 and create enough electricity to power around 2,000 homes. Saturn Power Inc, selected Saskatoon-based miEnergy to serve as General Contractor on Saskatchewan's first utility scale Solar PV project.

- SaskPower is building a new natural gas power station near Moose Jaw as a supplement to wind and The Great Plains Power Station will be similar in size to the Chinook Power Station near Swift Current, which began operations in 2019. Construction is expected to take three years. SaskPower estimates it will employ 230 workers a year to build the facility. At the peak of construction, it is expected there will be 500 workers on site.

Labour Force

- In May 2021, 567,200 were employed (total labour force in Saskatchewan was 606,800) compared to 507,100 in May 2020.

May 2021 Unemployment Rate

Location	Unemployment Rate (%)
Canada	8.2
Saskatchewan	6.3
Manitoba	7.2
Alberta	8.7
Regina	7.9
Saskatoon	9.3
Winnipeg	7.3
Calgary	8.6
Edmonton	10.5

Economic Outlook

Early in 2020, economists from major Canadian financial institutions forecast GDP in Saskatchewan to increase by approximately 0.7% in 2019; growth projections for 2020 range from 0.8% to 1.3%, with an average growth of 1.2% in 2020.

As the challenges from Covid-19 pandemic and the weakness in oil and other resource prices mounted in 2020, predictions were considerably downgraded. April 2020 forecasts from the National Bank, RBC, CIBC and the TD Bank were - 4.8%, - 5.2%, -6.4% and – 8.2%, respectively.

Currently (March 2021), the forecast by the TD Bank is for a decline in GDP of 5.4%. compared to a forecasted decline by the Royal Bank of 4.2% and 6.0% by the Bank of Montreal. Forecasts by the TD Bank for 2021 and 2022 are 5.8% and 3.9%, respectively. The Royal Bank forecasts growth of 5.2% in 2021, while BMO predicts growth of 5.3%.

The agriculture industry remains promising. Prices, crop cash receipts, and agri-food exports have been trending well above year-ago levels. Potash production is starting the year on a positive note and price increases are expected. Forecasters expect increased oil and gas drilling and production.

With ongoing changes in the COVID 19 pandemic, economic forecasts are constantly being revised.

City of Estevan



The City of Estevan is located in the southeast corner of the Province of Saskatchewan approximately 124 miles southeast of Regina, the Provincial Capital, and 10 miles north of the U.S. border. Estevan is served by Provincial Highways No. 18, 39 and 47. According to Census 2016 data, the current population of Estevan was 13,615. The population fluctuates with the level of employment in the oil patch surrounding the City of Estevan. Estevan serves as the regional trading centre for the entire southeast corner of the Province. The economic base is oil, coal and agricultural services. Economic activity has slowed in the area due to declining oil prices. However, economic activity in the coal mines around Estevan remains high.

Estevan Population:

Date	Population
2011	12,562
2012	12,792
2013	13,413
2014	13,753
2015	13,343
2016	13,573
2017	13,492
2018	12,866
2019	12,987
2020	12,990

Source: Saskhealth

	2010	2011	2012	2013	2019	2020
Residential	\$9,833,500	\$6,896,300	\$5,950,000	\$10,135,160	\$641,375	\$630,000
Multi Family	\$9,564,800	\$10,460,002	\$12,075,000	\$17,871,000	\$0	\$0
Commercial	\$11,569,773	\$10,337,850	\$4,492,000	\$17,811,605	\$0	\$120,000
Industrial	\$5,681,000	\$7,219,663	\$1,234,435	\$10,230,375	\$0	\$44,900
Institutional	\$12,952,609	\$933,815	\$1,644,000	\$1,253,500	\$0	\$1,500,000
Miscellaneous			\$90,000	\$262,360	\$1,297,474	\$2,121,773
	\$49,601,682	\$35,847,630	\$25,485,435	\$57,564,000	\$1,938,849	\$4,416,673

Source: City of Estevan

*due to change in reporting, some data was unavailable

Estevan Housing Starts:

Starts by Submarket and by Dwelling Type						
Year	Single	Semi	Row	Apt & Other	Total	Change
2010	48	2	8	121	179	145.7%
2011	45	14	24	95	178	-0.1%
2012	49	2	33	0	84	-52.8%
2013	48	16	4	84	152	81.0%
2014	24	8	0	59	91	-40.1%
2015	10	0	0	0	10	-89.0%
2016	3	0	0	0	3	-70.0%
2017 (as of May 30)	2	0	0	0	2	-33.3%
2018	Unavailable					N/A
2019	3	0	0	0	3	+33.3%
2020	1	0	0	0	1	-66.7%

Source: CMHC, Housing Now – Prairie & City of Estevan

Residential Housing Market

In 2020, an estimated 136 residential properties, including condominiums, sold in Estevan - up from 82 properties in 2019. March 2021 Year-to-Date (YTD) sales in Estevan rose 73.9% over last year, increasing from 23 to 40. Estevan saw the price of the benchmark composite home fall 9.3% year-over-year, going from \$213,800 to \$193,900.

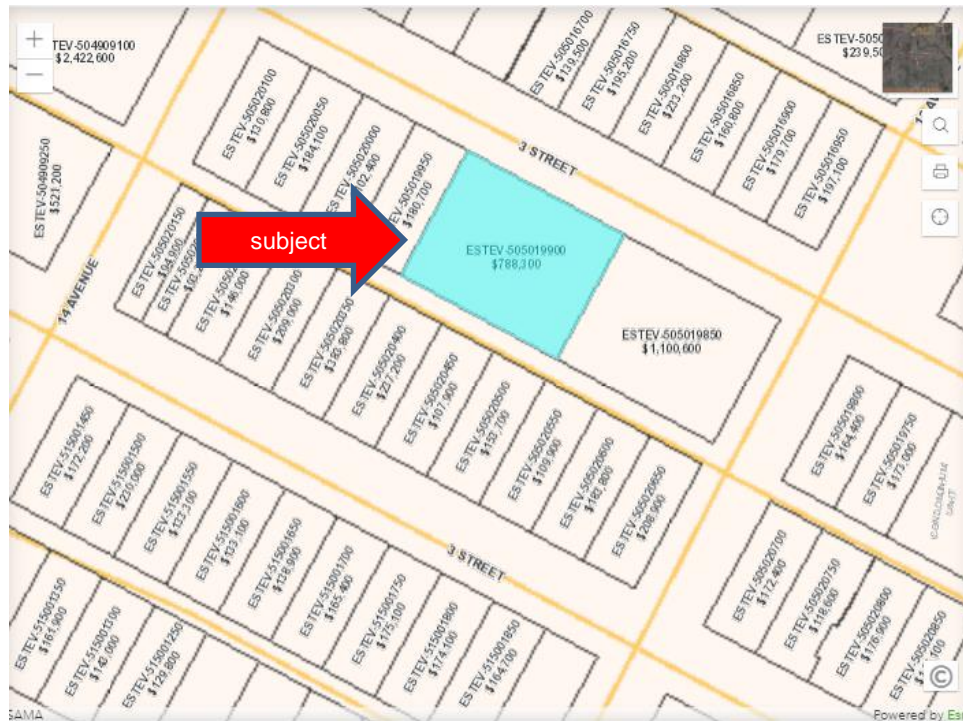
Demand for Real Estate

Residential:	Realtors indicate price declines of 20 – 30% from the peak in 2015.
Apartments:	Vacancy rate as of October 2020 was 26.5% up from 25.8% in October 2019 (CMHC). Average rent for 2 bedroom suite was \$914 in October 2020, down from \$975 in October 2019.
Office & Retail:	Limited demand with vacancies.
Industrial/Warehouse:	Limited demand with vacancies. Vacancies as high as 20% but improving.
Land:	Considerable amount of land available for sale.
Conclusion:	The market has stabilized with prices remaining stable. However, the overall real estate market is a buyer's market. Demand for all types of real estate is fair to average.

Neighbourhood

The subject property is located along the south side of 3rd Street, between 13th and 14th Avenue. Surrounding properties include residential development to the south, west and north, and a provincial office building to the east.

Site Analysis



Location:	1314 3 rd Street, Estevan, SK.
Streets:	3 rd Street has paved asphalt, sidewalks, street lighting and two way traffic.
Size:	Site is rectangular in shape. 150' fronting 3 rd Street and 120' in depth. Total site area according to the City of Estevan is 18,000 sf.
Services:	All City services.
Topography:	Flat and level with surrounding properties.
Access and Parking:	Access to rear parking off back lane which runs west to east along south perimeter of property. Also access off 3 rd Street to parking along east side of building. Paved asphalt parking along south and east side of building.
Site Coverage:	40%.
Current Use:	Well located for current use.
Improvements:	Paved asphalt parking along south and east side of site.

Description of Improvements

At the date of inspection, the subject site was developed with a one storey office building which consisted of three separate commercial units. The exterior and interior of the building was inspected. On the basis of a personal inspection as well as the assessment records provided by the City of Estevan, the following is a brief description of the key building components.



Age and Size:	Built in 1964. 7,155 sf on main level.
Foundation:	Partial basement with concrete walls and floor. Remainder of building is on concrete slab assumed supported by concrete grade beams.
Exterior Walls:	Face brick exterior with metal cladding on upper portion of walls. Wood trim around some windows.
Interior Walls:	Painted drywall and wall panel.
Windows and Doors:	Combination of wood frame and steel frame sealed units. Front entrance doors are metal frame in plate glass. Rear entrance doors are

	insulated metal.
Roofing:	Flat roof with assumed tar and gravel cover. Roof was not inspected but needs to be replaced according to the client. There is water damage in building interior. Two quotes were obtained to upgrade the roof. Quotes to repair roof range from \$86,784 to \$145,500. The quote range depends on the extent of damage caused by moisture which is currently unknown.
Flooring:	Combination of carpet, laminate flooring and linoleum.
Ceilings:	T-bar ceilings with acoustic tiles. Some tiles have water damage.
Heating & Cooling:	Four forced air natural gas fired furnaces with central air-conditioning. One hot water boiler for common area.
Plumbing:	Each commercial unit has one or two two-piece washrooms. Some areas have plumbed sinks and cupboards.
Electrical:	400 amp electrical service. Recessed fluorescent lighting.
Remaining Economic Life:	Estimated at 20 years.
Front Entrance Canopy:	Covered front entrance: 12' x 22'.
Layout:	Each commercial unit is discussed in turn.
East Unit:	Estimated size is approximately 3,068 sf. Canopy over front entrance. Open reception and board room. Large open office space. Two separate offices and sitting area. Painted drywall and brick. T-bar ceiling. Rubber covered floor in public area, and carpet and linoleum in other areas. Two two-piece washrooms, kitchenette in hallway and large

Life Switch:	storage room. Ceiling tiles had water damage. Estimated size is approximately 1,135 sf. Good quality space. Reception with waiting room. Treatment rooms, laundry room and two - piece washroom. Painted drywall and brick, T-bar ceiling and laminate flooring. Access from rear of building only.
Vacant Dental Office (West Unit):	Approximately 2,592 sf. Area has reception, treatment rooms, office, lab and two two-piece washrooms.
Common Area Space:	Back entrance and hallway (360 sf).

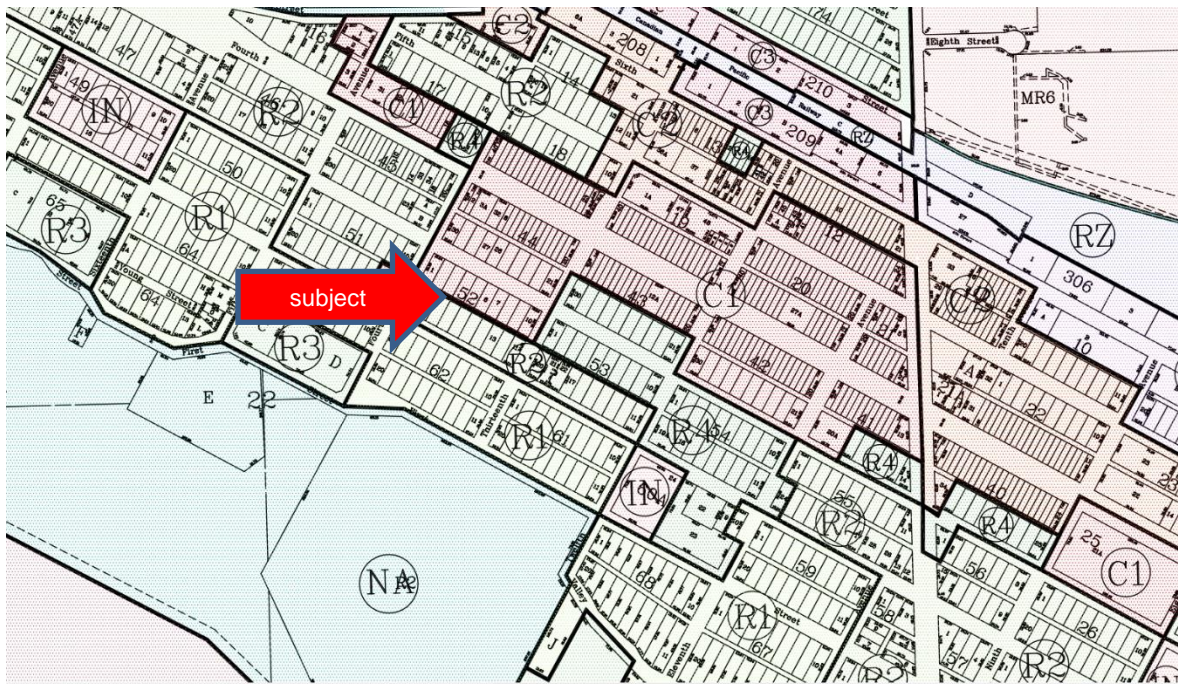
Assessment and Taxes

The following information on the current assessment and taxes for the subject property has been obtained from the Saskatchewan Assessment Management Agency (SAMA) and the local municipality:

2021 Assessment:	\$788,300
2021 Tax Levy:	\$23,911 (Estimate)

The assessment and taxes are comparable to other similar properties. Therefore, the current level of assessment and taxes will not, in our opinion, have an effect on the value of the subject property.

Zoning



Commercial District (Downtown) C1. The purpose of this zone is to regulate development in the highest density commercial area and to encourage the development of retail and entertainment establishments in this area. The current use of the subject property is a permitted use. See supporting data section of report for zoning details.

PART FOUR - ANALYSES AND CONCLUSION

Principle of Highest and Best Use

The Highest and Best Use of a property is a major factor affecting market value. The value of a property results from its use and varies with the present and prospective, actual and anticipated profit.

Highest and Best Use can be simply stated as that use likely to produce the greatest net return over a given period of time.

Criteria for determining Highest and Best Use include:

- 1) The use must be legal.
- 2) The use must be within the realm of probability; a likely one, not speculative or conjectural.
- 3) There must be a demand for such use.
- 4) The use must be profitable.
- 5) The use must provide the highest net return to the land.
- 6) The use must deliver a return for the longest possible time.

The existing use of a given parcel of land is usually the Highest and Best Use, since economic pressure dictates the use. If the existing use is the Highest and Best Use, it should:

- a) conform to the existing zoning regulations or be a legal non-conforming use;
and
- b) be in reasonable conformity with its surroundings.

In addition, as long as the improvements contribute something to the total property value in excess of the value of the vacant site, then it would pay for the owner to continue it in that use, which would be considered its Highest and Best Use. The highest and best use of the subject land, as vacant, is commercial development. Given the site location, improvements, zoning and surrounding uses, the highest and best use is the current use.

Valuation Approach

There are three approaches considered in developing an estimate of market value.

The Cost Approach is the method by which the value of a property is derived by estimating the replacement cost new of the improvements, deducting therefrom the estimated depreciation and then adding the market value of the land. This approach usually provides a reliable indication of value where the improvements are new, they contain little or no depreciation, including functional and external obsolescence and they represent the highest and best use for the land.

The Income Approach develops an estimate of value for the anticipated net income the property could realize, if put on the market for rent. The estimated annual net income is capitalized into an estimate of value, by converting the income stream by an appropriate overall capitalization rate. The Income Approach is widely used in income producing properties.

The Direct Comparison Approach develops an estimate of value from the market, where properties similar to the subject have been sold and/or properties presently listed for sale. It is a process of compiling and analyzing recently sold properties and properties listed for sale to arrive at an estimate of value for the subject. This approach represents the actions and behaviours of typical buyers and sellers of real estate.

Site Valuation

The Direct Comparison Approach is utilized to arrive at the estimated value of the site as if vacant. This method involves the compiling, analyzing and comparing data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution, which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute.

The properties selected for comparison must be similar in the most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, we are placing ourselves in the position of a typical purchaser or vendor in the market in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Below is a list of vacant land sales in Estevan.

Index No. 1

The City of Estevan had 24 R1 single-family residential lots for sale. They have all sold. The median sale price per lot was \$97,618.27. The median size was 6,757 sf and the median sale price was \$14.45 psf.

Index No. 2

Location: 1237 3rd Street
Lot 30, Block 43, Plan No. 12538
Estevan, Saskatchewan

Sale Price: \$68,825

Sale Date: March 22, 2012. (Title # 141747284)

Land Size: 6,000 sf

Zoning: R2 - Residential

Sale Price psf: \$11.47 psf.

Sale Price/Unit: \$13,765

Buyer: Pinetree Wholesale Ltd.

Note: Property was developed into a 5 suite multi-family building.

Index No. 3

Location: 1750 Wellock Road
Lot 13, Block 167, Plan 99SE16042
Estevan, Saskatchewan

Sale Price: \$73,500

Sale Date: March 3, 2011. Transferred March 10, 2011
(Title # 141532714)

Land Size: 5,663 sf

Zoning: R1 - Residential

Sale Price psf: \$12.98 psf

Seller: Robert Chmelyk

Buyer: Evelyn & James Sandquist

Index No. 4

Location: 638 Isabelle Street
SE corner of Isabelle Street and Arthur Avenue
Lot 4 Block 29 Plan 102042098
Estevan, Saskatchewan

Sale Price: \$650,000

Sale Date: December 21, 2010

Land Size: 42,257sf, 0.97 acres, corner lot

Zoning: R3 – Medium Density Residential

Sale Price psf: \$15.38 psf

Sale Price/Unit: \$16,667

Seller: Hirsch Construction Ltd.

Buyer: D.R. Anderson Holdings Inc.
who built a 39 suite apartment rental building

Index No. 5

Location: 1402-1406 Fourth Street, Estevan
Plan No. 102035203

Sale Price: \$110,000

Sale Date: July 2010

Land Size: 8,968 sf

Zoning: Commercial C3 (At time of sale)

Sale Price Per Sf: \$12.27/sf

Comments: Vacant lot located downtown converted to
condominiums.

Index No. 6

Location: 718 3rd Street
Lot B, Block 30, Plan No. 87R49082
Estevan, Saskatchewan

Sale Price: \$465,000

Sale Date: July 5, 2013 Title No. 143838502

Land Size: Approximately 149 ft. x 262 ft. depth.
38,740 sf. interior lot.

Zoning: R3 – Medium Density Residential (previously
Institutional)

Sale Price psf: \$12.00

Comments: Seller: Southeast Cornerstone School Division
Purchaser: Pinetree Wholesale Limited.

Index No. 7

Location: 100 Souris Avenue, Estevan
Block F, Plan No. AL7903

Sale Price: \$244,020

Sale Date: January 2008

Land Size: 15,246 sf

Zoning: Commercial – C3

Sale Price Per Sf: \$16.01/sf

Comments: Owner demolished existing building and built a
Great Canadian Oil Change.

Index No. 8

Location: 109 4th Street, Estevan
Lot C, Plan No. AL9250

Sale Price: \$600,000

Sale Date: April 2014

Land Size: 28,328 sf.

Zoning: C3 – Highway Commercial

Sale Price Per Ac./Sf: \$21.18 per sf.

Comments: Property has building which was converted to multi-tenant. Buyer will demolish building and construct carwash. Buyer is Super Splash Car Wash Corp. Seller is 101102301 Sask. Ltd.

Index No. 9

Location: 1805 3rd Street
Lot 2, Block 110, Plan No. AK9705
Estevan, Saskatchewan

Sale Price: \$195,000

Sale Date: May 23, 2014 Title No. 145114275

Land Size: Approximately 75 ft. x 100 ft. depth.
7,500 sf. interior lot.

Zoning: R2- Residential Low Density Mix Zone

Sale Price psf: \$26.00

Comments: Purchaser: Kean Developments. Site had an older house which was demolished.

Index No. 10

Location: 230 3rd Street
Lot 3, Block 106, Plan No. C3929
Estevan, Saskatchewan

Sale Price: Asking \$175,000

Sale Date: List

Land Size: Approximately 50 ft. x 120 ft. depth.
6,000 sf. interior lot.

Zoning: C3 – Highway Commercial

Sale Price psf: \$29.17 asking

Comments: Services to property line.

Index No. 11

Location: 737 4th Street
Lot 20, Block 32, Plan No. AG4740
Estevan, Saskatchewan

Sale Price: \$190,000

Sale Date: March 2015

Land Size: Approximately 50 ft. x 120 ft. depth.
6,000 sf. interior lot.

Zoning: C4 – Commercial Transitional Zone

Sale Price psf: \$31.67/sf

Comments: Services to property line. Corner lot. House
was moved off for new development.

Index No. 12

Location: 1241 8th Street
Lot 7 & 10, Block 75, Plan No. AH4858
Estevan, Saskatchewan

Sale Price: \$185,000

Sale Date: November 2013

Land Size: Approximately 55 ft. x 120 ft. depth.
6,600 sf. interior lot.

Zoning: R3 – Medium Residential

Sale Price psf: \$28.03

Comments: Property had house which was demolished to
make way for 4-plex construction.

Index No. 13

Location: 1011 Hillcrest Drive, Estevan
Lot 11, Block 142, Plan No. AM3831

Sale Price: \$105,000

Sale Date: November 2016

Land Size: 7,405 sf

Zoning: R1 - Residential

Sale Price psf: \$14.18/sf

Comments: Seller is Matthew Messer. Buyer is Kean
Developments Ltd. Corner lot.

Index No. 14

Location: 2,459 Hawkes Bay, Estevan
Lot 15, Block 139, Plan No 102154069

Sale Price: \$139,000

Sale Date: May 2016

Land Size: 11,326 sf.

Zoning: R1 - Residential

Sale Price psf: \$12.27/sf

Comments: City of Estevan to Christopher Davidson.

Index No. 15

Location: 2461 Hawkes Bay, Estevan
Lot 16, Block 139, Plan No. 102154069

Sale Price: \$132,300

Sale Date: February 2016

Land Size: 9,148 sf

Zoning: R1- Residential

Sale Price psf: \$14.46

Comments: City of Estevan to Tyler Ursu

Index No. 16

Location: Morsky Drive, Estevan, SK
Lot 1, Block 173, Plan No. 102100431

Sale Price: \$325,000

Sale Date: May 2016

Land Size: 0.75 acres

Zoning: C3 commercial

Sale Price Per Acre: \$433,333 (\$9.95/sf)

Comments: Land located along Highway No. 47 in north area of Estevan.

Index No. 17

Location: 230 3rd Street, Estevan
Lot 3, Block 106, Plan No. C3929

Sale Price: \$69,500

Sale Date: List

Land Size: 5,662

Zoning: C3 commercial

Sale Price Per Acre: Asking \$12.27/sf

Comments: Land located along east side of Estevan.

Summary of Land Sales

Index	Sale Date	Size (sf)	Sale Price	Sale Price/sf	Zone
1	2011	6,757	\$97,618	\$14.45	R1
2	Mar-12	6,000	\$68,825	\$11.47	R2
3	Mar-11	5,663	\$73,500	\$12.98	R1
4	Dec-10	42,257	\$650,000	\$15.38	R3
5	Jan-10	8,968	\$110,000	\$12.27	C3
6	Jul-13	38,740	\$465,000	\$12.00	R3
7	Jul-08	15,246	\$244,020	\$16.01	C3
8	Apr-14	28,328	\$600,000	\$21.18	C3
9	May-14	7,500	\$195,000	\$26.00	R2
10	List	6,000	\$175,000	\$29.17	C3
11	Mar-15	6,000	\$190,000	\$31.67	C4
12	Nov-13	6,600	\$185,000	\$28.03	R3
13	Nov-16	7,405	\$105,000	\$14.18	R1
14	May-16	11,326	\$139,000	\$12.27	R1
15	Feb-16	9,148	\$132,300	\$14.46	R1
16	May-16	32,670	\$325,000	\$9.95	C3
17	List	5,662	\$69,500	\$12.27	C3
			High	\$31.67	
			Low	\$9.95	
			Median	\$14.45	

Sale/list prices range from a low \$7.78 to a high of \$31.67 per sf with a median sale price of \$14.45 per sf. Indexes No. 13 – 17 are best sales/listing the market has to offer. Sale/list prices range from \$7.78 to \$14.46 per sf with a median of \$12.27 per sf. The subject is a larger interior lot. There is an excess supply of land available in Estevan. With consideration to all factors, a sale price between the lower end of the range and the median or \$10.00 per sf is indicated for the subject land, as vacant.

18,000 sf @ \$10.00/sf = \$180,000 Rounded to \$180,000

Replacement Cost New of Improvements

When considering the value by the Cost Approach, it is recognized that cost and value are not synonymous. Value is the relationship between a commodity and the desire to purchase. Value may be higher or lower than the cost to build. The cost to produce an item and what an item will sell for on the open market are two separate and distinct concepts. This approach is deficient in failing to recognize that the prudent purchaser would be willing to pay an amount equal to sales of property which could be considered as acceptable substitutes for the subject. It inadequately considers the present worth of future benefits which will likely accrue from ownership of this property. The premise that the value of the whole parcel is the sum of the independently determined values of the components is a major weakness. It is difficult to assign to any single component the measure of its contribution to the composite productivity of the whole property.

This approach loses its reliability as improvements become older because of the magnitude of the depreciation estimate and the assumptions required in estimating the reproduction cost new. A depreciation factor must be applied to reflect actual market value and economic conditions. In order to apply a depreciation rate in the Cost Approach, the market value should already be known.

The Cost Approach requires some major assumptions. It tends to be unrealistic and subjective in nature as it is infrequently used by buyers in the market place. Its attempt to recognize the economic forces of the real estate market place for improved properties is insufficient and subjective. The Cost Approach will not be presented in this report due to the age of the building and the fact that nearly all types of depreciation exist. The result would be an error prone depreciation estimate.

The replacement cost new or depreciated replacement cost is not an important factor to prospective buyers. The income capability and sales of comparable properties are more important factors. Therefore, the Income Approach and Direct Comparison Approach are better indicators of market value.

However, for insurance purposes, the replacement cost new of the building is:

7,156 sf @ \$225/sf = \$1,027,350

Income Approach to Value

The Income Approach is a method of valuation whereby the estimated annual net income produced by a property is capitalized at an appropriate rate into an indication of the property's capital value. The total amount obtained should be approximately market value because it is the estimated price which an investor would pay for the property having a regard for the net income flow and the rate of return expected on their capital investment.

The Income Approach involves the following basic steps:

- 1) Estimate the total annual gross income of the property, less likely future vacancies and bad debts.
- 2) Estimate the total annual operating expense.
- 3) Calculate the annual net operating income.
- 4) Select an appropriate capitalization rate.
- 5) Using a suitable procedure, convert the anticipated annual net operating income stream into an indication of the capital value of the property.

Capitalization in the appraisal of real estate may be defined as the process of converting into a present value a series of anticipated future annual instalments of income by the application of a capitalization rate.

The Capitalization Rate is a conversion factor, appropriate to the property being appraised, that is applied to the income stream to convert it to an indication of the market value of a property. It is the rate, commensurate with the risk presented, at which a future income stream is discounted to a present worth.

Two techniques may be used to analyze the subject income stream.

- (1) The current year's proforma net income or most recent actual income may be capitalized by an overall capitalization rate. $\text{Value} = \text{Net Income} / \text{Capitalization Rate}$. This is referred to as **Direct Capitalization**.

-
- (2) The ***Discounted Cash Flow Analysis*** technique involves projecting revenues and expenses over an investment horizon and discounting the income stream into an indication of present value. This approach measures potential income, the value of the rental reversion and the possible capital gain of the property in the future.

For the purpose of this appraisal, the Direct Capitalization method will be used.

Market Rent Analysis

One commercial unit was leased as at the date of inspection.

There is no current lease information available. Previous rents were:

Dentist:

- Lease area is 2,592 sf.
- Rent was \$18.90/sf.

Water Flood Management

- Lease area was 3,068 sf.
- Rent was \$16.76 per sf.

Life Switch

- Lease area is 1,135 sf.
- Rent was \$8.83 per sf.
- Tenant is still there. Current rent is unknown.

Below is a list of rental rates in Weyburn and Estevan.

1. 28 12th Avenue, Weyburn
1,350 sf of office space in building constructed in 1999.
Asking \$12.00 per sf net.

-
2. 1650 & 1676 Ebel Road, Weyburn
1,750 sf. Commercial shop and office. Built in 2014. 18' ceilings, and 14' x 14' overhead door. Asking \$10/sf for three year term.
 3. 4 – 8, 4th Street , Weyburn
5,587 sf office building built in 1985. Asking \$8.59/sf triple net.
 4. 106 Railway Avenue, Weyburn
Built in 1986. 1,440 sf retail space available for lease. Asking \$18/sf triple net for five year lease.
 5. 604 Government Road, Weyburn
N.M. McMahon CPA Professional Corporation leases 2,500 sf of office space. Built in 1980.
Five year lease ending June 30, 2021
Rent is \$14.40 per sf triple net.
Option to renew for five years.
 6. 1234 4th Street, Estevan
1,575 sf of retail space available for \$13.00 per sf net.
 7. 516 Nesbitt Drive, Estevan
7,032 sf building constructed in 2020.
Office space.
Asking \$11.00 per sf.
 8. 1125 5th Street, Estevan
1,184 sf of office space available for \$11.00/sf.
 9. 1306 7th Street, Estevan
Strip mall space leased for \$7.00 per sf in 2018.

10. 1207 – 1209 4th Street, Estevan

5,000 sf available for \$9.00 per sf partial gross. Translates in to approximately \$7.00 per sf.

11. 1213 4th Street, Estevan

Older building asking rent available for \$9.00 per sf. Building has been leased for \$10.50 per sf.

12. 1138 2nd Street, Estevan

- 1,620 sf was leased to Investor's Group on a month to month basis. Rent is approximately \$1,800 per month or \$13.33 per sf up until 2020.
- Tenant purchased building. Plans to lease above space for approximately \$9.00 per sf.

Conclusion - Market Rent

Rental rates range from \$7.00 to \$18.00 per sf. Estevan rents (Indexes No. 6 – 12) range from \$7.00 to \$13.33 per sf. The subject property requires tenant improvements and roof repairs. With consideration to all factors, a market rent of \$9.00 per sf is indicated for the subject property.

Net operating income for the subject property will be based on the following:

- Estimate of annual gross income will be based on the above rent.
- A vacancy rate of 10% for commercial space will be considered given the current real estate market in the area.
- An allowance of 5% for management and 2% for structural maintenance has been considered.
- A vacancy allowance of \$4.00 per sf is indicated to account for expenses during times of vacancy.

Income and Expenses

1314 3rd Street, Estevan		
6,795 sf @ \$9.00/sf		\$61,155
Vacancy Rate @ 10%		<u>\$6,116</u>
Gross Effective Income		\$55,040
Expenses		
Management @ 5%	\$2,752	
Structural Expenses @2%	\$1,101	
Allowance for Vacancies		
(6,795 sf @10% @ \$4.00/sf)	<u>\$2,718</u>	
Total Expenses		<u>\$6,571</u>
Net Income		\$48,469

Valuation by Capitalization of Net Income

Selection of Capitalization Rate

Capitalization, in the appraisal of real estate, may be defined as the process of converting into a present worth a series of anticipated future annual instalments of income by the application of a capitalization rate.

The Capitalization rate is a conversion factor, appropriate to the property being appraised, that is applied to the income stream to convert it into an indication of the market value of a property. It is the rate, commensurate with the risk presented, at which a future income stream is discounted to a present worth. Simply stated, the arithmetical formula appears as follows:

$$\frac{\text{Net Operating Income}}{\text{Capitalization Rate}} = \text{Value}$$

Comparative Method

Ratios between market selling prices and net operating incomes of properties can be ascertained through the analysis of comparable sales. From these price earnings ratios, market interest rates can be extracted. The range of interest rates found through the investigation of a number of sales can be examined and with good judgement, an appropriate interest rate for the use in the capitalization of net operating income of a subject property can be indicated. This method is widely used by appraisers because of the obvious reliability it presents when enough sales of somewhat comparable properties, in similar location and with no serious time variations, can be found.

The following income producing property sales are analyzed in order to extract an appropriate capitalization rate for the subject.

Index	Location	Type	Sale Price	Sale Date	Cap. Rate
1	16 - 18 1st Avenue N, Yorkton	Commercial	\$240,000	Jun-15	12.10%
2	350 5th Avenue N, Yorkton	Commercial	\$505,000	Dec-14	8.90%
3	41 Myrtle Avenue, Yorkton	Commercial	\$725,000	Sept-15	9.20%
4	1518 Regina Ave, Weyburn	Commerical	\$2,050,000	Mar-16	7.00%
5	8-17th Street, Prince Albert	Warehouse	\$750,000	Jan-16	9.00%
6	27 2nd Avenue N, Yorkton	Strip Mall	\$1,450,000	Feb-17	10.20%
7	78 Broadway St, Yorkton	Strip Mall	\$1,475,000	Feb-17	8.10%
8	21 Dalebrooke Dr. Yorkton	Office	\$400,000	Oct-17	7.30%
9	434 5th Street, Estevan	Shop	\$255,000	Dec-17	7.30%
10	Hwy No. 9, Yorkton	Shop/Office	\$3,800,000	Mar-18	7.00%
11	112 -136 Railway, Weyburn	Strip Mall	\$1,050,000	Aug-17	7.20%
12	508 Bell, Indian Head	Office	\$220,000	Apr-18	8.25%
13	701 Lalonde, Whitewood	Retail	\$315,000	Jun-20	14.50%
14	503 Railway Avenue, Weyburn	Shop/Office	\$380,000	Nov-18	8.40%
15	105 Railway, Carlyle	Office	\$205,000	Nov-18	8.40%
16	Norway Rd. Canora	Subway Lease	\$380,000	Jan-19	9.60%
17	24 Broadway, Redvers	Retail	\$450,000	Aug-19	9.70%
18	418 Ellice Ave, Russell	Shop	\$100,000	Jan-20	11.20%
19	518 Main St, Broadview	Retail	\$250,000	Jun-20	12.60%
20	508 Main Street, Kipling	Retail	\$325,000	2019	12.10%
21	359 5th Ave N, Yorkton	Industrial	\$550,000	Jul-20	7.70%
22	21 - 3rd Avenue, Yorkton	Retail	\$199,000	List	12.00%
23	1138 3rd Street, Estevan	Office	\$300,000	Dec-20	10.50%
		Median			9.00%
		High			14.50%
		Low			7.00%

The above Indexes indicate overall capitalization rates ranging from a low of 7.0% to a high of 14.5% with a median of 9.0%. Indexes No. 4, 9, 11, 14 and 23 are sales in Estevan and Weyburn with overall capitalization rates ranging from 7.0% to 10.5% with a median of 7.3%. The subject requires interior upgrades and roof repairs which could range from \$86,784 to \$145,000. With consideration to all factors, an overall capitalization rate above the upper end of the range or 12.0% is indicated in order to estimate market value for the subject property. Therefore, having regard to the above, the estimated value of the subject property by the Income Approach to Value is calculated as follows:

<u>Net Income</u>	=	Market Value Estimate by Income Approach Direct Capitalization Method	
Capitalization Rate			
<u>\$48,469</u>			Rounded
12.00%		\$ 403,908	\$ 404,000

Direct Comparison Approach

This method involves the gathering, analyzing and comparing of data on similar properties that have been sold, on which offers have been made, or that are for sale.

This approach implies the Principle of Substitution which states that a prudent purchaser will not pay more for a property than it would cost to buy an equally desirable substitute. The properties selected for comparison must be similar in most essential respects to the one being appraised. In addition to comparing the similar characteristics between properties, the dissimilar characteristics must also be weighed. In this manner, the appraiser is placing himself in the position of a typical purchaser or vendor in the market in that the analysis of data pertaining to the real estate market is of assistance in deciding the best possible price to pay, or accept, for a property.

Sales of properties located in centres throughout the province have been considered because of the type of building, age, location and utilization at the time of sale. Each sale is analyzed to develop the unit of comparison, the sale price per sq.ft. of gross building area, excluding land.

Following is a summary of comparable real estate transactions.

Index No.1

Location:	4 – 8 4 th Street, Weyburn, Sask.
List Price:	\$574,000 (MLS 595824).
Sale Date:	July 2017
Land Size:	6,761 sf.
Zoning:	CBDA
Building:	5,587 sf office building built in 1985. 16 offices plus a board room and multiple work-stations, a kitchen, mailroom and reception area.
Comments:	$\$574,000 - \$68,000 \text{ land value} = \$508,000 \div 5,587 \text{ sq.ft.} = \$90.93 \text{ sq.ft. building component list price.}$
Seller:	Osler Investments Ltd.

Index No. 2

Location:	205 Main Street, Carlyle, SK Lot 22, Block 6, Plan No. 101914354
Sale Price:	\$525,000
Sale Date:	September 2019
Land Size:	5,400 sf.
Zoning:	C1 - Commercial
Building:	Two storey office building constructed in 1986. 6,912 sf on two levels. Rented to multiple tenants.
Comments:	MLS 758786. Sold in 215 days. \$45,000 allocated to land and \$480,000 to building or \$69.44 per sf.
Seller:	101128551 Saskatchewan Ltd.

Index No. 3

Location:	112 – 136 Railway Avenue, Weyburn Lot 3, Block 49, Plan 79R03797.
Sale Price:	\$1,050,000
Sale Date:	August 2017
Land Size:	12,632 sf
Zoning:	CBDA
Building:	Retail Strip Mall – 6,900 sf. Built in 1980 Five commercial units.
Sale Price Per sf:	\$152.17/sf
Land Value:	\$179,000
Building Component Sale Price:	\$871,000 (\$126.23/sf)
Comments:	Sold at a 7.2% capitalization rate.

Index No. 4

Location:	105 Railway Avenue, Carlyle, SK Lot 13, Block 40, Plan No. 102007381
Sale Price:	\$205,000
Sale Date:	November 2018
Land Size:	6,500 sf.
Zoning:	Commercial
Building:	1,440 sf office building. Updated interior and new roof. Built in 1983.
Sale Price Per sf:	\$142.36/sf
Land Value:	\$39,000
Building Component Sale Price:	\$166,000 (\$115.28/sf)
Comments:	MLS 714735. Sold in 308 days

Index No. 5

Location:	1175 Queen Street, Melville, SK Lots 18-20, Block 90, Plan V664
Sale Price:	\$229,000
Sale Date:	December 2015
Land Size:	21,000 sf.
Zoning:	Commercial
Building:	1,920 sf building with renovated high end office space. Previously a vet clinic. Built in 1979.
Sale Price Per sf:	\$119.27/sf
Land Value:	\$50,000
Building Component Sale Price:	\$179,000 (\$93.23/sf)
Comments:	MLS November 6, 202027324. Sold in 234 days.

Index No. 6

Location:	215 Main Street, Carlyle, SK Lot 8, Block 6, Plan No. 55618
Sale Price:	\$284,000
Sale Date:	October 2017
Land Size:	6,000 sf
Zoning:	Commercial
Building:	1,612 sf office building built in 1976 with addition and upgrades in 2012. Area consists of reception three offices and two washrooms. Good interior finish.
Sale Price Per sf:	\$179.90/sf
Land Value:	\$60,000
Building Component Sale Price:	\$224,000 (\$138.96/sf)
Comments:	Good quality office building.
Seller:	Sundance Holdings Inc.
Buyer:	Dudley Accounting.

Index No. 7

Location: 1223 4th Street, Estevan
Lot 32, Block 19, Plan No. 12539

Sale Price: \$169,000

Sale Date: June 2018

Land Size: 3,000 sf

Zoning: Commercial

Building: 1,575 sf one storey commercial building
constructed in 1957. Finished mezzanine.
Concrete basement.

Building Component Sale Price: \$129,000 (\$81.90/sf)

Land Value: \$40,000

Seller: Estate of Gladys Melle.

Comments: MLS 723139. Sold in 79 days.

Index No. 8

Location: 1213 4th Street, Estevan
Lot 27, Block 19, Plan No. 12538

Sale Price: \$125,000

Sale Date: Pending

Land Size: 3,000 sf

Zoning: Commercial

Building: 1,697 sf one storey commercial building
constructed in 1947. Concrete basement.

Building Component Sale Price: \$85,000 (\$50.09/sf)

Land Value: \$40,000

Seller: 101184461 Saskatchewan Ltd is seller.

Comments: Private sale.

Index No. 9

Location:	1138 3 rd Street, Estevan, SK Lots 1 & 2, Block 54, Plan No. 12675
Sale Price:	\$300,000
Sale Date:	December 2020
Land Size:	6,600 sf
Zoning:	R4- Residential
Building:	4,566 sf one storey office building built in 1970
Building Component Sale Price:	\$225,000 (\$49.28/sf)
Land Value:	\$75,000
Comments:	Tenant purchased property. Sold at 10.5% capitalization rate.

Index No. 10

Location: 44 Fourth Avenue North, Yorkton
Lots 13-14, Block 3, Plan No. 20767

Sale Price: \$350,000

Sale Date: May 2018

Land Size: 8,712 sf

Zoning: C1 - Commercial

Building: 7,261 sf building with basement. Building is vacant and ready for interior development. Built in 1967.

Sale Price Per sf: \$48.20 per sf.

Land Value: \$85,000

Building Component Sale Price: \$36.50/sf

Comments: Sold in 102 days. MLS 718573.

Index No. 11

Location:	139 Dominion Avenue, Yorkton, SK Lots 8 - 16, Block 9, Plan No. S700
Sale Price:	\$197,500
Sale Date:	March 2021
Land Size:	26,033 sf
Zoning:	M1 – Light Industrial
Building:	10,500 sf. Built in 1965. Open area with kitchen, offices, stage and washrooms.
Sale Price Per sf:	\$18.81/sf
Land Value:	\$40,000
Building Component Sale Price:	\$157,500 (\$15.00/sf)
Comments:	Prairie Harvest Christian Life Centre Inc. purchased from Yorkton Friendship Centre.

Index No. 12

Location:	19-21 3 rd Avenue, Yorkton, SK Lot 23 Block 3, Plan No. 20767 Lot 36, Block 3, Plan No. 101740632, Ext 18
Sale Price:	\$150,000
Sale Date:	April 2021
Land Size:	7,260 sf
Zoning:	City Centre Commercial
Building:	4,700 sf commercial building built in 1965. Interior is in poor. Leased to Pawn Store for \$6.00 per sf.
Building Component Sale Price:	\$100,000 (\$21.28/sf)
Land Value:	\$50,000
Seller:	Granville Holdings to Johnathan Jonathan Bueckert
Comments:	Sold at a 12% capitalization rate.

Summary/Conclusion of Direct Comparison Approach

Index	Building (SF)	Sale Price Building Only	Sale Date	Sale Price Per SF	Year Built	Location
1	5,587	\$508,000	Jul-17	\$90.93	1985	Weyburn
2	6,912	\$480,000	Sept-19	\$69.44	1986	Carlyle
3	6,900	\$871,000	Aug-17	\$126.23	1980	Weyburn
4	1,440	\$166,000	Nov-18	\$115.28	1983	Carlyle
5	1,920	\$179,000	Dec-15	\$93.23	1979	Melville
6	1,612	\$224,000	Oct-17	\$138.96	1976	Carlyle
7	1,575	\$129,000	Jun-18	\$81.90	1957	Estevan
8	1,697	\$85,000	Pendng	\$50.09	1947	Estevan
9	4,566	\$225,000	Dec-20	\$49.28	1970	Estevan
10	7,261	\$265,000	May-18	\$36.50	1967	Yorkton
11	10,500	\$157,500	Mar-21	\$15.00	1965	Yorkton
12	4,700	\$100,000	Apr-21	\$21.28	1965	Yorkton
			High	\$138.96		
			Low	\$15.00		
			Median	\$75.67		

The comparison of building sales considers the following factors:

- Older buildings generally sell for lower unit prices than newer properties;
- Well maintained properties generally reflect higher unit prices compared with those that have deferred maintenance;
- Larger buildings of similar quality, condition, utility, etc., generally sell for a lower unit price than smaller buildings;
- Better quality buildings reflect higher unit prices than lower quality buildings;
- Factors such as better location and good parking reflect higher unit prices;

The above Indexes indicate sale prices per sf of building only ranging from a low of \$15.00 to a high of \$138.96 with a median of \$75.76 per sf.

Index No. 1 (\$90.03) is superior.

Index No. 2 (\$69.44) is superior.

Index No. 3 (\$126.23) is superior.

Index No. 4 (\$115.28) is superior.

Index No. 5 (\$93.23) is superior.

Index No. 6 (\$138.96) is superior.

Index No. 7 (\$81.90) is superior.

Index No. 8 (\$50.09) is comparable.

Index No. 9 (\$49.28) is comparable.

Index No. 10 (\$36.60) is comparable because the building required interior upgrades.

Index No. 11 (\$15.00) is comparable because the building interior was poor and roof needed upgrading.

Index No. 12 (\$21.28) is comparable given the poor condition of the building.

Based on the above, the sale price range is from \$15.00 to \$50.09 per sf with a median sale price of \$36.60 per sf. The subject is an older office building which requires considerable roof repairs and interior upgrades. With consideration to all factors, a sale price between the lower end of the range and the median or \$30.00 per sf is indicated for the subject building. Therefore, the estimate of market value is:

Estimate of Value By Direct Comparison Approach	
Building	
7,155 sf @ \$30.00/sf	\$214,650
Add: Land Value	<u>\$180,000</u>
Total Estimate of Value	\$394,650
Rounded	\$395,000

Reconciliation and Final Estimate of Value

The Income Approach and Direct Comparison Approach to Value have produced the following estimates of value for the subject property.

Income Approach	\$404,000
Direct Comparison	\$395,000

The estimate of value by the Income Approach was based on an analysis of what the subject building could achieve in rental income. The overall capitalization rate was developed by the comparative method.

The estimate of value by the Direct Comparison approach was based on sales of reasonably similar properties.

Equal weight is given to both the Income Approach and Direct Comparison Approach in the final estimate of value.

Therefore, it is our opinion that the estimate of value of the subject property, free and clear of encumbrances, as at the effective date of May 27, 2021, was:

Four Hundred Thousand (\$400,000) Dollars

Exposure and Marketing Time Analysis

Exposure Time

In an appraisal, exposure time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to have preceded the effective date of the appraisal.

Marketing Time

The amount of time that it may take to sell the property at the concluded market value during the period immediately after the effective date of the appraisal.

Conclusion

Based on our analysis of the marketplace for this type of property, our estimate of market value is based on an exposure time of three to 12 months. If a shorter time is required, the selling price could be less. Conversely, if a longer exposure time is used to find an interested buyer, the selling price could be greater.

Appraiser's Certification

I certify that, to the best of my knowledge and belief:

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5) My engagement in and compensation for this assignment were not contingent upon developing and reporting predetermined results, the amount of the value estimate, or a conclusion favouring the client.
- 6) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with Standards of the Appraisal Institute of Canada.
- 7) I have the knowledge and experience to complete the assignment competently.
- 8) I have made a personal inspection of the property that is the subject of this report.
- 9) No one provided significant professional assistance to the person signing this report.
- 10) The Appraisal Institute of Canada has a mandatory continuing professional development program for designated members and candidates. As of the date of the report I have fulfilled the requirements of the program.
- 11) The undersigned is a member in good standing of the Appraisal Institute of Canada.
- 12) Effective Date of Appraisal: May 27, 2021
- 13) Date of Inspection: May 27, 2021
- 14) Date of Report/Certification: July 12, 2021
- 15) Location: 1314 3rd Street, Estevan, SK
- 16) Estimate of Market Value: **\$400,000**

Certified by: Robin Johnson
Robin Johnson, M.A. Econ., AACI, P. App.

Appraiser's Qualifications of Robin Johnson, M.A. Econ., AACI, P. App.

1. Career Summary

- 33 years experience in commercial real estate ownership and property management.
- 20 years in commercial and residential real estate appraisal and consulting.
- Twenty-one years with the public sector, including:
 - nine years in project management, financial management, strategic planning and financial policy development in middle and senior management positions;
 - eight years in economic and trade policy development and federal-provincial negotiations;
 - four years in economic and taxation policy research;
- Seven years as a sessional lecturer at the University of Regina.
- Mayor and Councilor of Resort Village of Bird's Point (2006-2012).

2. Education

Member of Professional Associations

Appraisal Institute of Canada AACI Designation - 2003

University of Saskatchewan

Masters Degree in Economics: 1982

Bachelor of Arts Honours, Land Use and Environmental Studies: 1981

Bachelor of Arts Economics: 1981

Kelsey Institute of Applied Arts and Sciences

Diploma: Renewable Resources Technology: 1978

3. Appraisal Assignments

- Farm land appraisals for Saskatchewan Watershed Authority.
- Annual Market Rent survey and analysis for Saskatchewan Property Management Corporation for office buildings in Regina.
- Market Rent analysis and leasehold analysis on Galleria Building for Federal Government.
- Appraisal assignments for Saskatchewan Highways and Transportation for expropriation purposes.
- Farm and residential acreage appraisals for SaskPower for expropriation purposes.
- Appraisal of Echo Valley Conference Centre (formerly known as Fort San) for Saskatchewan Property Management Corporation.
- Land Use development consulting for residential and commercial real estate developers.
- Lake front appraisals at Rafferty/Alameda Dam for Saskatchewan Watershed Authority.
- Appraisals of flooded lake front properties and farm land for Saskatchewan Watershed Authority.
- Lake front development appraisals for resort developers in the Qu'Appelle Valley.
- Appraisal of Fort San for redevelopment and litigation purposes.
- Appraisals of numerous campgrounds at resorts.
- Appraisals of numerous office buildings; commercial and industrial properties; rural and urban hotels and motels; residential acreages and farmland.
- Assessment appeal consulting for commercial enterprises.
- Testified as an expert witness in Court of Queen's Bench on three occasions. The court accepted the valuations in each case. The cases are:
 - Beug vs Schmidt, 2008 SKQB 380 (CanLII)
 - Shillington vs Shillington, 2007 SKQB 168 (CanLII)
 - Schick vs Behr, 2008 SKQB 105 (CanLII)
 - S.K vs R.K. Report & Exhibit 2015 SKQB 235(CanLII)
 - Herrington vs Bashutski, 2017 SKQB 311 (CanLII)

SUPPORTING DATA

PHOTOGRAPHS



Front View



Covered Entrance



Rear View of Subject



West View of 3rd Street



East Commercial Area



Washroom



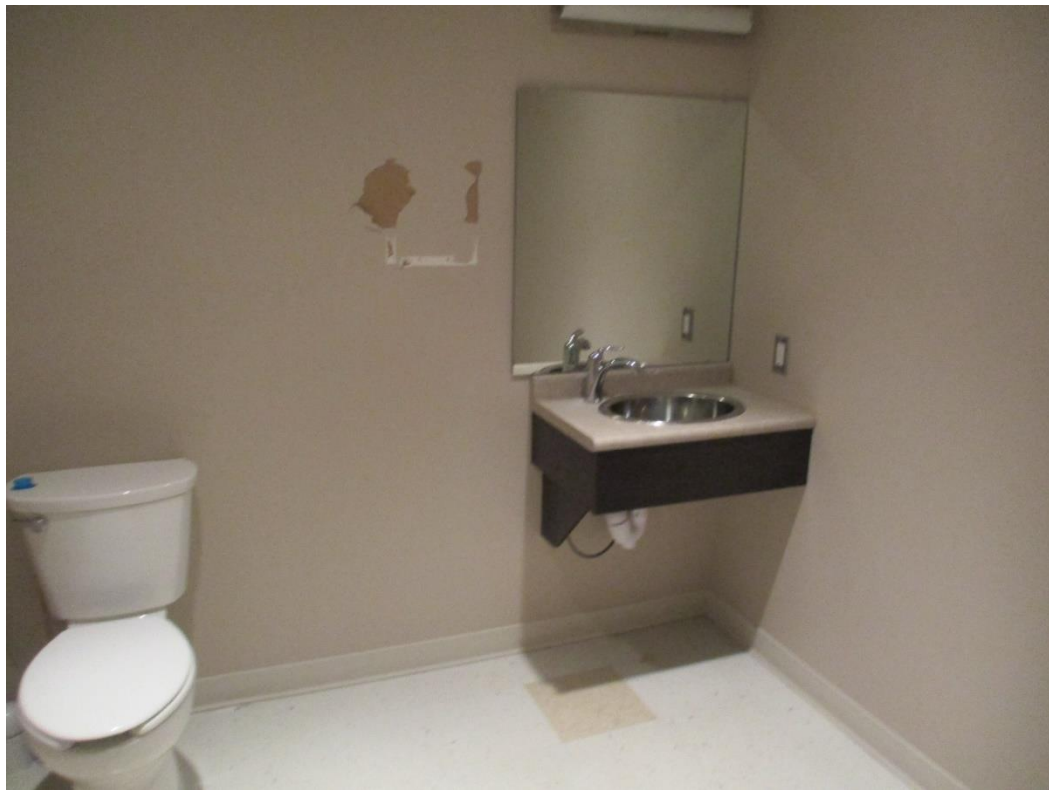
Previous Dental Office



Dental Office Space



Ceiling Damage



Washroom



Life Switch Space



Life Space Kitchenette



Mechanical

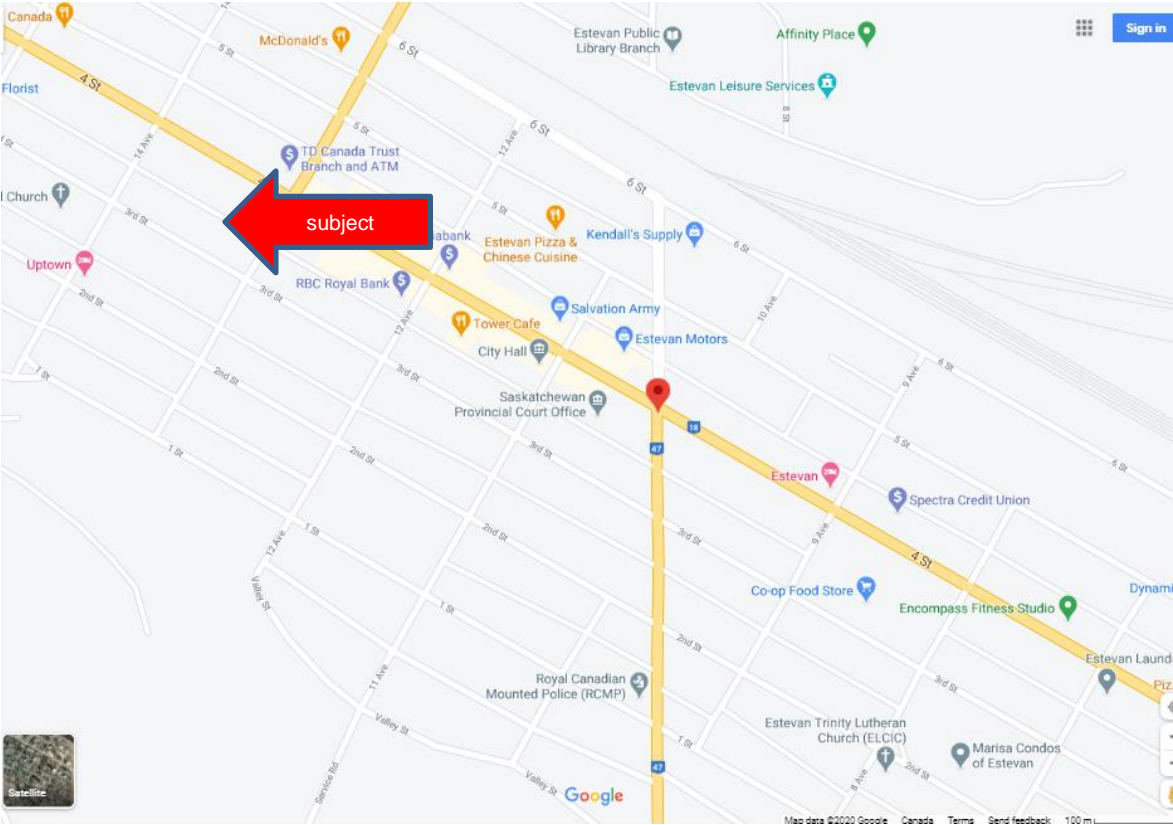


Mechanical



Basement Storage

City of Estevan Map



Land Description Lot 5-Blk/Par 52-Plan 12675 Ext 0 As described on Certificate of Title 99SE22787.			
Owner(s) P.S. ELECTRIC LTD.			
Title	Number 148065059	Share 1/1	Title Lock Information N/A
Last Amendment Date 02 Jun 2021 12:29:02.533		Old Land Description	
Parcel 107385329	Parcel Type Surface Regular	Municipality CITY OF ESTEVAN	
Validated Ties	Commodity/Unit N/A		Linked to Unit N/A

Land Description Lot 6-Blk/Par 52-Plan 12675 Ext 0 As described on Certificate of Title 99SE22787.			
Owner(s) P.S. ELECTRIC LTD.			
Title	Number 148065071	Share 1/1	Title Lock Information N/A
Last Amendment Date 02 Jun 2021 12:29:02.490		Old Land Description	
Parcel 107379591	Parcel Type Surface Regular	Municipality CITY OF ESTEVAN	
Validated Ties	Commodity/Unit N/A		Linked to Unit N/A

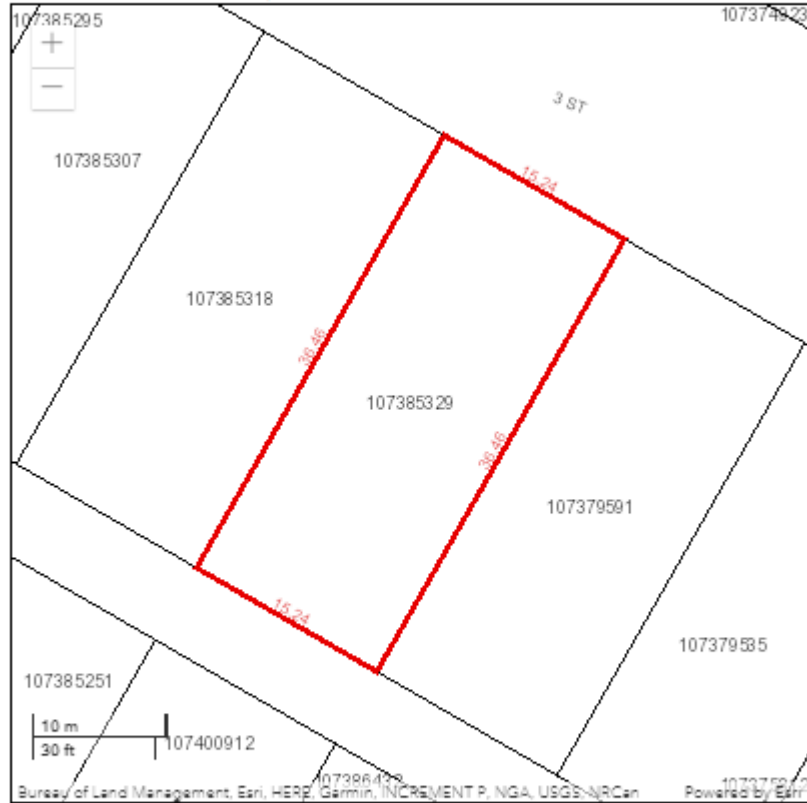
Land Description Lot 7-Blk/Par 52-Plan 12675 Ext 0 As described on Certificate of Title 99SE22787.			
Owner(s) P.S. ELECTRIC LTD.			
Title	Number 148065093	Share 1/1	Title Lock Information N/A
Last Amendment Date 02 Jun 2021 12:29:02.503		Old Land Description	
Parcel 107379535	Parcel Type Surface Regular	Municipality CITY OF ESTEVAN	
Validated Ties	Commodity/Unit N/A		Linked to Unit N/A



Save PDF Save PNG

Surface Parcel Number: 107385329

Request Date: Mon Jun 7 14:41:32 GMT-06:00 2021



Scale: 1:564

Owner Name(s): P.S. ELECTRIC LTD.

Municipality: CITY OF ESTEVAN

Title Number(s): 148065059

Parcel Class: Parcel (Generic)

Land Description: Lot 5-Blk/Par 52-Plan 12675 Ext 0

Source Quarter Section: NE-22-02-08-2

Commodity/Unit: Not Applicable

Area: 0.056 hectares (0.14 acres)

Converted Title Number: 99SE22787

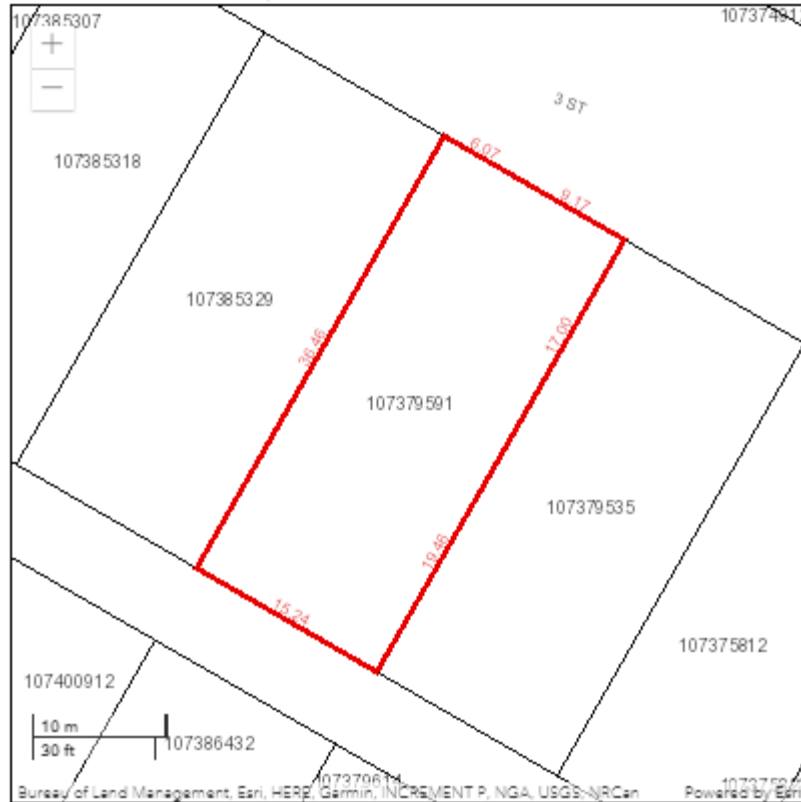
Ownership Share: 1:1



Save PDF Save PNG

Surface Parcel Number: 107379591

Request Date: Mon Jun 7 14:42:03 GMT-06:00 2021



Scale: 1:564

Owner Name(s): P.S. ELECTRIC LTD.

Municipality: CITY OF ESTEVAN

Title Number(s): 148065071

Parcel Class: Parcel (Generic)

Land Description: Lot 6-Blk/Par 52-Plan 12675 Ext 0

Source Quarter Section: NE-22-02-08-2

Commodity/Unit: Not Applicable

Area: 0.056 hectares (0.14 acres)

Converted Title Number: 99SE22787

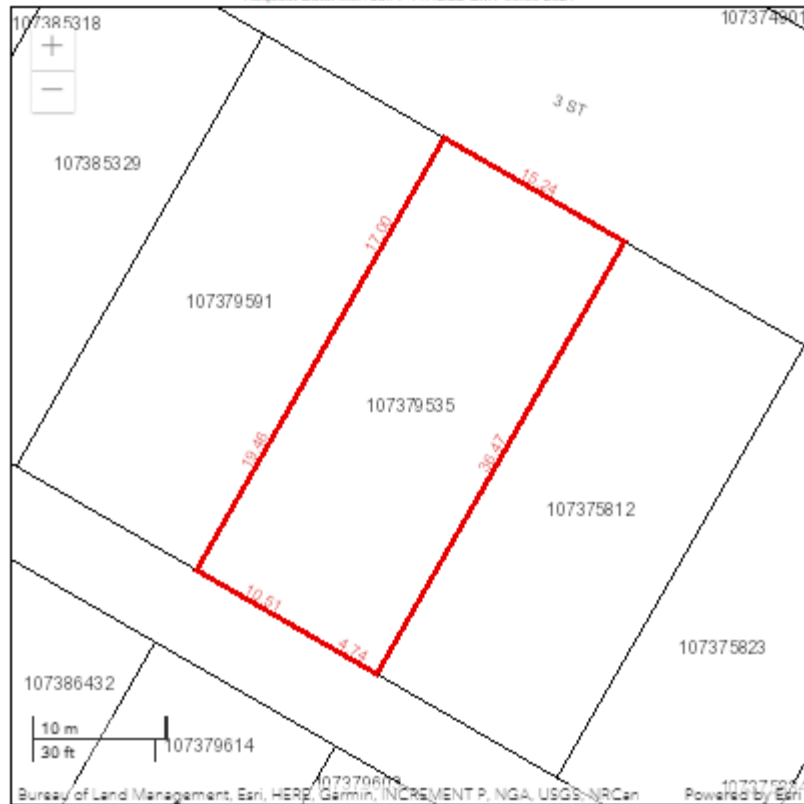
Ownership Share: 1:1



Save PDF Save PNG

Surface Parcel Number: 107379535

Request Date: Mon Jun 7 14:42:22 GMT-06:00 2021



Scale: 1:564

Owner Name(s): P.S. ELECTRIC LTD.

Municipality: CITY OF ESTEVAN

Title Number(s): 148065093

Parcel Class: Parcel (Generic)

Land Description: Lot 7-Blk/Par 52-Plan 12675 Ext 0

Source Quarter Section: NE-22-02-08-2

Commodity/Unit: Not Applicable

Area: 0.056 hectares (0.14 acres)

Converted Title Number: 99SE22787

Ownership Share: 1:1



Property Report

Print Date: 07-Jun-2021

Page 1 of 2

Municipality Name: ESTEVAN **Assessment ID Number:** ESTEV-505019900 **PID:** 1750884

Civic Address: 1314 3 St **Title Acres:** **Inspected:** 24-Oct-2017

Legal Location: Lot 5-7 Block 52 Plan 12675 Sup **School Division:** 200 **Change Reason:** Reinspection

Supplementary: **Neighbourhood:** ESTEV-130 **Year / Frozen ID:** 2021/-7

Puse Code: 3420 **Predom Code:** MS344 Office Buildings

Call Back Year: **Method in Use:** Income (DIR)



Income

Income ID: 9365 **Property Type:** Commercial **Method in Use:** Income (DIR) **Liability Status:** T **Tax Class:** C

Predom Building Code: MS344 - Office Buildings **Cluster Code:** 30 **Liability Subd:** 1 **Site Area:** 18000

Category Code: Low-rise Office **Effective Year Built:** 1964 **Bldg/Land Area Ratio:** 0.39

ID: 9365

Income Sub-Category	Floor Location	RCN Quality	Number of Units	Market Rent (per unit)	Total Market Rent
Office Low Rise	1st Floor	B	3642	10.15	36,966.00
Office Medical	1st Floor	B	2934	10.32	30,279.00
Office Low Rise	1st Floor	B	429	12.01	5,152.00
Total Number of Units:			7005		Gross Income: 72,397.00

Market Vacancy & Collection Loss:	4,344.00	Miscellaneous Building Value:	0.00
Market Effective Gross Income:	68,053.00	Miscellaneous Land Value:	0.00
Market Expense % (Undistributed):	2.00	Final Adjustment Amount:	0.00
Market Capitalization Rate (%):	8.46	Adjusted Income Value:	788,320.00

Assessed & Taxable/Exempt Values (Summary)

Description	Appraised Values	Adjust Reason	Liability Subdivision	Tax Class	Percentage of value	Taxable	Adjust Reason	Exempt	Adjust Reason	Tax Status
Property	\$788,300		1	Comm & Industrial Other	85%	\$670,055				Taxable
Total of Assessed Values:	\$788,300				Total of Taxable/Exempt Values:	\$670,055				

"EXHIBIT G"

COURT FILE NUMBER Q.B.G. No. 480 of 2019

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS P.S. ELECTRIC LTD. and HARVEY KING

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

CLAIMS PROCESS ORDER

Before the Honourable Mr. Justice N.G. Gabrielson in Chambers the 3rd day of May, 2021.

On the application of BDO Canada Limited, in its capacity as the Court-appointed receiver (the "**Receiver**") of the assets, undertakings and properties of P.S. Electric Ltd. (the "**Debtor**") pursuant to the Order of this Court made on October 13, 2020 (the "**Receivership Order**"); and upon hearing from counsel for the Receiver and upon reading the Notice of Application dated April 28, 2021, the Second Report of the Receiver dated April 27, 2021 (the "**Second Report**") and a proposed Draft Order, all filed with proof of service (collectively, the "**Application Materials**"), and the pleadings and proceedings herein:

The Court Orders:

SERVICE

1. Service of the Application Materials upon all parties listed on the Service List established in these proceedings shall be and is hereby deemed to be good, timely and sufficient.

DEFINITIONS

2. All capitalized terms used and not otherwise defined herein shall have the same meanings as defined in the Receivership Order pronounced herein on October 13, 2020, by the Honourable Mr. Justice R.W. Elson (the "**Receivership Order**").
3. For the purposes of this Order the following terms shall have the following meanings:
 - (a) "**BIA**" means the *Bankruptcy and Insolvency Act* (Canada), as amended;
 - (b) "**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Saskatoon, Saskatchewan;
 - (c) "**Calendar Day**" means a day, including a Saturday, Sunday and any statutory holidays;
 - (d) "**Case Website**" means the website referenced in paragraph 35 of the Receivership Order and as defined in the Electronic Case Information and Service Protocol attached as Schedule "C" thereto (namely, <<https://www.bdo.ca/en-ca/extranets/p-s-electric/>>);
 - (e) "**Claim**" shall exclude an Excluded Claim (as defined herein) but shall include any other right or claim of any Person (as defined herein) against the Debtor, whether or not asserted, in connection with any indebtedness, liability, or obligation of any kind of the Debtor owed to such Person, and any interest accrued thereon or costs payable in respect thereon,

including any indebtedness, liability or obligation owed to such Person as a result of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty), any right of ownership of or title to property or assets or to a trust or deemed trust against any Property, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts which existed prior to the Date of Receivership, and any right or claim of any Person against the Debtor in connection with indebtedness, liability or obligation of any kind whatsoever owed by the Debtor to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach on or after the Date of Receivership of any contract, lease or other agreement, whether written or oral, and whether such restructuring, disclaimer, resiliation, termination or breach took place or takes place before or after the Date of Receivership;

- (f) “**Claim Amount Notice**” means the Claim Amount Notice referred to herein to form part of the Claims Package where applicable, substantially in the form attached hereto as Schedule “B”;
- (g) “**Claimant**” means a Person asserting a Claim in accordance with the Claims Process contained in this Order;
- (h) “**Claims Bar Date**” means 4:00 p.m. Saskatchewan time on July 3, 2021;
- (i) “**Claims Package**” means the materials to be provided by the Receiver, which materials shall include the Notice to Creditor, the Claim Amount Notice (if applicable), blank Proof of Claim Form with a Proof of Claim instruction letter, the List of Claims and such other materials as the Receiver or Debtor may consider appropriate or desirable;
- (j) “**Claims Process**” means the procedures outlined in this Order in connection with the assertion of a Claim against the Debtor;
- (k) “**Court**” means the Court of Queen’s Bench for Saskatchewan;
- (l) “**Creditor**” means any Person having a Claim including a trustee, executor, liquidator, receiver, receiver and manager or other person acting on behalf of or through such Person;
- (m) “**Date of Receivership**” means the date upon which the Receivership Order was granted;
- (n) “**Excluded Claim**” means the reasonable fees and expenses incurred by the Receiver and its counsel in regard to the Receivership Proceedings;
- (o) “**List of Claims**” means the list of Claims and Creditors prepared by the Debtor and approved by the Receiver, including all known Claims and Creditors and the amounts of each Claim or, where the amount of the Claim is unknown, a notation that the amount is “unknown”;
- (p) “**Notice to Creditor**” means the notice to be sent by the Debtor to its Creditors, or to be published, as described herein, substantially in the form attached as Schedule “A” hereto;

- (q) **"Person"** means any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government or any agency or instrumentality thereof or any other entity;
- (r) **"Proof of Claim"** means the Proof of Claim referred to herein to be attached to the Claim Amount Notice and filed by certain Creditors substantially in the form attached as Schedule "C" hereto;
- (s) **"PPSA"** means *The Personal Property Security Act, 1993*, SS 1993, c P-6.2;
- (t) **"Receivership Proceedings"** means the receivership proceedings respecting the Debtor before the Court;

CLAIMS PROCESS

- 4. The Claims Process is hereby approved.

NOTICE OF CLAIMS PACKAGE

- 5. Within ten (10) Business Days of the date of this Order, the Receiver shall send the Claims Package to each Creditor with a Claim as evidenced by the books and records of the Debtor as of the Date of Receivership.
- 6. The Proof of Claim to be delivered to each such Creditor as part of the Claims Package shall provide general information and instructions in respect of the filing of Claims.
- 7. The Receiver shall cause the Notice to Creditor to be advertised in the *Regina Leader-Post* and the *Estevan Mercury* newspapers within ten (10) Business Days of the date of this Order.
- 8. The Receiver shall cause the Claims Package and a copy of this Order to be posted on the Case Website within ten (10) Business Days of the date of this Order.
- 9. To the extent that any Creditor requests documents relating to the Claims Process prior to the Claims Bar Date or if the Debtor or the Receiver becomes aware of any further Claims, the Receiver shall forthwith direct the Creditor to the Claims Package posted on the Case Website or otherwise respond to the request for the Claims Package as may be appropriate in the circumstances.
- 10. The forms of Notice to Creditor, Claim Amount Notice, and Proof of Claim attached hereto as Schedules "A" to "C", respectively, are hereby approved. Despite the foregoing, the Receiver may, from time to time, make non-substantive changes to these forms as the Receiver considers necessary or desirable.
- 11. The sending to the Creditors and publication of the Claims Package in accordance with this Order, and completion of the other requirements of this Order, shall constitute good and sufficient service and delivery of notice of this Order and the Claims Bar Date on all Persons who may be entitled to receive notice and who may wish to assert a Claim, and no other notice or service need be given or made and no other document or materials need be sent to or served upon any Person in respect of this Order.
- 12. The delivery of a Claims Package by the Receiver to a Person shall not constitute an admission by the Debtor or the Receiver of any liability.

FILING PROOFS OF CLAIM

13. Any Person with a Claim must deliver a Proof of Claim to the Receiver on or before the Claims Bar Date or such later date as the Receiver may agree in writing or the Court may otherwise direct. Any Person with a Claim who fails to deliver a Proof of Claim to the Receiver shall:
 - (a) not be entitled to receive further notice with respect to the Claims Process or the Receivership Proceedings; and
 - (b) not be permitted to participate in any distribution in the Receivership Proceedings on account of such Claim(s).
14. A Proof of Claim must be filed in respect of every Claim, regardless of whether or not a legal proceeding in respect of a Claim has been previously commenced.
15. Each Person shall include any and all Claims in a single Proof of Claim.

DEEMED ACCEPTANCE OF CLAIMS

16. Notwithstanding anything else in this Order, the Receiver may provide a Claim Amount Notice to a Creditor setting out the amount of any Claim that Creditor has against the Debtor according to the books and records of the Debtor. If a Creditor wishes to object to the amount listed on the Claim Amount Notice in respect of its Claim, the Creditor must, on or before the Claims Bar Date, deliver a Proof of Claim to the Receiver. If a Creditor does not deliver a Proof of Claim in respect of a Claim included in a Claim Amount Notice, the amount of that Creditor's Claim as set out in the Claim Amount Notice the Creditor shall be deemed to have accepted the Claim, without any further act of any such Creditor.
17. The Receiver may revise the amount of a Claim to correct any error, defect or omission in a Claim Amount Notice. If the Receiver revises the amount of a Claim, then it shall send a revised Claim Amount Notice to the affected Creditor.

SERVICE AND NOTICE

18. The Receiver may, unless otherwise specified by this Order, serve and deliver the Claims Package, any letters, notices or other documents to Creditors or any other interested Person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or email to such Persons at the physical or electronic address, as applicable, last shown on the books and records of the Debtor and/or the Receiver, or set out in such Claimant's Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, the fifth Business Day after mailing; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by facsimile transmission or by email by 4:00 p.m. on a Business Day, on such Business Day and if delivered after 4:00 p.m. or other than on a Business Day, on the following Business Day.
19. Any notice or communication required to be provided or delivered by a Creditor or Claimant to the Receiver under this Order shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email addressed to:

BDO Canada Limited
25 Main Street West, Suite 805
Hamilton, ON L8P 1H1
Attention: Darren Griffiths
Email: dgriffiths@bdo.ca

20. Any such notice or communication delivered by a Creditor shall be deemed to be received upon actual receipt thereof by the Receiver during normal business hours on a Business Day or if delivered outside of normal business hours, the next Business Day.
21. If during any period during which notices or other communications are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Order.
22. In the event this Order is later amended by further Order of this Court, the Receiver may post such further Order on the Case Website and such posting shall constitute adequate notice to creditors of such amended Claims Process.

PROTECTIONS FOR RECEIVER

23. In carrying out the terms of this Order, the Receiver shall have all of the protections given to it by the BIA, the PPSA, the Receivership Order and as an officer of this Court, including the stay of proceedings in its favour.
24. The Receiver shall incur no liability or obligation as a result of the carrying out of the provisions of this Order.
25. The Receiver shall be entitled to rely on the books and records of the Debtor, and any information provided by the Debtor, all without independent investigation. The Receiver shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

GENERAL PROVISIONS

26. The Debtor and its employees, agents and representatives and any other Person given notice of this Order shall fully cooperate with the Receiver in the exercise of its powers and the discharge of its duties and obligations under this Order.
27. Nothing in this Order shall prejudice the rights and remedies of any Person under any applicable insurance policy or prevent or bar any Person from seeking recourse against or payment from the Debtor's insurance; provided, however, that nothing in this Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Order limit, remove, modify or alter any defence to such Claim available to the insurer pursuant to the provisions of any insurance policy or at law; and further provided that any Claim or portion thereof for which the Person receives payment directly from, or confirmation that the Person is covered by, the Debtor's insurance shall not be recoverable as against the Debtor.
28. The Receiver is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms delivered hereunder are completed and executed and the time in which they are submitted, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order, including in respect of the completion, execution and time of delivery of such forms, and may request any further documentation from a Claimant that the Debtor or the Receiver may require in order to enable them to determine the validity of a Claim.
29. All references as to time herein shall mean local time in Saskatoon, Saskatchewan, Canada ("**Saskatchewan Time**"), and any reference to an event occurring on a Business Day shall mean prior to 4:00pm on such Business Day unless otherwise indicated herein.

30. Any interested Person (including the Debtor and the Receiver) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
31. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the BIA or the PPSA.
32. This Order and all of its provisions are effective as of 12:01 a.m. Saskatchewan Time on the date of the issuance of this Order.

ISSUED at the City of Saskatoon, in the Province of Saskatchewan, this 3rd day of May, 2021.


DEPUTY LOCAL REGISTRAR

CONTACT INFORMATION AND ADDRESS FOR SERVICE

Name of firm:	MLT Aikins LLP
Name of lawyer in charge of file:	Paul Olfert
Address of legal firms:	1201 – 409 3rd Avenue South, Saskatoon, SK S7K 5T6
Telephone number:	(306) 975-7100
Fax number:	(306) 975-7145
E-mail address:	POlfert@mltaikins.com
File No:	63921.8

SCHEDULE "A"

(NOTICE TO CREDITOR)

NOTICE TO CREDITOR

[Date]

TO: [NAME AND ADDRESS OF CREDITOR OR INTERESTED PARTY]

RE: IN THE MATTER OF A CLAIMS PROCESS ORDER RESPECTING P.S. ELECTRIC LTD.

On October 13, 2020, P.S. Electric Ltd. (the "**Debtor**") was placed into receivership by an Order of the Court of Queen's Bench for Saskatchewan. BDO Canada Limited (the "**Receiver**") has been appointed as Receiver.

The Court of Queen's Bench for Saskatchewan has ordered that a Claims Process be initiated in order that all claims against the Debtor can be quantified.

Only a creditor who establishes their claim against the Debtor in accordance with the Claims Process will be entitled to receive a distribution on account of such claim against the Debtor.

The Order establishing the Claims Process granted by the Honourable _____ Justice _____ on ◆, 2021, as well as all relevant instructions and documents related to the Claims Process, including the Claim Amount Notice, List of Claims and Proof of Claim form, can be obtained from the Receiver's webpage located at <<https://www.bdo.ca/en-ca/extranets/p-s-electric/>> or by contacting the Receiver at the following:

BDO Canada Limited
25 Main Street West, Suite 805
Hamilton, ON L8P 1H1
Attention: Darren Griffiths
Email: dgriffiths@bdo.ca

The deadline for a creditor to submit a Proof of Claim, if required under the Claim Procedure, in respect of any claim it has, or believes it has, against the Debtor is 4:00 p.m. Saskatchewan time on July 3, 2021, (the "**Claims Bar Date**").

Yours truly,

SCHEDULE "B"

(CLAIM AMOUNT NOTICE)

COURT FILE NUMBER Q.B.G. No. 480 of 2019

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS P.S. ELECTRIC LTD. and HARVEY KING

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

CLAIM AMOUNT NOTICE

Full Legal Name of Creditor: _____

Pursuant to the Order of the Honourable _____ Justice _____, pronounced in the above noted proceedings on ◆, 2021, and as may be amended, restated or supplemented from time to time (the "**Claims Process Order**"), BDO Canada Limited in its capacity as Receiver of P.S. Electric Ltd. (the "**Debtor**"), hereby gives you notice that the Debtor, in consultation with the Receiver, has determined your Claim as follows:

	SECURED (\$CDN)	UNSECURED (\$CDN)
Total Claim		

If you do not agree with this Claim Amount Notice, please take note of the following:

If you intend to dispute this Claim Amount Notice, you must deliver a Proof of Claim in the form attached hereto, by prepaid registered mail, personal delivery, email (in PDF format), courier or facsimile transmission to the address listed below so that such Proof of Claim is received by the Receiver by 4:00 p.m. Saskatchewan time on July 3, 2021, being the Claims Bar Date, or such other date as provided in the Claims Process Order or as may be agreed by the Receiver. The form of Proof of Claim is attached to this Notice.

The address to send the Proof of Claim to is:

BDO Canada Limited
25 Main Street West, Suite 805
Hamilton, ON L8P 1H1
Attention: Darren Griffiths
Email: dgriffiths@bdo.ca

If you do not deliver a Proof of Claim by the time specified, the nature and amount of your Claim, if any, shall be as set out in this Claim Amount Notice for voting and/or distribution purposes.

If you fail to take action before the Claims Bar Date, this Claim Amount Notice will be binding upon you.

DATED this _____ day of _____, 2021.

BDO CANADA LIMITED

In its capacity as Court-appointed Receiver of the Debtor

Per: _____

Name: _____

Title: _____

SCHEDULE "C"
(PROOF OF CLAIM)

COURT FILE NUMBER **Q.B.G. No. 480 of 2019**

**COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY**

JUDICIAL CENTRE **SASKATOON**

PLAINTIFF **ROYAL BANK OF CANADA**

DEFENDANTS **P.S. ELECTRIC LTD. and HARVEY KING**

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

PROOF OF CLAIM

Full Name of Creditor: _____
(the "**Creditor**")

Full Mailing Address of Creditor: _____
(All notices and correspondence regarding your Claim will be forwarded to this address) _____

Fax No. _____

Telephone No. _____

Email: _____

Attention: _____

CERTIFICATION AS TO CLAIM

I do hereby certify that (*please see notes below for further instructions*):

1. I am a creditor, or representative of a creditor, of P.S. Electric Ltd. (the "**Debtor**").
2. I have knowledge of all of the circumstances connected with the claim referred to in this form.
3. As of this date, the Debtor was, and still is, indebted to the Creditor in the amount of CAD\$ _____ including contract interest and charges (the "**Claim**").
4. A description of the basis on which the Claim arose is as follows:

5. I attach the following documents which support the Claim and any claim for contract interest or other charges:

(a)

(b)

(c)

DATED THIS _____ DAY OF _____, 2021.

Signature:

(Please Print Name)

Instructions for Completion of Proof of Claim:

- Ensure that you complete the full name and delivery address, including fax number and/or email address, of the creditor making the claim.
- The Proof of Claim is incomplete unless you include a statement and description of the Claim and attach all supporting documents including statements of accounts and/or invoices in support (item 5). The supporting documents must show the date, number and value of all invoices or charges, and must conform to the amount of the Claim as set out in item 4.
- The Proof of Claim is incomplete unless it is signed and dated by you.
- The signed and completed Proof of Claim, together with all supporting documents, must be returned to the Receiver, BDO Canada Limited (the "**Receiver**"), at the following address on or before 4:00 p.m. Saskatchewan time on July 3, 2021:

BDO Canada Limited
25 Main Street West, Suite 805
Hamilton, ON L8P 1H1
Attention: Darren Griffiths
Email: dgriffiths@bdo.ca

- **Please contact the Receiver at the address and email set out above if you have any questions about completing your Proof of Claim. Unless your Claim appears in a Claim Amount Notice provided with this Proof of Claim, any failure to properly complete or return your Proof of Claim to the Receiver at the above address by 4:00 p.m. Saskatchewan time on July 3, 2021 will prevent you from participating in any distribution in the receivership proceedings on account of your Claim.**

"EXHIBIT H"

NOTICE TO CREDITOR

May 12, 2021

TO: POTENTIAL CREDITOR OF P.S. ELECTRIC LTD.

RE: IN THE MATTER OF A CLAIMS PROCESS ORDER RESPECTING P.S. ELECTRIC LTD.

On October 13, 2020, P.S. Electric Ltd. (the "**Debtor**") was placed into receivership by an Order of the Court of Queen's Bench for Saskatchewan. BDO Canada Limited (the "**Receiver**") has been appointed as Receiver.

The Court of Queen's Bench for Saskatchewan has ordered that a Claims Process be initiated in order that all claims against the Debtor can be quantified.

Only a creditor who establishes their claim against the Debtor in accordance with the Claims Process will be entitled to receive a distribution on account of such claim against the Debtor.

The Order establishing the Claims Process granted by the Honourable Mr. Justice N.G. Gabrielson on the 3rd day of May, 2021, as well as all relevant instructions and documents related to the Claims Process, including the Claim Amount Notice, List of Claims and Proof of Claim form, can be obtained from the Receiver's webpage located at <https://www.bdo.ca/en-ca/extranets/p-s-electric/> or by contacting the Receiver at the following:

BDO Canada Limited
25 Main Street West, Suite 805
Hamilton, ON L8P 1H1
Attention: Glenn Harper
Email: gharper@bdo.ca

The deadline for a creditor to submit a Proof of Claim, if required under the Claim Procedure, in respect of any claim it has, or believes it has, against the Debtor is 4:00 p.m. Saskatchewan time on July 3, 2021, (the "**Claims Bar Date**").

Yours truly,

BDO CANADA LIMITED

In its capacity as Court-appointed Receiver of the Debtor

PROOF OF CLAIM

COURT FILE NUMBER **Q.B.G. No. 480 of 2019**

**COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY**

JUDICIAL CENTRE **SASKATOON**

PLAINTIFF **ROYAL BANK OF CANADA**

DEFENDANTS **P.S. ELECTRIC LTD. and HARVEY KING**

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

PROOF OF CLAIM

Full Name of Creditor: _____
(the "**Creditor**")

Full Mailing Address of Creditor: _____

(All notices and correspondence regarding your Claim will be forwarded to this address) _____

Fax No. _____

Telephone No. _____

Email: _____

Attention: _____

CERTIFICATION AS TO CLAIM

I do hereby certify that (*please see notes below for further instructions*):

1. I am a creditor, or representative of a creditor, of P.S. Electric Ltd. (the "**Debtor**").
2. I have knowledge of all of the circumstances connected with the claim referred to in this form.
3. As of this date, the Debtor was, and still is, indebted to the Creditor in the amount of CAD\$ _____ including contract interest and charges (the "**Claim**").
4. A description of the basis on which the Claim arose is as follows:

5. I attach the following documents which support the Claim and any claim for contract interest or other charges:

(a)

(b)

(c)

DATED THIS _____ DAY OF _____, 2021.

Signature:

(Please Print Name)

Instructions for Completion of Proof of Claim:

- Ensure that you complete the full name and delivery address, including fax number and/or email address, of the creditor making the claim.
- The Proof of Claim is incomplete unless you include a statement and description of the Claim and attach all supporting documents including statements of accounts and/or invoices in support (item 5). The supporting documents must show the date, number and value of all invoices or charges, and must conform to the amount of the Claim as set out in item 4.
- The Proof of Claim is incomplete unless it is signed and dated by you.
- The signed and completed Proof of Claim, together with all supporting documents, must be returned to the Receiver, BDO Canada Limited (the “**Receiver**”), at the following address on or before 4:00 p.m. Saskatchewan time on July 3, 2021:

BDO Canada Limited
25 Main Street West, Suite 805
Hamilton, ON L8P 1H1
Attention: Glenn Harper
Email: gharper@bdo.ca

- **Please contact the Receiver at the address and email set out above if you have any questions about completing your Proof of Claim. Unless your Claim appears in a Claim Amount Notice provided with this Proof of Claim, any failure to properly complete or return your Proof of Claim to the Receiver at the above address by 4:00 p.m. Saskatchewan time on July 3, 2021 will prevent you from participating in any distribution in the receivership proceedings on account of your Claim.**

CLAIM AMOUNT NOTICE

COURT FILE NUMBER **Q.B.G. No. 480 of 2019**

**COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY**

JUDICIAL CENTRE **SASKATOON**

PLAINTIFF **ROYAL BANK OF CANADA**

DEFENDANTS **P.S. ELECTRIC LTD. and HARVEY KING**

IN THE MATTER OF THE RECEIVERSHIP OF P.S. ELECTRIC LTD.

CLAIM AMOUNT NOTICE

Full Legal Name of Creditor: _____

Pursuant to the Order of the Honourable Mr. Justice N.G. Gabrielson pronounced in the above noted proceedings on the 3rd day of May, 2021, and as may be amended, restated or supplemented from time to time (the "**Claims Process Order**"), BDO Canada Limited in its capacity as Receiver of P.S. Electric Ltd. (the "**Debtor**"), hereby gives you notice that the Debtor, in consultation with the Receiver, has determined your Claim as follows:

	SECURED (\$CDN)	UNSECURED (\$CDN)
Total Claim		

If you do not agree with this Claim Amount Notice, please take note of the following:

If you intend to dispute this Claim Amount Notice, you must deliver a Proof of Claim in the form attached hereto, by prepaid registered mail, personal delivery, email (in PDF format), courier or facsimile transmission to the address listed below so that such Proof of Claim is received by the Receiver by 4:00 p.m. Saskatchewan time on July 3, 2021, being the Claims Bar Date, or such other date as provided in the Claims Process Order or as may be agreed by the Receiver. The form of Proof of Claim is attached to this Notice.

The address to send the Proof of Claim to is:

BDO Canada Limited
25 Main Street West, Suite 805
Hamilton, ON L8P 1H1
Attention: Glenn Harper
Email: gharper@bdo.ca

If you do not deliver a Proof of Claim by the time specified, the nature and amount of your Claim, if any, shall be as set out in this Claim Amount Notice for voting and/or distribution purposes.

If you fail to take action before the Claims Bar Date, this Claim Amount Notice will be binding upon you.

DATED this _____ day of _____, 2021.

Per: _____

Name: _____

Title: _____

BDO CANADA LIMITED

In its capacity as Court-appointed Receiver of the Debtor

CLASSIFIEDS

A19 | Wednesday, May 12, 2021 | estevanmercury.ca



OBITUARIES



Helen Yoner

Helen Leonie Yoner passed away in Lloydminster, Saskatchewan, April 22, 2021 at the age of 82 years. Helen is survived by: her loving husband, Andrew Yoner; daughters, Andrea (Keith) Yoner and Leonie (Corey) Milford; sons, Alroy (Anita) Yoner, Kelly (Mary) Yoner and Bruce Yoner; grandchildren, Ryan, Alicia, Craig, Dannee, Andrew, Lanny, Travis, Cole and Kalyssa; four great-grandchildren, Lauren, Natalie, Khloe and Grady; sisters, Carol Kennedy and Phyllis Weinrauch; brother, Paul Samson; sister-in-law, Carrie Leptick; and brothers-in-law, Jack Boehm, Nick (Eva) Yoner and Vince (Linda) Yoner; as well as numerous nieces, nephews, chosen children and grandchildren.

Helen is predeceased by; parents, Ida & Marcel Samson; sister, Kaye Boehm; brothers, Oliver Samson and Clifton Samson; grand-daughter, Natasha Yoner; grandsons, Adam Yoner and David Gaebel; as well as numerous sisters-in-law, brothers-in-law, nieces and nephews.

Donations in memory of Helen may be made to the Mazankowski Alberta Heart Institute or Canadian Lutheran World Relief.

Police arrest four on drug-related charges

The Estevan Police Service arrested four people on May 6 in connection with a drug investigation.

Members attended to an apartment located in northeast Estevan to conduct a conditions check on a man living at the residence. Police located several different types of drugs, along with other evidence, including a prohibited weapon.

Two 20-year-old men, an 18-year-old man and a 16-year-old female youth, all from Estevan, are being charged for trafficking Xanax, as well as possession of Xanax for the purpose of trafficking. One of the 20-year-old men will also be charged for breaching conditions of a release order.

As the investigation continues, further charges for the prohibited weapon, possession of psilocybin, and possession of illicit cannabis for the purpose

of trafficking are all pending. All of the substances will be sent for testing with further charges pending based on the results.

The four individuals were lodged in cells until sober and will be released on conditions in front of a justice of the peace.

In other recent police news, officers received a report May 4 of an individual failing to wear a mask at a local business. The matter is being looked into further. The community is reminded to follow the public health regulations for everyone's safety.

Police attended to the Trojan subdivision to a report of an intoxicated male. The subject was located and assisted into his residence. He was warned of his behaviour and no further calls for service in relation to the individual were received.

As a result of a complaint

around King Street and 13th Avenue, a 45-year-old Estevan man was arrested May 8 after he was found breaching his court-ordered conditions. The man was lodged in cells and was held for court on May 10.

A 24-year-old man was arrested after he was observed outside his residence in contradiction of his court-ordered conditions. He was lodged in cells and also appeared in court on May 10 to answer to the charge.

And a 35-year-old man from Stoughton was arrested on an outstanding warrant for breaching his conditional sentence order. He was held for court on May 10.

A traffic stop was made in north Estevan on May 9, which resulted in a 43-year-old Hitchcock woman being arrested and charged with theft of a credit card as well as fraud after she used the card at various locations earlier in the week. The woman was released and is scheduled to make her first court appearance on July 12.

After investigation into a complaint of uttering threats, a 44-year-old man from Estevan was arrested and held in custody. He is facing two charges of uttering threats and a charge of public mischief. He made a court appearance on May 10.

NOTICES / NOMINATIONS

Advertisements and statements contained herein are the sole responsibility of the persons or entities that post the advertisement, and the Saskatchewan Weekly Newspaper Association and membership do not make any warranty as to the accuracy, completeness, truthfulness or reliability of such advertisements. For greater information on advertising conditions, please consult the Association's Blanket Advertising Conditions on our website at www.swna.com.

PROVINCE-WIDE CLASSIFIEDS. 51 local community newspapers, distributing to over 450 communities, including 14 cities. Reach over 550,000 readers weekly. Call 306-649.1405 or visit www.swna.com for details.

CARD OF THANKS

A heartfelt thank you to all our family and friends for all the help we received during this difficult time: to the ladies Rosalie Shaw, June Porter, Judy Forseth and Sherri McNaught for setting up the trust fund; to Danny Shaw for getting the room at the house ready for the renovation; to Trevor and Lisa Fitzpatrick for the endless hours of work and time spent at the house cleaning and redecorating; to McDonald's for adjusting schedules; for monetary donations, for merchandise donations, for food donations, for support, for prayers, for phone calls and inquiries. Thank you to Bonnie Bernhardt, CJSL Radio Station and Estevan Mercury for sharing our story. A special thank you to Marty and his company Guidelines Construction for their overwhelming generosity. Thank you to all the Doctors, Nurses and staff of St. Joseph's Hospital and Dr. McCarville, nurses and staff of Regina General Hospital for the wonderful care I received while I was a patient there. Thank you to each and every one of you. Your kindness is heartwarming and will never be forgotten. We are truly blessed. God bless you all. Larry Shaw and Lorna Coate

HEALTH SERVICES

HIP/KNEE Replacement?
Other medical conditions causing TROUBLE WALKING or DRESSING?

The Disability Tax Credit allows for **\$2,500 yearly tax credit and up to \$50,000 Lump sum refund.**

Apply NOW; quickest refund Nationwide! Providing assistance during Covid.
Expert Help:
1-844-453-5372

FEED & SEED

HEATED CANOLA WANTED!!
GREEN CANOLA SPRING THRESHED DAMAGED CANOLA FEED OATS WANTED!!
BARLEY, OATS, WHT LIGHT OR TOUGH SPRING THRESHED HEATED FLAX WANTED!!
HEATED PEAS HEATED LENTILS "ON FARM PICKUP"
Westcan Feed & Grain
1-877-250-5252



CERTIFIED SEED

WHEAT
AAC GOODWIN,
AC ANDREW, SADASH,
GO EARLY, PINTAIL.
OATS
AC JUNIPER, AC MORGAN,
AC MUSTANG, DERBY,
SO1 SUPER OAT.
BARLEY
AMISK, BUSBY, CONLON,
CDC AUSTENSON,
CDC MAVERICK,
CERVEZA, SUNDRE.
PEAS
AAC PEACE RIVER
(VERY EARLY YELLOW),
CDC HORIZON (FORAGE),
POLISH CANOLA,
SPRING TRITICALE
mastinseeds.com
403-556-2609

Buying/Selling
FEED GRAINS
heated / damaged
CANOLA/FLAX
Top price paid
FOB FARM
Western Commodities
877-695-6461
Visit our website @
www.westerncommodities.ca

AGPRO SEEDS is BUYING:
HEATED CANOLA #1 BUYER,
TOP PRICE PAID IN SK. On farm pickup! Call: 306-873-3006 or email: sales@agproseeds.com. Check out prices @agproseeds.com

FORAGE SEED FOR SALE: Organic & conventional: Sweet Clover, Alfalfa, Red Clover, Smooth Brome, Meadow Brome, Crested Wheatgrass, Timothy, etc. Star City, SK. Birch Rose Acres Ltd. 306-921-9942.

FARM SERVICES

FARM STRESS LINE

IF YOU ARE EXPERIENCING SYMPTOMS OF STRESS, THE FARM STRESS LINE IS AVAILABLE 24/7 AT

1-800-667-4442



CAREER OPPORTUNITIES

1A TRUCK DRIVERS REQUIRED:

Late model winch trucks and trailers; dump trucks and pups. Hauling heavy equipment, gravel, and camp shacks.

Wage negotiable. Clean drivers abstract a must.

Send resume and work references to:
Bryden Construction
Box 100, Arborfield, Sk.
SOE 0A0;
Fax: 306-769-8844
Email: brydenconstruct@xplornet.ca
www.brydenconstructionandtransport.ca

HEAVY EQUIPMENT OPERATORS REQUIRED:

motor scrapers, dozers, excavators, graders, rock trucks. Lots of work all season.

Camp job; R & B provided. Competitive wages. Valid drivers license req'd.

Send resume and work references to:
Bryden Construction
Box 100, Arborfield, Sk.
SOE 0A0;
Fax: 306-769-8844
Email: brydenconstruct@xplornet.ca
www.brydenconstructionandtransport.ca

Stay up to date

BREAKING NEWS

ESTEVAN MERCURY.CA



Since 1946, the Key Tag Service has been protecting your keys and supporting our essential programs for amputees.

"I am a longtime supporter of The War Amps, and they have returned two sets of keys I had lost. A wonderful organization and a terrific public service that really works."
- Peter



Order key tags online - free.

1 800 250-3030
waramps.ca

NOTICE TO CLAIMANTS

On May 3, 2021, the Saskatchewan Court of Queen's Bench granted a Claims Process Order (the "CPO") regarding the claims of the unsecured creditors of P.S. Electric Ltd. ("PSEL") and any others who may have claims against PSEL.

If you have a claim against PSEL, you must deliver a Proof of Claim form to BDO Canada Limited (the "Receiver"), Court-appointed Receiver of PSEL, no later than 4:00 p.m. Saskatchewan time on July 3, 2021. If a claimant fails to deliver its Proof of Claim to the Receiver, such claimant will not be entitled receive any part of any distribution to unsecured creditors in the Receivership proceedings.

The Proof of Claim form, together with all Court Orders, Receiver's Reports, and other relevant materials, are posted on the Receiver's Case Website <https://www.bdo.ca/en-ca/extranets/p-s-electric/>

Supporting the success of our young generations.

CAREER DEVELOPMENT PROGRAMS



Learn more.
uregina.ca/cce

University of Regina
Centre for Continuing Education

BUSINESS SERVICES

LEGAL

KOHALY, ELASH & LUDWIG
LAW FIRM LLP

Barristers & Solicitors

Paul Elash Q.C.
Aaron Ludwig, B.Sc., LL.B.
Genevieve Schrader, B. Mgt., J.D.

Gainsborough: Thursday a.m.
Carnduff: Thursday p.m.

1312- 4th Street, Estevan, SK S4A 0X2
P. 306-634-3631 • F. (306) 634-6901 • www.kohalyelash.com

AUDIOLOGIST

SUN COUNTRY HEARING.

"Your ears deserve an audiologist"

#5 - 418 Kensington Ave.
(Across from Walmart)

306-636-EARS (3277)

www.suncountryhearing.com



JACQUIE MVULA
M.S., R. Aud.
Audiologist/Owner

COMMERCIAL PRINTING

We are your **COMMERCIAL PRINTERS!**

- Brochures
- Business Cards
- Invoices
- Oilfield Ticket Books
- Envelopes
- Flyers
- Posters
- Menus
- Programs
- Labels
- Raffle Tickets
- Booklets
- Cheques
- whatever you need printed!

If you need it printed on paper, we can do it!
ESTEVAN MERCURY PUBLICATIONS 306-634-2654

REMEMBERING.ca
 LEADERPOST.REMEMBERING.CA
 1.855.535.1470 • ANNOUNCEMENTS@LEADERPOST.COM

CLASSIFIEDS
 LEADERPOST.COM/PLACEANAD
 PHONE: 1-800-667-9999 • FAX: 1-888-744-3725 • EMAIL: CLASSIFIEDS@LEADERPOST.COM

Obituaries



SHORT, Irene
 February 3, 1926 – April 30, 2021

It is with great sadness that we announce the passing of Irene Short on April 30, 2021 at the age of 95 years.

She was predeceased by her husband Charlie; parents Joseph and Minne; sister Beryl; and brothers Keith, Joe, Roy, Eric and Cyril (Syd). She is survived by her son Keith Short (Christine); daughter Denise Edwards (Gary); four grandchildren Lee, Daniel, Kendra and Brandi; and five great-grandchildren Sophia, Ireland, Jayia, Oliver, Chase, and Kai; as well as many nieces, nephews and cousins in England.

Irene was born in Manchester, England on February 3, 1926 and relocated to Canada as a War Bride where she and her husband, Charlie, eventually settled in Stony Beach, Saskatchewan.

Irene was happiest when surrounded by her family; always with food, laughter and music in the background.

Irene didn't wish to have a service, but the family ask that you remember the times you shared with her over the years.

We send sincere gratitude to Parkside Extencicare in Regina for the wonderful care given to our mother over the years she resided there.

In lieu of flowers, please feel free to give a donation to your local Royal Canadian Legion in Irene's name. To leave an online message of condolence, please visit www.victoriaavenuefuneral.com.

Dignity
 VICTORIA AVENUE FUNERAL HOME
 306-761-2727

SAWYER, Thelma Doreen

Thelma Doreen Sawyer, 78, of Regina, SK, passed into the presence of her Lord on Monday, May 3, 2021. She is survived by her brother Leslie (Mae), niece Karen (Brian), nephew Kevin (Amy); great-nephews: Micah, Judah, William, Brody, and Nolan and her aunt Maggie. Family and friends are invited to leave a condolence at www.tubmanfh.com. In lieu of flowers, donations can be made to Kenosae Lake Bible Camp or to Westhill Baptist Church.

Dignity Tubman Cremation & Funeral Services
 1-800-667-8962

In Memoriams



Blenda Ramsay

We thought of you today but that is nothing new. We thought about you yesterday and the days before that too. We think of you in silence, we often speak your name. Now all we have is your photo in a frame. Your memory is our keepsake with which we will never part. God has you in his keeping, we have you in our hearts.
 - unknown

Forever Loved and Dearly missed
 Sheree, Dave and families
 Pam, Karly and Corbin
 Rob, Corrie and family

ANTON

In Loving Memory of our dear mother, grandmother, and great-grandmother ELIZABETH, who passed away on May 7, 1996.

Twenty five years has passed since that sad day When one we loved was called away God took her home, it was his way But in our hearts she liveth still

Remembered daily by daughter Betty, husband John, and Family.

In Memoriams



In Loving Memory Of Arnold Clayton
 May 10, 1936 - Aug 1, 2020

Thinking of you on your birthday dad Love and you

In Loving Memory Of Russell Johnstone
 Apr 10, 1964 - May 7, 2011

Wherever a beautiful soul has been there is a trail of beautiful memories. It has been 10 years and you will forever be in our hearts. Love you, Crystal and Dorothy.

CLASSIFIEDS

LEADERPOST.COM/PLACEANAD
 PHONE: 1-800-667-9999
 FAX: 1-888-744-3725
 CLASSIFIEDS@LEADERPOST.COM

Condos & Apartments

SUITES FOR RENT

111 Rose St. North
 Seniors Block
\$600 Move-In Rent
 Incentive
 Extended Until
 Mon. May 31, 2021
 Call: 306-569-1424
www.niesner.com

Condos & Apartments

SUITES FOR RENT

1 & 2 bdrm suites
\$600 Move-In
 Rent Incentive
 Extended until
 Mon. May 31, 2021
 Senior &
 Adult Blocks
 Call: 306-569-1424
www.niesner.com

REGINA LEADER-POST

ANNOUNCE YOUR EVENT OR CELEBRATION!
SELL YOUR STUFF!
RENT YOUR PLACE!
PROMOTE YOUR SERVICE!
 Use our online self serve to place your online/print combo or online only ad!
FREE options available!
 Go to classifieds.leaderpost.com

Condos & Apartments

4045 Rae St
 1 bdrm new paint 4th floor heat water parking incl balcony storage exercise room \$995 536-7792

Yard Care & Seasonal

ATTENTION
 Power Rake, Power Vac. Eavestrouthing Cleaning, Rottotelling, painting, handyman and much more.
 306-581-2740

Other

WANTED: HOMES IN NEED OF REPAIR

I have buyers looking to purchase homes that are in need of repair.
 John Hastings,
 Re/Max Crown Real Estate
 Call 306-536-8999
 Email: john@johnhastings.ca

Furniture

Single Bed \$299+
 Double \$379+
 Queen \$399+
 King \$799+
 Futon/Frame \$449+
 Bunk Bed \$349+
 Sofas 50% off
 Dinettes \$299
Standard Bedding
 2159 7th Ave.
 525-1005

Garage Sales

MOVING SALE
 by Transition Estate Services
 212 Lorne St.N
 Regina
 May 15 9-4 pm

Motorcycles & Scooters

1997 Yamaha Enduro XT 350 - 6,475 km \$4,500
 2008 Yamaha Quad 4x4 Bruin 350 135 km \$5,500
 1982 Suzuki FA50 Moped 1502 km \$1,850
 306-519-4941

Vehicles - Wanted

Cash paid 4 cheap cars, trucks, vans cube/camper van, boat, mini bike
 306-535-3510

Buy & Sell - Other

RAISED BED GARDEN PLANTER BOXES
 I will custom build to meet your needs in choice of size and design. Book now for early spring delivery. Call for pricing 306-536-1137.

Antiques, Art & Collectibles

I Buy Antiques & Collectibles Do Appraisals - Estate Sales
 Gene: 306-527-6649
 auggie@accesscomm.ca



Legal & Tender Notices

NOTICE TO CLAIMANTS
 On May 3, 2021, the Saskatchewan Court of Queen's Bench granted a Claims Process Order (the "CPO") regarding the claims of the unsecured creditors of P.S. Electric Ltd. ("PSEL") and any others who may have claims against PSEL.

If you have a claim against PSEL, you must deliver a Proof of Claim form to BDO Canada Limited (the "Receiver"), Court-appointed Receiver of PSEL, no later than 4:00 p.m. Saskatchewan time on July 3, 2021. If a claimant fails to deliver its Proof of Claim to the Receiver, such claimant will not be entitled to receive any part of any distribution to unsecured creditors in the Receivership proceedings.

The Proof of Claim form, together with all Court Orders, Receiver's Reports, and other relevant materials, are posted on the Receiver's Case Website: <https://www.bdo.ca/en-ca/extranets/p-s-electric/>.

CROSSWORD
 BY EUGENE SHEFFER

ACROSS

- 1 Reply to "Who's there?"
- 6 Fido's warning
- 9 Urban carrier
- 12 Civil rts. org. since 1909
- 13 "Rocks"
- 14 "Evil Woman" band
- 15 — plume
- 16 Sales rep's freebies
- 18 Jigsaw puzzle parts
- 20 "Sad to say ..."
- 21 Neither mate
- 23 Pitcher Maglie
- 24 Unemotional
- 25 Norwegian saint
- 27 Indian city
- 29 Yen
- 31 Untie
- 35 "I — kick from champagne ..."
- 37 Mumbai dress
- 38 Pale purple

DOWN

- 1 Writer Rand
- 3 Tennis champ Pete
- 4 1401, in Roman numerals
- 5 Tools for duels
- 6 Super-model Bündchen
- 7 Some HDTVs
- 8 Sleep acronym
- 9 Yo-Yo Ma's instrument
- 10 "... — and hungry look"
- 11 Over-bearing
- 17 Cookout spots

2 Eastern path

- 3 Tennis champ Pete
- 4 1401, in Roman numerals
- 5 Tools for duels
- 6 Super-model Bündchen
- 7 Some HDTVs
- 8 Sleep acronym
- 9 Yo-Yo Ma's instrument
- 10 "... — and hungry look"
- 11 Over-bearing
- 17 Cookout spots

19 West Pointer

- 21 Auction signal
- 22 Flamenco cheer
- 24 HBO rival
- 26 Operatic barber
- 28 Andrew — Webber
- 30 Fun and games
- 32 "Seven —" (1954 Kurosawa film)
- 33 Historic period
- 34 Kibosh
- 36 Mal de mer
- 38 Type of beam
- 39 Reflector
- 40 CNN News anchor Don —
- 42 Dickens work
- 45 Use scissors
- 46 Vegas game
- 48 Shock partner
- 50 TIVO precursor
- 51 Summer on the Seine

Solution time: 25 mins.

B	A	T	H	M	A	C	C	F	O	S		
A	L	G	A	E	P	A	A	L	B	S		
A	V	I	V	D	O	S	R	A	I	N		
S	A	F	A	R	I	H	E	I	S	T	S	
				N	E	E	D	O	H			
P	A	P	A	V	A	C	U	U	M	E	D	
A	S	U		A	M	O		O	V	A		
M	E	D	U	L	L	A	S	O	B	E	Y	
				D	N	A		T	I	L		
I	C	I	E	S	T		U	S	E	F	U	L
D	O	N	A		R	U	M		A	L	L	I
L	O	G	S		I	S	E		R	E	A	D
E	T	S	Y		G	O	D		Y	E	N	S

Yesterday's answer 5-7

1	2	3	4	5	6	7	8	9	10	11	
						13			14		
15						16		17			
		18			19			20			
21	22			23			24				
25			26		27		28				
29				30			31		32	33	34
			35			36		37			
38	39	40				41		42		43	
44					45			46			
47				48				49		50	51
52				53				54			
55				56				57			

5-7 CRYPTOQUIP

XLMS VGRLS ALNGHSVMH SNZZ
 QGRLSH HMW XLZB AMHOMQQW
 RNZZSGBR TBZ MBTSLZN ?

"LTX'H GS RQT XGBR?"

Yesterday's Cryptoquip: NAME FOR AN ODD ESTABLISHMENT THAT'S A COMBO OF A PIZZA SHOP AND HAIR SALON: LITTLE SCISSORS.

Today's Cryptoquip Clue: X equals W

Write Holiday Mathis at HolidayMathis.com

COPYRIGHT 2021 CREATORS.COM

CALL US FIRST TO SELL IT FAST!

ADVERTISE WITH US. POSTMEDIA SOLUTIONS

"EXHIBIT I"

P.S. Electric Ltd.
Unsecured Creditor Listing

Date POC Received	Vendor	Address	POC Amount	Original A/P List Amt	Difference
16-Jun-21	CRA (corporate tax)	PO Box 3800 Stn A, Sudbury, ON P3A 0C3	\$ 359,033.02	\$ 302,174.00	\$ 56,859.02
8-Jun-21	Estevan Motors Ltd.	1021-4th Street, Estevan, SK S4A 0W4	\$ 4,003.00	N/A	\$ 4,003.00
22-Jun-21	Flatlander Express Inc.	977 McDonald St., Regina SK S4N 2X5	\$ 27.09	\$ 27.09	\$ -
20-May-21	Fountain Tire Ltd.	1006 - 103A Street SW, Suite # 301, Edmonton, AB T6W 2P6	\$ 47.73	\$ 47.73	\$ -
18-May-21	Kendall's Supply Ltd.	1020 6th Street, Estevan SK, S4A 1A7	\$ 259.38	\$ 39.38	\$ 220.00
22-Jun-21	Sasktel Wireless	ARM 3rd flr, 2121 Sask Dr., Regina SK S4P 3Y2	\$ 297.37	\$ 290.97	\$ 6.40
8-Jun-21	SkyLift Services Inc.	PO Box 1637, Estevan, SK S4A 2L7	\$ 1,197.00	\$ 1,197.00	\$ -
11-Jun-21	Southern Bolt Supply and Tools Ltd.	410 5th Ave., Estevan, SK S4A 1E4	\$ 756.37	\$ 756.37	\$ -
31-May-21	Southern Plains Co-operative Limited	826 4th Street, Estevan, SK S4A 0W1	\$ 2,789.33	\$ 1,411.08	\$ 1,378.25
28-May-21	Texcan	10449 120 Street, Surrey, BC V3A 4G4	\$ 4,077.55	\$ 502.01	\$ 3,575.54
22-Jun-21	Uline	12575 Uline Dr., Pleasant Prairie, WI 53158	\$ 294.71	\$ 294.71	\$ -
3-Jul-21	Wesco Distribution	6000 Lougheed Hwy., Burnaby BC, V5B 4V6	\$ 187.01	\$ 187.01	\$ -
TOTAL			\$ 372,969.56	\$ 306,927.35	\$ 66,042.21

"EXHIBIT J"

IN THE MATTER OF THE RECEIVERSHIP OF
P.S. ELECTRIC LTD.

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS
AS AT MAY 31, 2023

RECEIPTS:	\$
Sale Of Equipment, Vehicles, & Inventory (Net Auction Proceeds)	694,072
Accounts Receivable (Various Trade Customers)	386,731
Cash In Bank Account (TD Canada Trust)	120,032
GST Refunds	28,493
Rental Income	18,600
Insurance Refunds (Federated Insurance)	13,669
GST Collected (Rental Income)	720
Interest	96
TOTAL RECEIPTS	<u>1,262,413</u>
DISBURSEMENTS:	
Priority and secured creditor interim distributions:	
- Business Development Bank of Canada	523,418
- Royal Bank of Canada	383,684
- Saskatchewan Ministry of Finance (PST)	23,487
- Employment and Social Development Canada (WEPP)	16,179
- Canada Revenue Agency (GST)	15,929
- Canada Revenue Agency (Source Deductions)	3,335
Total interim distributions	<u>966,032</u>
Receivership expenditures:	
- Receiver Fees (BDO Canada Limited)	151,040
- Legal Fees (MLT Aikins LLP)	38,365
- GST/HST Paid	29,300
- Property Management/Utilities	28,502
- Insurance	13,410
- Tax Return Preparation (MNP LLP)	10,500
- Security (Cavers Bailiff Services)	7,353
- Appraisal Fees	6,050
- Legal Fees (Duchin, Bayda & Kroczyński)	4,186
- Bookkeeping Services (SE Bookkeeping)	3,061
- PST Paid	2,828
- Advertising	325
- Receiver Filing Fee	72
- Bank Service Charges	45
Total receivership expenditures	<u>295,036</u>
TOTAL DISBURSEMENTS	<u>1,261,068</u>
NET RECEIPTS AFTER DISBURSEMENTS	<u><u>1,344</u></u>

"EXHIBIT K"

**P.S. Electric Ltd.
In Receivership
For the Period October 13, 2020 to May 31, 2023**

Receiver's Billings

Period Covered	Invoice Number	Invoice Date	Total Hours	Fees	Disbursements	Subtotal	HST	Total	
Oct 13, 2020 - Jan 29, 2021	CINV0984315	2/25/2021	223.50	\$77,612.50	\$193.04	\$77,805.54	\$10,114.73	\$87,920.27	
Feb 1, 2021 - Mar 31, 2021	CINV1104477	4/27/2021	53.50	\$17,325.00	\$0.00	\$17,325.00	\$2,252.25	\$19,577.25	
Apr 1, 2021 - May 31, 2023	CINV-TBD	6/19/2023	244.20	\$61,548.50	\$5,320.07	\$66,868.57	\$8,006.32	\$74,874.89	
			<u>521.20</u>	<u>\$156,486.00</u>	<u>\$5,513.11</u>	<u>\$161,999.11</u>	<u>\$20,373.30</u>	<u>\$182,372.41</u>	

Billings of Receiver's Legal Counsel

Period Covered	Invoice Number	Invoice Date	Total Hours	Fees	Disbursements	Subtotal	HST	PST	Total
Oct 19, 2020 - Oct 30, 2020	6163573	11/10/2020	12.40	\$4,419.00	\$66.75	\$4,485.75	\$583.15	\$265.14	\$5,334.04
Nov 2, 2020 - Nov 27, 2020	6167474	11/30/2020	5.70	\$2,121.50	\$22.64	\$2,144.14	\$278.75	\$127.29	\$2,550.18
Dec 2, 2020 - Dec 31, 2020	6173757	12/31/2020	20.10	\$7,765.50	\$164.50	\$7,930.00	\$1,028.31	\$465.93	\$9,424.24
Jan 4, 2021 - Jan 28, 2021	6185062	2/9/2021	4.20	\$1,965.00	\$40.50	\$2,005.50	\$255.52	\$117.90	\$2,378.92
Feb 1, 2021 - Feb 19, 2021	6190949	3/5/2021	2.60	\$1,170.00	\$36.57	\$1,206.57	\$156.85	\$70.20	\$1,433.62
Mar 2, 2021 - Mar 31, 2021	6194593	4/1/2021	3.40	\$1,597.00	\$27.75	\$1,624.75	\$211.22	\$95.82	\$1,931.79
Apr 1, 2021 - Apr 30, 2021	6202670	4/30/2021	9.20	\$5,379.50	\$124.50	\$5,504.00	\$715.53	\$322.77	\$6,542.30
May 1, 2021 - May 31, 2021	6209354	5/31/2021	10.50	\$4,748.00	\$144.65	\$4,892.65	\$630.84	\$284.88	\$5,808.37
Jun 2, 2021 - Sept 21, 2021	6231543	9/21/2021	18.50	\$7,056.00	\$1,515.74	\$8,571.74	\$954.43	\$423.36	\$9,949.53
			<u>86.60</u>	<u>\$36,221.50</u>	<u>\$2,143.60</u>	<u>\$38,365.10</u>	<u>\$4,814.60</u>	<u>\$2,173.29</u>	<u>\$45,352.99</u>

"EXHIBIT L"

Paul D. OlfertDirect Line: (306) 956-6970
E-mail: polfert@mltaikins.comStephanie Chernoff
Legal AssistantDirect Line: (306) 956-6955
E-mail: schemoff@mltaikins.com

October 27, 2021

Davey Crocket Investments Ltd.

c/o Dave Heier

E-mail: dave@alxjacks.com

Dear Mr. Heier:

Re: **In the Matter of the Receivership of P.S. Electric Ltd. Q.B.G. No. 480 of
2019, Judicial Centre of Saskatoon**

We are counsel to BDO Canada Limited, in its capacity as Court-appointed receiver (the “**Receiver**”) of the assets, undertakings, and properties of P.S. Electric Ltd. (“**P.S. Electric**”).

We understand that, in the course of certain bankruptcy proceedings involving Waterflood Production Services Ltd. (“**Waterflood**”), MNP Ltd., the Trustee in Bankruptcy of Waterflood (the “**Trustee**”), released to Davey Crocket Investments Ltd. (“**DCIL**”) the assets of Waterflood.

You indicated that certain of Waterflood’s property is contained in the building located at 1314 3rd Street, Estevan, Saskatchewan, owned by P.S. Electric (the “**Building**”). As a result, in the summer of 2021, our office and the Receiver engaged with you in order to make arrangements for DCIL to recover whatever of Waterflood’s property remained within the building.

Among other communications, I note in particular my e-mail message to you on June 17, 2021 in which I stated the following [emphasis added]:

If you wish to make arrangements to retrieve any records or other property located at 1314 3rd Street, Estevan, SK, please let me know and I will put you in touch with the appropriate person to make those arrangements.

Again, the Receiver will consider any and all personal property located at 1314 3rd Street, Estevan, SK to be abandoned, and will dispose of the same without further notice, unless arrangements are made with the Receiver to retrieve such property on or before Friday, July 16, 2021.

We understand that the Receiver ultimately extended this deadline to the first week of August, 2021. On July 19, 2021, you proposed that the retrieval of the Waterflood property proceed as follows:

I think anytime next week. It may take us a couple days. I also mentioned to Dave, your caretaker that if you want to supply a dumpster we would be more than happy to sort

through what's left and help him discard undesirable files etc. It kind of makes our job a bit easier as well.

We understand that you attended at the Building with the Receiver's property manager on August 6, 2021 and that the following occurred on that date:

- You advised the property manager that you would not be disposing of the excess items (resulting in the property manager needing to cancel the disposal bin which had already been ordered for that day).
- You advised the property manager that you were second guessing keeping anything.
- You ultimately chose not to remove any items on August 6, 2021.

We further understand that you have now contacted the Receiver and requested to be provided access again, stating that your reason for not removing any property on August 6, 2021 was due to the humid weather. (It appears from historical weather information that the humidex in Estevan did not exceed 31 that day, hardly an extreme weather event.)

With respect, you have been aware of the need to recover this property since the Trustee's letter to you of March 30, 2020 at the latest, and reached out to us on June 17, 2021 to seek access to the Building. We made it clear that access would be granted within a limited time, and that whatever was not removed within that time would be considered abandoned. At your request, the Receiver arranged for you to have access to the Building on August 6, 2021. Far from assisting the Receiver with cleanup as had been indicated, you indicated that you were second guessing taking anything at all, and in fact removed no property.

As such, the Receiver considers Waterflood to have abandoned its claim to any assets of Waterflood located in the Building which were not retrieved on or before August 6, 2021. DCIL will, therefore, not be provided with further access to the Building for the purpose of removing property.

We trust that the foregoing sets out the position of the Receiver with clarity.

Sincerely,

MLT AIKINS LLP


Per:



Paul D. Olfert

Paul Olfert

From: Dave Heier <dave@alxjacks.com>
Sent: Wednesday, October 27, 2021 3:14 PM
To: Paul Olfert
Cc: Griffiths, Darren; Harper, Glenn; Stephanie Chernoff
Subject: Re: P.S. Electric / Waterflood

 External Sender

Hi Paul

Thanks for clarifying your clients position.

What you failed to realize was I was left with assumption that since I had contacted the building manger and he was fine with me making arrangements for anytime I just kinda didn't think it was a hurry.

I then started getting notice I needed to prove the copiers weren't rented which really confused me.

Weather was only a consideration of the people making about a hundred trips and how miserably hot hey would be.

So I did struggle with what to take so thanks for making up my mind.

Happy cleaning!

Sent from my iPhone

On Oct 27, 2021, at 2:37 PM, Paul Olfert <polfert@mltaikins.com> wrote:

Hello, Mr. Heier.

Please find attached our firm's correspondence dated as of today's date.

Regards,

Paul Olfert
Partner

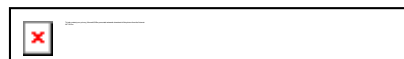
P: +1 (306) 956-6970 | **E:** polfert@mltaikins.com

Visit our [COVID-19 Resource Centre](#) for help navigating the changing business and legal environment.

[MLT Aikins LLP](#)

Suite 1201 - 409 3rd Avenue S
Saskatoon, SK S7K 5R5

[BIO](#) | [VCARD](#)



NOTICE: This email including attachments is confidential and legally privileged. If you are not the intended recipient, any redistribution or copying of this message is prohibited. If you have received this email in error, please notify us immediately by return email and delete this email. If you no longer wish to receive commercial electronic messages from MLT Aikins LLP, email casl@mltaikins.com. We may still send messages for which we do not require consent.

<Letter to D. Heier - 27 October 2021.pdf>

"EXHIBIT M"

TAX ENFORCEMENT
Six Month Notice

Form C
(Section 2.3)

NOTICE
The Tax Enforcement Act

TAKE NOTICE that the City of Estevan intends to be registered as owner under the above Act of the land described at the foot of this document.

The municipality claims title to the land by virtue of an interest based on the tax lien registered against the existing title to the land in the Land Registry as Interest # **193850860, 193850950, 193850624** and you are required to:

TAKE NOTICE that unless you contest the claim of the municipality or redeem the land pursuant to the provisions of above Act within six months from the service of this notice on you and, subject to the further provisions of The Tax Enforcement Act, a certificate of title will be issued to the applicant and you will thereafter be forever stopped and debarred from setting up any claim to, or in respect of, the land.

The amount required to redeem the land (on or before May 29, 2023) is \$46,275.88. Please contact the City of Estevan Tax Assessor to ascertain the amount owing at the date of redemption of Land.

Dated at Estevan, in the Province of Saskatchewan, this 29th day of **November, 2022**



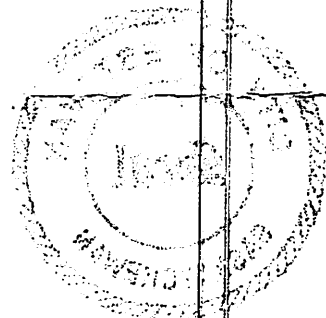

Trina Sieben – Tax Assessor

Name: P.S. ELECTRIC LTD..

Civic Address: 1314 THIRD STREET

Legal: Lot 5, Block 52, Plan 12675 Ext # 0 Title #148065059
Lot 6, Block 52, Plan 12675 Ext # 0 Title #148065082
Lot 7, Block 52, Plan 12675 Ext # 0 Title #148065093

cc: BDO Canada Limited 25 Main Street West, Suite 805 Hamilton, ON L8P 1H1



Paul OlfertDirect Line: (306) 956-6970
E-mail: polfert@mltaikins.com

May 18, 2023

VIA COURIER*And Via E-mail to treasury@estevan.ca***City of Estevan – Finance Department**1102 Fourth Street
Estevan, SK S4A 0W7

Dear Sirs/Mesdames:

Re: Tax Enforcement Notice to P.S. Electric Ltd. regarding 1314 Third Street, Estevan, Saskatchewan, Lots 5-7, Block 52, Plan 12675 Ext 0

We are legal counsel to BDO Canada Limited (the “**Receiver**”), in its capacity as Court-appointed receiver of P.S. Electric Ltd. (the “**Debtor**”).

We are in receipt of a document entitled “TAX ENFORCEMENT: Six Month Notice” from the City of Estevan (the “**City**”) dated November 29, 2022 (the “**Tax Enforcement Notice**”) in relation to the property owned by the Debtor, civically described as 1314 Third Street, Estevan, Saskatchewan, and legally described as Lots 5-7, Block 52, Plan 12675 Ext 0 (the “**Property**”). A copy of the Tax Enforcement Notice is enclosed for reference.

The Receiver’s appointment is pursuant to an order of the Honourable Mr. Justice R.W. Elson of the Court of Queen’s Bench for Saskatchewan dated October 13, 2020 (the “**Receivership Order**”), a copy of which is enclosed for reference. The Receivership Order, provides, among other things, as follows (emphasis added):

APPOINTMENT

2. ...**BDO CANADA LIMITED** is hereby appointed Receiver, without security, of all of assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof (the “**Property**”).

...

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor or the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall: (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on; (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment; (iii) prevent the filing of any registration to preserve or perfect a mortgage or security interest; or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect a lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further steps shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the Debtor and the Receiver. The stay and suspension shall not apply in respect of any "Eligible Financial Contract" as defined in section 65.1 of the BIA.

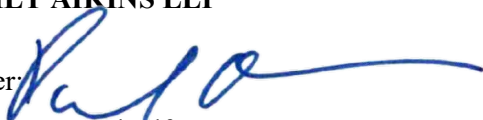
The purpose of this letter is to inform the City of the stays of proceedings in force pursuant to paragraphs 7 and 8 of the Receivership Order and that, as a result of those stays of proceedings, no tax enforcement processes in respect of the Property may proceed at this time.

We trust that the foregoing sets out the position of the Receiver with clarity. If you have any questions, please do not hesitate to contact us.

Sincerely,

MLT AIKINS LLP

Per:



Paul Olfert

Encl. (2)