



This is the 1st affidavit of Bernard Aaron Rokstad in this case and was made on October 31, 2024

No. B-240477
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

BETWEEN:

STELLEX POWER LINE OPCO LLC and 1501841 B.C. LTD.

PETITIONERS

AND:

ROKSTAD HOLDINGS CORPORATION, ROKSTAD POWER (2018) LTD., ROKSTAD POWER CONSTRUCTION SERVICES LTD., ROKSTAD POWER TRANSMISSION SERVICES LTD., ROKSTAD POWER (PRAIRIES) LTD., GOLDEN EARS PAINTING & SANDBLASTING (2018) LTD., and PLOWE POWER SYSTEMS (2018) LTD.

RESPONDENTS

AFFIDAVIT

I, Bernard Aaron Rokstad, of c/o 2500–700 West Georgia Street, Vancouver, director, AFFIRM THAT:

1. As described in more detail below, I am a director and officer of the companies in the Rokstad Group, defined herein, and as such have personal knowledge of the facts and matters hereinafter deposed to, except where same are stated to be on information and belief, and where so stated I verily believe them to be true.
2. I am authorized by the Respondents to make this affidavit on their behalf, in support of their defence to the application for appointment of a Receiver of the Petitioners, Stellex Power Line Opco LLC and 1501841 B.C. Ltd., which I believe to be affiliates of Stellex Capital Management LLC and Stellex Capital Management LP (collectively, "**Stellex**"), a private equity firm seeking to acquire the Rokstad Group.
3. In preparing this affidavit, I have reviewed the business records maintained by the Respondents in respect of the matters at issue, which I believe were made in the ordinary and usual course of their business.

The Rokstad Group

4. I am a director of Rokstad Holdings Corporation ("**Holdings**"), parent company to Rokstad Power Construction Services Ltd. ("**Bear Creek**"), Rokstad Power Transmission Services Ltd. ("**Long Lake**"), Rokstad Power (Prairies) Ltd. ("**BiPole**"), Plowe Power Systems

(2018) Ltd. ("**Plowe**"), Rokstad Power (2018) Ltd. ("**RP 2018**"), and Golden Ears Painting & Sandblasting (2018) Ltd. ("**Golden Ears**"), all of which are companies incorporated according to the laws of the Province of British Columbia (collectively the "**Respondents**"). RP 2018 and Golden Ears are the only operating entities of the Respondents.

5. I am a director of the US subsidiaries of Holdings, Rokstad Power Inc. ("**RPI**") and Rokstad Power (East) Inc. ("**RPE**"); RPI is the sole member of Rok Air LLC ("**Rok Air**"). All three companies are Delaware corporations (the "**US Companies**", together with the Respondents, the "**Rokstad Group**").

History of the Company

6. The Rokstad Group is a leading distribution and transmission construction company that operates across the United States and Canada, offering a full range of power line contracting services.
7. The business traces its history back to 2008, when I, along with other founding shareholders, founded Empirica Energy Inc.
8. In 2011, Empirica Energy Inc. and Galbraith Power (BC) Inc. amalgamated and subsequently changed the company name to Rokstad Power Corporation ("**RPC**").
9. I originally ran RPC, with my father, Bernard George "**Bernie**" Rokstad, joining me in 2013.
10. From 2011 to 2013, RPC and the predecessor entities grew from 100 to 250 employees and began operating in the United States through RPI.
11. At this time, RPC owned and was operating through the following entities:
 - (a) Rokstad Power Corporation;
 - (b) Golden Ears Painting & Sandblasting Ltd.;
 - (c) Plowe Power Systems Ltd.

(collectively (a) through (e), the "**Former Rokstad Entities**"); and
 - (d) RPI.
12. During this time, RPC's business was focused on power transmission and distribution maintenance and service projects in British Columbia, Alberta, and in the United States.
13. By 2014, as a growing leader in the power transmission and distribution maintenance and services field, RPC and its related entities actively sought a strategic partner to help them expand their footprint and achieve an increased level of performance.
14. As part of funding RPC's growth, in 2014, the Former Rokstad Entities and RPI entered into a share and unit purchase agreement, dated November 28, 2014 (the "**SUPA**"), with the Carillion group of companies ("**Carillion**"), whereby Carillion acquired 60% of the equity in the Former Rokstad Entities and RPI.

15. After the SUPA completed, RPC owned 40% of the equity in the Former Rokstad Entities through a new entity, RPC Limited Partnership by its general partner, Rokstad Power GP Inc. and RPI. According to the SUPA, in 2020, Carillion was supposed to acquire the remaining 40% of the equity in the Former Rokstad Entities and RPI that was held by RPC.
16. On January 25, 2018, Carillion obtained an initial order pursuant to the CCAA (as a result of Carillion's flawed accounting practices), which had a devastating effect on the operations of the Former Rokstad Entities due to Carillion's role as provider of working capital and loan financing.
17. On June 13, 2018, the Former Rokstad Entities (save for RPC Limited Partnership) were added as applicants in the Carillion CCAA proceedings.
18. On June 20, 2018, the Court approved an asset purchase agreement whereby Holdings acquired the key business assets and business lines of the Former Rokstad Entities, separating them from the Carillion entities. Closing occurred on August 10, 2018.
19. Since the transactions in the summer of 2018, the Rokstad Group has been wholly owned by our family through two family trusts, the Rokstad Family Trust and the BROK Trust (the "Trusts"). The Trusts own the all the issued and outstanding shares of Holdings, which in turn owns the remaining companies in the Rokstad Group.
20. The Rokstad Group now consists of new entities incorporated to operate the businesses.
21. After closing, our management team, including myself and Bernie, had to regrow the business from quite a low point.
22. Since re-acquiring sole ownership of the business, the Rokstad Group has continued to provide power line construction and maintenance services in Canada and the United States.
23. The Rokstad Group's business includes construction and maintenance of low, medium and high voltage transmission lines, overhead and underground construction and maintenance, underground distribution, emergency and storm outage response and live line and barehand services.
24. The Rokstad Group employs approximately 416 people.
25. In its entire history, including from the Empirica Energy days, we have never missed a payroll.
26. To fund the growing Rokstad business, in 2019 and 2020, the Rokstad Group entered into credit facilities with Crown Capital Partner Funding LP by its general partner, Crown Capital LP Partner Funding Inc. (together, "Crown") and Canadian Western Bank ("CWB") respectively.

Loan Agreements

27. On April 26, 2019, Crown and Holdings, as borrower, along with RPI, RP 2018, Golden Ears, Plowe, Bear Creek, Long Lake, BiPole, Bernie, and myself entered into a loan agreement (the "**Crown Loan Agreement**"), whereby Crown agreed to establish a credit

facility (the "**Crown Facility**") in the principal amount of CAD\$30,000,000, which amount was advanced.

28. On November 6, 2019, the same entities entered into an Amended and Restated Loan Agreement (the "**ARLA**") whereby the Crown Loan Agreement was amended and restated, including Crown's agreement to advance a further \$20,000,000 to the Rokstad Group. The ARLA was amended on June 3, 2020, October 23, 2020, and April 9, 2021.
29. On June 3, 2020, Holdings, as borrower, and RPI, RP 2018, Golden Ears, Plowe, Bear Creek, Long Lake, and BiPole as guarantors, entered into a loan agreement with CWB (the "**CWB Loan Agreement**") in which CWB agreed to establish a credit facility (the "**CWB Facility**") and advance loans to Holdings in an aggregate amount not exceeding CAD\$51,000,000, available in CAD and USD.
30. On June 3, 2020, Crown, CWB, and Holdings entered into a Subordination, Priority, Standstill and Postponement Agreement (as amended, the "**Intercreditor Agreement**") pursuant to which Crown agreed the Crown Facility was postponed and subordinated to the CWB Facility up to the "Senior Loan Cap" (which it set at CAD\$56,000,000).
31. The CWB Loan Agreement was amended by an agreement dated July 28, 2020. On December 22, 2020, the same Rokstad entities entered into an Amended and Restated Credit Agreement with CWB, which was itself amended on April 1, 2021, to, among other things, increase the limit of the CWB Facility to CAD\$65,000,000 (as so amended, the "**ARCA**").
32. On April 9, 2021, the Intercreditor Agreement was amended to, among other things, increase the "Senior Loan Cap" to CAD\$70,000,000. On September 23, 2022, CWB, Crown, Holdings, and the US Companies entered into a second amending agreement to the Intercreditor Agreement.

Recent Financial Difficulties

33. In Sept 2021, the Rokstad group experienced financial challenges because one of its largest customers, Pacific Gas & Electric ("**PG&E**") suspended work for an extended period of time.
34. As per representations from PG&E employees, we were expecting to be back on the property in early 2022, but that did not happen. At the time, over 50% of the Rokstad Group revenues were related to PG&E works and, the Rokstad Group had approximately 1,000 employees. This suspension had significant negative financial repercussions for the companies.
35. On March 31, 2022, CWB sent a notice of events of default under the ARCA, being (a) a higher CWB debt to EBITDA ratio; (b) a greater value of purchase money security interests in respect of equipment than permitted under the ARCA; (c) a distribution to shareholders of \$450,000; and (d) outstanding financial statements and reports.
36. On April 8, 2022, CWB sent a further letter advising of events of default, being (a) a distribution to shareholders of \$113,069, and (b) late delivery of a monthly financial statement and report.

37. I cannot recall what the shareholder distributions noted as events of default were related to. While I cannot recall the precise reason behind these repayments, it has always been common practice for Bernie and me to loan money to the Rokstad Group and, in turn, for the Rokstad Group to repay that money. Also, my understanding of the loan arrangements with CWB is that the distributions are defaults because of the existence of other defaults identified, such as ratio of debt to EBITDA.
38. The Rokstad Group and CWB entered into a forbearance agreement on August 26, 2022 (the "**Original Forbearance Agreement**").
39. As part of the Original Forbearance Agreement, RPE and Rok Air (which had not originally guaranteed the CWB Facility) provided guarantees and security. The Original Forbearance Agreement was set to terminate on October 31, 2022 (if not previously terminated by a default of the agreement). Rokstad Group and CWB entered into a total of twenty amending agreements to the Original Forbearance Agreement.
40. On March 7, 2024, Rokstad Group, CWB, and Bernie, entered into an amended and restated forbearance agreement (the "**ARFA**"). The ARFA was set to terminate on July 16, 2024 (if not previously terminated by a default of the agreement). The ARFA was extended three times.
41. On September 4, 2024, CWB demanded repayment of the CWB Facility pursuant to the ARFA, on the basis that the Existing Defaults (as defined in the ARFA) had not been cured and the termination date for the ARFA had passed (the "**CWB Demand**").
42. The total outstanding amount of the CWB Facility, as per the CWB Demand and as of September 3, 2024, is \$25,703,129.31 USD and \$7,939,189.15 CDN.
43. As described in more detail below, until October 29, when Stellex acquired the Crown Facility, the Respondents were negotiating a transaction that would have seen the CWB Facility repaid in the near term.
44. On or about June 12, 2023, Crown obtained guarantees and security from RPI, RPE, and Rok Air to mirror CWB's security, subject to the Intercreditor Agreement and the standstill provisions therein.
45. On October 2, 2024, Crown demanded repayment of the Crown Facility pursuant to the ARLA and on the basis of multiple events of default, including allowing an event of default to occur under the CWB Facility (the "**Crown Demand**").
46. The total outstanding amount of the Crown Facility, as per the Crown Demand and as of September 6, 2024, is \$61,129,479.00 CDN. This amount being a result of payment of in-kind interest accruing on top of the original loan extended under the Crown Facility.

Marketing Process and Stellex Acquisition Efforts

47. As required pursuant to the ARFA, the Respondents engaged in a marketing process to sell the businesses outside of creditor protection. On or about December 16, 2022, we

engaged an M&A advisor, Stifel, Nicolaus & Co., Inc. ("**Stifel**") to run a full process and assist with an equity raise.

48. As a first step in the sale process, we successfully sold our Arizona division (and that sale closed on or about October 1, 2023). We used the proceeds from that sale to pay down a portion of our debt to CWB.
49. The larger sale process in respect of the Rokstad Group businesses took place in 2024.
50. Throughout its period in default, the Rokstad Group worked closely with CWB's financial advisor, PricewaterhouseCoopers LLP ("**PwC**").
51. At no time in the past two years has CWB, Crown, or PwC ever indicated any desire or need for protective measures with respect to management.
52. In particular, when the CWB Demand expired on September 14, CWB took no steps to commence enforcement proceedings.
53. Even when there were cash flow challenges, for example due to the fires in Hawaii and Hawaii Electric Co. not being able to keep us current on our bills, we were able to work with our secured lenders and their advisors without their taking extreme measures to seek to wrest control of the group away from current management.
54. Initial indications of value looked like the Rokstad Group's secured creditors would be largely if not wholly repaid. However, during the sale process, Southern California Edison ("**SCE**"), a major client of the Rokstad Group, throttled back work for all SCE's contractors, which resulted in negative value adjustments for the US business in the tens of millions of dollars.
55. To be specific, we are a "Tier 1" contractor in the Desert region for SCE. In early 2024, our crew counts were going down, and we were trying to get an explanation for why. We also knew from conversations with industry connections that this affected all Tier 1 contractors.
56. In May 2024, we were informed by the vice president of distribution for SCE that SCE's budget gets set in 4-year periods. SCE had spent its 4-year budget in 3.5 years, which led to their having to pullback in their spend for the final 6 months of the 4-year term.
57. To give an idea of the impact of the problem, we expected to have 24 crews working for SCE in August 2024 (based on SCE's internal projections), but instead we had 3.75 crews.
58. Each crew generates approximately US\$3.8 million in revenue per year, and our overhead initially supported our expected crew count (i.e., 24 crews, not 3.75).
59. While we did right size our overhead over 2024, it took some time to see the reductions in costs reflected in our balance sheet and profitability. We also continued to carry equipment costs.
60. As a result of the throttle back of work for SCE, our division working in the Desert region went from generating US\$19.2 million of operating income for the group on an annualized basis to a \$3 million loss.

61. Based on conversations with SCE representatives, we were forecasting a return to approximately 24 crews in Q2 of 2025.
62. As of the end of September into early October, SCE contracted with RPI to expand into an additional region, the North Coast region, and the work in the Desert region started to increase again and will continue to do so over the next month.
63. Rokstad is now a Tier 1 contractor in two separate SCE regions—causing RPI to have at least the 24 crews originally forecasted, over four months earlier than expected, which has improved profitability.
64. As a result of the above, RPI experienced a large revenue gap from January to October 2024, which negatively impacted values in the sale process.
65. Stellex participated in the sale process run by Stifel.
66. As a condition to participation, Stellex was required to sign a non-disclosure agreement (the “NDA”), which was signed by Irina Krasik. The NDA has certain confidentiality provisions that have been breached by Stellex and the Petitioners, among other breaches, in relation to the acquisition of the CWB Facility and Crown Facility and in relation to the materials filed in these proceedings.
67. The co-lead negotiators for Stellex were Irina Krasik and John Carter, a third-party contractor who acted as agent for Stellex.
68. During these negotiations, the parties were also attempting to come to terms with Crown and CWB so that the acquisition would result in the release of both lenders’ security in respect of Rokstad’s assets.
69. Stellex also participated in the development of a financial model that was provided to PwC and showed a negative financial outlook for the Rokstad Group.
70. Specifically, the financial model was created by Mr. Yoni Lipski working with our former chief financial officer, Ms. Tamara Wilson. Through this financial model, Stellex represented that the Rokstad Group would run out of cash by early to mid-September, which was highly inaccurate (as is evident from the Rokstad Group’s continued operations).
71. The CWB Demand was received as negotiations were ongoing.
72. Certain developments with respect to deal terms which should remain confidential are included in my 2nd Affidavit that I expect to swear with this one. However, in my view, the following fact is critical in respect of Stellex’s actions. In a call and over email with Irina Krasik, and through counsel in mid-September 2024, Stellex advised that they further required, *prior to closing or even an agreement on the terms of the transaction*, Rokstad put a blocker corporation between Holdings and the shareholder family trusts, with a board of directors comprising Bernie, myself, and two directors that Stellex proposed. One of the proposed new directors was to have the casting vote. As a result of this structure, the new directors could cause Holdings’ subsidiaries to dispose of all the Rokstad Group’s business and assets without the consent of the existing directors and shareholders on sale terms that we might not want to complete.

73. Ultimately, the shareholders in the Rokstad Group determined not to continue discussions and negotiations with regards to a sale to Stellex because Stellex had changed the deal so drastically that it was unrecognizable, and did not reflect the value that the Rokstad Group and its principals brought to the table. Now shown to me and marked as Exhibit "A" is a true copy of a letter dated September 21, 2024, terminating negotiations.
74. When we terminated negotiations, I viewed Stellex and the Rokstad Group as two independent businesses negotiating to see if a consensual deal could be made. I did not think that Stellex had a right to acquire the business. However, in her affidavits filed in this proceeding (defined below), Ms. Krasik uses phrases such as we "purported to terminate discussions" and putting out "Stellex's view" of the value of the companies like it is definitive and trumps the Rokstad Group's interest in maximizing value for all stakeholders, including its customers, vendors, and employees.
75. Now shown to me and marked as Exhibit "B" is a true copy of an email I sent to the Rokstad Group employees regarding the termination of discussions and our reasons for same.

Business and Accounting Improvements

76. While the Rokstad Group has substantial liabilities, the business outlook has significantly improved over the past month, which would have been after the last time Stellex was authorized to view the financials pursuant to the NDA.
77. Some of this improvement is as a result of the increased work in Southern California discussed above. Some of the improvement is related to the recent storms in Florida and the addition of new work within other areas of the business as well.
78. Another significant source of improvement has been uncovering inaccuracies in the accounting coming out of the Rokstad Group Finance Team (the "**Finance Team**") while under the leadership of our former chief financial officer, Tamara Wilson, who had joined the group in late 2022.
79. Ms. Wilson resigned after I advised her that the Rokstad Group was going to terminate negotiations, which was the day prior to the Rokstad Groups formal termination of negotiations with Stellex.
80. After Ms. Wilson's resignation, Bernie and I learned of emails between Stellex and Ms. Wilson, including emails regarding a plan to freeze us out as current management.
81. Much of Stellex's evidence in support of the appointment of an interim receiver is based on information Ms. Krasik received from Ms. Wilson.
82. Upon review of the materials filed to appoint an interim receiver, it is clear Stellex does not have an accurate grasp of the Rokstad Group's financial situation.
83. After Ms. Wilson's departure, the Rokstad Group brought in a new CFO.
84. In working with our new CFO and the Finance Team under his leadership, we discovered that Ms. Wilson had been presenting to PwC cashflow projections that materially understated accounts receivable and overstated payables.

85. We are updating our financial modeling to progress a transaction to repay and restructure existing secured debt. The previous modeling was done by an individual we understand to be an employee of Stellex, Mr. Yoni Lipski, and Ms. Wilson, and presented an overly negative view of the Rokstad Group's financial position.
86. In working through the Rokstad Group's financials over the past months, we have found numerous inaccuracies, including over \$6 million in improperly accrued liabilities and aged payables that do not reflect actual liabilities of the business.
87. For example, whenever payroll and the end of the month do not fall on the same day, Ms. Wilson would include an accrual for union liabilities from the payroll funding date to the end of the month.
88. The Rokstad Group pays its union liabilities every month in most cases, and in some cases every payroll. As a result, any accruals would be reconciled within a week or two after the remittance information was received. In other words, there should never have been more than one month's worth of accruals listed as a liability in our financial information. The group is run such that there are never aged union payables.
89. Instead, Ms. Wilson instructed the Finance Team to continue to add to the accrued amount each month, with the result that our previous modeling showed an accrued liability of \$2.8 million USD where there is no corresponding liability of the entities in the Rokstad Group. Workers' Compensation liabilities were overstated by approximately US\$3.0 million.
90. As another example, we have our fuel vendors on two-day net payment terms. They have debit information and pull the money when due. The Finance Team reviews the payments and invoices to make sure the vendors are taking the right amounts. Because of this practice, there is no ability to have aged payables for these vendors. However, the new CFO has identified entries reflecting significant aged payables for these vendors, when these vendors do not have any overdue accounts.
91. Members of the Finance Team have advised me and the Rokstad Group's new CFO that they raised these and other issues with Ms. Wilson and that they were told by Ms. Wilson not to correct the inaccuracies.
92. In the last weekend alone, the Rokstad Group found over \$8.4 million USD in inflated liabilities that were shown in the modeling done by Stellex and Ms. Wilson. However the group simply does not owe those amounts.
93. Regarding aged payables and trade vendors, as you look at the past years of the companies, the amount we owe vendors has been trending downwards. While we are working toward further reducing aged payables, we are not in an unusual situation right now such that intervention like creditor protection or a receiver is needed.
94. Ms. Wilson's statements regarding the financial health of the companies are unreliable and I regret not finding this out sooner.
95. Now shown to me and marked as Exhibit "C" is a true copy of an updated 13-week cash flow forecast.

Proposed Plan to Restructure Debt

96. After September 13, 2024 (and after the exclusivity period with Stellex was at an end), the Rokstad Group revived negotiations to complete a transaction with another group that had originally participated in the marketing process, but was not initially chosen as the highest bid (the "Transaction").
97. In conjunction with the Transaction, Bernie and I were working to source other funds to increase the value going to secured creditors.
98. Until October 30, 2024, we were working towards an equity injection of at least \$15 million from third parties and a debt facility of at least \$20 million. Together with the Transaction, we expected to be able to fully repay the CWB Facility.
99. I previously worked closely with PwC to show that the Rokstad Group could cash flow over the period of time required to close a transaction.
100. During this period, I presented a cash flow forecast to PwC showing that the Rokstad Group did not need financing in the near term and that we would be able to make it to make it to closing of the Transaction without any funding requirements. After answering some clarifying questions, PwC did not express any concerns to us regarding the forecasts or the Transaction.
101. I followed up with PwC on October 4 and October 7. At no time did PwC mention that a refinancing of the CWB Facility was imminent or that they had any concerns with the Transaction other than potentially cash flow concerns that would see the Rokstad Group through to closing, which concerns have been shown to be unfounded.

Stellex Acquired CWB Debt

102. On October 1, 2024, counsel for the Rokstad Group sent an email to Stellex's transaction team requesting that Stellex and its representatives promptly return or destroy any confidential information or evaluation materials, in accordance with the NDA. Now shown to me and marked as Exhibit "D" is a true copy of the email from counsel.
103. To the best of my knowledge, our counsel did not receive confirmation that the confidentiality information or evaluation materials were destroyed or returned in accordance with the NDA.
104. On October 7, 2024, CWB's counsel informed the Rokstad Group's counsel that CWB had sold its position to Stellex (the "CWB Debt Sale").
105. Any information Stellex had to evaluate whether to acquire The CWB Facility would have been provided in respect of negotiating a transaction with the Rokstad Group.
106. Any information that (a) I provided or (b) Rokstad Group management authorized employees or others to provide was in reliance on the terms of the NDA. The NDA limits the use of the information to use for evaluating a transaction with the Rokstad Group, and not for any other purposes such as the acquisition of a lender's debt.

107. Given Stellex's participation in the sale process and efforts to acquire the companies from Bernie and me, I believe that Stellex has acquired the CWB Facility for the purpose of acquiring the Rokstad Group for lower consideration than they would have had to pay with a consensual deal.
108. On October 8, 2024, one day after we were informed of The CWB Facility sale, Stellex sent a letter to the Rokstad Group and its counsel, stating that Stellex Power Line Opco LLC and 1501841 B.C. Ltd. had acquired the CWB Facility, and purporting to have exercised powers of attorney to appoint directors to the board of directors and further purporting to have amended the governance documents of each entity in the Rokstad Group (the "**October 8th Letter**"). Now shown to me and marked as Exhibit "**E**" is a true copy of the letter from Stellex.
109. The two directors purported to be appointed were Tamara Wilson, the Rokstad Group CFO who quit after Stellex negotiations ended, and John Carter, one of Stellex's lead negotiators.
110. As a current director of the entities in the Rokstad Group, I do not view Ms. Wilson or Mr. Carter as appropriate to manage the Rokstad Group or independent of Stellex. Rather, they appear to me to have been chosen for the purpose of transferring our business to Stellex.
111. Representatives of Stellex did not reach out to discuss the acquisition of the CWB Facility, the desire to appoint directors, who those directors would be, or any other discussion. All we received was the October 8th Letter.
112. Now shown to me and marked as Exhibit "**F**" is a true copy of a letter from the Rokstad Group's counsel to counsel to Stellex dated October 8th, 2024, advising that the Rokstad Group views the purported exercise of powers of attorney as a nullity and asking for the opportunity to discuss.
113. On October 8, 2024, Ms. Wilson reached out to Bernie and I and attempted to call an emergency board meeting to vote on changing access to bank accounts. Now shown to me and marked as Exhibit "**G**" is a true copy of the email I received from Ms. Wilson.
114. I did not attend any alleged board meeting that Ms. Wilson attempted to call, given that she is not a board member and cannot properly call a board meeting. I am informed by Bernie, and verily believe that he did not attend any alleged board meeting.
115. Now shown to me and attached as Exhibit "**H**" is a letter from Stellex's local counsel, Blakes, Cassels & Graydon LLP ("**Blakes**"), which among other things refused to acknowledge the connection these purported board members clearly have with Stellex (the "**Blakes Letter**").
116. Now shown to me and marked as Exhibit "**I**" is a true copy of our counsel's response, which is redacted to protect settlement privilege (the circumstances of which are discussed in more detail below). The response explains that we "disagree with the legal and factual assertion" in the Blakes Letter and offered to discuss them in detail. Counsel also requested to discuss an efficient way to deal with the legal issues related to the steps Rokstad management viewed as overreach and improper interference with our business.

Stellex Appoints an Interim Receiver

117. On October 10, 2024, Stellex applied and obtained an order to appointing FTI Consulting Inc. (“FTI”) as interim receiver (the “**Interim Receiver**”) without notice to the Rokstad Group (the “**Interim Receivership Order**”). I have reviewed the application materials, including the Affidavit #1 of Irina Krasik filed in these proceedings (the “**First Krasik Affidavit**”). It contains misstatements in respect of the events from October 7 onwards (and regarding the Rokstad Group more broadly).
118. Affidavit #2 of Irina Krasik filed in these proceedings (the “**Second Krasik Affidavit**” and together with the First Krasik Affidavit, the “**Krasik Affidavits**”) repeats the misstatements from the First Krasik Affidavit and contains further incorrect information.
119. In response to the Krasik Affidavits, we were not within 24 hours of being unable to fund payroll at any time in the past months. As discussed above, Ms. Wilson was projecting cashflow incorrectly. The only factor in the past six weeks that has threatened meeting the Rokstad Group’s payroll obligations has been Stellex’s improper interference with our business.
120. In further response to paragraph 12 (and paragraph 11) of the First Krasik Affidavit, Ms. Wilson incorrectly assumed that all aged payables needed to be paid on closing, which was incorrect. Further, as described above, she was assuming a need to pay aged payables that are not actual liabilities of the companies. This was part and parcel of the inaccurate accounting work that we uncovered after she left the company.
121. In further response to Ms. Wilson’s statements repeated in the Krasik Affidavits, the statements attributed to Ms. Wilson are untrue. Some Rokstad customers such as BC Hydro and SCE, offer automated early pay mechanisms, which the Rokstad Group has consistently utilized over the past several years. Other customers, such as American Electric Power do not provide an automated early pay mechanism. It is common at an industry level to request accelerated payments depending upon business needs, or to generally offer favourable early payment terms. In the normal course, the Rokstad Group would have a factoring facility set up for such purposes. However, we presently do not have one. The Rokstad Group has never, and *could never* (due to the nature of our work for regulated utilities), offer to “just do more work” in exchange for early payment. Such suggestion shows a lack of understanding of the industry.
122. In response to paragraph 15 of the First Krasik Affidavit, the claim that Ms. Wilson and Mr. Carter were independent directors is misleading given the involvement of Ms. Wilson and Mr. Carter to date.
123. In further response to paragraph 15, it is untrue that the Rokstad Group has not substantiated its refusal to acknowledge the validity of the purported appointment of Ms. Wilson and Mr. Carter. On October 8, 2024, our counsel advised counsel for Stellex of the Rokstad Group’s position that the loan and security agreements did not give Stellex the authority to appoint Mr. Carter and Ms. Wilson.
124. Current management also disputes the appropriateness of the choice of individuals, given the inaccuracies discovered in Ms. Wilson’s accounting, and the involvement of both individuals with Stellex.

125. In response to paragraph 17(a) of the First Krasik Affidavit, the characterization of the payments "requested" by Bernie and me is incorrect. On October 7, 2024, in the usual course of business (and as has been our practice for the past three years) our business expenses were repaid. Back up for all expense claims had been loaded into the Rokstad Group's HR software over the preceding months.
126. For the avoidance of doubt, the Rokstad Group arranges for reimbursements periodically (often approximately quarterly, never monthly). These October 7 payments were scheduled prior to us ever knowing about Stellex acquiring the debt. Bernie also never received a payment for his expenses.
127. Ms. Krasik made similar allegations in an email to Crown stating that Bernie and I directed the "misappropriation of company assets". Now shown to me and marked as Exhibit "J" is a true copy of the email to Crown, on which I was copied. As discussed, the alleged "misappropriation" was the typical way in which business expense reimbursements for the Rokstad Group's principals have proceeded over the last three years.
128. At no time did Stellex speak to the Rokstad Group about this or ask any questions. Instead, they took unilateral steps that furthered the goal of taking over the companies.
129. In response to paragraphs 16 and 17(b) of the Krasik Affidavit, the assertion that Bernie and I cut off CWB bank account access to the Finance Team is baseless. The entire company lost access, including Bernie and myself.
130. To my understanding, after discussions with the Finance Team, bank account access was terminated by CWB's system, related to the sale of the debt to Stellex and the reclassification of our bank accounts. In any event, it is clear the issue stemmed from CWB and had absolutely no relation to actions taken by Bernie or myself.
131. The Finance Team worked with the CWB's account manager to resolve the issue.
132. Again, nobody at Stellex reached out to ask about the account access. Instead, Stellex issued accusations that Bernie and I did something untoward.
133. We advised Stellex of the issue on or about October 8, 2024, and yet Ms. Krasik repeated her accusations in the affidavit on October 10, 2024.
134. In response to paragraph 17(c) of the First Krasik Affidavit, Bernie and I are not trying to start our own or competing business. We want to continue running the Rokstad Group, our family business (which is something Bernie and I have discussed).
135. Our commitment to the Rokstad Group is evidenced by the fact that its financial position has improved in the past weeks. Additionally, we continue to work to improve business performance as further evidenced by the fact that we mobilized crews to support hurricane restoration efforts in Florida even after Stellex acquired the CWB Facility and have increased our work volumes in other areas.
136. We also had offered to put additional funds into the business by shareholder loans if needed, prior to Stellex acquiring the CWB Facility.

137. In further response to paragraph 17(c), Bernie has told me, and I verily believe, that he has not solicited key employees of the Rokstad Group to leave the Rokstad Group, as alleged.
138. Despite our desire to continue running the business, because of Stellex's choice to exercise control over the Rokstad Group and its attempts to take over our company, we made a last attempt to see if there was a consensual path here that would see Stellex get what they want – control of the Rokstad Group.
139. In response to paragraph 17(d) of the First Krasik Affidavit, Vlad Moshinsky was having those discussions on our behalf to see if there was any hope of a settlement. I understood those negotiations would be private (and could not be used against us to further leverage control).
140. In further response to paragraph 17(d), Stellex cannot "know" we are "actively trying to set up a competing business". We are not doing so and any such allegations are fabrications.
141. In response to paragraphs 18 and 19 of the First Krasik Affidavit, we dispute that Stellex was entitled to take the steps it has purported to take in relation to corporate governance of the Rokstad Group. Accordingly, we dispute that Ms. Wilson and Mr. Carter are, indeed, board members.
142. In response to paragraph 19(b) of the First Krasik Affidavit, Rokstad has complied with its obligations to provide access to Stellex as secured creditor, and instructed our employees to allow the secured creditors to view the property, inspect books and records, and make copies of information.
143. Given that:
 - (a) the Rokstad Group disputes (and continues to dispute) Stellex's ability to appoint board members if acting in good faith as a secured creditor within the scope of the powers set out in the loan and security documents; and
 - (b) the Rokstad Group also disputes the appropriateness of the appointment of Ms. Wilson and Mr. Carter given their clear histories and affiliations with Stellex,

we asked Rokstad Group employees to treat Mr. Carter and Ms. Wilson as representatives of a secured creditor with rights to inspect collateral and financial records. We asked that employees direct these individuals to Rokstad Group management if they wished to take other actions.
144. In response to paragraphs 20 and 21 of the First Krasik Affidavit, the concerns with the independence of the purported board members is discussed above.
145. In response to paragraph 22 of the First Krasik Affidavit, our counsel did respond to the Blakes Letter, and a redacted copy is attached to this affidavit as Exhibit "I". It is simply untrue that no response has been received.
146. In response to paragraphs 23 through 25 of the First Krasik Affidavit, the statements made in reference to "Exhibit "C" are not in Exhibit "C" or in any other exhibit to the First Krasik Affidavit.

147. In further response to paragraph 23, we provided Mr. Lipski access to our Arizona office, and he was at our office from approximately 16:30 to 19:30 local time.
148. Further access and cooperation was offered to Mr. Lipski but he advised he was returning to New York.
149. In further response to paragraph 23, the email at Exhibit D of the First Krasik Affidavit shows that the Rokstad Group was responsive and informative and provided explanations for the items that have been characterized as concerns. The email exchange makes clear that many of the assertions made by Ms. Krasik in correspondence and in the First Krasik Affidavit are unfounded.
150. In response to paragraph 24 of the First Krasik Affidavit, Mr. Martinez was in process of providing further details as requested when the Interim Receiver was appointed, at which time, Mr. Martinez's focus shifted to working with the Interim Receiver. Now shown to me and marked as Exhibit "K" is a true copy of the email chain.
151. We did ask our counsel to request that information requests be made through the Interim Receiver for two main reasons.
 - (a) the Finance Team was dealing with and prioritizing many competing and critical tasks, including (i) trying to fix the inaccuracies in Ms. Wilson's accounting during her time with the companies to give a more accurate financial picture, (ii) information requests from and working with the Interim Receiver, having been told by Rokstad Group management to take seriously the Rokstad Group's court-ordered obligations to cooperate, (iii) multiple requests from various individuals at Stellex, (iv) dealing with account sweeps and blockages from Stellex's exercise of a Deposit Account Control Agreement (the "DACCA"). Rokstad Group management thought it would be more efficient and easier for the Finance Team to manage all these tasks and priorities if requests funnelled through the Interim Receiver; and
 - (b) the Rokstad Group's relationship with Stellex is not productive. We did not want them to buy the business because we do not think they would be good stewards of a business bearing my family's name. We did not have a good working relationship with them by the end of sale negotiations. Then they went behind our back (and in breach of the NDA) and bought the CWB Facility. They blocked and swept our bank accounts. And then they put misstatements and inaccuracies before this Court to obtain an Interim Receiver appointed without any notice. Stellex also falsely alleged that Bernie and I were misappropriating funds and included the CEO of Crown on such communications. As the Interim Receiver is an independent court officer, we thought that receiving information requests through the Interim Receiver would minimize interaction with Stellex, but still enable them to receive information due to a secured lender.
152. In response to paragraph 28(c) of the First Krasik Affidavit, it is not the case that "critical members of senior management have left the employ of the Rokstad Group in recent months". Only Ms. Wilson has left and, given the inaccuracies uncovered in her accounting, her departure benefited the Rokstad Group. We have seen an improvement in performance from the Finance Team since she left.

153. Although Ms. Krasik has not identified any individuals other than Ms. Wilson, we do understand that CWB's advisor, PwC, became aware of the termination of Jon Askins, who had been deemed not a critical member of senior management. Mr. Askin's functions have been assumed by another member of our team who had already been doing a significant portion of Mr. Askins' job function. We are expecting that operations will improve under this new structure. As such, the termination supports the fact that Mr. Askins was not critical to the operations of the business. As individual terminations were not usually shared with PwC, I do not know how they became aware of the termination or if it was shared with any other parties. PwC contacted Rokstad immediately after Askins' termination so I believe they were notified by Stellex.
154. Over the past week, I became aware that Mr. Askins recently told one of the Rokstad Group California managers that he is a consultant for Stellex. If he was solicited while still employed, this is another breach of the NDA. In any event, my only understanding of why he was hired is in furtherance of Stellex's acquisition efforts.
155. In late September, while Mr. Askins was still working for the Rokstad Group, one of the Rokstad Group California managers told Bernie and me that Mr. Askins was planning a dinner with Ms. Wilson and two other current Rokstad Group employees in Phoenix.
156. I was told by a California manager that, on October 2, 2024, Ms. Wilson, Mr. Askins (both former Rokstad Group employees by that date), and two current Rokstad employees went for dinner in Phoenix.
157. One of those employees has been having conversations with our California manager and asking her to stop communicating with the Rokstads. Given that Ms. Wilson and Mr. Askins are now working for Stellex, I am worried that Stellex is soliciting other employees, and this dinner was part of that.
158. I am aware that Mr. Askins is now reaching out directly to Rokstad Group managers on behalf of Stellex.
159. I believe Stellex is hiring Rokstad Group employees to facilitate a transition of the business to Stellex.

Immediate Impacts of Stellex's Actions

160. After the appointment of the Interim Receiver, the Rokstad Group was locked out of our Bank of America ("**BOA**") bank accounts. BOA subsequently started sweeping certain Rokstad Group accounts and sending funds to Stellex. The accounts that were blocked included RPE and RPI's payroll accounts.
161. We later learned that Stellex had notified BOA of the assignment of CWB's rights under the DACA, pursuant to its acquisition of the CWB Facility.
162. Although the Second Krasik Affidavit states that Stellex provided the Rokstad Group with notice on October 8, 2024, of the exercise of its rights under the DACA, we do not recall receiving same. We and our counsel were only able to locate a notice of assignment of rights, not a notice activating the DACA and allowing the sweep of Rokstad Group accounts.

163. The Rokstad Group does payroll on Thursdays, weekly. On October 10, 2024, the payroll payments we had set up were cancelled by BOA, resulting in a missed payroll for the first time in our company's history. The payments were not cancelled because there were not funds in the account. This means that our US employees were not paid as expected.
164. Now shown to me and marked as Exhibit "L" is a true copy of an email from Craig Munro, of FTI to our counsel confirming the Interim Receiver had not taken steps in respect of the Interim Receivership Order or contacted BOA at that time.
165. The impact of missing payroll on the Rokstad Group business is significant. Our business relies on skilled workers, including linesmen, who are unionized and will not work for companies that cannot pay them as scheduled. A lack of trust on the part of the skilled workers our business relies on will threaten the Rokstad Group's ability to staff projects in the future and, in short, threatens our entire business model. Union actions or penalties can also result from non-payment.
166. Given the unpredictable nature of the Rokstad Group's business, we often hire on crews and then let individuals go when their labour is no longer needed. As noted above many of these crews are unionized. When we let individuals go, we need to pay them on and as of their final day (and these payments cannot wait until the next pay date). Accordingly, the Rokstad Group has field cheques that can be drafted and signed at any point to allow these payments to be processed same day.
167. Due to Stellex's actions with respect to the payroll accounts, a number of these cheques have not gone through when deposited by employees (the "**Dishonoured Cheques**").
168. Rokstad US is liable to these employees in the amount of 8 hours of regular pay per day for every day of delay between letting them go and paying them out. In short, we are facing significant (avoidable) expenses in light of the Dishonoured Cheques not clearing.
169. We have begun receiving grievances from the union which will cause only further (again, avoidable) expense. As of the date hereof, we have four formal grievances due to cheques bouncing and will incur material costs to settle these grievances. Now shown to me and marked as Exhibit "**M**" is a true copy of an email chain in respect of one of the grievances.
170. There are sufficient funds in the relevant account to cover the Dishonoured Cheques.
171. I am informed by Mr. Munro, and verily believe, that the Interim Receiver has not taken steps to control or restrict banking access.
172. As of October 11, 2024, I had been in contact with Mr. Munro. Mr. Munro advised us of the steps we need to take now that the Interim Receiver is exercising control of bank accounts. We are taking all steps to comply with the Interim Receiver and have communicated the requirements to our team. Now shown to me and marked as Exhibit "**N**" is a true copy of my email exchange with Mr. Munro.
173. Mr. Munro has further assisted in liaising with Stellex to ensure that cash swept by BOA is returned to the Rokstad Group so that we can pay our employees and critical expenses.
174. The Second Krasik Affidavit implies that somehow a company should be able to operate while its accounts, especially payroll accounts, are being swept, however that is an

unreasonable expectation. In my experience with bank lenders, they typically do not interfere with debtor employees being paid.

175. Through counsel, we are negotiating new deposit account control agreements with Stellex so that the existing blocks on our accounts and cash sweeps can stop.
176. As a consequence of our financial team dealing with all these impacts of Stellex's actions, our senior lender financial package that is due today will be submitted late. We are aiming to submit the package on November 1, 2024.

Stellex Acquires Crown Facility

177. As of October 30, 2024, the Rokstad Group had advanced the Transaction and other equity financing that would have seen the CWB Facility repaid, with some additional funds going to Crown in respect of the Crown Facility.
178. The Rokstad Group had also made a proposal to Crown to see them repaid in full over time.
179. In the afternoon of October 29, 2024, Mr. Moshinsky phoned me to advise that Ms. Krasik had told him Stellex had acquired the Crown Facility.
180. As with the acquisition of the CWB Facility, any information Stellex had to evaluate whether to acquire the Crown Facility would have been provided pursuant to the NDA.
181. In the Second Krasik Affidavit, Ms. Krasik deposes that Stellex wants to fund an open sale process to maximize value for stakeholders. However, given when that affidavit was sworn and when the Crown Facility was acquired, I do not believe Ms. Krasik was being truthful.
182. With Stellex's ability to credit bid both the CWB Facility and Crown Facility, a receivership will only serve to transfer the Rokstad Group's businesses to Stellex.
183. In the face of Stellex's acquisition of both CWB and Crown's position, the Rokstad Group is advancing its bona fide claims against the Petitioners, Stellex Capital Management LLC, Stellex Capital Management A LP, and others. The Rokstad Group feels we have been left with no other options to preserve the business and the value of the Rokstad Group for stakeholders.
184. Given the location of the defendants, we intend to commence an action in the State of New York.

Relief Sought

- 185. The Rokstad Group had been working diligently to repay or refinance its secured debt, and was a short time away from repaying its senior secured debt when Stellex acquired the Crown Facility.
- 186. We are currently receiving letters of intent with respect to our efforts to raise debt financing to repay the CWB Facility.
- 187. I do not believe Stellex is enforcing to recover on its secured debt. Instead, I believe that Stellex is acting in a pre-determined predatory manner with the goal of acquiring the Rokstad Group business and using the attempted enforcement of the loan agreement as a means to that end.
- 188. I further believe that Stellex breached its obligations to the Rokstad Group in acquiring CWB Facility and Crown Facility.
- 189. Although Stellex has represented to this Court that it had concerns with management and that it is acting as a secured creditor to maximize value for stakeholders, it is clear that Stellex is only interested in acquiring the Rokstad Group's business for less than it would have had to pay for a consensual deal with the owners of the companies.

AFFIRMED BEFORE ME at San Diego,)
California, on October 31, 2024)



_____)
A Commissioner for taking Affidavits)
in the State of California)

TRACY L CHAFFIN NOTARY


_____)
Bernard Aaron Rokstad)



This is Exhibit "A" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



September 21, 2024

VIA E-MAIL

Irina Krasik
ikrasik@stellexcapital.comRe: **Stellex/Rokstad Letter of Intent**

Dear Irina:

We write to you in your capacity as a Managing Director of Stellex Capital Management (“Stellex”) and in our capacity as legal counsel to Rokstad Holdings Corporation (together with its subsidiaries, (“Rokstad”) and in connection with that certain Letter of Intent entered into by Stellex regarding the acquisition of Rokstad (the “LOI”).

As you may have already heard, Rokstad and its shareholders (the “Shareholders”) have determined not to continue discussions and negotiations with regards to its sale to Stellex as described in the LOI and shall no longer pursue any transaction with Stellex, effective immediately. Further, Rokstad has informed us that it will no longer participate in any discussions or negotiations related to Stellex acquiring Rokstad’s outstanding indebtedness.

The Shareholders believe the deal as currently presented by Stellex so drastically different than what is contemplated in the LOI that it is unrecognizable and in no way reflects the value that Rokstad or its principals bring to the industry or would bring to Stellex. The Shareholders have informed us that neither Rokstad nor the Shareholders can envision a future in which there is a mutually beneficial professional working relationship in the event Stellex acquired Rokstad, given Stellex’s relentless self-serving negotiation tactics, which would have had the effect of further degrading the value of the transaction to the Shareholders. Therefore, the Shareholders have made the decision to move forward in a different direction.

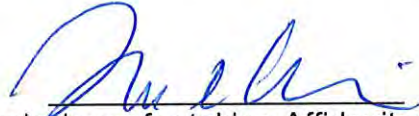
Sincerely,

/s/ R. Matthew Garms
R. Matthew Garms

cc:

Oscar Pinkas
pinkaso@gtlaw.comBernie Rokstad
Bernie.Rokstad@rokstadpower.comAaron Rokstad
Aaron.Rokstad@rokstadpower.com


This is Exhibit "B" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY





From: Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>
Date: September 21, 2024 at 5:02:21 PM PDT
To: ROKSTAD - US <Rokstad-US@rokstadpower.com>, ROKSTAD - Canada <Rokstad-Canada@rokstadpower.com>
Subject: ALL STAFF important announcement

Thank you for your attention to this very important update about the business.

I'm going to be straight with you: we have failed to close upon the transaction with the equity partner who we have been working with over the past several months. As the CEO and founder, I take responsibility for this failure as I know all of you are very tired with the current cash strapped position of the business and were hoping for a quicker fix. This is a classic case of choosing value over fit, and I'm reminded of how many times our customers call on us to come in and salvage projects or programs when they make the same mistake picking a low bidder with all sorts of capability or safety concerns and the job doesn't get done right, and we did not want to make that same mistake. Despite this failure, we see it as a set-back that will not get in the way of the positive momentum and tremendous outlook the company has thanks to all of your hard work.

As you may know, in June we entered into negotiations with an equity investor after a wide search. It looked like a reasonable structure and we were genuinely excited by the prospects of the deal. Ultimately, as the negotiation process went on, the commitments started to fade and the terms of the deal changed so drastically it is unrecognizable. This group became predatory and aggressive, and we are left with no choice other than to walk away. I want to help you understand why we've made this decision and believe me when I say there are countless examples, but I'd like to share 3.

First off, this equity group has a scorched earth approach to restructuring. Their plan was to bring in independent directors from corporate restructuring firms and remove the Rokstad's from influence, with the view to replacing the management team and appointing their own. Talk about a slap in the face to the team that has

worked so hard to get this company to where it is. The disrespect shown to the Rokstad's, especially my Dad, in how they see our roles in the business is alarming. Removing Bernie from the business all together, who has quite literally given his life to this industry, while they appoint a President with zero utility experience and complete disregard for building great culture. Rokstad Power would be in name only.

Second, the commitments made early in the process with regards to making our vendors whole who have hung in there with us so long have completely changed as the company would be under the control and domain of two restructuring experts that have zero interest in honoring commitments we've made. They would enter aggressive negotiations with these folks with the intent of paying cents on the dollar. I get it that this is capitalism and you are free to make any deal you want, but is that the right solution for an industry so small like ours, to treat vendors who have helped us make us who we are like that? That's just wrong. This attitude bleeds over to how they would treat staff as well. They view employee compensation as too generous and as such, they would make decisions based on dollars alone, not people.

And third, the money. We care about this business so much that nearing the end of the negotiations, both Dad and I were getting zero compensation for our shares in the business. We were fine without receiving any money and would have done a deal if that was necessary because the great business that has been created here is bigger than us and our compensation. However, this group tried to end run us by entering into direct negotiations with our lenders and buying their debt, then foreclosing on the company to get the shares and appoint their own team. I know that sounds unbelievable, it is hard to fathom even as I write this what they were intending. Predatory and reprehensible behavior, which is reflective of how they would treat the business going forward and is just plain unacceptable.

There is no way we can subject our people and our vendors to this team and sleep at night, knowing that we let the wolf in the cabin. This is a group that has a scarcity mindset, where the Rokstad's come from a mindset of abundance. I'm lucky to have learned that from my Dad growing up, I believe it to my core and it's why this business would be soon unrecognizable with this other team in charge. We couldn't live with ourselves. So our decision became: do we take the easy way out and let them come in knowing all of this and we are just along for the ride, or do we fight for what we've created and preserve Rokstad's secret sauce.

Now to the good news; I wouldn't send a communication like this if we didn't believe we had a better solution. We have commitments from friends and family to help us support the business financially while we enter the next, exciting phase of growth and profitability for Rokstad Power. Will be back in touch soon when we

can share further details.

In the meantime, feel free to reach out if you have questions.

Best Regards;

Aaron Rokstad

CEO

O: 1-888-310-8830

F: 1-888-310-8831

Rokstad Power

<https://www.rokstadpower.com>



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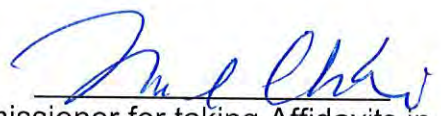
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Please consider the environment - do you really need to print this email?

This is Exhibit "C" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



Rokstad Power
In USD\$, thousands
As of 10/29/2024

FX Rate
1.36

	1	2	3	4	5	6	7	8	9	10	11	12	13
<i>For the week ending</i>	01-Nov-24	08-Nov-24	15-Nov-24	22-Nov-24	29-Nov-24	06-Dec-24	13-Dec-24	20-Dec-24	27-Dec-24	03-Jan-25	10-Jan-25	17-Jan-25	24-Jan-25
Cash Balance (BoA/CWB)	4,140	1,955	3,104	307	2,901	1,211	251	143	2,660	1,020	1,230	1,911	1,651
OS Checks	(780)	-	-	-	-	-	-	-	-	-	-	-	-
Cash Inflows													
US Customers													
SCE	437	1,298	403	403	403	806	806	806	806	1,200	1,200	1,200	1,200
Hawaii	(0)	560	560	560	560	617	617	617	617	533	533	533	533
BG & E	285	400	-	828	-	-	1,005	-	-	-	-	1,280	-
AEP	1,017	-	-	2,365	-	29	-	3,959	-	1,843	-	-	2,431
Storm	20	35	-	-	-	-	-	-	-	-	-	-	-
Total Inflows US	1,760	2,292	963	4,156	963	1,452	2,423	6,387	1,423	3,576	1,733	3,013	4,164
CAD Customers													
BCH	-	320	517	517	517	517	517	517	517	517	463	463	463
Other	-	493	129	132	132	132	132	132	132	132	132	132	132
Total Inflows Canada	-	813	646	650	650	650	650	650	650	650	595	595	595
TOTAL CASH INFLOWS	1,760	3,105	1,609	4,805	1,613	2,102	3,073	7,036	2,073	4,226	2,328	3,608	4,758
Cash Outflows													
Payroll	(1,666)	(1,683)	(1,805)	(1,946)	(1,946)	(1,166)	(1,723)	(1,723)	(1,723)	(1,239)	(1,239)	(2,092)	(2,092)
Operating Expenses													
Accounts Payable	(988)	(100)	(410)	-	(510)	-	(110)	(2,200)	(147)	(400)	(147)	(700)	(647)
Taxes	-	-	-	(97)	-	(212)	-	-	(155)	(440)	(147)	-	(155)
Non-Union Benefits Payments	(20)	(8)	(8)	(8)	(8)	(40)	(8)	(8)	(8)	(40)	(8)	(8)	(8)
Insurance- IPFS,Wison Beck,USI	(379)	-	-	(329)	-	(329)	-	-	(1,370)	(326)	-	-	-
Pre-authorized Payments	(97)	(34)	(30)	(34)	(30)	(96)	(30)	(34)	(30)	(96)	(30)	(34)	(30)
Professional Fees and AP Payment plan	(50)	-	0	-	(479)	-	-	(479)	-	(479)	-	-	-
Lease Payments	(453)	-	(515)	-	-	(734)	-	-	-	(515)	-	-	-
Rent	(456)	-	(398)	-	(204)	(204)	-	-	(204)	(200)	-	-	-
Credit Cards	(26)	(126)	(126)	(126)	(126)	(76)	(76)	(76)	(76)	(76)	(76)	(76)	(76)
Union EFTs/Checks	(5)	(5)	(1,113)	-	-	(45)	(1,234)	-	-	(45)	-	(958)	-
One-Time Payments													
Hawaii GET Taxes	-	-	(0)	-	-	(110)	-	-	-	(110)	-	-	-
CAD Taxes	-	-	-	-	-	-	-	-	-	-	-	-	(728)
Richie Bros Buyout	-	-	-	-	-	(50)	-	-	-	(50)	-	-	-
Total Operating Outflows	(4,160)	(1,956)	(4,405)	(2,211)	(3,303)	(3,062)	(3,180)	(4,520)	(3,712)	(4,016)	(1,647)	(3,868)	(3,736)
One-Time Receipt: Project Bit-Pole III	996	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Surplus/(Deficit)	1,955	3,104	307	2,901	1,211	251	143	2,660	1,020	1,230	1,911	1,651	2,673

This is Exhibit "D" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



From: Moskowitz, Zac <zac.moskowitz@dentons.com>
Sent: Tuesday, October 1, 2024 9:11 AM
To: ikrasik@stellexcapital.com
Cc: Pinkas, Oscar (Shld-NY-Bky) <pinkaso@gtlaw.com>; Garms, R. Matthew <matthew.garms@dentons.com>; haynesn@gtlaw.com; Darcy Leach <Darcy.Leach@rokstadpower.com>; Nick.Kypriotakis@gtlaw.com
Subject: Rokstad NDA- request to return or destroy documents

Good morning Irina. Pursuant to the Project Phoenix Confidentiality Letter, this is a request that Stellex and its Representatives promptly return or (at your option) destroy all documents (and all copies thereof) furnished to Stellex or its Representatives by or on behalf of the Company, and that Stellex destroy all other Evaluation Materials prepared by Stellex or its Representatives. Once complete, please confirm via email that such action has been taken.

Thank you.

Best,
Zac

Zac Moskowitz
Senior Managing Associate

D +1 312 876 2396

zac.moskowitz@dentons.com | [Bio](#) | [Website](#)

Dentons US LLP

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Zac Moskowitz

Senior Managing Associate

[D +1 312 876 2396](tel:+13128762396)

zac.moskowitz@dentons.com | [Bio](#) | [Website](#)

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This is Exhibit "E" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



**Stellex Power Line Opco LLC
1501841 B.C. Ltd.**

October 8, 2024

VIA E-MAIL

Dentons Canada LLP
250 Howe St, 20th Floor
Vancouver, BC V6C 3R8

Attention: Kimberly Burns
E-mail: kimberly.burns@dentons.com

Rokstad Group (as defined below)
80 Golden Drive
Coquitlam, BC V3K 6T1

Attention: Darcy Leach
E-mail: darcy.leach@rokstadpower.com

Farris LLP
700 W Georgia St., 25th Floor
Vancouver, BC V7Y 1B3

Attention: Tevia R.M. Jeffries
E-mail: tjeffries@farris.com

Re: Amended and restated credit agreement dated December 22, 2020 (as amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, the "**Loan Agreement**") among Canadian Western Bank (together with its successors and assigns, "**CWB**") and the obligors listed therein (including Rokstad Holdings Corporation ("**Rokstad**"), Rokstad Power (2018) Ltd. ("**Rokstad 2018**"), Rokstad Power Inc. ("**Rokstad Power**"), Golden Ears Painting & Sandblasting (2018) Ltd. ("**Golden Ears**"), Plowe Power Systems (2018) Ltd. ("**PPS**"), Rokstad Power Transmission Services Ltd. ("**Long Lake**"), Rokstad Power Construction Services Ltd. ("**Bear Creek**"), Rokstad Power (Prairies) Ltd. ("**BiPole**", and collectively with Rokstad 2018, Golden Ears, PPS, Long Lake and Bear Creek, the "**Canadian Rokstad Group**"), Rokstad Power (East), Inc. ("**Rokstad East**", and collectively with Rokstad Power and the Canadian Rokstad Group, the "**Rokstad Group**"), Rok Air, LLC ("**Rok Air**") and Bernard George Rokstad, together with their respective successors and assigns)

Dear Sirs and Mesdames:

Stellex Power Line Opco LLC and 1501841 B.C. Ltd. (collectively, including their respective successors and assigns, the "**Purchaser**") have acquired all of CWB's right, title, interest in and to, among other things, the Loan Agreement and the other Loan Documents. Capitalized terms not otherwise defined

herein shall have the meanings given to them in the Loan Agreement. In addition, the following terms shall have the following meanings:

“Loan Documents” means the Loan Agreement and all security and guarantees (including, without limitation, all Lender's Security) held by or on behalf of CWB in connection therewith, and any other agreements, documents, and/or instruments delivered in connection therewith or pursuant thereto, including, without limitation, the agreements, documents, and instruments listed on Schedule “A” hereto (in each case, as amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time).

“GSAs” means the security agreements that constitute Loan Documents, including those listed in Schedule “A” hereto.

As you are aware, Events of Default and Defaults (as defined in the GSAs) have occurred and are continuing, and demand and notice of exercise of remedies was provided by CWB on September 4, 2024.

Given the occurrence and continuance of the Events of Default and Defaults (as defined in the GSAs), and the rights under each GSA:

- (1) we hereby provide written notice to Rokstad and each member of the Canadian Rokstad Group that all powers, functions, rights and privileges of the officers of each such member shall cease effective immediately;
- (2) we request that you deliver to the Vancouver office of Blake, Cassels & Graydon LLP (located at 1133 Melville Street Suite 3500, The Stack Vancouver, British Columbia, V6E 4E5 Canada), to the attention of Peter Bychawski, all certificates representing the shares held in each member of the Rokstad Group not previously provided to CWB or its counsel;
- (3) we request that you provide the BCOnline password for each member of the Canadian Rokstad Group; and
- (4) we hereby provide notice that we have exercised the power of attorney granted thereunder to appoint Tamara Wilson and John Carter to the board of directors of each member of the Rokstad Group, effective October 8, 2024. In addition, we have amended or amended and restated the governance documents of Rokstad 2018, Golden Ears, Rokstad Power, Rokstad East, and Rok Air, and transferred all the powers of the directors to manage or supervise the management of the business and affairs of PPS, Long Lake, Bear Creek and BiPole to the board of directors of Rokstad 2018.

The Purchaser has not and does not herein waive any Events of Defaults or Defaults (as defined in the GSAs), known or unknown, and expressly reserves and retains all rights and remedies with respect to the Indebtedness (as defined in the GSAs) and all other obligations, liabilities and indebtedness owing to it under the Loan Documents.

Sincerely,

Stellex Power Line Opco LLC
1501841 B.C. LTD.

DocuSigned by:

Irina Krasik

35F83EAB31934EA...
Name: Irina Krasik
Title: Authorized Signatory

SCHEDULE A

Loan Agreement, Guarantees, and Security Documents

1. Loan Agreement
2. First Amending Agreement to the Loan Agreement, dated April 1, 2021
3. Confirmation and Acknowledgment granted by certain of the Obligors, dated January 6, 2021
4. General Security Agreement, dated June 3, 2020, granted by Rokstad
5. Security Agreement, dated June 3, 2020, granted by Rokstad Power
6. Amended and Restated Security Agreement, dated September 21, 2022, granted by Rokstad Power
7. Promissory Note in the maximum principal amount of \$725,439, dated January 15, 2021, granted by Rokstad 2018
8. Promissory Note in the maximum principal amount of \$523,650, dated February 3, 2021, granted by Rokstad 2018
9. General Security Agreement, dated June 3, 2020, granted by Rokstad 2018
10. General Security Agreement, dated June 3, 2020, granted by Golden Ears
11. General Security Agreement, dated June 3, 2020, granted by PPS
12. General Security Agreement, dated June 3, 2020, granted by Bear Creek
13. General Security Agreement, dated June 3, 2020, granted by Long Lake
14. General Security Agreement, dated June 3, 2020, granted by BiPole
15. Security Agreement, dated September 21, 2022, granted by Rokstad East
16. Security Agreement, dated September 21, 2022, granted by Rok Air
17. General Continuing Guaranty, dated June 3, 2020, granted by Rokstad Power
18. Guarantee and Indemnity Agreement, dated June 3, 2020, granted by Rokstad, Rokstad 2018, Golden Ears, PPS, Bear Creek, Long Lake, and BiPole
19. Amended and Restated General Continuing Guaranty, dated September 21, 2022, granted by Rokstad East
20. Full Liability Guarantee, dated January 14, 2021, granted by Bear Creek
21. Full Liability Guarantee, dated January 14, 2021, granted by Rokstad
22. Full Liability Guarantee, dated January 14, 2021, granted by Golden Ears
23. Full Liability Guarantee, dated January 14, 2021, granted by PPS
24. Full Liability Guarantee, dated January 14, 2021, granted by Rokstad Power

25. Full Liability Guarantee, dated January 14, 2021, granted by BiPole
26. Full Liability Guarantee, dated January 14, 2021, granted by Long Lake
27. Full Liability Guarantee Reaffirmation, dated February 4, 2021, executed by Bear Creek
28. Full Liability Guarantee Reaffirmation, dated February 4, 2021, executed by Rokstad
29. Full Liability Guarantee Reaffirmation, dated February 4, 2021, executed by Golden Ears
30. Full Liability Guarantee Reaffirmation, dated February 4, 2021, executed by PPS
31. Full Liability Guarantee Reaffirmation, dated February 4, 2021, executed by Rokstad Power
32. Full Liability Guarantee Reaffirmation, dated February 4, 2021, executed by Long Lake
33. Full Liability Guarantee Reaffirmation, dated February 4, 2021, executed by BiPole
34. Limited Liability Guarantee, dated November 8, 2023, granted by Bernard
35. Assignment and Postponement of Creditor's Claims, dated June 3, 2020, granted by Monolith Asset Group Inc.
36. Assignment and Postponement of Creditor's Claims, dated June 3, 2020, granted by 0887845 B.C. Ltd.
37. Assignment and Postponement of Creditor's Claims, dated June 3, 2020, granted by Stephanie Leigh Anne Rokstad
38. Assignment and Postponement of Creditor's Claims, dated June 3, 2020, granted by Tracy Rokstad
39. Assignment and Postponement of Creditor's Claims, dated June 3, 2020, granted by Brody Rokstad
40. Assignment and Postponement of Creditor's Claims, dated June 3, 2020, granted by Bernard
41. Assignment and Postponement of Creditor's Claims, dated June 3, 2020, granted by Bernard Aaron Rokstad
42. Assignment and Postponement of Creditor's Claims, dated June 3, 2020, granted by 0991249 B.C. Ltd.
43. Assignment and Postponement of Creditor's Claims, dated June 3, 2020, granted by 0921780 B.C. Ltd.
44. Assignment of Insurance, dated June 3, 2020, granted by Rokstad, Rokstad 2018, Rokstad Power, Golden Ears, PPS, Bear Creek, Long Lake, and BiPole
45. Confirmation and Acknowledgment, dated June 3, 2020, granted by SGSF Master Purchasing DE LLC
46. Indemnity and Contribution Agreement, dated August 24, 2020, between Crown Capital Partner Funding LP ("**Crown**") and CWB
47. Deposit Control Agreement

Forbearance Agreements

48. Forbearance Agreement, dated August 26, 2022, among CWB, Rokstad, Rokstad 2018, Rokstad Power, Golden Ears, PPS, Bear Creek, Long Lake, BiPole, Rokstad East, and Rok Air (the "**Original Forbearance**")
49. Amending Agreement to the Original Forbearance, dated October 19, 2022
50. Re-Instatement and Amending Agreement to the Original Forbearance, dated March 21, 2023
51. Amending Agreement to the Original Forbearance, dated April 14, 2023
52. Amending Agreement to the Original Forbearance, dated May 15, 2023
53. Amending Agreement to the Original Forbearance, dated May 26, 2023
54. Amending Agreement to the Original Forbearance, dated June 16, 2023
55. Amending Agreement to the Original Forbearance, dated June 30, 2023
56. Amending Agreement to the Original Forbearance, dated July 28, 2023
57. Amending Agreement to the Original Forbearance, dated August 17, 2023
58. Amending Agreement to the Original Forbearance, dated August 30, 2023
59. Amending Agreement to the Original Forbearance, dated September 29, 2023
60. Amending Agreement to the Original Forbearance, dated October 27, 2023
61. Amending Agreement to the Original Forbearance, dated November 15, 2023
62. Amending Agreement to the Original Forbearance, dated November 30, 2023
63. Amending Agreement to the Original Forbearance, dated December 15, 2023
64. Amending Agreement to the Original Forbearance, dated January 5, 2024
65. Amending Agreement to the Original Forbearance, dated January 19, 2024
66. Amending Agreement to the Original Forbearance, dated February 2, 2024
67. Amending Agreement to the Original Forbearance, dated February 9, 2024
68. Amending Agreement to the Original Forbearance, dated February 23, 2024
69. Amended and Restated Forbearance Agreement, dated March 7, 2024, among CWB and the Obligors (the "**Amended and Restated Forbearance**")
70. Omnibus Amending Agreement to the Amended and Restated Forbearance and the Loan Agreement, dated June 21, 2024
71. Second Omnibus Amending Agreement to the Amended and Restated Forbearance and the Loan Agreement, dated August 1, 2024

72. Third Omnibus Amending Agreement to the Amended and Restated Forbearance and the Loan Agreement, dated August 16, 2024

Crown Priority Agreement

73. Subordination, Priority, Standstill and Postponement Agreement, dated June 3, 2020, among CWB, Crown, and Rokstad (the "**Crown Priority Agreement**")
74. First Amending Agreement to the Crown Priority Agreement, dated April 9, 2021
75. Second Amending Agreement to the Crown Priority Agreement, dated September 23, 2022

Demand and Notices of Intention to Enforce Security

76. Demand letter, dated September 4, 2024, issued by CWB to the Obligors
77. Notices of Intention to Enforce Security, dated September 4, 2024, issued by CWB to each of Rokstad, Rokstad 2018, Rokstad Power, Golden Ears, PPS, Bear Creek, Long Lake, BiPole, Rokstad East, and Rok Air

This is Exhibit "F" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



Reply Attention of: Tevia R. Jeffries
 Direct Dial Number: 604 661 2174
 Email Address: tjeffries@farris.com

FARRIS

File No: 49816-1

October 8, 2024

BY EMAIL

Stellex Power Line Opco LLC & 1501841 B.C. Ltd.

Blakes LLP

Attention: Kelly Bourassa & Peter Bychawski

Greenberg Traurig, LLP

Attention: Oscar Pinkas

Email: kelly.bourassa@blakes.com;
 peter.bychawski@blakes.com

Email: pinkaso@gtlaw.com

Re: Amended and restated credit agreement dated December 22, 2020 (as amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, the "**Loan Agreement**") among Canadian Western Bank (together with its successors and assigns, "**CWB**") and the obligors listed therein (including Rokstad Holdings Corporation ("**Rokstad**"), Rokstad Power (2018) Ltd. ("**Rokstad 2018**"), Rokstad Power Inc. ("**Rokstad Power**"), Golden Ears Painting & Sandblasting (2018) Ltd. ("**Golden Ears**"), Plowe Power Systems (2018) Ltd. ("**PPS**"), Rokstad Power Transmission Services Ltd. ("**Long Lake**"), Rokstad Power Construction Services Ltd. ("**Bear Creek**"), Rokstad Power (Prairies) Ltd. ("**BiPole**", and collectively with Rokstad 2018, Golden Ears, PPS, Long Lake and Bear Creek, the "**Canadian Rokstad Group**"), Rokstad Power (East), Inc. ("**Rokstad East**", and collectively with Rokstad Power and the Canadian Rokstad Group, the "**Rokstad Group**"), Rok Air, LLC ("**Rok Air**") and Bernard George Rokstad, together with their respective successors and assigns).

We represent the Rokstad Group. We are in receipt of a letter from Stellex Power Line Opco LLC and 1501841 B.C. Ltd. (together, "**Stellex**") purporting to exercise certain rights over the entities in the Rokstad Group (the "**Notice**").

The general security agreements signed by the Rokstad Group do not give Stellex the authority to take the steps purported to be taken at items (1), (3), and (4). The power of attorney rights granted in the security agreements are solely to protect the value of collateral, not for a strategic acquiror to effect a takeover of the companies.

We understand that certain Stellex principals have purported to seek to call a board meeting and it is the Rokstad Group's position that any such meeting or business taken at such meeting is a nullity. Please be advised that any steps taken to seek to freeze out management or impact the business are further viewed as a nullity and may give rise to claims for damages. We ask that you advise Stellex not to take further actions until this matter is resolved.

We are open to discussing a consensual path forward in respect of realizing on security and protection of the collateral in the interim. However, the Rokstad Group does not waive and expressly reserves all rights and remedies with respect to Stellex's actions, including claims for damages for actions taken or purported to have been taken.

FARRIS LLP

25th Floor - 700 W Georgia Street Vancouver, BC Canada V7Y 1B3
 Tel 604 684 9151 farris.com

October 8, 2024

- 2 -

FARRIS

If a consensual path forward is not Stellex's goal, please advise as to your availability for an urgent court application in the British Columbia Supreme Court in the coming days to have the validity of Stellex's purported actions determined.

Yours truly,

FARRIS LLP

Per:

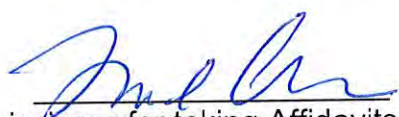


Tevia R. Jeffries*

*Denotes a Professional Law Corporation

TRJ/

This is Exhibit "G" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



From: Tamara Wilson <trw17765@gmail.com>

Date: Tuesday, October 8, 2024 at 2:25 PM

To: Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>, Bernie Rokstad <Bernie.Rokstad@rokstadpower.com>, John Carter <jcarter@carterbrothers.com>

Cc: Irina Krasik <ikrasik@stellexcapital.com>

Subject: Emergency Board Meeting-Bank Account Changes

Aaron/Bernie/John-

We'd like to call an emergency board meeting for 3p today to vote on changing access to bank accounts.

Aaron, Can you please set up a team's call?

Thank you,

This is Exhibit "H" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY





Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trademark Agents
1133 Melville Street
Suite 3500, The Stack
Vancouver, B.C. V6E 4E5 Canada
Tel: 604-631-3300 Fax: 604-631-3309

Peter Bychawski

Partner

Dir: 604-631-4218

peter.bychawski@blakes.com

October 8, 2024

VIA EMAIL

Reference: 66834/1

Farris LLP
25th Floor – 700 W Georgia Street
Vancouver, BC

Attention: Tevia R. Jeffries

RE: Protective Actions of Stellex Power Line Opco LLC

Dear Madam:

We write further to your letter of today's date in which you purport to challenge, on behalf of Rokstad Holdings Corporation and certain of its affiliates, the validity of protective actions taken by our clients, Stellex Power Line Opco LLC and 1501841 B.C. Ltd. (together, "**Stellex**"), in their capacity as senior lender to your clients.

Your assertion that the protective actions taken by Stellex are somehow not authorized by the comprehensive loan and security package signed by your clients and their principals is baseless. The correspondence sent to your and your clients' attention earlier today specifically set out the actions that have been taken by Stellex in its capacity as a secured lender to your clients. The general security agreements and security agreements entered into by your clients provide ample authority for these actions including in sections 6, 9 and 13 of the general security agreements dated June 3, 2020 granted by Rokstad Holdings Corporation, Rokstad Power (2018) Ltd., Golden Ears Painting & Sandblasting (2018) Ltd., Plowe Power Systems (2018) Ltd., Rokstad Power Transmission Services Ltd., Rokstad Power Construction Services Ltd., and Rokstad Power (Prairies) Ltd.

You also purposefully misconstrue the nature of the protective actions taken by Stellex and their effect. Stellex has not purported to appoint "Stellex principals" to any board or other positions. Nor has Stellex or any of its principals called any board meetings of your clients; that was done by the independent directors of your clients.

What Stellex has done is exercise its powers under the applicable loan and security documents to appoint qualified and independent directors to the relevant boards for the purpose of protecting its collateral by providing oversight of the operation of the business that serves as security for the more than US \$35 million that is owed to Stellex in circumstances where the business continues to deteriorate and the principals of your clients continue to take actions detrimental to the business and Stellex's recovery. The independent directors hold no positions with Stellex (in fact, Tamara Wilson was the CFO of your clients



until a few weeks ago). They owe statutory and fiduciary duties to your clients on whose boards they sit and not to Stellex.

Circumstances have further revealed that the appointment of the independent directors is not only authorized but also warranted. We are advised by Stellex that it has come to its attention that misappropriation of collateral subject to its security has taken place at the direction of Messrs. Aaron and Bernie Rokstad for their personal benefit. We are further advised that Messrs. Aaron and Bernie Rokstad are purporting to exercise unauthorized control over your clients' bank accounts and have cutoff access to those accounts by your clients' entire finance team. You will appreciate that this information has justifiably alarmed our client. We expect that your clients share Stellex's concerns in this respect and support the need for further independent investigation and the taking of any necessary protective action for the benefit of the companies and the preservation of Stellex's collateral.

We welcome the opportunity to discuss this matter with you, including the opportunity for a consensual path forward. In the interim, the position of Stellex is that the actions it has taken are not only valid but also warranted as circumstances have shown. Stellex will continue to take all actions permitted by law to protect its collateral including by enforcing compliance with the protective actions it has taken to date. Any interference by your clients or their shareholders or principals with the taking or implementing of such protective actions, or other actions detrimental to the business and Stellex's collateral, will give rise to claims for damages and other appropriate relief.

Yours truly,

"Peter Bychawski"

Peter Bychawski

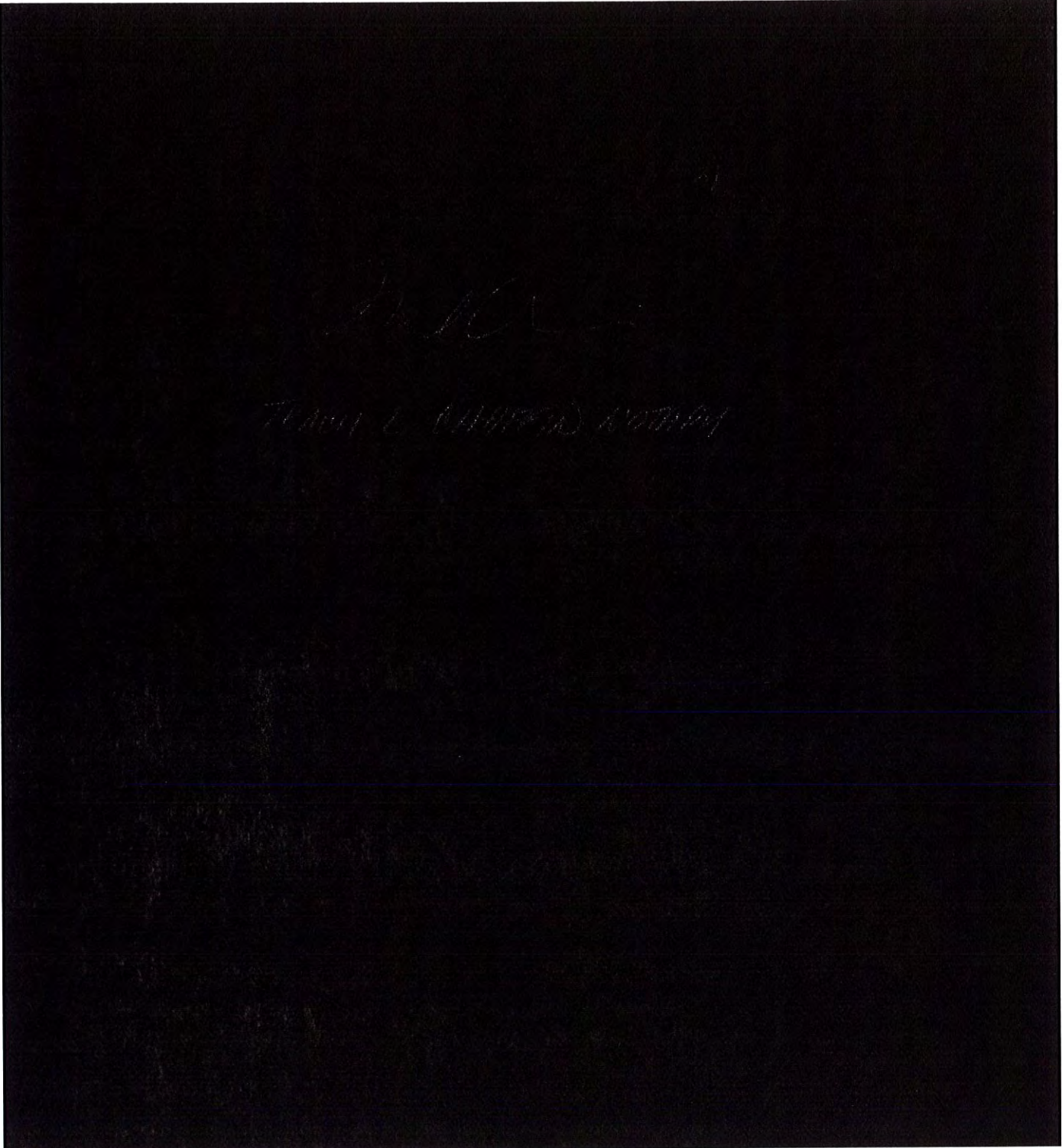
This is Exhibit "I" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY





From: Tevia Jeffries
Sent: October 10, 2024 9:31 AM
To: Bychawski, Peter <peter.bychawski@blakes.com>
Cc: Bourassa, Kelly <kelly.bourassa@blakes.com>; pinkaso@gtlaw.com
Subject: RE: Protective Actions of Stellex Power Line Opco LLC

Without prejudice

Peter,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] In the event there is not a consensual resolution, we should discuss what legal issues need to be resolved and an efficient way to do that. For clarity, we disagree with the legal and factual assertions in your letter, and can go through them in a more detailed way if and when that becomes relevant, [REDACTED]

[REDACTED]

Regards,
Tevia

Tevia R.M. Jeffries*

T: 604 661 2174

tjeffries@farris.com

Pronouns: she/her

*Law Corporation

From: Bychawski, Peter <peter.bychawski@blakes.com>

Sent: October 8, 2024 8:05 PM

To: Tevia Jeffries <tjeffries@farris.com>

Cc: Bourassa, Kelly <kelly.bourassa@blakes.com>; pinkaso@gtlaw.com

Subject: [EXT] Protective Actions of Stellex Power Line Opco LLC

Tevia,

See attached our letter of today's date.

Best regards,

Peter Bychawski

Partner

peter.bychawski@blakes.com

T. [+1-604-631-4218](tel:+16046314218)

Blake, Cassels & Graydon LLP

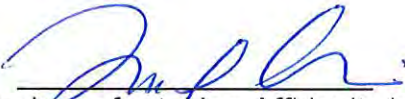
3500 - 1133 Melville Street, Vancouver, BC V6E 4E5 ([Map](#))

blakes.com [LinkedIn](#)



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This is Exhibit "J" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



From: Irina Krasik <ikrasik@stellexcapital.com>


Sent: Tuesday, October 8, 2024 3:41 PM

To: Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>; Bernie Rokstad <Bernie.Rokstad@rokstadpower.com>; matthew.garmes@dentons.com <matthew.garmes@dentons.com>; Chris Johnson <chris.johnson@crowncapital.ca>; John Carter <jcarter@carterbrothers.com>; Tamara Wilson <trw17765@gmail.com>; pinkaso@gtlaw.com <pinkaso@gtlaw.com>

Subject: Notice

As a senior lender, we were notified that (1) misappropriation of company assets has occurred; this misappropriation of lender collateral was at the direction of Aaron and Bernie Rokstad; (2) the independent directors are being denied access to bank accounts by Aaron and Bernie Rokstad in breach of governance guidelines. Stellex has DACAs on all the accounts and legal action will be taken.

This is Exhibit "K" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY





From: Marco Martinez <Marco.Martinez@rokstadpower.com>
Sent: Thursday, October 10, 2024 10:02 PM
To: Yoni Lipski <ylipski@stellexcapital.com>; Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>; Darcy Leach <Darcy.Leach@rokstadpower.com>
Subject: RE: Lender inspection

Yoni,

See my response to your questions in **Green**.

Marco

From: Yoni Lipski <ylipski@stellexcapital.com>
Sent: Thursday, October 10, 2024 3:08 PM
To: Marco Martinez <Marco.Martinez@rokstadpower.com>; Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>; Darcy Leach <Darcy.Leach@rokstadpower.com>
Subject: RE: Lender inspection

Thank you

Yoni Lipski
O: +1.212.508.3914

From: Marco Martinez <Marco.Martinez@rokstadpower.com>
Sent: Thursday, October 10, 2024 6:00 PM
To: Yoni Lipski <ylipski@stellexcapital.com>; Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>; Darcy Leach <Darcy.Leach@rokstadpower.com>
Subject: RE: Lender inspection

[EXTERNAL EMAIL]

Yoni,

I will work on putting together a package of information and send out this evening.

Best,

Marco

From: Yoni Lipski <ylipski@stellexcapital.com>

Sent: Thursday, October 10, 2024 2:30 PM

To: Marco Martinez <Marco.Martinez@rokstadpower.com>; Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>; Darcy Leach <Darcy.Leach@rokstadpower.com>

Subject: RE: Lender inspection

Hi Marco,

Thanks again for the time yesterday and for providing printed copies of the expense reimbursement policies. I know we didn't have enough time to cover the other items below. Do you think we could get a response today?

Thanks,
Yoni

Yoni Lipski
O: +1.212.508.3914

From: Yoni Lipski <ylipski@stellexcapital.com>

Sent: Wednesday, October 9, 2024 1:04 PM

To: Marco Martinez <Marco.Martinez@rokstadpower.com>; Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>; Darcy Leach <Darcy.Leach@rokstadpower.com>

Subject: Re: Lender inspection

Marco,

Please also confirm these expenses are not excessive or out of the ordinary in light of normal business expenses.

As stated below, I did not review and approve these expenses. I did not determine if they were excessive in light of normal business expenses. I would defer to the approver of the expense reports (see below). In general, from my experience working for other Transmission and Distribution contractors and approving executive officers' expenses, I've approved normal business expenses in the range of \$5K to \$50K for things such as hosting a business conference, entertaining customers, hosting a retreat for employees

or customers, moving, etc.... If it is a business expense and an employee has the authority to spend the amount expensed it would be approved.

Separately, have you conducted a review of current expenses of the business to determine which are personal and which serve a business purpose? I joined Rokstad on September 23, 2024, approximately 3 weeks ago. So, I have not reviewed the current expenses of the business to determine which are personal and which serve a business purpose. I would defer to the approver of each expense report to provide a proper response of personal vs business purpose.

Thanks,
Yoni

Yoni Lipski
O: +1.212.508.3914

From: Yoni Lipski <ylipski@stlexcapital.com>
Sent: Wednesday, October 9, 2024 12:56 PM
To: Marco Martinez <Marco.Martinez@rokstadpower.com>; Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>; Darcy Leach <Darcy.Leach@rokstadpower.com>
Subject: Re: Lender inspection

Marco,

Please confirm you have reviewed these expenses in detail and have confirmed that they served a business, and not personal, purpose. I did not review these expenses. These expenses were incurred prior to me joining Rokstad. The expenses would have been approved by designated approvers for Aaron Rokstad. My understanding the approvers for Aaron would have been Bernie Rokstad and/or Tami Wilson (see attached "Example of Approval Process).

Separately, please send a list of these expenses with an explanation of their business purpose. See attached files provided to Tami Wilson for list of expenses and business purpose.

Please also send your expense reimbursement policy.

Finally, can you please explain how these expenses were prioritized over other expenses of the business, including critical past due A/P? Payment to Rokstad employees who utilize their own credit cards for the benefit of Rokstad take priority over vendors. Company employees are not doing business with Rokstad. They are using their personal funds with no intent of benefiting (profiting) so they should not bear the any risk of getting reimbursed. Vendors who do business with Rokstad

understand there is always a risk of not getting paid and for their risk they are benefiting (profiting) from Rokstad. I've worked for other Transmission and Distribution contractors (competitors of Rokstad) for 19 years and approximately half that time as their CFO. Employees (including executive officers) always took priority over vendors.

Thanks,
Yoni

From: Marco Martinez <Marco.Martinez@rokstadpower.com>
Sent: Wednesday, October 9, 2024 12:11:03 PM
To: Yoni Lipski <ylipski@stellexcapital.com>; Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>; Darcy Leach <Darcy.Leach@rokstadpower.com>
Subject: RE: Lender inspection

[EXTERNAL EMAIL]

Yoni,

Please be advised, denied access to CWB accounts were not caused by Rokstad. Rokstad reached out to Cory Stark @ CWB on or about Monday of this week to inform the bank Rokstad has no access to their accounts. We requested access of accounts to be reinstated as quickly as possible as it is impacting the business. As of this morning, access to CWB accounts has not been restored. Rokstad is contacting CWB to obtain an update.

Feel free to reach out to Cory Stark @ CWB (587.921.8921) to obtain information on access to bank accounts.

Regarding the large payments to insiders, payments are for normal business expenses incurred on behalf of Rokstad.

Sincerely,

Marco

From: Yoni Lipski <ylipski@stellexcapital.com>
Sent: Wednesday, October 9, 2024 8:36 AM
To: Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>; Darcy Leach

<Darcy.Leach@rokstadpower.com>; Marco Martinez <Marco.Martinez@rokstadpower.com>

Subject: Lender inspection

Aaron, Darcy, Marco,

Please take notice that pursuant to Section 14.2.1 of the credit agreement, as Stellex's designee I plan to be in the office this afternoon to exercise Stellex's rights to inspect books and records of the business. I will be at the Phoenix office starting sometime between 4:15 – 4:45pm PT to do so. Inspection today is reasonable and necessary in light of the alarming actions taken yesterday to make large payments to insiders and that the finance team's access to CWB accounts was blocked. Please have finance team members available to provide this access and information, and to answer any questions, all as required by the credit agreement.

Thanks,

Yoni

Yoni Lipski

Stellex Capital Management

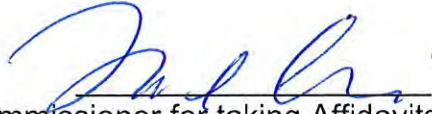
900 Third Avenue, 25th Floor, New York, NY 10022

ylipski@stellexcapital.com

O: +1.212.508.3914

Click [here](#) to report this email as spam.

This is Exhibit "L" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



From: [Munro, Craig](#)
To: [Tevia Jeffries; Powell, Tom; mbuttery@osler.com](#)
Cc: [Daxton Boeré; John R. Sandrelli \(john.sandrelli@dentons.com\); Parks, Huw](#)
Subject: [EXT] RE: Rokstad / Stellex - Court Matters
Date: October 15, 2024 11:34:52 AM
Attachments: [image001.png](#)
[image002.png](#)

Hi Tevia:

Understood, you are correct that there was a separate issue with payroll cheques not being cleared through Rokstad's BoA account yesterday. I just spoke to Marco and he advises that a payroll cheque was presented today which cleared the account, so there is an indication that whatever the issue was regarding the payroll cheques may now be resolved. And to confirm, FTI has not given any instructions to BoA with respect to Rokstad's accounts. Other than the sweep of the BoA accounts, we are not aware of any other actions taken by Stellex with respect to the BoA accounts.

Regards

From: Tevia Jeffries <tjeffries@farris.com>
Sent: Tuesday, October 15, 2024 11:19 AM
To: Munro, Craig <Craig.Munro@fticonsulting.com>; Powell, Tom <Tom.Powell@fticonsulting.com>; mbuttery@osler.com
Cc: Daxton Boeré <dboere@farris.com>; John R. Sandrelli (john.sandrelli@dentons.com) <john.sandrelli@dentons.com>; Parks, Huw <Huw.Parks@fticonsulting.com>
Subject: [EXTERNAL] RE: Rokstad / Stellex - Court Matters

Hi Craig,

My understanding is that the issue with the payroll cheques is distinct from the account sweep, so I'm not sure the issue has been resolved. Has Marco reached out to you?

In your communication with Stellex, did they advise you that the sweep was the only action they took under the DACAs or are they exercising ongoing control over the accounts? Because Peter's email below is ambiguous on that point. Although he does say that whatever the direction given to BoA on Monday was, it was at FTI's request.

Thanks,
Tevia

Tevia R.M. Jeffries*
 T: 604 661 2174
tjeffries@farris.com
Pronouns: she/her
 *Law Corporation

From: Munro, Craig <Craig.Munro@fticonsulting.com>

Sent: Tuesday, October 15, 2024 10:58 AM

To: Tevia Jeffries <tjeffries@farris.com>; Powell, Tom <Tom.Powell@fticonsulting.com>; mbuttery@osler.com

Cc: Daxton Boeré <dboere@farris.com>; John R. Sandrelli (john.sandrelli@dentons.com) <john.sandrelli@dentons.com>; Parks, Huw <Huw.Parks@fticonsulting.com>

Subject: [EXT] RE: Rokstad / Stellex - Court Matters

Hi Tevia:

As you note, we have a call with Aaron and Marco Martinez this afternoon to get an understanding of all the bank accounts and how your client deals with its treasury functions. Accordingly, at this point we aren't able to advise how the BoA accounts operate. Our understanding of the issue arising this morning regarding the BoA accounts, is that pursuant to its DACA agreement, Stellex initiated a sweep of Rokstad's accounts that were subject to DACA. As a result, approximately US\$1.2 million was transferred to Stellex. Not sure of the timing of this action, presumably it was initiated prior to our appointment as IR. With the IR's consent, Stellex has agreed to return the funds to Rokstad today so that the funds could be used for the Company's necessary disbursements to be issued this week. Accordingly, the issue appears to be resolved and the Company will have access to its BoA funds for disbursements, subject to whatever process we put in place after we have our call with Aaron and Marco.

Regards

From: Tevia Jeffries <tjeffries@farris.com>

Sent: Tuesday, October 15, 2024 9:25 AM

To: Powell, Tom <tom.powell@fticonsulting.com>; Munro, Craig <Craig.Munro@fticonsulting.com>; mbuttery@osler.com

Cc: Daxton Boeré <dboere@farris.com>; John R. Sandrelli (john.sandrelli@dentons.com) <john.sandrelli@dentons.com>; Parks, Huw <Huw.Parks@fticonsulting.com>

Subject: [EXTERNAL] FW: Rokstad / Stellex - Court Matters

Hi FTI team,

I understand Craig is connecting with Aaron today, and that's great.

Further to Peter's email below, I am trying to understand how the BoA mechanics are intended to work. Stellex initiated a US\$1.2mill wire today to their own accounts. Are those funds going to the intended recipients of last week's wires? How are we getting transparency and certainty regarding the payments that Rokstad is trying to make, especially once funds are in Stellex's hands? Is it the IR's intention to have funds flow in this way going forward or is this just to deal with last week's payments? As you can appreciate, there is a lack of trust here, so we really need to understand what is happening with money going to Stellex, rather than directly to the payees as approved by FTI.

Also, we understand that the payroll cheques from the BoA accounts are being blocked in some

manner so obviously that is a huge issue. Not sure if that's related to the wire to Stellex or what, but just looking for some clarity here.

Thanks,

Tevia

Tevia R.M. Jeffries*

T: 604 661 2174

tjeffries@farris.com

Pronouns: she/her

*Law Corporation

From: Bychawski, Peter <peter.bychawski@blakes.com>

Sent: Monday, October 14, 2024 4:33 PM

To: Tevia Jeffries <tjeffries@farris.com>; Daxton Boeré <dboere@farris.com>

Cc: Buttery, Mary <mbuttery@osler.com>; Paplawski, Emily <EPaplawski@osler.com>; Bourassa, Kelly <kelly.bourassa@blakes.com>

Subject: [EXT] Rokstad / Stellex - Court Matters

Tevia, Daxton:

I hope you are both having a good Thanksgiving long weekend. I am writing to follow up on Friday's call.

After our call, our client consulted with Mary's client. We understand that FTI is actively taking steps to discharge its duties. This provides comfort to our client. We appreciate that your client is cooperating in this respect. Our client is also prepared to cooperate where it can and today directed Bank of America at FTI's request to authorize certain transfers from bank accounts subject to DACAs in favour of our client to meet your clients' urgent payment needs. If further cooperation is required, please do not hesitate to reach out to us directly or through Mary or FTI.

In terms of our client's pending application to appoint a permanent receiver, as advised on Friday, we are prepared to consult with you on dates and exchange of materials. But based on our client's understanding of the state of the business, such an application should be heard soon. That said, we understand that your clients may have a different view as to the state of their business and that they intend to oppose any receivership application. In the circumstances, we believe that the work being undertaken by FTI will inform the parties on the extent of the urgency of Stellex's application. We intend to engage in further consultation with Mary, FTI, and with you this week to assess the appropriate course of action in terms of setting a court hearing.

I understand that separate from our client's application you may receive instructions to bring an application on behalf of your clients to set aside the interim receivership order. I don't know what grounds your client believes it has to do so. In any event, if you are indeed instructed to bring such an application, please advise as soon as possible so that we can also assess the

timing of such application and how that impacts on the timing of Stellex's own application.

Best regards,

Peter Bychawski

Partner

peter.bychawski@blakes.com

T. [+1-604-631-4218](tel:+16046314218)

Blake, Cassels & Graydon LLP

3500 - 1133 Melville Street, Vancouver, BC V6E 4E5 ([Map](#))

blakes.com [LinkedIn](#)

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This is Exhibit "M" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



From: Nick Stark <Nick.Stark@rokstadpower.com>
Date: Tuesday, October 15, 2024 at 9:45 AM
To: Dave Lattimer <Dave.Lattimer@rokstadpower.com>
Cc: Jennifer Potter <Jennifer.Potter@rokstadpower.com>, Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>, Bernie Rokstad <Bernie.Rokstad@rokstadpower.com>
Subject: FW: Grievance # 22119

All ,

Here is the formal Grievance from the Hall for the missed pay .

Nick Stark
 Superintendent
 C:909-970-1743

Rokstad Power
<https://www.rokstadpower.com>



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Please consider the environment - do you really need to print this email?

From: Darol Owen <DOwen@ibew47.org>
Sent: Tuesday, October 15, 2024 9:34 AM
To: Nick Stark <Nick.Stark@rokstadpower.com>
Cc: Darol Owen <DOwen@ibew47.org>; Chris Porter <CPorter@ibew47.org>
Subject: Grievance # 22119

This will serve to satisfy steps 1 & 2 of the grievance procedures as outlined in the California Outside Line Agreement , "OSL" to which Rokstad Power is signatory with I.B.E.W. L.U. 47. It

has been brought to Local 47's attention that Rokstad Power is in violation of the California Outside Line Agreement under Pay Days and Penalties Article 4.3

Brandon Farnetti Groundman out of 47 card # 8529490 was paid and lay off on 10/8/2024
Brandon deposit is check and the check bounced . So Rokstad Power owes Brandon per the Outside Line Agreement 8 hours pay at the straight time rate for each twenty-four (24) hours or portion thereof until he receives it .



IBEW Local #47

**SOCAL LIFE
POWERED FOR 125
YEARS**

Darol Owen

BUSINESS REP OUTSIDE CONSTRUCTION

Ticket #: D572650

Phone: **909-860-4239 x4121**

Mobile: **951-201-7781**

Email: DOwen@ibew47.org

Website: www.ibew47.org

Address: **1405 Spruce Street, Suite H,
Riverside, 92507, CA, US**



This is Exhibit "N" to the Affidavit #1 of Bernard Aaron Rokstad affirmed October 31, 2024 before me at the City of San Diego.



A Commissioner for taking Affidavits in and for the State of California.

TRACY L CHAFFIN NOTARY



From: Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>

Date: Friday, October 11, 2024 at 11:50 AM

To: Munro, Craig <Craig.Munro@fticonsulting.com>

Subject: Re: Interim Receivership

Understood and thank you Craig, we will endeavour to educate our team on this today and will live up to these obligations.

My cell is 808.583.6863 for your records.

Regards;

Aaron Rokstad

CEO

O: 1-888-310-8830

From: Munro, Craig <Craig.Munro@fticonsulting.com>

Date: Friday, October 11, 2024 at 11:44 AM

To: Marco Martinez <Marco.Martinez@rokstadpower.com>, Aaron Rokstad <Aaron.Rokstad@rokstadpower.com>

Cc: tjeffries@farris.com <tjeffries@farris.com>, sandrelli.john@gmail.com <sandrelli.john@gmail.com>, Powell, Tom <Tom.Powell@fticonsulting.com>, Helkaa, Deryck <Deryck.Helkaa@fticonsulting.com>, Parks, Huw <Huw.Parks@fticonsulting.com>, mbuttery@osler.com <mbuttery@osler.com>, Paplowski, Emily <EPaplowski@osler.com>

Subject: Interim Receivership

Hi Marco:

Glad to hear the payroll issue with CWB got resolved. Further to our call please find below a notice regarding our appointment.

Effective October 1, 2024, FTI Consulting Canada Inc. (the “**Interim Receiver**”) was appointed interim receiver of all bank accounts, receipts, and disbursements of Rokstad Holdings Corporation and its Canadian affiliates (collectively, the “**Rokstad Group**”) pursuant to the Order made after Application of the Honourable Justice Masuhara (the “**Interim Receivership Order**”). A copy of the Interim Receivership Order is enclosed for your reference.

Pursuant to the Interim Receivership Order, the Interim Receiver is granted sole authorization to operate and control all bank accounts of the Rokstad Group and to exercise control over all funds credited or deposited to the bank accounts. The Interim Receiver will be initiating the process of obtaining signing authority for the Rokstad Group’s bank accounts, however in the

interim, the Interim Receiver requires a list of all bank accounts of the Rokstad Group, all electronic access information for such accounts, and an advance list of all disbursements the Rokstad Group is planning to make in the coming week to meet its ordinary and normal course business obligations. Going forward, only the Interim Receiver may effect disbursements from the bank accounts and give instructions with respect to the bank accounts and the funds credited or deposited thereto. It is imperative that the Rokstad Group provide the Interim Receiver with the foregoing information by no later than **4 pm on October 11, 2024** to avoid any business interruptions.

Further, going forward, should any entity within the Rokstad Group require funds to meet its ordinary course obligations (for example, payroll, supplies, rent, etc.) a written request should be submitted to the Interim Receiver providing sufficient detail regarding the quantum and details of the proposed disbursement to permit the Interim Receiver to assess same. If the Interim Receiver determines that the funds are necessary for the applicable member of the Rokstad Group to meet its ordinary course business obligations, the Interim Receiver will effect the appropriate disbursement(s) from the bank accounts. Written requests can be submitted to Tom Powell (Tom.Powell@fticonsulting.com) and Craig Munro (Craig.Munro@fticonsulting.com). All requests should be submitted at least 2 business days in advance of the requested funding date. Please contact the Interim Receiver at your earliest convenience to discuss an agreed protocol for submission of disbursement requests.

In addition to the bank accounts, paragraph 5 of the Interim Receivership Order prohibits both the Rokstad Group and any U.S. affiliate of the Rokstad Group from disposing or dealing with or diminishing the value any assets, whether inside or outside of British Columbia, whether held in the name of the Rokstad Group or not, and whether solely or jointly owned. Similar to the above, should the Rokstad Group or any of its U.S. affiliates need to deal with or dispose of any assets in the ordinary and proper course of business, a written request for the Interim Receiver's written consent should be made in accordance with the process detailed above. No assets of any member of the Rokstad Group or its U.S. affiliates may be dealt with or disposed of without the written consent of the Interim Receiver.

Finally, pursuant to paragraphs 6 to 9 of the Interim Receivership Order, each of the Rokstad Group, U.S. affiliates of the Rokstad Group, and all current and former directors, officers, employees, agents, accountants, legal counsel and direct or indirect shareholders (among others) are required to cooperate with the Interim Receiver, advise the Interim Receiver of the existence of any Property (as defined in the Interim Receivership Order) in their possession or control and deliver such Property to the Interim Receiver. In addition, all such persons are required to identify to the Interim Receiver the existence of any books, documents, papers, records or information of any kind related to the business or affairs of the Rokstad Group or its U.S. affiliates.

If you have any questions regarding the Interim Receivership Order or your obligations thereunder, you can contact the Interim Receiver at the contact information noted above.

Craig Munro

FTI Consulting

604-757-6108 Direct

604-365-8953 Mobile

Craig.Munro@fticonsulting.com

Suite 1450, P.O. Box 10089
701 West Georgia St.
Vancouver, BC V7Y 1B6
www.fticonsulting.com

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