COURT FILE NUMBER 1803 - 05959

COURT OF QUEEN'S BENCH OF

ALBERTA

JUDICIAL CENTRE EDMONTON

PLAINTIFF THE TORONTO DOMINION BANK

DEFENDANTS 1287839 ALBERTA LTD., PRICOPE

MATWYCHUK HOLDINGS LTD., FEHR QUALITY CONTRACTING INC., AND 101279740 SASKATCHEWAN LTD.

DOCUMENT FIFTH REPORT OF THE RECEIVER,

MNP LTD., DATED October 11, 2018

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Ogilvie LLP Attn: Kent Rowan

Suite 1400, 10303 Jasper Ave

Edmonton, AB T5J 3N6 Phone (780) 429 6236 Fax (780) 429 4453

Solicitors for the Receiver, MNP Ltd.

Introduction and Purpose of the Report

- MNP Ltd. was appointed Receiver of 1287839 Alberta Ltd. ("Kopala"), Pricope Matwychuk Holdings Ltd. ("PM Holdings"), Fehr Quality Contracting Inc. ("Fehr") and 101279740 Saskatchewan Ltd. ("101") (collectively referred to herein as the "Company") pursuant to an March 29, 2018 Court of Queen's Bench of Alberta (the "Court") Order (the "Receivership Order").
- 2. The Company operated an oilfield services company with locations in Bonnyville, Alberta and Conklin, Alberta. The Company provided water/waste management services primarily to the oil and gas industry.
- 3. The principal Shareholders and Directors of the Company are Alex Pricope and Christina Matwychuk (the "Directors").
- 4. This is the Receiver's Fifth Report to Court (the "Fifth Report"). The purpose of the Fifth Report is to seek an order of the Court directing the reinstatement of utilities from North East Gas Coop Ltd. ("North East").

Background

5. North East provides natural gas services to the Municipal District of Bonnyville, Alberta and is the sole provider of natural gas in the area.

- 6. North East is the natural gas utility supplier to the real property legally described as Plan 0622913, Block 1, Lot 1 which is owned by Pricope Matwychuk Holdings Ltd. (the "Bonnyville Premises").
- 7. On April 11, 2018 following the Receiver's appointment over the Bonnyville Premises, the Receiver contacted North East to request the continuation of natural gas supply at the Bonnyville Premises and requested that all future billings be directed to the Receiver for payment.
- 8. North East verbally responded with a demand of the payment of its arrears before it would commit to the continuation of services.
- By way of email dated April 11, 2018, the Receiver provided North East with written confirmation of its appointment as Receiver and a copy of the Receivership Order outlining North East's requirement to continue to supply services to the Receiver.
- 10. On April 16, 2018 the Receiver sent a follow up email to North East requesting confirmation that the email had been received and an update on the status of the utility accounts.
- 11. On April 16, 2018 North East responded with acknowledgement that it had received the April 11, 2018 email.
- 12. On April 20th, a further request was made of North East to confirm the status of the utility accounts. No response was provided.
- 13. On April 26, 2018 another request was made of North East to confirm the status of the utility accounts. No response was provided.
- 14. A copy of the April 11, 2018 email and subsequent correspondence on April 16, April 20 and April 26, 2018 is attached as **Schedule A**.
- 15. During a routine check of the Bonnyville Premises on or about October 10, 2018 it was determined that there was no heat to the building which was as of a result of the natural gas being shut off and the meters locked by North East.
- 16. By way of telephone conversation on October 11, 2018 North East confirmed to the Receiver that it had shut off the utility.
- 17. There was no shut off notice received by the Receiver and no shut off notice had been posted at the Bonnyville Premises.
- 18. Additionally, North East has not provided the Receiver with copies of any invoices in relation to the utility services from March 29, 2018 to current.
- 19. North East is refusing to cooperate with the Receiver's request to turn the utility back on despite confirmation from the Receiver that it would pay for the ongoing and future services.
- 20. The current weather forecast in Bonnyville, Alberta brings about a severe risk of freezing to the Bonnyville Premises in the event that the gas utility is not reinstated immediately.

Conclusion

21. The Receiver respectfully submits this Fifth Report to Court in support of an order directing North East to:

- a. Immediately reinstate the natural gas utility service;
- b. Continue the supply of natural gas until such time that the Receiver provides notice of a change of ownership or cancellation of the account; and,
- c. Supply the Receiver with utility bills from March 29, 2018 to current (in addition to future invoices) at its business address located at 1300, 10235-101 Street, Edmonton, Alberta T5J 3G1so that invoices may be paid in the normal course.

MNP Ltd.

In its capacity as Receiver of

1287839 Alberta Ltd., Pricope Matwychuk Holdings Ltd., Fehr Quality Contracting Inc. and 101279740 Saskatchewan Ltd.

And not in its personal capacity

Per:

Karen Aylward, CIRP, Licensed Insolvency Trustee

Vice President

Karen Aylward

From:

Karen Aylward

Sent:

April 26, 2018 2:15 PM

To:

'negas@telus.net'

Cc:

Eric Sirrs

Subject:

FW: Receivership of Pricope Matwychuk Holdings Inc

Hello Ron,

It is imperative that we are assured that the utility services remain in effect on the property as discussed in my original email to you below. May! please get a response from you on the status no later than the end of the day tomorrow.

Regards,

Karen Aylward, CIRP, LIT

VICE PRESIDENT

DIRECT 780.969.1400 PH. 780.455.1155 FAX 780.409.5415 TOLL FREE 1.866.465.1155 10235 101St N.W. Sulte 1300

Sulte 1300 Edmonton, AB T5J 3G1 mnpdebt.ca





MNP PROUDLY CELEBRATES THE CANADIAN ENTREPRENEURIAL DRIVE

From: Karen Aylward

Sent: April 20, 2018 9:45 AM
To: 'Ron Fox' <negas@telus.net>

Subject: RE: Receivership of Pricope Matwychuk Holdings Inc.

Thank you - and the status of the utility accounts?

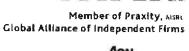
Karen Aylward, CIRP, LIT

VICE PRESIDENT

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From: Ron Fox [mailto:negas@telus.net]

Sent: April 16, 2018 4:16 PM

To: Karen Aylward < Karen. Aylward @mnp.ca>

Subject: RE: Receivership of Pricope Matwychuk Holdings Inc

Hi Karen

Please accept this as acknowledgement that we received your email.

Ron

From: Karen Aylward [mailto:Karen,Aylward@mnp.ca]

Sent: April-16-18 9:20 AM

To: negas@telus.net Cc: Reina Ainsworth

Subject: FW: Receivership of Pricope Matwychuk Holdings Inc

Importance: High

Hello Ron,

Could you please confirm receipt of my email below and the status of the utility accounts.

Regards,

Karen Aylward, CIRP, LIT

VICE PRESIDENT

DIRECT 780.969.1400

PH. 780.455.1155 FAX 780.409.5415 TOLL FREE 1.866.465.1155 10235 1015t N.W. Suite 1300 Edmonton, AB T5J 3G1 mnpdebt.ca





MNP PROUDLY CELEBRATES THE CANADIAN ENTREPRENEURIAL DRIVE

From: Karen Aylward

Sent: April 11, 2018 10:41 AM

To: negas@telus.net

Cc: Reina Ainsworth < Reina. Ainsworth@mnp.ca>

Subject: Receivership of Pricope Matwychuk Holdings Inc.

Importance: High

Hello Ron,



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AON.

BESTEMPLOYER

COLD | CANADA

Further to our telephone discussion I confirm that MNP Ltd. was appointed as Receiver of Pricope Matwychuk Holdings Inc. by way of a Court of Queen's Bench of Alberta Order dated March 29, 2018. Please find attached a copy of the Court Order for your records.

We require continuation of utility services under account no. 54667 78180 and account no. 53380 75676. We agree to either continue with the existing accounts (with the address changed to my office at the address noted in my signature line) or request that a new account be set up in the name of "Pricope Matwychuk Holdings Inc. – Receivership". In either case, the Receiver will not be responsible for any charges on the account that are due or have accrued prior to March 29, 2018.

I appreciate that you are owed monies, however you are an unsecured creditor to the Receivership proceedings. I draw your attention specifically to paragraph 11 of the attached Order which states, in part, that all persons, including utility provides, are "restrained until further Order of the this Court from discontinuing, altering, interfering with or terminating the supply of goods and services required by the Receiver..."

Please confirm that there will be no interruption in services and that the utility services from March 29th, 2018 will be billed to the Receiver to be paid until such time that the Receiver no longer requires the service.

I look forward to a reply.

Karen Aylward, CIRP, LIT VICE PRESIDENT

DIRECT 780.969.1400 PH. 780.455.1155 FAX 780.409.5415 TOLL FREE 1.866.465.1155 10235 101St N.W. Suite 1300 Edmonton, AB T5J 3G1 mnpdebt.ca





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