

Application (In Bankruptcy) MINUTES OF THE FIRST MEETING OF CREDITORS	PROVINCE Alberta	DISTRICT #1	DIVISION Edmonton
	ESTATE NUMBER 24-1906774		
IN THE MATTER OF THE BANKRUPTCY OF: Sprague-Rosser Contracting Co. Ltd.	TRUSTEE APPOINTED BY OFFICIAL RECEIVER: Alvarez & Marsal Canada Inc.		
LOCATION OF MEETING: Hilton Garden Inn West Edmonton 17610 Stony Plain Road Edmonton, AB	CHAIRMAN OF MEETING: Tim Reid, CA DATE OF MEETING: Sept. 22, 2014 TIME OF MEETING: 10:00 am		

1. INTRODUCTIONS

2. PRESENT

☒ See attached attendance list.

3. QUORUM

The Chairman examined the Proofs of Claim and Proof of Notice of the meeting and the meeting was duly convened.

☒ There was a legally constituted quorum.

4. MEETING CALLED TO ORDER

☒ The Chairman called the meeting to order at 10:10 A.M. pursuant to Section 105(1) of the *Bankruptcy & Insolvency Act* ("BIA").

☒ Mr. Reid stated that the purpose of the meeting was to: a) consider the affairs of the bankrupt; b) affirm the appointment of the trustee or the appointing of a new trustee; c) call for a resolution for appointment of inspectors; and d) give direction to the trustee as the creditors may see fit with reference to the administration of the estate.

5. The following documents were tabled.

☒ Court Order and certificate of the appointment of the trustee by the official receiver;

☒ Legal Opinion from McCarthy Tetrault declaring Royal Bank's security is valid and enforceable;

- ☒ Proof of service of the notice calling the meeting of creditors;
- ☒ Proof of advertisement in the local newspaper (Edmonton Journal);
- ☒ Long statement of affairs of the bankrupt;
- ☒ The Trustee's Preliminary Report.

6. TRUSTEE CONFIRMATION

- ☒ The meeting confirmed the appointment of Alvarez & Marsal Canada Inc. as Trustee in bankruptcy.
- ☒ Motioned by Donna Burton

Seconded by Cody Burns

Motion passed - unanimous approval

7. TRUSTEE'S PRELIMINARY REPORT

- a) As per directive 30 of the BIA, Mr. Reid delivered an overview of the Trustee's preliminary report and provided the following information to the creditors:
 - a. Brief background statement, including causes and the reasons for financial difficulties of Sprague-Rosser Contracting Co. Ltd.;
 - b. SR was incorporated on April 25, 1967 in the Province of Alberta. SR operated primarily as a construction and piling company. The voting shares of SR are 100% owned by Pacific Federation Equity Group; A & M are the receivers of this company as well.
 - c. The main services that SR provided included: (a) Road and underground construction; and (b) piling;
 - d. Alvarez & Marsal is also the Court appointed Receiver and has control of all material property and assets, (the "Assets") and books and records of SR required to complete the administration of the bankruptcy;
 - e. The security held by the Royal Bank of Canada ("Secured Creditor") charges all of the assets of SR. The Trustee's preliminary investigation indicates the realizable value of the Assets in a bankruptcy is less than the debt held by the Secured Creditor, which will result in there being no distributions to unsecured creditors and creditors subordinate to the Secured Creditor;
 - f. No legal proceedings have been instituted by the Trustee to date; however a Trustee in bankruptcy does have the power to investigate fraudulent preferences or reviewable transactions;
 - g. The Trustee has received an independent opinion on the validity and enforceability of the security of the Secured Creditor.

8. INSPECTORS' NOMINATION

Tim Reid, using proxy, nominated Gary Ivany, Royal Bank, as an inspector.

Seconded by Chad Brown

Motion passed – unanimous approval

9. QUESTION PERIOD

Various questions were asked regarding the disbursements of funds to the creditors, state of the receivables and the sale process.

The Chair answered the questions and satisfied all queries.

10. ADJOURNMENT

Motioned by Tim Reid

Seconded by Donna Burton representative of Wolseley

Motion passed – unanimous approval

THE MEETING WAS ADJOURNED AT 11:00 AM










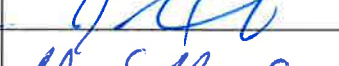

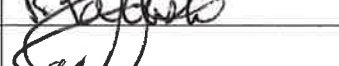





Tim Reid, CA-CIRP
Chairman of the Meeting





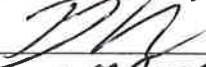
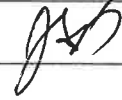
IN THE MATTER OF THE BANKRUPTCY OF
SPRAGUE-ROSSER CONTRACTING CO. LTD.,

FIRST MEETING OF CREDITORS

17610 Stony Plain Road NW, Edmonton, AB T5S 1A2

September 22, 2014 at 10:00 am

NAME (Please Print)	SIGNATURE	REPRESENTING	TYPE OF CLAIM	AMOUNT OF CLAIM
KATHY ROCHETTE		WOLSELEY CANADA INC.	UNSECURED	2,595,184.57
Donna Burton		"	"	"
Amy Scott		Dentons Canada LLP	unsecured	\$316,105.70
Russell Whelan		Focus	Unsecured	see C. Burns below
Cory Burns		FOCUS, WSP CANADA	UNSECURED	Focus \$847,636.43 WSP \$11,114.25
Jayna Peel		The Ian Martin Group	unsecured	\$27,300.-
Collette Fortin		Bruno's Trucking Ltd	unsecured	\$50,930.26
Jeremiah Kowalchuk		Michels Canada Co.	unsecured (lien claim)	\$4,404,226.09
CITES SELLERS		Corix Winter Products LP	SURETY	
Bob Pallister		BAP Mechanical Ltd	unsecured	4000.00 +
DON CAMPBELL		NEPTUNE CORING	UNSECURED	643,441.41
GACFIELD SHERKINGTON J.S.		NELSON BLDG. MTC.	UNSECURED	8,000.-
MARILYN BOURGEOIS		PARK PAVING LTD	UNSECURED	\$23,241
WILLIAM MORRISON		EMPLOYEE	"	\$26,000
Tyler DeGooyer		EMCO	unsecured/secured	\$107,000

NAME (Please Print)	SIGNATURE	REPRESENTING	TYPE OF CLAIM	AMOUNT OF CLAIM
Brad Restall		Emca Corporation	Secured/unsecured	\$107,000
Mandy Harris		TRITON TRANSPORT	unsecured.	\$ 30,000 \$60,453.75
Christopher Wang		Nason Contracting/ E Construction Ltd.		As per proof of claim
Mark Wiens		Foster Park Brokers Inc.	unsecured	\$ 101,960
Darren McPhee		Urban Video	unsecured	\$ 4,500
Nick McMahon	NM McMahon	JAK EQUIPMENT INC	UNSECURED	\$181,949.65
Jose Delgado		The Driving Force Inc	Unsecured	\$176,000