October 21, 2013

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act [Our File #: IBRD/5/2013]

On August 21, 2013, the Department of Innovation, Business and Rural Development received your request for access to the following records/information:

Provide any and all information contained within the records and files of the NL government pertaining to any and all monies and/or funding provided to James Joseph Hudson, a bankrupt, and/or Lake Melville Aviation, and/or Torngat Wilderness Adventures, with particular details as to the funding received, and recorded in the bankruptcy process as "Account Number L50005 on attached Creditor Liability Report, dated March 12, 2004, and noted as Creditor 19 on Page 3 of 3 attached. Details to include, but shall not be limited to:

1) The total amount of funding received by any or all of the above noted.
2) Information with respect to type of funding (i.e. repayable or non-repayable). If repayable, details on repayment terms or agreement.
3) Information with respect to any loans, portions of loans, grants, and/or subsidies which were granted or deemed "forgivable", "waived", or otherwise altered to the benefit of the Applicant, as identified above.
4) Information with respect to any monies recovered through the sale of assets of the above mentioned individual and or companies, in particular, but not limited to, the Tender and Sale of Hunting and Fishing Camps located at Andre/Crystal and Seal Lake, Labrador through Deloitte and Touche Inc., in its capacity as Trustee in Bankruptcy of the Estate of James Joseph Hudson.

I am pleased to inform you that your request for access to these records has been granted in part. Access to information contained within these record, has been refused in accordance with Sections 23, 24 & 30 as specified in the Access to Information and Protection of Privacy Act. See attached references.

As required by subsection 7(2) of the Act, we have severed information that is excepted from disclosure and have provided you with as much information as possible. In accordance with your request for a copy of the records, the appropriate copies have been enclosed.
Section 43 of the Act provides that you may ask the Information and Privacy Commissioner to review this partial refusal of access or you may appeal the refusal to the Supreme Court Trial Division. A request to the Information and Privacy Commissioner shall be made in writing within 60 days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
34 Pippy Place
P. O. Box 13004, Stn. A
St. John's, NL A1B 3V8

Telephone: (709) 729-6309
Facsimile: (709) 729-6500

In the event that you choose to appeal to the Trial Division, you must do so within 30 days of the date of this letter. Section 60 of the Act sets out the process to be followed when filing such an appeal.

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Office of Public Engagement's website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

If you have further questions, please feel free to contact Christina Harrington, ATIPP Coordinator, at 729-6137 or by e-mail at christinaharrington@gov.nl.ca.

Sincerely,

Alastair O'Rielly
Deputy Minister

Enclosure(s)
ATIPPA Exceptions

Disclosure harmful to intergovernmental relations or negotiations

23. (1) The head of a public body may refuse to disclose information to an applicant if the disclosure could reasonably be expected to
disclose information referred to in subsection (1) without the consent of
(a) the government of Canada or a province,
the following or their agencies:
(i) the council of a local government body,
(ii) the government of a foreign state,
(iii) an international organization of states, or
(iv) the Nunatsiavut Government; or
(b) reveal information received in confidence from a government, council or organization listed
in paragraph (a) or their agencies.
(2) The head of a public body shall not disclose information referred to in subsection (1) without
the consent of
(a) the Attorney General, for law enforcement information; or
(b) the Lieutenant-Governor in Council, for any other type of information.
(3) Subsection (1) does not apply to information that is in a record that has been in existence for
15 years or more unless the information is law enforcement information.

Disclosure harmful to the financial or economic interests of a public body

24. (1) The head of a public body may refuse to disclose to an applicant information which could
reasonably be expected to disclose
(a) trade secrets of a public body or the government of the province;
(b) financial, commercial, scientific or technical information that belongs to a public body or to
the government of the province and that has, or is reasonably likely to have, monetary value;
(c) plans that relate to the management of personnel of or the administration of a public body
and that have not yet been implemented or made public;
(d) information, the disclosure of which could reasonably be expected to result in the premature
disclosure of a proposal or project or in significant loss or gain to a third party;
(e) scientific or technical information obtained through research by an employee of a public
body, the disclosure of which could reasonably be expected to deprive the employee of priority of
publication;
(f) positions, plans, procedures, criteria or instructions developed for the purpose of contractual
or other negotiations by or on behalf of the government of the province or a public body, or
considerations which relate to those negotiations;
(g) information, the disclosure of which could reasonably be expected to prejudice the financial
or economic interest of the government of the province or a public body; or
(h) information, the disclosure of which could reasonably be expected to be injurious to the
ability of the government of the province to manage the economy of the province.
(2) The head of a public body shall not refuse to disclose under subsection (1) the results of
product or environmental testing carried out by or for that public body, unless the testing was done
(a) for a fee as a service to a person, a group of persons or an organization other than the public
body; or
(b) for the purpose of developing methods of testing.
Disclosure harmful to personal privacy

30. (1) The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party's personal privacy.

(2) A disclosure of personal information is not an unreasonable invasion of a third party's personal privacy where

(a) the applicant is the individual to whom the information relates;
(b) the third party to whom the information relates has, in writing, consented to or requested the disclosure;
(c) there are compelling circumstances affecting a person's health or safety and notice of disclosure is mailed to the last known address of the third party to whom the information relates;
(d) an Act or regulation of the province or of Canada authorizes the disclosure;
(e) the disclosure is for a research or statistical purpose and is in accordance with section 41;
(f) the information is about a third party's position, functions or salary range as an officer, employee or member of a public body or as a member of a minister's staff;
(g) the disclosure reveals financial and other details of a contract to supply goods or services to a public body;
(h) the disclosure reveals the opinions or views of a third party given in the course of performing services for a public body, except where they are given in respect of another individual;
(i) public access to the information is provided under the Financial Administration Act;
(j) the information is about expenses incurred by a third party while travelling at the expense of a public body;
(k) the disclosure reveals details of a licence, permit or a similar discretionary benefit granted to a third party by a public body, not including personal information supplied in support of the application for the benefit;
(l) the disclosure reveals details of a discretionary benefit of a financial nature granted to a third party by a public body, not including
   (i) personal information that is supplied in support of the application for the benefit, or
   (ii) personal information that relates to eligibility for income and employment support under the Income and Employment Support Act or to the determination of income or employment support levels;
(m) the personal information is about an individual who has been dead for 20 years or more; or
(n) the disclosure is not contrary to the public interest as described in subsection (3) and reveals only the following personal information about a third party:
   (i) attendance at or participation in a public event or activity related to a public body, including a graduation ceremony, sporting event, cultural program or club, or field trip, or
   (ii) receipt of an honour or award granted by or through a public body.

(3) The disclosure of personal information under paragraph (2)(n) is an unreasonable invasion of personal privacy where the third party whom the information is about has requested that the information not be disclosed.

(4) A disclosure of personal information is presumed to be an unreasonable invasion of a third party's personal privacy where

(a) the personal information relates to a medical, psychiatric or psychological history, diagnosis, condition, treatment or evaluation;
(b) the personal information is an identifiable part of a law enforcement record, except to the extent that the disclosure is necessary to dispose of the law enforcement matter or to continue an investigation;
(c) the personal information relates to employment or educational history;
(d) the personal information was collected on a tax return or gathered for the purpose of collecting a tax;
(e) the personal information consists of an individual's bank account information or credit card information;
(f) the personal information consists of personal recommendations or evaluations, character references or personnel evaluations;
(g) the personal information consists of the third party's name where
   (i) it appears with other personal information about the third party, or
   (ii) the disclosure of the name itself would reveal personal information about the third party; or
(h) the personal information indicates the third party's racial or ethnic origin or religious or political beliefs or associations.
(5) In determining under subsections (1) and (4) whether a disclosure of personal information constitutes an unreasonable invasion of a third party's personal privacy, the head of a public body shall consider all the relevant circumstances, including whether
(a) the disclosure is desirable for the purpose of subjecting the activities of the province or a public body to public scrutiny;
(b) the disclosure is likely to promote public health and safety or the protection of the environment;
(c) the personal information is relevant to a fair determination of the applicant's rights;
(d) the disclosure will assist in researching or validating the claims, disputes or grievances of aboriginal people;
(e) the third party will be exposed unfairly to financial or other harm;
(f) the personal information has been supplied in confidence;
(g) the personal information is likely to be inaccurate or unreliable;
(h) the disclosure may unfairly damage the reputation of a person referred to in the record requested by the applicant; and
(i) the personal information was originally provided to the applicant.
BUSINESS PLAN

Including
Cash Flow Statement
Projected Financial Statements
and Opening Balance Sheets

Applicant/Company: JAMES HUDSON A&B TAKEOUT

Address: [REDACTED]
GOOSE BAY LABRADOR

Compiled by: JAMES HUDSON

Date: FEBRUARY 18 1989
A. Introduction

1. Name of Company/Applicant: A&B TAKEOUT, JAMES JOSEPH HUDSON
   Date of Birth: [Redacted], S.I.N. #: [Redacted]
   Incorporated: Yes [ ] No [x]

2. Type of Business: FAST FOOD TAKEOUT & CATERING SERVICE

3. Mailing Address: [Redacted]
   GOOSE BAY, LABRADOR

4. Telephone Numbers: Residence: [Redacted], Business: n/a

5. Precise Location of Business: THE community of BLACK TICKLE next to NORTHERN LIGHTS SALTS LTD (retail store), LOCATED IN THE EAGLE RIVER DISTRICT.

6. Person to Contact: JAMES HUDSON
   Telephone: [Redacted]

7. Assistance Requested: Amount $42,480.00
   (Detailed List of Project Costs Required including Quotations from suppliers)

   New Project [x] Expansion [ ] Modernization [ ]

   Purpose: TO construct a fast food takeout at BLACK TICKLE LABRADOR.
   Anticipated Benefits from assistance: THE assistance applied for will be a major factor in the success of the proposed development.

8. Legal form of Business: [a] [ ] Incorporated
   [b] [x] Sole Proprietorship [c] [ ] Partnership
   [d] [ ] Co-operative [e] [ ] To be incorporated.

9. Date business started and/or incorporated: n/a

10. Directors or Key Staff

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11. Name(s) and address(es):
   (a) Banker: ROYAL BANK OF CANADA HAPPY VALLEY BRANCH
   Line of Credit: NORTHERN LIGHTS SALES LTD BLACK TICKE LABRADOR.
   (b) Auditor: nil
   (c) Legal Advisor: nil
   (d) Insurance Company/Agent: VICKERS INSURANCE AGENCY GOOSE BAY.

Project Description

1. Describe your project and attach a plant layout and/or a list of equipment and cost estimates including quotes from suppliers.

   THE proposed project consists of a fast food takeout and catering service. THE facility will be housed in a building, measurements 60' x 12' (with a plant layout attached). A list of equipment with a price quote from a supplier is also attached.

Production and Process

a. Briefly describe the production methods and processes involved. Attach additional pages if necessary.

   ALL foods will be prepared by using mainly a deep fryer and grill also cold food products will be served, such as sandwiches etc.

   All food products will be served on disposable paper products.

b. Date construction will start: april 05 1989

   Date operations will commence: july 07 1989

Program Funding

1. Funds required for:
   Land $2000.00 ✓
   Building (Appraisal required) $6500.00 ✓
   Machinery/Equipment $5500.00 ✓
   Vehicles $n/a
   Working Capital $5500.00
   RENOVATIONS $22,980 ✓

   TOTAL $42,480.00 ✓

   Source of funds:
   Bank operating line: $nil
   Term loan outside lenders $nil
   Incentive grants $nil
   Other $nil
   Gov. Assist. required $37,980.00
   Applicant's Investment $4,500.00

   TOTAL $42,480.00
2. Will any part of the owner's investment be borrowed?  
   X Yes  No

   If yes, from whom borrowed? _THE ROYAL BANK OF CANADA, HAPPY VALLEY BRANCH_.

   Security to be given: _NONE REQUIRED_.

   Terms: _A MONTHLY PAYMENT OF $375.00 OVER A ONE YEAR PERIOD_.

   Interest Rate: _14%_


E. Financial Information (To be attached)

   1. Historical Financial Statements.
      Enclose statements for your two most recent years of operation.

   2. Pro-forma Financial Statements:
      (a) Balance Sheets — Current/Opening
      (b) Yearly Profit and loss statement for year one. Two and three if necessary.
      (c) The statement of cash flow projected on a monthly basis for one year of operation and years two and three if necessary.

F. Market Summary

Instructions Market Summary

   1. Applicants should list each service if more than one is provided. Provide as much detail as possible about the service. If a similar service exists in your trading area describe any advantages your business may have (i.e. pricing, supply of raw materials, transportation etc.). Give a brief description of any past experience or training in the proposed business field which may be advantageous to the business. Is the business seasonal or subject to peaks and valleys in sales. List such things as operating hours, cash or credit.

   2. What type of business or customer will avail of your service. Name the types of clients you expect to draw with your business.
      — How old
      — Which sex
      — Income

      Will your clients be other businesses or the general public. If other businesses name them. Do you have any letters of intent? Can you obtain letters of intent?

   3. Will all of your business be generated within your local community or will your business draw customers from surrounding communities. If identifying communities outside of your own, please indicate if you will bring the service to them or whether they will have to come to you. If they will be coming to you, explain why you expect them to travel to obtain your service. Is there a secondary trading area — This would be in an area that might contribute to your business, not on a regular basis, but occasionally due to travel in your area. Indicate the population of the identified trading area as well as the population of the secondary trading area.

   4. Having identified your general trading area, indicate if any business operating in the general trading area is offering any of the services you will offer. Describe if possible the type or types of services offered. Name the business and the location. If the service is offered from outside the trading area indicate the location of the service.
5. You may have knowledge that a large number of people from within the trading area are travelling long distances to avail of the service you propose, or from research you have determined that a population base within the area can support such a facility.

6. This question relates to the general trading area which may be affected by some large new industry moving into the area which would cause more people to locate within the area. Is your region gaining or losing in population and why?

7. If newspaper advertising, radio spots, flyers, posters etc., are to be used advise how many and the approximate cost of each medium to be used.

8. Was this information obtained from a similar type operation, or on the basis of industry norms or some other method. Explain.

9. This question relates to the number of new jobs created by your project and the type of job i.e., waitress, hair dresser, mechanic etc.

10. If your project is successful can it be expanded by growing larger or are there opportunities in related fields that could provide room for expansion. (i.e. a motel, another related service such as boat rentals or tours).

**Market Summary**

1. Explain and describe the type of service/product you will provide.
   
The type of service provided, will be fast food takeout products and also a catering service for banquets etc. There is no other such business available, so outlook is very good. The owner applicant worked in the past for Hong Kong Restaurant in Goose Bay for one year so experience in the restaurant business was acquired. The proposed development will be a year round operation serving the 425 local people with a peak in operation from July to November, this is when the fishing season is open at this time there is an influx of approximately 400 fishermen who greatly contribute to the business. The operating hours will be from TEN am until ONE am daily, with cash only purchases.

2. Who are/will be your typical customers?
   
The typical customers will be Fisherman, Fishplant Workers and also outside people contractors, tourists etc.

3. Identify your general trading area.
   
The general trading area will be Black Tickle and also approximately five other surrounding seasonal fishing communities.

4. Identify existing businesses of a similar nature within general trading area outlined in 3 above.
   
   There is no existing facility within a sixty mile radius.
5. Why do you feel the identified trading area will support your proposed project?

The local trading area of BLACK TICKLE and surrounding areas, will be able to support the proposed service. The local people are showing great interest in the proposed development, the market potential in the area, that is within the local population appears to be very encouraging, since there is only one retail store in the area to accommodate the residents needs, and also the 450 outside fishermen.

6. Is your market area expanding or static?

The population of the area is quite stable, but from July until November there is an additional 450 transient fisherman, and approximately 300 transient fisherman from approximately 5 surrounding communities.

7. How do you propose to advise potential customers of your service and identify the cost of doing so?

There will be no advertising as such because of the size of the area, I feel advertising is not necessary, so no expense will be incurred.

8. State the basis on which your sales projections are based.

Sales are based on the population of the area, and the increase in population during the fishing season when there is an increase in population during the previously mentioned five months.

9. Will the completion of your project provide a net increase in jobs in the area?

Yes x No

If yes, state number and type:

Three jobs will be created consisting of cashiers and cooks.

10. If your project is successful as planned, are there opportunities for expansion? If yes, explain.

If the project is successful there will be a small hotel consisting of six rooms developed, thus creating one maybe two more jobs.
Sales

Collections
First month
Second month
Third month

Receipts
Total Collections
Shareholder's Contribution

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Disbursements
Wages and Benefits
Materials
Rent
Office Supplies
Taxes and Licences
Repairs and Maintenance
Bank Charges and Interest
Telephone
Utilities (Heat and Light, etc.)
Insurance
Advertising and Promotion
Loan Payments

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</tr>
<tr>
<td>$2383.00</td>
<td>$2383.00</td>
<td>$2383.00</td>
<td>$2383.00</td>
<td>$2383.00</td>
<td>$2383.00</td>
<td>$2383.00</td>
<td>$2383.00</td>
<td>$28,600</td>
</tr>
</tbody>
</table>

### Notes:
- Yearly Totals calculated as the sum of monthly totals.
- Monthly amounts are based on a 12-month cycle.
- Assumptions and calculations not detailed within the table.
Management
1. Identify and briefly describe the qualifications of management including directors and officers. Attach additional pages if space insufficient.

Management being myself JAMES HUDSON, I worked for one year at NORTH Lights BAKERY, also one year at HONG KONG RESTAURANT both establishment being in GOOSE BAY, I feel i have had adequate experience in the food service industry to undertake my proposed development.

Production and Process
1. Briefly describe the production methods and processes involved. Attach additional pages if necessary.

The methods involved in processing are, the use of a deepfryer and also the use of a grill, a stove will be used for cooking soups gravymes etc also there will be cold food products served such as sandwiches submarine sandwiches etc.

2. Date construction will start ________April 05 ________1989
Date operations will commence ________July 07 ________1989

Make sure your project is documented to the best of your ability.

Employment

<table>
<thead>
<tr>
<th>Present: Full</th>
<th>Projected: Full</th>
<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>P/T</td>
<td>P/T x</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>
Income and Expense Statement — Year 1 (2 & 3)

Income:
Sales .............................................. $138,500.00
TOTAL SALES ........................................

Less: Cost of Sales:
Purchases ........................................ $34,625.00
Opening Inventory ................................ $2500.00

Less: Closing Inventory ................. $1500.00

GROSS PROFIT ..................................... $106,375.00

Expenses:
Salaries — Management .................. 28,600.00
Wages and Benefits — Employees .... $27,370.00
Rent ........................................ $600.00
Utilities ..................................... $2,180
Insurance ..................................... $1,120
Postage ....................................... $65.00
Office Supplies ............................... $560.00
Maintenance ................................. $0.00
Travel ........................................ $0.00
Telephone .................................... $775.00
Professional fees .......................... $0.00
Bank charges ................................
Interest ........................................
Advertising ................................... $0.00
Depreciation .................................. $250.00

Net Profit/Loss before Income Tax

$465.00
# Opening Balance Sheet

**AS OF OPENING DAY.**

## ASSETS:

### Current Assets:
- **Cash**
- **Accounts Receivable**
- **Inventory**

### Total Current Assets:

### Fixed Assets:
- **Land**
- **Buildings**
- **Machinery**
- **Equipment**

### Total Fixed Assets:

## LIABILITIES & SHAREHOLDERS EQUITY

### Current Liabilities:
- **Accounts Payable**

### Total Current Liabilities:

### Long Term Liabilities:
- **Long Term Debt**

### Shareholders Equity:
- **Capital stock**
- **Common Stock**
- **Retained Earnings**

### Total Liabilities & Shareholders Equity:

### Total Liabilities & Shareholders Equity:
Pertaining to question no. 1 under heading program funding: the additional funding required to complete the project is 22,980.00 which is broken down into the following categories.

LABOUR COSTS- 3000.00
transportation of the building to business location- 1500.00
ROOF REPAIRS- 4500.00
EXTERIOR SIDING- 3200.00
ELECTRICAL- 1500.00
INTERIOR REPAIRS- 6000.00
PLUMBING- 1800.00
MISCELLANEOUS- 1480.00

"NOTE" THE building will be repaired and made ready for business in GOOSE BAY over the next three months, and therefore be ready to be transported to BLACK TICKLE at the opening of the shipping season. BY getting the building ready here in GOOSE BAY, there will be no delay in getting operations started and therefore be in business for the opening of the fishing season which starts around the 15th of july.
To the Reader:

As the applications point out, Mr. Hudson is proposing to purchase 4 second hand tracks and completely renovate the others to suit his requirements. The tracks will be completely renovated at Goose Bay and shipped to the coast when the new season opens. In this way, Mr. Hudson, will take full advantage of the summer season, which will beat this season to S{30(1).
J. Declaration

It is hereby affirmed that the information and representations submitted in connection with this application for assistance are true and correct to the best of the knowledge of the undersigned and that neither the applicant nor the officers of the Company are involved, in any litigation or in any proceeding before any government board, tribunal or agency which have not been disclosed herewith. The undersigned also agrees to conform to conditions as outlined in the program information brochure.

The Rural Development Authority is hereby authorized to obtain any information required related to this application from any sources deemed necessary and each source is hereby authorized to provide such information.

Name of Applicant/Company: James Hudson Aand B Takeant

Signed by or on behalf of the applicant.

this 30 day of March 1989

Aand B Takeant
Applicant/Company

Manufacturing/Processing  Region BDS  Primary Resource

Electoral District Eagle River  Service Industry
To Whom It May Concern:

This will confirm the intentions of Mr. Tim Hinkle to purchase a used trailer unit 10' x 52' Serial #97540 for the sum of $1,000.00 plus sales tax. Wheel Springs Springs Axles to be returned to Grove Bay when trailer is delivered at Black Hills.

S30(1)
<table>
<thead>
<tr>
<th>ITEM</th>
<th>QUANTITY</th>
<th>DESCRIPTION</th>
<th>UNIT PRICE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Model E22-24G 24&quot; grill</td>
<td>801.00</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>Model E30-28HF Complete Fryer</td>
<td>1206.00</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>1</td>
<td>Model P5-48 Double 1st Eleven</td>
<td>805.00</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>1</td>
<td>Single Milkleakey oven</td>
<td>349.00</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>1</td>
<td>6ft. Eamrap 1/2 ft. Filler Fan</td>
<td>1100.00</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>1</td>
<td>Model A6481 Hot Dog Machine</td>
<td>544.00</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>1</td>
<td>Model A7P44 4 Slice Toaster</td>
<td>650.00</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>1</td>
<td>Work Table 30x48 Wood Top</td>
<td>465.00</td>
<td></td>
</tr>
</tbody>
</table>
NEW APPLICANT  X
PRESENT CLIENT
FORMER CLIENT

APPLICATION NUMBER
BUSINESS MANAGEMENT SPECIALIST
John Sweetland
RURAL DEVELOPMENT SPECIALIST

NAME OF COMPANY  A & B Takeout
INCORPORATED  YES  X  NO

NAME & AGE(S) OF APPLICANT(S) OR PRINCIPAL(S)  James Joseph Hudson

MAILING ADDRESS:  Happy Valley, Labrador

BUSINESS LOCATION:  Black Tickle (Eagle River District)

TYPE OF BUSINESS & METHOD OF OPERATION:  Fast food take-out and catering service. Foods will be mainly prepared by deep fryer and grill; also, cold foods will be sold such as sandwiches, etc.

BUSINESS HISTORY:  New business.

PRESENT OCCUPATION AND BACKGROUND HISTORY OF APPLICANT(S) OR PRINCIPAL(S):  Present occupation - airplane pilot with family business (Northern Light Air Service). Background history - worked one year with Northern Lights Bakery and one year with Hong Kong Restaurant. Both establishments at Happy Valley-Goose Bay, Labrador

ANTICIPATED BENEFIT FROM LOAN:  Purchase trailer 10' x 5.2' and renovate; also, to purchase equipment to establish a fast food take out service at Black Tickle.
<table>
<thead>
<tr>
<th>ITEMS</th>
<th>AMOUNT</th>
<th>SOURCES</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Land</td>
<td>$ 2,000.00</td>
<td>RDA Loan</td>
<td>$ 37,980.00</td>
</tr>
<tr>
<td>Purchase Building (Trailer)</td>
<td>6,500.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>5,500.00</td>
<td>Own Investment</td>
<td>$ 4,500.00</td>
</tr>
<tr>
<td>Renovation</td>
<td>22,980.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working Capital</td>
<td>5,500.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$ 42,480.00</td>
<td></td>
<td>$ 42,480.00</td>
</tr>
</tbody>
</table>

LAND, BUILDING OR CONSTRUCTION COSTS: $ 31,480.00
MACHINERY AND EQUIPMENT COSTS
WORKING CAPITAL
TOTAL COSTS $ 42,480.00
LOAN REQUIRED $ 37,980.00

NUMBER OF JOBS CREATED
FULL-TIME
SEASONAL
NUMBER OF JOBS MAINTAINED
FULL-TIME
2
SEASONAL
1

FINANCIAL POSITION AS AT Opening
TYPE OF STATEMENT(S) Projected
CURRENT ASSETS $ 5,500.00 $ 
CURRENT LIABILITIES 42,480.00
NET WORKING CAPITAL M11
NET WORTH & SHAREHOLDER'S LOANS 4,500.00
GROSS SALES (ONE YEAR PERIOD) 45,465.00
PROFIT (BEFORE INCOME TAX)

COMMENTS ON PRESENT & PROJECTED FINANCIAL STATEMENTS:
Client could reach the projected sales of $ 138,500.00, especially with the influx of fishermen in that area during the fishery season.

Expenses appear to be in line with projected sales.
SUMMARY: No other business of that nature in the area within a thirty mile radius. Expenses to renovate the trailer appear to be overstated. Working capital $5,000.00 needed for first month of operation (salaries and inventory) Lease from Crown Lands for land not yet finalized. Letters of approval from the Department of Health and Municipal Affairs attached with special conditions.

DETAILS OF PRESENT & FORMER R.D.A. LOAN ACCOUNT

<table>
<thead>
<tr>
<th>DATE OF LOAN</th>
<th>AMOUNT</th>
<th>TERMS</th>
<th>BALANCE</th>
</tr>
</thead>
</table>

HOW PAID:

RECOMMENDATIONS:

| APPROVAL | AMOUNT $37,980.00 |

SUGGESTED REPAYMENT TERMS

<table>
<thead>
<tr>
<th>MONTHLY</th>
<th>QUARTERLY</th>
<th>SEMI-ANNUAL</th>
</tr>
</thead>
</table>

OTHER (EXPLAIN)

---

S24(1)(f)

SUGGESTED SECURITY

<table>
<thead>
<tr>
<th>CHATTEL MORTGAGE</th>
<th>ITEMS TO BE MORTGAGED</th>
</tr>
</thead>
</table>

PROPERTY MORTGAGE (FIRST) | PROPERTY MORTGAGE (SECOND)

DETAILS OF PROPERTY AND INFORMATION ON EXISTING MORTGAGE (IF APPLICABLE)

OTHER SECURITY (E.G. PERSONAL GUARANTEES; ASSIGNMENT OF CONTRACT, ETC)

DETAILS:
Loan approval subject to approval of Lease to Land and and applicant must meet all conditions stated in letters from the Departments of Health and Municipal Affairs before any monies are advanced.

RECOMMENDATIONS (CONT.):
REJECTION REASONS:

BUSINESS MANAGEMENT SUPERVISORS REVIEW:
BACKGROUND: Funds to purchase a trailer and renovate the trailer suitable for take out; also to purchase equipment.

FINANCING: Through Rural Development Authority loan, $37,980.00 and own investment, $4,500.00.

FINANCIAL STATEMENTS (PRESKT & PROJECTED): Projection appears reasonable. Heavily depended on the influx of fishermen in the summer.

WORKING CAPITAL REQUIREMENTS: Required, however, cash flow would indicate it is not required and can be carried from revenue.

MARKETING: Black Tickle only.

JOINT ADVISORY COMMITTEE REPORTS - REPORTS FROM OTHER AGENCIES N/A

OTHER This business would bring an employment opportunity to Black Tickle and provide the community with a needed service, especially during the summer months.

I concur with the recommendation for capital funding, but not for working capital. Recommending $32,480.00 for purchase trailer equipment, land and renovations only.
Mr. James Joseph Hudson
T/A A & B Takeout
Happy Valley, Labrador

Dear Mr. Hudson:

I am writing on behalf of the Rural Development Authority concerning your application for financial assistance to:

(i) establish a ________takeout operation

(ii) expand a ________

Following review by our Board and on the basis of the information submitted, a loan in the amount of $33,282 is hereby authorized.

This offer is made under the following terms and conditions:

1. DATE AND AMOUNT APPROVED: June 7, 1989 - $33,282

   Subject to the availability of funds.

2. PURPOSE OF LOAN: Towards capital costs only

3. TERMS OF REPAYMENT: To be negotiated up to 10 years

   plus interest at the rate of ________per annum

S24(1)(f)
4. SECURITY REQUIRED: [redacted]

5. DISBURSEMENT DETAILS: Payable upon submission of supporting invoices, payroll records and/or receipts.

6. INTEREST RATE: Interest at the rate of [redacted] per annum will be charged monthly during the loan disbursement period if applicable. Following the full disbursement, the loan will be payable at the same rate on a simple interest basis.

7. SPECIAL CONDITIONS AND/OR REQUIREMENTS: Applicant's cash input to be confirmed prior to loan disbursement.

8. INSURANCE REQUIREMENTS: Insurance coverage to be provided with loss payable to the RDA.

9. TIME OF OFFER: This offer of loan will remain in effect for a period of three months from the date of this letter. In addition all funds must be drawn down and the project fully completed within the following time limits from the date of this letter. Equipment and/or working capital - 6 months; Building Construction - 12 months. An extension of this time limit may be negotiated and approved by the Board where valid reasons are considered to exist.

10. PUBLIC NOTICE: Acceptance of this loan offer shall be considered to include agreement to make public the loan amount and name of the recipient together with the purpose and other information pertaining to employment created.

11. PROJECT FINANCING: Acceptable verification of total project financing must be provided prior to initial loan disbursement.
12. **ASSIGNMENT OF PROCEEDS:** Funds approved may not be assigned to any other party personal or corporate in whole or in part without the written permission of the Rural Development Authority.

13. **ANNUAL FINANCIAL STATEMENTS:** A copy of the annual financial statements are to be submitted at the request of the Board or its representative during the currency of the loan and are to be prepared in a manner acceptable to the Board.

If you agree to accept this offer, please sign and return the enclosed duplicate copy. You should then arrange to contact:

Mr. J. Sweetland, Happy Valley office

at 896-2400

He will advise you on the provision of any further items required and arrange for the execution of the necessary loan documents.

Yours truly,

[Signature]

CHARLES J. PUREY, M.H.A.
St. Barbe District
Minister of Development and
Minister Responsible under the
Rural, Agricultural and Northern
Development Act.
Chairman
Rural Development Authority

---

Return to:
Secretary
Rural Development Authority

I hereby accept the foregoing offer and agree to be bound by all conditions as specified.

SIGNED: ________________________

DATE: ________________________

* If an incorporated company, the signature of two directors together with the Company seal must be affixed.
**Application for Funding Assistance**

**3/11/91**

**Mervin Linstead**

<table>
<thead>
<tr>
<th>Client Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Contact</td>
</tr>
<tr>
<td>Organization Name</td>
</tr>
<tr>
<td>Business Location</td>
</tr>
<tr>
<td>Mailing Address</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category of Entrepreneur</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential ☐</td>
</tr>
<tr>
<td>New ☐</td>
</tr>
<tr>
<td>Experienced ☐</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category of Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start-up ☐</td>
</tr>
<tr>
<td>Expansion ☐</td>
</tr>
<tr>
<td>Modernization ☐</td>
</tr>
<tr>
<td>Stabilization ☐</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ENL Client Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneur ☒</td>
</tr>
<tr>
<td>Government ☐</td>
</tr>
<tr>
<td>Non-Profit ☐</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Province</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labrador</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Postal Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>A0K 1NO</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Labrador</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Purpose of Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>To start up a 6 room accommodations center at Black Tickle plus a dining room on existing facility.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Form of Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proprietor ☐</td>
</tr>
<tr>
<td>Incorporated ☒</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Principal Owners and Management of Business:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
</tr>
<tr>
<td>James Hudson</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date: Oct. 1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partnership ☐</td>
</tr>
<tr>
<td>Co-operative ☒</td>
</tr>
</tbody>
</table>

**Program Costs**

| Land     | 2,500 |
| Building | 59,000 |
| Machinery/Equipment | 40,000 |
| Materials/Labour | 19,000 |
| Transport | 3,500 |
| Working Capital | 3,500 |

| TOTAL | 127,500 |

<table>
<thead>
<tr>
<th>Proposed Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant's Investment</td>
</tr>
<tr>
<td>ENL: Loan</td>
</tr>
<tr>
<td>Grant FAP</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>S23(1)(a)(i), S23(1)(b)</th>
</tr>
</thead>
</table>

**Distribution:** Original: Client File  Copy: Director of Finance and Administration
### Application for Funding Assistance

**Form # 23**

**3/11/91**

#### 6. EMPLOYMENT:

<table>
<thead>
<tr>
<th>Job Categories</th>
<th>Total Prior to Funding</th>
<th>Employment New Jobs Created</th>
<th>Maintained At Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Full Time</td>
<td></td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Permanent Seasonal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanent Part Time</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seasonal Part Time</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 7. Applicant's Existing Financing

<table>
<thead>
<tr>
<th>Lender</th>
<th>Loans Outstanding</th>
<th>Secured by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royal Bank of Canada</td>
<td>35,000</td>
<td>Co-signer</td>
</tr>
</tbody>
</table>

Have you discussed your project with your existing lenders or with any other agency?  
Yes [ ] No [X]

Provide Details:

#### 8. Professional References

<table>
<thead>
<tr>
<th>Firm</th>
<th>Contact Name</th>
<th>Telephone #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank</td>
<td>Royal Bank of Canada</td>
<td></td>
</tr>
<tr>
<td>Accountant</td>
<td>S30(1)</td>
<td></td>
</tr>
<tr>
<td>Lawyer</td>
<td>S30(1)</td>
<td></td>
</tr>
<tr>
<td>Insurance Company</td>
<td>Co-operators</td>
<td>S30(1)</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 9. Applicant's Declaration

The undersigned, on behalf of **Black Tickle Lodge**, hereby:

a) authorizes Enterprise Newfoundland and Labrador Corporation
   
i) to make any inquiries of such persons, firms, corporations or other Government agencies as it deems necessary in order to reach a decision on this application and for such purposes, Enterprise Corporation shall be regarded as an agent for the applicant to such extent any such inquiry shall be deemed to be made by the applicant hereunder;
   
ii) access, at any reasonable time, to the site and premises of the facility described in this application.

b) confirms that all the information and representations submitted in connection with this application for funding are true and correct to the best of the knowledge and belief of the undersigned; and,

c) confirms that neither the applicant nor its officers are involved in any litigation, or in any proceedings before any Government board, agency or tribunal which have not been disclosed in writing as an attachment to this application.

**S30(1)**

**Date:** 9/1/1993

(Signature of Authorized Signing Officer)
OFFER OF FINANCING
Minute #: 91-08-02-33L

August 07, 1999

Black Tickle Lodge Ltd.
Black Tickle
Labrador
A0K 1N0

Attention: James Hudson

Dear Mr. Hudson:

On the basis of the financial information provided in support of your application, Enterprise Newfoundland and Labrador Corporation is pleased to offer you a loan in the amount of Eighteen Thousand Seven Hundred dollars, ($18,700) subject to the conditions outlined in Appendix A of this Offer.

Program and Financing

This loan is being made available to assist with constructing and equipping hotel. The loan will assist in financing the following program:

<table>
<thead>
<tr>
<th>Program Costs</th>
<th>Program Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>Applicant's Investment $ 3,000.</td>
</tr>
<tr>
<td>Equipment</td>
<td>ENL-Small Ent. Loan $ 18,700.</td>
</tr>
<tr>
<td>Working Capital</td>
<td></td>
</tr>
<tr>
<td>$ 80,500.</td>
<td></td>
</tr>
<tr>
<td>$ 40,000.</td>
<td></td>
</tr>
<tr>
<td>$ 7,000.</td>
<td></td>
</tr>
</tbody>
</table>

All Enterprise Newfoundland and Labrador Corporation legal costs incurred in relation to this offer will be the responsibility of Black Tickle Lodge Ltd. upon acceptance of this Offer of Financing.

If you agree to accept this offer, please sign and return the enclosed duplicate copy. Acceptance shall be considered to include agreement to make public the loan amount and name of the recipient together with the purpose and other information pertaining to employment created.

Upon receipt of the written acceptance, Mervin Linstead will contact you to outline the information required to prepare the final security documentation for execution.

Yours truly,

Harold Marshall
Vice-President
Labrador
Appendix A
Terms and Conditions
of
Offer of Financing

Minute #:91-08-02-33L
Company Name: Black Tickle Lodge Ltd.
Date: August 07, 1991

Program Change

No material change may be made in the program without the prior written consent of Enterprise Newfoundland and Labrador Corporation. Any adverse change in risk may render the project null and void.

Acceptance and Expiry Dates

This Offer will become effective upon receipt by us, no later than, 30 days of Black Tickle Lodge Ltd.'s signed, written acceptance.

This Offer will expire on November 07, 1991 if the funds have not been drawn upon.

Insurance

Fire insurance (including extended coverage endorsement) satisfactory to Enterprise Newfoundland and Labrador Corporation will be required on the equipment to be mortgaged. Such insurance will include a standard mortgage clause endorsement and the proceeds of any claims will be duly assigned to Enterprise Newfoundland and Labrador Corporation as its interest may appear.

Terms of Repayment

The loan will be repaid in 60 equal monthly principal payments of $311.67 plus interest.

The written consent of Enterprise Newfoundland and Labrador Corporation is required for an extension of the final loan disbursement beyond six months following the date of initial disbursement. Initial disbursement must be made prior to November 07, 1991.
Interest

This loan will bear simple interest at the rate of [redacted] per annum. Interest will be charged from the date of first disbursement.

Security

Contingent Conditions

Prior to disbursement the applicant will undertake to:

(1) Provide confirmation of ACOA and CABDP funding.

Underlying Conditions

In addition, Black Tickle Lodge Ltd. shall:

(1) Maintain proper bookkeeping system.
(2) Provide annual financial statements prepared by a qualified accountant.

Disbursement

The loan will be disbursed as funds are required for the program, after security documents are completed and registered, the insurance requirements are in order, and after that portion of the financing which is to be provided from sources other than Enterprise Newfoundland and Labrador Corporation have been confirmed.
ACCEPTANCE

Black Tickle Lodge Ltd. hereby accepts this Offer of Financing by Enterprise Newfoundland and Labrador Corporation in the amount of Eighteen Thousand Seven Hundred dollars ($18,700.) and agrees to the terms and conditions contained herein.

FOR AND ON BEHALF OF

BLACK TICKLE LODGE LTD.
1. PURPOSE OF AMENDMENT:
   To affect the following:
   1. Change in client information:    Yes No
   2. Change(s) to acceptance/expiry dates X    No
   3. Cancel Undisbursed Balances    No
   4. Increase Authorized Amount    No
   5. Change in Repayment Schedule X
   6. Change in security    No
   7. Partial disbursement of funds    No
   8. Change in Underlying Condition    No
   9. Change in Insurance Requirements    No

2. NEW CLIENT INFORMATION
   Key Contact
   Client Name
   Business Location
   Mailing Address
   Postal Code:
   Phone # (bus) (Res)
   SIC Code
   Business Type:

3. ACCOUNT SUMMARY (Required for all amendment requests except those affecting client information only.)
<table>
<thead>
<tr>
<th>Type &amp; No</th>
<th>Interest</th>
<th>Principal</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td>$24(1)(0)</td>
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<td>$18,700.</td>
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</tbody>
</table>

4. OTHER AMENDMENTS: (May include amendment to acceptance/expiry dates, program, and/or terms and conditions of financing)
   Increase authorized amount from $18,700. to $38,200.; interest rate to stay the same. Expiry date change to Dec. 7/91.
   Change repayment to 60 equal monthly payments of $636.67 plus interest.

5. DECISION DETAILS
   Prepared by: Date: 91/10/31
   Recommended by: Date: 91/10/31
   (IF APPLICABLE) Committee: R.A.C.
   Region (if appropriate): LABRADOR
   Meeting Date: 91/10/31
   Minute #: 91-10-31-080L
   Certified by: Date: 91/10/31
1. PURPOSE OF AMENDMENT:
To affect the following:

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Change in client information:</td>
</tr>
<tr>
<td>2.</td>
<td>Change(s) to acceptance/expiry dates</td>
</tr>
<tr>
<td>3.</td>
<td>Cancel Undisbursed Balances</td>
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<tr>
<td>4.</td>
<td>Increase Authorized Amount</td>
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<td>5.</td>
<td>Change in Repayment Schedule</td>
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<td>6.</td>
<td>Change in security</td>
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<td>7.</td>
<td>Partial disbursement of funds</td>
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<tr>
<td>8.</td>
<td>Change in Underlying Condition</td>
</tr>
<tr>
<td>9.</td>
<td>Change in Insurance Requirements</td>
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</tbody>
</table>

2. NEW CLIENT INFORMATION

Key Contact: James Hudson
Client Name: T/A Black Tickle Lodge
Business Location: Black Tickle
Mailing Address: Labrador
Postal Code: A0K 1NO

Phone# (bus): 471-8849
Phone# (Res): 820-8301

SIC Code: 9112
Business Type: Hotel

3. ACCOUNT SUMMARY (Required for all amendment requests except those affecting client information only.)

<table>
<thead>
<tr>
<th>Type &amp; No</th>
<th>Arrears Outstanding</th>
<th>Interest</th>
<th>Principal</th>
<th>Interest Rate</th>
<th>Amount Authorized</th>
<th>Amount Undisbursed</th>
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</thead>
<tbody>
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</tbody>
</table>

4. OTHER AMENDMENTS: (May include amendment to acceptance/expiry dates, program, and/or terms and conditions of financing)

Change loan authorization from Black Tickle Lodge Ltd. to James Hudson T/A Black Tickle Lodge.

5. DECISION DETAILS

Prepared by: Reg Kean
Recommended by: Reg Kean

Committee: R.A.C. Region (if appropriate): Labrador
Meeting Date: 9/1/11 Meeting Minutes: 9/1/11-28-104

Certified by: 

Date: 9/1/11-28
OFFER OF FINANCING
Minute #:91-10-31-80L
November 01, 1991

Black Tickle Lodge Ltd.
Black Tickle
Labrador
A0K 1N0

Attention: James Hudson

Dear Mr. Hudson:

On the basis of the financial information provided in support of your application, Enterprise Newfoundland and Labrador Corporation is pleased to offer you a loan in the amount of Thirty Eight Thousand Two Hundred dollars, ($38,200.) subject to the conditions outlined in Appendix A of this Offer.

Program and Financing

This loan is being made available to assist with constructing and equipping hotel. The loan will assist in financing the following program:

<table>
<thead>
<tr>
<th>Program Costs</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>$80,500</td>
</tr>
<tr>
<td>Equipment</td>
<td>$40,000</td>
</tr>
<tr>
<td>Working Capital</td>
<td>$7,000</td>
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</table>

<table>
<thead>
<tr>
<th>Program Financing</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Applicant’s Investment</td>
<td>$3,000</td>
</tr>
<tr>
<td>ENL-Small Ent. Loan</td>
<td>$38,200</td>
</tr>
</tbody>
</table>

All Enterprise Newfoundland and Labrador Corporation legal costs incurred in relation to this offer will be the responsibility of Black Tickle Lodge Ltd. upon acceptance of this Offer of Financing.

If you agree to accept this offer, please sign and return the enclosed duplicate copy. Acceptance shall be considered to include agreement to make public the loan amount and name of the recipient together with the purpose and other information pertaining to employment created.

Upon receipt of the written acceptance, Mervin Linstead will contact you to outline the information required to prepare the final security documentation for execution.

This letter replaces our letter of offer of August 7, 1991.

Yours truly,

Harold Marshall
Vice-President
Labrador
Appendix A
Terms and Conditions
of
Offer of Financing

Minute #:91-10-31-80L
Company Name: Black Tickle Lodge Ltd.
Date: November 01, 1991

Program Change

No material change may be made in the program without the prior written consent of Enterprise Newfoundland and Labrador Corporation. Any adverse change in risk may render the project null and void.

Acceptance and Expiry Dates

This Offer will become effective upon receipt by us, no later than, 30 days of Black Tickle Lodge Ltd.'s signed, written acceptance.

This Offer will expire on December 07, 1991 if the funds have not been drawn upon.

Insurance

Fire insurance (including extended coverage endorsement) satisfactory to Enterprise Newfoundland and Labrador Corporation will be required on the equipment to be mortgaged. Such insurance will include a standard mortgage clause endorsement and the proceeds of any claims will be duly assigned to Enterprise Newfoundland and Labrador Corporation as its interest may appear.

Terms of Repayment

The loan will be repaid in 60 equal monthly principal payments of $636.37 plus interest.

The written consent of Enterprise Newfoundland and Labrador Corporation is required for an extension of the final loan disbursement beyond six months following the date of initial disbursement. Initial disbursement must be made prior to December 07, 1991.
Interest

This loan will bear simple interest at the rate of per annum. Interest will be charged from the date of first disbursement.

Security

Contingent Conditions

Prior to disbursement the applicant will undertake to:

(1) Provide confirmation of ACOA and CABDP funding.

Underlying Conditions

In addition, Black Tickle Lodge Ltd. shall:

(1) Maintain proper bookkeeping system.
(2) Provide annual financial statements prepared by a qualified accountant.

Disbursement

The loan will be disbursed as funds are required for the program, after security documents are completed and registered, the insurance requirements are in order, and after that portion of the financing which is to be provided from sources other than Enterprise Newfoundland and Labrador Corporation have been confirmed.
ACCEPTANCE

Black Tickle Lodge Ltd. hereby accepts this Offer of Financing by Enterprise Newfoundland and Labrador Corporation in the amount of Thirty Eight Thousand Two Hundred dollars ($38,200.) and agrees to the terms and conditions contained herein.

FOR AND ON BEHALF OF

BLACK TICKLE LODGE LTD.
A & B TAKEOUT LTD / BLACK TICKLE LODGE
P.O. BOX 1035 STATION A
GOOSE BAY, LABRADOR
A0P 150

FACSIMILE COVER SHEET

ROUTINE: XX    IMPORTANT: _____    URGENT: _____

DATE: Feb 21, 1996

PLEASE DELIVER THE FOLLOWING PAGE(S) TO: Reg Kean

THIS TRANSMISSION IS COMING FROM: Jim Hudson

TOTAL OF 01 PAGE(S) INCLUDING COVER SHEET

IF PROBLEMS ENCOUNTERED WITH TRANSMISSION CALL 709-896-2002

MESSAGE:

Due to the dramatic reduction in revenue generated by A & B Takeout Ltd and the non existent revenue from Black Tickle Lodge, I am forced at this time to ask your agency to consider any possible solution that would see my payments reduced substantially.

I feel that in order to meet my accounts payable commitments for suppliers that this is the only alternative.

HARD COPY TO FOLLOW BY MAIL: YES: ____  NO: X

SENDERS SIGNATURE: [Redacted]

TEL: 709-896-2002 (24 HOURS)  FAX: 709-896-2214
April 05, 1996

Mr. James Hudson
T/A Black Tickle Lodge
P.O. Box 1035
Happy Valley-Goose Bay
Labrador
A0P 1S0

Dear Mr. Hudson:

With reference to your request for us to review your current repayment schedule we advise we have decided to waive your principal payments for the period from January 01, 1996 to June 01, 1996 inclusive. Interest is to be paid monthly.

Your are to provide us with up to date financial information and a detailed repayment plan by June 01, 1996. Future extensions on this loan will not be permitted and a firm repayment plan commencing July 01, 1996 has to be put in place.

I am available to discuss this matter with you at your convenience.

Yours Sincerely,

Reg Kean
Director Finance
& Administration
This loan was approved in 1991 for $38,200 for the purpose of building a lodge and restaurant in Black Tickle, Labrador. The business never did get off the ground as hoped with client experiencing cash flow problems from the very beginning. Black Tickle's economy was destroyed by the closure of the cod fishery and could no longer support this venture. Over the years, contact had been made with our client and periodic payments were received; coming from his aviation business that he had at that time. Last payment received on this loan was in December, 1998. Client has declared personal bankruptcy, listing the department as an unsecured creditor. Security taken on this loan consisted of a [redacted], which is now either outdated or gone and the repossession cost would be prohibitive. As there is absolutely no recourse on this loan, we recommend full write off of the principal balance and all outstanding interest.
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR

<table>
<thead>
<tr>
<th>Date</th>
<th>May 20, 2005</th>
<th>Employee</th>
<th>Elizabeth Batcock</th>
<th>Region</th>
<th>LABRADOR</th>
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<table>
<thead>
<tr>
<th>Client Name</th>
<th>JAMES HUDSON</th>
<th>Note #</th>
<th>2468</th>
<th>File #</th>
<th>L50005</th>
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<tr>
<th>Mailing Address</th>
<th>GOOSE BAY, LB</th>
<th>Acct Grade</th>
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<th>Recommendation:</th>
<th>Write off</th>
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<table>
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<tr>
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<th>LODGE</th>
<th>Allowance</th>
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### Account Summary

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<th>Total Outstanding</th>
<th>Arrears Interest</th>
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<td>Nov/91</td>
<td>Term</td>
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<td>$38,200</td>
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<table>
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<th>$28,500.62</th>
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<tbody>
<tr>
<td>Date of Latest F/Statement Received</td>
<td>NIL</td>
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<table>
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<tr>
<th>Security Valuation</th>
<th>Cost</th>
<th>Current Market Value</th>
<th>Forced Sale Value (Estimated)</th>
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<tbody>
<tr>
<td>Land</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building</td>
<td></td>
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<tr>
<td>Equipment</td>
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<td></td>
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<tr>
<td>Other</td>
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</tr>
<tr>
<td>Totals</td>
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<table>
<thead>
<tr>
<th>LESS: Preferred Claims</th>
<th>Estimated NET Forced Sale Value</th>
<th>Total Outstanding</th>
<th>Allowance (Shortfall) Surplus</th>
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<tr>
<th>Justification of Security Valuation</th>
<th>S24(1)(f)</th>
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<tbody>
<tr>
<td>Security consists of</td>
<td>S24(1)(f)</td>
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</table>

Current Terms of Repayment

Nil

Current Security (Type and Description)

Chattel mortgage on list of equipment and personal guarantee of James Hudson
### Financial Statement Analysis

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Actual</th>
<th>Projected</th>
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<th>DDRR Revised</th>
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<tr>
<td>Sales</td>
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<tr>
<td>Gross Profit: Dollar Amount</td>
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<tr>
<td>Gross Profit: Percentage</td>
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<tr>
<td>Net profit</td>
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<td>Depreciation</td>
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<td>Payments: LTD</td>
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<tr>
<td>Adjusted Cash Flow</td>
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<tr>
<td>Break even: Sales</td>
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### Management:
Lodge in Black Tickle, Labrador owned and operated by our client, James Hudson.

### Account History (including collection efforts):
Loan originally approved in 1991 for the amount of $38,200 to assist with the start up of a lodge/restaurant in Black Tickle, Labrador. From the very beginning the business was in trouble and experiencing cash flow problems. The economy of Black Tickle was totally destroyed by the closure of the cod fishery and could no longer support this type of business. During the past years, we have had some contact with our client and did receive payments periodically. At this time he was still in the aviation business and while struggling, still kept in contact. Since then, Mr. Hudson has filed for personal bankruptcy. The Notice of Bankruptcy indicates an unsecured amount totalling in excess of $700,000. The debt owed to us is included in this unsecured total. Security taken on this loan in 1991 was a [redacted], which today, if any of this was still available, would be of very little value and the repossession cost would be prohibitive.

### Conclusions and Recommendations:
With our loan being unsecured and our client declaring personal bankruptcy, we have no recourse on this loan. We, therefore, recommend that approval be granted to write off the principal balance and all outstanding interest owing on this loan.

---

### Decision Details

<table>
<thead>
<tr>
<th>Decision Details</th>
<th>Authorized by:</th>
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<tbody>
<tr>
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<td>Minute #: CTC</td>
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<tr>
<td>Deferred</td>
<td>Prepared By Elizabeth Batcock Date: May 20, 2005</td>
</tr>
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</table>

Recommended By: Reg Keen
James Hudson - Write-off - Approved

On Motion it was resolved

THAT the request on behalf of James Hudson to write-off the outstanding balance and all subsequent accruals on the term loan be approved subject to receipt of discharge in bankruptcy.