Court File No. 32-2474822 / Estate File No. 32-2474822
Court File No. 32-2474820 / Estate File No. 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO LTD., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

MOTION RECORD OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC.
(returnable April 29, 2019)

April 18, 2019

LOOPSTRA NIXON LLP
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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.

TO: THE ATTACHED SERVICE LIST

SERVICE LIST

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ALBERT GELMAN INC. 100 Simcoe Street, Suite 125 Toronto, ON M5H 3G2 **Tom McElroy** Tel: (416) 504-1650, ext. 117 Fax: (416) 504-1655 Email: tmcelroy@albertgelman.com **Proposal Trustee**	**ROYAL BANK OF CANADA** 200 Bay Street Toronto, ON M5J 2W7 **Kevin Leung** Tel: (416) 974-7641 Fax: (416) 974-0528 Email: kevin.leung@rbc.com
DEPARTMENT OF JUSTICE CANADA Ontario Regional Office 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1 **Diane Winters** Tel: (416) 973-3172 Fax: (416) 973-0810 Email: Diane.Winters@justice.gc.ca **Lawyers for Canada Revenue Agency**	**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE** Legal Services, 11th Floor, 777 Bay Street Toronto, ON M5G 2C8 **Kevin J. O'Hara** Tel: (416) 327-8463 Fax: (416) 325-1460 Email: kevin.ohara@ontario.ca
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ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO LTD., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

MOTION RECORD OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC.
(returnable April 29, 2019)

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TAB 1

Court File Nos. 32-2474820 and 32-2474822
Estate File Nos. 32-2474820 and 32-2474822

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO LTD., OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

NOTICE OF MOTION
(returnable April 29, 2019)

Synergy Stamping Inc. ("**Synergy**") and 1696306 Ontario Inc. ("**169 Co.**", and together with Synergy, the "**Companies**") will make a motion to a judge presiding over the Commercial List on Monday, April 29, 2019 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. an order substantially in the form attached hereto as Schedule "A" including, *inter alia*:

    (a) granting an extension of the time for the Companies to file a proposal for 45 days to June 14, 2019;

    (b) approving the First Report (*as defined herein*), Second Report (*as defined herein*) and the Confidential Report *(as defined herein)* of Albert Gelman Inc., in its capacity as proposal trustee for the Companies (the "**Proposal Trustee**"), and the actions of the Proposal Trustee described therein;

(c) sealing the confidential exhibit to the affidavit of Saifur Rahman, sworn April 18, 2019 (the "**Rahman Affidavit**") and the Confidential Report; and

(d) approving the fees and disbursements of the counsel to the Companies, including a fee accrual to complete the Transaction, as set out herein; and, of the Proposal Trustee, and counsel to the Proposal Trustee, as set out in the Second Report;

2. an order substantially in the form attached hereto as Schedule "B", including, *inter alia*:

(a) approving the transaction (the "**Transaction**") contemplated in an asset purchase agreement (the "**APA**"), made by and between the Companies and Infinity Asset Solutions Inc. (*"***Infinity***")* for the property more particularly described in the APA (the "**Purchased Assets**");

(b) vesting the Companies' right, title and interest in and to the Purchased Assets to Infinity, free and clear of all claims;

(c) authorizing and directing the Companies, in consultation with the Proposal Trustee, to disburse from the proceeds of the Transaction (the "**Sale Proceeds**"):

(i) firstly, an amount not exceeding the maximum amount of the Companies' secured obligations to Royal Bank of Canada ("**RBC**"), net of a holdback of $90,000.00 representing the balance of the administration charge; and,

(ii) secondly, an amount not exceeding the lesser of the balance of Sale Proceeds and the maximum amount of the Companies' secured obligations to Business Development Bank of Canada ("**BDC**"); and,

3. such further and other relief as counsel may advise and this Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. on February 14, 2019, each of the Companies filed a Notice of Intention to Make a Proposal (collectively, the "**NOIs**") pursuant to section 50.4 of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3 (the "***BIA***");

2. on March 8, 2019, the Companies brought motions to the Court for:

    (a) orders administratively consolidating the NOI Proceedings;

    (b) an order (the "**Administrative Order**"):

        (i) approving an extension of time to make a proposal under the NOI Proceedings;

        (ii) approving certain administrative relief including but not limited to charges to secure the fees of the insolvency professionals;

        (iii) approving a marketing and sales process (the "**Sales Process**"); and

    (c) an order approving a transaction contemplated by the asset purchase agreement made by and between 169Co. and Prestige Equipment Corporation dated February 26, 2019;

3. all the relief sought by the Companies was granted;

THE SALES PROCESS

4. the Proposal Trustee implemented the Sales Process in accordance with the Administrative Order;

5. in accordance with the Administrative Order, the Companies collaborated with the Proposal Trustee and identified key potential purchasers to be included in the Sales Process;

6. the Proposal Trustee advertised and marketed the opportunity in accordance with the terms of the Sales Process;

7. six (6) parties submitted offers. Three (3) cash offers were received and four (4) liquidation offers were received. Infinity submitted both a cash and liquidation offer.

8. a comparative analysis of the offers received is included with the Confidential Report (*as defined herein*);

THE INFINITY OFFER & APA

9. on April 9, 2019, the Proposal Trustee advised the Companies that it received an offer from Infinity for the Purchased Assets;

10. the Companies reviewed the offer with the Proposal Trustee and counsel. The Proposal Trustee recommended accepting the offer, and following negotiations of the terms thereof, the Companies entered into the APA with Infinity;

11. with respect to the APA:

(a) the Purchased Assets are comprised of equipment owned by 169Co. or leased by 169Co. from the Royal Bank of Canada as well as inventory owned by Synergy;

(b) it requires the Companies to stay in possession of the Premises (as defined in the APA) for forty-five (45) days so that the Purchaser can conduct an auction for the Purchased Assets; and

(c) it excludes from the Purchased Assets, among other things, approximately $150,000.00 in accounts receivables.

12. the APA is on terms that are consistent with sales in the context of insolvency proceedings, notably: the transaction is (i) to be completed on an "as is, where is" basis and (ii) is conditional on Court approval of the Transaction and the granting of an approval and vesting order, vesting title in the Purchased Assets into the name of the Infinity;

13. with respect to the equipment subject to equipment leases in favour of RBC, the Companies have consulted with RBC who has consented to the sale of such leased equipment so long as the proceeds derived therefrom are paid to RBC;

APPROVAL OF THE APA

14. the Sales Process was carried out in accordance with the Administrative Order and was reasonable in the circumstances, with a sufficient canvassing of the market and a reasonable amount of time for any interested parties to carry out due diligence prior to making any offer;

15. the APA represents the best offer received in terms of a guaranteed purchase price for the Purchased Assets;

16. the Proposal Trustee supports the Transaction;

17. in the circumstances, the APA represents the best possible result for the stakeholders;

DISTRIBUTION

18. the Proposal Trustee has obtained independent security opinions of RBC's and BDC's security interests and has determined that such security interests are valid as against a trustee in bankruptcy;

19. based on the priorities of RBC and BDC's security interests, RBC is entitled to first ranking security interest in and to the Purchased Assets and the proceeds derived therefrom;

20. it is expected that the Sale Proceeds will be sufficient to pay the amounts owing to RBC in full;

21. any balance of the Sale Proceeds should be paid to BDC in accordance with its security interest, up to the total secured amount outstanding;

SEALING ORDER

22. the APA and Confidential Report contain confidential and commercially sensitive information, which if publicly disclosed may prejudice the Companies in the event the

APA does not close or, generally, if disclosed prior to the completion of the Sales Process;

STAY EXTENSION

23. under the *BIA*, the stay of proceedings will expire on April 30, 2019. The Companies are acting in good faith and with due diligence in seeking to sell their businesses for the benefit of all of their stakeholders;

24. in order to complete the Transaction and collect all outstanding accounts receivables owed to the Companies, the Companies require an extension of time to file a proposal for 45 days or until June 14, 2019;

25. without the extension the Companies will not be in a position to complete the Transaction or optimally collect outstanding accounts receivables and will be unlikely to make a proposal, thereby being deemed bankrupt to the detriment of their stakeholders;

26. no creditor will be materially prejudiced if the extension applied for is granted;

27. the extension is supported by the Proposal Trustee;

28. if the extension applied for is granted, the Companies may be able to make a viable proposal to their creditors following the collection of the outstanding accounts receivables owed to them;

APPROVAL OF REPORTS

29. the first report (the "**First Report**") of the Proposal Trustee fairly and accurately reflects the circumstances of the Company, the Company's dealings with the Proposal Trustee and the circumstances surrounding the filing of the NOI;

30. the second report (the "**Second Report**") and the confidential report (the "**Confidential Report**") of the Proposal Trustee will describe the administration of the Sales Process, and the negotiation, terms and execution of the APA;

31. the Proposal Trustee has requested that the Companies seek approval of the First Report, Second Report and Confidential Report on this motion;

32. the Companies request for Court approval of the First Report, Second Report and Confidential Report is subject to submissions that may be made on the return date of this motion in respect of the specific content of the Second Report and Confidential Report, and the activities of the Proposal Trustee set out therein;

APPROVAL OF FEES

33. pursuant to the Administrative Order, the fees and disbursements of counsel to Companies, the Proposal Trustee and counsel to the Proposal Trustee must be approved by this Court;

34. the services and fees set out in the fee affidavit of Loopstra Nixon LLP, including the fee accrual, are fair and reasonable in the context in which they were rendered, were necessary to the progress of these proceedings and were authorized and approved by the Companies;

35. the Companies support the approval of the fees and activities of the Proposal Trustee and its counsel as set out in the Second Report;

OTHER GROUNDS

36. the Proposal Trustee supports the relief being sought by the Companies;

37. the other grounds set out in the Rahman Affidavit;

38. the Consolidated Practice Direction Concerning the Commercial List and the inherent and equitable jurisdiction of this Court;

39. sections 50.4(9), and 65.13 of the *BIA*;

40. rules 1.04, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

41. such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. the Rahman Affidavit and the exhibits thereto;

2. the Second Report and the Confidential Report of the Proposal Trustee and the appendices thereto; and

3. such further and other material as counsel may advise and this Court may permit.

Date: April 18, 2019

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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.

TO: ATTACHED SERVICE LIST

TAB 1-A

SCHEDULE "A"

DRAFT ORDER

(Re: NOI Extension, Administrative Relief and Fee Approval)

[see attached]

SCHEDULE "A"

Court File Nos. 32-2474822 and 32-2474820
Estate File Nos. 32-2474822 and32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

THE HONOURABLE	)	FRIDAY, THE 29th DAY
	)	
JUSTICE	)	OF APRIL, 2019

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO LTD., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

ORDER
(Re: Extensions, Fee Approval, etc.)

THIS MOTION, made by Synergy Stamping Inc. and 1696306 Ontario Inc. (collectively, the "**Companies**") pursuant to Sections 50.4(9) and 64.2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") for an order, *inter alia*: (i) granting the Companies a 45-day extension of time to make a proposal up to and including June 14, 2019, (ii) approving the First Report, Second Report and Confidential Report of Albert Gelman Inc., in its capacity as proposal trustee for the Companies, and the actions of the Proposal Trustee described therein, and (iii) approving the fees and disbursements of the counsel to the Companies, including a fee accrual to complete the transaction (the "**Transaction**") between the

Companies and Infinity Asset Solutions Inc., and of the Proposal Trustee and counsel to the Proposal Trustee was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Saifur Rahman sworn April 18, 2019 and the exhibits thereto and the second report (the "**Second Report**") and confidential report (the "**Confidential Report**") of Albert Gelman Inc. in its capacity as the proposal trustee of the Companies (in such capacity, the "**Proposal Trustee**") and the appendices thereto, and on hearing the submissions of counsel for the Companies, the Proposal Trustee, and such other counsel as were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Sandra Radanovic sworn April __, 2019, filed:

EXTENSION

1. **THIS COURT ORDERS** that the time for the Companies to file proposals under section 50.4 of the BIA is extended by a period of forty-five (45) days to and including June 14, 2019.

APPROVAL OF REPORTS AND FEES

2. **THIS COURT ORDERS** that the First Report, Second Report and Confidential Report and the activities of the Proposal Trustee described therein be and are hereby approved.

3. **THIS COURT ORDERS** that the fees and disbursements of the counsel to the Companies, including a fee accrual of $15,000.00 to complete the Transaction, and of the Proposal Trustee and counsel to the Proposal Trustee as set out in the Second Report be and are hereby approved.

SEALING OF CONFIDENTIAL MATERIALS

4. **THIS COURT ORDERS** that Confidential Appendix "X" to the Rahman Affidavit and the Confidential Report shall be sealed until the completion the Transaction, or until further order of this Court.

TAB 1-B

SCHEDULE "B"

DRAFT ORDER

(Re: Approval and Vesting Order)

[see attached]

SCHEDULE "B"

Court File Nos. 32-2474822 and 32-2474820
Estate File Nos. 32-2474822 and32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

THE HONOURABLE	)	FRIDAY, THE 29th DAY
	)	
JUSTICE	)	OF APRIL, 2019

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO LTD., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

ORDER
(Re: Approval and Vesting, Distribution, etc.)

THIS MOTION, made by Synergy Stamping Inc. and 1696306 Ontario Inc. (collectively, the "**Companies**") pursuant to Sections 50.4(9) and 65.13(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") for an order, *inter alia*:

(a) approving the transaction contemplated in an asset purchase agreement (the "**APA**"), made by and between the Companies and Infinity Asset Solutions Inc. ("**Infinity**") dated April ___, 2019 (the "**Infinity APA**") for the property more particularly described in the Infinity APA (the "**Purchased Assets**"), and appended to the affidavit of Saifur Rahman, sworn April 18, 2019 (the "**Rahman Affidavit**"); and

(b) vesting the Companies' right, title and interest in and to the Purchased Assets to Infinity, free and clear of all claims

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Rahman Affidavit and the exhibits thereto and the second report and confidential report of Albert Gelman Inc. in its capacity as the proposal trustee of the Companies (in such capacity, the "**Proposal Trustee**"), and the appendices thereto (the "**Second Report**"), and on hearing the submissions of counsel for the Companies, the Proposal Trustee, and such other counsel as were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Sandra Radanovic sworn April __, 2019, filed:

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS AND DECLARES** that the Infinity APA is hereby authorized and approved, and the execution of the Infinity APA by the Companies is hereby authorized and approved, with such minor amendments as the Companies may deem necessary. The Companies are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the transactions contemplated by the Infinity APA (collectively, the "**Transaction**").

3. **THIS COURT ORDERS AND DECLARES** that upon the Companies completing the sale of the Purchased Assets to Infinity and upon the delivery of a certificate by the Proposal Trustee to the Purchaser substantially in the form attached as Schedule "A" hereto (the

"**Proposal Certificate**"), all of the Companies' current and after acquired right, title and interest in and to the Purchased Assets as described in the Infinity APA shall vest absolutely in Infinity, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing, all charges, security interests or claims evidence by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**"); and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (the "**Sale Proceeds**") shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Proposal Certificate all Claims and Encumbrances shall attach to the Sale Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS** that, notwithstanding:

(i) the pendency of these proceedings;

(ii) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Companies and any bankruptcy order issued pursuant to any such applications; and

(iii) any assignment in bankruptcy made in respect of the Companies,

the vesting of the Purchased Assets in Infinity, or as it may direct, pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Companies and shall not be void or voidable by creditors of the Companies, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

6. **THIS COURT ORDERS AND DIRECTS** the Proposal Trustee to file with the Court a copy of the Proposal Certificate, forthwith upon delivery thereof.

7. **THIS COURT ORDERS** that the distributions authorized and approved by this Order shall at all times be subject to (i) the completion of the Transaction and the receipt of the Sale Proceeds by the Companies, and (ii) the Proposal Trustee retaining from the Sale Proceeds a reserve of funds (the "Reserve") in an amount satisfactory to the Proposal Trustee, in consultation with the companies, or in an amount determined by the Court, sufficient to secure the obligations under the administration charge granted by the Honourable Justice Penny on March 8, 2019 (the "**Administration Charge**").

8. **THIS COURT ORDERS** that the Companies are hereby authorized and directed to, in consultation with the Proposal Trustee, disburse from the Sale Proceeds:

(i) firstly, an amount not exceeding the maximum amount of the Companies' secured obligations to Royal Bank of Canada ("**RBC**"); and,

(ii) secondly, an amount not exceeding the lesser of the balance of Sale Proceeds and the maximum amount of the Companies' secured obligations to Business Development Bank of Canada ("**BDC**").

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Companies, the Proposal Trustee and their agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Companies and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Companies and the Proposal Trustee and its agents in carrying out the terms of this Order.

SCHEDULE "A"

Court File Nos. 32-2474822 and 32-2474820
Estate File Nos. 32-2474822 and32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

PROPOSAL TRUSTEE'S CERTIFICATE

RECITALS

I. On February 14, 2019, each of Synergy Stamping Inc. ("**Synergy**") and 1693606 Ontario Inc. ("**169Co**"; and, together with Synergy, the "**Debtors**") filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**NOIs**").

II. Albert Gelman Inc. was appointed as proposal trustee under each of the NOIs (in such capacity, the "**Proposal Trustee**").

III. Pursuant to an Order of the Court dated April 29, 2019, the Court approved the agreement of purchase and sale between the Debtors, as vendor, and Infinity Asset Management Inc. (the "**Purchaser**"), as purchaser, dated April ___, 2019 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser, or as it may direct in accordance with the Sale Agreement, all 169Co's right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Proposal Trustee to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Proposal Trustee and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Proposal Trustee.

IV. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser has paid the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;

2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser;

3. The transaction has been completed to the satisfaction of the Proposal Trustee; and

4. This Certificate was delivered by the Proposal Trustee at ____________ [TIME] on ______________ [DATE].

ALBERT GELMAN INC., in its capacity as Proposal Trustee, and not in its personal capacity or in any other capacity

Per: ________________________________

Name:

Title:

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. and 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVICE OF ONTARIO

Court File No. 32-2474822 / Estate File No. 32-2474822
Court File No. 32-2474820 / Estate File No. 32-247482

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

Proceedings commenced at Toronto

NOTICE OF MOTION
(returnable April 29, 2019)

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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.

TAB 2

Court File No. 32-2474822 / Estate File No. 32-2474822
Court File No. 32-2474820 / Estate File No. 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AFFIDAVIT OF SAIFUR RAHMAN

(sworn April 18, 2019)

I, SAIFUR RAHMAN, of the City of Mississauga, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am the President of the related parties Synergy Stamping Inc. ("**Synergy**") and 1696306 Ontario Inc. ("**169Co**"; and together with Synergy, the "**Companies**"). The facts set forth herein are within my personal knowledge or determined from the face of the documents attached hereto as exhibits and from information and advice provided to me by third parties. Where I have relied upon such information and advice, I verily believe the same to be true.

2. This affidavit is sworn in support of a motion by the Companies for orders, among other things:

(a) approving the transaction (the "**Transaction**") contemplated in an asset purchase agreement (the "**APA**"), made by and between Synergy, 169Co. and Infinity Asset

Solutions Inc. ("**Infinity**") for substantially all of the Companies (the "**Purchased Assets**"); and

(b) vesting the Companies right, title and interest in the Purchased Assets to Infinity, free and clear of all claims.

(c) granting the Companies a 45-day extension of time to make a proposal up to and including June 14, 2019;

(d) approving the First Report (*as defined herein*), Second Report (*as defined herein*) and Confidential Report (*as defined herein*) of Albert Gelman Inc., in its capacity as proposal trustee for the Companies (the "**Proposal Trustee**"), and the actions of the Proposal Trustee described therein;

(e) sealing certain confidential materials including the unredacted APA as attached to this Affidavit and the Confidential Report, pending completion of the Transaction;

(f) authorizing the Companies to make a distribution of the proceeds received from the sale in accordance with the security interests in the Purchased Assets (as defined herein); and

(g) approving the fees and disbursements of the counsel to the Companies, including a fee accrual for the Companies legal counsel to complete the Transaction, as set out herein; and, of the Proposal Trustee, and counsel to the Proposal Trustee, as set out in the Second Report.

BACKGROUND AND FINANCIAL DIFFICULTIES

3. A detailed background of the Companies' business enterprise, finances, financial difficulties and decision to file NOIs (as hereinafter defined) and pursue a sales process is included in my affidavit sworn February 27, 2019, filed in the within proceedings in respect of Synergy; and my affidavit sworn February 27, 2019, filed in the within proceedings in respect of 169Co., copies of which are attached collectively as Exhibit "A" (without exhibits).

Procedural Background

4. On February 14, 2019, each of the Companies filed a Notice of Intention to Make a Proposal (collectively, the "**NOIs**") pursuant to section 50.4 of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3 (the "***BIA***").

5. On March 8, 2019, the Companies brought motions to the Court for:

(a) orders administratively consolidating the NOI Proceedings;

(b) an order (the "**Administrative Order**"):

(i) approving an extension of time to make a proposal under the NOI Proceedings;

(ii) approving certain administrative relief including but not limited to charges to secure the fees of the insolvency professionals (the "**Admin Charge**");

(iii) approving a marketing and sales process (the "**Sales Process**");

(c) approving a transaction contemplated by the asset purchase agreement made by and between 169Co. and Prestige Equipment dated February 26, 2019.

6. All the relief sought by the Companies was granted. The corresponding Orders of the Court, together with the endorsement of the presiding Judge, are attached collectively as Exhibit "B" hereto.

THE SALES PROCESS

7. The Proposal Trustee implemented the Sales Process in accordance with the Administrative Order. The Proposal Trustee's activities in this regard will be more particularly described in the Proposal Trustee's Second Report, to be filed on this motion.

8. In accordance with the Administrative Order, the Companies collaborated with the Proposal Trustee and identified potential purchasers to be included in the Sales Process. This list included both "en bloc/going concern" purchasers and liquidators, as the Sales Process allows both type of offers. I understand the Proposal Trustee contacted each such party to solicit interest.

9. In addition, the Proposal Trustee advertised and marketed the opportunity in accordance with the terms of the Sales Process.

10. I am advised by the Proposal Trustee that approximately twenty (20) parties expressed an interest in the opportunity, twenty (20) parties signed a non-disclosure agreement and nineteen (19) parties entered the data room.

11. Ultimately, six (6) parties submitted offers. Three (3) cash offers were received and Four (4) liquidation offers were received. Infinity submitted both a cash and liquidation offer.

THE INFINITY OFFER & APA

12. On April 9, 2019, the Proposal Trustee advised the Companies that it received an offer from Infinity for substantially all of the Companies assets (as hereinbefore defined the "**Purchased Assets**").

13. The offer was not submitted using the template APA as required provided for in the Sales Process.

14. On April 12, 2019, as permitted by the Sales Process, the Companies, in conjunction with the Proposal Trustee, adopted a rule which provided the Companies with discretion to consider bids that are not deemed to be "Qualifying Bids", and advised the Proposal Trustee that Infinity's offer was accepted subject to certain amendments to the offer including Infinity agreeing to pay the purchase price within three (3) days following court approval of the sale transaction.

15. The Companies reviewed the offer with the Proposal Trustee and counsel. The Proposal Trustee recommended accepting the offer, and following negotiations of the terms thereof, 169Co. entered into an asset purchase agreement (the "**APA**") with Infinity, a redacted copy of which is attached as Exhibit "C" hereto and an unredacted copy of which is attached as Confidential Exhibit "X" hereto.

16. With respect to the APA:

(a) the Purchased Assets are comprised of equipment owned by 169Co. or leased by 169Co. from RBC and inventory owned by Synergy;

(b) it requires the Companies to stay in possession of the Premises (as defined in the APA) for forty-five (45) days so that the Purchaser can conduct an online auction for the Purchased Assets from the Premises; and

(c) it excludes, among other things, approximately $150,000.00 in accounts receivables from the Purchased Assets.

17. The APA is on terms that I understand are consistent with sales in the context of insolvency proceedings, notably: the transaction is (i) to be completed on an "as is, where is" basis and (ii) is conditional on Court approval of the Transaction and the granting of an approval and vesting order, vesting title in the Purchased Assets into the name of the Infinity.

18. I understand a more fulsome description of the APA is to be included in the Confidential Report of the Proposal Trustee, including a confidential appendix setting out a comparative analysis of the offers received.

APPROVAL OF THE APA

19. In the Companies' view, the Sales Process was carried out in accordance with the Administrative Order and was reasonable in the circumstances, with a sufficient canvassing of the market and a reasonable amount of time for any interested parties to carry out due diligence prior to making any offer.

20. In the Companies' view, the APA represents the best offer received in terms of a guaranteed purchase price for the Purchased Assets and the best possible result for the stakeholders.

21. I understand that the Proposal Trustee supports the Transaction.

22. In view of the foregoing, the Companies are requesting this Court's approval of the APA.

DISTRIBUTION

23. The Companies' secured creditors are The Royal Bank of Canada ("**RBC**") and the Business Development Bank of Canada ("**BDC**").

24. The Companies understand that the Proposal Trustee will be commenting in the Second Report on the proposed distribution along with the amounts to distributed to RBC and BDC and their respective priority interests in the Purchased Assets.

25. The Companies request an Order authorizing them to make a distribution to RBC and BDC in accordance with their security on confirmation of such security, and the amounts outstanding thereunder, satisfactory to the Proposal Trustee.

SEALING ORDER

26. Confidential Appendix "X" contains the unredacted APA. This document contains confidential and commercially sensitive information, which if publicly disclosed may prejudice the Companies in the event the APA does not close or, generally, if disclosed prior to the completion of the Sales Process. Accordingly, the Companies are requesting an order that such confidential appendix be sealed until completion of the Transaction.

27. The Proposal Trustee has prepared a confidential report (the "**Confidential Report**"), which, if publicly disclosed may prejudice the Companies in the event the APA does not close or, generally, if disclosed prior to the completion of the Sales Process. Accordingly, the Companies

are requesting an order that such confidential appendices as well as the Confidential Report be sealed until completion of the Transaction.

STAY EXTENSION

28. Under the *BIA*, the stay of proceedings will expire on April 30, 2019. The Companies are acting in good faith and with due diligence in seeking to sell their businesses for the benefit of all of their stakeholders.

29. In order to complete the Transaction and collect all outstanding accounts receivables owed to the Companies, the Companies require an extension of time to file a proposal for 45 days or until June 14, 2019.

30. Without the extension the Companies will not be in a position to complete the Transaction or fully collect outstanding accounts receivables and will become bankrupt to the detriment of their stakeholders. In contrast, no creditor will be materially prejudiced if the extension applied for is granted. The extension is supported by the Proposal Trustee. If the extension applied for is granted, the Companies may be able to make a viable proposal to their creditors following the collection of the outstanding accounts receivables owed to them.

APPROVAL OF REPORTS

31. I have reviewed the First Report of the Proposal Trustee, filed separately with the Court. The same fairly and accurately reflects the circumstances of the Companies, the Companies' dealings with the Proposal Trustee and the circumstances surrounding the filing of the NOIs. The Second Report and Confidential Report will follow my execution of this affidavit and I understand

that it will describe the administration of the Sales Process, and the negotiation, terms and execution of the APA.

32. The Proposal Trustee has requested that the Companies seek approval of the First Report, Second Report and Confidential Report on this motion, which I understand from the Companies' counsel is consistent with the practice in proceedings such as the within NOI Proceedings. Accordingly, the Companies request this Court's approval of the Proposal Trustee's Reports, subject to submissions that may be made on the return date of this motion in respect of the specific content of the Second Report and Confidential Report, and the activities of the Proposal Trustee set out therein.

APPROVAL OF FEES

33. Pursuant to the Administrative Order, the fees and disbursements of counsel to Companies, the Proposal Trustee and counsel to the Proposal Trustee must be approved by this Court.

34. In respect of professional fees rendered by counsel to Companies, attached hereto as Exhibit "D" is a copy of the affidavit of fees of Loopstra Nixon LLP sworn April 18, 2019 (the "**Fee Affidavit**"), including the fee accrual set out therein for fees and disbursement through the completion of these NOI Proceedings (the "**Fee Accrual**").

35. I have reviewed the Fee Affidavit and confirm that the services and fees set out in the Fee Affidavit are fair and reasonable in the context in which they were rendered, were necessary to the progress of these proceedings and were authorized and approved by the Companies. The Companies request that such fees, together with the Fee Accrual, be approved by this Honourable Court.

In respect of the fees of the Proposal Trustee and its counsel, based on the Companies' understanding of the Proposal Trustee's fees and disbursements, and those of its counsel, as set out in the Second Report, the Companies support the approval of the fees and activities of the Proposal Trustee and its counsel, as set out the Second Report and the relevant fee affidavits attached thereto.

CONCLUSION

36. All of the relief sought on the within motion is supported and recommended by the Proposal Trustee. Additionally, the Companies are not aware of any creditor or stakeholder who opposes such relief or would be materially prejudiced in the event that such relief is granted.

37. I swear this affidavit in support of the Companies' motion for, inter alia, the relief set out in paragraphs 2 and 3 hereof and for no other reason or improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on April 18th, 2019	
Commissioner for Taking Affidavits *(or as may be)*	**SAIFUR RAHMAN**

TAB 2-A

This is Exhibit "A" referred to in the affidavit of SAIFUR RAHMAN subscribed and sworn to before me, this 18th day of April, 2019.

A commissioner for taking affidavits.

Court File No. 32-2474822 / Estate File No. 32-2474822
Court File No. 32-2474820 / Estate File No. 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC., OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AFFIDAVIT OF SAIFUR RAHMAN

(sworn February 28, 2019)

I, SAIFUR RAHMAN, of the City of Mississauga, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am the President of the related parties Synergy Stamping Inc. ("**Synergy**") and 1696306 Ontario Inc. ("**169Co**"; and together with Synergy, the "**Companies**"). The facts set forth herein are within my personal knowledge or determined from the face of the documents attached hereto as exhibits and from information and advice provided to me by third parties. Where I have relied upon such information and advice, I verily believe the same to be true.

2. On February 14, 2019, each of the Companies filed a Notice of Intention to Make a Proposal (collectively, the "**NOIs**") pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "***BIA***"). Albert Gelman Inc. was named proposal trustee in the

Companies' NOI proceedings (the "**Proposal Trustee**"). Attached hereto and collectively marked as **Exhibit "A"** are copies of the Certificate of Filing of a Notice of Intention to Make a Proposal for each Debtor.

3. This affidavit is sworn in support of a motion by the Companies for orders, among other things:

(a) administratively consolidating the Companies' proposal proceedings under one title of proceeding;

(b) approving a charge (the "**Administration Charge**") in an amount not to exceed $100,000 in favour of the Companies' legal counsel, the Proposal Trustee and its legal counsel to secure payment of their reasonable fees and disbursements;

(c) approving the sale of the Surplus Machine (as defined herein) and the distribution of a substantial portion of the proceeds thereof to the Business Development Bank of Canada;

(d) approving the Sales Process (as defined herein) for the marketing and sale of the Companies' businesses and assets;

(e) sealing certain confidential materials, pending conclusion of the Sales Process; and

(f) granting the Companies a 45-day extension of time to make a proposal up to and including April 30, 2019.

THE COMPANIES & THE BUSINESS ENTERPRISE

4. The Companies are part of a business enterprise fabricating, designing and manufacturing metal components used in commercial and industrial lighting (e.g. louvers, slats and metal housings). The Companies supply products to OEMs and the after-market, largely in the commercial and industrial construction industry. Synergy is the operating company, while 169Co holds the equipment required to operate the enterprise.

5. The Companies are corporations incorporated pursuant to the laws of the Province of Ontario that have their registered head offices in Mississauga. A copy of the Companies' respective corporate profile reports are attached hereto and collectively marked as **Exhibit "B".**

6. The Companies are related companies who share management and back-office functions, operating out of leased premises in Mississauga, Ontario.

7. As of February 14, 2019, Synergy had 8 full-time and 1 part-time employees; and, 169Co has no employees. The employees are non-unionized, and there is no employer-sponsored pension plan. The Companies are current on all payroll obligations and source deductions.

CREDITORS

Secured Creditors

8. The Companies' secured creditors are The Royal Bank of Canada ("**RBC**") and the Business Development Bank of Canada ("**BDC**").

9. As at February 14, 2019, the Companies were collectively indebted to RBC in the approximate aggregate amount of $220,000, summarized as follows:

(a) Synergy is indebted to RBC with respect to certain credit facilities, on secured basis, pursuant to and under the terms of a revolving demand loan and VISA credit facility and a general security agreement. Attached hereto and collectively marked as **Exhibit "C"** is a copy of such loan agreements and general security agreement executed by Synergy in favour of RBC; and

(b) 169Co is indebted to RBC as a guarantor of the aforementioned indebtedness of Synergy, on a secured basis, pursuant to and under the terms of a guarantee and a general security agreement. Attached hereto and collectively marked **Exhibit "D"** is a copy of the guarantee in favour of RBC. To the best of my knowledge and recollection, the general security agreement was executed by me on behalf 169Co. However, upon review of the Companies' files, as at the signing of this affidavit, I was unable to locate the same. The Companies intend to revisit their records and inquire after RBC, in order that a copy of such document can be provided to the Proposal Trustee as soon as possible.

10. As at February 14, 2019, the Companies are collectively indebted to BDC in the approximate aggregate amount of $230,000, summarized as follows:

(a) 169Co is indebted to BDC in the approximate amount of $189,000 with respect to certain credit facilities, on a secured basis, pursuant to and under the terms of letter agreement dated October 13, 2016 and a general security agreement. 169Co is also indebted to BDC as a guarantor of the loan to Synergy discussed below. Attached hereto and collectively marked **Exhibit "E"** is a copy of such letter agreement, general security agreement and guarantee in favour of BDC; and

(b) Synergy is indebted to BDC as a guarantor of the aforementioned indebtedness of 169Co pursuant to and under the terms of a guarantee. To the best of my knowledge and recollection, the guarantee was executed by me on behalf Synergy. However, upon review of the Companies' files, as at the signing of this affidavit, I was unable to locate the same. The Companies intend to revisit their records and inquire after BDC, in order that such guarantee can be provided to the Proposal Trustee as soon as possible.

(c) Synergy is also indebted to BDC in the approximate aggregate amount of $51,000 with respect to a certain operating facility, on an unsecured basis, pursuant to the terms of a letter agreement dated May 27, 2017. Attached hereto marked **Exhibit "F"** is a copy of such letter agreement.

11. Pursuant to a letter agreement between BDC and RBC, RBC has confirmed that it will not assert priority over BDC with respect to the Surplus Machine (as described below) and agreed that it has postponed and subordinated in favour of BDC its security interest in the Surplus Machine and the proceeds thereof. Attached hereto and marked **Exhibit "G"** is a copy of such letter agreement.

12. Copies of *Personal Property Security Act* (Ontario) search report certificates for the Debtor are collectively attached hereto and marked as **Exhibit "H"**. In addition to those registrations in favour of RBC and BDC, there are two related party registrations. However, there is no secured debt outstanding in connection with such registrations.

Equipment Lessors

13. In addition to the foregoing, 169Co also has lease agreements with RBC in respect of the three specific pieces of equipment, with a total approximate value $115,000. Attached hereto and collectively marked as **Exhibit "I"** are the related equipment acceptance notices and a supplementary letter agreement in respect of such leased equipment. There is also a leasehold improvement debt outstanding to RBC in the approximate amount of $6,000. Additional leasing documentation has been provided to the Proposal Trustee for its independent review.

14. The Companies have no other specific equipment leases. All equipment has been financed with RBC and BDC or is owned by the Companies.

Unsecured Creditors

15. As at February 14, 2019, Synergy owed its trade creditors approximately $156,000. 169Co's only unsecured creditor Synergy, pursuant to an inter-company account, is owed approximately $169,000. Attached hereto and collectively marked as **Exhibit "J"** is a copy of the creditors lists filed by the Proposal Trustee for each of the Companies in connection with the filing of their respective NOIs.

Government Remittances

16. The Companies are each current with all government remittances, including but not limited to payroll and HST remittances.

FINANCIAL DIFFICULTIES

17. Since the end of 2016, the Companies saw a dramatic shift in sales. In 2017, the Companies' sales were approximately $2.2 million. However, such sales were a result of a carry-forward inventory of sales orders. The same did not continue into 2018. In 2018, sales dropped to

$750,000 (a $1.2 million decline). This "overnight" sales drop-off hurt the Companies' cash flow and operations. As discussed below, the Companies do not believe they will be able to reverse the trend of declining sales.

18. The Companies' believe their financial difficulties are a direct result of recent international trade tensions and the renegotiation of NAFTA.

19. The Companies' products are primarily composed of fabricated aluminum and steel products.

20. The majority of the Companies' customers were based in the United States. In 2016, US customers comprised approximately 65% of the customer base by sales.

21. Following the election of President Donald Trump and the introduction of (or threat of the introduction of) broad trade tariffs – in particular in respect of aluminium and steel – and the uncertain status of NAFTA, the Companies' US customer base felt threatened.

22. In response, the US customers – fearing a sudden cost increase or interference with supply lines – sought alternative suppliers, abandoned the Companies and focussed on manufacturers in the US.

23. Notwithstanding the apparent mending of US-Canada trade relations, the US customer base did not return. As at February 14, 2019, the US customer base represented approximately 23% of the customer base by sales. The Companies have contacted past customers in an effort to renew ties, however such efforts have been unsuccessful. The Companies have determined it is very unlikely they can win back the old customer base. Additionally, new Canadian or other foreign customers have not filled the void.

PRE-FILING STEPS TO SELL SURPLUS EQUIPMENT

24. The Companies determined in early 2019 that the business model was not sustainable. The Companies started to explore the sale of surplus equipment as means to reduce its debt load. The Companies contacted various dealers and brokers in the industry to discuss that same.

25. The Companies also met with the Proposal Trustee to discuss options.

26. On the advice of the Proposal Trustee, the Companies authorized the Proposal Trustee to commission an independent, itemized appraisal of the equipment in contemplation of potential equipment sales and possible recourse to any insolvency proceeding. A copy of the appraisal is attached hereto and marked as **Confidential Exhibit "X"**, which exhibit is to be filed separately with the Court and a sealing order requested.

27. Although initial pre-filing equipment sale discussions were promising, the Companies discontinued the process. No offers were received prior to filing the NOIs and the Companies determined such sales would not be concluded quickly enough to bolster the Companies' cash flow.

NOI PROCEEDINGS

28. On February 14, 2019, the Companies commenced these NOI proceedings under the BIA for the purpose of, among other things, conducting a process for the marketing and sale of the Companies' business and assets with a view to formulating and presenting a viable proposal to the Companies' creditors, in consultation with the Proposal Trustee.

29. After consulting with the Proposal Trustee and counsel, the Companies determined that an NOI process was the preferred means forward. It allows the Companies to continue to operate and

generate accounts. This will not only improve the position of the secured creditors, but also maintain cash flow to offset the costs of administering the proceedings. As well, the Companies believe that this process will attract a strategic buyer for the business as a going-concern, resulting in a greater value for the assets, and in particular the equipment, than other realization alternatives and avoiding costs (e.g., commissions, shut-down costs, security, etc.).

30. The Companies believe that such process will result in a going-concern sale, preserving jobs and, potentially, generating funds over and above the secured debt, for distribution to the unsecured creditors.

CASH FLOW STATEMENT

31. The Companies prepared and filed a combined cash flow statement, in consultation with the Proposal Trustee, in connection with their respective NOI, which covers the period February 18, 2019 to April 28, 2019 (the "**Cash Flow Statements**"). Copies of the Cash Flow Statements are attached hereto and collectively marked as **Exhibit "K"**. I understand the Proposal Trustee will be commenting on the Cash Flow Statements in its first report, to be filed separately with the Court.

32. I note, however, that the Cash Flow Statements sets out the cash needs of the Companies during the forecast period through the extension date requested on the within motion and the Companies will have sufficient cash flow to sustain ongoing operations, these proceedings and the proposed Sales Process.

RELIEF SOUGHT BY THE COMPANIES

I. Administrative Consolidation

33. The Companies are related parties. They share management and back office functions, and the Companies operate intertwined and complementary businesses. The Companies have common secured creditors and have guaranteed each other's obligations. As well, the Sales Process (as defined herein) contemplates the acquisition of the businesses of the Companies jointly. Accordingly, the Companies seek an order administratively consolidating their proposal proceedings. The relief is sought by the Companies to avoid a multiplicity of proceedings and unnecessary costs.

II. Approval of Administration Charge

34. In order to protect the fees and expenses of each of the Companies' legal counsel, the Proposal Trustee and counsel for the Proposal Trustee, the Companies seek a charge (the "**Administration Charge**") on their property and assets in an amount of $100,000, ranking in priority to all claims and encumbrances.

35. It is crucial to the success of these proceedings to have the Administration Charge to ensure that the insolvency professionals are protected in respect of their fees, as the professionals who are, or will be, beneficiaries of the charge have contributed, and will continue to contribute, to the Companies' restructuring efforts. Without such charge, the foregoing professionals are unlikely to continue in their capacities in support of these proceedings.

36. Additionally, based on my discussions with the Companies' counsel and the Proposal Trustee, and given what is required in carrying out the Sales Process and working towards a proposal, I believe the quantum of the proposed Administration Charge to be reasonable.

37. The Administration Charge does not purport to take priority over the interest of any secured party who has not received notice of this motion.

III. Approval of The Sales Process

38. The Companies, in consultation with the Proposal Trustee, and subject to the approval of this Court, developed the sales process attached hereto and collectively marked as **Exhibit "L"** (the "**Sales Process**"), with a view to pursuing a going concern sale while exploring the potential sale of equipment at the same time. The Sales Process will be administered by the Proposal Trustee with the assistance of the Companies.

39. The following is a summary of the Sales Process and material milestones:

(a) The Sales Process will be commenced immediately following the date of the order approving same (the "**Sales Process Approval Date**").

(b) Commencing immediately after the Sales Process Approval Date, the Proposal Trustee will contact prospective purchasers and will provide a teaser summary of the Companies' businesses in order to solicit interest.

(c) As soon as practicable following the Sales Approval Date, the Proposal Trustee will advertise the opportunity in The Globe & Mail – National Edition or such other publication(s) as the Proposal Trustee deems appropriate and advisable.

(d) The Proposal Trustee will obtain a Non-Disclosure Agreement ("**NDA**") from interested parties who wish to receive a Confidential Information Memorandum and undertake due diligence. Following the execution of an NDA, the Proposal Trustee will provide access to an electronic data room to prospective purchasers.

(e) At the request of interested parties, the Proposal Trustee will facilitate tours and management meetings.

(f) Bid deadline for prospective purchasers will be April 9, 2019 (the "**Bid Deadline**").

(g) The Proposal Trustee shall only consider bids which meet the following minimum criteria, among others (a "**Qualified Bid**"):

 (i) the bid must be accompanied by a deposit in the form of a certified cheque, bank draft or wire transfer/direct deposit, payable to the Proposal Trustee in Trust, equal to 10% of the offer purchase price;

 (ii) the bid must be open for acceptance until April 19, 2019;

 (iii) the bid must be accompanied by a copy of the offer blacklined to the form of asset purchase agreement; and

 (iv) the bidder must contain written evidence satisfactory to the Proposal Trustee of the ability to consummate the transaction.

(h) In addition to all Qualified Bids, the Proposal Trustee shall consider any liquidation offers for the Companies' assets which, subject to certain conditions (including a

10% deposit on signing, should such an offer be accepted), shall be deemed to be Qualifying Bids.

(i) The Proposal Trustee will review all Qualifying Bids, may negotiate the same, and make a recommendation to the Companies.

(j) The Companies will seek court approval of the winning bid.

40. The Surplus Machine (discussed below) will not form part of the business and assets offered for sale under the Sales Process.

41. The Sales Process was developed in consultation with the Proposal Trustee and I understand it is consistent with sales processes conventionally pursued in the context of NOI proceedings. I believe, in the circumstances, the Sales Process is reasonable and calculated to achieve an efficient and broad marketing of the Companies' business and assets and, accordingly, the Company seeks approval of the same.

42. The approval of any proposed transaction(s) resulting from the Sales Process will remain subject to approval of this Court.

43. No creditor would be adversely affected by approval and implementation of the Sales Process.

44. The Proposal Trustee supports and recommends approval of the Sales Process.

IV. Approval of the Sale of the Surplus Machine

45. Subsequent to filing the NOI, and arising out of its pre-filing marketing of the surplus equipment for sale, 169Co received an offer in respect of a surplus piece of equipment, namely:

the 2005 Trumpf TC-2020R 22 Ton CNC Punch with Linear Tool Changer [Serial No. A0030A0323] (the "**Surplus Machine**").

46. The Companies entered into discussions with Prestige Equipment ("**Prestige**"), an equipment broker and seller that the Companies have worked with in the past. Prestige initiated discussions with the Companies on behalf of one of its customers. The Companies explained the NOI Proceedings and the need to attend court to approve any sale of the Companies' assets.

47. Prestige, after consultation with its customer, presented an offer to buy the Surplus Machine in its own name, and 169Co and Prestige entered into an asset purchase agreement dated February 26, 2019 (the "**Surplus Machine APA**") for the purchase and sale of the Surplus Machine, conditional on Court approval. A copy of the Surplus Machine APA is attached hereto and marked as **Confidential Exhibit "Y"**, which exhibit is to be filed separately with the Court and a sealing order requested.

48. In the circumstances, I believe the Court should approve the Surplus Machine APA for the following reasons:

(a) the Surplus Machine is surplus equipment – i.e., not necessary for the going concern operations of the business;

(b) removal of the Surplus Machine from the asset pool will not materially weaken the Sales Process;

(c) the Surplus Machine was offered for sale by the Companies prior to filing the NOIs;

(d) the purchase price is higher than the appraised value of the Surplus Machine;

(e) the Companies cannot envision a better result for this particular piece of equipment arising out of the Sales Process;

(f) no creditor would be adversely affected by approval of the Surplus Machine APA and sale of the Surplus Machine;

(g) the Surplus Machine is subject to a first-ranking security interest in favour of BDC, who was consulted in respect of the sale; and

(h) finally, the Proposal Trustee supports the sale and recommends approval of the same.

V. Approval of Distribution to BDC

49. As stated, BDC, as first-ranking creditor on the Surplus Machine, was consulted by the Companies in respect of the sale. In connection therewith, the Companies are seeking the authority to distribute the proceeds of such sale to BDC, pursuant to its security less the amount of $10,000 (the "**Sale Holdback**"), which Sale Holdback will be subject to the Administration Charge. I am advised by counsel and the Proposal Trustee that in such circumstances, generally, all sale proceeds would be subject to the Administration Charge. However, I am also advised that in such circumstances it may be unfair to require the entirety of the sales proceeds be used to fund the NOI process. Equally so, it maybe unfair if none of the sale proceeds were used to fund the sale and NOI process. For this reason, the Companies are proposing the Sale Holdback, the quantum of which was developed in consultation with BDC.

50. BDC is the first ranking secured creditor of the Surplus Machine and following the sale, the Companies are seeking and distribute the balance of the sale proceeds to BDC, after remitting

any taxes collected from the purchaser and deducting the Sale Holdback, subject to approval of the Court.

51. The sale of the Surplus Machine, the proposed Sale Holdback and distribution to BDC, have been developed by the Companies in consultation with the Proposal Trustee and with BDC.

VI. Sealing Order

52. Confidential Appendix "X" contains the appraised value of the Companies' equipment, while Confidential Appendix "Y" contains the Surplus Machine APA. In each case, these documents contain confidential and commercially sensitive information, which if publicly disclosed may prejudice the Companies in the event the Surplus Machine APA does not close or, generally, if disclosed prior to the completion of the Sales Process. Accordingly, the Companies are requesting an order that such confidential appendices be sealed until completion of all transactions arising out of the Sales Process.

VII. Stay Extension

53. Under the BIA, the stay of proceedings will expire on March 16, 2019. The Companies are acting in good faith and with due diligence in seeking to preserve and sell their businesses on a going concern basis for the benefit of all of their stakeholders. Additionally, the Companies believe the Sales Process will potentially generate funds available for distribution to the unsecured creditors.

54. In order to commence and advance the Sales Process, the Companies are seeking an extension of time to file a proposal for 45 days or until April 30, 2019.

55. Without the extension the Companies will not be in a position to carry out the Sales Process or make a viable proposal to their creditors and will become bankrupt to the detriment of their stakeholders. In contrast, no creditor will be materially prejudiced if the extension applied for is granted. The extension is supported by the Proposal Trustee. If the extension applied for is granted, the Companies would likely be able to make a viable proposal to their creditors following the completion of the Sales Process.

CONCLUSION

56. All of the relief sought on the within motion is supported and recommended by the Proposal Trustee. Additionally, the Companies are not aware of any creditor or stakeholder who opposes such relief or would be materially prejudiced in the event that such relief is granted.

57. I swear this affidavit in support of the Companies' motion for the relief set out above and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on February 27, 2019

Commissioner for Taking Affidavits
(or as may be)

R. Graham Phoenix

SAIFUR RAHMAN

TAB 2-B

This is Exhibit "B" referred to in the affidavit of SAIFUR RAHMAN subscribed and sworn to before me, this 18th day of April, 2019.

A commissioner for taking affidavits.

March 8, 2019

Endorsement / disposition

This is a motion by the debtor applicants under a NOI issued February 14, 2019.

16717612.1

I am satisfied that the two applications are sufficiently inter-related that a consolidation order is warranted.

The admin charge is appropriate.

The sale of the surplus machine appears to be arms length and at a favourable price. The secured creditors are in agreement. Similarly, the sales process in general ~~[illegible]~~ appears to be consistent with the objectives of timely sale and maximizing benefit for stakeholders.

There is a proposed initial distribution to BDBC which is supported by the evidence.

I agree that an extension of time is warranted to enable the sales process to take place.

The sealing order meets the test under Sierra Club.

Orders to issue in the form signed by me this day.

R. J.

Court File No. 32-2474820
Estate File No. 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

THE HONOURABLE MR.	)	FRIDAY, THE 8th DAY
	)	
JUSTICE PENNY	)	OF MARCH, 2019

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1696306 ONTARIO INC.., OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

ADMINISTRATIVE CONSOLIDATION ORDER

THIS MOTION, made by 1696306 Ontario Inc. ("**169Co**"), for an order approving an administrative consolidation of the proposal proceedings of 169Co. and Synergy Stamping Inc. ("**Synergy**", and together with 169Co, the "**Companies**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Saifur Rahman sworn February 28, 2019 (the "**Rahman Affidavit**") and the exhibits thereto and the First Report of Albert Gelman Inc., in its capacity as the proposal trustee of the Companies (in such capacity, the "**Proposal Trustee**"), dated March 1, 2019 and the appendices thereto, and on hearing the submissions of counsel for the Companies, the Proposal Trustee, and such other counsel as were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Sandra Radanovic sworn March 1, 2019, filed,

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof

2. **THIS COURT ORDERS** that the proposal proceedings of each of Synergy (Estate No. 32-2474822) and 169Co (Estate No. 32-2474820) (together, the "**Proposal Proceedings**") are hereby administratively consolidated and the Proposal Proceedings are hereby authorized and directed to continue under the following joint title of proceedings:

Court File Nos. 32-2474820 and 32-2474822
Estate File Nos. 32-2474820 and 32-2474822

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO LTD., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO.

3. **THIS COURT ORDERS** that all further materials in the Proposal Proceedings shall be filed with the Commercial List only in the Synergy court and estate file, under Court File No. 32-2474822 and Estate File No. 32-2474822.

J.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO.

Court File No. 32-2474820
Estate File No. 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

Proceedings commenced at Toronto

ORDER
(RE: Administrative Consolidation)

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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.

Court File No. 32-2474822
Estate File No. 32-2474822

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

THE HONOURABLE MR.	)	FRIDAY, THE 8th DAY
	)	
JUSTICE PENNY	)	OF MARCH, 2019

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC., OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

ADMINISTRATIVE CONSOLIDATION ORDER

THIS MOTION, made by Synergy Stamping Inc. ("**Synergy**"), for an order approving an administrative consolidation of the proposal proceedings of Synergy and 1696306 Ontario Inc. ("**169Co**", and together with Synergy, the "**Companies**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Saifur Rahman sworn February 28, 2019 (the "**Rahman Affidavit**") and the exhibits thereto and the First Report of Albert Gelman Inc., in its capacity as the proposal trustee of the Companies (in such capacity, the "**Proposal Trustee**"), dated March 1, 2019 and the appendices thereto, and on hearing the submissions of counsel for the Companies, the Proposal Trustee, and such other counsel as were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Sandra Radanovic sworn March 1, 2019, filed,

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof

2. **THIS COURT ORDERS** that the proposal proceedings of each of Synergy (Estate No. 32-2474822) and 169Co (Estate No. 32-2474820) (together, the "**Proposal Proceedings**") are hereby administratively consolidated and the Proposal Proceedings are hereby authorized and directed to continue under the following joint title of proceedings:

Court File Nos. 32-2474820 and 32-2474822
Estate File Nos. 32-2474820 and 32-2474822

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO.

3. **THIS COURT ORDERS** that all further materials in the Proposal Proceedings shall be filed with the Commercial List only in the Synergy court and estate file, under Court File No. 32-2474822 and Estate File No. 32-2474822.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

Court File No. 32-2474822
Estate File No. 32-2474822

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

Proceedings commenced at Toronto

ORDER
(RE: Administrative Consolidation)

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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.

Court File Nos. 32-2474822 and 32-2474820
Estate File Nos. 32-2474822 and32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

THE HONOURABLE MR.	)	FRIDAY, THE 8th DAY
	)	
JUSTICE PENNY	)	OF MARCH, 2019

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

ORDER
(Re: Approval and Vesting, Distribution, etc.)

THIS MOTION, made by Synergy Stamping Inc. and 1696306 Ontario Inc. (collectively, the "**Companies**") pursuant to Sections 50.4(9) and 64.2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") for an order, *inter alia*:

(i) approving the transaction contemplated by the asset purchase agreement made by and between 1696306 Ontario Ltd. (the "**Vendor**") and Prestige Equipment ("**Prestige**") dated February 26, 2019 (the "**Surplus Machine APA**") and appended to the affidavit of Saifur Rahman, sworn February 27, 2019 (the "**Rahman Affidavit**");

(ii) vesting the Vendor's right, title and interest in and to the asset described in the Surplus Machine APA (the "**Surplus Machine**") in the purchaser thereof free and clear of all claims; and

(iii) approving the distribution of the proceeds realized from the sale of the Surplus Machine to BDC less the amount of the Sale Holdback (*as hereinafter defined*;

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Rahman Affidavit and the exhibits thereto and the First Report of Albert Gelman Inc. in its capacity as the proposal trustee of the Companies (in such capacity, the "**Proposal Trustee**"), dated March 1, 2019, and the appendices thereto (the "**First Report**"), and on hearing the submissions of counsel for the Companies, the Proposal Trustee, and such other counsel as were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Sandra Radanovic sworn March 1, 2019, filed:

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS AND DECLARES** that the Surplus Machine APA is hereby authorized and approved, and the execution of the Surplus Machine APA by Vendor. is hereby authorized and approved, with such minor amendments as Vendor. may deem necessary. The Vendor is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the transactions contemplated by the Surplus Machine APA (collectively, the "**Transaction**").

3. **THIS COURT ORDERS AND DECLARES** that upon the Vendor. completing the sale of the Surplus Machine to Prestige and upon the delivery of a certificate by the Proposal Trustee to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Proposal Certificate**"), all of the Vendor's right, title and interest in and to the Surplus Machine as described in the Surplus Machine APA shall vest absolutely in the Prestige, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing, all charges, security interests or claims evidence by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**"); and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Surplus Machine are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Surplus Machine shall stand in the place and stead of the Surplus Machine, and that from and after the delivery of the Purchaser's Bill of Sale all Claims and Encumbrances shall attach to the net proceeds from the sale of the Surplus Machine with the same priority as they had with respect to the Surplus Machine immediately prior to the sale, as if the Surplus Machine had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS** that, notwithstanding:

(i) the pendency of these proceedings;

(ii) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

(iii) any assignment in bankruptcy made in respect of the Debtor,

the vesting of the Surplus Machine in Prestige, or as it may direct, pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Companies and shall not be void or voidable by creditors of the Companies, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

6. **THIS COURT ORDERS AND DIRECTS** the Proposal Trustee to file with the Court a copy of the Proposal Trustees' Certificate, forthwith upon delivery thereof.

7. **THIS COURT ORDERS** that Confidential Appendix "Y" and Confidential Appendix "X" to the Rahman Affidavit shall be sealed until the completion the sales process approved by order of the Court made in this proceeding dated March 8, 2019 and any transaction or transactions contemplated thereby, or until further order of this Court.

8. **THIS COURT ORDERS** that Vendor shall pay the proceeds realized from the sale of the Surplus Machine to the Business Development Bank of Canada ("**BDC**") less the amount of $10,000 (the "**Sale Holdback**"), which amount is to be held back by Vendor on account of the

administration charge approved by the Court in this proceeding; and, for greater certainty the amount distributed to BDC pursuant to this paragraph shall not be subject to the aforementioned administration charge.

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Companies, the Proposal Trustee and their agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Companies and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Companies and the Proposal Trustee and its agents in carrying out the terms of this Order.

SCHEDULE "A"

Court File Nos. 32-2474822 and 32-2474820
Estate File Nos. 32-2474822 and32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

PROPOSAL TRUSTEE'S CERTIFICATE

RECITALS

I. On February 14, 2019, each of Synergy Stamping Inc. ("**Synergy**") and 1693606 Ontario Inc. ("**169Co**"; and, together with Synergy, the "**Debtors**") filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**NOIs**").

II. Albert Gelman Inc. was appointed as proposal trustee under each of the NOIs (in such capacity, the "**Proposal Trustee**").

III. Pursuant to an Order of the Court dated March 8, 2018, the Court approved the agreement of purchase and sale between the 169C0, as vendor, and Prestige Equipment Corporation (the "**Purchaser**"), as purchaser, dated February 26, 2018 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser, or as it may direct in accordance with the Sale Agreement, of all 169Co's right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Proposal Trustee to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Proposal Trustee and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Proposal Trustee.

IV. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser has paid the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;

2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser;

3. The transaction has been completed to the satisfaction of the Proposal Trustee; and

4. This Certificate was delivered by the Proposal Trustee at ____________ [TIME] on ______________ [DATE].

ALBERT GELMAN INC., in its capacity as Proposal Trustee, and not in its personal capacity or in any other capacity

Per: ______________________________

Name:

Title:

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVICE OF ONTARIO

Court File Nos. 32-2474822 and 32-2474820
Estate File Nos. 32-2474822 and 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

Proceedings commenced at Toronto

ORDER

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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.

Court File Nos. 32-2474822 and 32-2474820
Estate File Nos. 32-2474822 and32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

THE HONOURABLE MR.	)	FRIDAY, THE 8th DAY
	)	
JUSTICE PENNY	)	OF MARCH, 2019

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

ORDER
(Re: Extensions, Sale Process, etc.)

THIS MOTION, made by Synergy Stamping Inc. and 1696306 Ontario Inc. (collectively, the "**Companies**") pursuant to Sections 50.4(9) and 64.2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") for an order, *inter alia*: (i) approving an extension of the time for the Companies to file a proposal by forty-five (45) days until April 30, 2019; (iii) approving a marketing and sale process; and (ii) granting the Administration Charge (as hereinafter defined), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Saifur Rahman sworn February 28, 2019 (the "**Rahman Affidavit**") and the exhibits thereto and the First Report of Albert Gelman Inc. in its capacity as the proposal trustee of the Companies (in such capacity, the "**Proposal Trustee**"), dated March 1, 2019, and the appendices thereto (the "**First Report**"), and on hearing the submissions of counsel for the Companies, the Proposal Trustee, and such other counsel as were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Sandra Radanovic sworn March 1, 2019, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

EXTENSION

2. **THIS COURT ORDERS** that the time for the Companies to file proposals under section 50.4 of the BIA is extended by a period of forty-five (45) days to and including April 30, 2019.

SALE PROCESS

3. **THIS COURT ORDERS** that the marketing and sale process as set out in Schedule "A" hereto (the "**Sale Process**") be and is hereby approved.

4. **THIS COURT ORDERS** that the Companies and the Proposal Trustee be and are hereby authorized and empowered to take such steps as are necessary or desirable to carry out and perform their obligations under the Sale Process, provided that any definitive agreement to be executed by the Companies in respect of the sale of all or part of their properties, assets and undertakings shall require further approval of the Court.

11. **THIS COURT ORDERS** that counsel to the Companies, the Proposal Trustee and counsel to the Proposal Trustee shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the assets, undertakings and properties of the Companies (the "**Property**"), which charge shall not exceed an aggregate amount of $100,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Proposal Trustee and such counsel, both before and after the making of this Order, in respect of these consolidated proceedings. The Administration Charge shall have the priority set out in herein.

12. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge are and shall be valid and enforceable against the Property for all purposes, including, without limitation, as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect the Administration Charge.

13. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on the Property and that the Administration Charge shall rank in priority to all other security interests, trusts, liens, charges, mortgages, claims and encumbrances, secured, statutory or otherwise (collectively, "**Encumbrances**") in favour of any other person.

14. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Companies shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Administration Charge, unless the

Companies also obtain the prior written consent of the Proposal Trustee and the beneficiaries of the Administration Charge, or further Order of this Court.

15. **THIS COURT ORDERS** that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge (collectively, the "**Chargees**") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Companies, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Administration Charge shall create or be deemed to constitute a breach by the Companies of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and

(c) the payments made by the Companies pursuant to this Order and the granting of the Administration Charge do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SERVICE AND NOTICE

16. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL 'https://www.albertgelman.com/corporate-solutions/other-engagements/'.

17. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Companies and the Proposal Trustee are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Companies' creditors or other interested parties at their respective addresses as last shown on the records of the Companies and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

18. **THIS COURT ORDERS** that the Companies, the Proposal Trustee, and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be

reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Companies' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

SEALING OF CONFIDENTIAL MATERIALS

19. **THIS COURT ORDERS** that Confidential Appendix "X" and Confidential Appendix "Y" to the Rahman Affidavit shall be sealed until the completion of the Sale Process and any transaction or transactions contemplated thereby or until further order of this Court.

GENERAL

20. **THIS COURT ORDERS** that each of the Companies and the Proposal Trustee may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

21. **THIS COURT ORDERS** that nothing in this Order shall prevent the Proposal Trustee from acting as an interim receiver, a receiver, a receiver and manager, a trustee in bankruptcy or a monitor of the Companies, their business or the Property.

22. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, to give effect to this Order and to assist the Companies, the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies

are hereby respectfully requested to make such orders and to provide such assistance to the Companies and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding or to assist the Companies, the Proposal Trustee and their respective agents in carrying out the terms of this Order.

23. **THIS COURT ORDERS** that any interested party (including the Companies and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE "A"

SALES PROCESS

SYNERGY STAMPING INC. and 1696306 ONTARIO INC.

Defined Terms

1. All capitalized terms contained herein but not otherwise defined herein shall have the meanings given to them in the order granted by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on March 8, 2019 (the "**Sales Process Order**") in respect of the proceedings commenced by Synergy Stamping Inc. and 1696306 Ontario Inc. (collectively, the "**Companies**") under the *Bankruptcy and Insolvency Act* (the "**BIA**").

Role of the Proposal Trustee

2. The Sales Process will be administered by the Proposal Trustee on behalf of the Companies. The roles and responsibilities of the Proposal Trustee are described in further detail throughout this Sales Process, however, the Proposal Trustee's role in the Sales Process <u>does not</u> include managing, operating, or taking possession or control of any of the Companies' property, assets or undertaking.

3. The Companies and their principals, employees and professional advisors shall cooperate with the Proposal Trustee throughout the Sales Process and provide documents and information requested as part of the Sales Process to the Proposal Trustee in a prompt fashion.

Commencement of the Sales Process

4. Within three (3) business days of the date of the Sales Process Order (the "**Commencement Date**"), the Proposal Trustee shall contact parties identified by the Companies who may be interested in purchasing the business and/or assets of the Companies together with any other parties who may be identified by the Companies and Proposal Trustee as potential interested in purchasing the business and/or assets of the Companies (the "**Prospective Participants**") and provide those parties with a copy of the "teaser" document. The teaser document shall contain general details about the opportunity to purchase the assets of the Companies (the "**Opportunity**") as well as some general background information about the Companies.

5. On the Commencement Date, or as soon thereafter as is practical, the Proposal Trustee shall also (a) publish a notice advertising the Opportunity in the Globe & Mail (National Edition) and/or such other trade publications or other publications as the Proposal Trustee may deem appropriate or advisable, and (b) post the Opportunity on its website.

Due Diligence

6. Any Prospective Participants who advise the Proposal Trustee of their interest in participating in the Sales Process shall execute a non-disclosure agreement (the "**NDA**") in a form satisfactory to the Proposal Trustee.

7. Commencing on the Commencement Date (and after each respective Prospective Participant has executed the NDA), the Proposal Trustee shall make available to the Prospective Participant the following:

a) a confidential information memorandum ("**CIM**") prepared by the Proposal Trustee, with the assistance of the Companies, describing the Sales Process and the Opportunity as well as providing additional background information about the Companies;

b) a copy of the template asset purchase agreement (the "**Template APA**") ; and

c) access to an electronic data room, to be maintained by the Proposal Trustee, which shall contain information pertaining to the Opportunity along with other corporate financial and other documents as provided by the Companies.

Offer Deadline

8. All offers must be submitted in writing to and received by the Proposal Trustee at 100 Simcoe Street, Suite 125, Toronto, Ontario, M5H 3G2, attention: Tom McElroy, by no later than 5:00 p.m. (Toronto time) on April 9, 2018 (the "**Offer Deadline**"). Each offer must remain open for acceptance until 5:00 pm on April 19, 2018 (the "**Acceptance Date**").

Qualifying Bid

9. An offer will only be considered in this Sales Process, in which case it shall be considered a "**Qualifying Bid**", if it is submitted before the Offer Deadline and if it meets the following minimum criteria:

a) it is irrevocable until the Acceptance Date;

b) it must be accompanied by a deposit in the form of a certified cheque or bank draft payable to the Proposal Trustee "in trust" which is equal to at least ten (10%) percent of the total purchase price payable under the offer;

c) it includes evidence, satisfactory to the Proposal Trustee, that the offeror has the financial means to complete the proposed acquisition or investment;

d) it includes an acknowledgement that the purchaser has relied solely on its own independent review and investigation and that it has not relied on any representation by the Companies, the Proposal Trustee or their respective agents, employees or advisers;

e) the offer must not contain any condition or contingency relating to due diligence or financing or any other material conditions precedent to the offeror's obligation to complete the transaction; and,

f) it must be substantially in the form of the Template APA, with any changes to the offer blacklined against the Template APA.

Liquidation Offers

10. In addition to the foregoing, any offer to liquidate the Companies' assets shall be deemed to be a Qualifying Bid, notwithstanding any variation from the criteria set out above, provided such offer:

a) clearly stipulates what assets are included and which assets are excluded (if any) from the offer;

b) is irrevocable until the Acceptance Date;

c) contemplates a net minimum guarantee payment, payable in full within three (3) business days following court approval of the same (as set out below);

d) includes an acknowledgement that the purchase and sale of the Companies' assets shall be an "as is, where is" basis; and

e) provides for a deposit in an amount equal to 10% of the net minimum guarantee, payable immediately upon acceptance of such offer as the Winning Bid (as defined below), and includes evidence that the offeror has the financial means to complete the proposed acquisition or the Proposal Trustee is otherwise satisfied to such effect.

Consideration of Qualifying Bids

11. The Proposal Trustee shall review all offers submitted under the Sales Process and first determine whether any of the bidders are Related Persons (as that term is defined under section 4(2) of the BIA) and:

a) if none of the offers are made by parties that are Related Persons, then the determination of whether an offer is a Qualifying Bid shall be made jointly by the Companies and the Proposal Trustee; and,

b) if offers are made by one or more Related Persons, then the Proposal Trustee shall, in its sole discretion, determine what offers, if any, represent a Qualifying Bid.

12. Each Qualifying Bid shall be considered and, if necessary, there may be further discussions with some or all of the parties who have submitted a Qualifying Bid with a view to clarifying terms. The Companies shall participate in these discussions provided that a Related Person has not submitted a Qualifying Bid.

13. If the Proposal Trustee deems it advisable, the Proposal Trustee may enter into further negotiations with any party who submitted a Qualifying Bid and/or invite any such party to submit a final offer, which shall meet the criteria for a Qualifying Bid (each a "**Final Offer**") by 5:00 p.m. (Toronto time) on the third business day after being invited by the Proposal Trustee to submit a Final Offer. In the event that the Proposal Trustee does not invoke this Paragraph 13 to seek Final Offers, all Qualifying Bids received shall be deemed to be Final Offers.

Selection of the Winning Bid

14. Following the receipt of Final Offers, the Proposal Trustee shall determine the highest and best offer received and shall convey its decision to the Companies at that time, together with its recommendation as to the same. Upon receipt of such recommendation, the Companies shall, within twenty-four (24) hours determine whether it will accept such highest and best offer (if so accepted, the "**Winning Bid**") and, if so accepted, upon acceptance of the Winning Bid, there shall be a binding agreement of purchase and sale (the "**Final APA**") between the winning bidder (the "**Winning Bidder**") and the Companies, in accordance with the terms of the Winning Bid.

15. Notwithstanding anything to the contrary herein, it is open to the Proposal Trustee to recommend to the Companies against accepting any Qualifying Bid and it is open to the Companies, in

consultation with the Proposal Trustee, to elect not to accept any of the Qualifying Bids, whether before or after the negotiation of the same or the receipt of any Final Offers.

Court Approval

16. As applicable, as soon as practicable after the acceptance of the Winning Bid, the Companies will apply to the Court for approval of the transaction contemplated in the Final APA (the "**Approval Motion**") and an approval and vesting order in respect of same.

17. As applicable, the Proposal Trustee shall serve and file a report with respect to the Sales Process and Final APA in advance of the Approval Motion.

Other Terms

18. All deposits received (except such deposit forming part of the Winning Bid) shall be held by the Proposal Trustee "in trust" until the acceptance of the Winning Bid. All deposits submitted by Prospective Participants who did not submit the Winning Bid shall be returned, without interest, following acceptance of the Winning Bid. The deposit forming part of the Winning Bid shall be dealt with in accordance with the Final APA.

19. In the event that a Deposit is forfeited for any reason it shall be forfeited as liquidated damages and not as a penalty.

20. All Qualifying Bids (other than the Winning Bid) shall be deemed rejected on the date of the approval of the Final APA by the Court.

21. Subject to the Sales Process Order or other order of the Court, the Companies, in consultation with the Proposal Trustee, shall have the right to adopt such other rules for, or extend any deadlines in, the Sales Process that, at it its sole discretion, will better promote the goals of the Sales Process.

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVICE OF ONTARIO

Court File Nos. 32-2474822 and 32-2474820
Estate File Nos. 32-2474822 and 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

Proceedings commenced at Toronto

ORDER

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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.

{L1387129.4}

TAB 2-C

This is Exhibit "C" referred to in the affidavit of SAIFUR RAHMAN subscribed and sworn to before me, this 18th day of April, 2019.

A commissioner for taking affidavits.

ASSET PURCHASE AGREEMENT

This Agreement made this 15th day of April, 2019.

BETWEEN:

SYNERGY STAMPING INC. and
1696306 ONTARIO INC.

(collectively called the "Vendors" and each a "Vendor")

- and –

INFINITY ASSET SOLUTIONS INC.

(the "Purchaser")

WHEREAS each Vendor has filed a notice of intention to make a proposal under the provisions of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA Proceedings**");

AND WHEREAS Albert Gelman Inc. has been appointed as proposal trustee of each Vendor under the BIA Proceedings (the "**Proposal Trustee**");

AND WHEREAS the Vendors obtained a Sales Process Order (as hereinafter defined) authorizing the conduct of a sales process with respect to the Purchased Assets (as hereinafter defined);

AND WHEREAS, the Purchaser offers and agrees to purchase and assume the Purchased Assets and Assumed Obligations (as defined below) from the Vendors upon the terms and conditions set forth hereinafter and the offer shall remain irrevocably open for acceptance until April 19, 2019.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties) the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, the following terms shall have the meanings set out below unless the context requires otherwise:

"**Administration Charge**" means the charge in favour of the Vendors' Lawyers, the Proposal Trustee and the Proposal Trustee's lawyers, granted by the Court in the BIA Proceedings as security for their respective fees and expenses;

"**Agreement**" means this asset purchase agreement, including all written amendments and written restatements thereto from time to time;

"**Applicable Law**" means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority;

"**Approval and Vesting Order**" has the meaning given in Section 4.1;

"**Article**" or "**Section**" " mean the specified Article, or Section to this Agreement and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement;

"**Affiliate**" means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person;

"**BIA**" means the *Bankruptcy and Insolvency Act* (Canada), R.S.C., 1985, c.B-3;

"**BIA Proceedings**" has the meaning given in the recitals above;

"**Books and Records**" means all of the books and records relating to the Purchased Assets, including, without limitation, all sales books, records, books of account, sales and purchase records, plans, files, records and correspondence, , excluding any of the foregoing as applicable to any Excluded Asset;

"**Business**" means the businesses carried on by the Vendors;

"**Business Day**" means a day on which banks are open for business in the City of Toronto, but does not include a Saturday, Sunday or statutory holiday recognized in the Province of Ontario;

"**Claims**" means any and all claims, demands, complaints, actions, applications, suits, causes of action, orders, or other similar processes, and "**Claim**" means any one of them;

"**Closing**" means the completion of the purchase and sale of the Purchased Assets in accordance with the provisions of this Agreement;

"**Closing Date**" means subject to the terms hereof, the day on which the conditions set forth in Article 4 have been satisfied or waived by the appropriate Party or such other date as may be agreed;

"**Closing Time**" has the meaning given in Section 3.1;

"**Court**" means the Ontario Superior Court of Justice (Commercial List);

"**Effective Time**" means 12:01 a.m. on the Closing Date;

"**Encumbrances**" means any security interests (whether contractual, statutory, or otherwise), mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, leases, title retention agreements, reservations of ownership, demands, executions, levies, charges, options or other rights to acquire any interest in any assets, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including the Administration Charge, and all contracts to create any of the foregoing, or encumbrances of any kind or character whatsoever;

"**Excluded Assets**" means, collectively, all assets of the Vendors other than the Purchased Assets;

"**Governmental Authorities**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and "**Governmental Authority**" means any one of them;

"**HST**" means all of the harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada);

"**Interim Period**" means the period from and including the date of this Agreement to and including the Closing Date;

"**Liability**" means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise), and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation) and "**Liabilities**" means the plural thereof;

"**Parties**" means the Vendors and the Purchaser collectively, and "**Party**" means any one of them;

"**Person**" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;

"**Personal Property**" means the Vendors' machinery, equipment and materials listed in Schedule "A" attached hereto;

"**Premises**" means the premises municipally known as 1830 Meyerside Drive, Mississauga, Ontario, L5T 1B4.

"**Proposal Trustee**" has the meaning given in the recitals above;

"**Purchase Price**" has the meaning given in Section 2.2.

"**Purchased Assets**" means collectively, all of the Vendors' right, title and interest in all of the Personal Property.

"**Rights**" has the meaning ascribed thereto in Section 2.9 hereof;

"**Sales Process Order**" means the order of the Court dated March 8, 2019, authorizing the Vendors to conduct a marketing and sale process for, inter alia, the right, title and interest of the Vendors to the Purchased Assets and the Excluded Assets;

"**Taxes**" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax, including, Canada Pension Plan and provincial pension plan contributions, employment insurance payments and workers compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not; and

"**Vendors' Lawyers**" means Loopstra Nixon LLP.

1.2 Section References

Unless the context requires otherwise, references in this Agreement to Sections are to Sections of this Agreement.

ARTICLE 2
PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

At the Closing Time, subject to the terms and conditions of this Agreement, the Vendors shall sell and the Purchaser shall purchase the Purchased Assets.

2.2 Purchase Price

The parties agree that the purchase price for the Purchased Assets is plus applicable taxes (the "**Purchase Price**"). The Purchaser shall be responsible to pay HST and other applicable taxes in addition to said purchase price. Payment for such purchase price shall be made by certified cheque, bank draft or via wire transfer, as directed by the Proposal Trustee. The Purchase Price for the Purchased Assets shall be paid as follows:

(a) an initial deposit (the "**Deposit**") of which Deposit will be held by the Proposal Trustee, in trust, in a non-interest bearing account, which Deposit shall be applied against the Purchase Price, subject to Court approval of the transaction contemplated by this Agreement;

(b) by the assumption by the Purchaser of the Assumed Obligations, if applicable; and

(c) the balance of the purchase price shall be deposited into a non-interest bearing account with the Proposal Trustee on or before April 28, 2019, and credited to the Purchase Price paid on the Closing Date.

2.3 Satisfaction of Purchase Price

The Purchaser shall satisfy the Purchase Price on the Closing Date by payment of the Purchase Price in accordance with section 2.2 herein.

2.4 Intentionally Deleted

2.5 Excluded Assets

Save and except as otherwise expressly set out herein, the Purchaser may, at its option, exclude any of the Purchased Assets from the transaction contemplated hereby at any time prior to Closing upon delivery of prior written notice to the Vendors, whereupon such assets shall be deemed to form part of the Excluded Assets, provided, however, that there shall be no reduction in the Purchase Price as a result of such exclusion.

2.6 Sales and Transfer Taxes; HST Election

(a) The Purchaser shall be responsible for the payment on Closing of any Taxes that are required to be paid or remitted in connection with the consummation of the transactions contemplated in this Agreement.

(b) At the Closing, the Vendors and the Purchaser shall, if applicable, jointly execute an election under Section 167 of the *Excise Tax Act* (Canada) to cause the sale of the Purchased Assets to take place on a HST-free basis under Part IX of the *Excise Tax Act* (Canada) and the Purchaser shall file such election with its HST return for the applicable reporting period in which the sale of the Purchased Assets takes place.

2.7 Assumed Obligations

At Closing, the Purchaser shall assume and be liable for the following (collectively, the "**Assumed Obligations**"):

(a) all Liabilities and Claims arising or accruing from the use of the Purchased Assets from and after the Closing;

(b) all Taxes arising or accruing from and after the Closing from the use of the Purchased Assets, including, without limitation, HST to be collected and remitted to Canada Revenue Agency when due; and

(c) all costs incurred by the Vendors which exceed $3,000.00 in respect of the safe disposal of any contaminants, including any liquids, lubrication, hydraulic fluids, coolants drained from the Purchased Assets or any environmentally hazardous chemicals or substances or the like located on site.

2.8 Excluded Liabilities

The Purchaser is not assuming, and shall not be deemed to have assumed, any Liabilities of the Vendors (collectively, the "**Excluded Liabilities**"), which Excluded Liabilities include, but are not limited to, the following:

(a) all Liabilities and Claims arising or accruing from the use of the Purchased Assets prior to Closing; and

(b) all employee liabilities that arise out of or result from the employment or engagement by the Vendors of any of the Vendors' employees (unless otherwise imposed by law) and/or the termination or severance of such engagement or employment.

2.9 Assignment of Purchased Assets

Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an assignment or transfer of the Purchased Assets or any right thereunder if an attempted assignment or transfer, without the consent of a third Person, would constitute a breach or in any way adversely affect the rights of the Purchaser hereunder. To the extent that any of the Purchased Assets to be transferred to the Purchaser on the Closing, or any claim, right or benefit arising under or resulting from such Purchased Assets (collectively, the "**Rights**" and each a "**Right**") is not capable of being transferred without the approval, consent or waiver of any third Person, or if the transfer of a Right would constitute a breach of any obligation under, or a violation of, any Applicable Law unless the approval, consent or waiver of such third Person is obtained, then, except as otherwise expressly provided in this Agreement, and without limiting the rights and remedies of the Purchaser contained elsewhere in this Agreement, this Agreement shall not constitute an assignment or transfer of such Rights unless and until such approval, consent or waiver has been obtained or an order of the Court is granted under the BIA Proceedings compelling the assignment. After the Closing and until all such Rights are transferred to the Purchaser, the Vendors shall:

(a) hold the Rights as bare trustee for the Purchaser;

(b) cooperate with the Purchaser in any reasonable and lawful arrangements designed to provide the benefits of such Rights to the Purchaser; and

(c) enforce, at the reasonable request of and at the expense of the Purchaser, any rights of the Vendors arising from such Rights against any third Person, including the right to elect to terminate any such Rights in accordance with the terms of such Rights upon the written direction of the Purchaser.

In order that the full value of the Rights may be realized for the benefit of the Purchaser, the Vendors shall, at the request and expense and under the direction of the Purchaser and in consultation with the Proposal Trustee, in the name of the Vendors or otherwise as the Purchaser may specify, take all such action and do or cause to be done all such things as are, in the opinion of the Purchaser, acting reasonably, necessary or proper in order that the obligations of the Vendors under such Rights may be performed in such manner that the value of such Rights is preserved and enures to the benefit of the Purchaser, and that any moneys due and payable and to become due and payable to the Purchaser in and under the Rights are received by the Purchaser. The Vendors shall hold as bare trustee and promptly pay to the Purchaser all moneys collected by or paid to the Vendors in respect of every such Right. To the extent that such approval, consent, waiver or order of the Court has not been obtained by the 90th day following the Closing, such Right shall deemed to be an Excluded Asset and the Vendors may terminate any agreement pertaining to such Right. The Purchaser shall indemnify and hold the Vendors harmless from and against any claim or liability under or in respect of such Rights arising because of any action of the Vendors taken in accordance with this Section.

ARTICLE 3
CLOSING ARRANGEMENTS

3.1 Closing

Closing shall take place at 10:00 a.m. (the "**Closing Time**") on the Closing Date at the offices of the Vendors' Lawyers, or such other time and location as the Parties may agree upon in writing.

3.2 Tender

Any tender of documents under this Agreement may be made upon the Parties or their respective counsel and money may be tendered by official bank draft drawn upon a Canadian chartered bank, by negotiable cheque payable in Canadian funds and certified by a Canadian chartered bank or trust company, or by wire transfer of immediately available funds to the account specified by that Party.

3.3 Vendors' Closing Deliveries

At the Closing, the Vendors shall deliver to the Purchaser the following, each in form and substance satisfactory to the Vendors and the Purchaser, acting reasonably:

(a) if applicable, the elections referred to in Section 2.6;

(b) a copy of the Approval and Vesting Order;

(c) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Vendors contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date;

(d) a general conveyance and assumption of liabilities with respect to Purchased Assets and any Assumed Obligations; and

(e) such further and other documentation as is referred to in this Agreement or as the Purchaser or the Purchaser's Lawyers may reasonably require to complete the transactions provided for in this Agreement.

3.4 Purchaser's Closing Deliveries

At the Closing, the Purchaser shall deliver to the Vendors the following, each in form and substance satisfactory to the Vendors and the Purchasers, acting reasonably:

(a) all payments in respect of the amounts referred to in Section 2.2;

(b) a general conveyance and assumption of liabilities with respect to Purchased Assets and Assumed Obligations;

(c) a bring down certificate dates of the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date;

(d) if applicable, the elections referred to in Section 2.6; and

(e) such further and other documentation as is referred to in this Agreement or as the Vendors or the Vendors' Lawyers may reasonably require to complete the transactions provided for in this Agreement.

3.5 Delivery of the Proposal Trustee's Certificate

When the conditions set out in Article 4 below have been satisfied or waived, the Proposal Trustee will deliver an executed copy of the Proposal Trustee's Certificate to the Purchaser. Upon such delivery, the Closing will be deemed to have occurred. The Proposal Trustee will file a copy of the Proposal Trustee's Certificate with the Court and provide evidence of such filing to the Purchaser.

ARTICLE 4
CONDITIONS PRECEDENT

4.1 Approval and Vesting Order

An approval and vesting order shall approve this Agreement and the transactions contemplated hereby and vest, upon the delivery of the Proposal Trustee's Certificate (as defined therein) to the Purchaser, all right, title and interest of the Vendors in and to the Purchased Assets to the Purchaser, free and clear of all Claims and Encumbrances pursuant to the terms and conditions of this Agreement, (the "**Approval and Vesting Order**"). The Approval and Vesting Order shall be substantially in the form of the model order approved by the "Ontario Commercial List Users Committee". The Approval and Vesting Order shall be served upon the necessary parties, and in the time frame, as approved by the Purchaser, acting reasonably.

The obligations of the Vendors and the Purchaser hereunder are subject to the satisfaction of, or the express written waiver of the Parties, at or prior to the Closing Time, the mutual condition that:

(a) the Approval and Vesting Order shall have been granted by the Court in form and substance acceptable to the Purchaser and the Vendors.

4.2 Conditions Precedent of the Purchaser

The Purchaser shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Purchaser and may be waived, in whole or in part, in writing, by the Purchaser at any time; and the Vendors agree with the Purchaser to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

(a) *Representations and Warranties.* The representations and warranties of the Vendors in Section 5.1 shall be true and correct at the Closing Time;

(b) *Vendors' Compliance.* The Vendors shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time and shall have executed and delivered to the Purchaser at the Closing Time all the deliveries contemplated in Section 3.3 or elsewhere in this Agreement; and

(c) *Material Change.* There shall be no material change in the nature and extent of the Purchased Assets between the date of this Agreement and the Closing Time.

4.3 Conditions Precedent of the Vendors

The Vendors shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Vendors, and may be waived, in whole or in part, in writing by the Vendors at any time; and the Purchaser agrees with the Vendors to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

(a) *Representations and Warranties.* The representations and warranties of the Purchaser in Section 5.2 shall be true and correct at the Closing Time; and

(b) *Purchaser's Compliance.* The Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be to be performed by or complied with at or before the Closing Time and shall have executed and delivered to the Vendors at the Closing Time all the deliveries contemplated in Section 3.4 or elsewhere in this Agreement.

4.4 Non-Satisfaction of Conditions

If any condition precedent set out in Section 4.2 or 4.3 is not satisfied or performed prior to the time specified therefor, the Party for whose benefit the condition precedent is inserted may:

(a) waive compliance with the condition, in whole or in part, in its sole discretion by written notice to the other Party (but may not claim for any matter waived) and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or

(b) elect on written notice to the other Party to terminate this Agreement.

4.5 Condition not Fulfilled

If any condition in Section 4.1 shall not have been fulfilled on or before the Closing Date or such later date agreed upon by the Parties, then the Vendors or the Purchaser, as the case may be, in its sole discretion, may terminate this Agreement by notice to the other Party in which event each Party shall be released from all obligations under this Agreement.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES; COVENANTS

5.1 Representations and Warranties of the Vendors

As a material inducement to the Purchaser entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Vendors set out in this Section 5.1, the Vendors hereby represent and warrant to the Purchaser as follows:

(a) *Incorporation and Power*. The Vendors are corporations duly incorporated under the laws of the Province of Ontario and are duly organized, validly subsisting and in good standing under such laws;

(b) *Corporate Power and Authorization*. The Vendors have the requisite power to own its property and assets, including the Purchased Assets, and to carry on the Business as it is currently conducted;

(c) *Due Authorization*. Subject to the granting of the Approval and Vesting Order, the Vendors have all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by them as contemplated by this Agreement and to carry out their obligations under this Agreement and such other agreements and instruments;

(d) *Enforceability of Obligations*. Subject to the granting of the Approval and Vesting Order, this Agreement constitutes a valid and binding obligation of the Vendors, enforceable against the Vendors, in accordance with its terms;

(e) *HST*. Synergy Stamping Inc. and 1696396 Ontario Inc. are each registrants under Part IX of the Excise Tax Act (Canada) and their business numbers are 82075 6260 RT0001 and 85682 6128 RT0001, respectively.

(f) *Residency*. Each of the Vendors is not a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada).

5.2 Representations and Warranties of the Purchaser

As a material inducement to the Vendors entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Vendors are entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 5.2, the Purchaser hereby represents and warrants to the Vendors as follows:

(a) *Incorporation of the Purchaser.* The Purchaser is a corporation duly incorporated under the laws of the jurisdiction of its incorporation and is duly organized, validly subsisting and in good standing under such laws;

(b) *Due Authorization.* The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;

(c) *Enforceability of Obligations.* Subject to the granting of the Approval and Vesting Order, this Agreement constitutes a valid and binding obligation of the Purchaser, enforceable against the Purchaser, in accordance with its terms;

(d) *Approvals and Consents.* Except as otherwise provided herein, no authorization, consent or approval of or filing with or notice to any Governmental Authority or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser or the purchase of any of the Purchased Assets hereunder;

(e) *Business Number.* The Purchaser's business number with Canada Revenue Agency is 864299052RT001; and

(f) *Residency.* The Purchaser is not a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada).

(g) *Insurance.* The Purchaser is insured under a general commercial liability insurance policy in the amount of Five Million Dollars ($5,000,000).

5.3 Survival of Representations and Warranties

(a) The representations and warranties of the Vendors contained in Section 5.1 or any other agreement, certificate or instrument delivered pursuant to this Agreement shall survive for six (6) months following Closing.

(b) The representations and warranties of the Purchaser contained in Section 5.2 or any other agreement, certificate or instrument delivered pursuant to this Agreement shall survive for six (6) months following Closing.

5.4 Covenants of the Vendors

The Vendors hereby covenant and agree that following Closing, the Purchaser may conduct a public on-line auction sale (the "**Auction Process**") for the Purchaser's benefit, and the Purchased Assets may remain on the Premises and the Purchaser shall be provided with unrestricted access to the Premises, in accordance with the terms of this Agreement, in order to allow the Purchaser to prepare the Purchased Assets for the Auction Process and to conduct the same.

The Purchaser hereby covenants and agrees that:

(a) the Auction Process shall not exceed a period of ______ days unless otherwise agreed upon by the Vendor in writing, and at the end of such period of time shall be deemed completed;

(b) upon completion of the Auction Process, and regardless of whether the Purchased Assets have been sold through the Auction Process, the Purchased Assets will be removed from the Premises in a manner preventing any damage to the Premises;

(c) upon completion of the Auction Process, the areas of the Premises accessed or utilized by the Purchaser for the Auction Process shall be left in a clean and broom swept condition, provided that the Vendors shall be responsible for servicing any waste receptacles;

(d) upon completion of the Auction Process, the areas of the Premises accessed or utilized by the Purchaser for the Auction Process shall be left in a clean and broom swept condition with all garbage disposed of with any waste bins and labourers to be provided by the Vendors;

(e) the Purchaser shall be responsible for any damage caused to the Premises not already existing as per the commencement of the agreement, reasonable wear and tear excepted;

(f) the Purchaser shall be responsible for any costs incurred by the Vendors which exceed $3,000.00 in respect of the safe disposal of any Contaminants, including any liquids, lubrication, hydraulic fluids, coolants drained from the Purchased Assets or any environmentally hazardous chemicals or substances or the like located on site; and

(g) The Vendors will continue to use the Premises following the Closing Date for the purpose of collecting accounts receivables and other affairs related to, or required by, the BIA Proceedings.

5.6 Acquisition of Assets on "As Is, Where Is" Basis

The Purchaser acknowledges that the Vendors are selling the Purchased Assets on an "as is, where is" basis as they shall exist on the Closing Date, subject to the terms of the Approval and Vesting Order. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendors do not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendors to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations, expressed or implied, pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply hereto and have been waived by the Purchaser. The Purchaser further acknowledges that all written and oral information obtained by the Purchaser from the Vendors, the Proposal Trustee or any of their respective directors, officers, employees, professional consultants or advisors with respect to the Purchased Assets or otherwise relating to the transactions contemplated in this Agreement has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete. The Purchaser further acknowledges that the Vendors shall be under no obligation to deliver the Purchased Assets to the Purchaser and that it shall be the Purchaser's responsibility to take possession of the Purchased Assets.

ARTICLE 6
INTERIM PERIOD

6.1 Access

During the Interim Period and subject to the terms herein, the Purchaser shall have reasonable access to the Purchased Assets during normal business hours and at such other times as agreed to by the Vendors to, among other things, conduct such inspections of the Purchased Assets as it deems appropriate. Such inspection shall only be conducted in the presence of a representative of the Vendors or the Proposal Trustee. The Purchaser shall not be provided with access to any of the foregoing to the extent that such access would violate or conflict with:

(a) any Applicable Law to which the Vendors or any of the Purchased Assets is subject; or

(b) any agreement, instrument or understanding by which the Vendors are bound.

The Purchaser shall indemnify and hold harmless the Vendors from and against all claims, demands, losses, damages, actions and costs incurred or arising from or in any way related to the inspection of the Purchased Assets by the Purchaser or attendance by the Purchaser at the premises where the Purchased Assets are located, save and except for any claims, demands, losses, damages, actions and costs incurred or resulting from the negligence or wilful misconduct of the Vendors.

6.2 Risk of Loss

The Purchased Assets shall remain at the risk of the Vendors, to the extent of its interest, until the Closing and after Closing, the Purchased Assets shall be at the risk of the Purchaser.

6.3 Purchaser's Right to Close or Terminate

In the event that the Purchased Assets shall be damaged prior to Closing, then the Vendors shall advise the Purchaser, in writing, within twenty-four (24) hours of the Vendors learning of same. In the event that the Purchased Assets shall be materially damaged prior to Closing then the Vendors or Purchaser shall be entitled, in its sole and absolute discretion, to elect to terminate this Agreement by notice, in writing, to the other party and in such event the Parties hereto shall be released from all obligations and liabilities hereunder. If the Parties shall not elect to terminate this Agreement as set out above, then the Transaction shall be completed and the Purchaser shall be entitled to all proceeds of insurance payable in respect thereof, if any.

ARTICLE 7
INDEMNIFICATION

7.1 Indemnification by the Purchaser

The Purchaser shall indemnify and save the Vendors harmless from and against any claims, demands, actions, causes of action, damage, loss, deficiency, cost, liability and expense which may be made or brought against Vendors or which the Vendors may suffer or incur as a result of, in respect of or arising out of the Auction Process. Without in any way limiting the foregoing, the Purchaser shall indemnify and save the Vendors harmless from and against any costs or expenses incurred as a result of the actions or omissions of i) any representatives of the Purchaser and ii) any potential buyers of the Purchased Assets (x) attending at the Premises in relation to, or (y) otherwise partaking in, the Auction Process.

ARTICLE 8
TERMINATION

8.1 Termination by the Parties

This Agreement may be terminated:

(a) upon the mutual written agreement of the Vendors and the Purchaser;

(b) pursuant to Sections 4.4(b) or 4.5 by either Party; and

(c) pursuant to Section 6.3.

8.2 Remedies for Breach of Agreement

If this Agreement is terminated as a result of any breach of a representation or warranty, or failure to satisfy a covenant or obligation of a Party, subject to Section 2.3, the terminating Party's right to pursue all legal remedies with respect to such breach shall survive such termination. For greater certainty, if any order of the Court is made which directly or indirectly results in the termination of this Agreement, then no Party shall have any remedy, legal or otherwise, against the other Party or its property.

ARTICLE 9
POST-CLOSING MATTERS

9.1 Post-Closing Receipts

If, following the Closing Date, any of the Purchased Assets are paid to or otherwise received by the Vendors, or if any of the Excluded Assets are paid to or otherwise received by the Purchaser, then the Vendors or the Purchaser, as the case may be, shall hold such assets in trust for the other and shall promptly deliver such assets to the Vendors or the Purchaser, as the case may be.

9.2 Books and Records

The Purchaser shall preserve and keep the Books and Records which relate to the Purchased Assets for a period of six years from the Closing Date or for any longer period as may be required by any Applicable Law or Governmental Authority. Upon reasonable advance notice, after the Closing Date, the Purchaser will grant the Vendors and the Proposal Trustee (or any of their assigns) and, in the event the Vendors are adjudged bankrupt, any trustee of the estate of any of the Vendors and their respective representatives, reasonable access during normal business hours, to use such Books and Records included in the Purchased Assets.

ARTICLE 10
GENERAL CONTRACT PROVISIONS

10.1 Headings and Sections

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

10.2 Number and Gender

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

10.3 Currency

Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in Canadian dollars.

10.4 Statute References

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

10.5 Time Periods

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

10.6 Consent

Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

10.7 No Strict Construction

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party, including, without limitation, the doctrine of contra proferentum.

10.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and sets out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the Parties relating to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement.

10.9 Expenses

Each Party shall pay their respective legal, accounting, and other professional advisory fees, costs and expenses incurred in connection with the transactions contemplated in this Agreement, and the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement.

10.10 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by facsimile:

(a) in the case of notice to the Vendors at

1830 Meyerside Drive
Mississauga, ON L5T 1B4

Attention: Saifur Rahman
Email: srahman_41@hotmail.com

with a copy to:

Loopstra Nixon LLP
135 Queens Plate Drive, Suite 600
Toronto, ON M9W 6V7

Attention: Graham Phoenix
Fax: (416) 746-8319
Email: gphoenix@loonix.com

with a copy to the Proposal Trustee:

Alpert Gelman Inc.
100 Simcoe Street, Suite 125
Toronto, ON M5H 3G2

Attention: Tom McElroy
Fax: (416) 504-1650
Email: tmcelroy@albertgelman.com

with a copy to:

WeirFoulds LLP
66 Wellington Street West, Suite 4100, PO Box 35
Toronto, ON M5K 1B7

Attention: Philip Cho
Fax: (416)-365-1876
Email: pcho@weirfoulds.com

(b) in the case of a notice to the Purchaser at:

Infinity Asset Solutions Inc.
63 Maplecrete Road,
Concord, Ontario L4K 1A5

Attention: Bruce Lyle
Email: Blyle@infinityassets.com

Any notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address by giving notice to the other Party in accordance with the provisions of this Section.

10.11 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation of any Party) and permitted assigns including a receiver or trustee in bankruptcy of the Vendors. Neither Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement without the prior written consent of the other Party. Notwithstanding the above, the Purchaser may at any time assign any of its rights or obligations arising under this Agreement to any Affiliate of the Purchaser and, upon such assignment and completion of the transactions contemplated by this Agreement, the Purchaser shall be released and discharged from all obligations hereunder but not before Closing. Additionally, notwithstanding the above, the Purchaser may direct that, on Closing, the Purchased Assets vest in any Affiliate of the Purchaser.

10.12 Third Party Beneficiaries

Unless where provided to the contrary by the specific terms hereof, this Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

10.13 Time of the Essence

Time shall be of the essence in respect of the obligations of the Parties arising prior to Closing under this Agreement.

10.14 Amendment

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any Party, shall be binding unless executed in writing by the Party to be bound thereby.

10.15 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing Date, provided that the reasonable costs and expenses of any actions taken after the Closing Date at the request of a Party shall be the responsibility of the requesting Party.

10.16 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

10.17 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Courts of the Province of Ontario. The Parties consent to the jurisdiction and venue of the Court for the resolution of any disputes under this Agreement.

10.18 Execution and Delivery

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed and delivered either in original or faxed form or by electronic delivery in portable document format (PDF) and the parties adopt any signatures received by a receiving fax machine as original signatures of the parties.

10.19 Non-Merger

The representations, warranties and covenants of each Party contained in this Agreement (other than Article 4) will not merge on and will survive the closing of the Transaction in accordance with the terms herein and will continue in full force and effect, notwithstanding the closing of the Transaction or any investigation or knowledge acquired by or on behalf of the other Party.

10.20 Independent Legal Representation or Advice

Each Party acknowledges that they have had the opportunity to obtain independent legal advice in respect of this Agreement, that it has obtained such independent legal advice or that it has expressly decided not to seek such advice, and that it is entering into this Agreement with full knowledge of the contents hereof.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS OF WHICH the Parties have executed this Agreement.

SYNERGY STAMPING INC.

Per: ____________________

Name: Saifur Rahman

Title: President

I have the authority to bind the corporation

1696306 ONTARIO INC.

Per: ____________________

Name: Saifur Rahman

Title: President

I have the authority to bind the corporation

INFINITY ASSET SOLUTIONS INC.

Per: ____________________

Name: Bruce Lyle

Title: President

I have the authority to bind the corporation

IN WITNESS OF WHICH the Parties have executed this Agreement.

SYNERGY STAMPING INC.

Per: ____________________________

Name: Saifur Rahman

Title: President

I have the authority to bind the corporation

1696306 ONTARIO INC.

Per: ____________________________

Name: Saifur Rahman

Title: President

I have the authority to bind the corporation

INFINITY ASSET SOLUTIONS INC.

Per: ____________________________

Name: Bruce Lyle

Title: President

I have the authority to bind the corporation

SCHEDULE “A”

Purchased Assets

[Attached hereto]

Schedule "A"

Feb 20/19

Synergy Stamping
1830 Myerside Drive, Miss
Schedule "A"

Item #	Qty	Description
1	1	2003 **Trumph** Trumatic CNC Turret Punch Machine Model 2010R, 20 Ton Capacity, Sheet Size 100" X 50", 12 Station Turret, s/n 90951/A0030A0098
2	LOT	Qty. of Assorted Trumatic Tooling and Punching Heads
3	2	2003 **Trumph** Multiset Tool Setters Model ITM
4	4	**Husky** Multi Drawer Tool Cabinets c/w Wood Work Surface
5	1	1999 **Trumph** Trumatic CNC Turret Punch Machine Model 2000R, 20 Ton Capacity, Table Travel 50" X 50", 9 Station Turret, s/n 9110/7000093
7	22	Sections Industrial Upright Warehouse Pallet Racking
8	1	2014 **Ermak** Hyd. Shear Model GMR 4.5-1/8", Programmable Back Gauge, s/n 51566-94EF90
9	1	2000 **SIP** Spot Welder Model PP30, 30KVA s/n 507226
10	1	**ARO TECNA** Portable Spot Welder Model S2151, 15KVA, s/n 507222
11	LOT	**Dewalt** Chop Saw/**Ridgid** Shop Vac, **Ridgid** Portable Table Saw w/Bench
12	3	**Tital** 5,500 LB Hyd. Pallet Trucks
13	LOT	Steel Banding Machine & Asst Whs Tools

Schedule "A" cont

14	1	**M1** Digital Platform Scale, Digital Readout
15	1	**TCM** Forklift Model FCG-36N6, 7,400 LB Capacity, 3 Stage Mast, 189" Lift, Propane, s/n A28T00286 (Reading 4,448 HRS)
16	1	**Nenotech** Bar Sealer Model 5530 c/w Front & Side Bar Sealer, 24" Belt Feed, s/n 20030801
18	1	**TCM** Forklift Model TFG-25F9 , 4,600 LB Capacity, 3 Stage Mast, 189" Lift, Propane, s/n A12W02704
19	1	2013 **Ermak** CNC Hyd. Press Brake Model Power Bend Pro 8.5 x 66, 66 Ton x 108" Capacity, Manul Crowning, Ermak DNC 600S CNC Controller, s/n 11138-RN13DP C/W **Fiessler** Safety Curtains
20	1	2002**Fanuc** Robot Model Arcmate 120iB c/w Fanuc System R-J3iB Controller
21	1	2014 **Ermak** CNC Hyd. Press Brake Model Power Falcon 7 x 66, 66 Ton x 84" Capacity, CNC Crowning, Ermak DNC 600S CNC Controller, s/n 19508-S8TOH5 C/W **Fiessler** Safety Curtains
22	1	2012 **Ermak** CNC Hyd. Press Brake Model Power Bend 7 x 44, 44 Ton x 82" Capacity, Fiessler Safety Curtains, Ermak DNC 600S CNC Controller, s/n 04241-F3ZF2Y
23	1	2017 **Ermak** CNC Hyd. Press Brake Model Power Falcon 8.53 X 110, 110 Ton x 100" Capacity, CNC Crowning, Decem Model DA-58T CNC Controller, s/n 20899-C5L6C6 C/W **Fiessler** Safety Curtains

Schedule "A" cont

24	1	2006 **Haco** Press Barake Model PPEC, 35 Ton X 4' Capacity, ATS Model 560 CNC Controller, s/n 352511800
25	1	**Allsteel** Hyd. Press Brake Model 20-4, 20 Ton X 4' Capacity, s/n 202
26	LOT	Asst. Press Brake Dies & Tooling
27	1	Hydraulic Forming Press, Top & Bottom Dies, PowerPac Controller, Transfer Belts
28	1	Powered Embossing Forming Press, 12" Capacity, **KBMD** DC Motor Speed Controller
29	1	Custom 4 Roll CNC Forming Line, 60" Capacity, CNC controller
30	1	**Brown & Boggs** 60 Ton Punch Press Model 171/2J, c/w 18" Feeder w/ **Waddington** Controller, Variable Speed Straightner, **Vogel** Decoiler Model 2518, **Triad** Safety Curtains
31	1	**Danley** Punch Press Model 35 Ton s/n 3554450166 c/w **P.R.F. Waddington** 8" Feeder, 8" Straightener, **Cooper Weymouth** Straightner, **Littell** #25 Decoiler
32	3	**Applied Automation Canada** 4 Post 40 Ton Hydraulic Die Transfer Systems c/w Hyd Power Pack (*Various Configurations*)
33	1	**Brown & Boggs** 50 Ton Punch Press Model 16LW s/n 56165, C/W **Waddington** 12" Automatic Feeder, Straightener W/ Leeson Varialbe Speed Control, Vogel Decoiler Unit s/n 0975107

Schedule "A" cont

34	1	1986 **Brown & Boggs** 40 Ton Punch Press s/n 86178 c/w PRF Systems addington 8" Automatic Feeder, Straightener W/ Series 92-1 Varialbe Speed Control, Decoiler Unit
35	1	2014 **Sullair** Screw Type Compressor Model 1809ACe, 125 PSI, s/n 201407180026
37	1	2014 **Sullair** Compressed Air Dryer Model RN 100
38	1	**Devilbiss** V-Head Compressor Model VAB 5061, 15 HP
39	1	**Cincinnati** Pedestal Grinder, 1/2 HP
40	1	**Chien Yeh Strong** Engine Lathe Model 1500, 3 & 4 Jaw Chuck, Quick Change Tool Holder, Digital Readout, s/n 1022
41	1	2012 **Magnum** Cut Mill, 3HP, Digital 2 Axis Readout,
42	1	**Heinman** Machinery Bridgeport Type Mill, 2 HP, s/n 114143
43	1	2012 **Chevalier** Surface Grinder Model FSG-618M, s/n A3893027
44	1	**DustKop** Dust Collector
45	1	2012 **Chevalier** Surface Grinder Model FSG-3A1224H, Mag Chuck, s/n A3893027
46	1	MAS 3' Radial Arm Drill Model VO32, s/n 739
47	LOT	Misc Tooling, Vises etc. in Machine Shop Area

Schedule "A" cont

48	LOT	Remaining Contents of Main Shop area including Tooling, Benches, Cabinets, Lifting Tables, Shipping Area, Etc.
49	1	**E-R Maier Mfg. Co.** Roll-In Bandsaw Model KM 1012
50	1	**Fox** Pallet Wrapper Model Foc C1 s/n C1-112309207
51	1	**Lincoln** Welder Model AC-225
52		Lot Roll Steel Stock Inventory

TAB 2-D

This is Exhibit "D" referred to in the affidavit of SAIFUR RAHMAN subscribed and sworn to before me, this 18th day of April, 2019.

A commissioner for taking affidavits.

Court File No. 32-2474822 / Estate File No. 32-2474822
Court File No. 32-2474820 / Estate File No. 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC., AND 1696306 ONTARIO INC. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AFFIDAVIT OF R. GRAHAM PHOENIX
(Affirmed April 18, 2019)

I, R. GRAHAM PHOENIX, of the City of Toronto, in the Province of Ontario, AFFIRM AND SAY:

1. I am a partner in the law firm of Loopstra Nixon LLP ("**Loopstra Nixon**"), solicitors to Synergy Stamping Inc. ("**Synergy**") and 1696306 Ontario Inc. ("**169 Co.**", and together with Synergy, the "**Companies**") Accordingly, I have knowledge of matters hereinafter deposed to.

2. Attached hereto as **Exhibit "A"** is a true copy of the Statements of Account of Loopstra Nixon in respect of services rendered to the Companies for the period from February 12, 2019 through April 12, 2019 (the "**Billing Period**"). During the Billing Period, the total fees billed were $23,242.50, plus disbursements of $161.18 and applicable taxes of $3,042.48, for an aggregate amount of $26,446.16.

3. As set out in the following table, 51.9 hours were billed by Loopstra Nixon during the Billing Period, resulting in an average hourly rate of $447.83 (exclusive of applicable taxes):

Name of Professional	Total Hours	Hourly Rate ($)
R.G. Phoenix (2006)	34.1	525
Thomas Lambert (2016)	22.8	300
Kelly Ruston (2017)	2.6	300

4. The Companies have paid Loopstra Nixon the aggregate amount of $20,000.00 to date on account of the Statements of Account.

5. I am the professional first listed above and confirm that the activities detailed in the statements of account attached hereto as Exhibit "A" accurately reflect the services provided by Loopstra Nixon; and, that the rates charged are the standard hourly rates for each such professional at the time that such charges were incurred.

6. In anticipation of us completing the motion on behalf the Companies in these proceedings for the approval of, *inter alia*, an extension of time for the Companies to file a proposal, the Second Report, and the sale agreement between the Companies, as vendor, and Infinity Asset Solutions Inc., as purchaser, and all ancillary matters thereto, Loopstra Nixon, together with the Companies, estimates a combined fee accrual of not more than $15,000.00, excluding disbursements and taxes (the "**Fee Accrual**"), through to the completion of the Transaction and proposal period.

7. I swear this affidavit in support of a motion for, *inter alia*, approval of the fees and disbursements of Loopstra Nixon, including the Fee Accrual, and for no other or improper purpose.

AFFIRMED BEFORE ME at the City of Toronto, in the Province of Ontario, this 18th day of April, 2019	)))))	
A Commissioner for taking affidavits, etc.		R. GRAHAM PHOENIX

This is Exhibit "A" referred to in the affidavit of R. GRAHAM PHOENIX subscribed and sworn to before me, this 18th day of April, 2019.

A commissioner for taking affidavits.

LOOPSTRA NIXON LLP

BARRISTERS AND SOLICITORS

February 28, 2019

R. Graham Phoenix
Direct Line: 416.748.4776
Email: gphoenix@loonix.com
RGP Professional Corporation

CONFIDENTIAL

Synergy Stamping Inc. (and 1696306 Ontario Inc.)
1130 Kamato Road, Units 7 & 8
Mississauga, ON
L4W 4B6

Matter No. 22865-0001

Attention: Saifur Rahman

RE: NOI Proceedings

Please find enclosed herewith our Statement of Account for services rendered with regard to the above-noted matter to and including February 28, 2019 which we trust you will find satisfactory.

If you have any questions, please contact the undersigned.

Yours truly,

LOOPSTRA NIXON LLP
Per:

R. Graham Phoenix
Encl.

LOOPSTRA NIXON LLP
BARRISTERS AND SOLICITORS

February 28, 2019

Invoice No. 75594

Matter No. 22865-0001

Synergy Stamping Inc. (and 1696306 Ontario Inc.)
1130 Kamato Road, Units 7 & 8
Mississauga, ON
L4W 4B6

Attention: Saifur Rahman

RE: NOI Proceedings

STATEMENT OF ACCOUNT

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with the above-noted matter through to February 28, 2019, as per attached billing detail report.

OUR FEE	$14,647.50
HST on Fees @ 13%	$1,904.18
Total Fees, Disbursements and HST	**$16,551.68**
Transferred from funds held In Trust:	$10,000.00
TOTAL DUE AND OWING	**$6,551.68**

The above account represents a summary of the professional services rendered to you, and this firm reserves the right to provide further particulars of our professional services rendered in the event the same is required or requested.

THIS IS OUR STATEMENT OF ACCOUNT HEREIN

LOOPSTRA NIXON LLP
Per:

R. Graham Phoenix
RGP/khm

In accordance with the Solicitor's Act, interest will be charged on this account until paid, at the rate of 2.0% per annum, commencing one month after delivery, E. & O.E. * HST No. 122610298RT0001

LOOPSTRA NIXON LLP

BARRISTERS AND SOLICITORS

Billing Detail Report to 28-Feb-2019

February 28, 2019

Invoice No. 75594

Matter No. 22865-0001

Synergy Stamping Inc. (and 1696306 Ontario Inc.)
1130 Kamato Road, Units 7 & 8
Mississauga, ON
L4W 4B6

Attention: Saifur Rahman

RE: NOI Proceedings

FEES

Date	Narrative	Professsional	Time
12-Feb-2019	Drafting affidavit re: initial relief.	RGP	1.20
13-Feb-2019	Drafting affidavit and sales process.	RGP	1.50
14-Feb-2019	Drafting orders re: initial return date. Call with client re: equipment issue.	RGP	1.30
19-Feb-2019	Travel to and attend on meeting with client and proposal trustee re: strategy.	RGP	1.50
21-Feb-2019	Call with Prestige. Call with client and trustee re: same and next steps. Further calls with Prestige and counsel re: sale. Drafting sale agreement. Emails with court office.	RGP	1.00
21-Feb-2019	Preparation of hearing request forms.	TPL	0.10
22-Feb-2019	Prelim draft of agreement re: Presitge equipment sale. Forward to TPL for furhter work. Review draft by TPL and revise/edit same. Drafting affidavit re: NOI initial relief.	RGP	2.10
22-Feb-2019	Amendments to APA.	TPL	1.50
24-Feb-2019	Draft affidavit, sales process and orders. Circulate to client and trustee.	RGP	1.70
25-Feb-2019	Review comments from trustee and counsel. Call with client and trustee re: drafts, issues and next steps. Call with client re: same. Finalize revised draft affidavt and orders. Call with client re: APS equipment. Emails to trustee re: same and wire info. Finalize draft APS re: purchase by Prestige. Forward the same to Prestige for signature and deposit wire. Forward to trustee and counsel revised affidavit, informational copy of APS and game plan for next steps. Instructions to Thomas Lambert re: same.	RGP	3.70

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25-Feb-2019	Review draft motion materials and to preparing for telephone call with client.	TPL	0.40
25-Feb-2019	Telephone call with Proposal Trustee + lawyer, client and RGP re motion materials, admin charge, holdback, etc...; and to telephone call with client to obtain additional information.	TPL	1.30
26-Feb-2019	Working on motion materials. Finalize Prestige equipment sale.	RGP	1.50
26-Feb-2019	Call with counsel to BDC re: proposed sale, distribution and holdback to BDC.	RGP	0.30
26-Feb-2019	Preparation of Notices of Motion and Approval and Vesting Order.	TPL	3.70
26-Feb-2019	Locate exhibits to affidavit of S. Rahman and to email to RGP on the same.	TPL	0.50
27-Feb-2019	Various calls and emails with Proposal Trustee and counsel re: materials and next steps. Emails with counsel to BDC. Emails with counsel to The Royal Bank of Canada. Finalize affidavt for motion materials. Meet with client and commission same. Late date revision required on affidavit re: The Royal Bank of Canada leases. Confirm with client. Revising affidavit. Review and comment on Trustee's draft report.	RGP	4.10
27-Feb-2019	Review client documents, to compiling exhibits for affidabit and to compiling motion record.	TPL	1.30
27-Feb-2019	Finalize Notices of Motion and Approval and Vesting Order, and to preparation of service list.	TPL	0.70
27-Feb-2019	Review RBC "lease agreements" and to amending affidavit.	TPL	0.60
28-Feb-2019	Revisions to affidavit re: RBC leases. Meet with an commission affidavit. Final review of motion materials. Authorize delivery of the same. Emails with counsel to BDC.	RGP	2.00
28-Feb-2019	Compile Motion Record of 169Co	TPL	0.20
28-Feb-2019	Telephone call with RGP re amendments to S. Rahman's affidavit re: RBC Leases.	TPL	0.20

OUR FEE $14,647.50

Time Summary	Hours
R. Graham Phoenix	21.90
Thomas Lambert	10.50
Total hours:	32.40

LOOPSTRA NIXON LLP

BARRISTERS AND SOLICITORS

April 18, 2019

R. Graham Phoenix
Direct Line: 416.748.4776
Email: gphoenix@loonix.com
RGP Professional Corporation

CONFIDENTIAL

Synergy Stamping Inc. (and 1696306 Ontario Inc.)
1130 Kamato Road, Units 7 & 8
Mississauga, ON
L4W 4B6

Matter No. 22865-0001

Attention: Saifur Rahman

RE: NOI Proceedings

Please find enclosed herewith our Statement of Account for services rendered with regard to the above-noted matter to and including April 12, 2019 which we trust you will find satisfactory.

If you have any questions, please contact the undersigned.

Yours truly,

LOOPSTRA NIXON LLP
Per:

R. Graham Phoenix
Encl.

LOOPSTRA NIXON LLP
BARRISTERS AND SOLICITORS

April 18, 2019

Invoice No. 76664

Matter No. 22865-0001

Synergy Stamping Inc. (and 1696306 Ontario Inc.)
1130 Kamato Road, Units 7 & 8
Mississauga, ON
L4W 4B6

Attention: Saifur Rahman

RE: NOI Proceedings

STATEMENT OF ACCOUNT

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with the above-noted matter through to April 12, 2019, as per attached billing detail report.

OUR FEE	$8,595.00
HST on Fees @ 13%	$1,117.35
DISBURSEMENTS:	
Total Disbursements, as per attached billing detail report	$161.18
HST on Disbursements	$20.95
Total Fees, Disbursements and HST	**$9,894.48**

The above account represents a summary of the professional services rendered to you, and this firm reserves the right to provide further particulars of our professional services rendered in the event the same is required or requested.

THIS IS OUR STATEMENT OF ACCOUNT HEREIN

LOOPSTRA NIXON LLP
Per:

R. Graham Phoenix
RGP/khm

In accordance with the Solicitor's Act, interest will be charged on this account until paid, at the rate of 2.0% per annum, commencing one month after delivery, E. & O.E. * HST No. 122610298RT0001

Woodbine Place, 135 Queens Plate Drive, Suite 600, Toronto, Ontario, Canada M9W 6V7
Tel: 416.746.4710 Fax: 416.746.8319 loopstranixon.com

LOOPSTRA NIXON LLP
BARRISTERS AND SOLICITORS

Billing Detail Report to 12-Apr-2019

April 18, 2019

Invoice No. 76664

Matter No. 22865-0001

Synergy Stamping Inc. (and 1696306 Ontario Inc.)
1130 Kamato Road, Units 7 & 8
Mississauga, ON
L4W 4B6

Attention: Saifur Rahman

RE: NOI Proceedings

FEES

Date	Narrative	Professsional	Time
01-Mar-2019	REvise orders. Confirm support of BDC re: same. Call with Prestige re: next steps. Emails with working group.	RGP	0.60
06-Mar-2019	Finalize orders for court. Preparation for motion. Email and call wiht client re: The Royal Bank of Canada.	RGP	0.70
07-Mar-2019	Various emails and calls with counsel to The Royal Bank of Canada and with client re: request for guarantor consents to judgement. Faciliate the same.	RGP	1.30
08-Mar-2019	Preparation for, travel to and attend on motions re: consolidation, sale process, extension, approval of sale, etc. Attend on court office re: issuance of the same. Email to service list enclosing orders. Reporting email to client. Email to purchaser re: surplus equipment deal.	RGP	2.30
11-Mar-2019	Review and comment on notificaitions. Call with counsel to Prestige re: purchase transaction. Call with Trustee re: same. Call with client.	RGP	1.10
11-Mar-2019	Prepare template APA.	TPL	2.10
12-Mar-2019	Review notification language changes from PT. Draft and send email to close Prestige APS. Call with PT and Saifur. Revise form APA and draft form NDA. Forward to to PT. Email to client re: caution on dealing with potential buyers.	RGP	2.10
13-Mar-2019	Review revised NDA and APA. Further revisions thereto. Comments back to Trustee and counsel.	RGP	1.30
15-Mar-2019	Review of various dataroom doc. Revise the same. Emails to Trustee and client re: same.	RGP	1.30

LOOPSTRA NIXON LLP

BARRISTERS AND SOLICITORS

09-Apr-2019	Call with Trustee and counsel re: offers. Review same. Discussion with Thomas Lambert re: same.	RGP	1.50	
09-Apr-2019	Review offers and to conference call with Philip, Graham and Tom McElroy.	TPL	0.80	
10-Apr-2019	Telephone call with Syfur re offers and sale approval motion.	TPL	0.40	
11-Apr-2019	Receive, review and repsond to email from client regarding next steps.	TPL	0.10	
12-Apr-2019	To preparation of Asset Purchase Agreement.	KAH	2.60	
12-Apr-2019	Telephone call with P. Cho re acceptance of Inifnity offer; and to reporting to client with respect to the same.	TPL	0.20	
12-Apr-2019	Telephone call with B. Lyle (Infinity) re conditional acceptance of offer; to receiving and reviewing email from P. Cho respecting the same; and to email to P. Cho regarding communication with B. Lyle.	TPL	0.50	
12-Apr-2019	Review and comment on draft APA.	TPL	0.60	
OUR FEE				$8,595.00

Time Summary	**Hours**
Kelly Ruston	2.60
R. Graham Phoenix	12.20
Thomas Lambert	4.70
Total hours:	19.50

DISBURSEMENTS (E=HST exempt)	Amount	
Courier	45.88	
Oncorp EDD	52.98	
Parking	28.32	
Wire Transfer Fee	34.00	
Total Disbursements		$161.18

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696396 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

Court File No. 32-2474822 / Estate No. 32-2474822
Court File No. 32-2474820 / Estate No. 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[Commercial List]

Proceedings commenced at Toronto

AFFIDAVIT OF FEES

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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.

{L1444829.1}

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVICE OF ONTARIO

Court File No. 32-2474822 / Estate File No. 32-2474822
Court File No. 32-2474820 / Estate File No. 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

Proceedings commenced at Toronto

AFFIDAVIT OF SAIFUR RAHMAN
(sworn April 18, 2019)

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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.

TAB 3

Confidential Exhibit X

is filed separately with the Court.

A sealing order is to be requested so as

to keep the same confidential.

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF SYNERGY STAMPING INC. AND 1696306 ONTARIO INC., OF THE CITY OF MISSISSAUGA, IN THE PROVICE OF ONTARIO

Court File No. 32-2474822 / Estate File No. 32-2474822
Court File No. 32-2474820 / Estate File No. 32-2474820

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]

Proceedings commenced at Toronto

MOTION RECORD OF SYNERGY STAMPING INC. and 1696306 ONTARIO INC.
(returnable April 29, 2019)

LOOPSTRA NIXON LLP
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Toronto, ON M9W 6V7

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Lawyers for Synergy Stamping Inc. and 1696306 Ontario Inc.