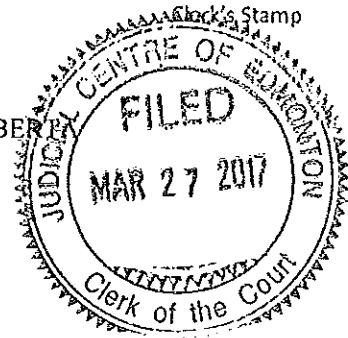


COURT FILE NUMBER 1403-13215  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON  
PLAINTIFF E CONSTRUCTION LTD.  
DEFENDANTS SPRAGUE-ROSSER CONTRACTING CO. LTD.,  
AND REGIONAL MUNICIPALITY OF WOOD BUFFALO



DOCUMENT NINTH REPORT OF ALVAREZ & MARSAL CANADA INC., IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF SPRAGUE-ROSSER CONTRACTING CO. LTD., SPRAGUE-ROSSER DEVELOPMENTS INC., PACIFIC FEDERATION EQUITY GROUP INC.

March 27<sup>th</sup>, 2017

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

RECEIVER

ALVAREZ & MARSAL CANADA INC.  
Todd M. Martin  
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400 Burrard Street  
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Vancouver, British Columbia V6C 3A6  
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Email: tpowell@alvarezandmarsal.com

COUNSEL

MCCARTHY TETRAULT LLP  
Sean Collins  
Walker MacLeod  
Pantelis Kyriakakis  
Suite 4000, 421 - 7<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 4K9  
Phone: (403) 260-3531  
Email: scollins@mccarthy.com



ALVAREZ & MARSAL

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**APPENDICES**

**Appendix A** BWZ / RMWB Correspondence

## INTRODUCTION AND BACKGROUND

1. Alvarez & Marsal Canada Inc. was appointed Receiver (the “**Receiver**” or “**A&M**”) of all of the assets, undertakings and properties of Sprague-Rosser Contracting Co. Ltd. (“**Contracting**”), Sprague-Rosser Developments Inc. and Pacific Federation Equity Group Inc. (collectively, “**SR**”) pursuant to an order of Honourable Madam Justice J. B. Veit (the “**Receivership Order**”) granted on July 31, 2014 (the “**Receivership Date**”).
2. On August 7, 2014 this Honourable Court amended and restated the Receivership Order (the “**Amended Receivership Order**”) in the within proceedings to provide for certain rights to Western Surety Company in respect of ongoing bonded construction contracts undertaken by Contracting in Alberta and Saskatchewan that the Receiver did not intend to complete.
3. On July 17, 2015 this Honourable Court granted an order (the “**Distribution Order**”):
  - a) authorizing the Receiver to make distributions to Royal Bank of Canada (“**RBC**”); and
  - b) transferring the Receivership action to the judicial centre of Calgary.
4. On May 5, 2016 this Honourable Court granted an order (the “**Settlement Order**”) which provides for, among other things:
  - a) approval of a settlement agreement (the “**Settlement Agreement**”) between Contracting and the Regional Municipality of Wood Buffalo (“**RMWB**”) in respect of construction contracts between Contracting and RMWB referred to as the 2011 Urban Infrastructure Rehabilitation Program Abasand Heights (the “**Abasand Project**”), Saline Creek Drive and Bridge Phase 1 (the “**Bridge Project**”) and Saline Creek Contract 3 – Sanitary Outfall Sewer and Water Supply Line (the “**Saline 3 Project**”). The Settlement Agreement provided for, among other things, RMWB to make a payment of \$4.0 million (the “**Settlement Amount**”) in respect of amounts due to Contracting by RMWB;
  - b) direction to RMWB with respect to distribution of the Settlement Amount;
  - c) approval of an accounting of funds (the “**Funds**”) paid by RMWB and held in trust by Contracting’s former legal counsel, Burstall Winger Zammit LLP (“**BWZ**”); and
  - d) direction to BWZ with respect to distribution of the Funds.
5. Pursuant to the Settlement Order, the Receiver’s legal counsel was ordered to hold approximately \$4.4 million of the Funds (the “**Lien Funds**”) as security pending determination as to the validity and enforceability of a builders’ lien (the “**E Construction Lien**”) registered by E Construction Ltd. (“**E Construction**”).

6. On February 13, 2017, the Honourable Court issued Reasons for Judgement that, *inter alia*, declared the E Construction Lien to be invalid and unenforceable (the “**February 13 Decision**”).
7. On March 9, 2017, E Construction filed a Civil Notice of Appeal of the February 13 Decision.
8. On March 27, 2017, the Receiver filed a Notice of Application for the following orders:
  - a) an order setting a process for E Construction, all other trade creditors and any other interested persons will have an opportunity to prove a beneficial right and entitlement to the Lien Funds (the “**Trust Claims Process Order**”); and
  - b) an order approving an allocation of costs incurred by the Receiver in pursuit, negotiation and settlement of certain claims of Contracting against CNRL and authorizing a distribution of the settlement funds recovered from CNRL (the “**CNRL Funds**”) to Metalcare Group Inc. (“**Metalcare**”), net of allocated costs (the “**Cost Allocation Order**”).
9. Further background including a copy of the Amended Receivership Order, the previous eight reports of the Receiver and other motion materials are posted on the Receiver’s website at [www.alvarezandmarsal.com/sprague](http://www.alvarezandmarsal.com/sprague) (the “**Receiver’s Website**”).
10. Capitalized terms not defined in this ninth report of the Receiver (the “**Ninth Report**”) are as defined in the Amended Receivership Order or as used in previous reports of the Receiver.
11. All references to dollars are in Canadian currency unless otherwise noted.

## **PURPOSE**

12. The Ninth Report is intended to provide this Honourable Court with information and the Receiver’s comments with respect to the following:
  - a) the Receiver’s application for the Trust Claims Process Order;
  - b) the Receiver’s application for the Cost Allocation Order; and
  - c) the Receiver’s conclusions and recommendations.

## **LIEN FUNDS**

13. The Lien Funds total approximately \$4.4 million and are the result of three separate payments made directly by RMWB to BWZ totaling \$5.9 million, less net disbursements made from the account of approximately \$1.5 million in respect of supplier payments and legal fees, and paid to BWZ in the period March 31, 2014 to July 23, 2014. Pursuant to the Settlement Order, the Lien Funds were posted as security pending the determination of the validity and enforceability of the E Construction Lien.
14. At the application resulting in the February 13 Decision, E Construction has asserted that it may have alternative trust claims against the Lien Funds as a result of the trust conditions on which the Lien Funds were held by BWZ before being transferred to the Receiver's legal counsel pursuant to the Settlement Order.

## **TRUST CLAIMS PROCESS ORDER**

15. The Receiver is proposing to identify and determine any trust claims to the Lien Funds through the Trust Claims Process Order. BWZ has provided the Receiver with an accounting of the receipts and disbursements from the BWZ trust account and copies of the correspondence from RMWB in respect of the Lien Funds. The Receiver has produced this correspondence, along with all other correspondence that it possesses in respect of the Lien Funds, as Appendix "A" to the Ninth Report.
16. A summary of the key terms and dates of the Trust Claims Process Order is as follows:
  - a) the Receiver shall cause a trust claim package including an instruction letter, form of trust claim application, the Trust Claims Process Order and such other materials as the Receiver considers necessary or appropriate (a "**Trust Claim Package**") to be sent to each known creditor who have a claim provable against SR arising from, relating to or otherwise in connected with the Bridge Project on or prior to April 13, 2017. The books and records of SR identify 39 unsecured trade creditors relating to the Bridge Project owed approximately \$6.3 million as at the Receivership Date;
  - b) the Receiver shall cause the Trust Claim Package to be posted on the Receiver's Website on or prior to April 13, 2017;
  - c) the Receiver shall cause a copy of the Trust Claims Package to be sent to any person requesting such material as soon as practicable;

- d) any person who wishes to file a Trust Claim to the Lien Funds shall, on or before May 12, 2017 (the “**Trust Claim Filing Date**”):
    - a. file a Trust Claim Application with the Court that is returnable within fifteen business days of the Trust Claim Filing Date;
    - b. file and serve all supporting evidence relied upon in asserting the trust claim or otherwise confirm they rely on the records contained in this Report; and
    - c. serve the trust claim and all supporting evidence relied upon in asserting the trust claim on each of the Receiver and the RBC;
  - e) the Lien Funds will be disbursed to either persons proving trust claims or to the estate pursuant to the Distribution Order; and
  - f) claims provable against SR shall be preserved and not barred or extinguished by virtue of the Trust Claims Process Order.
17. The Receiver is of the view that the Trust Claims Process Order sets out a fair and reasonable process for determining entitlement to the Lien Funds for the following reasons:
- a) E Construction, all other trade creditors and any other interested persons will have notice of the Trust Claims Process;
  - b) E Construction, all other trade creditors and any other interested persons will have an opportunity to prove a beneficial right and entitlement to the Lien Funds; and
  - c) the Lien Funds can be distributed in a timely manner to the persons properly entitled thereto.

## **CNRL COST ALLOCATION AND DISTRIBUTION**

### **Cost Allocation**

18. The claims of SR against CNRL related to a construction contract between CNRL as owner and Contracting as the contractor referred to as the Horizon Oil Sands Project (the “**Horizon Project**”). SR had commenced an action against CNRL on July 30, 2014 seeking recovery of approximately \$9.0 million for various claims relating to the Horizon Project (the “**CNRL Claim**”).
19. The CNRL Claim was a material asset recorded in SR’s books and records and was a disputed receivable owed by a solvent counterparty. However, because the CNRL Claim was only filed by SR on the day prior to the Receivership Date, neither SR nor its former legal counsel had

engaged in any analysis of the CNRL Claim. The Receiver and its legal counsel undertook a detailed review and investigation of the CNRL Claim, which included the following:

- i. meeting with former representatives of SR to gather facts and information in respect of the CNRL Claim;
- ii. reviewing contract documents, work progress reports, invoice payment approvals and relevant records in respect of the CNRL Claim;
- iii. assessing damage calculations and methodologies with respect to the CNRL Claim; and
- iv. engaging in discussion with counsel for CNRL in respect of the CNRL Claim.

20. After review of the CNRL Claim, the Receiver determined that there was significant cost and risk associated with pursuing the CNRL Claim. The CNRL Claim was ultimately settled in consideration of payment of approximately \$492,000 from CNRL on July 24, 2015.
21. The Receiver has segregated costs and expenses associated with pursuing recovery on various litigation claims that were being advanced by SR prior to the Receivership Date. The direct costs expended by the Receiver pursuing the CNRL Claim included professional fees of the Receiver of \$49,000 and fees for the Receiver's legal counsel of \$180,000, before applicable taxes. The Receiver is seeking to allocate approximately 78% or \$180,000 of these costs, including taxes, (the "**Allocation Amount**") against the CNRL Funds.
22. The work undertaken by the Receiver, as described above, has resulted in a positive recovery for the estate of SR. Receiver is of the view that the Cost Allocation Order provides a fair and equitable allocation of the costs incurred in connection with recovery of the CNRL Funds.

#### **Distribution of the CNRL Funds**

23. A Certificate of Substantial Performance was issued in respect of Contracting's work on the Horizon Project on or around March 21, 2014.
24. Metalcare was a subcontractor of Contracting on the Horizon Project in the amount of \$444,533 and is asserting a trust claim to the CNRL Funds.
25. The books and records of the Company reflect the following additional amounts potentially owing by Contracting in respect of Horizon Project:
  - a) approximately \$17,000 owed to Big Eagle Services;

- b) a disputed claim by Allure Resources Ltd. (“**Allure**”) for approximately \$86,000 for project management fees. The Company disputes the claim and has filed a counter claim that alleges that Allure has already been paid for more hours than were provided.
26. The Receiver has given notice of the application for the Cost Allocation Order to Big Eagle and Allure but has not otherwise investigated the validity or enforceability of these claims.
27. The Cost Allocation Order proposes that the Receiver distribute the remaining portion of the CNRL Funds, net of the Allocation Amount, to Metalcare.

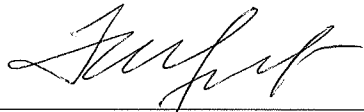
**RECEIVER’S CONCLUSIONS AND RECOMMENDATIONS**

28. The Receiver respectfully recommends that this Honourable Court grant the following orders:
- a) the Trust Claims Process Order; and
  - b) the Cost Allocation Order.

\*\*\*\*\*

All of which is respectfully submitted to this Honourable Court this 27<sup>th</sup> day of March, 2017.

**Alvarez & Marsal Canada Inc.,  
in its capacity as Receiver and Manager of  
Sprague-Rosser Contracting Co. Ltd,  
Sprague-Rosser Developments Inc. and  
Pacific Federation Equity Group Inc.**



Per: Todd M. Martin  
Senior Vice President



Per: Tom Powell  
Vice President



# **APPENDIX A**

RMWB FUNDS

Tab	Date	Description	Saline Road and Bridge			Total
			Abasands		Saline 3	
1	12/6/2013	RMWB - Collection of A/R			\$3,775,908.15	3,775,908.18
2	12/11/2013	RMWB - Collection of A/R			6,718,241.25	6,718,241.25
2	12/12/2013	RMWB - Disbursement to S-R			(6,718,394.02)	(6,718,394.02)
3	12/19/2013	RMWB - Disbursement to EOS			(1,440,637.48)	(1,440,637.48)
4	12/23/2013	RMWB - Disbursement to <del>RMWB</del> S-R			(1,036,801.76)	(1,036,801.76)
5	03/31/2014	RMWB - Collection of A/R			3,395,674.36	3,395,674.36
5	03/31/2014	RMWB - Collection of A/R		1,619,528.64		1,619,528.64
6	04/10/2014	RMWB - Disbursement to PCL		(1,320,147.30)		(1,320,147.30)
7	04/25/2014	RMWB - Disbursement to Corix			(199,500.00)	(199,500.00)
8	04/25/2014	RMWB - Disbursements to Michels			(2,415,000.00)	(2,415,000.00)
9	05/23/2014	RMWB - Disbursement to Michels			(700,000.00)	(700,000.00)
10	06/10/2014	RMWB - Collection of A/R	537,570.31			537,570.31
10	06/10/2014	RMWB - Collection of A/R		3,804,437.57		3,804,537.57
11	06/26/2014	RMWB - Disbursement Wilson	(537,570.31)			(537,560.31)
12	07/09/2014	RMWB - Disbursement to Nason			(794,751.10)	(794,751.10)
13	07/24/2014	RMWB - Collection of A/R		486,904.48		486,904.48

Tab

1. \$3,775,908.15 - December 6, 2013, email from Arlan Delisle to Alan McConnell - trust conditions provided.
2. \$6,718,214.25 - December 11, 2013, email from Arlan Delisle to Alan McConnell - funds releasable. (I assume that this email refers to the disbursement to S-R of \$6,718,394.02 on 12/12/2013.)
3. \$1,440,637.48 - December 19, 2013, Consent Order granted by J.T. Prowse - funds released to E.O.S.
4. \$1,036,801.76 - December 23, 2013, cheque to Sprague-Rosser re: Return of excess funds received from RM of Wood Buffalo.
5. \$5,015,203.00 - March 27, 2014 cheque (\$1,619,428.64 + \$3,395,674.36). March 28, 2014, email from Arlan Delisle to Alan McConnell re: trust conditions.
6. \$1,320,147.30 - April 9, 2014, email from Arlan Delisle to Alan McConnell - authorization to release funds to PCL.
7. \$1,999,500.00 - April 24, 2014, email from Richard Bell to Corbin Devlin Re: Corix
8. \$2,415,000.00 - the email in Tab 7 also applies to Michels Canada.
9. \$700,000.00 - May 23, 2014, email from Alan McConnell to Jeff Jessamine et al indicating Mr. Delisle had approved the release of \$700,000.00 to Michels in a phone conversation.
10. \$4,342,007.88 - June 6, 2014 cheque from RMWB (\$537,570.31 + \$3,804,437.57). June 10, 2014, email from Alan McConnell to Jan LeBoeuf and Kathy Taylor regarding depositing cheque.
11. \$537,570.31 - Letter (attached to June 24, 2014 email from Arlan Delisle to Alan McConnell) regarding release of trust funds to H. Wilson Industries Ltd.
12. \$794,751.10 - Consent Order granted by Master S.L. Schulz July 17, 2014, regarding release of funds to Nason Contracting Group Ltd.
13. \$486,904.48 - July 23, 2014 email from Anthony Purgas to Alan McConnell Re: RMWB (trust conditions)



## Jennifer Smith

---

**From:** Alan McConnell  
**Sent:** December-06-13 10:00 AM  
**To:** Jeff Jessamine (jeff@sprague-rosser.com); Matthew Mackay; Troy Moskal; kbowes@sprague-rosser.com  
**Cc:** Jennifer Smith  
**Subject:** FW: Saline Creek #3  
**Attachments:** SKMBT\_C55013120610500.pdf

Folks, fyi, the first progress has been deposited.  
Assuming EOS' final invoice takes its total claim to \$1.3MM, the total Nason/EOS liens + 10% for costs is \$2.716MM. Even though the RM's trust conditions don't include discharging the Nason lien, we have to do that.  
We will work as diligently as possible to get discharges in place asap.  
Cheers

Alan J. McConnell  
Burstall Winger LLP  
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---

**From:** Arlan Delisle [Arlan.Delisle@woodbuffalo.ab.ca]  
**Sent:** December 6, 2013 9:54 AM  
**To:** Alan McConnell  
**Subject:** FW: Saline Creek #3

Mr. McConnell, I confirm that \$3,775,908.15 has been deposited into your RBC trust account. This provided to you in trust on the condition that it not be released to your client until you confirm the discharge of the E.O.S. Pipeline and Facilities Liens.

Finance is working on cutting a second cheque for the other progress payment and I will advise.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

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---

**From:** Alan McConnell [mailto:[alanm@burstall.com](mailto:alanm@burstall.com)]  
**Sent:** Friday, December 06, 2013 8:32 AM  
**To:** Arlan Delisle  
**Subject:** RE: Saline Creek #3

Thank you.

Alan J. McConnell  
Burstall Winger LLP  
1600, 333 - 7th Avenue, S. W.  
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---

**From:** Arlan Delisle [Arlan.Delisle@woodbuffalo.ab.ca]  
**Sent:** December 6, 2013 8:31 AM  
**To:** Alan McConnell  
**Subject:** RE: Saline Creek #3

I will check on it imminently.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



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---

**From:** Alan McConnell [mailto:[alanm@burstall.com](mailto:alanm@burstall.com)]  
**Sent:** Friday, December 06, 2013 8:29 AM

**To:** Arlan Delisle  
**Subject:** Saline Creek #3

Arlan, Hope all is well with you. It is cold as hell here!  
Just checking to see when you expect to do the direct deposit since my administrator hasn't advised me of its receipt.  
Cheers

Alan J. McConnell  
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## Alan McConnell

---

**From:** Alan McConnell  
**Sent:** December-11-13 3:25 PM  
**To:** 'Arlan Delisle'  
**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

Arlan, Thanks for the pragmatic approach to this matter.  
Your assistance is greatly appreciated.  
Cheers

---

**From:** Arlan Delisle [mailto:Arlan.Delisle@woodbuffalo.ab.ca]  
**Sent:** December-11-13 3:22 PM  
**To:** Alan McConnell  
**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

Hello sir, pursuant to your request below and on further review of the matter, I confirm that I remove the trust condition in relation to the \$6,718,214.25 relating to Progress Payment Certificate No. 9, Invoice No. 212008-7193 and that those funds are releasable.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

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---

**From:** Alan McConnell [mailto:alanm@burstall.com]  
**Sent:** Tuesday, December 10, 2013 6:05 PM  
**To:** Arlan Delisle  
**Subject:** Re: Sprague-Rosser Contracting Co. Ltd.

Arlan, thank you.  
With respect to this second payment, I am wondering if you would amend your trust conditions. EOS has 3 liens on title that are just in excess of \$1.152MM. They completed work about 10 days ago. My client expects a final invoice for about \$200K. The funds from the first deposit are much more than sufficient to cover the EOS claims.  
As such, I would request that you allow me to release the second deposit to my client so it can pay other subs and avoid further liens. The initial deposit would remain subject to the trust condition.  
I await your advice.

Cheers

Sent from my BlackBerry 10 smartphone on the TELUS network.

---

**From:** Arlan Delisle  
**Sent:** Tuesday, December 10, 2013 4:53 PM  
**To:** Alan McConnell  
**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

I have deposited \$6,718,214.25 relating to Progress Payment Certificate No. 9, Invoice No. 212008-7193. It is provided again on the on the trust condition it not be disbursed until the EOS' liens are discharged by consent or by Court Order.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

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---

**From:** Alan McConnell [<mailto:alanm@burstall.com>]  
**Sent:** Tuesday, December 10, 2013 12:31 PM  
**To:** Arlan Delisle  
**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

Arlan, thanks. I take it you will do the direct deposit this afternoon as well?  
Cheers

Alan J. McConnell  
Burstall Winger LLP  
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Calgary, Alberta  
T2P 2Z1  
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**From:** Arlan Delisle [Arlan.Delisle@woodbuffalo.ab.ca]  
**Sent:** December 10, 2013 12:28 PM  
**To:** Alan McConnell  
**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

I have been advised I should have it this afternoon.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

T 780-743-7075  
C 780-792-9344  
F 780-792-5952  
[arlan.delisle@woodbuffalo.ab.ca](mailto:arlan.delisle@woodbuffalo.ab.ca)  
[www.woodbuffalo.ab.ca](http://www.woodbuffalo.ab.ca)

9909 Franklin Avenue Fort McMurray, AB T9H 2K4

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---

**From:** Alan McConnell [mailto:[alanm@burstall.com](mailto:alanm@burstall.com)]  
**Sent:** Tuesday, December 10, 2013 12:23 PM  
**To:** Arlan Delisle  
**Cc:** Lisa Romaine  
**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

Arlan, I am following up on my recent inquiries regarding the status of the transfer of the Progress Payment Certificate #9 funds to my firm's trust account. I had understood that you expected the payment to arrive on Monday but I haven't received confirmation of the deposit from my administrator. Could you please confirm that the payment is being made?  
Cheers

Alan J. McConnell  
Burstall Winger LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
Fax: 403-266-6016  
E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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---

**From:** Arlan Delisle [Arlan.Delisle@woodbuffalo.ab.ca]  
**Sent:** December 3, 2013 1:51 PM  
**To:** Alan McConnell

**Cc:** Lisa Romaine

**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

My client department is asking for confirmation of the following amounts:

- Progress Payment Certificate No. 8, Invoice No. 212008-7171; \$3,775,908.15 incl. GST;
- Progress Payment Certificate No. 9, Invoice No. 212008-7193; \$6,718,214.25 Incl. GST;

Please confirm these amounts and I will have the funds deposited into your trust account on the trust condition it not be disbursed until the EOS' liens are discharged by consent or by Court Order.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

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---

**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Monday, December 02, 2013 9:28 AM

**To:** Arlan Delisle

**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

Arlan, I hope it isn't as blustery where you are.  
Just following up on my email from Friday.  
Cheers

Alan J. McConnell  
Burstall Winger LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
Fax: 403-266-6016  
E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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**From:** Alan McConnell  
**Sent:** November 29, 2013 11:22 AM  
**To:** 'Arlan Delisle'  
**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

Arlan, Thanks for getting back to me.

My understanding regarding the Saline Creek #3 contract is as follows:

1. The September progress draw in the amount of \$5MM has been approved but is being held by the Director as a result of the new liens filed by EOS;
2. The October progress draw was provided to the RM's consultant some time ago and the consultant was late in providing the approved progress payment documentation to the RM. The October draw is in the amount of \$6.8MM and is payable;
3. My suggestion is that the \$11.8MM be direct deposited to my firm's trust account on the trust condition that it not be disbursed until the EOS' liens are discharged by consent or by Court Order.

I am advised that there are issues on other contracts. My advice is:

(a) On the Saline Roadway and Bridge contracts ( A thru E), substantial completion has been certified but the aggregate holdback of \$3.8MM has not been released. The Contract wording provides that when a project is not subject to the *Builders' Lien Act*, as is the case on Saline, holdbacks will be released in accordance with industry practise. It is my client's view that the holdback should be released now;

(b) on the Abasands contract, work has been certified as substantially complete but the remaining \$2.5MM owing to Sprague-Rosser has not been paid.

From my client's perspective, there is a total of \$18.1MM that the RM owes it for the various contracts. It is regrettable that EOS has chosen to take the steps that it has but the lien issues can be resolved if the \$11.8MM is paid to my firm's trust account as noted above.

Hopefully we can connect today and attempt to get some resolution to these issues.

Cheers

P.S. I can be reached on cell at 403-620-4825

---

**From:** Arlan Delisle [<mailto:Arlan.Delisle@woodbuffalo.ab.ca>]  
**Sent:** November-29-13 9:37 AM  
**To:** Alan McConnell  
**Subject:** RE: Sprague-Rosser Contracting Co. Ltd.

Hello Mr. McConnell, I am in and out of meetings for most of today but wanted to get back to you.

Firstly with regard to the section 33 demand we provided to the lienholder contract with the owner and documents showing the statement of accounts between the owner and the contractor. All of which was already in Sprague's possession or copied to them in the usual course. My instructions from my client were to comply strictly with the section 33 demand, which we have done and consider that part of the matter closed.

Secondly, with regard to contract 3 (QU 2845) I have reviewed that documentation to confirm the requirement for the stat dec saying accounts for labor, subcontracts, products etc. have been paid in full. That is section 5.5.7 of the supplementary conditions. Liens existing or popping up creates consternation on the part of the persons tasked with processing these payments, as they want to pay what is fairly owed, but also do not want to be improperly advancing funds.

I'm not meaning to be overly difficult, but I am at a loss at this time as to how we are supposed to advance the progress payment in the face of the liens. Are there reasonable suggestions as to how this might proceed? My understanding is that payments have been and are being processed on other contracts and this contract 3 (QU 2845) is the only one causing as a problem at this time.

Arlan Delisle

Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



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---

**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Thursday, November 28, 2013 11:50 AM

**To:** Arlan Delisle

**Subject:** Sprague-Rosser Contracting Co. Ltd.

Arlan, I hope that you are well.

I just got off a long call with my client and was hoping that you may have some time today to chat about the various contracts that Sprague-Rosser has with the RM.

Please let me know if you have time to talk and, if so, when is the best time. I am in a meeting between 2 p.m. and 3 p.m. today.

Cheers

Alan J. McConnell  
Burstall Winger LLP  
1600, 333 - 7th Avenue, S. W.

Calgary, Alberta

T2P 2Z1

Direct Line: 403-234-3329

Main: 403-264-1915

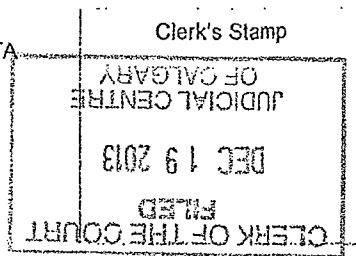
Fax: 403-266-6016

E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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COURT FILE NUMBER 1301-12801  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
APPLICANT SPRAGUE-ROSSER CONTRACTING CO. LTD.  
RESPONDENT E.O.S. PIPELINE & FACILITIES INCORPORATED  
DOCUMENT CONSENT ORDER



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Burstall Winger LLP  
Barristers & Solicitors  
1600, 333 - 7 Avenue SW  
Calgary, AB T2P 2Z1

Jennifer Smith, Counsel for the Applicant  
Telephone: 403-234-3340  
Fax: 403-265-8565

File No. 37720 AJM

I hereby certify this to be a true copy of the original Consent Order  
Dated this 19 day of December, 2013  
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: December 19, 2013

NAME OF MASTER WHO MADE THIS ORDER: J. T. Prouse

LOCATION OF HEARING: Calgary Courts Centre 601 - 5 Street SW, Calgary, AB, T2P 5P7

UPON THE APPLICATION of counsel for the Applicant, Sprague-Rosser Contracting Co. Ltd.; AND UPON NOTING the consent of counsel for the Respondent, E.O.S. Pipeline & Facilities Incorporated;

IT IS HEREBY ORDERED THAT:

1. Pursuant to Section 48 of the *Builders' Liens Act*, R.S.A. 2000, c. B-7 and *Land Titles Act*, RSA 2000, c L-4, Section 191(3)(a) the Registrar of Land Titles is hereby directed to forthwith cancel the registration of the builders' liens registered by the Respondent, described as follows (the "Liens"):

Instrument 132 365 539, Instrument 132 379 505, Instrument 132 385 745, and Instrument 132 407 802 against the lands and premises legally described in Schedule "A" attached hereto and any corresponding Certificates of *Lis Pendens* registered against the title to those lands (collectively "the Lands");

upon being provided with a certified copy of this Order and written confirmation from Field LLP that the amount of \$1,309,670.44 plus an allowance of 10% for costs and interest of \$130,967.04, for a total amount of \$1,440,637.48 (the "Security") has been deposited into its trust account.

2. Upon deposit to the trust account of Field LLP, the Security shall stand in place of the Lands and shall replace the Lands as security for the Liens, and the Lands and owners of the surface interests thereof shall be discharged of any liability with respect to the Liens.



3. Only the Respondent shall be entitled to make a claim against the Security.
4. The Security shall be held in the trust account of Field LLP, to the credit of the within action pending agreement of the Applicant and the Respondent or further Order of this Court. The Security shall be subject to any proceedings filed by the Respondent with respect to the enforcement of the Liens.
5. Immediately upon deposit of the Security to the trust account of Field LLP as set forth in paragraph 1, Field LLP shall issue written confirmation evidencing the deposit and receipt of the Security.
6. The deposit of the Security into the trust account of Field LLP shall not constitute nor be deemed to constitute an admission by the Applicant as to the validity of either the registration of the Liens or any of the claims set forth in the Liens.
7. The Applicant or the Respondent shall be at liberty to make further application to this Court with respect to any matter pertaining to the Liens or to contest the validity of the registration of the Liens, the amount of the Security or any claim which the Respondent may make as against the Security. The posting and delivery of the Security shall not affect or be a determination of the amount of any lien fund as defined by the *Builders' Lien Act*, R.S.A. 2000, c. B-7.
8. Costs of the within application shall be in the cause.
9. This Consent Order shall be registered notwithstanding the requirements of Subsection 191(1) of the *Land Titles Act*.
10. This Consent Order may be consented to by facsimile or other electronic format.

" J. T. Prowse "

Master of the Court of Queen's Bench of Alberta.

*Consented*

~~APPROVED~~ AS TO THE ORDER GRANTED  
this 19 day of December, 2013

FIELD LAW LLP

Per: 

Jean van der Lee, Q.C.

Solicitors for the Respondent

TITLE NUMBER	SHORT LEGAL
962 024 141 +5	4;9;89;2;NW
062 174 805 +8	4;9;89;2;NW
49892SNP	4;9;89;2;SW
962 024 349	4;9;89;11;SW



CERTIFIED COPY OF  
CERTIFICATE OF TITLE

LINC                      SHORT LEGAL  
0031 675 003            4;9;89;2;NW

S

TITLE NUMBER: 062 174 805 +8  
SUBDIVISION PLAN  
DATE: 27/04/2006

AT THE TIME OF THIS CERTIFICATION

HIGHRIDGE DEVELOPMENTS LTD.  
OF C/O 200, 14020-128 AVE  
EDMONTON  
ALBERTA T5L 4M8

IS THE OWNER OF AN ESTATE IN FEE SIMPLE  
OF AND IN

MERIDIAN 4 RANGE 9 TOWNSHIP 89  
SECTION 2  
ALL THAT PORTION OF THE NORTH WEST QUARTER  
WHICH LIES SOUTH AND WEST OF ROAD PLAN 7922318  
CONTAINING 26.8 HECTARES (66.22 ACRES) MORE OR LESS  
EXCEPTING THEREOUT:

	HECTARES	(ACRES)	MORE OR LESS
A) PLAN 0621943    SUBDIVISION	2.34	5.78	

EXCEPTING THEREOUT ALL MINES AND MINERALS

SUBJECT TO THE ENCUMBRANCES, LIENS AND INTERESTS NOTIFIED BY MEMORANDUM UNDER-  
WRITTEN OR ENDORSED HEREON, OR WHICH MAY HEREAFTER BE MADE IN THE REGISTER.

REGISTRATION NUMBER	DATE (D/M/Y)	ENCUMBRANCES, LIENS & INTERESTS PARTICULARS
4120KZ	12/07/1956	CAVEAT CAVEATOR - HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA AS REPRESENTED BY MINISTER OF HIGHWAYS
102 333 239	21/09/2010	MORTGAGE MORTGAGEE - UMC FINANCIAL MANAGEMENT INC. 201, 14020-128 AVENUE EDMONTON ALBERTA T5L4M8 ORIGINAL PRINCIPAL AMOUNT: \$600,000
102 333 240	21/09/2010	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - UMC FINANCIAL MANAGEMENT INC. 201, 14020-128 AVENUE EDMONTON ALBERTA T5L4M8 AGENT - BRUCE G NEILL

PAGE 2

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CERTIFICATE OF TITLE

SHORT LEGAL 4;9;89;2;NW  
NAME HIGHRIDGE DEVELOPMENTS LTD.  
NUMBER 062 174 805 +8

## ENCUMBRANCES, LIENS &amp; INTERESTS

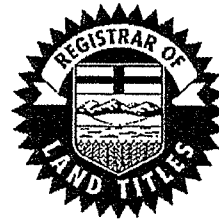
REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
112 303 733	27/09/2011	CERTIFICATE OF APPROVAL RE UTILITY R/W GRANTEE - REGIONAL MUNICIPALITY OF WOOD BUFFALO. AS TO PLAN 1124554
① 132 365 539 ✓	12/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP ATTN: JEAN C VAN DER LEE 400, 604-1 ST SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$738,204
① 132 379 505 ✓	22/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. ATTENTION: JEAN C. VAN DER LEE C/O FIELD LLP 400, 604-1ST STREET SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$281,041
② 132 385 745 ✓	27/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP ATT: JEAN C VAN DER LEE 400, 604 - 1 STREET SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$133,048
① 132 407 802 ✓	16/12/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP 400, 604-1 ST SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$157,375

PAGE 3

CERTIFICATE OF TITLE

TITLE NUMBER: 062 174 805 +8

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\*SUPPLEMENTARY INFORMATION\*

MUNICIPALITY: REGIONAL MUNICIPALITY OF WOOD BUFFALO (FORT MCMURRAY)  
REFERENCE NUMBER:  
052 202 929  
TOTAL INSTRUMENTS: 008



PAGE 2

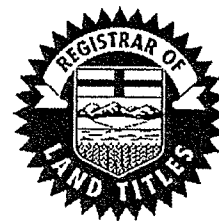
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NUMBER 49892SNP

## ENCUMBRANCES, LIENS &amp; INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
132 385 745	27/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP ATT: JEAN C VAN DER LEE 400, 604 - 1 STREET SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$133,048
132 407 802	16/12/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP 400, 604-1 ST SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$157,375 AFFECTED LAND: 4;9;89;2;SW

NOTE: FOR A COMPLETE SEARCH AND VERIFICATION OF  
PROVINCIAL NON-PATENT LANDS, CONTACT THE  
DEPARTMENT OF SUSTAINABLE RESOURCE DEVELOPMENT,  
PUBLIC LANDS DIVISION

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MUNICIPALITY: REGIONAL MUNICIPALITY OF WOOD BUFFALO  
TOTAL INSTRUMENTS: 004



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CERTIFICATE OF TITLE

LINC                      SHORT LEGAL  
0010 664 613      4;9;89;2;NW

S

TITLE NUMBER: 962 024 141 +5  
ORDER  
DATE: 29/01/1996

AT THE TIME OF THIS CERTIFICATION

MUNICIPALITY OF WOOD BUFFALO.  
OF 9909 FRANKLIN AVE  
FORT MCMURRAY  
ALBERTA T9H 2K4

IS THE OWNER OF AN ESTATE IN FEE SIMPLE  
OF AND IN

ALL THAT PORTION OF THE NORTH WEST QUARTER OF SECTION TWO (2)  
TOWNSHIP EIGHTY NINE (89)  
RANGE NINE (9)  
WEST OF THE FOURTH MERIDIAN  
LYING NORTH AND EAST OF ROAD PLAN 7922318 AND LYING WEST OF THE  
LEFT BANK OF CLEARWATER RIVER AS SHOWN ON TOWNSHIP PLAN DATED  
27 FEBRUARY 1914, CONTAINING 33.42 HECTARES (82.6 ACRES) MORE OR  
LESS

EXCEPTING THEREOUT: A) 3.78 HECTARES (9.35 ACRES) MORE OR LESS  
AS SHOWN ON RAILWAY PLAN 4345CL  
B) 1.62 HECTARES (4.02 ACRES) MORE OR LESS DESCRIBED AS FOLLOWS:  
COMMENCING AT THE NORTH WEST CORNER OF THE SAID QUARTER SECTION  
THENCE EASTERLY ALONG THE NORTH BOUNDARY OF THE SAID QUARTER  
SECTION TWO HUNDRED AND FIFTY (250) FEET THENCE SOUTHERLY AND  
PARALLEL TO THE WEST BOUNDARY OF THE SAID QUARTER SECTION SEVEN  
HUNDRED (700) FEET THENCE WESTERLY AND PARALLEL TO THE SAID  
NORTH BOUNDARY TO A POINT ON THE SAID WEST BOUNDARY THENCE  
NORTHERLY ALONG THE SAID WEST BOUNDARY TO THE POINT OF COMMENCEMENT.

EXCEPTING THEREOUT ALL MINES AND MINERALS

SUBJECT TO THE ENCUMBRANCES, LIENS AND INTERESTS NOTIFIED BY MEMORANDUM UNDER-  
WRITTEN OR ENDORSED HEREON, OR WHICH MAY HEREAFTER BE MADE IN THE REGISTER.

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
4120KZ	12/07/1956	CAVEAT CAVEATOR - HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA AS REPRESENTED BY MINISTER OF HIGHWAYS
1631LE	30/07/1958	UTILITY RIGHT OF WAY GRANTEE - ALBERTA POWER LIMITED. AS TO PORTION OR PLAN: 4845KS "(TAKES PRIORITY DATE OF CAVEAT #5611KU), DATA UPDATED BY TRANSFER OF UTRW #6699SQ"



PAGE 2

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NAME MUNICIPALITY OF WOOD BUFFALO  
NUMBER 962 024 141 +5

## ENCUMBRANCES, LIENS &amp; INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
3262SH	20/04/1971	UTILITY RIGHT OF WAY GRANTEE - ATCO GAS AND PIPELINES LTD. 10035-105 ST EDMONTON ALBERTA T5J2V6 AS TO PORTION OR PLAN:4985RS "(TAKES PRIORITY DATE OF CAVEAT #1735SG), DATA UPDATED BY TRANSFER OF UTRW #1304TP" (DATA UPDATED BY: TRANSFER OF UTILITY RIGHT OF WAY 012027176)
822 114 558	25/05/1982	CAVEAT RE : ROADWAY CAVEATOR - CLEARWATER AGGREGATES (2000) LTD. CAVEATOR - CLEARWATER CONCRETE PRODUCTS (2000) LTD.
912 015 337	17/01/1991	CAVEAT RE : SEE CAVEAT CAVEATOR - HUGH BLISH C/O PARLEE MCLAWS 1500, 10180-101 ST EDMONTON ALBERTA AGENT - HUGH BLISH
132 365 539	12/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP ATTN: JEAN C VAN DER LEE 400, 604-1 ST SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$738,204
132 379 505	22/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. ATTENTION: JEAN C. VAN DER LEE C/O FIELD LLP 400, 604-1ST STREET SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$281,041
132 385 745	27/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP ATT: JEAN C VAN DER LEE 400, 604 - 1 STREET SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$133,048

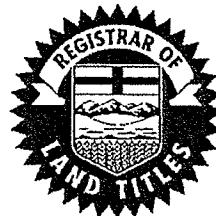
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NAME MUNICIPALITY OF WOOD BUFFALO  
NUMBER 962 024 141 +5

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
132 407 802	16/12/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP 400, 604-1 ST SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$157,375

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF  
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\*SUPPLEMENTARY INFORMATION\*

CONSIDERATION: MINISTER'S ORDER  
MUNICIPALITY: REGIONAL MUNICIPALITY OF WOOD BUFFALO (FORT MCMURRAY  
REFERENCE NUMBER:  
902 368 785  
TOTAL INSTRUMENTS: 009



CERTIFIED COPY OF  
CERTIFICATE OF TITLE

LINC                      SHORT LEGAL  
0023 654 859            4;9;89;11;SW

S

TITLE NUMBER: 962 024 349  
ORDER  
DATE: 29/01/1996

AT THE TIME OF THIS CERTIFICATION

MUNICIPALITY OF WOOD BUFFALO.  
OF 9909 FRANKLIN AVE  
FORT MCMURRAY  
ALBERTA T9H 2K4

IS THE OWNER OF AN ESTATE IN FEE SIMPLE  
OF AND IN

MERIDIAN 4 RANGE 9 TOWNSHIP 89  
SECTION 11

ALL THAT PORTION OF THE SOUTH WEST QUARTER  
WHICH LIES TO THE SOUTH OF THE LEFT BANK OF THE CLEAR WATER RIVER  
AS SHOWN ON A PLAN OF SURVEY OF THE SAID TOWNSHIP DATED 27 FEBRUARY 1914  
CONTAINING 36.643 HECTARES (90.60 ACRES) MORE OR LESS  
EXCEPTING THEREOUT:

(A) 1.83 ACRES MORE OR LESS TAKEN FOR RIGHT OF WAY AND  
0.39 OF AN ACRE MORE OR LESS TAKEN FOR EXTRA LAND OF THE  
ALBERTA AND GREAT WATERWAYS RAILWAY AS SHOWN ON RAILWAY PLAN 4345CL  
(B) ALL THAT PORTION OF THE SAID QUARTER SECTION DESCRIBED  
AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE  
LEFT BANK OF THE CLEAR WATER RIVER AS SHOWN ON THE SAID PLAN  
OF SURVEY, WITH THE WEST BOUNDARY OF THE SAID QUARTER SECTION,  
THENCE SOUTHERLY ALONG THE SAID WEST BOUNDARY 90 FEET MORE OR  
LESS TO AN IRON POST, THENCE SOUTH EASTERLY ALONG A STRAIGHT  
LINE MAKING AN ANGLE OF 74 DEGREES AND 3 MINUTES WITH THE SAID  
WEST BOUNDARY 405.5 FEET MORE OR LESS TO AN IRON POST, THENCE  
NORTHERLY AND PARALLEL WITH THE SAID WEST BOUNDARY 90 FEET MORE  
OR LESS TO THE SAID LEFT BANK OF THE CLEAR WATER RIVER, THENCE  
NORTH WESTERLY ALONG THE SAID LEFT BANK AND FOLLOWING THE  
SINUOSITIES THEREOF, TO THE POINT OF COWENCEMENT, CONTAINING  
(0.81 OF AN ACRE) MORE OR LESS, AS SHOWN ON FILED PLAN 1659EU  
(C) ALL THAT PORTION OF PARCEL B AS SHOWN ON FILED PLAN 1551KS  
IN THE SAID QUARTER SECTION, WHICH LIES SOUTH AND EAST OF PARCEL  
(A) AS SHOWN ON FILED PLAN 1659EU AND SOUTH OF THE LEFT BANK OF  
THE CLEAR WATER RIVER AS SHOWN ON SAID PLAN OF SURVEY, THE LAND  
HEREBY DESCRIBED CONTAINING 3.79 ACRES MORE OR LESS

EXCEPTING THEREOUT ALL MINES AND MINERALS

SUBJECT TO THE ENCUMBRANCES, LIENS AND INTERESTS NOTIFIED BY MEMORANDUM UNDER-  
WRITTEN OR ENDORSED HEREON, OR WHICH MAY HEREAFTER BE MADE IN THE REGISTER.

PAGE 2

## CERTIFICATE OF TITLE

TITLE NUMBER: 962 024 349

## ENCUMBRANCES, LIENS &amp; INTERESTS

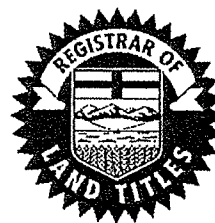
REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
10000P	27/09/1965	UTILITY RIGHT OF WAY GRANTEE - MUNICIPALITY OF WOOD BUFFALO. 9909 FRANKLIN AVE FORT MCMURRAY ALBERTA T9H2K4 (DATA UPDATED BY: CHANGE OF NAME 962025088)
132 365 539	12/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP ATTN: JEAN C VAN DER LEE 400, 604-1 ST SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$738,204
132 379 505	22/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. ATTENTION: JEAN C. VAN DER LEE C/O FIELD LLP 400, 604-1ST STREET SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$281,041
132 385 745	27/11/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP ATT: JEAN C VAN DER LEE 400, 604 - 1 STREET SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$133,048
132 407 802	16/12/2013	BUILDER'S LIEN LIENOR - E.O.S. PIPELINE & FACILITIES INCORPORATED. C/O FIELD LLP 400, 604-1 ST SW CALGARY ALBERTA T2P1M7 AGENT - MARTIN HENDERSON AMOUNT: \$157,375

PAGE 3

CERTIFICATE OF TITLE

TITLE NUMBER: 962 024 349

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF  
THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 16 DAY OF DECEMBER ,2013



\*SUPPLEMENTARY INFORMATION\*

CONSIDERATION: MINISTER'S ORDER  
MUNICIPALITY: REGIONAL MUNICIPALITY OF WOOD BUFFALO (FORT MCMURRAY  
REFERENCE NUMBER:  
1710199  
TOTAL INSTRUMENTS: 005



CERTIFIED COPY OF  
Certificate of Title

LINC                      SHORT LEGAL  
0031 675 003          4:9:89;2;NW

TITLE NUMBER: 062 174 805 +8  
SUBDIVISION PLAN  
DATE: 27/04/2006

AT THE TIME OF THIS CERTIFICATION

HIGHRIDGE DEVELOPMENTS LTD  
OF C/O 200, 14020-128 AVE  
EDMONTON  
ALBERTA T5L 4M8

IS THE OWNER OF AN ESTATE IN FEE SIMPLE  
OF AND IN

MERIDIAN 4 RANGE 9 TOWNSHIP 89  
SECTION 2

ALL THAT PORTION OF THE NORTH WEST QUARTER  
WHICH LIES SOUTH AND WEST OF ROAD PLAN 7922318  
CONTAINING 26.8 HECTARES (66.22 ACRES) MORE OR LESS  
EXCEPTING THEREOUT:

	HECTARES (ACRES) MORE OR LESS
A) PLAN 0621943 SUBDIVISION	2.34      5.78

EXCEPTING THEREOUT ALL MINES AND MINERALS

SUBJECT TO THE ENCUMBRANCES, LIENS AND INTERESTS NOTIFIED BY MEMORANDUM UNDERWRITTEN OR ENDORSED HERON, OR WHICH MAY HEREAFTER BE MADE IN THE REGISTER.

ENCUMBRANCES, LIENS & INTERESTS

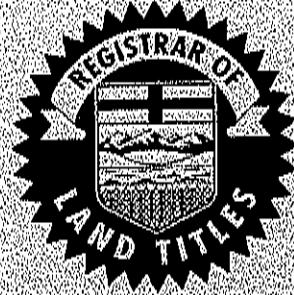
REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
4120KZ	12/07/1956	CAVEAT CAVEATOR - HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA AS REPRESENTED BY MINISTER OF HIGHWAYS
102 333 239	21/09/2010	MORTGAGE MORTGAGEE - UMC FINANCIAL MANAGEMENT INC. 201, 14020-128 AVENUE EDMONTON ALBERTA T5L4M8 ORIGINAL PRINCIPAL AMOUNT - \$600,000
102 333 240	21/09/2010	CAVEAT RE - ASSIGNMENT OF RENTS AND LEASES CAVEATOR - UMC FINANCIAL MANAGEMENT INC. 201, 14020-128 AVENUE EDMONTON ALBERTA T5L4M8 AGENT - BRUCE G NEILL
112 303 733	27/09/2011	CERTIFICATE OF APPROVAL RE UTILITY R/W GRANTEE - REGIONAL MUNICIPALITY OF WOOD BUFFALO AS TO PLAN 1124554



# Certificate of Title

TITLE NUMBER: 062 174 805 48

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 20 DAY OF DECEMBER 2013



**\* SUPPLEMENTARY INFORMATION \***

MUNICIPALITY: REGIONAL MUNICIPALITY OF WOOD BUFFALO (PORT  
MCMURRAY)

REFERENCE NUMBER:

052 202 929

TOTAL INSTRUMENTS: 004

CERTIFIED COPY OF  
NON-PATENT SHEET



S

LINC                      SHORT LEGAL  
0016 655 450            4:9:89:2;SW  
0016 655 467            4:9:89:2;SE

NUMBER: 49892SNP  
DATE: 18/01/1991

AT THE TIME OF THIS CERTIFICATION  
THE FOLLOWING LAND IS UNPATENTED

FIRST

MERIDIAN 4 RANGE 9 TOWNSHIP 89  
SECTION 2  
QUARTER SOUTH WEST

EXCEPTING THEREOUT ALL MINES AND MINERALS

SECOND

MERIDIAN 4 RANGE 9 TOWNSHIP 89  
SECTION 2  
ALL THAT PORTION OF THE SOUTH EAST QUARTER  
LYING NORTH OF CLEARWATER RIVER AS SHOWN ON A PLAN OF SURVEY DATED  
27TH DAY OF FEBRUARY, 1914, CONTAINING 5.02 HECTARES (12.4 ACRES)  
MORE OR LESS

EXCEPTING THEREOUT ALL MINES AND MINERALS

SUBJECT TO THE ENCUMBRANCES, LIENS AND INTERESTS NOTIFIED BY MEMORANDUM UNDER-  
WRITTEN OR ENDORSED HEREON, OR WHICH MAY HEREAFTER BE MADE IN THE REGISTER

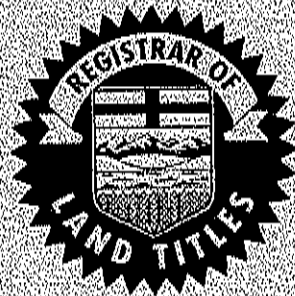
ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
------------------------	--------------	-------------

NO REGISTRATIONS

NOTE: FOR A COMPLETE SEARCH AND VERIFICATION OF  
PROVINCIAL NON-PATENT LANDS, CONTACT THE  
DEPARTMENT OF SUSTAINABLE RESOURCE DEVELOPMENT,  
PUBLIC LANDS DIVISION

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE NON-PATENT SHEET  
REPRESENTED HEREIN THIS 20 DAY OF DECEMBER, 2013





NON-PATENT SHEET

NUMBER: 49892SNI

\*SUPPLEMENTARY INFORMATION\*

MUNICIPALITY: REGIONAL MUNICIPALITY OF WOOD-BUFFALO

TOTAL INSTRUMENTS: 000



CERTIFIED COPY OF  
Certificate of Title

5

LINC                      SHORT LEGAL  
0010 664 613            4,9,89,2,NW

TITLE NUMBER: 962 024 141 +5  
ORDER  
DATE: 29/01/1996

AT THE TIME OF THIS CERTIFICATION

MUNICIPALITY OF WOOD BUFFALO  
OF 9909 FRANKLIN AVE  
FORT McMURRAY  
ALBERTA T9H 2K4

IS THE OWNER OF AN ESTATE IN FEE SIMPLE  
OF AND IN

ALL THAT PORTION OF THE NORTH WEST QUARTER OF SECTION TWO (2)  
TOWNSHIP EIGHTY NINE (89)  
RANGE NINE (9)  
WEST OF THE FOURTH MERIDIAN  
LYING NORTH AND EAST OF ROAD PLAN 792231B AND LYING WEST OF THE  
LEFT BANK OF CLEARWATER RIVER AS SHOWN ON TOWNSHIP PLAN DATED  
27 FEBRUARY 1914, CONTAINING 33.42 HECTARES (82.6 ACRES) MORE OR  
LESS

EXCEPTING THEREOUT: A) 3.78 HECTARES (9.35 ACRES) MORE OR LESS  
AS SHOWN ON RAILWAY PLAN 4345CL  
B) 1.62 HECTARES (4.02 ACRES) MORE OR LESS DESCRIBED AS FOLLOWS:  
COMMENCING AT THE NORTH WEST CORNER OF THE SAID QUARTER SECTION  
THENCE EASTERLY ALONG THE NORTH BOUNDARY OF THE SAID QUARTER  
SECTION TWO HUNDRED AND FIFTY (250) FEET THENCE SOUTHERLY AND  
PARALLEL TO THE WEST BOUNDARY OF THE SAID QUARTER SECTION SEVEN  
HUNDRED (700) FEET THENCE WESTERLY AND PARALLEL TO THE SAID  
NORTH BOUNDARY TO A POINT ON THE SAID WEST BOUNDARY THENCE  
NORTHERLY ALONG THE SAID WEST BOUNDARY TO THE POINT OF COMMENCEMENT.

EXCEPTING THEREOUT ALL MINES AND MINERALS

SUBJECT TO THE ENCUMBRANCES, LIENS AND INTERESTS NOTIFIED BY MEMORANDUM UNDER-  
WRITTEN OR ENDORSED HERON, OR WHICH MAY HEREAFTER BE MADE IN THE REGISTER

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION  
NUMBER

DATE (D/M/Y) PARTICULARS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
4120KZ	12/07/1956	CAVEAT CAVEATOR - HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA AS REPRESENTED BY MINISTER OF HIGHWAYS
1631LE	30/07/1958	UTILITY RIGHT OF WAY GRANTEE - ALBERTA POWER LIMITED, AS TO PORTION OF PLAN: 4845KS *(TAKES PRIORITY DATE OF CAVEAT #5611KU), DATA UPDATED BY TRANSFER OF UTRW #6699SQ"
3262SH	20/04/1971	UTILITY RIGHT OF WAY GRANTEE - ATCO GAS AND PIPELINES LTD.



CERTIFIED COPY OF  
Certificate of Title

PAGE 2

SHORT LEGAL 4,9,89,2,NW  
NAME MUNICIPALITY OF WOOD BUFFALO  
NUMBER 962 024 141 +5

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
		10035-105 ST EDMONTON ALBERTA T5J2V6 AS TO PORTION OF PLAN 4985R5 " (TAKES PRIORITY DATE OF CAVEAT #17358G) DATA UPDATED BY TRANSFER OF UTRW #1304TF" (DATA UPDATED BY TRANSFER OF UTILITY RIGHT OF WAY 012027L75)
822 114 558	25/05/1982	CAVEAT RE : ROADWAY CAVEATOR : CLEARWATER AGGREGATES (2000) LTD. CAVEATOR : CLEARWATER CONCRETE PRODUCTS (2000) LTD.
912 015 337	17/01/1991	CAVEAT RE : SEE CAVEAT CAVEATOR : HUGH BLSH C/O PARLEE MCLAWS 1500 10180-101 ST EDMONTON ALBERTA AGENT : HUGH BLSH

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE  
REPRESENTED HEREIN THIS 20 DAY OF DECEMBER, 2013



\*SUPPLEMENTARY INFORMATION\*

CONSIDERATION: MINISTER'S ORDER  
MUNICIPALITY: REGIONAL MUNICIPALITY OF WOOD BUFFALO (FORT  
MCMURRAY)  
REFERENCE NUMBER:  
902 368 785  
TOTAL INSTRUMENTS: 005



CERTIFIED COPY OF  
Certificate of Title

5

LINC SHORT LEGAL  
0023 654 859 4,9,89,11,SW

TITLE NUMBER: 962 024 349  
ORDER  
DATE: 29/01/1996

AT THE TIME OF THIS CERTIFICATION

MUNICIPALITY OF WOOD BUFFALO  
OF 9909 FRANKLIN AVE  
FORT MCMURRAY  
ALBERTA T9H 2K4

IS THE OWNER OF AN ESTATE IN FEE SIMPLE  
OF AND IN

MERIDIAN 4 RANGE 9 TOWNSHIP 89  
SECTION 11

ALL THAT PORTION OF THE SOUTH WEST QUARTER  
WHICH LIES TO THE SOUTH OF THE LEFT BANK OF THE CLEAR WATER RIVER  
AS SHOWN ON A PLAN OF SURVEY OF THE SAID TOWNSHIP DATED 27 FEBRUARY 1914  
CONTAINING 36 643 HECTARES (90.60 ACRES) MORE OR LESS  
EXCEPTING THEREOUT:

(A) 1.83 ACRES MORE OR LESS TAKEN FOR RIGHT OF WAY AND  
0.39 OF AN ACRE MORE OR LESS TAKEN FOR EXTRA BAND OF THE  
ALBERTA AND GREAT WATERWAYS RAILWAY AS SHOWN ON RAILWAY PLAN 4345CL

(B) ALL THAT PORTION OF THE SAID QUARTER SECTION DESCRIBED  
AS FOLLOWS COMMENCING AT THE POINT OF INTERSECTION OF THE  
LEFT BANK OF THE CLEAR WATER RIVER AS SHOWN ON THE SAID PLAN  
OF SURVEY WITH THE WEST BOUNDARY OF THE SAID QUARTER SECTION,  
THENCE SOUTHERLY ALONG THE SAID WEST BOUNDARY 90 FEET MORE OR  
LESS TO AN IRON POST, THENCE SOUTH EASTERLY ALONG A STRAIGHT  
LINE MAKING AN ANGLE OF 74 DEGREES AND 3 MINUTES WITH THE SAID  
WEST BOUNDARY 405.5 FEET MORE OR LESS TO AN IRON POST, THENCE  
NORTHERLY AND PARALLEL WITH THE SAID WEST BOUNDARY 90 FEET MORE  
OR LESS TO THE SAID LEFT BANK OF THE CLEAR WATER RIVER, THENCE  
NORTH WESTERLY ALONG THE SAID LEFT BANK AND FOLLOWING THE  
SINUOSITIES THEREOF, TO THE POINT OF COMMENCEMENT, CONTAINING

(C) 81 OF AN ACRE) MORE OR LESS, AS SHOWN ON FILED PLAN 1659EU  
(D) ALL THAT PORTION OF PARCEL B AS SHOWN ON FILED PLAN 1651KS  
IN THE SAID QUARTER SECTION, WHICH LIES SOUTH AND EAST OF PARCEL  
(A) AS SHOWN ON FILED PLAN 1659EU AND SOUTH OF THE LEFT BANK OF  
THE CLEAR WATER RIVER AS SHOWN ON SAID PLAN OF SURVEY, THE LAND  
HEREBY DESCRIBED CONTAINING 3.79 ACRES MORE OR LESS

EXCEPTING THEREOUT ALL MINES AND MINERALS

SUBJECT TO THE ENCUMBRANCES, LIENS AND INTERESTS NOTIFIED BY MEMORANDUM UNDER-  
WRITTEN OR ENDORSED HEREOF OR WHICH MAY HEREAFTER BE MADE IN THE REGISTER.

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION  
NUMBER

DATE (D/M/Y) PARTICULARS

10000P 27/09/1965 UTILITY RIGHT OF WAY  
GRANTEE - MUNICIPALITY OF WOOD BUFFALO  
9909 FRANKLIN AVE



CERTIFIED COPY OF  
Certificate of Title

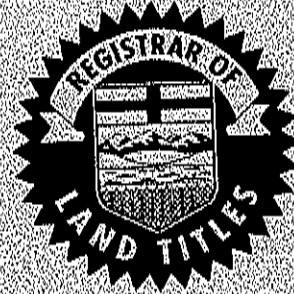
SHORT LEGAL 4;9;89;11;SW  
NAME MUNICIPALITY OF WOOD BUFFALO  
NUMBER 962 024 349

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER DATE (D/M/Y) PARTICULARS

FORT MCMURRAY  
ALBERTA T9H2K4  
(DATA UPDATED BY: CHANGE OF NAME 962023088)

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE  
REPRESENTED HEREIN THIS 20 DAY OF DECEMBER, 2013



\*SUPPLEMENTARY INFORMATION\*

CONSIDERATION: MINISTER'S ORDER  
MUNICIPALITY: REGIONAL MUNICIPALITY OF WOOD BUFFALO (FORT  
MCMURRAY)  
REFERENCE NUMBER:  
1710199  
TOTAL INSTRUMENTS: 001





**BURSTALL WINGEK LLP TRUST**  
 Barristers & Solicitors  
 DOME TOWER  
 1600, 333 - 7 AVENUE S.W.  
 CALGARY, ALBERTA T2P 2Z1

CANADIAN WEST  
 606 - 4th STREET S.W., CALGA

BANK  
 ALBERTA T2P 1T1

018970

DATE 12/23/13  
 M M D D Y Y

PAY \$1,036,801.76

TO THE ORDER OF SPAGUE-ROSSER CONTRACTING CO. LTD.

PER

TRUST ACCOUNT

**NOT-NEGOTIABLE**

⑆018970⑆ ⑆03039⑆030⑆ 010 442⑆978⑆⑆3⑆

018970

DETACH AND RETAIN THIS STATEMENT

BURSTALL WINGEK LLP Trust

DATE	FILE NAME	FILE No.	AMOUNT
Dec. 23/13	Return of excess funds received from RM of Wood Buffalo	37720AJM	\$1,036,801.76

THE ATTACHED CHEQUE IS IN PAYMENT OF ITEMS DESCRIBED ABOVE. IF NOT CORRECT, PLEASE NOTIFY US PROMPTLY.

December 23, 2013	2,335,873.19	
Nason amount****		1,251,663.66
		0.00
Amount to be disbursed	1,084,209.53	0.00
		0.00
Payment of BW accts 37720		18,743.49
Payment of BW accts 35951		28,762.91
Amount to be sent to S-R*		1,036,703.13
		2,335,873.19

\*\*\*\* Must remain in trust.

\* Slightly more because of interest earned.





## Jan Leboeuf

---

**From:** Alan McConnell  
**Sent:** March-28-14 4:12 PM  
**To:** Jan Leboeuf; Kathryn Taylor  
**Subject:** Fw: Sprague Rosser / RMWB  
**Attachments:** Pages from 13-163 copy of cheque.pdf

Ladies, fyi. Can we put this in an interest bearing account on Monday?

---

**From:** Arlan Delisle  
**Sent:** Friday, March 28, 2014 4:02 PM  
**To:** Alan McConnell  
**Subject:** Sprague Rosser / RMWB

Mr. McConnell, I confirm that \$5,015,203.00 will, in the next hour, be deposited into your RBC trust account. This provided to you in trust. The funds are not to be released until:

1. You and I have defined the liens and/or claims that, in accordance with the agreements between Sprague Rosser and the RMWB, are necessarily paid from the funds held in trust before any of it is releasable to your client. At this time we aware of liens or claims of, including but not necessarily limited to, PCL, H. Wilson, E Construction and E.O.S.; and
2. I, or another lawyer acting on behalf of the RMWB, confirm that the condition is satisfied and the funds are releasable.

If this condition is not sufficiently clear, or you are not comfortable holding the funds on this basis, you are to return the funds to the Regional Municipality of Wood Buffalo.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

T 780-743-7075  
C 780-792-9344  
F 780-792-5952  
[arlan.delisle@woodbuffalo.ab.ca](mailto:arlan.delisle@woodbuffalo.ab.ca)  
[www.woodbuffalo.ab.ca](http://www.woodbuffalo.ab.ca)

9909 Franklin Avenue Fort McMurray, AB T9H 2K4

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REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

Payment No.: 1500004956  
Cheque No.: 327109  
Payment Date: 2014/03/27  
Vendor No.: 104699  
Page: 1 of 1

For invoices paid by this cheque please see  
séparate advice note 03/27/2014

Cheque Total..... \$5,015,203.00

THIS CHEQUE CONTAINS A MICROLINE BORDER AND SECURITY FEATURES



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

327109

2014/03/27 327109

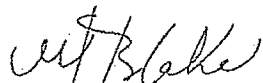
The Royal Bank of Canada  
8540 Manning Avenue  
Fort McMurray, AB T9H 5G2

\$5,015,203.00

\*\*\* FIVE MILLION FIFTEEN THOUSAND TWO HUNDRED THREE CAD and 00 /100  
\*\*\*

Pay to the Order of:

BURSTALL WINGER LLP "IN TRUST"  
333 7TH AVE SW, 1600  
CALGARY AB T2P 2Z1

per   
AUTHORIZED SIGNING OFFICER

per   
AUTHORIZED SIGNING OFFICER

⑈ 3 2 7 1 0 9 ⑈ ⑆ 0 7 4 8 9 ⑆ 0 0 3 ⑆ 1 0 2 ⑆ 7 0 3 ⑆ 6 ⑈



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

BURSTALL WINGER LLP "IN TRUST"  
1600-333 7TH AVE SW  
CALGARY AB T2P 2Z1

Payment advice

Document / Date  
1500004956 / 2014/03/27

Our accounting clerk

Telephone

Fax

Your account with us  
104699

Dear Sir/Madam,

We have settled the following items with check number 327109 (payment 1500004956), subject to the goods and services supplied and the invoice therefore being in order.

Document	Your document	Date	Cash discount	Gross amount
100104081		2014/03/26	0.00	1,619,528.64
100104082		2014/03/26	0.00	3,395,674.36
Sum total			0.00	5,015,203.00

Payment document	Date	Currency	Payment amount
1500004956	2014/03/27	CAD	*****5,015,203.00*



## Jan Leboeuf

---

**From:** Alan McConnell  
**Sent:** April-09-14 3:51 PM  
**To:** Jan Leboeuf  
**Subject:** FW: Correction on PCL QU 2706

Jan, as you can see, we have the OK to release funds from trust to PCL. The amount represents PCL's part of the partial holdback paid on Saline Creek Drive and Bridge project plus GST.  
I will send you PCL's ETF information so that a direct deposit can be arranged.  
Thanks

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
Cell: 403-620-4825  
Fax: 403-266-6016  
E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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---

**From:** Arlan Delisle [Arlan.Delisle@woodbuffalo.ab.ca]  
**Sent:** April 9, 2014 3:33 PM  
**To:** Alan McConnell  
**Subject:** RE: Correction on PCL QU 2706

Hello Mr. McConnell, further to our conversations and my review of the matter I confirm that you are authorized to release \$1,320,147.30 to PCL.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

T 780-743-7075  
C 780-792-9344  
F 780-792-5952  
[arlan.delisle@woodbuffalo.ab.ca](mailto:arlan.delisle@woodbuffalo.ab.ca)  
[www.woodbuffalo.ab.ca](http://www.woodbuffalo.ab.ca)

9909 Franklin Avenue Fort McMurray, AB T9H 2K4

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please: (1) notify me immediately by replying to this message; (2) do not use, disseminate, distribute or reproduce any part of the message or any attachment; and (3) destroy all copies of this message and any attachments.

---

**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Monday, April 07, 2014 3:04 PM

**To:** Arlan Delisle

**Subject:** Correction on PCL

Arlan, Mr. Moskal has advised me that his reconciliation was slightly off. Attached is a revised reconciliation. I am asking for your agreement to release \$1,320,147.30 to PCL.  
Cheers

Alan J. McConnell  
Burstall Winger LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
Fax: 403-266-6016  
E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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**Jan Leboeuf**

---

**From:** Alan McConnell  
**Sent:** April-24-14 3:24 PM  
**To:** Jan Leboeuf  
**Subject:** FW: Corix  
**Attachments:** ELECTRONIC PAYMENT INFORMATION CWP-LP.doc.pdf

Jan, we need to process a payment to Corix of \$199,500.00 from the \$3MM+ in trust. The transfer should read payment of \$190,000.00 plus GST on Saline #3 project.

I will send a separate set of ETF information for a payment to Michels.

Will we be able to process direct deposits tomorrow?

Cheers

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
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---

**From:** Corbin Devlin [[cdevlin@mross.com](mailto:cdevlin@mross.com)]  
**Sent:** April 24, 2014 3:21 PM  
**To:** Matthew Mackay; Alan McConnell  
**Subject:** FW: Corix

Please see below. I trust this is sufficient for the RM to approve the release of funds; let me know if anything more is required.



**Corbin Devlin** | Legal Counsel | direct 780.482.9261 | toll free 1.800.567.9200 | fax 780.733.9737  
**McLennan Ross LLP** | [www.mross.com](http://www.mross.com) | [www.oilsandslaw.com](http://www.oilsandslaw.com) | BIOGRAPHY  
600 West Chambers, 12220 Stony Plain Road, Edmonton, AB T5N 3Y4

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**From:** BELL, RICHARD [<mailto:RICHARD.BELL@blakes.com>]  
**Sent:** Thursday, April 24, 2014 2:44 PM  
**To:** Corbin Devlin  
**Subject:** RE: Corix

Corbin,

I can confirm that Corix consents to the proposed part payment of \$199,500 to Corix and \$2,415,000 to Michels Canada (inclusive of GST) from the lien fund, which payment to Corix will reduce the amount of its claim under the labour and material payment bond and under its builders' lien accordingly. As you indicated, the receipt of this payment by Corix is without prejudice to its rights and entitlement regarding the remainder of its claim and amounts invoiced to Sprague-Rosser. I also undertake, once Corix is paid, to provide you with a letter as per item 1) in your email of April 17, 2014. I assume that this email satisfies the requirements in item 2) of your April 17 email. If you require anything further in that regard, please advise.

I have attached the required wire transfer information for Corix. If you believe that the funds should instead be wired to our firm trust account, you can let me know.

Regards,

Richard D. Bell  
[richard.bell@blakes.com](mailto:richard.bell@blakes.com)  
Dir: (403) 260-9656  
Cell: (403) 472-4212

## Alan McConnell

---

**From:** Corbin Devlin <cdevlin@mross.com>  
**Sent:** April-22-14 11:33 AM  
**To:** richard.bell@blakes.com  
**Subject:** Corix

Richard,

The proposal is to pay Michaels \$2.3M plus GST, and to pay Corix \$190,000, at this time. There are no other payments being made at this time. These funds are presently in trust with Burstall Winger and the RM controls the release of funds. Your consent on behalf of Corix is required before the RM will approve payment. It is intended that these payments will reduce the lien fund in accordance with the Builders' Lien Act; this is the reason Corix's consent is required. I submit there is no apparent prejudice to Corix; the proposed payment to Corix is actually more than Corix's pro rata share based on the lien claim amounts. Reasonably enough, the RM will not release any payment if such payment does not reduce their liability for lien claims; accordingly, without Corix's consent there will be no part payment at this time.

Let me know if you want to discuss this further.

Corbin



Corbin Devlin | Legal Counsel | direct 780.482.9261 | toll free 1.800.567.9200 | fax 780.733.9737  
McLennan Ross LLP | [www.mross.com](http://www.mross.com) | [www.oilsandslaw.com](http://www.oilsandslaw.com) | BIOGRAPHY  
600 West Chambers, 12220 Stony Plain Road, Edmonton, AB T5N 3Y4

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## Alan McConnell

---

**From:** Alan McConnell  
**Sent:** April-22-14 1:44 PM  
**To:** Andrew Simon  
**Subject:** Re: Saline #3 project

Andrew, I did. Hope you did too.

I have been in contact with Corix' counsel and am awaiting the required consent. Hopefully that will happen this afternoon.

Cheers

---

**From:** Andrew Simon  
**Sent:** Tuesday, April 22, 2014 1:38 PM  
**To:** Alan McConnell  
**Subject:** RE: Saline #3 project

Alan,

I hope you had a great Easter holiday!

Any word on this disbursement?

**Andrew Simon** | Associate Legal Counsel

**MICHELS Corporation**

office: 920.583.1461 | cell: 414.336.1731

[asimon@michels.us](mailto:asimon@michels.us) | [www.michels.us](http://www.michels.us)

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**From:** Alan McConnell [mailto:[alanm@burstall.com](mailto:alanm@burstall.com)]  
**Sent:** Thursday, April 17, 2014 4:54 PM  
**To:** Andrew Simon  
**Subject:** Re: Saline #3 project

No, that is the RM's requirement.

It is timing only.

---

**From:** Andrew Simon  
**Sent:** Thursday, April 17, 2014 3:52 PM  
**To:** Alan McConnell  
**Subject:** RE: Saline #3 project

Can't you release our portion without confirmation from Corix?

**Andrew Simon** | Associate Legal Counsel

**MICHELS Corporation**

office: 920.583.1461 | cell: 414.336.1731

[asimon@michels.us](mailto:asimon@michels.us) | [www.michels.us](http://www.michels.us)

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**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Thursday, April 17, 2014 4:34 PM

**To:** Andrew Simon

**Subject:** RE: Saline #3 project

Andrew, I have the RM's agreement to release funds but haven't received written confirmation from Corix. We are closed this Friday and next Monday for Easter. As such, assuming that Corix confirms, I won't be able to make an ETF until next Tuesday earliest.

Cheers

Alan J. McConnell

Burstall Winger Zammit LLP

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Calgary, Alberta

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---

**From:** Alan McConnell

**Sent:** April 15, 2014 4:17 PM

**To:** Andrew Simon

**Subject:** RE: Saline #3 project

Will do.

Alan J. McConnell

Burstall Winger Zammit LLP

1600, 333 - 7th Avenue, S. W.

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---

**From:** Andrew Simon [asimon@michels.us]  
**Sent:** April 15, 2014 4:16 PM  
**To:** Alan McConnell  
**Subject:** RE: Saline #3 project

Ok, please give me a heads-up when you receive consent so I can tell our CA comptroller to watch for the transfer.

**Andrew Simon** | Associate Legal Counsel

**MICHELS Corporation**

office: 920.583.1461 | cell: 414.336.1731

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**From:** Alan McConnell [mailto:[alanm@burstall.com](mailto:alanm@burstall.com)]  
**Sent:** Tuesday, April 15, 2014 5:15 PM  
**To:** Andrew Simon  
**Subject:** RE: Saline #3 project

Andrew, As soon as I receive written confirmation of the consent to release from the other lien claimant's counsel, I will be able to do a direct deposit to the Michels' account based on the information that you sent to me.  
Cheers

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
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E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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---

**From:** Andrew Simon [asimon@michels.us]  
**Sent:** April 15, 2014 4:13 PM  
**To:** Alan McConnell  
**Subject:** RE: Saline #3 project

Ok, I can confirm Michels' consent to reduce our lien by the amount of immediately available funds received. When should I expect the wire transfer?

**Andrew Simon** | Associate Legal Counsel

**MICHELS Corporation**

office: 920.583.1461 | cell: 414.336.1731

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**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Tuesday, April 15, 2014 4:57 PM

**To:** Andrew Simon

**Subject:** RE: Saline #3 project

Andrew, I would be able to release \$2.3MM plus GST or \$2,415,000.00.

Alan J. McConnell

Burstall Winger Zammit LLP

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Calgary, Alberta

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---

**From:** Andrew Simon [[asimon@michels.us](mailto:asimon@michels.us)]

**Sent:** April 15, 2014 3:42 PM

**To:** Alan McConnell

**Subject:** RE: Saline #3 project

Will Michels still receive \$2.4 million + GST?

**Andrew Simon** | Associate Legal Counsel

**MICHELS Corporation**

office: 920.583.1461 | cell: 414.336.1731

[asimon@michels.us](mailto:asimon@michels.us) | [www.michels.us](http://www.michels.us)

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**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Tuesday, April 15, 2014 4:40 PM

**To:** Andrew Simon

**Subject:** RE: Saline #3 project

Andrew, it appears that I may have worked out the "snag". Can you confirm that Michels consents to the release of funds from trust based on the majority of funds being paid to Michels and some of the funds to Corix, the other lien claimant on Saline #3?

Cheers

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
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---

**From:** Alan McConnell  
**Sent:** April 11, 2014 3:20 PM  
**To:** Andrew Simon  
**Subject:** RE: Saline #3 project

Andrew, we have run into a small snag that I am working out. I hope to have the approval by early next week. I will be in touch.  
Cheers

Alan J. McConnell  
Burstall Winger Zammit LLP  
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Calgary, Alberta  
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---

**From:** Andrew Simon [[asimon@michels.us](mailto:asimon@michels.us)]  
**Sent:** April 11, 2014 2:38 PM  
**To:** Alan McConnell  
**Subject:** RE: Saline #3 project

Alan,



Any word on approval for the release of these funds?

**Andrew Simon** | Associate Legal Counsel

**MICHELS Corporation**

office: 920.583.1461 | cell: 414.336.1731

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**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Monday, April 07, 2014 5:03 PM

**To:** Andrew Simon

**Subject:** RE: Saline #3 project

Andrew, thanks, I will email you when I have approval to release funds.

Can you confirm, on behalf of Michels, that the lien that has been filed by Michels will be reduced by any payment that is made?

Cheers

Alan J. McConnell

Burstall Winger Zammit LLP

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---

**From:** Andrew Simon [[asimon@michels.us](mailto:asimon@michels.us)]

**Sent:** April 7, 2014 3:56 PM

**To:** Alan McConnell

**Subject:** RE: Saline #3 project

I understand and appreciate your diligence. Thanks for the updated.

I have attached our EFT instructions. Please give me a heads up when you get approval and will be sending the payment.

Thanks,

**Andrew Simon** | Associate Legal Counsel

**MICHELS Corporation**

office: 920.583.1461 | cell: 414.336.1731  
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**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Monday, April 07, 2014 4:54 PM

**To:** Andrew Simon

**Subject:** RE: Saline #3 project

Andrew, the RM has, without question, been one of the least cooperative owners I have ever run into. The people in the legal department with whom I liaise are great. However, they don't control the purse strings. I will continue to work diligently to get Michels more money as quickly as I can.

Cheers

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
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Direct Line: 403-234-3329  
Main: 403-264-1915  
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Fax: 403-266-6016  
E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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---

**From:** Andrew Simon [[asimon@michels.us](mailto:asimon@michels.us)]

**Sent:** April 7, 2014 3:45 PM

**To:** Alan McConnell

**Subject:** RE: Saline #3 project

Thanks for the update. I will get the direct deposit information. Please give me an update when you receive approval.

Any word on the remaining balance?

**Andrew Simon** | Associate Legal Counsel

**MICHELS Corporation**

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**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Monday, April 07, 2014 4:28 PM

**To:** Andrew Simon

**Subject:** Saline #3 project

Andrew, I confirm receipt of your voicemail of earlier today.

Finally, I have some progress to report. The RM has paid some of the outstanding monies into my firm's trust account. Unfortunately, it did so on trust conditions that I obtain consent from the RM's legal department before funds may be paid out of trust.

I have sought approval from the RM's legal department to release \$2.4MM plus GST to Michels on the basis that Michels would confirm that its lien is reduced by that amount.

Hopefully, I will hear back very soon on this request. Let me be optimistic and ask for banking details so that a direct deposit can be made to Michels' account when approval is received.

Cheers

Alan J. McConnell

Burstall Winger LLP

1600, 333 - 7th Avenue, S. W.

Calgary, Alberta

T2P 2Z1

Direct Line: 403-234-3329

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## Alan McConnell

---

**From:** Alan McConnell  
**Sent:** April-24-14 3:22 PM  
**To:** Corbin Devlin; Matthew Mackay  
**Subject:** RE: Corix

Corbin, yes that does it.  
Cheers

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
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**From:** Corbin Devlin [[cdevlin@mross.com](mailto:cdevlin@mross.com)]  
**Sent:** April 24, 2014 3:21 PM  
**To:** Matthew Mackay; Alan McConnell  
**Subject:** FW: Corix

Please see below. I trust this is sufficient for the RM to approve the release of funds; let me know if anything more is required.



**Corbin Devlin** | Legal Counsel | direct 780.482.9261 | toll free 1.800.567.9200 | fax 780.733.9737  
**McLennan Ross LLP** | [www.mross.com](http://www.mross.com) | [www.oilsandslaw.com](http://www.oilsandslaw.com) | BIOGRAPHY  
600 West Chambers, 12220 Stony Plain Road, Edmonton, AB T5N 3Y4

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**From:** BELL, RICHARD [<mailto:RICHARD.BELL@blakes.com>]  
**Sent:** Thursday, April 24, 2014 2:44 PM  
**To:** Corbin Devlin  
**Subject:** RE: Corix

Corbin,

I can confirm that Corix consents to the proposed part payment of \$199,500 to Corix and \$2,415,000 to Michels Canada (inclusive of GST) from the lien fund, which payment to Corix will reduce the amount of its claim under the labour and material payment bond and under its builders' lien accordingly. As you indicated, the receipt of this payment by Corix is without prejudice to its rights and entitlement regarding the remainder of its claim and amounts invoiced to Sprague-Rosser. I also undertake, once Corix is paid, to provide you with a letter as per item 1) in your email of April 17, 2014. I

assume that this email satisfies the requirements in item 2) of your April 17 email. If you require anything further in that regard, please advise.

I have attached the required wire transfer information for Corix. If you believe that the funds should instead be wired to our firm trust account, you can let me know.

Regards,

Richard D. Bell

[richard.bell@blakes.com](mailto:richard.bell@blakes.com)

Dir: (403) 260-9656

Cell: (403) 472-4212



## Alan McConnell

---

**From:** Alan McConnell  
**Sent:** May-23-14 11:22 AM  
**To:** Jeff Jessamine (jeff@sprague-rosser.com); mmackay@sprague-rosser.com  
**Subject:** Michels

Gents, just an fyi that Arlan approved the release of \$700K to Michels in our call yesterday. That amount was deposited to Michels account earlier today.

Cheers

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
Cell: 403-620-4825  
Fax: 403-266-6016  
E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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# BURSTALL WINGER LLP TRUST

Barristers & Solicitors

DOME TOWER

1600, 333 - 7 AVENUE S.W.  
CALGARY, ALBERTA T2P-2Z1

ROYAL BANK OF CANADA  
MAIN BRANCH  
339 - 8th AVE. S.W., CALGARY, AB T2P 1C4

008363

DATE 0 5 2 3 2 0 1 4  
M M D D Y Y Y Y

PAY

\$ 700,000.00

TO  
THE  
ORDER  
OF

ROYAL BANK OF CANADA

TRUST ACCOUNT

**NOT-NEGOTIABLE**

PER

⑈008363⑈ ⑆000090003⑆

1180331100⑈

008363

DETACH AND RETAIN THIS STATEMENT

BURSTALL WINGER LLP Trust

DATE	FILE NAME	FILE No.	AMOUNT
May 23/14	Payment of Partial Amount of Lien Claim	37720AJM	\$700,000.00

THE ATTACHED CHEQUE IS IN PAYMENT OF ITEMS DESCRIBED ABOVE. IF NOT CORRECT, PLEASE NOTIFY US PROMPTLY.



BURSTALL WINGER ZAMMIT LLP  
1600, 333 - 7th Avenue, S. W.  
CALGARY, ALBERTA, AB  
T2P 2Z1

Receipt # :06102014

Reference: AJM

## Receipt of Payment - Trust

06/10/2014

**\$4,342,007.88**

Amount: *FOUR MILLION THREE HUNDRED FORTY TWO THOUSAND SEVEN dollars & EIGHTY EIGHT cents*

From: Direct Deposit by Regional Municipality of  
Wood Buffalo of Cheque Number 328461  
Drawn on the Royal Bank of Canada 8540  
Manning Avneue Fort McMurray, Alberta  
Funds Payable to Sprague-Rosser on Saline  
Creek Drive and Bridfge Project and  
Abasands Project

Client No: **37720000**

RE: General

Into Account: Regular Trust - Royal Bank

Client Name: ***SPRAGUE-ROSSER CONTRACTING CO. LTD.***

1259 - 91st Street, S. W.

2nd Floor

Edmonton

T6X 1E9

Payment Type: Direct Deposit

Signature

---



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

Payment No.: 1500000135  
Cheque No.: 328461  
Payment Date.: 2014.06.09  
Vendor No.: 201364  
Page: 1 of 1

For invoices paid by this cheque please see  
separate advice note 2014.06.09

Cheque Total ..... \$ 4,342,007.88

THIS CHEQUE CONTAINS A MICROLINE BORDER AND SECURITY FEATURES



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

Royal Bank Of Canada  
8540 Manning Avenue  
Fort McMurray, AB T9H 5G2

328461

2014.06.09 328461

\$ 4,342,007.88

\*\*\* FOUR MILLION THREE HUNDRED FORTY-TWO THOUSAND SEVEN CAD and 88 / 100 \*\*\*

Pay to the Order of:

BURSTALL WINGER LLP "IN TRUST"  
333 7TH AVE SW, 1600  
CALGARY AB T2P 2Z1

per   
AUTHORIZED SIGNING OFFICER

per   
AUTHORIZED SIGNING OFFICER

⑈ 3 2846 6 ⑈ ⑆ 07489 ⑈ 0031 ⑆ 602 ⑈ 703 ⑈ 6 ⑈

## Jan Leboeuf

---

**From:** Alan McConnell  
**Sent:** June-10-14 9:55 AM  
**To:** Jan Leboeuf; Kathryn Taylor  
**Subject:** FW: Scan from C550  
**Attachments:** SKMBT\_C55014061009490.pdf

Folks, this cheque will be direct deposited to RBC Trust. It should stay in a separate trust as funds payable to Sprague-Rosser on Saline Creek Drive and Bridge project and Abasands project.

Thanks

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
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E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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---

**From:** Arlan Delisle [[Arlan.Delisle@woodbuffalo.ab.ca](mailto:Arlan.Delisle@woodbuffalo.ab.ca)]  
**Sent:** June 10, 2014 9:53 AM  
**To:** Alan McConnell  
**Subject:** FW: Scan from C550

Further to my email of a moment ago, copy of the cheque is attached.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo

T 780-743-7075  
C 780-792-9344  
F 780-792-5952  
[arlan.delisle@woodbuffalo.ab.ca](mailto:arlan.delisle@woodbuffalo.ab.ca)  
[www.woodbuffalo.ab.ca](http://www.woodbuffalo.ab.ca)  
9909 Franklin Avenue Fort McMurray, AB T9H 2K4

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-----Original Message-----

**From:** [minolta@woodbuffalo.ab.ca](mailto:minolta@woodbuffalo.ab.ca) [<mailto:minolta@woodbuffalo.ab.ca>]  
**Sent:** Tuesday, June 10, 2014 3:49 AM  
**To:** Arlan Delisle  
**Subject:** Scan from C550

Scan from C550 DO NOT REPLY

TIME RECEIVED  
2 September, 2014 2:31:58 PM MDT

FAX NUMBER

DURATION  
97

PAGES  
6

STATUS  
Received

RMRF LLP

Fax 7804293044

Sep 2 2014 02:13pm P001/006

**RMRF**

Reynolds Mirth Richards & Famar LLP

BARRISTERS SOLICITORS

WRITER'S E-MAIL jstaitinger@rmrf.com

WRITER'S DIRECT PHONE (780) 497-3317

YOUR FILE

OUR FILE

78605-126-JDT

September 2, 2014

Via Fax: 403-260-3501

**McCarthy Tetrault**  
Suite 4000, 421 7th Avenue SW  
Calgary Alberta  
T2P 4K9

**Attention: Sean Collins**

Dear Sir:

**Re: Regional Municipality of Wood Buffalo and Sprague-Rosser Contracting Co. Ltd.**

We are counsel for the Regional Municipality of Wood Buffalo (the "RM") with respect to issues relating to Sprague Rosser Contracting Ltd. ("Sprague") and have been asked to respond on behalf of the RM to Alvarez & Marsal Canada Inc.'s (the "Receiver") August 7, 2014 letter.

The RM had three separate contracts with Sprague, identified as:

1. QU2576 Abasands Heights Urban Infrastructure Rehabilitation ("Abasands");
2. QU2845 Saline Creek #3 ("Saline #3"); and
3. Saline Creek Bridge & Road ("Saline Bridge").

I have been advised that the current information for each of the above-mentioned contracts is as follows:

Abasands

Abasands has been fully paid. The last approved progress payment was PPC No. 22 which was paid on December 31, 2013. The Holdback in the sum of \$537,570.31 was forwarded to Burstall Winger Zanmit, Sprague's counsel on June 10, 2014 and authorized for release to Sprague shortly thereafter.

Page 2  
September 2, 2014



### Saline #3

Saline #3 has been fully paid with the exception of the holdback of \$222,521.88. The holdback has not been paid as liens have been filed against the project by Sprague subcontractors which remain on title. The last approved progress payment was PPC No. 11 which was paid on March 26, 2014.

### Saline Bridge

There remain amounts payable on the Saline Bridge contract. On June 10, 2014 the sum of \$3,804,507.58 was forwarded, in trust, to Alan McConnell of Burstall Winger Zammit for the Saline Bridge contract. Attached as Appendix "A" to this letter is a copy of the email which outlines the trust conditions (the "Trust Conditions") that the funds were forwarded under. Attached as Appendix "B" to this letter is a spreadsheet prepared by the RM which describes how the funds were allocated to each of the outstanding Sprague invoices. You will note that included in this spreadsheet is the \$537,570.31 Holdback on the Abasands project (which, as indicated above, has been paid), which brings the total amount forwarded to Burstall Winger Zammitt on June 10, 2014 to \$4,342,007.88. On July 24, 2014 a further \$486,904.48 was forwarded to Burstall Winger Zammitt on the trust condition that the funds not be released until our office had received a Certified Copy of Title evidencing discharge of the lien registered against the project by Sprague's subcontractor. This trust condition was never fulfilled.

It should be noted that on June 24, 2014 the RM became concerned that the Trust Conditions could not be met by Sprague and requested return of the funds forwarded on June 10, 2014. Burstall Winger Zammitt declined to return the funds, a decision with which the RM disagrees. In total, we understand that there is currently \$4,291,412.06 in Burstall Winger Zammitt's trust account. It is the RM's position that this is the total amount remaining unpaid under the Saline Bridge contract.

The RM is aware that Sprague has claimed that significant additional funds are owing under the three contracts. The position of the RM is that the contracts were properly terminated and Sprague has been paid what it is owed for work properly performed and invoiced and that the contracts simply cannot be reasonably interpreted to support Sprague's claim for the additional amounts claimed. I am advised that the RM's consultants have reviewed Sprague's invoices and it has been determined that no further funds are payable.



Page 3  
September 2, 2014



If you have any questions regarding any of the foregoing, please let me know.

Yours truly,

**REYNOLDS, MIRTH, RICHARDS & FARMER LLP**

PER:

  
JEREMY TAITINGER

JDT/cam

Encl.

- cc: Burstall Winger Zammit LLP  
Attention: Alan McConnell  
Via Fax: (403) 266-6016
- cc: Border Ladner Gervais  
Attention: Chris O'Connor  
Via Fax: (604) 687-1415
- cc: Regional Municipality of Wood Buffalo  
Attention: Mr. Arlan Delisle

1293537

## Appendix "A"

**Jeremy Taitinger**

---

**From:** Arlan Delisle <Arlan.Delisle@woodbuffalo.ab.ca>  
**Sent:** Tuesday, June 10, 2014 9:52 AM  
**To:** 'alanm@burstall.com'  
**Subject:** FW: RE: Sprague Cheque

I have a cheque now for \$4,342,007.88 and will shortly be depositing it into you RBC trust account. This provided to you in trust. The funds are not to be released until:

1. You and I have defined the liens and/or claims that, in accordance with the agreements between Sprague Rosser and the RMWB, are necessarily paid from the funds held in trust before any of it is releasable to your client. At this time we aware of liens or claims of, including but not necessarily limited to: Jatec Electric, PCL, H. Wilson, E Construction and E.O.S.; and
2. I, or another lawyer acting on behalf of the RMWB, confirm that the condition is satisfied and the funds are releasable.

If this condition is not sufficiently clear, or you are not comfortable holding the funds on this basis, you are to return the funds to the Regional Municipality of Wood Buffalo.

I will forward by way of another email a breakdown of which projects this amount is attributable to and which invoices remain to be dealt with.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

T 780-743-7075  
C 780-792-9344  
F 780-792-5952  
[arlan.delisle@woodbuffalo.ab.ca](mailto:arlan.delisle@woodbuffalo.ab.ca)  
[www.woodbuffalo.ab.ca](http://www.woodbuffalo.ab.ca)  
9909 Frankiin Avenue Fort McMurray, AB T9H 2K4

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**From:** Lisa Romaine  
**Sent:** Tuesday, June 10, 2014 9:35 AM  
**To:** Arlan Delisle  
**Subject:** RE: Sprague Cheque

Hi Arlan,

I put the cheque on your chair while you were in David's office.

Thanks  
Lisa

Appendix "B"

<u>Sprague Rosser Invoice No.</u>	<u>EQ No.</u>	<u>Project Description</u>	<u>Invoice Description</u>	<u>Sprague Rosser Inv. Amount, w/ GST</u>	<u>RMRF's Approved Amount NGSI</u>	<u>RMRF's Approved Amount GST</u>
211005-7241	45D0003303	QU2576 Abasand Heights	Holdback Release	\$ 537,570.31	\$ 511,971.72	\$ 537,570.31
212005-7328	45D0005686	QU27D6 Saline Creek & Drive	Holdback Release	\$ 2,577,120.86	\$ 2,454,400.82	\$ 2,577,120.86
212005-7234	45D0005686	QU27D6 Saline Creek & Drive	PPC#21	\$ 771,540.00	\$ 734,800.00	\$ 771,540.00
212005-7319	45D0005686	QU27D6 Saline Creek & Drive	PPC#22	\$ 179,634.75	\$ 179,634.75	\$ 188,616.49
212005-7321	45D0005686	QU27D6 Saline Creek & Drive	PPC#24	\$ 147,963.20	\$ 99,223.74	\$ 104,184.93
212005-7238	45D0005686	QU27D6 Saline Creek & Drive	PPC#25	\$ 494,043.60	\$ -	\$ -
212005-7239	45D0005686	QU27D6 Saline Creek & Drive	PPC#26	\$ 635,319.67	\$ -	\$ -
212005-7323	45D0005686	QU27D6 Saline Creek & Drive	PPC#27	\$ 16,611.49	\$ 13,439.34	\$ 14,111.31
212005-7249	45D0005686	QU27D6 Saline Creek & Drive	PPC#28	\$ 582,920.10	\$ -	\$ -
212005-7325	45D0005686	QU27D6 Saline Creek & Drive	PPC#29	\$ 169,149.47	\$ 103,629.98	\$ 108,811.48
212005-7327	45D0005686	QU27D6 Saline Creek & Drive	PPC#30	\$ 38,145.25	\$ 38,145.25	\$ 40,052.51
				<u>\$ 6,150,018.69</u>	<u>\$ 4,135,245.64</u>	<u>\$ 4,342,007.88</u>



## Alan McConnell

---

**From:** Arlan Delisle <Arlan.Delisle@woodbuffalo.ab.ca>  
**Sent:** June-24-14 3:33 PM  
**To:** Alan McConnell  
**Subject:** RE: Sprague Rosser / RMWB - QU2576 Abasand Heights  
**Attachments:** Letter re QU2576 June 24 2014.pdf

See attached re QU2576 Abasand Heights.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

T 780-743-7075  
C 780-792-9344  
F 780-792-5952  
[arlan.delisle@woodbuffalo.ab.ca](mailto:arlan.delisle@woodbuffalo.ab.ca)  
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9909 Franklin Avenue Fort McMurray, AB T9H 2K4

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---

**From:** Alan McConnell [<mailto:alanm@burstall.com>]  
**Sent:** Tuesday, June 24, 2014 12:14 PM  
**To:** Arlan Delisle  
**Subject:** RE: Sprague Rosser / RMWB - QU2706 Saline Creek Drive and Bridge

Arlan, on Abasands, I assume that you would not have any issue with the funds being released to H. Wilson. Please confirm.  
Will I hear from you with respect to further payments and the time and materials submissions?  
Cheers

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
Cell: 403-620-4825  
Fax: 403-266-6016  
E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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---

**From:** Arlan Delisle [Arlan.Delisle@woodbuffalo.ab.ca]  
**Sent:** June 24, 2014 11:57 AM  
**To:** Alan McConnell  
**Subject:** Sprague Rosser / RMWB - QU2706 Saline Creek Drive and Bridge

See the attached in relation to QU 2706.

Arlan Delisle  
Senior Legal Counsel  
Legal Services Department  
Regional Municipality of Wood Buffalo



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

T 780-743-7075  
C 780-792-9344  
F 780-792-5952

[arlan.delisle@woodbuffalo.ab.ca](mailto:arlan.delisle@woodbuffalo.ab.ca)

[www.woodbuffalo.ab.ca](http://www.woodbuffalo.ab.ca)

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REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

Burstall Winger LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1

Attention: Alan J. McConnell

Dear Sir,

Re: Sprague Rosser / RMWB – QU2576 Abasand Heights

---

Regarding QU2576:

1. On June 10, 2014 \$4,342,007.88 was deposited into your firm's RBC trust account on trust conditions;
2. \$511,971.72 plus GST (for a total of \$537,570.31) of the deposited amount relates to QU2576 Abasand Heights;
3. Pursuant to your email dated June 26, 2014 12:14 PM, you propose releasing funds, relating to QU2576 Abasand Heights, to H. Wilson Industries Ltd.;

The trust condition relating to \$537,570.31, paid on QU2576 Abasand Heights, is hereby lifted on your undertaking to pay \$537,570.31 to H. Wilson Industries Ltd.

I am advised there is nothing further outstanding on QU2576 Abasand Heights and it is considered closed.

Yours Truly,

Arlan Delisle  
Senior Legal Counsel  
Regional Municipality of Wood Buffalo



**Alan McConnell**

---

**From:** Troy Moskal <tmoskal@sprague-rosser.com>  
**Sent:** July-24-14 11:51 AM  
**To:** Alan McConnell  
**Subject:** RE: H Wilson v Sprague

Ok, I thought that may have been the case, this makes much more sense.

**Troy Moskal | Manager, Contract Compliance**



---

**From:** Alan McConnell [mailto:alanm@burstall.com]  
**Sent:** Thursday, July 24, 2014 11:44 AM  
**To:** Troy Moskal  
**Subject:** FW: H Wilson v Sprague

Troy, sorry, I totally missed your question. Read "Wilson" as "Wilco".  
On Wilson, the RM paid the amount below as the holdback on Abasand. It is the RM's number.

Cheers

Alan J. McConnell

Burstall Winger Zammit LLP

1600, 333 - 7th Avenue, S. W.

Calgary, Alberta

T2P 2Z1

Direct Line: 403-234-3329

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---

**From:** Alan McConnell  
**Sent:** June 26, 2014 9:05 AM  
**To:** Kelly Hannan  
**Subject:** RE: H Wilson v Sprague

Kelly, I will ask my assistant to arrange for a direct deposit to BDP's trust account. It should be there tomorrow at the latest.

Cheers

Alan J. McConnell

Burstall Winger Zammit LLP

1600, 333 - 7th Avenue, S. W.

Calgary, Alberta  
T2P 2Z1  
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Main: 403-264-1915  
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E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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---

**From:** Kelly Hannan [khannan@bdplaw.com]  
**Sent:** June 26, 2014 8:55 AM  
**To:** Alan McConnell  
**Subject:** RE: H Wilson v Sprague

Yes, those funds would be received in diminution of any claim that my clients have under the L&M bond – for clarity, the \$537,570.31 payment will reduce the settlement amount set out in the general release such that the remaining balance owing will be \$661,849.65. No need for Sprague Rouser to file a defence in QB Action No. 1401-06359 at this time.

kh

---

**From:** Alan McConnell [mailto:alanm@burstall.com]  
**Sent:** Wednesday, June 25, 2014 5:36 PM  
**To:** Kelly Hannan  
**Subject:** RE: H Wilson v Sprague

Kelly, I am out of town this week but got your voicemail.  
I have finally secured approval from the RM to pay the amount of \$537,570.31 to your client. I am continuing to work on the RM on payment of the remaining amount. That might take a little longer since it is being very difficult.  
Please confirm that if I deposit that amount to your firm's trust account, you will send me a note confirming that it is received in diminution of any claim under the L&M bond.  
Cheers

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
Cell: 403-620-4825  
Fax: 403-266-6016  
E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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**From:** Alan McConnell  
**Sent:** June 18, 2014 6:10 PM  
**To:** Kelly Hannan  
**Subject:** Re: H Wilson v Sprague

Kelly, the usual delays due to the RM. Trying to assist the constipated dog. Hopefully tomorrow.  
Cheers

---

**From:** Kelly Hannan  
**Sent:** Wednesday, June 18, 2014 6:08 PM  
**To:** Alan McConnell  
**Subject:** Re: H Wilson v Sprague

Any update on this Alan? I have the signed release and just waiting on funds before discontinuing and notifying the surety.

> On Jun 13, 2014, at 8:45 AM, "Alan McConnell" <[alanm@burstall.com](mailto:alanm@burstall.com)> wrote:

>

> "Without Prejudice"

> Kelly, the RMWB finally came through with the promised funds.

> My client is proposing to pay H. Wilson its full principal claim in consideration of the execution of the attached Release and the Discontinuance of its Action, without costs.

> The RM has imposed trust conditions on my firm which require the RM's "approval" to any payment. I have sought and am awaiting that approval.

> Can you confirm that H. Wilson will resolve matters on this basis. If so, please send me your firm's ETF information so that I can be ready to make a direct deposit. Alternatively, I can send a trust cheque.

> Cheers

> Alan J. McConnell

> Burstall Winger Zammit LLP

> 1600, 333 - 7th Avenue, S. W.

> Calgary, Alberta

> T2P 2Z1

> Direct Line: 403-234-3329

> Main: 403-264-1915

> Cell: 403-620-4825

> Fax: 403-266-6016

> E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

>

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>

>

>

---

> From: Alan McConnell  
> Sent: June 10, 2014 11:17 AM  
> To: Kelly Hannan  
> Subject: RE: H Wilson v Sprague

>

> Kelly, the RMWB advised me a short time earlier that it is processing a payment to my trust account. That includes monies for Abasands. Once I have the reconciliation of what exactly is being paid, I can determine what can be paid to H. Wilson.

> In light of this, I suggest that you hold off filing for the moment.

> Cheers

> Alan J. McConnell

> Burstall Winger Zammit LLP

> 1600, 333 - 7th Avenue, S. W.

> Calgary, Alberta

> T2P 2Z1

> Direct Line: 403-234-3329

> Main: 403-264-1915

> Cell: 403-620-4825

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>

>

>

---

> From: Kelly Hannan [khannan@bdplaw.com]

> Sent: June 10, 2014 11:13 AM

> To: Alan McConnell

> Subject: RE: H Wilson v Sprague

>

> Thanks Alan. The claim is being filed today. I see from the corporate search that your firm is not the registered office (FMC/Dentons in Edmonton is) - can you let me know if you will accept service?

>

> -----Original Message-----

> From: Alan McConnell [mailto:[alanm@burstall.com](mailto:alanm@burstall.com)]

> Sent: Monday, June 09, 2014 4:32 PM

> To: Kelly Hannan

> Subject: RE: H Wilson v Sprague

>

> Kelly, I am not sure the source of your information. RMWB has been saying it will pay funds for about 2 weeks but hasn't actually done so. I communicated with Arlan Delisle, Senior Legal Counsel with the RM, this afternoon. He said funds were coming. I asked when. He said "soon".

> That story is getting a bit old since promises have been made and not kept.

> As I said before, as soon as I receive funds on Abasands, H. Wilson will get them in turn.

> Cheers

> Alan J. McConnell

> Burstall Winger Zammit LLP

> 1600, 333 - 7th Avenue, S. W.

> Calgary, Alberta

> T2P 2Z1

> Direct Line: 403-234-3329

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>

>

>

---

> From: Kelly Hannan [khannan@bdplaw.com]

> Sent: June 9, 2014 4:27 PM

> To: Alan McConnell

> Subject: H Wilson v Sprague

>

> Alan

>

> I understand that the RM paid funds to Sprague last Friday. I'm speaking with my clients tomorrow morning about filing the claim

we drafted. I'm hoping that before that call you might be able to tell me where things stand on your end with respect to getting my clients paid?

>

> Thanks,

> Kh

>

>

>

>

>

> <GENERAL RELEASE Wilson - Abasand (1).doc>



COURT FILE NO. 1301 14513

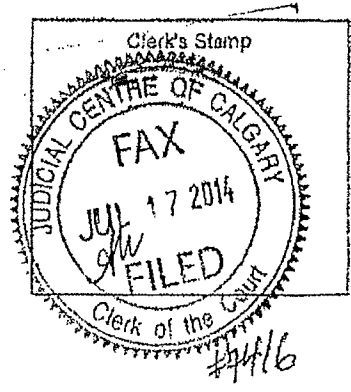
COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT SPRAGUE-ROSSER CONTRACTING CO. LTD.

RESPONDENT NASON CONTRACTING GROUP LTD.

DOCUMENT CONSENT ORDER



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Bryan A. Kwan  
 Barrister & Solicitor  
 Phone: 780.441.4320  
 Fax 780.428.9883

File #248-182834  
**DUNCAN CRAIG LLP**  
 LAWYERS MEDIATORS  
 2800 Scollie Place  
 10080 Jasper Avenue  
 Edmonton, Alberta Canada T5J 3V9

DATE ON WHICH ORDER WAS PRONOUNCED: *July 17 2014*

LOCATION OF HEARING: *Edmonton, Alberta*

NAME OF MASTER WHO MADE THIS ORDER: *Master S.L. Schultz*

UPON THE APPLICATION of Nason Contracting Group Ltd. ("Nason"); AND UPON noting consent of counsel for Sprague-Rosser Contracting Co. Ltd. ("Sprague"); IT IS HEREBY ORDERED THAT:

1. The amount of \$794,751.10 currently held in the trust account of Burstall Winger LLP pursuant to the order of the Honourable Master J.L. Mason dated December 10, 2013 shall be released to Nason c/o Duncan Craig LLP forthwith.
2. Nason's claim in relation to the builders' lien registered at the Northern Alberta Land Registration District on November 30, 2013 is reduced by the amount of \$794,751.10 upon receipt of the payment referenced in paragraph 1 of this Consent Order.
3. The amount of \$375,028.09 plus interest and costs remains disputed (the "Disputed Amount") and is the subject of the within action.

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Duncan Craig LLP

Duncan Craig LLP

- 2 -

4. The Disputed Amount plus \$32,000 for costs shall continue to be held in the trust account of Burstall Winger LLP and shall not be disbursed without the consent of the parties or further Court Order.
5. Section 22.2 of the subcontract between the parties is inapplicable to the Disputed Amount.
6. The claim in relation to the Disputed Amount will proceed by way of arbitration in accordance with the Rules for Mediation and Arbitration of Construction Disputes as provided in CCDC 40. The following timelines will be binding on both parties unless otherwise agreed:
  - (a) Sprague shall provide written notice to Nason in accordance with clause 6.1 of CCDC 40 submitting its dispute to arbitration on or before July 21, 2014;
  - (b) The arbitration will be deemed to commence pursuant to clause 7.1 of CCDC 40 the earlier of the date Nason receives the notice referenced in subparagraph (a) herein or on July 21, 2014;
  - (c) The arbitration will be conducted before a single arbitrator in compliance with clause 8.1 of CCDC 40 who will be appointed no later than 30 days after the arbitration commences;
  - (d) Within 5 days of being appointed, the single arbitrator shall convene a procedural meeting of the parties to reach consensus, if possible, and to make orders, if necessary, on the items listed in clause 9.1 of CCDC 40;
  - (e) At the procedural meeting, the parties and the single arbitrator shall schedule the oral hearing of the arbitration which must occur prior to November 28, 2014 pending the arbitrator's schedule;
  - (f) Sprague shall give a statement outlining the facts, the matters in issue and the relief for remedy requested not later than 14 days after the procedural meeting in subparagraph (e) herein is held;
  - (g) Nason shall give a statement outlining the response to Sprague's statement and Nason's counterclaim, if any, not later than 14 days after receiving Sprague's statement referenced in subparagraph (f) herein;
  - (h) Sprague shall give a statement outlining the defence to the counterclaim, if any, not later than 14 days after receiving the counterclaim;
  - (i) Not later than 21 days before an oral hearing of this matter, each party shall give the other party the name and address of any witness and a written summary of the witnesses evidence and in the case of an expert witness, a written statement of a report prepared by the expert witness pursuant to clause 12.4 of CCDC 40; and
  - (j) Not later than 30 days before the oral hearing commences, each party shall give to the other party and the arbitrator an assembly of all documents to be introduced at the hearing pursuant to clause 12.5 of CCDC 40.

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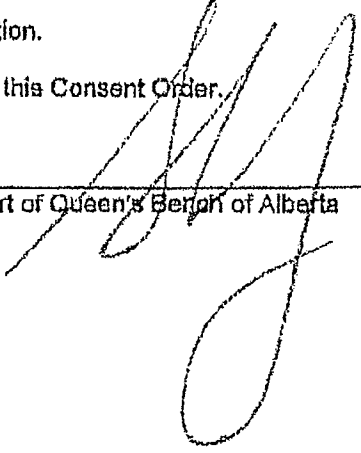
Duncan Craig LLP

Duncan Craig LLP



- 3 -

7. The rules for arbitration of CCDC 2 construction disputes contained in CCDC 40 apply except to the extent that they conflict with this Order, in which case this Order governs.
8. Sprague irrevocably waives its right to opt out of arbitration pursuant to clause 22.2.4 of the subcontract between the parties dated December 10, 2012.
9. The action is stayed pending the completion of the arbitration.
10. Each party shall bear its own costs in relation to obtaining this Consent Order.

  
\_\_\_\_\_  
Master of the Court of Queen's Bench of Alberta

CONSENTED TO BY:

BURSTALL WINGER LLP

Per: 

\_\_\_\_\_  
ALAN J. McCONNELL  
Counsel for the Applicant,  
Sprague-Rosser Contracting Co. Ltd.

Error! Unknown document property name.

Duncan Craig LLP

Duncan Craig LLP



BURSTALL WINGER ZAMMIT LLP  
1600, 333 - 7th Avenue, S. W.  
CALGARY, ALBERTA, AB  
T2P 2Z1

Receipt # :07242014

Reference: AJM

## Receipt of Payment - Trust

07/24/2014

**\$486,904.48**

Amount: *FOUR HUNDRED EIGHTY SIX THOUSAND NINE HUNDRED FOUR dollars & FORTY EIGHT cents*

From: Direct deposit from Reynolds Mirth  
Richards & Farmer LLP Payment of funds  
by Regional Municipality of Wood Buffalo  
on Saling Creek Drive and Bridge Project

Client No: **37720000**

RE: General

Into Account: Regular Trust - Royal Bank

Client Name: ***SPRAGUE-ROSSER CONTRACTING CO. LTD.***

1259 - 91st Street, S. W.

2nd Floor

Edmonton

T6X 1E9

Payment Type: Direct Deposit

Signature

---

## Alan McConnell

---

**From:** Jeremy Taitinger <JTaitinger@rmrf.com>  
**Sent:** July-04-14 9:15 AM  
**To:** Alan McConnell  
**Subject:** RE: Rural Municipality of Wood Buffalo

Yes.

I am available until noon.

Jeremy Taitinger | Partner  
Reynolds Mirth Richards & Farmer LLP  
3200 Manulife Place | 10180 - 101 Street | Edmonton AB Canada T5J 3W8  
Direct: 780.497.3317 | Fax: 780.429.3044 | Toll Free: 1.800.661.7673 [jtaitinger@rmrf.com](mailto:jtaitinger@rmrf.com) | [www.rmrf.com](http://www.rmrf.com)

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-----Original Message-----

**From:** Alan McConnell [<mailto:alanm@burstall.com>]  
**Sent:** Friday, July 04, 2014 9:14 AM  
**To:** Jeremy Taitinger  
**Subject:** Rural Municipality of Wood Buffalo

Jeremy, do you have time to chat today?

Cheers

Sent from my iPad

## Alan McConnell

---

**From:** Alan McConnell  
**Sent:** July-24-14 8:59 AM  
**To:** Anthony Purgas  
**Subject:** RE: RMWB

Anthony, When are funds expected?

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
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E-Mail: [alanm@burstall.com](mailto:alanm@burstall.com)

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---

**From:** Anthony Purgas [APurgas@rmrf.com]  
**Sent:** July 23, 2014 9:54 PM  
**To:** Alan McConnell  
**Subject:** RE: RMWB

Alan,

I have passed along your request and will advise you as soon as I have information.

With respect to your question regarding the amount that is forthcoming per our correspondence earlier today, I can advise it comprises the following amounts:

1. \$7,868.70 [which includes GST] is a partial payment on SR invoice number 212005-7321.
2. \$479,035.79 does not relate to any invoice. It relates to Progress Payment Certificate #31.

Best regards,  
Anthony Purgas | Associate  
Direct: 780.497.3391

---

**From:** Alan McConnell [mailto:alanm@burstall.com]  
**Sent:** Wednesday, July 23, 2014 2:02 PM  
**To:** Anthony Purgas  
**Subject:** RE: RMWB

Anthony, I have made a number of requests in an attempt to determine if the RM has a consultant reviewing the outstanding claims related to Abasand and Saline #3. Could you please advise?  
Cheers

**Alan J. McConnell**  
Partner

**Burstall Winger Zammit LLP**

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**BURSTALL**

BURSTALL WINGER ZAMMIT

---

**From:** Anthony Purgas [<mailto:APurgas@rmrf.com>]

**Sent:** July-23-14 1:57 PM

**To:** Alan McConnell

**Subject:** RE: RMWB

Alan,

I have a request into my client for that information and will provide it as soon as I am able.

Best regards,

Anthony Purgas | Associate

Direct: 780.497.3391

---

**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Wednesday, July 23, 2014 1:45 PM

**To:** Anthony Purgas

**Subject:** RE: RMWB

Anthony, do you have a reconciliation regarding these funds so that my client will know what has been approved for payment? Do any of the amounts relate to E Construction invoices that have been approved for payment?

**Alan J. McConnell**  
Partner

**Burstall Winger Zammit LLP**

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**BURSTALL**

BURSTALL WINGER ZAMMIT

---

**From:** Anthony Purgas [<mailto:APurgas@rmrf.com>]

**Sent:** July-23-14 1:32 PM

**To:** Alan McConnell

**Subject:** RE: RMWB

Alan,

There were some issues with Purolator, which resulted in a delay of funds coming from the RM. As Jeremy made clear in several pieces of correspondence, there was no representation that a \$2.3 million payment would be made or even that it would be releasable on conditions agreeable to your client.

We have resolved the issue with the courier and I have instructions to advise you that, once the funds are received by my office, RMRF will send, on behalf of the RM, \$486,904.48 to your office to deposit in trust for S-R. These funds are for amounts outstanding on QU2706 and will be provided to you on the sole trust condition that they not be disbursed to your client until our office receives a Certified Copy of Title showing that no liens are registered with respect to the Project.

The RM remains in discussions with the consultant regarding the further information requested and the other amounts claimed and I will advise you as soon as I receive instructions regarding that information.

Best regards,  
Anthony Purgas | Associate  
Direct: 780.497.3391

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---

**From:** Alan McConnell [<mailto:alanm@burstall.com>]

**Sent:** Wednesday, July 23, 2014 12:46 PM

**To:** Anthony Purgas

**Subject:** RMWB

**Importance:** High

Anthony, could I please have the courtesy of a response as to what is going on with the \$2.3MM payment that Jeremy indicated would be in your firm's trust account by this Monday, at the latest?

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
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## Alan McConnell

---

**From:** Alan McConnell  
**Sent:** July-24-14 10:29 AM  
**To:** Anthony Purgas  
**Cc:** Aisling E. Ryan  
**Subject:** RE: RMWB

Aisling, are the funds being transferred electronically?

Alan J. McConnell  
Burstall Winger Zammit LLP  
1600, 333 - 7th Avenue, S. W.  
Calgary, Alberta  
T2P 2Z1  
Direct Line: 403-234-3329  
Main: 403-264-1915  
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**From:** Anthony Purgas [APurgas@rmrf.com]  
**Sent:** July 24, 2014 10:26 AM  
**To:** Alan McConnell  
**Cc:** Aisling E. Ryan  
**Subject:** Re: RMWB

Alan,

I understand the funds are on their way to your office today. I am in court but my colleague Aisling Ryan (copied) is arranging having the funds sent to your office on the conditions set out yesterday.

Best regards,

Anthony

On Jul 24, 2014, at 8:58 AM, "Alan McConnell" <[alanm@burstall.com](mailto:alanm@burstall.com)> wrote:

Anthony, When are funds expected?

Alan J. McConnell  
Burstall Winger Zammit LLP  
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Calgary, Alberta  
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Cheers

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Partner

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<image001.jpg>

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<image001.jpg>

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Direct: 780.497.3391

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**Subject:** RMWB  
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