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BDO Canada Limited
255 Lacewood Drive
Suite 201
Halifax NS B3M 4G2 Canada

To: The Creditors of Atlantic Systems Manufacturing (2016) Ltd.

April 26, 2019

Re: Atlantic Systems Manufacturing (2016) Ltd. in Bankruptcy

Pursuant to a Certificate of Appointment issued by the Office Receiver on April 26, 2019, we advise that BDO Canada Limited was appointed as Licensed Insolvency Trustee of the Estate of Atlantic Systems Manufacturing (2016) Ltd. in Bankruptcy.

The following documents are enclosed for your reference:

- Notice of Bankruptcy and First Meeting of Creditors;
- Certificate of Appointment;
- Assignment and Statement of Affairs;
- Proof of Claim and Proxy with completion instructions;
- Receivership Order, dated November 26, 2018;

Additional information regarding the Receivership of Atlantic Systems Manufacturing (2016) Ltd. can be found on the Receiver's website at: <https://www.alvarezandmarsal.com/DMEGroup>

BDO CANADA LIMITED
Trustee



Jason Breeze, CIRP
Licensed Insolvency Trustee

Enclosures

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District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No. 3584
Estate No. 51-2503421

FORM 68
Notice of Bankruptcy, First Meeting of Creditors
(Subsection 102(1) of the Act)

☒ Original ☐ Amended

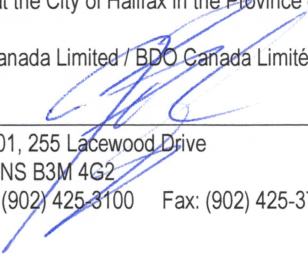
In the matter of the bankruptcy of
Atlantic Systems Manufacturing (2016) Ltd.
of the City of Charlottetown, in the Province of Prince Edward Island

Take notice that:

1. Atlantic Systems Manufacturing (2016) Ltd. filed (or was deemed to have filed) an assignment on the 26th day of April 2019, and the undersigned, BDO Canada Limited / BDO Canada Limitée, was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.
2. The first meeting of creditors of the bankrupt will be held on the 16th day of May 2019, at 12:00 PM, at the office of BDO Canada Limited, at Suite 200 - 155 Belvedere Avenue, Charlottetown, PE.
3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.
4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.
5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the City of Halifax in the Province of Nova Scotia, this 26th day of April 2019.

BDO Canada Limited / BDO Canada Limitée - Licensed Insolvency Trustee



Suite 201, 255 Lacewood Drive
Halifax NS B3M 4G2
Phone: (902) 425-3100 Fax: (902) 425-3777

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Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of: Prince Edward Island
Division No.: 01 - Prince Edward Island
Court No.: 3584
Estate No.: 51-2503421

In the Matter of the Bankruptcy of:

Atlantic Systems Manufacturing (2016) Ltd.

Debtor

BDO CANADA LIMITED / BDO CANADA LIMITÉE

Licensed Insolvency Trustee

Ordinary Administration

Date and time of bankruptcy:	April 26, 2019, 07:22	Security:	\$0.00
Date of trustee appointment:	April 26, 2019		
Meeting of creditors:	May 16, 2019, 12:00 200-155 BELVEDERE AVE CHARLOTTETOWN, Prince Edward Island Canada,		
Chair:	Trustee		

CERTIFICATE OF APPOINTMENT - Section 49 of the Act; Rule 85

-- AMENDED --

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforementioned debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: April 26, 2019, 12:10

E-File/Dépôt Electronique

Official Receiver

Maritime Centre , 1505 Barrington Street, 16th Floor, Halifax, Nova Scotia, Canada, B3J3K5, (877)376-9902

Canada

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District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

-- FORM 21 --
Assignment for the General Benefit of Creditors
(Section 49 of the Act)

In the matter of the bankruptcy of
Atlantic Systems Manufacturing (2016) Ltd.
of the City of Charlottetown, in the Province of Prince Edward Island

This indenture made this 25th day of April 2019
between

Atlantic Systems Manufacturing (2016) Ltd.
P.O. BOX 553

54 Hillstrom Avenue
Charlottetown PE C1A 7L1
hereinafter called "the debtor"

and
BDO Canada Limited / BDO Canada Limitée
hereinafter called "the trustee."

☐ Natural person

☒ Corporate or other legal entity

Whereas the debtor is insolvent and desires to assign and to abandon all his/her property for distribution among his/her creditors, in pursuance of the Act,

This indenture witnesses that the debtor does hereby assign to the trustee all the debtor's property for the uses, intents and purposes provided by the Act.

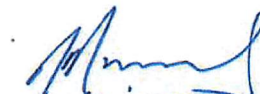
Signed at the City of Toronto in the Province of Ontario, in the presence of .



Witness

25-Apr-2019

Date



ALVAREZ-MARSAL CANADA INC.
IN ITS CAPACITY AS RECEIVER OF
ATLANTIC SYSTEMS MANUFACTURING
(2016) LTD AND NOT IN ITS PERSONAL
CAPACITY

Atlantic Systems Manufacturing
(2016) Ltd.
Debtor

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

☒ Original ☐ Amended

-- Form 78 --

Statement of Affairs (Business Bankruptcy) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the bankruptcy of
Atlantic Systems Manufacturing (2016) Ltd.
of the City of Charlottetown, in the Province of Prince Edward Island

To the bankrupt:


You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 25th day of April 2019. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	173,728.11	1. Inventory	0.00
Balance of secured claims as per list "B"	0.00	2. Trade fixtures, etc.	0.00
Total unsecured creditors	173,728.11	3. Accounts receivable and other receivables, as per list "E"	
		Good	0.00
2. Secured creditors as per list "B"	0.00	Doubtful	0.00
		Bad	0.00
3. Preferred creditors as per list "C"	0.00	Estimated to produce	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00	4. Bills of exchange, promissory note, etc., as per list "F"	0.00
Total liabilities	173,728.11	5. Deposits in financial institutions	0.00
Surplus	NIL	6. Cash	0.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRIAs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H"	0.00
		If bankrupt is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	0.00
		Deficiency	173,728.11

I, Alvarez & Marsal Canada Inc. Receiver of Atlantic Systems Manufacturing (2016) Ltd., of the City of Toronto in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 25th day of April 2019 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Toronto in the Province of Ontario, on this 25th day of April 2019


Gail Anne Jenkinson, a Commissioner, etc.,
Province of Ontario, for Alvarez & Marsal Canada Inc.
Expires April 26, 2020.


Alvarez & Marsal Canada Inc. Receiver of
Atlantic Systems Manufacturing (2016)
Ltd.

District of: Prince Edward Island
 Division No. 01 - Prince Edward Island
 Court No.
 Estate No.

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Atlantic Systems Manufacturing (2016) Ltd

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	Bell Aliant	P.O. Box 640 Charlottetown PE C1A 7L3	326.39	0.00	326.39
2	Bell Mobility	200 Boul Bouchard Dorval QC H9S 5X5	213.23	0.00	213.23
3	Busch Vacuum	1740 Lionel Bertrand Boisbriand QC J7H 1N7	1,007.40	0.00	1,007.40
4	Camden Welding	1357 E Prince Street Truro NS B2N 4X1	3,345.15	0.00	3,345.15
5	Campbell's Concrete	P.O. Box 373 Charlottetown PE C1A 7K7	182.98	0.00	182.98
6	CRS Varnic	235 Ave Liberte Candiac QC J5R 3X8	1,081.00	0.00	1,081.00
7	Datarite	30 Troop Ave. Dartmouth NS B3B 1Z1	366.83	0.00	366.83
8	Easy-Kleen Systems	41 Earnhardt Rd Sussex Corner NB E4E 6A1	1,638.75	0.00	1,638.75
9	Fastenal Canada	900 Wabanki Drive Kitchener ON N2C 0B7	258.91	0.00	258.91
10	Federal Express Canada	P.O. Box 4626, Toronto Stn. A Toronto On M5W 5B4	1,077.56	0.00	1,077.56
11	Frontier Power Systems	P.O. Box 22068, Parkdale PO Charlottetown PE C1A 9J2	50,600.00	0.00	50,600.00
12	Guillevin International	61 Raddall Ave, Unit HH Dartmouth NS B3B 1T4	216.43	0.00	216.43
13	HD Supply	100 Galcat Dr. Vaughan ON L4L 0B9	2,247.05	0.00	2,247.05
14	Intralox, LLC (US)	P.O. Box 730367 Dallas TX 75373-0367 USA	2,348.69	0.00	2,348.69
15	Island Maintenance Supply	19 MacAleer Drive Charlottetown PE C1E 2A1	417.40	0.00	417.40
16	Island Oxygen Ltd.	20 Exhibition Drive Charlottetown PE C1A 5Z5	1,832.67	0.00	1,832.67
17	KD Pratt	21 Frazee Ave., Burnside Ind. Part Dartmouth NS B3B 1Z4	149.50	0.00	149.50
18	Kensington Metal Products	P.O. Box 879 Kensington PE C0B 1M0	198.72	0.00	198.72
19	Maritime Coffee Service	70 Thorne Ave. Dartmouth NS B3B 1Y5	56.70	0.00	56.70
20	Maritime Electric	P.O. Box 1328, Stn. Central Charlottetown PE C1A 7N2	1,263.36	0.00	1,263.36
21	McMaster-Carr Supply (US)	P.O. Box 7690 Chicago IL 60680-7690 USA	3,120.22	0.00	3,120.22
22	Midland Courier	100 Midland Drive Dieppe NB E1A 6X4	561.39	0.00	561.39
23	Midland Transport	100 Midland Drive Dieppe NB E1A 6X4	1,303.28	0.00	1,303.28
24	Mill Supply	410 Mt. Edward Road Charlottetown PE C1E 2A1	1,075.72	0.00	1,075.72

25-Apr-2019

Date

Alvarez & Marsal Canada Inc. Receiver of Atlantic
 Systems Manufacturing (2016) Ltd

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Atlantic Systems Manufacturing (2016) Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
25	Nord Gear Limited	41 West Drive Brampton On L6T 4A1	5,948.95	0.00	5,948.95
26	PEI Technology Solutions	P.O. Box 47 Cornwall PE C0A 1H0	819.78	0.00	819.78
27	Pinacle Stainless	484 Blvd Adelard-Savoie Dieppe NB E1A 7T4	1,350.32	0.00	1,350.32
28	Power-Link Inc.	5408 J-A Bombardier St-Hubert QC J3Z 1K3	2,998.42	0.00	2,998.42
29	RBC Visa	c/o Alvarez & Marsal Canada Inc. PO Box 22 Toronto ON M5J 2J1	971.00	0.00	971.00
30	Royal Bank of Canada	c/o Alvarez & Marsal Canada Inc. PO Box 22 Toronto ON M5J 2J1	1.00	0.00	1.00
31	Russel Metals	28 Lakeside Park Dr. Lakeside NS B3T 1A3	7,576.82	0.00	7,576.82
32	Ryerson Canada	P.O. Box 57171 Sta A Toronto On M5W 5M5	1,312.76	0.00	1,312.76
33	Samuel & Fils	CP 12559, Succursale Centre-Ville Montreal QC H3C 6R1	3,961.18	0.00	3,961.18
34	Sansom Equipment	1475 Woodstock Rd Fredericton NB E3B 5C8	31,970.00	0.00	31,970.00
35	Speciality Steel II Inc.	P.O. Box 285 Debert NS B0M 1G0	2,488.60	0.00	2,488.60
36	The Furnace Belt Co.	1874 Drew Rd, Unit #7 Mississauga ON L5S 1J6	1,509.61	0.00	1,509.61
37	Transforce Beltal Inc.	2664 Principale Dunham QC J0E 1M0	4,402.18	0.00	4,402.18
38	Tsubaki Canada	1630 Drew Rd Mississauga ON L5S 1J6	30,319.52	0.00	30,319.52
39	UPS Canada	P.O. Box 6157 Moncton NB E1C 9W9	161.69	0.00	161.69
40	Wajax Industrial Components	M9079C/U, P.O. Box 11790, dept. 26, Succursale Centre-Ville Montreal QC H3C 0C4	3,046.95	0.00	3,046.95
Total:			173,728.11	0.00	173,728.11

25-Apr-2019

Date


Alvarez & Marsal Canada Inc. Receiver of Atlantic
Systems Manufacturing (2016) Ltd.

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

FORM 78 -- Continued

List "B"
Secured Creditors

Atlantic Systems Manufacturing (2016) Ltd

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
Total:			0.00			0.00	0.00	0.00

25-Apr-2019

Date



Alvarez & Marsal Canada Inc. Receiver of Atlantic
Systems Manufacturing (2016) Ltd

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc

Atlantic Systems Manufacturing (2016) Ltd.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

25-Apr-2019

Date


Alvarez & Marsal Canada Inc. Receiver of Atlantic
Systems Manufacturing (2016) Ltd.

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

Atlantic Systems Manufacturing (2016) Ltd.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

25-Apr-2019

Date



Alvarez & Marsal Canada Inc. Receiver of Atlantic
Systems Manufacturing (2016) Ltd.

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

FORM 78 -- Continued

List "E"
Debts Due to the Bankrupt

Atlantic Systems Manufacturing (2016) Ltd.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
Total:				0.00 0.00 0.00			0.00	

25-Apr-2019

Date



Alvarez & Marsal Canada Inc. Receiver of Atlantic
Systems Manufacturing (2016) Ltd.

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

Atlantic Systems Manufacturing (2016) Ltd.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

25-Apr-2019

Date


Alvarez & Marsal Canada Inc. Receiver of Atlantic
Systems Manufacturing (2016) Ltd.

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

FORM 78 -- Continued

List "G"
Real Property or Immovables Owned by Bankrupt
Atlantic Systems Manufacturing (2016) Ltd

Description of property	Nature of bankrupt interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

25-Apr-2019

Date


Alvarez & Marsal Canada Inc. Receiver of Atlantic
Systems Manufacturing (2016) Ltd

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No.
Estate No.

FORM 78 -- Concluded


List "H"
Property

Atlantic Systems Manufacturing (2016) Ltd.
FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other			0.00	0.00
			Total:	0.00

25-Apr-2019

Date

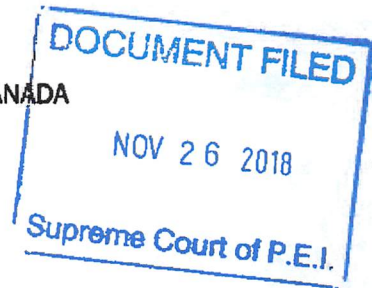

Alvarez & Marsal Canada Inc. Receiver of Atlantic
Systems Manufacturing (2016) Ltd.

Court File No. S1 GS 28446

**SUPREME COURT OF PRINCE EDWARD ISLAND
(GENERAL SECTION)**

BETWEEN:

ROYAL BANK OF CANADA



Applicant

and

**DME LIMITED PARTNERSHIP, DME GENERAL PARTNER INC., ATLANTIC SYSTEMS
MANUFACTURING (2016) LTD., DME CANADA ACQUISITIONS INC. and DME US HOLDCO INC.**

Respondents

RECEIVERSHIP ORDER

THIS APPLICATION made by the Applicant, ROYAL BANK OF CANADA ("RBC"), for an Order pursuant to Section 44 of the *Judicature Act*, R.S.P.E.I. 1988, Cap. J-2-1 (the "*Judicature Act*"), Rule 41 of the Rules of Court of Prince Edward Island (the "*Rules*") and Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "*BIA*") appointing Alvarez & Marsal Canada Inc. ("A&M") as receiver (in such capacity, the "*Receiver*") without security, of all of the assets, undertakings and properties of each of DME Limited Partnership, DME General Partner Inc. ("**DME GP**"), Atlantic Systems Manufacturing (2016) Ltd., DME Canada Acquisitions Inc. and DME US Holdco Inc. (collectively, the "**Debtors**" and each a "**Debtor**") acquired for, or used in relation to a business carried on by the Debtors, including the following real properties owned by DME GP:

- (a) real property known municipally as 54 Hillstrom Avenue, Charlottetown, Prince Edward Island and described legally in PID No. 565945 (the "**Hillstrom Property**") and all other property, assets and undertakings relating to the Hillstrom Property; and
- (b) real property known municipally as 38 McCarville St., Charlottetown,

Prince Edward Island and described legally in PID No. 518118 (the "McCarville Property" and together with the Hillstrom Property, the "Real Properties") and all other property, assets and undertakings relating to the McCarville Property,

was heard this 26th day of November, 2018 at 42 Water Street, Charlottetown, Prince Edward Island;

ON READING the affidavit of Gary Ivany sworn November 23, 2018, and the exhibits thereto, and on hearing the submissions of counsel for RBC, no one appearing for the Debtors although duly served as appears from the affidavit of service of Andrea MacInnis sworn November, 26, 2018, and on reading the consent of Alvarez & Marsal Inc. to act as the Receiver;

IT IS ORDERED THAT:

SERVICE

1. The time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. Pursuant to section 44 of the Judicature Act, Rule 41 of the Rules and section 243(1) of the BIA, the Receiver is hereby appointed receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to the business carried on by the Debtors, including the Real Properties, and all proceeds thereof (collectively, the "Property").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - a. to take possession and exercise control of the Property and any proceeds or

receipts arising from the Property but, while the Receiver is in possession of any of the Property, the Receiver must preserve and protect it;

- b. to change locks and security codes, relocate all or some of the Property to safeguard it, engage independent security personnel, take physical inventories and place insurance coverage;
- c. to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur and pay any obligations in the ordinary course of business, cease to carry on all or any part of the business, cease to perform any contracts of the Debtors, or the right to terminate any lease agreements entered into by any of the Debtors upon delivering at least fourteen days written notice;
- d. to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- e. to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the businesses of the Debtors, or any part or parts thereof;
- f. to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- g. to settle, extend or compromise any indebtedness owing to the Debtors;
- h. to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- i. to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;

- j. to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- k. to make payment of any and all costs, expenses and other amounts that the Receiver determines, in its sole discretion, are necessary or advisable to preserve, protect or maintain the Property, including, without limitation taxes, municipal taxes, insurance premiums, repair and maintenance costs, costs or charges related to security, management fees, and any costs and disbursements incurred by any manager appointed by the Receiver;
- l. to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- m. to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - i. without the approval of this Court in respect of any transaction not exceeding \$150,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
 - ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under of the *Personal Property Security Act* (Prince Edward Island) or the *Personal Property Security Act* (British Columbia) shall not be required;

- n. to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

- o. to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- p. to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- q. to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- r. to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- s. to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;
- t. to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations; and
- u. to file an assignment in bankruptcy on behalf of any of the Debtors or to consent to the making of a bankruptcy order against any of the Debtors, and to act, if required, as trustee in bankruptcy of any of the Debtors,

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

SALE PROCESS

- 4. The Receiver is hereby authorized and directed to carry out and conduct a marketing process in respect of the Property or any material portion or portions thereof, substantially in accordance with the marketing process outlined in Schedule "B" to this

Order (the "Sale Process"), and such Sale Process is hereby approved.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

8. The Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. No proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court; provided however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtors and the Receiver.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

10. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. All rights and remedies of any individual, firm, corporation, governmental body or agency or any other entity against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iv) prevent the filing of any registration to preserve or perfect a security interest, or (v) prevent the registration of a claim for lien and the related filing of an action to preserve the right of a lien holder provided that the Applicant shall not be required to file a defence to same as the further prosecution of any such claim is stayed except with the written consent of the Receiver, or leave of this Court.

PERSONAL PROPERTY LESSORS

12. All rights and remedies of any Person pursuant to any arrangement or agreement to which the Debtors is a party for the lease or other rental of personal property of any nature or kind are hereby restrained except with consent of the Receiver in writing or leave of this Court. The Receiver is authorized to return any Property which is subject to a lease from a third party to such Person on such terms and conditions as the Receiver, acting reasonably, considers appropriate and upon the Receiver being satisfied as to the interest of such Person in the applicable Property. The return of any item by the Receiver to a Person is without prejudice to the rights or claims of any other Person to the property returned or to an interest therein.

NO INTERFERENCE WITH THE RECEIVER

13. Subject to Section 16 of this Order related to the Debtors' employees, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

14. All Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.
15. The Receiver, in its sole discretion, may (but shall not be obligated to) establish accounts or payment on delivery arrangements with suppliers in its name on behalf of the Debtors for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors, or any of them, if the Receiver determines that the opening of such accounts is appropriate.
16. No creditor of the Debtors shall be under any obligation as a result this Order to advance or re-advance any monies or otherwise extend any credit to the Debtors.

RECEIVER TO HOLD FUNDS

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

accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

18. All employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees or they resign in accordance with their employment contracts. The Receiver shall not be liable as a result of this Order for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5), 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction.

19. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or Section 18 (1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c.63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale") as permitted at law. Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. A prospective purchaser or bidder requesting the disclosure of personal information shall execute such documents to confirm the agreement of such Person to maintain the confidentiality of such information on terms acceptable to the Receiver. The purchaser of any Property shall be entitled to continue to use the personal information provided to it related to the Property purchased in a manner which is in all material respects identical to the permitted prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

20. Nothing herein contained shall require or obligate the Receiver to occupy or to take control, care, charge, occupation, possession or management (separately and/or collectively, "Possession") of any of the Property or any part thereof, that may be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other legislation, statute, regulation or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, *Canadian Environmental Protection Act, 1999* (Canada), the *Clean Water Act* (Prince Edward Island), the *Environmental Protection Act* (Prince Edward Island) and the *Environmental Management Act* (British Columbia) (collectively, the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
21. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
22. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
- a. before the Receiver's appointment; or,
 - b. after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
23. Notwithstanding anything in federal or provincial law, but subject to paragraph 22 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON LIABILITY

24. The Receiver including, without limitation, any director, officer or employee of the Receiver, shall incur no liability or obligation as a result of its appointment as the Receiver or the carrying out the provisions of this Order, or in the case of any party acting as a director, officer or employee of the Receiver so long as acting in such capacity, save and except for any gross negligence or wilful misconduct on the part of such party, or in respect of the Receiver's obligations under sections 81.4(5) and 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06(4) of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

25. The Receiver and all legal counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the Receiver and all legal counsel to the Receiver shall be entitled to and are hereby granted a charge to a maximum of \$500,000 (the "Administrative Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and the Administrative Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

26. The Receiver and its legal counsel shall pass their respective accounts from time to time and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a Judge of the Supreme Court of Prince Edward Island in accordance with the Rules.

27. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees, expenses and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved in accordance with the preceding paragraph hereof.

RECEIVER'S INDEMNITY CHARGE

28. The Receiver shall be entitled to and is hereby granted a charge (the "Receiver's Indemnity Charge") upon all of the Property as security for all of the obligations incurred by the Receiver including obligations arising from or incidental to the performance of its duties and functions under this Order including the management, operation and carrying on of all or part of the business of any of the Debtors, the BIA or otherwise, saving only liability arising from gross negligence or wilful misconduct of the Receiver.

29. The Receiver's Indemnity Charge shall form a second charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA and subordinate in priority to the Administrative Charge.

ALLOCATION OF COSTS

30. The Receiver shall file with the Court for its approval a report setting out the costs, fees, expenses and liability of the Receiver giving rise to the Administrative Charge, the Receiver's Indemnity Charge and the Receiver's Borrowings Charge (as defined below) and, unless the Court orders otherwise, all such costs, fees, expenses and liability shall be paid in the following manner:

- a. Firstly, applying the costs incurred in the receivership proceedings specifically attributable to an individual asset or group of assets against the realizations from such asset or group of assets;
- b. Secondly, applying the costs pro rata against all of the assets based on the net realization from such asset or group of assets; and
- c. Thirdly, applying non-specific costs incurred in the receivership proceedings *pro rata* against all of the assets based on the net realization from each asset or group of assets.

FUNDING OF THE RECEIVERSHIP

31. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or

desirable, provided that the outstanding principal amount does not exceed \$2,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of making payments (including interim payments) required or permitted to be made by this Order (including, without limitation, payments of amounts secured by the Administrative Charge and the Receiver's Indemnity Charge). The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Indemnity Charge, the Administrative Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

32. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court on seven days notice to the Receiver and the Applicant.

33. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

34. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

35. The Receiver shall establish and maintain a website in respect of these proceedings at: <https://www.alvarezandmarsal.com/DMEGroup> and shall post there as soon as practicable:

- a. all materials prescribed by statute or regulation to be made publicly available; and,
- b. all applications, reports, affidavits, orders and other materials filed in these

proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

36. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule "C" (the "Demand for Notice"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.

37. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out in the service list identifying all parties that have delivered a properly completed Demand for Notice (the "Service List"). Any interested party, including the Receiver may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

38. Notwithstanding paragraph 35 of this Order, service of the Notice of Application and any affidavits filed in support shall be made on the Federal Prince Edward Island and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations and the Provincial Prince Edward Island and British Columbia Crowns in accordance with the *Crown Proceedings Act*, R.S.P.E.I. 1988 c. 32 and the *Federal Crown and the Crown Proceedings Act*, R.S.B.C. 1996 c.89.

39. The Receiver and its legal counsel are authorised to service or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in

satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations.

GENERAL


40. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
41. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
42. The aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States is hereby requested to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
43. The Receiver is hereby authorized and empowered to apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act in a representative capacity in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
44. The Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from each of the Debtors' estates with such priority and at such time as this Court may determine.
45. Any interested party may apply to this Court to vary or amend this Order upon such notice required under the *Rules of the Court*, if any, or on such notice as this Court may order.
46. Any Person affected by this Order which did not receive notice in advance of the hearing

of the initial application may apply to this Court to vary or amend this Order within five (5) days of such Person being served with a copy of this Order.

47. In addition to the reports to be filed by the Receiver under the BIA on the application to the Court of any secured creditor, the Receiver shall file a report of its activities with the Court.

48. The Receiver shall not be discharged without notice to such secured creditors and other parties as the Court directs.

DATED at Charlottetown, Prince Edward Island, this 26th day of November, 2018


J. KEY

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

49. THIS IS TO CERTIFY that Alvarez & Marsal Canada Inc., the receiver (the "Receiver") of the assets, undertakings and properties each of DME LIMITED PARTNERSHIP, DME GENERAL PARTNERS INC., ATLANTIC SYSTEMS MANUFACTURING (2016) LTD., DME CANADA ACQUISITIONS INC. and DME US HOLDCO INC. (collectively the "Debtors") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "Property") appointed by Order of the Supreme Court of Prince Edward Island (the "Court") dated the 26th day of November 2018 (the "Order") made in an action having Court file number _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

50. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

51. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

52. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____, _____.

53. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

54. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.

55. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2018.

ALVAREZ & MARSAL CANADA INC., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "B"

SALE PROCESS

The purpose of the Sale Process is to identify one or more purchasers of the Business and Property of certain or all the Debtors as a going concern or otherwise and to complete one or more transactions as contemplated herein. Set forth below are the procedures (the "Sale Process") that shall govern the Sale Process and any transactions consummated as a result thereof.

1. The Sale Process

The Sale Process shall consist of one phase. The Receiver shall contact potential purchasers (as known to the Receiver or as identified to the Receiver). The Receiver shall advertise the Property and Business as considered appropriate by the Receiver.

Any interested party (an "Interested Party") that meets the preliminary participant requirements as determined by the Receiver, including having executed a confidentiality agreement, in form and substance satisfactory to the Receiver, shall be provided with access to a virtual data room to prepare and submit a bid by the Bid Deadline (as defined below).

2. "As Is, Where Is"

The sale of the Business or any part of the Property of the Debtors will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature or description by the Receiver, the Debtors, or any of their employees, officers, directors, agents or advisors, except to the extent set forth in the relevant definitive sale agreement(s).

The Receiver will be responsible for the coordination of all reasonable requests for additional information and due-diligence access from Interested Parties. The Receiver is not responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the sale of the Property and the Business.

The form of purchase agreement will be posted in the virtual data room (the "Purchase Agreement").

3. Bid Deadline

An Interested party that wishes to make a bid to acquire the Business or all, substantially all or any part of the Property, must deliver an executed copy of a bid in the form of the Purchase Agreement to the Receiver, at the address specified below to be received by it not later than 5:00 p.m. (Eastern Time) on January 7, 2019, or such other later date or time as may be agreed by the Receiver upon consultation with RBC (the "Bid Deadline").

Alvarez & Marsal Canada Inc.

200 Bay Street, Suite 2900 (South Tower)

Toronto, ON M5J 2J1

Attention: Josh Nevsky

Email: jnevsky@alvarezandmarsal.com

4. Evaluation of Bids

The Receiver, in consultation with RBC, shall evaluate any and all bids on various grounds, including, but not limited to, the purchase price, the treatment of employees, creditors and related implied recovery for creditors (in each case, as applicable), the assumed liabilities, the certainty of closing the transaction(s) and any delay or other risks (including closing risks) in connection with the bids.

Following such evaluation, the Receiver may accept, subject to Court approval, one (or more than one) of the bids (each, a "Successful Bid" and the offeror(s) making such Successful Bid being a "Successful Bidder") and take such steps as may be necessary to finalize definitive transaction documents for the Successful Bids(s) with Successful Bidder(s).

The Receiver shall be under no obligation to accept the highest or best offer or any offer or to select any Successful Bidder(s).

5. Court Approval

The Receiver shall use reasonable efforts to make a motion to the Court to approve the Successful Bid(s) as soon as practical following the determination by it of the Successful Bidder(s). The Receiver will be deemed to have accepted the Successful Bid(s) only when it has

been approved by the Court. All Qualified Bids (other than the Successful Bid(s)) shall be deemed rejected by the Receiver on and as of the date of approval of the Successful Bid(s) by the Court.

6. Modification and Termination

The Receiver, upon consultation with RBC, shall have the right to modify and/or adopt such other rules for the Sale Process that will better promote the sale of the Business or all or any part of the Property under the Sales Process. The Receiver, in consultation with RBC, shall apply to the Court if it wishes to materially modify or terminate the process set out in the Sale Process. For certainty, any amendments to the Bid Deadline or other dates set out in the Sale Process, shall not constitute a material modification.

SCHEDULE "C"

DEMAND FOR NOTICE

TO: [Name of Party]
c/o [Name of Counsel to the Party]
Attention:
Email:

AND TO: Alavarez & Marsal Canada Inc.
c/o DME Limited Partnership et al.
Attention:
Email:

Re: In the matter of the Receivership of [DEBTOR]

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

1. By email, at the following address (or addresses):

OR

2. By facsimile, at the following facsimile number (or numbers):

OR

3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

34345230.4

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No. 3584
Estate No. 51-2503421

FORM 31
Proof of Claim

(Sections 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1),
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

In the matter of the bankruptcy of
Atlantic Systems Manufacturing (2016) Ltd.
of the City of Charlottetown, in the Province of Prince Edward Island

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the bankruptcy of Atlantic Systems Manufacturing (2016) Ltd. of the City of Charlottetown in the Province of Prince Edward Island and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of the city of _____ in the province of _____, do hereby certify:

1. That I am a creditor of the above named debtor (or I am _____ (position/title) of _____, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy, namely the 26th day of April 2019, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

☐ A. UNSECURED CLAIM OF \$ _____

(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description.)

☐ Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

☐ Regarding the amount of \$ _____, I do not claim a right to a priority.
(Set out on an attached sheet details to support priority claim.)

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts.)

- ☐ E. CLAIM BY WAGE EARNER OF \$ _____
- ☐ That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____,
- ☐ That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____,
- ☐ F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
- ☐ That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____,
- ☐ That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____,
- ☐ G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

- ☐ H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I _____ (am/am not) (or the above-named creditor _____ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and _____ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. (Applicable only in the case of the bankruptcy of an individual.)

- ☐ Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.
- ☐ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____, _____.

Witness

Creditor

Phone Number: _____
Fax Number : _____
E-mail Address : _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of: Prince Edward Island
Division No. 01 - Prince Edward Island
Court No. 3584
Estate No. 51-2503421

FORM 36
Proxy
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the matter of the bankruptcy of
Atlantic Systems Manufacturing (2016) Ltd.
of the City of Charlottetown, in the Province of Prince Edward Island

I, _____, of _____, a creditor in the above matter, hereby
appoint _____, of _____, to be
my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without)
power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

BDO Canada Limited / BDO Canada Limitée - Licensed Insolvency Trustee
Suite 201, 255 Lacewood Drive
Halifax NS B3M 4G2
Phone: (902) 425-3100 Fax: (902) 425-3777
E-mail: ClaimsEast@bdo.ca

INSTRUCTIONS TO CREDITORS RESPECTING PROOF OF CLAIM FORM

CLAIMS NOT COMPLETED CORRECTLY IN EVERY RESPECT WILL BE RETURNED.

Any creditor who does not prove his claim is not entitled to share in any distribution. This checklist is provided to assist you in preparing the accompanying proof of claim form, and where required proxy form in a complete and accurate manner. Please specifically check each requirement.

GENERAL

- The signature of a witness is required.
- This document must be signed personally by the individual completing this declaration.
- Give the complete address where any notice or correspondence is to be forwarded.
- The amount on the statement of account (Schedule A) must correspond to the amount indicted on the proof of claim.

POINT 2

- A detailed statement of account must be attached to the proof of claim and must show the date, number and amount of all invoices or charges, together with the date, number and amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward.

POINT 3

- A secured creditor must attach a certified true copy of the security agreement as registered and must give full particulars of the security, including the date the security was given and the value assessed to the security by the creditor.
- Claims by Farmer, Fisherman, or Aquaculturist must attach a copy of sales agreement and delivery documents.

POINT 4

- If you are related by blood or marriage to the Bankrupt, then you should consider yourself to be a related person pursuant to Section 4. If the Bankrupt is a corporation, you would be considered to be related to it if you were a shareholder or if your company was controlled by the same shareholders as the bankrupt corporation.

POINT 5

- All claimants must attach a detailed list of all payments or credits received or granted, as follows:
 - (a) Within three (3) months preceding the bankruptcy or the proposal in the case where the claimant and the debtor are not related.
 - (b) Within twelve (12) months preceding the bankruptcy or the proposal in the case where the claimant and the debtor are related.

NOTE: The *Bankruptcy and Insolvency Act* permits a proof of claim to be made by a duly authorized agent of the creditor, but in order for such a person to vote at the first meeting of creditors they must hold a properly completed proxy.

GENERAL

- A creditor may vote either in person or by proxy.
- A debtor may not be appointed a proxy to vote at any meeting of his creditors.
- The Trustee may be appointed as a proxy for any creditor.
- A corporation may vote by an authorized agent at a meeting of creditors.
- In order for a duly authorized person to have a right to vote, he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.