



Court File No 1803-09581
Court Court of Queen's Bench of Alberta
Judicial Centre Edmonton
Plaintiff Bank of Montreal
Defendants Ladacor AMS Ltd., Nomads Pipeline Consulting Ltd.,
2367147 Ontario Inc., and Donald Klisowsky
Document **SUPPLEMENTAL AFFIDAVIT**
Address for service and contact information of party filing this document **Anderson James McCall Barristers**
300, 444 – 5th Avenue SW
Calgary, AB T2P 2T8
Attention: Norman D. Anderson
Phone: 403.221.8333
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File No.: 7965

SUPPLEMENTAL AFFIDAVIT OF DONALD KLISOWSKY

Sworn on September 11, 2019

I, DONALD KLISOWSKY, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I am one of the defendants in the within action, and, as such, have personal knowledge of the facts herein deposed to, except where stated to be by information and belief. This affidavit is supplemental to the affidavit I swore in this action on September 7, 2019 ("**First Affidavit**"). I have used the defined terms set out in my First Affidavit.
2. After my First Affidavit was circulated to the Receiver from Alvarez & Marsal Canada Inc. ("**A&M**") and others on the service list on September 9, 2019, I was sent a letter from Field Law LLP, counsel for Liberty Mutual in the afternoon of September 9, 2019. Attached and marked as **Exhibit "A"** is the copy of this letter, which was also copied to my counsel, Norman Anderson of Anderson James McCall.
3. After his receipt of this letter, my counsel asked for copies of the Indemnity Agreement and related materials, and those materials were promptly sent to him by Field Law and are set out in the paragraph below.

4. Attached and marked as **Exhibit "B"** is the copy of the Liberty Mutual letter that was sent to me on or about June 2018, and which was also copied to A&M. Clause 45 of the indemnity agreement clearly stated that the Indemnitor can cancel the agreement with 30 days' notice, and then only being liable for valid costs incurred up to the termination.
5. I now see that the Receiver's counsel information to the effect that I, as the owner of Nomads, or Nomads directly, as well as 236 agreed to indemnify Liberty Mutual. I did not recall this but do not dispute it now.
6. In respect of Liberty Mutual's claim, I went back into the computer system and was able to locate some information regarding the bonds for the Kor Alta Project is drawn from A&M folder regarding that project. The Folder is called "MK Receivership Folder". Attached as **Exhibit "C"** hereto is a copy of an Appendix from the contract with Kor-Alta, which related to the Bonds in question and from the same A&M folder. I assume they are A&M comments. They are not mine and I do not recognize the handwriting.
7. As a result of these exhibits, it appears that when the Receiver cancelled the Kor-Alta Contract, it did not give notice to Liberty Mutual to cancel the Bonds. This was the case even after Liberty Mutual gave notice to the Receiver of the first claim under the Labour and Material Bond in June, 2018. At no time did I know that there were still Bonds outstanding, as they are not part of any Receiver's reports.
8. The timing of events to my knowledge is as follows:
 - a. January 2, 2018 - Signed Indemnity Agreement
 - b. April 5, 2018 - Signed a Labour and Materials Bond and a Performance Bond Agreement with Liberty Mutual
 - c. May 18, 2018 - Ladacor placed into Receivership. A&M is receiver
 - d. Early June 2018 - A&M cancels any contract or pending contract with Kor-Alta
 - e. June 5, 2018 - Liberty registers its interest against Debtors at PPR
 - f. May- June, 2018 - MPE (Engineering Consultant for Kor Alta Project) makes claim to Liberty Mutual. I can confirm that MPE was not listed in the Accounts payable of any of the Debtors at the time of the Receivership on May 18, 2018

- g. June 21, 2018 – Liberty Mutual's counsel gives notice to Debtors and to Receiver of MPE claim of \$66,480.75 under Labour and Materials Bond and Kor-Alta's claim of an unknown amount under Liberty Mutual's Performance Bond.
 - h. September 9, 2019 – Liberty Mutual gives notice to Debtors and Receiver of sum of Kor-Alta's claim under Performance Bond of \$1,038,062.86.
9. Between June, 2018 and Monday, September 9, 2019 I was unaware that the Performance Bond in respect of the Kor-Alta Project, which had been cancelled by the Receiver in June, 2018 had not been cancelled by the Receiver so that Kor-Alta could still make a claim on it, and had done so.
10. I am very familiar with Performance Bonds as I have worked with them in my industry for more than 25 years. Any person that was subject to a contract with a Performance Bond would act to cancel the Performance Bond if the underlying contract was cancelled. I know that I would have done so.
11. I ask the Court to adjourn the application to discharge A&M as Receiver of Nomads and Ladacor and investigate how the Receiver came to the decision not to cancel the Bonds, and whether in doing so it acted negligently. A full factual and legal analysis should be undertaken and a discharge only once this is done to the Court's satisfaction.
29. I make this affidavit in opposition to the application of the Receiver, and in support of my own application.

SWORN BEFORE ME at Calgary, Alberta,
this 11th day of September, 2019



A Commissioner for Oaths in and for Alberta

Norman D. Anderson
Barrister & Solicitor
Notary Public
Province of Alberta



Donald Klisowsky



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Our File: 66240-1

September 9, 2019

VIA REGISTERED MAIL

Donald Klisowsky
8503 Bowglen Road NW
Calgary, AB T3B 2T2

Ladacor AMS Ltd. ("Ladacor" or "Principal")

Donald Klisowsky

Nomads Pipeline Consulting Ltd.


2367147 Ontario Inc.

(the above parties collectively, the ("Indemnitors"))

Liberty International Underwriters (a division of Liberty Mutual Insurance Company) ("Liberty")

Indemnity Agreement, dated January 2, 2018 (the "Indemnity Agreement")

Kor Alta Construction Ltd. ("Kor Alta")

This is Exhibit "A"
to the Affidavit of
Donald Klisowsky
Sworn before me this 11
day of September, 2019

A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Norman D. Anderson
Barrister & Solicitor
Notary Public
Province of Alberta

We act for Liberty.

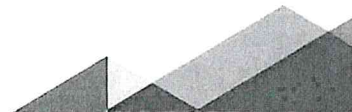
As you are aware, Liberty has issued construction bonds on behalf of Ladacor, as Principal, including Performance and Labour and Material Payment Bonds Nos. BDTO-820004-018 (collectively, the "Bonds") with respect to the subcontract between Ladacor and Kor Alta, dated March 29, 2018 for the construction of the Chateh Provincial Courthouse in Chateh, Alberta (the "Bonded Contract" and the "Project", respectively).

Liberty understands that Ladacor, Nomads Pipeline Consulting Ltd., and 2367147 Ontario Inc. have been placed into receivership by BMO and the Receiver also intends to assign these companies into bankruptcy.

Liberty received a claim from Kor Alta under the Performance Bond issued by Liberty with respect to the Project. Liberty also received a claim under the Labour and Material Bond by MPE Engineering Ltd. ("MPE"), an unpaid subcontractor and supplier of Ladacor for work or material supplied to the Project. Liberty has taken steps, and continues to take steps, to investigate these matters.

With respect to the Labour and Material Bond claim by MPE, Liberty investigated and determined that \$66,480.75 was properly payable to MPE for the work it completed for Ladacor. In May 2019, Liberty issued payment in the amount of \$66,480.75 to MPE in full satisfaction of its claim under the Labour and Material Bond.

With respect to the Performance Bond claim by Kor Alta, the latest figures received from Kor Alta indicate that its claim has a current value of \$1,038,062.86.



By letter dated June 21, 2018, we enclosed a copy of the Indemnity Agreement and executed by you in favour of Liberty. The Indemnity Agreement obliges you as Principal or as Indemnitor to reimburse Liberty for all sums which it might be called upon to pay:

- a) As a result of a judgment, arbitration award or settlement;
- b) As damage of any nature, including punitive and exemplary damages, as the case may be;
- c) In respect of any claim, liability or loss;
- d) As expenditure, costs or fees that it may incur, including the cost of internal or external adjusters and consultants;
- e) In satisfaction of judicial and extra-judicial fees and disbursements of Liberty's counsel on a solicitor and client basis and legal fees of claimant's counsel;
- f) As administration costs related to claim under the Bonds and under the Indemnity Agreement.

The Indemnity Agreement further provides that upon demand you are obligated to advance and to pay to Liberty funds or satisfactory guarantees sufficient to allow Liberty to perform any or all of its obligations under the Bonds. Liberty hereby demands that you provide it with funds in the amount of \$1,125,000.00 or alternative security acceptable to Liberty as required by the Indemnity Agreement. The funds or your firm commitment to provide the funds or alternative security acceptable to Liberty in this amount is required within 10 days of the date of this letter and by September 19, 2019, failing which Liberty will take such further steps as are available to it without further notice to you.

Liberty has and will continue to incur legal and other costs and expenses in investigating these matters and possible payment of claims in performance of its obligations under the Bonds. Please be advised that Liberty will look to you as an Indemnitor for reimbursement of any claims paid or expenses incurred, including adjusting fees and legal fees on a solicitor and own client basis, with respect to these matters under the Indemnity Agreement and any other legal or equitable grounds it may have.

Liberty is continuing to investigate this matter to determine the extent of payments required and costs and expenses that might be incurred, and will advise of claims paid and costs incurred as this matter proceeds, and any further funds or security required in due course.

Sincerely,

FIELD LLP


Andrew Wilkinson
Partner

/aw

cc:

Donald Klisowsky (via regular mail)

Liberty International Underwriters (a division of Liberty Mutual Insurance Company), Attn: Nancy Hermann-Hills (via e-mail)

Anderson James McCall Barristers, Attn: Norman Anderson (via email)





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Our File: 66240-1

June 21, 2018

VIA REGISTERED MAIL

Nomads Pipeline Consulting Ltd.
1900, 520 - 3rd Avenue SW
Calgary, AB T2P 0R3

Donald Klisowsky
8503 Bowglen Road NW
Calgary, AB T3B 2T2

2367147 Ontario Inc.
729 24 Avenue SW
Calgary, AB T2G 1P5

Ladacor AMS Ltd.
1900, 520 - 3rd Avenue SW
Calgary, AB T2P 0R3

Ladacor AMS Ltd. ("Ladacor" or "Principal")

Donald Klisowsky

Nomads Pipeline Consulting Ltd.

2367147 Ontario Inc.

(the above parties collectively, the ("Indemnitors"))

Liberty International Underwriters (a division of Liberty Mutual Insurance Company) ("Liberty")

Indemnity Agreement, dated January 2, 2018 (the "Indemnity Agreement")

Kor Alta Construction Ltd. ("Kor Alta")

This is Exhibit "AR B"
to the Affidavit of
Donald Klisowsky
Sworn before me this 11
day of September, 2019
Norman D. Anderson
A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Norman D. Anderson
Barrister & Solicitor
Notary Public
Province of Alberta

We act for Liberty.


As you are aware, Liberty has issued construction bonds on behalf of Ladacor, as Principal, including Performance and Labour and Material Payment Bonds Nos. BDTO-820004-018 (collectively, the "Bonds") with respect to the subcontract between Ladacor and Kor Alta, dated March 29, 2018 for the construction of the Chateh Provincial Courthouse in Chateh, Alberta (the "Bonded Contract" and the "Project", respectively).

Liberty has received a claim from Kor Alta under the Performance Bond issued by Liberty with respect to the Project. Liberty has received a claim under the Labour and Material Bond by MPE Engineering Ltd., an unpaid subcontractor and supplier of Ladacor for work or material supplied to the Project (the "L&M Claimant"). This claim totals \$90,450. Further, Liberty understands that Ladacor has been put into receivership by its bank and the receiver has indicated it will not be completing the Bonded Contract.

Liberty has taken steps, and continues to take steps, to investigate these matters and to determine the status of work under the Bonded Contract; amounts outstanding to the L&M Claimant and other subcontractors and suppliers of Ladacor; the balance of contract funds available to meet such obligations; and arrangements and the extent of payments required by Liberty to meet any obligations it may have under the Bonds.

Sincerely,

FIELD LLP


Andrew Wilkinson
Partner

/clm
Enclosures
cc:

✓ Cadacor AMS Ltd., Donald Klisowsky, Nomads Pipeline Consulting Ltd. and 2367147 Ontario Inc. (via regular mail)

Liberty International Underwriters (a division of Liberty Mutual Insurance Company) Attn: Alexandra Dubé Lorrain (via e-mail)

Arthur J. Gallagher Canada Limited – Western Region, Attn: Ariel Pevzner (via email)

Alvarez & Marsal Canada ULC, Attn: Orest Konowalchuk (via email)



LIBERTY MUTUAL INSURANCE COMPANY
181 Bay Street, Suite 1000, Brookfield Place, Toronto, Ontario M5J 2T3

INDEMNITY AGREEMENT

The following parties are hereinafter collectively called the "Principal":

LADACOR AMS LTD.

The beneficiary of the present agreement is: Liberty Mutual Insurance Company, c/o Liberty International Underwriters, 181 Bay Street, Suite 1000, Brookfield Place, Toronto, ON Canada M5J 2T3 (hereinafter called the "Surety") and any other person described in paragraph 9 herein.

IN CONSIDERATION OF THE ISSUE BY THE SURETY OF BONDS AS DEFINED HEREUNDER, THE UNDERSIGNED COVENANT AND AGREE AS FOLLOWS:

1. *Date and place of execution of the present agreement* - The present agreement, for all legal intents and purposes, is deemed to have been executed the 2nd day of May, 2018 in the Province of Alberta.
2. *The "Principal"* - All references herein to the "Principal" mean one or the other or each of the parties designated hereinabove as the "Principal" and any other person described in paragraph 10 herein.
3. *The "Indemnitors"* - For purposes of the present agreement, "Indemnitors" means:
 - a) all the parties designated as the "Principal" or "Indemnitors", and
 - b) the other signatories of the present agreement.
4. *Purpose of the present agreement and definition of "Bonds"* - The purpose of the present agreement is:
 - a) to set forth the rights of the Surety and other beneficiaries, and
 - b) to set forth the rights and obligations of the Indemnitors

Flowing from the execution of one or several bonds to guarantee the obligations of any Principal or other forms of guarantee or obligation (herein called the "Bonds"); the word "Bonds" includes any alteration, renewal, continuance, replacement or extension thereof.

5. *"Bonded Obligations"* - For purposes of the present agreement, any reference to the term "Bonded Obligations" means obligations or undertaking in respect of which one or more Bonds have been issued.
6. *Indemnitors' interest in the Principal* - The Indemnitors acknowledge that the present agreement will remain in full force and effect and continue to bind them even if they never had or no longer have any interest in the Principal or each of them.
7. *Consideration for the present agreement* - The Indemnitors acknowledge that the Surety requires their signatures to the present agreement in consideration:

- a) of the issue of Bonds, whether past, present or future, by the Surety or by others referred to in paragraph 9 herein, directly or indirectly, or
 - b) of the Surety refraining from cancelling such Bonds, and
 - c) (outside the Province of Quebec), of the sum of Two Dollars and other good and valuable consideration paid and furnished by the Surety to each of the Indemnitors (the receipt and sufficiency of which are hereby acknowledged).
8. ***Bonds covered by and duration of the present agreement*** - The present agreement applies to all Bonds issued by the Surety since (the absence of any date means that the present agreement applies only to Bonds issued from the date hereof), for an indeterminate term, until such time as the present agreement is terminated in accordance with its terms.
9. ***Additional beneficiaries of the present agreement*** - All of the terms and conditions of the present agreement are for the benefit of:
- a) any successors or assigns of the Surety, including as a result of mergers, acquisitions of portfolios, or otherwise, and
 - b) any surety, joint or several, any re-insurance company and any other surety procured by the Surety upon the request of the Principal to issue a Bond or Bonds, whether or not such Bond or Bonds are issued by the Surety or whether or not the Surety retains any interest in any such Bond or Bonds.
10. ***Bonds issued for an affiliate, subsidiary or related company of the Principal or for a joint venture*** - The present agreement applies equally to Bonds issued:
- a) on behalf of any present or future subsidiary or related company of the Principal, and
 - b) on behalf of any joint venture or other form of common enterprise or partnership to which the Principal is a party or is about to become a party at the time of issue of such Bond or Bonds.
- The Principal shall require that any such affiliate, subsidiary, related company, joint venture or other form of common enterprise or partnership, execute an endorsement agreeing to be bound by this agreement. Such endorsement shall be in the form required by the Surety.
11. ***Parties bound by the present agreement*** - Each of the Indemnitors acknowledges that it is bound by all of the terms and conditions of the present agreement, as are its representatives, successors and assigns.
12. ***Joint and several obligation of the Indemnitors*** - The Indemnitors agree that they bind themselves jointly and severally (solidarily) with respect to all of the obligations assumed hereunder; this means that each of the Indemnitors may be compelled separately to perform all of the Indemnitors' obligations hereunder.
13. ***Waiver of the benefit of division*** - The Indemnitors specifically waive the benefit of division, which would, in the absence of the present waiver, permit any one Indemnitor to require the Surety to divide its claim proportionately amongst all the Indemnitors.
14. ***Waiver of the benefit of discussion*** - The Indemnitors specifically waive the benefit of discussion, which would, in the absence of the present waiver, permit the Indemnitors to require the Surety to exhaust its recourses against the Principal, before calling upon the Indemnitors under the present agreement.
15. ***Obligations in respect of Bonds, Bonded Obligations and the present agreement*** - The Principal agrees to fulfil and the Indemnitors, other than the Principal, agree to cause the Principal to fulfil all of the Principal's obligations under:
- a) Bonds,
 - b) Bonded Obligations

The Indemnitors undertake to do nothing which could give rise to a claim or a default under the terms of the present agreement, of any Bond or of any Bonded Obligation.

16. *Indemnification of the Surety* - The Indemnitors undertake to indemnify the Surety in full for any loss or damages that it may suffer arising from the issue of one or several Bonds, or arising from a decision of the Surety not to issue any Bond, or arising from any default by the Indemnitors under the present agreement. The present undertaking includes, without limitation, the obligation of the Indemnitors to reimburse to the Surety all sums which it might be called upon to pay:
- a) as a result of a judgment, arbitration award or settlement;
 - b) as damages of any nature, including punitive and exemplary damages, as the case may be;
 - c) in respect of any claim, liability or loss;
 - d) as expenditure, costs or fees that it may incur, including the cost of internal or external adjusters and consultants;
 - e) in satisfaction of judicial and extra-judicial fees and disbursements of the Surety's counsel on a solicitor and client basis and legal fees of claimants' counsel;
 - f) as administration costs related to claims under Bonds and under this agreement.
17. *Obligation to pay the premium* - The Indemnitors undertake to pay to the Surety:
- a) the initial premium for the issue of any Bond, in conformity with the Surety's tariff in force, or such other tariff as may be agreed upon with the Principal; and
 - b) thereafter, any additional or other premium, in conformity with the Surety's tariff in force or such other tariff as may be agreed upon with the Principal until such time as the Surety receives proof to its satisfaction, confirming its complete release from all Bonds issued by it, and from the renewal or extension of such Bonds.
18. *Assignment of the Principal's rights - Outside Quebec* - As a continuing and collateral security for the obligations of the Indemnitors towards the Surety under the present agreement, each Principal hereby grants, bargains, sells and conveys to the Surety, a continuing, specific and fixed assignment, transfer, mortgage, charge, hypothec and security interest in the following:
- a) all of the claims and debts which it holds against all persons, and without limitation, against
 - i) all persons with whom it has or will enter into Bonded Obligations, and
 - ii) all persons with whom it has or will enter into a sub-contract or a supply contract; and
 - iii) all persons with whom it has or will enter into unbonded contracts;the said claims including, without limiting the generality hereof, all sums due in virtue of the said Bonded Obligations sub-contracts, supply contracts, unbonded contracts, deferred and final payments, holdbacks, balances of contract funds whether earned or unearned, claims for extras and claims in damages; and
 - b) any insurance contract, particularly insurance contracts relating directly or indirectly to Bonded Obligations, and
 - c) all of the sub-contracts and supply contracts which it has granted or will grant, comprising all guarantees and warranties attached thereto, together with all materials included thereunder relating to the execution of the Bonded Obligations, and
 - d) any bond issued to guarantee the obligations of sub-contractors or suppliers of the Principal; and
 - e) all the equipment, tools, materials, work in process, patents, royalties, trade marks, computer programs, computers, disks, diskettes, files and records of the Principal, required, in the opinion of the Surety, for the performance of the Bonded Obligations, being

- f) all proceeds and personal property in any form derived directly or indirectly from any dealing with the Collateral as defined hereunder, or any part thereof and all proceeds of proceeds and any part thereof; and
- g) all of the Principal's property, assets, rights and undertakings of every nature, item and kind, now or at any time and from time to time, wherever situate;

all items listed above from a) to g) being collectively defined as the "Collateral".

19. ***Obligations secured - Outside Quebec*** - The Collateral constitutes and will constitute continuing security for the following obligations (collectively, the "Obligations") of the Indemnitors to the Surety:
- a) the prompt payment, as and when due and payable, of all amounts now or hereafter owing by the Indemnitors to the Surety, including by way of guarantee and indemnity, whether now existing or hereafter incurred, matured or unmatured, direct, indirect, joint or several, or contingent including any extensions and renewals thereof, and all further advances or readvances; and
 - b) the strict performance and observation by the Indemnitors of all agreements, warranties, representations, covenants, conditions and undertakings of the Indemnitors made pursuant to this agreement or any other agreement between any one or more of the Indemnitors and the Surety all as now in effect or as hereafter entered into or amended.
20. ***Signature of other documents by the Indemnitors*** - The Indemnitors undertake to sign all other documents required by the Surety in order to give effect to the hypothecs, assignments and security interests granted by the present agreement.
21. ***Reduction of obligations*** - The Indemnitors' obligations hereunder, may be reduced to zero from time to time without affecting the validity, perfection or enforceability of this agreement for subsequent obligations until this agreement is terminated in accordance with the terms hereof.
22. ***Subordination of Indemnitors*** - None of the Indemnitors shall enforce any rights of contribution or indemnity against any Principal or its property and undertakings until such Principal's obligations to the Surety under this agreement have been satisfied in full.
23. ***Indemnitors' obligation to advance funds required by the Surety to meet its obligations*** - In order to permit the Surety to meet its obligations under the Bonds, the Indemnitors undertake to advance to the Surety upon demand, funds or satisfactory guarantees sufficient to allow the Surety to perform any or all of its obligations under the Bonds, which could be subject to indemnification under the terms of the present agreement, even before any payment has been made by the Surety to a third party. Without limiting the generality of the foregoing, the Indemnitors undertake to advance funds or furnish guarantees, as soon as the Surety establishes or increases a reserve with respect to a claim or a situation relating to any Bonds, up to the amount of such reserve which will be established by the Surety in its sole discretion.
24. ***Advance and payment to the Surety when the Principal requires the Surety to take part in an action or a defence*** - The Indemnitors undertake to advance and pay to the Surety funds sufficient to satisfy any judgment or arbitration award which could be rendered against the Surety, as well as disbursements or costs incurred by the Surety or awarded against it, including judicial or extra-judicial fees and disbursements of the Surety's counsel on a solicitor and client basis, when the Principal requires the Surety to take part in any legal action or in the defence of any legal proceedings. The Indemnitors undertake to make further advances and payments when required by the Surety.
25. ***Investment and use of advances to the Surety and of funds collected from obligees*** - The Surety may hold any advance made by any Indemnitor and any sums collected from obligees under Bonds, in such form as the Surety may in its sole discretion decide, and shall have no obligation to invest, or provide any income or return on any such advance. The Surety may use all or any part of such advance and any income earned thereon, in payment or compromise of any of the Indemnitors' obligations hereunder.
26. ***Surety's right to intervene in Bonded Obligations*** In the event of:

- a) any default of the Principal under any Bond; or
- b) any default of the Principal under any Bonded Obligation, or
- c) any default of an Indemnitor under the present agreement; or
- d) any action by an Indemnitor which could affect the rights of the Surety under any Bond or under the present agreement; or
- e) any act of bankruptcy of the Principal or the insolvency of the Principal or the making by the Principal of any arrangement with its creditors; or
- f) any default by the Principal with respect to any of its secured creditors; or
- g) any default by the Principal on a contract not bonded by the Surety; or
- h) any other act, event, circumstance or occurrence which, in the Surety's reasonable discretion, gives rise to any concern as to the enforcement of its rights hereunder,

the Surety may, without notice of default, intervene in any Bonded Obligations for the purpose of assuming its obligations and exercising any of its rights under Bonds. The Surety will then have the right, without prejudice to its other rights and recourses in virtue of the present agreement, to take possession of and to use the equipment, tools, materials, work in process, patents, royalties, trademarks, computer programs, computers, disks, diskettes, files and records, for purposes of completing the Bonded Obligations.

- 27. *Decision as to the payment of claims* - The Indemnitors acknowledge that the Surety will have the right, in its sole and entire discretion, to decide whether to pay, settle or contest any claim under a Bond, without any obligation to consult or advise the Indemnitors in advance of so doing.
- 28. *Proof of payments made by the Surety* - The Indemnitors acknowledge their obligation to indemnify the Surety in virtue of the present agreement, upon presentation by the latter of a release or a copy of a cheque or any other proof of payment, which will be deemed to be complete proof of the amount paid and of the Surety's right to make such payment as a result of the issue of the Bonds and, consequently, its right to demand reimbursement from the Indemnitors under the terms of the present agreement.
- 29. *Surety's right of access to the books and records of the Indemnitors* - The Indemnitors hereby grant to the Surety full right of access to, examination of and making of copies of, during normal business hours, their books, records, files, computer records and accounts, for such period as any rights and obligations under Bonds remain in effect or so long as the Indemnitors are potentially or actually indebted to the Surety for any sum or sums whatsoever.
- 30. *Undertaking to furnish certain information* - So long as the Surety has any potential liability under any Bond, the Indemnitors undertake to furnish to the Surety, on demand, all information or pertinent documentation required by the Surety relevant to:
 - a) the Indemnitors' financial position; and
 - b) any modification to the corporate or partnership structure of any of the Indemnitors, particularly any change of name, merger, amalgamation, etc
- 31. *Undertaking to deliver certain documents to the Surety* - So long as the Surety has any potential liability under any Bond, the Indemnitors undertake, without delay, to deliver to the Surety copies of the following documents:
 - a) the annual or interim financial statements of each Indemnitor; and
 - b) any petition for a receiving order, petition in bankruptcy or proceeding for arrangement with its creditors made against or by an Indemnitor; and
 - c) any proposal by an Indemnitor to its creditors; and

- d) any notice of default or action involving an Indemnitor, which could result in a claim under a Bond.
32. ***Cooperation and discharge*** - The Indemnitors undertake to cooperate with the Surety in any way which may assist the Surety in limiting, reducing or discharging its obligations under any Bond in accordance with its terms and particularly in respect of any proceeding taken against the Surety, without any obligation on the Surety's part to indemnify them. The present undertaking includes that of being present at any examination or trial relating to any Bond or to any right granted to the Surety under the present agreement. The Surety may, at any time, take such action as it deems necessary or proper to obtain its release from any and all liability under any Bond.
33. ***Information concerning the Indemnitors*** - The Indemnitors specifically authorize the Surety to obtain any credit or other personal information concerning any or all Indemnitors which it desires and which is pertinent to the conclusion or the execution of the present agreement and to the issue of any Bond, and any person, credit bureau, bank, financial institution, obligee, architect, engineer, accountant, sub-trade or supplier, possessing any such information is, by this agreement, authorized to communicate such information to the Surety, on demand, during the life of the present agreement and, if necessary, thereafter.
34. ***Authorization to the Surety to make changes*** - The Surety is hereby authorized to make the following changes, without notice to the Indemnitors:
- a) in the terms of any Bond or Bonded Obligation, and
 - b) in the designation of any obligee of a Bond; and
 - c) respecting any renewal, continuation, replacement, reinstatement or extension of any Bond; and
 - d) correcting errors in and executing any substitute to any Bond with the same or different conditions, provisions, amounts and obligees; and
 - e) for the purpose of completing the present agreement or any Bond or of correcting errors of declaration or description of Bonds or of the present agreement.
35. ***Validity of the present agreement notwithstanding the absence of the signatures of one or more Indemnitors or witnesses*** - The present agreement will be and will remain in full force, even if one or more of the Indemnitors designated herein, or one or more of the witnesses have not signed the present agreement or their signature has been adjudged invalid.
36. ***Failure of the Principal to sign or deliver any Bond*** - The Indemnitors are fully responsible under the present agreement even in the event that the Principal has not signed any Bond signed by the Surety or that a Bond has not been delivered to an obligee, without prejudice to the Surety's right to assert that it is not liable under such Bond.
37. ***Settlement with one or several Indemnitors*** - In the event of a claim by the Surety against the Indemnitors in virtue of the present agreement or in virtue of any other rights of the Surety, the Indemnitors specifically authorize the Surety to settle such claim with one or several of the Indemnitors, without reference to the others and such settlement shall not affect or reduce the obligations of such others. The Indemnitors expressly renounce and waive any rights that they may have to be discharged from their obligations or to have such obligations reduced by reason of the discharge of one or several Indemnitors.
38. ***Surety's rights following settlement with one Indemnitor*** - The Indemnitors agree that any settlement made by the Surety with one of them will not effect novation of the obligations of the Indemnitor in question (i.e. substituting or extinguishing its obligations) and the present agreement will retain all of its force in the event of a default by such Indemnitor to honour the terms of the settlement and without prejudice to all of the Surety's rights against the other Indemnitors.
39. ***Interest rate*** - All sums due by the Indemnitors in virtue of the present agreement will bear interest in favour of the Surety, at an annual rate of 2% over the "prime rate" from the date upon which an Indemnitor has been advised of the amount of the Surety's claim. The term "prime rate" means the annual interest rate declared from time to time by the Royal Bank of Canada, as being the base rate in force from which interest rates on loans made in Canada, in Canadian dollars, are determined.

40. *Persons authorized to request the execution of Bonds* - Requests to the Surety to execute any Bond may be made by any of the Principal or (where a Principal is not an individual) any officer, employee or partner of any of the Principal, or by an agent or broker which the Surety reasonably believes represents any Principal, or by any Indemnitor. Such requests, whether made in writing (mailed, delivered or telecopied), by telegraph, by personal interview or by telephone, shall be regarded as sufficient and ample authority for the Surety to execute any such Bond.
41. *Surety's right to refuse to issue a Bond* - The Indemnitors acknowledge that the Surety, in its sole and entire discretion, has the right to refuse to issue, furnish or procure any Bond and the Indemnitors renounce and waive any recourse against the Surety resulting from such refusal.
42. *Surety's right, having issued a bid Bond or a letter of intent, to refuse to issue final bonds* - Even if the Surety issues, furnishes or procures letters of intent or undertaking to issue Bonds, the Indemnitors acknowledge that the Surety will not, because of that, be obliged to issue, upon request from the Principal, any Bonds of any nature. The Indemnitors renounce and waive any recourse against the Surety resulting from such refusal.
43. *Notice of issue of Bonds* - The Indemnitors expressly agree that the Surety is not obliged to advise them of the issue of any Bond nor to deliver a copy to the Indemnitors.
44. *Notice of changes in any Bonds or any Bonded Obligations* - The Indemnitors expressly agree that the Surety is not obliged to advise them of any change, addition, substitution or extension made to any Bond or Bonded Obligation; moreover, the Indemnitors renounce any right to raise such changes, additions, substitutions or extensions for the purpose of reducing or eliminating their obligations in virtue of the present agreement.
45. *Termination of the present agreement and its effect upon outstanding Bonds* - The present agreement shall only be terminated by any Indemnitor, upon prior written notice to the Surety by registered mail and at its head office, at least thirty days prior to its effective date; however, the said prior notice of termination will not modify, nor exclude, nor discharge the Indemnitors' obligations relating to Bonds issued prior to the effective date of termination or Bonds issued after the effective date of termination by reason of undertakings by the Surety prior to such date; the present agreement will remain in full force and effect as regards the other Indemnitors without any obligation on the part of the Surety to advise such other Indemnitors of such termination.
46. *Effect of the execution of a new indemnity agreement* - The execution of a new indemnity agreement with respect to any Principal, shall not have the effect of terminating the present agreement which shall remain in full force and effect, unless expressly terminated in writing according to the terms hereunder.
47. *Events not affecting the obligations of the Indemnitors* - The Indemnitors acknowledge that the following events are in addition to any other rights of the Surety under the present agreement and shall not in any way release, waive or abridge any right or remedy of the Surety under the present agreement:
- a) the fact that another guarantee has been or will be given to the Surety (particularly any other security or indemnity agreement); or
 - b) the fact that the Surety has consented to any action taken by the Principal; or
 - c) any action, judgment, arbitration award or settlement arising from the present agreement; or
 - d) the fact that the Surety has renounced or waived any recourse against whomsoever or has given to whomsoever a release in virtue of the present agreement or other agreements or in respect of any security.
48. *Surety's additional rights* - The rights of the Surety by virtue of the present agreement are in addition to any rights which the Surety may have by law or otherwise.
49. *Modifications of the terms of the present agreement* - No derogation from the terms of the present agreement, nor any modification of such terms, may be set up against the Surety without the prior written consent of one of its officers.

50. *Change in control* - The Indemnitors agree to provide the Surety with, at least, forty five (45) days prior written notice of a Change in Control (defined below) and to designate the name and address of the Indemnitor with whom the Surety should correspond with respect to this paragraph, which Indemnitor, all Indemnitors agree is designated to act on behalf of them pursuant to this paragraph. Upon receipt of such notice, the Surety shall advise the Indemnitor designated above, in writing, of its election to (i) approve such Change in Control or (ii) demand that the Indemnitors procure the discharge of the Surety from any Bonds and all liability by reason thereof. If the Indemnitors fail to give the Surety timely notice of a Change in Control or if the Surety does not approve the Change in Control and if such discharge is not procured to the sole satisfaction of the Surety then, immediately, upon the Surety's written demand, the Indemnitors shall deposit a sum of money or collateral, of a type and value satisfactory to the Surety, equal to the aggregate penal sum of the then outstanding Bonds, as determined by the Surety in its sole discretion. The Surety shall send its written demand to the Indemnitor designated above by overnight courier or by registered or certified mail.

The Indemnitors hereby acknowledge that if they or any one of them breaches the obligations set forth in this paragraph, the Surety will not have an adequate remedy at law and shall be entitled to injunctive relief, including without limitation specific performance of the terms of this agreement.

"Change in Control" shall mean: (a) the transfer, merger or consolidation (in one transaction or a series of transactions) of all or substantially all of the assets of any non-individual Principal or Indemnitor; (b) the acquisition (in one transaction or a series of transactions) by any person or group, directly or indirectly, of fifty (50%) percent or more of the beneficial ownership or control of

any Principal or Indemnitor; or (c) the acquisition by any Principal or Indemnitor, directly or indirectly, of fifty (50%) percent or more of the beneficial ownership or control in any joint venture, subsidiary, division, affiliate, limited partnership, limited liability partnership, limited liability company or other entity through the issuance of ten (10%) percent or more of the voting power of the total outstanding voting stock of any Principal or Indemnitor.

51. *Applicable law* - The present agreement will be interpreted in accordance with the laws in force in the Province named in Paragraph 1 hereof.
52. *Seal and corporate resolution* - The Indemnitors agree that the absence of any corporate seal or corporate resolution will not invalidate the obligations of any Indemnitor under the present agreement.
53. *Gender and number* - In the present agreement the singular form includes the plural and the plural includes the singular; also the feminine includes the masculine and the masculine includes the feminine.
54. *Headings* - The insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this agreement.
55. *Language* - The parties hereto have requested that the present agreement be drafted in the English language. Les parties aux présentes ont requis que la présente convention soit rédigée dans la langue anglaise.

THE UNDERSIGNED ACKNOWLEDGE HAVING RECEIVED A COPY OF THE AGREEMENT, CAREFULLY READ IT AND THAT THEY UNDERSTAND ALL OF THE TERMS AND CONDITIONS OF THE PRESENT AGREEMENT AND THAT THERE EXIST NO OTHER AGREEMENTS OR UNDERSTANDINGS WHICH IN ANY WAY COULD LESSEN OR MODIFY THE OBLIGATIONS SET FORTH HEREIN.

CORPORATE INDEMNITORS AND/OR PARTNERSHIPS SIGN HEREUNDER, AFFIX THEIR SEAL AND ATTACH THE RELEVANT RESOLUTION FROM THEIR BOARD OF DIRECTORS.

WITNESSES

INDEMNITORS

Ernest Ryden
Name of Witness
[Signature]
Signature
Address: 6814 Locke Court SW
Address: Calgary AB T2E 6H7

LADACOR AMS LTD.
Name of corporation or partnership
Signed at: CALGARY AB.
DON KLISOWSKY CEO
Name of authorized officer and title
[Signature]
Signature of authorized officer
Address:
Address: 722 24 AVE SE CALGARY AB.
Seal T2C0 1P5

Ernest Ryden
Name of Witness
[Signature]
Signature
Address: 6814 Locke Court SW
Address: Calgary AB T2E 6H7

NOMADS PIPELINE CONSULTING LTD.
Name of corporation or partnership
Signed at: CALGARY AB.
DON KLISOWSKY PRESIDENT
Name of authorized officer and title
[Signature]
Signature of authorized officer
Address: 8503 BOWGLEN RD. NW
Address: CALGARY AB.
Seal T3B 2T2

WITNESSES

Graeme Ryder
Name of Witness
[Signature]
Signature
Address: 68th Locke Court SW
Address: Calgary AB T3E 6H7

INDEMNITORS

2367147 ONTARIO INC.
Name of corporation or partnership
Signed at: CALGARY AB
DON KLISOWSKY PRESIDENT
Name of authorized officer and title
[Signature]
Signature of authorized officer
Address: 8503 BOWGLEN RD. NW CALGARY
Address: AB. T3B2T2
Seal

PERSONAL INDEMNITORS SIGN HEREUNDER:

WITNESSES

Graeme Ryder
Written Name of Witness
[Signature]
Signature
Address: 68th Locke Court SW
Address: Calgary AB T3E 6H7

PERSONAL INDEMNITORS

Signed at: CALGARY AB
DON KLISOWSKY
Written Name
[Signature]
Signature of personal indemnitor
Address: 8503 BOWGLEN RD. NW
Address: CALGARY AB
T3B2T2

TO BE USED IN ALBERTA
GUARANTEES ACKNOWLEDGEMENT ACT
CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. I, Don Klisowsky of Calgary
in the Province of Alberta, the guarantor in the guarantee ²¹ indemnity agreement
dated January 2, 2018 made between Ladacor AMS Ltd. and
Liberty International Underwriters, a division of Liberty Mutual Insurance which this
certificate is attached to or noted upon, appeared in person before me and acknowledged the
he/she had executed the guarantee; ²² Indemnity agreement
2. I satisfied myself by examination that he/she is aware of the contents of the guarantee and
understands it.

GIVEN at Calgary, Alberta this 4th day of January, 2018 under my hand
and seal of office.

Louise K. Lee

A Notary Public in and for

LOUISE K. LEE
A Commissioner for Oaths
in and for Alberta
Lawyer, Notary Public

(Seal)

STATEMENT OF GUARANTOR

I am the person named in this certificate.

[Signature]
Signature of Guarantor



RESOLUTION AND CERTIFICATION

LIBERTY MUTUAL INSURANCE COMPANY
181 Bay Street, Suite 1000, Brookfield Place, Toronto, Ontario M5J 2T3

WHEREAS **LADACORANSLTD** (the "Corporation") intends to enter into an Indemnity and Security Agreement (the "Indemnity and Security Agreement") to be made by the Corporation and each other "Principal" party thereto in favor of LIBERTY MUTUAL INSURANCE COMPANY, on behalf of itself and on behalf of any other beneficiaries entitled to benefit thereunder (individually and collectively hereinafter referred to as the "Surety").

NOW THEREFORE BE IT RESOLVED THAT:

1. the Corporation is hereby authorized to enter into and perform its obligations under the Indemnity and Security Agreement, a draft of which has been submitted to the directors of the Corporation and is hereby approved;
2. as security for its present and future debts, liabilities and obligations to the Surety, including without limitation, all present and future debts, liabilities and obligations to the Surety under or in connection with or pursuant to the Indemnity and Security Agreement; the Corporation is hereby authorized to:
 - (a) mortgage, charge, assign and otherwise transfer and encumber, and grant security interests to, the Surety in all of the Corporation's present and future undertaking, property (both real and personal) and assets; and
 - (b) hypothecate, for the amount and interest rate required by the Surety, to and in favour of the Surety, the universality of all the Corporation's property, movable and immovable, present and future, corporeal and incorporeal, of whatever nature and kind and wherever situate,

in each case on the terms and conditions set forth in the Indemnity and Security Agreement or as required by the Surety;

3. any one officer or director of the Corporation, acting alone, is hereby authorized and directed to execute (whether under corporate seal or otherwise), with such amendments as such officer or director may approve, and deliver to the Surety on behalf of the Corporation, the following documents and instruments, each of which are hereby approved:
 - (a) the Indemnity and Security Agreement; and
 - (b) such further and other instruments, agreements, certificates, directions, acknowledgments, declarations, documents, indemnities, security, financing statements, undertakings and other writings as required by the Surety, or as, in such person's opinion, may be necessary or desirable to complete and give effect to the transactions contemplated by the Indemnity and Security Agreement and the other documents contemplated by this resolution;

(collectively, the "Documents");

4. any one officer or director of the Corporation, acting alone, is hereby authorized to execute from time to time such agreements amending, supplementing, restating or replacing the Documents as such person may approve



TM Liberty International Underwriters is a Division of the Liberty Mutual Insurance Company

and to execute and deliver to the Surety such documents as may be required by the Surety to give effect thereto;

5. any one officer or director of the Corporation, acting alone, or any counsel to the Corporation (where required in relation to documents required to be registered electronically) is hereby authorized and directed to do all such further and other acts and things and to execute or cause to be executed (whether under corporate seal or otherwise) such further and other instruments (in electronic form or otherwise), agreements, certificates, directions, acknowledgments, declarations, documents, financing statements, undertakings and other writings as in such person's opinion may be necessary or desirable to complete and give effect to the transactions contemplated by the Documents authorized hereby and to give effect to the foregoing, and to further amend any instruments or agreements previously executed or delivered;
6. all Documents executed by any such persons pursuant to this resolution shall be in such form as such persons so signing may approve, and the execution thereof shall be conclusive evidence that the form has been approved and that the execution and delivery of the document has been authorized by this resolution; and
7. the execution and delivery to the Surety by any one officer or director of the Corporation of any of the Documents prior to the passing of this resolution are hereby confirmed, ratified, approved and adopted as of the date of execution and delivery.

* * * *

I hereby certify that I am the CEO of LADACOR AMS LTD. that the above Resolution is a true and accurate copy of a resolution unanimously adopted by the Board of Directors of the Corporation at a meeting duly called and held on the 21 day of DECEMBER, 2017 in the office of the said Corporation, at which meeting a quorum of the Board of Directors were present.

IN WITNESS WHEREOF, I have hereunto set my hand and the corporate seal of the Corporation, this 2 day of JANUARY, 2018

(AFFIX CORPORATE SEAL)

I HAVE BINDING
AUTHORITY

DON KUISOWSKY
Name: CEO
Title: [Signature]

::ODMA\PCDOCS\TOR01\4002301\1



RESOLUTION AND CERTIFICATION

LIBERTY MUTUAL INSURANCE COMPANY
181 Bay Street, Suite 1000, Brookfield Place, Toronto, Ontario M5J 2T3

WHEREAS ~~NOVADS PIPELINE CONSULTING LTD.~~ (the "Corporation") intends to enter into an Indemnity and Security Agreement (the "Indemnity and Security Agreement") to be made by the Corporation and each other "Principal" party thereto in favor of LIBERTY MUTUAL INSURANCE COMPANY, on behalf of itself and on behalf of any other beneficiaries entitled to benefit thereunder (individually and collectively hereinafter referred to as the "Surety").

NOW THEREFORE BE IT RESOLVED THAT:

1. the Corporation is hereby authorized to enter into and perform its obligations under the Indemnity and Security Agreement, a draft of which has been submitted to the directors of the Corporation and is hereby approved;
2. as security for its present and future debts, liabilities and obligations to the Surety, including without limitation, all present and future debts, liabilities and obligations to the Surety under or in connection with or pursuant to the Indemnity and Security Agreement; the Corporation is hereby authorized to:
 - (a) mortgage, charge, assign and otherwise transfer and encumber, and grant security interests to, the Surety in all of the Corporation's present and future undertaking, property (both real and personal) and assets; and
 - (b) hypothecate, for the amount and interest rate required by the Surety, to and in favour of the Surety, the universality of all the Corporation's property, movable and immovable, present and future, corporeal and incorporeal, of whatever nature and kind and wherever situate,

in each case on the terms and conditions set forth in the Indemnity and Security Agreement or as required by the Surety;

3. any one officer or director of the Corporation, acting alone, is hereby authorized and directed to execute (whether under corporate seal or otherwise), with such amendments as such officer or director may approve, and deliver to the Surety on behalf of the Corporation, the following documents and instruments, each of which are hereby approved:
 - (a) the Indemnity and Security Agreement; and
 - (b) such further and other instruments, agreements, certificates, directions, acknowledgments, declarations, documents, indemnities, security, financing statements, undertakings and other writings as required by the Surety, or as, in such person's opinion, may be necessary or desirable to complete and give effect to the transactions contemplated by the Indemnity and Security Agreement and the other documents contemplated by this resolution;

(collectively, the "Documents");

4. any one officer or director of the Corporation, acting alone, is hereby authorized to execute from time to time such agreements amending, supplementing, restating or replacing the Documents as such person may approve and to execute and deliver to the Surety such documents as may be required by the Surety to give effect thereto;
5. any one officer or director of the Corporation, acting alone, or any counsel to the Corporation (where required in relation to documents required to be registered electronically) is hereby authorized and directed to do all such further and other acts and things and to execute or cause to be executed (whether under corporate seal or otherwise) such further and other instruments (in electronic form or otherwise), agreements, certificates, directions, acknowledgments, declarations, documents, financing statements, undertakings and other writings as in such person's opinion may be necessary or desirable to complete and give effect to the transactions contemplated by the Documents authorized hereby and to give effect to the foregoing, and to further amend any instruments or agreements previously executed or delivered;
6. all Documents executed by any such persons pursuant to this resolution shall be in such form as such persons so signing may approve, and the execution thereof shall be conclusive evidence that the form has been approved and that the execution and delivery of the document has been authorized by this resolution; and
7. the execution and delivery to the Surety by any one officer or director of the Corporation of any of the Documents prior to the passing of this resolution are hereby confirmed, ratified, approved and adopted as of the date of execution and delivery.

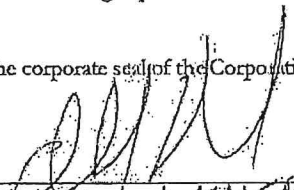
* * * *

I hereby certify that I am the PRESIDENT of NOMADS PIPELINE CONSULTING LTD., that the above Resolution is a true and accurate copy of a resolution unanimously adopted by the Board of Directors of the Corporation at a meeting duly called and held on the 27 day of DECEMBER 2011 in the office of the said Corporation, at which meeting a quorum of the Board of Directors were present.

IN WITNESS WHEREOF, I have hereunto set my hand and the corporate seal of the Corporation, this 02 day of JANUARY 2012

(AFFIX CORPORATE SEAL)

I HAVE BINDING
AUTHORITY.


Name: DAN KUSTOWSKY
Title: PRESIDENT

::ODMA\PCDOCS\TOR01\4002301\1



RESOLUTION AND CERTIFICATION

LIBERTY MUTUAL INSURANCE COMPANY
181 Bay Street, Suite 1000, Brookfield Place, Toronto, Ontario M5J 2T3

WHEREAS **23744 ONTARIO INC.** (the "Corporation") intends to enter into an Indemnity and Security Agreement (the "Indemnity and Security Agreement") to be made by the Corporation and each other "Principal" party thereto in favor of LIBERTY MUTUAL INSURANCE COMPANY, on behalf of itself and on behalf of any other beneficiaries entitled to benefit thereunder (individually and collectively hereinafter referred to as the "Surety").

NOW THEREFORE BE IT RESOLVED THAT:

1. the Corporation is hereby authorized to enter into and perform its obligations under the Indemnity and Security Agreement, a draft of which has been submitted to the directors of the Corporation and is hereby approved;
2. as security for its present and future debts, liabilities and obligations to the Surety, including without limitation, all present and future debts, liabilities and obligations to the Surety under or in connection with or pursuant to the Indemnity and Security Agreement, the Corporation is hereby authorized to:
 - (a) mortgage, charge, assign and otherwise transfer and encumber, and grant security interests to, the Surety in all of the Corporation's present and future undertaking, property (both real and personal) and assets; and
 - (b) hypothecate, for the amount and interest rate required by the Surety, to and in favour of the Surety, the universality of all the Corporation's property, movable and immovable, present and future, corporeal and incorporeal, of whatever nature and kind and wherever situate,

in each case on the terms and conditions set forth in the Indemnity and Security Agreement or as required by the Surety;

3. any one officer or director of the Corporation, acting alone, is hereby authorized and directed to execute (whether under corporate seal or otherwise), with such amendments as such officer or director may approve, and deliver to the Surety on behalf of the Corporation, the following documents and instruments, each of which are hereby approved:
 - (a) the Indemnity and Security Agreement; and
 - (b) such further and other instruments, agreements, certificates, directions, acknowledgments, declarations, documents, indemnities, security, financing statements, undertakings and other writings as required by the Surety, or as, in such person's opinion, may be necessary or desirable to complete and give effect to the transactions contemplated by the Indemnity and Security Agreement and the other documents contemplated by this resolution;

(collectively, the "Documents");

4. any one officer or director of the Corporation, acting alone, is hereby authorized to execute from time to time such agreements amending, supplementing, restating or replacing the Documents as such person may approve

and to execute and deliver to the Surety such documents as may be required by the Surety to give effect thereto;

5. any one officer or director of the Corporation, acting alone, or any counsel to the Corporation (where required in relation to documents required to be registered electronically) is hereby authorized and directed to do all such further and other acts and things and to execute or cause to be executed (whether under corporate seal or otherwise) such further and other instruments (in electronic form or otherwise), agreements, certificates, directions, acknowledgments, declarations, documents, financing statements, undertakings and other writings as in such person's opinion may be necessary or desirable to complete and give effect to the transactions contemplated by the Documents authorized hereby and to give effect to the foregoing, and to further amend any instruments or agreements previously executed or delivered;
6. all Documents executed by any such persons pursuant to this resolution shall be in such form as such persons so signing may approve, and the execution thereof shall be conclusive evidence that the form has been approved and that the execution and delivery of the document has been authorized by this resolution; and
7. the execution and delivery to the Surety by any one officer or director of the Corporation of any of the Documents prior to the passing of this resolution are hereby confirmed, ratified, approved and adopted as of the date of execution and delivery.

* * * *

I hereby certify that I am the PRESIDENT of 2367147 ONTARIO INC., that the above Resolution is a true and accurate copy of a resolution unanimously adopted by the Board of Directors of the Corporation at a meeting duly called and held on the 29 day of DECEMBER, 2017 in the office of the said Corporation, at which meeting a quorum of the Board of Directors were present.

IN WITNESS WHEREOF, I have hereunto set my hand and the corporate seal of the Corporation, this 02 day of JANUARY, 2018

(AFFIX CORPORATE SEAL)

I HAVE BINDING
AUTHORITY

Name: DON KUISOWSKY
Title: PRESIDENT

::ODMA\PCDOCS\TOR01\4002301\1



Security Agreement

Control #: F05390001

Registration Date: 2018-Jun-05

Registration #: 18060541706

The Registration Term is 5 Years

This Registration Expires at 11:59 PM on 2023-Jun-05

Debtor(s)

Block

- | | |
|---|---|
| 1 | NOMADS PIPELINE CONSULTING LTD.
1900, 520 3rd Avenue SW
Calgary, AB T2P 0R3 |
|---|---|

Secured Party / Parties

Block

- | | |
|---|---|
| 1 | LIBERTY MUTUAL INSURANCE COMPANY
c/o Field LLP 400 - 444 7 Ave SW
Calgary, AB T2P 0X8 |
|---|---|

Collateral: General

Block **Description**

- | | |
|---|--|
| 1 | All Goods, chattel paper, documents of title, instruments, money, intangibles, and other rights, title, interest, and property of Ladacor AMS Ltd. as set out in the Indemnity Agreement between Ladacor AMS Ltd. and Liberty Mutual Insurance Company, dated January 2, 2018. |
|---|--|

End of Verification Statement



Security Agreement

Control #: F05389990

Registration Date: 2018-Jun-05

Registration #: 18060541654

The Registration Term is 5 Years

This Registration Expires at 11:59 PM on 2023-Jun-05

Debtor(s)

Block

1 LADACOR AMS LTD.
1900, 520 3rd Avenue SW
Calgary, AB T2P 0R3

Secured Party / Parties

Block

1 LIBERTY MUTUAL INSURANCE COMPANY
c/o Field LLP 400 - 444 7 Ave SW
Calgary, AB T2P 0X8

Collateral: General

Block **Description**

1 All Goods, chattel paper, documents of title, instruments, money, intangibles, and other rights, title, interest, and property as set out in the Indemnity Agreement between Ladacor AMS Ltd. and Liberty Mutual Insurance Company, dated January 2, 2018.

End of Verification Statement



Security Agreement

Control #: F05390011

Registration Date: 2018-Jun-05

Registration #: 18060541815

The Registration Term is 5 Years

This Registration Expires at 11:59 PM on 2023-Jun-05

Debtor(s)

Block

1 2367147 ONTARIO INC.
729 24 Avenue SE
Calgary, AB T2G 1P5

Secured Party / Parties

Block

1 LIBERTY MUTUAL INSURANCE COMPANY
c/o Field LLP 400 - 444 7 Ave SW
Calgary, AB T2P 0X8

Collateral: General

Block Description

1 All Goods, chattel paper, documents of title, instruments, money, intangibles, and other rights, title, interest, and property of Ladacor AMS Ltd. as set out in the Indemnity Agreement between Ladacor AMS Ltd. and Liberty Mutual Insurance Company, dated January 2, 2018.

End of Verification Statement

Security Agreement

Control #: F05390016

Registration Date: 2018-Jun-05

Registration #: 18060541844

The Registration Term is 5 Years

This Registration Expires at 11:59 PM on 2023-Jun-05

Debtor(s)

Block

1 KLISOWSKY, DONALD, JOHN
8503 Bowglen Rd. NW
Calgary, AB T3B 2T2

Secured Party / Parties

Block

1 LIBERTY MUTUAL INSURANCE COMPANY
c/o Field LLP 400 - 444 7 Ave SW
Calgary, AB T2P 0X8

Collateral: General

Block Description

1 All Goods, chattel paper, documents of title, instruments, money, intangibles, and other rights, title, interest, and property of Ladacor AMS Ltd. as set out in the Indemnity Agreement between Ladacor AMS Ltd. and Liberty Mutual Insurance Company, dated January 2, 2018.

End of Verification Statement



Ontario PPSA Registration

PPSA Canada
www.ppsacanada.com

VERIFICATION



Document Details

Registration Date: 11 JUN 2018
Expiry Date: 11 JUN 2023
Registration Number: 20180611 1250 1793 1703
File Number: 740362851

Transaction ID: **002-199-398**



General

Reference Number: 43817.62
Registration Period (Years): 5

Caution Filing: No
Perform a Post Search: No
Register Immediately: Yes



Business Debtor

2367147 ONTARIO INC.
729 24 AVENUE SE
CALGARY AB T2G1P5



Individual Debtor

No Individual Debtor



Secured Party

LIBERTY MUTUAL INSURANCE COMPANY
C/O FIELD LLP 400 - 444 7 AVE SW
CALGARY AB T2P0X8



Collateral Classification

Consumer Goods: No Inventory: Yes Equipment: Yes Accounts: Yes Other: Yes
Motor Vehicle Included: Yes



Serial Numbered Collateral

No Serial Numbered Collateral



General Collateral

ALL GOODS, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, AND OTHER RIGHTS, TITLE, INTEREST, AND PROPERTY OF LADACOR AMS LTD. AS SET OUT IN THE INDEMNITY AGREEMENT BETWEEN LADACOR AMS LTD. AND LIBERTY MUTUAL INSURANCE COMPANY, DATED JANUARY 2, 2018.



Registering Agent

ELDOR-WAL REGISTRATIONS LTD.
1200, 10123 99 ST NW
EDMONTON AB T5J3H1

Drafted by MEGAN VOYER - ELDOR-WAL REGISTRATIONS LTD.

This is Exhibit " C "
to the Affidavit of
Donald Kliszewsky
Sworn before me this 11
day of September, 2019


A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Norman D. Anderson
Barrister & Solicitor
Notary Public
Province of Alberta

APPENDIX 'A'
CHATEH PROVINCIAL COURTHOUSE
LADACOR ADVANCED MODULAR SYSTEMS
KOR-967-800

Scope of Work:

- Providing all labour, equipment and materials required for the successful completion of **Module Fabrication and Erection** scope of work in accordance with the plans, specifications, clarifications, instructions to bidders, construction schedule, and addendum.

Contract Documents:

Architectural

- Sheets 000, 001, 010, 011, 012, 020, 030, 040, 050, 101, 102, 120, 121, 130, 131, 132, 133, 140, 141, 150, 151, 152, 153, 154, 160, 161, 162, and 163 Issued for Tender 2017-11-28 prepared by Stantec Consulting Ltd.

Structural

- Sheets 201, 202, 210 and 211.1 Issued for Tender 2017-11-28 prepared by Stantec Consulting Ltd.

Mechanical

- Sheets 301, 310.1, 320.1, 330.1, 340.1, 350.1, 360, 370, 371, 372, 380 and 381 Issued for Tender 2017-11-28 prepared by Stantec Consulting Ltd.

Electrical

- Sheets 401, 402.1, 403.1, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413 and 414 Issued for Tender 2017-11-28 prepared by Stantec Consulting Ltd.

Civil

- Sheets 500.1, 503.1, 503.2, 503.3, 503.4, 503.5, 503.6, ~~504.1, 504.2, 504.3, 504.4 and 504.5~~ Issued for Tender 2017-11-28 prepared by Stantec Consulting Ltd. *Not Included in IFT Package*

Survey

- ~~193123 Topo Topographical Survey by WSP Surveys (AB) Limited.~~ *Not Included in IFT Package*

Project Manuals – Bid Document Specifications Volumes 1 & 2.

Addendum #01 – dated 2018-01-30 by Alberta Infrastructure.

Addendum #02 – dated 2018-02-05 by Alberta Infrastructure.

Addendum #03 – dated 2018-02-12 by Alberta Infrastructure.

Addendum #04 – dated 2018-02-16 by Alberta Infrastructure.

Scope of work to include but not limited to:

- Complete modular building system excluding foundation by Kor Alta.
- Sally port including concrete floor. *EXCLUDING*
- Off-site construction and storage as required.
- On-site completions for all systems interrupted by modular construction Includes accommodations and LOA for on-site labour force.
- Temporary building wrap and transportation to jobsite.
- Cranage and erection services to set modules in place and completion structural connections.
- Persist building envelope c/w all exterior finishes.
- Modules to be complete with mechanical systems, electrical systems, low voltage systems. Ladacor commissions all building systems including testing and balancing procedures and orientation and familiarizations sessions to train the Owner's maintenance staff.
- Complete interior finishing package including all drywall, painting, millwork and flooring systems (includes concrete and epoxy floors).

APPENDIX 'A'
CHATEH PROVINCIAL COURTHOUSE
LADACOR ADVANCED MODULAR SYSTEMS
KOR-967-800

- All building specialties including all doors and door hardware (includes detention hardware), washroom accessories, and roller window shades.
- Landings, stairs and handicapped ramp (concrete topping by Kor Alta).
- Exterior skirting around building perimeter.
- All require fire ratings and fire protection systems.
- Connection of modules to site services. - SERVICES TO BE BROUGHT TO WITHIN 3 FEET OF LOCATION REQUESTED BY LADACOR AND LEFT ACCESSIBLE IN THE CRAWL SPACE WITHIN ACCEPTED LENGTH FOR CONNECTION BY LADACOR
- LEED documentation for Ladacor scope.
- Roofing systems.
- Permits and permit inspections in Calgary and Chateh for all Ladacor scope (includes building, plumbing, gas, HVAC and electrical disciplines). Ladacor to produce occupancy permit or permit services report at the end of construction to confirm compliance with all relevant building codes.
- Modules to be delivered to site no later than September 24, 2018. 60 day periods for on-site completions commences when the modules arrive on site. 128
- Engineering and design fees including building code schedules. FOR MODULAR BUILDING REQUEST
- Ladacor to produce performance and labour/material bonds to 50% of the contract value of the project at an additional cost to the contract amount.
- Turn-key building including all scopes, trade divisions and disciplines listed in the Bid Documents Specifications Volumes 1 & 2 above the pile cut-off elevation.

Total Contract Amount..... \$5,244,000.00 PLUS
GST