

Form 49
[Rule 13.19]

COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE EDMONTON

ESTATE NUMBER 24-2536824

PROCEEDING IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
R.D.E. VENTURES INC.

- and

ESTATE NUMBER 24-2536823

PROCEEDING IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
FRONTLINE CIVIL HOLDINGS INC.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT MILLER THOMSON LLP
Barristers and Solicitors
2700, Commerce Place
10155-102 Street
Edmonton, AB, Canada T5J 4G8
Phone: 780.429.1751 Fax: 780.424.5866
Lawyer's Name: Stephanie A. Wanke
Lawyer's Email: swanke@millerthomson.com
File No.: 234198.8

AFFIDAVIT OF TAMARA ENRIGHT
Sworn on August 19, 2019

I, Tamara Enright, of the City of Oakville in the Province of Ontario, SWEAR AND SAY
THAT:

1. I am a Senior Manager in the Asset Management & Collections group for Meridian OneCap Credit Corp. ("**Meridian OneCap**") and as such, have personal knowledge of the facts and matters herein deposed except where stated to be based upon information and belief, and where so stated I verily believe the same to be true.
2. I have reviewed the business records maintained by Meridian OneCap herein in respect of the matters at issue, which I verily believe were made in the ordinary and usual course of business, and where I do not have direct personal knowledge of matters deposed herein, my knowledge is derived from my review of the business records, relevant copies of which are attached to this my Affidavit.

3. I am authorized to make this Affidavit on behalf of Meridian OneCap.

Overview

4. Meridian OneCap has entered into 13 leases with R.D.E. Ventures Inc. (“**R.D.E. Ventures**”) and related entities as described below (the “**Leases**”). As at July 23, 2019, the aggregate outstanding indebtedness under the Leases was \$4,157,177.32. A summary of the Leases and outstanding amounts is provided below:

| Lase | Start Date | A/R (\$) | Balance Outstanding as at July 23, 2019 (\$) |
|-------------|-------------------|------------------|---|
| 445697 | 04/30/18 | 17,014 | 380,885.59 |
| 447791 | 04/30/18 | 17,014 | 380,885.59 |
| 600646 | 11/19/18 | 31,039 | 642,836.89 |
| 601097 | 11/19/18 | 27,277 | 558,569.24 |
| 601103 | 11/19/18 | 28,140 | 551,256.30 |
| 601108 | 11/19/18 | 18,125 | 361,951.63 |
| 601110 | 11/19/18 | 12,940 | 267,888.89 |
| 601115 | 11/19/18 | 17,430 | 382,454.64 |
| 601117 | 11/19/18 | 24,403 | 516,083.73 |
| 604894 | 02/11/19 | 2,956 | 30,693.63 |
| 605628 | 03/21/19 | 4,066 | 66,840.53 |
| 378193 | 10/20/14 | 4,667 | 7,830.56 |
| 423176 | 04/17/17 | 732 | 9,000.10 |
| | | \$205,803 | \$4,157,177.32 |

5. The June, July and August payments under the Leases are outstanding.

6. Following default of the June payments, Meridian OneCap contacted Robert Stewart and Dean Eastman to discuss the default. Meridian OneCap had a number of phone calls and emails with Robert Stewart in June 2019 where Meridian required that R.D.E. Ventures provide the following information:

- (a) locations of all leased equipment;
- (b) updated accounts receivable;
- (c) corroboration with respect to the information that R.D.E. Ventures was providing with respect to an updated operating agreement with National Bank;
- (d) updated financial statements; and

- (e) corroboration with respect to the forthcoming capital injections that R.D.E. Ventures had advised Meridian OneCap would be made prior to July 31, 2019.
7. Mr. Stewart made a number of promises with respect to providing the requested information as well as advised repeatedly that the arrears would be addressed from upcoming account receivable payments and anticipated capital injections.
 8. On July 5, 2019, Mr. Stewart advised that “all outstanding issues” with CN Rail had been resolved and imminent payment was anticipated. Mr. Stewart further advised that he would provide an update on the payment on July 8, 2019.
 9. Despite further repeated attempts to contact Mr. Stewart, no payments were ever made and none of the requested information was ever provided.
 10. Attached as Exhibit “OO” hereto is an email chain between Meridian OneCap and Mr. Stewart.

Lease 378193

11. On or around October 16, 2014, Roynat Lease Finance, at the request of R.D.E. Ventures Inc. (“**R.D.E Ventures**”), purchased from Fort Garry Industries a 2014 STARGATE DURWALL Trailer (S/N 2S9DA5355EM116945) (the “**378193 Equipment**”).
12. Attached hereto as Exhibit “A” is a true copy of the invoice for 378193 Equipment from Fort Garry Industries.
13. On or around October 17, 2014, R.D.E. Ventures, Dean Eastman (“**Eastman**”), and Robert Stewart (“**Stewart**”) entered into a lease agreement (“**Lease 378193**”) with Roynat Inc. for the lease of the 378193 Equipment.
14. Attached hereto as Exhibit “B” is a true copy of Lease 378193.
15. Pursuant to Lease 378193, rental payments would be made as follows:
 - (a) One initial payment of \$12,391.20 plus goods and services tax (“**GST**”); and
 - (b) Fifty-nine monthly payments thereafter in the amount of \$1,411.58 plus GST.
16. On or around October 14, 2014, the security interest created by Lease 378193 in the 378193 Equipment was registered at the Alberta Personal Property Registry (the “**PPR**”) as Registration 14101412161.

17. Attached hereto as Exhibit “C” is a serial number search of the 378193 Equipment.
18. On or around April 29, 2016, Lease 378193 was assigned over to Meridian OneCap.
19. The last payment Meridian OneCap received with respect to Lease 378193 was the May 15, 2019 payment.

Lease 423176

20. On or around March 31, 2017, Meridian OneCap, at the request of R.D.E. Ventures, purchased from Corporate Business Solutions (Canada) Inc., among other things, a Konica Minolta C258 and accessories (the “**423176 Equipment**”).
21. Attached hereto as Exhibit “D” is a true copy of the invoice for 423176 Equipment from Corporate Business Solutions (Canada) Inc.
22. On or around March 27, 2017, R.D.E. Ventures entered into a lease agreement (“**Lease 423176**”) with Meridian OneCap for the lease of the 423176 Equipment.
23. Attached hereto as Exhibit “E” is a true copy of Lease 423176.
24. Pursuant to Lease 423176, R.D.E. rental payments would be made as follows:
 - (a) One initial payment of \$50.00 plus GST; and
 - (b) Nineteen monthly payments thereafter in the amount of \$597.00 plus GST.
25. On or around April 13, 2017, Meridian OneCap registered its security interest in the 423176 Equipment at the PPR as registration 17041342196.
26. The last payment Meridian OneCap received with respect to Lease 423176 was the March 15, 2019 payment.

Lease 445697

27. On or around April 16, 2018, at the request of R.D.E. Ventures, Stewart, Eastman, R.D.E. Inc., R.D.E. Transport Inc., and Frontline Civil Holdings Inc., Brandt Finance Ltd. (“**Brandt Finance**”) purchased from Brandt Tractor Ltd. (“**Brandt Tractor**”) a John Deere 410E Rock Truck (S/N 1DW410ETKEE665936) (the “**445697 Equipment**”).

28. Attached hereto as Exhibit "F" is a true copy of the invoice for 445697 Equipment from Brandt Tractor.
29. On or around April 30, 2018, R.D.E. Ventures, Stewart, Eastman, R.D.E. Inc., R.D.E. Transport Inc., and Frontline Civil Holdings Inc. entered into a lease agreement ("**Lease 445697**") with Brandt Tractor for the lease of the 445697 Equipment.
30. Lease 445697 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**445697 Assignment**") and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**445697 Notice of Assignment**").
31. Attached hereto as Exhibit "G" is a true copy of Lease 445697, the 445697 Assignment, and 445697 Notice of Assignment.
32. Pursuant to Lease 445697, rental payments would be made as follows: Forty-eight monthly payments in the amount of \$8,101.78 plus GST.
33. On April 24, 2018, the security interest in the 445697 Equipment created by Lease 445697 was registered at the PPR as registration 18042435913.
34. Attached hereto as Exhibit "H" is a true copy of a PPR search of the serial number of the 445697 Equipment.
35. The last payment Meridian OneCap received with respect to Lease 445697 was the May 15, 2019 payment.

Lease 447791

36. On or around April 16, 2018, at the request of R.D.E. Ventures, Stewart, Eastman, R.D.E. Inc., R.D.E. Transport Inc., and Frontline Civil Holdings Inc., Brandt Finance purchased from Brandt Tractor a 410E Rock Truck (S/N 1DW410ETVEE666024) (the "**447791 Equipment**").
37. Attached hereto as Exhibit "I" is a true copy of the invoice for 44791 Equipment from Brandt Tractor.

38. On or around April 30, 2018, R.D.E. Ventures, Stewart, Eastman, R.D.E. Inc., R.D.E. Transport Inc., and Frontline Civil Holdings Inc. entered into a lease agreement ("**Lease 447791**") with Brandt Tractor for lease of the 447791 Equipment.
39. Lease 447791 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**447791 Assignment**") and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**445697 Notice of Assignment**").
40. Attached hereto as Exhibit "**J**" is a true copy of Lease 447791, the 447791 Assignment, and 447791 Notice of Assignment.
41. Pursuant to Lease 447791, rental payments would be made as follows: Forty-eight monthly payments in the amount of \$8,101.78 plus GST.
42. On April 24, 2018, the security interest in the 447791 Equipment created by Lease 447791 was registered at the PPR as registration 18042439338.
43. Attached hereto as Exhibit "**K**" is a true copy of a PPR search of the serial number of the 447791 Equipment.
44. The last payment Meridian OneCap received with respect to Lease 447791 was the May 15, 2019 payment.

Lease 600646

45. On or around November 1, 2018, at the request of R.D.E. Ventures, Stewart, Eastman, R.D.E. Inc., R.D.E. Transport Inc., Frontline Civil Holdings Inc., and Able Surfaces Inc. (collectively, the "**Co-Lessees**"), Brandt Finance purchased from Brandt Tractor a 2017 John Deere 410E ADT (S/N 1DW410ETKHF682945) (the "**600646 Equipment**").
46. Attached hereto as Exhibit "**L**" is a true copy of the invoice for 600646 Equipment from Brandt Tractor.
47. On or around November 19, 2018, the Co-Lessors entered into a lease agreement ("**Lease 600646**") with Brandt Tractor for the lease of the 600646 Equipment.
48. Lease 600646 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**600646 Assignment**") and thereafter

assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**600646 Notice of Assignment**").

49. Attached hereto as Exhibit "**M**" is a true copy of Lease 600646, the 600646 Assignment, and 600646 Notice of Assignment.
50. Pursuant to Lease 600646, rental payments would be made as follows: Thirty-five monthly payments in the amount of \$14,780.43 plus GST.
51. On November 5, 2018, the security interest in the 600646 Equipment created by Lease 600646 was registered at the PPR as registration 18110524031.
52. Attached hereto as Exhibit "**N**" is a true copy of a PPR search of the serial number of the 600646 Equipment.
53. The Last payment Meridian OneCap received with respect to Lease 600646 was the May 1, 2019 payment.

Lease 601097

54. On or around November 1, 2018, at the request of Co-Lessees, Brandt Finance purchased from Brandt Tractor a 2016 John Deere 410E Articulated Dump Truck (S/N 1DW410ETJGF673758) (the "**601097 Equipment**").
55. Attached hereto as Exhibit "**O**" is a true copy of the invoice for 601097 Equipment from Brandt Tractor.
56. On or around November 19, 2018, the Co-Lessees entered into a lease agreement ("**Lease 601097**") with Brandt Tractor for the lease of the 601097 Equipment.
57. Lease 601097 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**601097 Assignment**") and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**601097 Notice of Assignment**").
58. Attached hereto as Exhibit "**P**" is a true copy of Lease 601097, the 601097 Assignment, and 601097 Notice of Assignment.

59. Pursuant to Lease 601097, rental payments would be made as follows: Thirty-five monthly payments in the amount of \$12,988.97 plus GST.
60. On November 5, 2018, the security interest in the 601097 Equipment created by Lease 601097 was registered at the PPR as registration 18110513835.
61. Attached hereto as Exhibit "Q" is a true copy of a PPR search of the serial number of the 601097 Equipment.
62. The last payment Meridian OneCap received with respect to Lease 601097 was the May 1, 2019 payment.

Lease 601103

63. On or around November 1, 2018, at the request of Co-Lessees Brandt Finance purchased from Brandt Tractor a 2018 John Deere 844K Wheel Loader (S/N 1DW844KCCJF889030) ("**Equipment 601103**").
64. Attached hereto as Exhibit "R" is a true copy of the invoice for 601103 Equipment from Brandt Tractor.
65. On or around November 19, 2018, the Co-Lessors entered into a lease agreement ("**Lease 601103**") with Brandt Tractor for the lease of the 601103 Equipment.
66. Lease 601103 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**601103 Assignment**") and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**601103 Notice of Assignment**").
67. Attached hereto as Exhibit "S" is a true copy of Lease 601103, the 601103 Assignment, and 601103 Notice of Assignment.
68. Pursuant to Lease 601103, rental payments would be made as follows: Thirty-five monthly payments in the amount of \$13,400.00 plus GST.
69. On November 5, 2018, the security interest in the 601103 Equipment created by Lease 601103 was registered at the PPR as registration 18110514440.

70. Attached hereto as Exhibit "T" is a true copy of a PPR search of the serial number of the 601103 Equipment.
71. The last payment Meridian OneCap received with respect to Lease 601103 was the May 1, 2019 payment.

Lease 601108

72. On or around November 1, 2018, at the request of Co-Lessees Brandt Finance purchased from Brandt Tractor a 2016 John Deere 824K Wheel Loader (S/N 1DW824KXCGD676914) ("**Equipment 601108**").
73. Attached hereto as Exhibit "U" is a true copy of the invoice for 601108 Equipment from Brandt Tractor.
74. On or around November 19, 2018, the Co-Lessees entered into a lease agreement ("**Lease 601108**") with Brandt Tractor for the lease of the 601108 Equipment.
75. Lease 601108 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**601108 Assignment**") and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**601108 Notice of Assignment**").
76. Attached hereto as Exhibit "V" is a true copy of Lease 601108, the 601108 Assignment, and 601108 Notice of Assignment.
77. Pursuant to Lease 601108, rental payments would be made as follows: Thirty-five monthly payments in the amount of \$8,630.95 plus GST.
78. On November 5, 2018, the security interest in the 601108 Equipment created by Lease 601108 was registered at the PPR as registration 18110515771.
79. Attached hereto as Exhibit "W" is a true copy of a PPR search of the serial number of the 601108 Equipment.
80. The last payment Meridian OneCap received with respect to Lease 601108 was the May 1, 2019 payment.

Lease 601110

81. On or around November 1, 2018, at the request of Co-Lessees Brandt Finance purchased from Brandt Tractor a 2018 John Deere 700K Dozer (S/N 1T0700KXPHF323494) ("**Equipment 601110**").
82. Attached hereto as Exhibit "**X**" is a true copy of the invoice for 601110 Equipment from Brandt Tractor.
83. On or around November 19, 2018, the Co-Lessees entered into a lease agreement ("**Lease 601110**") with Brandt Tractor for the lease of the 601110 Equipment.
84. Lease 601110 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**601110 Assignment**") and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**601110 Notice of Assignment**").
85. Attached hereto as Exhibit "**Y**" is a true copy of Lease 601110, the 601110 Assignment, and 601110 Notice of Assignment.
86. Pursuant to Lease 601110, rental payments would be made as follows: Thirty-five monthly payments in the amount of \$6,161.96 plus GST.
87. On November 5, 2018, the security interest in the 601110 Equipment created by Lease 601110 was registered at the PPR as registration 18110517822.
88. Attached hereto as Exhibit "**Z**" is a true copy of a PPR search of the serial number of the 601110 Equipment.
89. The Last payment Meridian OneCap received with respect to Lease 601110 was the May 1, 2019 payment.

Lease 601115

90. On or around November 1, 2018, at the request of Co-Lessees Brandt Finance purchased from Brandt Tractor a 2018 John Deere 300GLC Excavator (S/N 1FF300GXEJF730674) ("**Equipment 601115**").

91. Attached hereto as Exhibit "**AA**" is a true copy of the invoice for 601115 Equipment from Brandt Tractor.
92. On or around November 19, 2018, the Co-Lessees entered into a lease agreement ("**Lease 601115**") with Brandt Tractor for the lease of the 601115 Equipment.
93. Lease 601115 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**601115 Assignment**") and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**601115 Notice of Assignment**").
94. Attached hereto as Exhibit "**BB**" is a true copy of Lease 601115, the 601115 Assignment, and 601115 Notice of Assignment.
95. Pursuant to Lease 601115, rental payments would be made as follows: Thirty-five monthly payments in the amount of \$8,299.88 plus GST.
96. On November 5, 2018, the security interest in the 601115 Equipment created by Lease 601115 was registered at the PPR as registration 18110509592.
97. Attached hereto as Exhibit "**CC**" is a true copy of a PPR search of the serial number of the 601115 Equipment.
98. The last payment Meridian OneCap received with respect to Lease 601115 was the May 1, 2019 payment.

Lease 601117

99. On or around November 1, 2018, at the request of Co-Lessees Brandt Finance purchased from Brandt Tractor a 2016 John Deere 410E Articulated Dump Truck (S/N 1DW410ETKGF676092) ("**Equipment 601117**").
100. Attached hereto as Exhibit "**DD**" is a true copy of the invoice for 601117 Equipment from Brandt Tractor.
101. On or around November 19, 2018, the Co-Lessees entered into a lease agreement ("**Lease 601117**") with Brandt Tractor for the lease of the 601117 Equipment.

102. Lease 601117 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**601117 Assignment**") and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**601117 Notice of Assignment**").
103. Attached hereto as Exhibit "**EE**" is a true copy of Lease 601117, the 601117 Assignment, and 601117 Notice of Assignment.
104. Pursuant to Lease 601117, rental payments would be made as follows: Thirty-five monthly payments in the amount of \$11,620.70 plus GST.
105. On November 5, 2018, the security interest in the 601117 Equipment created by Lease 601117 was registered at the PPR as registration 18110526368.
106. Attached hereto as Exhibit "**FF**" is a true copy of a PPR search of the serial number of the 601117 Equipment.
107. The last payment Meridian OneCap received with respect to Lease 601117 was the May 1, 2019 payment.

Lease 604894

108. On or around February 11, 2019, the Co-Lessees entered into a lease agreement ("**Lease 604894**") with Brandt Tractor for the lease of a 2018 FAE UML/HY 125 VT Mulcher head with blank (S/N 18-1509) ("**Equipment 604894**").
109. Lease 604894 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the "**604894 Assignment**") and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the "**604894 Notice of Assignment**").
110. Attached hereto as Exhibit "**GG**" is a true copy of Lease 604894, the 604894 Assignment, and 604894 Notice of Assignment.
111. Pursuant to Lease 604894, rental payments would be made as follows: Twenty-four monthly payments in the amount of \$1,407.83 plus GST.
112. On February 6, 2019, the security interest in the 604894 Equipment created by Lease 604894 was registered at the PPR as registration 19020602245.

113. Attached hereto as Exhibit “HH” is a true copy of a PPR search of the serial number of the 604894 Equipment.
114. The last payment Meridian OneCap received with respect to Lease 604894 was the May 1, 2019 payment.

Lease 605628

115. On or around February 23, 2019, at the request of Co-Lessees Brandt Finance purchased from Brandt Tractor a 2017 UMN/EX 150VT Mulcher (S/N 17-1261).
116. Attached hereto as Exhibit “II” is a true copy of the invoice for 605628 Equipment from Brandt Tractor.
117. On or around March 21, 2019, the Co-Lessees entered into a lease agreement (“**Lease 605628**”) with Brandt Tractor for the lease of the 605628 Equipment.
118. Lease 605628 was assigned by Brandt Tractor to Brandt Finance by way of an Assignment of Commercial Lease Agreement (the “**605628 Assignment**”) and thereafter assigned to Meridian OneCap by way of a Notice of Assignment and Direction (the “**605628 Notice of Assignment**”).
119. Attached hereto as Exhibit “JJ” is a true copy of Lease 605628, the 605628 Assignment, and 605628 Notice of Assignment.
120. Pursuant to Lease 605628, rental payments would be made as follows: Thirty-six monthly payments in the amount of \$1,936.42 plus GST.
121. On March 4, 2019, the security interest in the 605628 Equipment created by Lease 605628 was registered at the PPR as registration 19030401903.
122. Attached hereto as Exhibit “KK ” is a true copy of a PPR search of the serial number of the 605628 Equipment.
123. The Last payment Meridian OneCap received with respect to Lease 605628 was the May 15, 2019 payment.

Waivers

124. With respect to Equipment 600646, Equipment 60109, Equipment 601097, Equipment 601103, Equipment 601108, Equipment 601110, Equipment 601115, and Equipment 601117, the following parties provided letters stating they have no interest in said Equipment:
- (a) ATB Financial (formerly Alberta Treasury Branch);
 - (b) Wells Fargo Equipment Finance Company;
 - (c) RCAP Leasing Inc.;
 - (d) National Bank of Canada;
 - (e) John Deere Financial Inc.; and
 - (f) Factors Western Inc.
- (collectively, the “**No-Interest Letters**”).
125. Attached hereto as Exhibit “**LL**” are true copies of the No-Interest Letters.
126. Attached hereto as Exhibit “**MM**” are true copies PPR searches of R.D.E. Ventures and Frontline Civil Holdings Inc. conducted on August 16, 2019.
127. Equipment 378193, Equipment 423176, Equipment 445697, Equipment 447791, Equipment 600646, Equipment 601097, Equipment 601103, Equipment 601108, Equipment 601110, Equipment 601115, Equipment 601117, Equipment 604894, and Equipment 605628 are collectively referred to as the “**Collateral**”.

Default and Demand

128. R.D.E. Ventures and the other Co-lessees are in default under the Leases for failure to make payment under the Leases.
129. On July 11, 2019, Meridian OneCap advised R.D.E. Ventures the Co-Lessees that the Leases were in default, advised that all payments under the Leases had been accelerated, and demanded payment of all indebtedness under the Leases (the “**Demands**”). With the Demands, Meridian OneCap served Notices of Intention to Enforce Security pursuant to s. 244 of the *Bankruptcy and Insolvency Act*, RSC 1985 c B-3 (“**BIA**”) on each of the Co-Lessees (the “**Notices**”).

130. Attached hereto as Exhibit “**NN**” are true copies of the Demands and Notices.
131. The Demands and Notices to R.D.E. Ventures, R.D.E. Inc., R.D.E. Transport Inc., Frontline Civil Holdings Inc., and Aable Surfaces Inc. were delivered by courier on July 11, 2019.

Engagement with Bailiff

132. On or around July 11, 2019, Meridian OneCap engaged a bailiff to seize the Collateral.
133. On or around July 16, 2019, the bailiff:
- (a) Seized Equipment 378193, Equipment 447791, Equipment 601108, and Equipment 378193 and left the respective units under bailee’s undertakings; and
 - (b) Seized Equipment 445967, Equipment 600646, Equipment 601097, Equipment 601103, Equipment 601110, Equipment 601115, Equipment 601117, Equipment 604894, and Equipment 605628 by s. 54 of the *Civil Enforcement Act*, RSA 2000 c C-15.
134. On July 23, 2019, Meridian OneCap instructed the bailiff to remove the Collateral. At that time the bailiff advised that he had heard that the Co-Lessees had filed Notices of Intention to file a Division I Proposal pursuant to the *BIA* (the “**NOIs**”).
135. Prior to this, Meridian OneCap had received no notice of the NOIs.

Payments to Equipment Lessors

136. I am advised by counsel for Meridian OneCap that the Bowra Group, the proposal trustee (the “**Proposal Trustee**”), confirm on July 23, 2019 that R.D.E. Ventures and Frontline Civil Holdings Inc. had filed NOIs on July 19, 2019 and that the proposal trustee anticipated that equipment lease payments for the period commencing July 19, 2019 would be made.
137. No payment pursuant to the Leases has been received by Meridian OneCap during the NOI stay period.

Material Adverse Change Report

- 138. I am advised by counsel for Meridian OneCap that on August 13, 2019 they received from the Proposal Trustee Material Adverse Change reports for R.D.E. Ventures and Frontline Civil Holdings Inc. dated August 8, 2019 (the “**Material Change Reports**”).
- 139. I have reviewed the Material Change Reports and understand that R.D.E. Ventures and Frontline Civil Holdings Inc. are not receiving the cash flows that would be necessary to carry on operations and submit a successful proposal to their creditors.

Depreciation Equipment and Under Secured

- 140. Meridian OneCap has extensive experience in the financing of heavy duty equipment such as the Collateral.
- 141. After reviewing our internal valuation records with respect to the fair market values of the Collateral, I do believe that Meridian is undersecured and will not be able to satisfy the indebtedness of the Co-Lessees to Meridian upon realization of the Collateral.
- 142. Provided with this my Affidavit is a Confidential Appendix “1” providing the current amount owed on the Equipment, expected realization amounts for the Equipment, and corresponding expected shortfall.
- 143. Further, the Collateral are depreciating assets. Some of the assets are being used in coal applications, and the difficult environment of those applications further accelerates depreciation.
- 144. Accordingly, any extension to the NOI stay of proceedings will materially prejudice Meridian OneCap.
- 145. I make this application in opposition to an application to extend the NOI stay of proceeding and for a lifting of the stay with respect to Meridian OneCap.

SWORN (OR AFFIRMED) BEFORE ME)
 at _____, Ontario, this)
 _____ day of August, 2019.)
)
)
)
 _____)
 (Commissioner for Oaths in and for the)
 Province of Ontario))



 TAMARA ENRIGHT

