

# WILLIAM HARVEY JONES

BARRISTER & SOLICITOR

Suite 2702 – 401 Bay Street | Toronto, Ontario | M5H 2Y4 V

TEL: (416) 596-8876 | FAX: (416) 596-0907 | EMAIL: WHJONES@WILLIAMJONES.CA

June 6, 2017

Chaitons LLP  
Barristers & Solicitors  
5000 Yonge Street, 10<sup>th</sup>. floor  
Toronto Ontario  
MM2N 7E9  
Attention: Maya Poliak

And to the attached service list

Dear Sirs and Mesdames

**RE: In the matter of the Notice of intention to Make a Proposal of Forte EPS Solutions Inc.**

Please find attached hereto the Motion Record of the Applicant in respect of the motion returnable June 14, 2017

Yours very truly

William Harvey Jones

## **Service List**

Business Development Bank of Canada

Care of Chaitons LLP.

5000 Yonge Street

Toronto, Ontario

M2N 7E7

Email: [maya@chaitons.com](mailto:maya@chaitons.com)

Department of Justice (Canada)

The Exchange Tower

130 King Street West, Suite 3400

P.O. Box: 36

Toronto, Ontario

M5X 1K6

Email: [diane.winners@justice.gc.ca](mailto:diane.winners@justice.gc.ca)

Ministry of Finance Legal Services Branch

Michael Starr Building

33 King Street West, 6<sup>th</sup>/ Floor

P.O. Box 627, Station A

Oshawa, Ontario

L1H 8H5

Email: [kevin.ohara@ontario.ca](mailto:kevin.ohara@ontario.ca)

Pacific High Tech Ltd

Care of Folger Rubinoff LLP

77 King Street West, Suite 3000

Toronto, Ontario

M5K 1G8

Attention: W. Ross MacDougall

Email: [rmacdougall@foglars.com](mailto:rmacdougall@foglars.com)

Travelers Leasing Ltd.

500-4180 Lougheed Highway

Burnaby, BC V 5C 6A7

Email: [AFisher@travelersfinancial.com](mailto:AFisher@travelersfinancial.com)

First Source Mortgage Corporation  
1 Valley Brook Drive, Suite 100  
Tonto, Ontario  
M3B 2S7

Email:

Western Ontario Mortgage Community Futures Development Corporation  
330 West Street, Unit 10,  
Brantford, Ontario  
N3R 7V5  
Attention: David Penton

Email: [david@woofdca.com](mailto:david@woofdca.com)

North Simcoe Community Futures Development Corporation  
P.O. Box 8, 355 Cranston Crescent  
Midland Ontario  
L4R 4K6

Email: [admin@nscfcd.on.ca](mailto:admin@nscfcd.on.ca)

2306732 Ontario Inc.  
Care of Angelo Mancini  
Barrister & Solicitor  
505 -7050m Weston Road  
Woodbridge, Ontario  
L4L 8G7

Emil: [acm@manciniassociates.com](mailto:acm@manciniassociates.com)

Court File No. 31-2253654

Estate File No. 31-2253654

*ONTARIO*  
**SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
FORTE EPS SOLUTIONS INC., A CORPORATION WITH A HEAD OFFICE IN THE  
TOWN OF MIDLAND IN THE PROVINCE OF ONTARIO**

Applicant

**MOTION RECORD  
(Motion returnable June 14, 2017)**

Date June 5, 2017

William Harvey Jones  
Barrister & Solicitor  
Suite 2702 – 401 Bay Street  
Toronto, Ontario M5H 2Y4  
Law Society # 38733J  
Tel: (416) 596-8876  
Fax: (416) 596-0907

## **Service List**

Business Development Bank of Canada

Care of Chaitons LLP.

5000 Yonge Street

Toronto, Ontario

M2N 7E7

Email: [maya@chaitons.com](mailto:maya@chaitons.com)

Department of Justice (Canada)

The Exchange Tower

130 King Street West, Suite 3400

P.O. Box: 36

Toronto, Ontario

M5X 1K6

Email: [diane.winners@justice.gc.ca](mailto:diane.winners@justice.gc.ca)

Ministry of Finance Legal Services Branch

Michael Starr Building

33 King Street West. 6<sup>th</sup>/ Floor

P.O. Box 627, Station A

Oshawa, Ontario

L1H 8H5

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Pacific High Tech Ltd

Care of Folger Rubinoff LLP

77 King Street West, Suite 3000

Toronto, Ontario

M5K 1G8

Attention: W. Ross MacDougall

Email: [rmacdougall@foglars.com](mailto:rmacdougall@foglars.com)

Travelers Leasing Ltd.

500-4180 Lougheed Highway

Burnaby, BC V 5C 6A7

Email: [AFisher@travelersfinancial.com](mailto:AFisher@travelersfinancial.com)

First Source Mortgage Corporation  
1 Valley Brook Drive, Suite 100  
Tonto, Ontario  
M3B 2S7

Email:

Western Ontario Mortgage Community Futures Development Corporation  
330 West Street, Unit 10,  
Brantford, Ontario  
N3R 7V5  
Attention: David Penton

Email: [david@wocfdca.com](mailto:david@wocfdca.com)

North Simcoe Community Futures Development Corporation  
P.O. Box 8, 355 Cranston Crescent  
Midland Ontario  
L4R 4K6

Email: [admin@nscfcd.on.ca](mailto:admin@nscfcd.on.ca)

2306732 Ontario Inc.  
Care of Angelo Mancini  
Barrister & Solicitor  
505 -7050m Weston Road  
Woodbridge, Ontario  
L4L 8G7

Email: [acm@manciniassociates.com](mailto:acm@manciniassociates.com)

Court File No. 31-2253654

Estate File No. 31-2253654

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
FORTE EPS SOLUTIONS INC., A CORPORATION WITH A HEAD OFFICE IN THE  
TOWN OF MIDLAND IN THE PROVINCE OF ONTARIO**

Applicant

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  - c. Exhibit "C"- Forbearance Agreement dated May 23, 2017**
  - d. Exhibit "D"- Abstract of title of Midland Lands owned by 16567 Highway 12 Holdings Inc.**
  - e. Exhibit "E"- Agreement of Purchase and Sale for the Midland Lands**
  - f. Exhibit "F" - Report on Cash Flow Statement.**

Date June 5, 2017

William Harvey Jones  
Barrister & Solicitor  
Suite 2702 – 401 Bay Street  
Toronto, Ontario M5H 2Y4  
Law Society # 38733J  
Tel: (416) 596-8876  
Fax: (416) 596-0907

**TAB 1**

Court File No. 31-2253654

Estate File No. 31-2253654

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
FORTE EPS SOLUTIONS INC., A CORPORATION WITH A HEAD OFFICE IN THE  
TOWN OF MIDLAND IN THE PROVINCE OF ONTARIO**

**NOTICE OF MOTION**

**(RETURNABLE ON JUNE 14, 2017)**

THE Debtor, Forte EPS Solutions Inc. (the “Debtor”) will make a motion to a Judge on the Commercial List at 10:00 am on Wednesday, June 14, 2017, or as soon thereafter as the motion can be heard, at The Court House, 7<sup>th</sup> Floor, 330 University Avenue, Toronto, Ontario M5G 1R7.

PROPOSED METHOD OF HEARING: The motion is to be heard

- in writing under subrule 37.12.1 (1) because it is on consent;
- in writing as an opposed motion under subrule 37.12.1 (4);
- orally.

THE MOTION IS FOR an order:

- (a) approving the first report of the Proposal Trustee (the “First Report”) and the activities as described therein
- (b) approving an extension of time for the Debtor to file a proposal until August 2, 2017;
- (c) granting a priority charge (the “Administrative Charge”) in favour of Albert Gelman Inc. (the “Proposal Trustee”), its counsel, Lerner LLP, and counsel for the Debtor, William Harvey Jones, in the aggregate maximum amount of \$100,000.00; and

- (d) such further and other relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

- (a) the Debtor was established in 2011 and operates as an expanded polystyrene products manufacturer;
- (b) on May 19, 2017, the Debtor filed and notice of intention to file a proposal (the "NOI") pursuant to Section 50.4 (1) of the *Bankruptcy and Insolvency Act* RSC. 1985 c. B-3 as amended (the "BIA"). The Proposal Trustee consented and was appointed to act;
- (c) as of the date of the NOI the Applicant had four (4) secured creditors (the "Secured Creditors") as follows:
- (i) Business Development Bank of Canada ("BDC") which is issued a Notice of Intention to enforce its security pursuant to Section 244 of the BIA on November 3, 2016, and which is owed approximately \$554,000.00. BDC has entered into a forbearance agreement whereby BDC will temporarily forbear from continuing to enforce its security through the appointment of a receiver;
  - (ii) Western Ontario Community Futures Development Corporation (Southern Ontario Fund for Investment in Innovation) which is owed approximately \$440,000.00;
  - (iii) North Simcoe Community Futures Development Corporation which is owed approximately \$250,000.00; and
  - (iv) Travelers Leasing Ltd. which is a lessor of certain capital equipment used by the Applicant and which is owed approximately \$400,000.00;
- (d) in addition to the Secured Creditors the Debtor is in arrears on wages and employee source deduction payments and rent due to its landlord 16567 Highway 12 Holdings Inc.;

- (e) the Debtor continues to operate with the financial support of its shareholders and its landlord 15567 Highway 12 Holdings Inc.;
- (f) since its appointment, the Proposal Trustee has been assisting the Debtor in preparing cash flows and preparing a sale and marketing process;
- (g) in addition, since its appointment, the Proposal Trustee has communicated with stakeholders including the Secured Creditors and the landlord regarding the NOI process;
- (h) the Proposal Trustee requires further time to fully develop the sale and marketing process;
- (i) the Proposal Trustee supports the extension of time to file the proposal until August 2, 2017, because that will allow for the development of the sale and marketing process;
- (j) sections 50.4, 64.2 and 65.13 of the BIA; and
- (k) such further and other grounds as counsel may advise and this Honourable Court may permit.

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

- (a) the affidavit of John Cipressi sworn June 5, 2017;
- (b) the First Report and the appendices thereto; and
- (c) such further and other material as counsel may advise and this Honourable Court may permit.

Date June 5, 2017

William Harvey Jones  
Barrister & Solicitor  
Suite 2702 – 401 Bay Street  
Toronto, Ontario M5H 2Y4  
Law Society # 38733J  
Tel: (416) 596-8876  
Fax: (416) 596-0907

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
FORTE EPS SOLUTIONS INC.**

(Short title of proceeding)

Court file no. 31-2253654  
Estate File no. 31-2253654

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**Notice of Motion  
returnable June 14, 2017**

William Harvey Jones  
Barrister and Solicitor  
2702- 401 Bay Street,  
Toronto, Ontario  
M4V 3A1  
LSUC # 38733J

(416) 596-8876  
Fax: (416) 596-0907

Lawyer for the DEBTOR/APPLICANT

**TAB 2**

Court File No. 31-2253654

Estate File No. 31-2253654

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**IN BANKRUPTCY AND INSOLVENCY**  
**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF**  
**FORTE EPS SOLUTIONS INC., A CORPORATION WITH A HEAD OFFICE IN THE**  
**TOWN OF MIDLAND IN THE PROVINCE OF ONTARIO**

Applicant

**AFFIDAVIT OF JOHN CIPRESSI SWORN JUNE 5, 2017**

I, John Cipressi, businessman, of the City of Mississauga, Province of Ontario, make oath and say as follows:

1. I am a shareholder, director and the vice president and chief executive officer of Forte EPS Solutions Inc. the applicant herein (hereinafter the "Debtor") and as such I have personal knowledge of the facts and matters hereinafter deposed to except where such facts and matters are stated to be based upon information and belief and where so stated I verily believe the same to be true.

2. The Debtor is a corporation incorporated under the *Canada Business Corporations Act* with its registered office located at 16567 Highway 12, Midland Ontario. My co-director Dominic Zita and I are the shareholders of the Debtor.

3. The Debtor carries on business as an expanded polystyrene manufacturer servicing the construction, insulation, construction and packaging industries throughout Ontario, Quebec and the north-eastern USA. The Debtor employs 15 persons in its manufacturing and management activities in Midland Ontario.

4. On May 19, 2017, the Debtor filed a Notice of Intention to make a Proposal to its

Creditors (the “NOI”) pursuant to Section 50.4 (1) of the *Bankruptcy and Insolvency Act* (the “BIA”). Albert Gelman Inc. consented to act and was appointed as proposal trustee (the “Proposal Trustee”).

5. I am also a shareholder and a director of 16567 Highway 12 Limited, (hereinafter “16567 Corporation”), a corporation incorporated under the *Canada Business Corporations Act*. Andrea Zita, the spouse of Dominic Zita and I are the shareholders of 16567 Corporation. 16567 Corporation owns the business premises from which the Debtor operates and has provided additional security to two of the Debtor’s secured creditors as described below. In so doing, 16567 Corporation has recently entered into a forbearance agreement with the Business Development Bank of Canada (hereinafter “BDC”) pursuant to which 16567 Corporation guaranteed the indebtedness of the Debtor owing to the BDC and granted security by way of a third collateral mortgage over its real estate located at 16567 Highway 12, Midland, Ontario (hereinafter the “Midland Lands”) as described below.

### **The Indebtedness**

6. Annexed hereto and marked as Exhibit “A” to this affidavit is a true copy of the Form 33 Notice of Intention to Make Proposal filed by the Debtor pursuant to Section 50.4(1) of the BIA, included with which is a list of all the creditors of the Debtor having claims more than \$250.00. These claims exceed \$7,590,000.00.

7. Annexed hereto marked as Exhibit “B” to this affidavit is a copy of a search of the Ontario Private Property Security Registration System (the “PPSR”) in respect of the registrations against the Debtor as of April 5, 2017. The search discloses the of the following outstanding registrations against the Debtor (which are listed below in the order of registration):

- (a) North Simcoe Futures Development Corporation (herein “North Simcoe”) in respect of certain equipment, pursuant to which North Simcoe claims an indebtedness of \$225,500.00;
- (b) Business Development Bank of Canada (hereinafter “BDC”) in respect of inventory, equipment, accounts and motor vehicles, pursuant to which BDC claims and indebtedness of \$554,785.00;

- (c) Western Ontario Community Futures Development Corporation Association (herein after "SOFFI") in respect of inventory, equipment, accounts, and motor pursuant to which SOFFI claims an indebtedness of \$440,427.00;
- (d) First Source Mortgage Corporation (hereinafter "First Source") in respect of inventory, equipment, accounts and motor vehicles pursuant to which First Source claims and indebtedness of \$18,300.00; and
- (e) Travelers Leasing Ltd (hereinafter "Travelers") in respect of certain equipment in pursuant to which Travelers claims an indebtedness of \$399,800.00.

All of the said secured creditors described in this paragraph 7 are hereinafter collectively referred to as the "Secured Creditors".

8. All of the Secured Creditors claim that the Debtor is in default under their respective security arrangements. However, of the Secured Creditors, only BDC has issued notice of its intention to enforce its security pursuant to Section 244 of the BIA. BDC issued its Section 244 Notice of Intention to Enforce its security to the Debtor on November 3, 2016. In April of 2017 BDC issued an application pursuant to Section 243 (1) of the BIA and Section 101 of the *Courts of Justice Act* seeking the appointment of a receiver.

#### **The Forbearance Agreement and the Sale of the Midland Lands by 16567 Corporation**

9. On May 23, 2017 the Debtor, 16567 Corporation and BDC entered a forbearance agreement (hereinafter the "Forbearance Agreement") pursuant to which BDC agreed to forbear from the enforcement of its security over the assets of the Debtor upon certain terms including the delivery of a corporate guarantee of the obligations of the Debtor by 16567 Corporation and the grant of a third collateral mortgage over the Midland Lands owned by 16567 Corporation to secure the guarantee obligation. Annexed hereto and marked as Exhibit "C" is a true copy of the Forbearance Agreement.

10. The Midland Lands owned by 16567 Corporation are subject to the following encumbrances:

- (a) A first mortgage/ charge in favour of First Source Mortgage Corporation securing an approximate indebtedness of \$2,300,000.00;
- (b) A second mortgage/ charge of lands securing the guarantee granted by 16567 Corporation of the SOFFI obligations in the approximate amount of \$440,427.00 due from the Debtor; and
- (c) A third mortgage /charge of lands securing the guarantee granted by 16567 Corporation of the BDC obligations in the approximate amount of \$554,785.00 due from the Debtor as required under the Forbearance Agreement.

Annexed hereto and marked as Exhibit "D" to this affidavit is a true copy of a title abstract of the Midland Lands.

11. Most importantly, the Forbearance Agreement contemplates the completion of the sale of the Midland Lands by 16567 Corporation to a third party, 2306732 Ontario Inc., which transaction is scheduled to complete on July 25, 2017. Annexed hereto and marked as Exhibit "E" to this affidavit is a true copy of the agreement of purchase and sale entered into between 16567 Corporation and 2306732 Ontario Inc. (the "Agreement of Purchase and Sale"). The sale price payable at closing will be \$4,250,000, subject to adjustments, and will be paid on closing as follows:

- (a) to the Town of Midland, \$108,000.00 on account of real estate taxes payable;
- (b) To 2306732 Ontario Inc. to settle a pre-existing indebtedness due from 16567 Corporation \$550,000.00;
- (c) To First Source (first mortgagee) \$ 2,300,000.00 as described in paragraph 10 (a) above;
- (d) To SOFFI (which, by reason of a postponement is second registered charge against the Midland Lands), \$440,827.00 as described in paragraph 10 (b) above;
- (e) To BDC (third registered charge against the Midland Lands 16567) \$554,785.00 which third ranking mortgage/ charge arose under the terms of the Forbearance Agreement as described in paragraph 10 (c) above.

Accordingly, upon the completion of the Agreement of Purchase and Sale on July 25, 2017, the net proceeds of the sale of the Midland Lands owned by 16567 Corporation, after payment of real estate taxes and the registered encumbrances will amount to approximately \$300,000.00. Subject to the extension of the stay in order to allow the Debtor to prepare its proposal, as requested in this motion, and the grant of a priority security for such advances, 16567 Corporation anticipates advancing those proceeds to the Debtor.

### **Cash Flow Analysis and Re-structuring Alternatives**

12. Since the filing of the NOI, the Debtor has considered the alternatives that may present themselves for the re-structuring of the business enterprise of the Debtor. The shareholders of the Debtor and 16567 Corporation believe that the business future of the Debtor's business holds that during the proposed extension, this SISP process can be established and several offers of finance or offers to purchase the Debtor or its assets under a proposal under the BIA. Concurrently, management is seeking financing from investors to fund the interim cash flow requested to properly develop the SISP and obtain offers to finance or offers to purchase and that such an extension, if granted, will be in the best interests of all stakeholders including the secured and unsecured creditors and the employees of the Debtor.

13. The management of the Debtor has met with various stakeholders in the Debtor's business including creditors, employees, local officials and potential investors. The Debtor has prepared and provided the Proposal Trustee with a cash flow analysis. Annexed hereto and marked as Exhibit "F" in the Report on Cash Flow Statement filed by the Debtor on May 29, 2017.

14. Most importantly the Debtor has reached out to a number of potential purchasers and investors who have both in the past and recently expressed an interest in purchasing or investing in the business of the Debtor.

15. During the proposed extension of the stay of proceedings being sought, management intends to discuss the potential acquisition or financing of the business assets of the Debtor with such potential purchasers or investors. Presently management is discussing this process and is developing a formal sales and investment solicitation process (hereinafter "SISP"). I believe that during the proposed extension, the SISP process can be developed and established and that


several offers of finance or offer to purchase the Debtor or its assets under a proposal will be forthcoming. Concurrently management is seeking financing from investors to fund the interim cash flow needs of the Debtor. I believe that the Debtor requires the extension requested to adequately develop the SISP and to obtain offers of finance or offers to purchase and that such an extension, if granted, will be in the best interests of all stakeholders, including the secured and unsecured creditors and the employees of the Debtor.

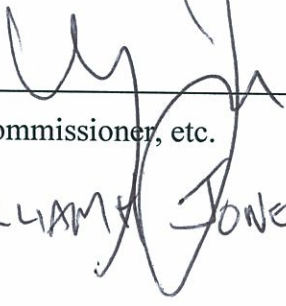
16. My family and I and my co-directors Dominic Zita and his family continue to finance the activities of the business of the Debtor and the Proposal Trustee. To date, I have personally funded the Proposal Trustee's activities to the extent of nearly \$60,000.00.

17. I swear this affidavit in support of an order:

- (a) Approving an extension of time for the Debtor to file its proposal until August 2, 2017;
- (b) Granting a priority charge (the "Administrative Charge") in favour of the Proposal Trustee, its counsel, Lerner LLP. and the Debtor's counsel, William Harvey Jones in an aggregate maximum amount of \$100,000.00;
- (c) Approving the first report and activities of the Proposal Trustee and its counsel as described therein; and
- (d) Such further and other relief as counsel may advise and the court may approve.

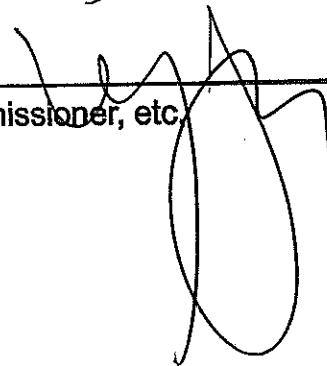
SWORN BEFORE ME at the )  
City of Toronto, in the )  
Province of Ontario this 5<sup>th</sup> )  
Day of June 2013 )

  
\_\_\_\_\_  
John Cipressi

  
\_\_\_\_\_  
A Commissioner, etc.  
WILLIAM JONES

**TAB A**

Exhibit A to the affidavit  
of JOHN CIRRESSI  
sworn the 5 day of JUNE, 2017.

  
\_\_\_\_\_  
Commissioner, etc.

District of:  
Division No. -  
Court No.  
Estate No.


- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
Forte EPS Solutions Inc.  
of the city of Midland, in the Province of Ontario

Take notice that:

1. I, Forte EPS Solutions Inc., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Albert Gelman Inc. of 100 Simcoe Street, Suite 125, Toronto, ON, M5H 3G2, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Toronto in the Province of Ontario, this 19th day of May 2017.



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Forte EPS Solutions Inc.  
Insolvent Person

To be completed by Official Receiver:

---

Filing Date

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Official Receiver

District of: Ontario  
 Division No. 03 - Barrie  
 Court No. 31-2253654  
 Estate No. 31-2253654

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)  
 In the matter of the proposal of  
 Forte EPS Solutions Inc.  
 of the city of Midland, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
2306732 Ontario Inc.	c/o Millenium Disposal Service 2440 Beryl Road Oakville ON L6J 7X4		550,000.00
407 ETR Express Toll Route Marion Richardson/Collections	6300 Steeles Ave W Woodbridge ON L4H 1J1		776.33
Advance Specialties USD	P.O. BOX 349 3735 HIGHWAY 22 GLEASON TN 38232		2,017.40
BASF Canada Inc.	P.O. BOX 15248 STATION A TORONTO ON M5W 1C4		762.60
Bernard Baum, LLB	SUITE 10 & 11 1540 LODESTAR ROAD TORONTO ON M3J 3C5		41,000.00
Business Development Bank of Canada ATT: Maya Poliak	c/o Chaltons LLP 500 Yonge Street, 10th Floor Toronto ON M2N 7E9		554,785.16
Carlson Construction	725 RUNNINGBROOK DRIVE MISSISSAUGA ON L4Y 2R9		2,475.00
CCH Excavating Inc.	P.O. BOX 159 Port McNicoll ON L0K 1R3		3,835.95
Cdn Business Health Management Inc.	75 MISSISSAUGA STREET WEST ORILLIA ON L3V 3A7		1,440.75
Cheval	P.O. Box 1262 STN B Mississauga ON L4Y 3W4		230,000.00
Domenic Frasca	220 Whitturch Mississauga ON L5A 4B3		439,944.49
Dominic Zita	5063 Summersky Court Mississauga ON L5M 0R3		1,500,000.00
Eisses Enterprises	901 ESSA ROAD BARRIE ON L9J 0B1		4,106.42
Enbridge Gas	P.O. BOX 680 SCARBOROUGH ON M1K 0A9		9,071.87

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of  
 Forte EPS Solutions Inc.  
 of the city of Midland, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Essex Energy	2199 BLACKACRE DRIVE SUITE 2 OLD CASTLE ON N0R 1L0		4,409.66
Fastenal Canada, LTD	860 TRILLIUM DRIVE SUITE 117 KITCHENER ON N2R 1K7		3,597.96
First Source Mortgage Corporation	1 VALLEYBROOK DRIVE SOUTH UNIT 100 TORONTO ON M3B 2S10		18,300.00
Fred Hook LTD	BOX 248 MIDLAND Midland ON L4R 4K11		156,041.82
Greywall Coatings INC	165 DRIVE INN ROAD, UNIT 4 SAULT ST MARIE ON P6B 5X8		2,460.33
Ideal Supply Company Limited	869 KING STREET MIDLAND ON L4R 0B10		2,954.11
Jason Pasqualino	417 Lanor Ave Mississauga ON M8W 2R7		25,300.00
JD Hubbert	200 EVANS AVE., UNIT 11 TORONTO ON M8Z 1J10		508.50
John Cipressi	72 Bourgeois Beach Road Victoria Harbour ON L0K 2A0		1,500,000.00
Klenzoid	P.O. BOX 3857 COMMERCE COURT POSTAL STN TORONTO ON M5L 1K4		6,277.24
Kreston GTA LLP	8953 WOODBINE AVE., MARKHAM ON L3R 0J12		7,673.98
Linde Canada Limited	P.O. BOX 4070 STN A TORONTO ON M5W 1M6		653.81
Lino Tonic	2020 Winston Park Drive, Suite 101 Oakville ON L6H 6X7		49,424.22
Maria Pierucci	23 Highview Ave Toronto ON M3M 1C5		205,000.00
MRT Automation Ltd	P.O. BOX 517 MIDLAND ON L4R 4L6		3,765.30

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of  
 Forte EPS Solutions Inc.  
 of the city of Midland, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
NATS	2525 HAINES ROAD MISSISSAUGA ON L4Y 1Y10		270,990.00
NAXXAR Consulting	539 KINGSTON ROAD WEST AJAX ON L1S 6M4		3,359.14
New Electric Enterprises Inc.	3185 DUNDAS STREET WEST OAKVILLE ON L6M 4J7		15,217.56
North Simcoe Community Futures Development Corporation	105 Fourth St., P.O. Box 8 Midland ON L4R 4K9		225,500.00
Nova Chemicals US	P.O BOX 8011 POSTAL STN A TORONTO ON M5W 3W8		158,000.00
Pacific High Tech	4789 Yonge Street Unit 716 Toronto ON M2N 0G6		518,250.89
PBS Freight Systems Inc	8760 JANE ST., UNIT #16 VAUGHAN ON L4K 2M12		10,750.00
Phillip & Fill	33 Hlawatha Pkwy Mississauga ON L5G 3S1		60,000.00
POWER FACTOR SERVICES LTD.	1235 FAIRVIEW STREET SUITE 299 BURLINGTON ON L7S 2K12		937.90
Prestige Property Tax Specialists	1025 KING STREET EAST CAMBRIDGE ON N3H 3P8		6,274.55
Pro Windows and Doors Ltd.	1 GOODMARK PLACE SUITE 3 ETOBICOKE ON M9W 6M4		34,891.00
PUC Midland Power Utility Corporation	P.O. BOX 820 MIDLAND ON L4R 4P7		13,886.21
Regency Plastics Company Ltd	50 BRISBANE ROAD DOWNSVIEW ON M3J 2K5		7,063.78
SCC Electrical	P.O. BOX 444 MIDLAND ON L4R 4L6		1,268.59
SCE Construction	29 MEDVIA AVE TORONTO ON M8Z 5L9		1,000.00

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of  
 Forte EPS Solutions Inc.  
 of the city of Midland, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Sievert Financial Services Inc.	43 COLBORNE STREET TORONTO ON M5E 1E6		15,425.00
SKID - Freight Brokers, Inc.	P.O. BOX 85 SAINTE MARTHE SUR LE LAC QC J0N 1P0		2,186.55
Steam Specialties	40 CORSTATE AVE. VAUGHAN ON L4K 4X5		1,966.88
Sunnyside Machine & Hydraulics	1178 EVERTON ROAD MIDLAND ON L4R 5J5		811.95
Telus	P.O. BOX 5300 BURLINGTON ON L4R 4S11		1,277.38
Thermaloc Italy SRL	VIA BONANOMI 3, COMO, IT 22100 IT		904.76
Total Quality Logistics	P.O. BOX 634558 CINCINNATI OH 45263 4561		3,953.92
Travelers Leasing	800-9900 KING GEORGE BLVD. SURREY BC V3T 0K10		399,800.16
Travelers Transportation Services	195 HEART LAKE ROAD S. BRAMPTON ON L6W 3N9		2,926.17
Triple Tech ESJ	1050 KING STREET MIDLAND ON L4R 0B11		1,310.50
Underwriters Laboratories of Canada Inc.	P.O. BOX 15146 STN A TORONTO ON M5W 1C4		15,124.92
United Testing Systems Canada Limited	21-225 BRADWICK DRIVE CONCORD ON L4K 1K10		29,410.73
Western Ontario Community Futures Development Corporation Inc. ATT: David Penton	530 West Street, Unit 10 Branford ON N3R 7V5		440,827.21
WILSON HIGH VOLTAGE	1271 GORHAM STREET UNIT 9 NEWMARKET ON L3Y 8Y10		4,531.66

District of:  
Division No. -  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
Forte EPS Solutions Inc.  
of the city of Midland, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Workplace Safety and Insurance Board c/o Collection Services	200 Front St W Toronto ON M5V 3J1		15,581.87
Total			7,590,012.18



Forte EPS Solutions Inc.  
Insolvent Person

**TAB B**

Exhibit B to the affidavit  
of JOHN CIPRESSI  
sworn the 5 day of JUNE, 2017.

  
\_\_\_\_\_  
Commissioner, etc.

RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 1  
( 3062)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE  
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

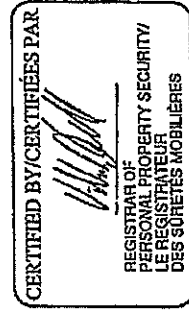
SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.

FILE CURRENCY : 02APR 2017

ENQUIRY NUMBER 20170403135425.69 CONTAINS 21 PAGE(S), 5 FAMILY(IES).

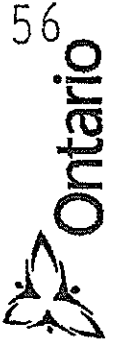
THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME  
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER  
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

CHATTONS LLP - LYNN LEE  
5000 YONGE STREET, 10TH FLOOR,  
TORONTO ON M2N 7E9



CONTINUED...

2



PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.  
DATE : 02 APR 2017

FILE NUMBER : 658417343

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REGISTRATION NUMBER: 20140729 1012 1462 0374 P PSSA

ONTARIO CORPORATION NO. LAKK3

ONTARIO CORPORATION NO.

BURNABY BC V5C6A7

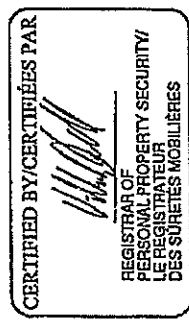
TRAVELERS LEASING LTD.  
500 - 4180 LOUGHEED HIGHWAY  
BURNABY BC V5C6A7

(4) REZNOR GAS HEATERS S/N BGG36Q3N71997X, BGG5603H7190H,  
BBG66MGW72039X & BGG66MGN72035X  
(1) USED INFRA MODEL 3000-A UNIVERSAL AUTOMATIC MOULDING &

TRAVELERS LEASING LTD.  
500 - 4180 LOUGHEED HIGHWAY  
BURNABY BC V5C6A7

FOR FURTHER INFORMATION CONTACT THE SECURED PARTY...

CONTINUED... 3





PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

DEBTOR SEARCH BUSINESS DEBTOR  
SEARCH CONDUCTED ON FORTE EPS SOLUTIONS INC.  
DATE CURRENCY 02APR 2017

SEARCHING FINANCING STATEMENT / CREDIT FOR FORT

00  
REGISTRATION NUMBER  
698417343

01  
REGISTRATION PAGE TOTAL FOR VEHICLES REGISTRATION REGISTRATION REGISTRATION REGISTRATION  
REGISTRATION NO OF ENTRIES 03 007 20140729 1012 1462 0374 P PSSA 7

02  
DATE OF BIRTH  
STREET GIVEN NAME  
ONTARIO CORPORATION NO

03  
BUSINESS NAME  
ADDRESS  
ONTARIO CORPORATION NO

04  
BUSINESS NAME  
ADDRESS  
ONTARIO CORPORATION NO

05  
DATE OF BIRTH  
BUSINESS NAME  
ONTARIO CORPORATION NO

06  
ADDRESS  
ONTARIO CORPORATION NO

07  
ADDRESS  
ONTARIO CORPORATION NO

08  
SECURED PARTY /  
STREET GIVEN NAME  
ADDRESS

09  
ADDRESS  
ONTARIO CORPORATION NO

10  
MOTOR VEHICLE  
MODEL  
MOTOR VEHICLE AMOUNT DATE OF NO. FIXED  
GOODS INVENTORY ACCOUNT OTHER INCLUDED MANUFACTURE OF MANUFACTURE DATE

11  
MOTOR VEHICLE  
MODEL

12  
MOTOR VEHICLE  
MODEL

13  
GENERAL  
(1) TECHNODINAMICA CONTOUR TD400/1 CUTTER S/N 20133500

14  
GENERAL  
(1) MICRO RECYCLING "IN-A-BOX" S/N 14012467

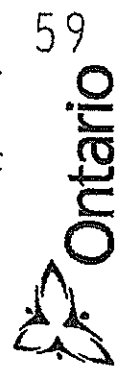
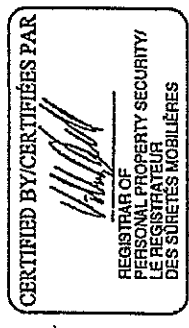
15  
PERSONAL  
(1) EPS MACHINE GREENMAX A-C100 S/N 131108

16  
REGISTERING  
TRAVELERS LEASING LTD.

17  
AGENT  
ADDRESS 500 - 4180 LOUGHEED HIGHWAY BURNABY BC V5C6A7

CONTINUED . . .

5





PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

TYPE OF SERVICE : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.  
DATE OF SEARCH : 02 APR 2017

00 [REDACTED] 696617343

01 [REDACTED] 20140729 1012 1462 03/4 P PSSA

02 [REDACTED] SURNAME [REDACTED] ONTARIO CORPORATION NO. [REDACTED]

03 [REDACTED] BUSINESS NAME [REDACTED]

04 [REDACTED] ADDRESS [REDACTED]

05 [REDACTED] SURNAME [REDACTED] ONTARIO CORPORATION NO. [REDACTED]

06 [REDACTED] BUSINESS NAME [REDACTED]

07 [REDACTED] ADDRESS [REDACTED]

08 [REDACTED] SECURED PARTY / [REDACTED] AMOUNT [REDACTED] DATE OF [REDACTED]

09 [REDACTED] ADDRESS [REDACTED]

10 [REDACTED] MOTOR VEHICLE [REDACTED] AMOUNT [REDACTED] DATE OF [REDACTED]

11 [REDACTED] MOTOR VEHICLE [REDACTED] AMOUNT [REDACTED] DATE OF [REDACTED]

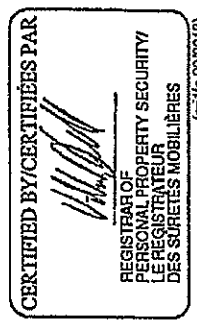
12 [REDACTED] ADDRESS [REDACTED]

13 [REDACTED] TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS,  
14 [REDACTED] REPLACEMENTS, SUBSTITUTIONS, ADDITIONS, AND IMPROVEMENTS THERETO,  
15 [REDACTED] AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM  
16 [REDACTED] TRAVELERS LEASING LTD.

17 [REDACTED] ADDRESS 500 - 4180 LOUGHEED HIGHWAY BURNABY BC V5C6A7

[REDACTED] FOR FURTHER INFORMATION CONTACT THE SECURED PARTY

CONTINUED . . . 7



RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PPSR060  
PAGES : 7  
( 3068)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.  
BY THE CURRENCY : 02APR 2017

FORM IC FINANCING STATEMENT / CLAIM FOR FLEN

00  
EPS NUMBER  
698417343

01  
REGISTRATION NO OF REGISTRY : 20140729 1012 1462 0374 P PRSA  
REGISTRATION NUMBER UNDER PERIOD : 7

02  
03  
04  
DEBTOR NAME : [REDACTED]  
BUSINESS NAME : [REDACTED]  
ADDRESS : [REDACTED]  
DATE OF BIRTH : [REDACTED]  
FIRST GIVEN NAME : [REDACTED]  
SURNAME : [REDACTED]  
ONENHO CORPORATION INC.

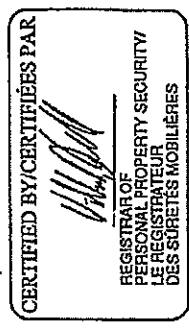
05  
06  
07  
DEBTOR NAME : [REDACTED]  
BUSINESS NAME : [REDACTED]  
ADDRESS : [REDACTED]  
DATE OF BIRTH : [REDACTED]  
FIRST GIVEN NAME : [REDACTED]  
SURNAME : [REDACTED]  
ONTARIO CORPORATION NO.

08  
09  
10  
SECURED PARTY / [REDACTED]  
INDEBTOR / [REDACTED]  
ADDRESS : [REDACTED]  
COLLATERAL / [REDACTED]  
CONSUMER / [REDACTED]  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER : [REDACTED]  
MOTOR VEHICLE AMOUNT : [REDACTED]  
DATE OF MATURITY OF : [REDACTED]  
NO. FIXED : [REDACTED]

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YEAR MAKE : [REDACTED]  
MODEL : [REDACTED]  
GENERAL COLLATERAL : [REDACTED]  
DESCRIPTION : [REDACTED]  
REGISTERING AGENT : [REDACTED]  
TRAVELERS LEASING LTD.  
ADDRESS : 500 - 4180 LOUGHEED HIGHWAY BURNABY BC V5C6A7

ANY SALE AND OR DEALINGS WITH THE COLLATERAL OR PROCEEDS OF THE COLLATERAL AND A RIGHT TO ANY INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE

FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY AT [REDACTED]

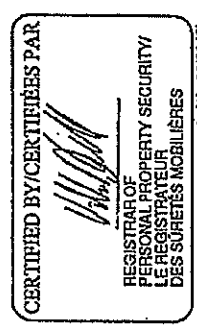


PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

DEPT OR BRANCH BUSINESS DEBTOR  
SEARCH CONDUCTED ON FORTE EPS SOLUTIONS INC.  
THIS OFFICE 02 APR 2017

00	REGISTRATION PAGE NO. OF PAGE	20140729 1012 1462 0374	REGISTERED PERSON	20140729 1012 1462 0374	P PPSA
01	REGISTRATION PAGE NO. OF PAGE	007	REGISTERED PERSON	007	
02	DEBTOR NAME	FORTE EPS SOLUTIONS INC.	DEBTOR ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
03	DEBTOR BUSINESS NAME	FORTE EPS SOLUTIONS INC.	DEBTOR BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
04	DEBTOR ADDRESS	500 - 4180 LOUGHEED HIGHWAY	DEBTOR BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
05	DEBTOR BUSINESS NAME	FORTE EPS SOLUTIONS INC.	DEBTOR BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
06	DEBTOR ADDRESS	500 - 4180 LOUGHEED HIGHWAY	DEBTOR BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
07	DEBTOR BUSINESS NAME	FORTE EPS SOLUTIONS INC.	DEBTOR BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
08	DEBTOR ADDRESS	500 - 4180 LOUGHEED HIGHWAY	DEBTOR BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
09	DEBTOR BUSINESS NAME	FORTE EPS SOLUTIONS INC.	DEBTOR BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
10	DEBTOR ADDRESS	500 - 4180 LOUGHEED HIGHWAY	DEBTOR BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
11	SECURED PARTY NAME	TRAVELERS LEASING LTD.	SECURED PARTY ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
12	SECURED PARTY BUSINESS NAME	TRAVELERS LEASING LTD.	SECURED PARTY BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
13	SECURED PARTY ADDRESS	500 - 4180 LOUGHEED HIGHWAY	SECURED PARTY BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
14	SECURED PARTY BUSINESS NAME	TRAVELERS LEASING LTD.	SECURED PARTY BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
15	SECURED PARTY ADDRESS	500 - 4180 LOUGHEED HIGHWAY	SECURED PARTY BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
16	SECURED PARTY BUSINESS NAME	TRAVELERS LEASING LTD.	SECURED PARTY BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7
17	SECURED PARTY ADDRESS	500 - 4180 LOUGHEED HIGHWAY	SECURED PARTY BUSINESS ADDRESS	500 - 4180 LOUGHEED HIGHWAY	BURNABY BC V5C6A7



CONTINUED . . . 9

PROVINCE OF ONTARIO  
 MINISTRY OF GOVERNMENT SERVICES  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

RUN NUMBER : 093  
 RUN DATE : 2017/04/03  
 ID : 20170403135425.69

NAME OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.  
 TRADE CURRENCY : 02APR 2017

FORM : CHANGING CHANGE STATEMENT / CHANGE STATEMENT

20 1 CAPTION PAGE TOTAL MOTOR VEHICLES REGISTRATION REGISTERED  
 21 1 NO. OF PAGES 005 20140729 1403 1462 0537  
 22 1 FILE NUMBER 698417343

23 PAGE AMENDED NO. SPECIFIC PAGE AMENDED CHANGE REQUIRED  
 24 1 1 1 A AMENDMENT

25 BUSINESS NAME FIRST GIVEN NAME REGISTERED SURNAME  
 26 FORTE EPS SOLUTIONS INC. FORTE EPS SOLUTIONS INC.

27 REASON FOR CHANGE AMEND S/N ON EQUIPMENT IN GENERAL DESCRIPTION #12

28 02/ DATE OF BIRTH FIRST GIVEN NAME GENERAL SURNAME  
 29 05/ DEBTOR/ TRANSFERRED BUSINESS NAME  
 30 03/ ADDRESS  
 31 06/ ADDRESS  
 32 04/07 ADDRESS

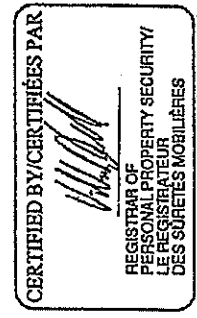
29 ASSIGNOR SECURED PARTY / LENDER / GRANTOR / ASSIGNEE  
 30 08 ADDRESS  
 31 09 ADDRESS

32 COLLATERAL CLASSIFICATION  
 33 CONFIRMED  
 34 GOODS INVENTORY / EQUIPMENT ACCOUNTS CARRY INCLUDED MOTOR VEHICLE DATE OF NO. FILED  
 35 10 YEAR MAKE MODEL V.I.N. NUMBER

36 (4) REZOR GAS HEATERS S/N BGG3603M71997X, BGG6603H7190H,  
 37 BGG6603M72039X & BGG6603M72035X  
 38 (1) USED INFRA MODEL 3000-A UNIVERSAL AUTOMATIC MOULDING &  
 39 TRAVELERS FINANCE LTD.  
 40 500 - 4180 LOUGHEED HIGHWAY  
 41 BURNABY BC V5G6A7

42 \*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

43 CONTINUED... 10



RUN NUMBER : 093  
 RUN DATE : 2017/04/03  
 ID : 20170403135425.59

PROVINCE OF ONTARIO  
 MINISTRY OF GOVERNMENT SERVICES  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : PSE060  
 PAGE : 10  
 ( 3071)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.  
 FILE CURRENCY : 02APR 2017

FORMAL FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAPTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTRATION  
 BUILDING NO. OF PAGES SCHEDULE NUMBER UNDER

20140729 1403 1462 0537

01 RECORD REFERENCE 698417343

PAGE AMENDED NO SPECIFIC PAGE AMENDED

CHANGE REQUIRED A AMENDMENT

PERIOD

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PERIOD

23 REFERENCE BUSINESS NAME

24 DEBTOR/ TRANSFEROR

25 OTHER CHANGE

26 REASON/ DESCRIPTION

27 DEBTOR/ TRANSFEROR

28 DEBTOR/ TRANSFEROR

02/ 05 DEBTOR/ TRANSFEROR

03/ 06 DEBTOR/ TRANSFEROR

04/ 07 DEBTOR/ TRANSFEROR

05 DEBTOR/ TRANSFEROR

06 DEBTOR/ TRANSFEROR

29 ASSIGNOR SECURED PARTY/ BENECLAIMANT/ ASSIGNOR

08 COLLATERAL CLASSIFICATION

09 COLLATERAL CLASSIFICATION

10 COLLATERAL CLASSIFICATION

11 MOTOR YEAR MAKE

12 VEHICLE GENERAL

13 GENERAL

14 GENERAL

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CERTIFIED BY/CERTIFIÉES PAR  
 REGISTRAR OF  
 PERSONAL PROPERTY SECURITY  
 LE REGISTRATEUR  
 DES SURETES MOBILIERES  
 (e/2a 09/2013)



\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED ... 11

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

NUMBER OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.  
PLUS CURRENT : 02APR 2017

FORM 26 FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAMERON'S PAGE 1 LOCAL MOTOR VEHICLES REGISTRATION REGISTERED  
SELLING NO. OF PAGES SCHEDULE NUMBER UNDER

01 03 005 20140729 1403 1462 0537  
21 698417343  
22 NO. SPECIFIC PAGE-AMENDED CHANGE-REQUIRED  
PAGE-AMENDED A-AMENDMENT

23 FIRST GIVEN NAME SURNAME  
24 BUSINESS NAME

25 NUMBER CHANGE  
26 REASON/ DESCRIPTION  
27  
28

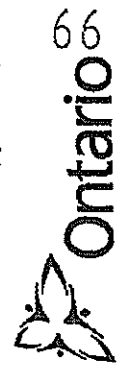
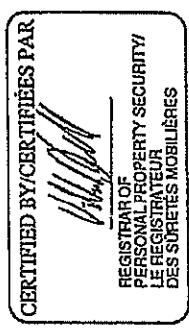
02/ FIRST GIVEN NAME SURNAME  
03/ BUSINESS NAME  
06 ADDRESS  
04/07

29 ASSIGNED TO SECURED PARTY/AGENT/ASSIGNEE  
08  
09 ADDRESS

10 COLLATERAL CLASSIFICATION  
CONSUMER  
MOTOR VEHICLE  
DATE OF REGISTRATION  
NO. PLACED  
AND ONE MONTHS FOR EXPORT ONLY DATE

11 YEAR MAKE MODEL V.I.N.  
12 (1) TECHNODINAMICA CONTOUR TD400/1 CUTTER S/N 20133500  
13 (1) MICRO RECYCLING "IN-A-BOX" S/N 14012467  
14 COLLATERAL (1) EPS MACHINE GREENMAX A-C100 S/N 131108  
15 (1) EPS MACHINE GREENMAX A-C100 S/N 131108  
16 REGISTERING AGENT OF TRAVELERS FINANCE LTD.  
17 ADDRESS 500 - 4180 LOUGHEED HIGHWAY BURNABY BC V5C6A7

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*  
CONTINUED ...



RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PPSR060  
PAGE : 12  
( 3073)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH COMPLETED ON :  
CURRENCIES : 02APR 2017  
FORTE EPS SOLUTIONS INC.

SYSTEM OF RECORDING CHANGE STATEMENT / CHANGE STATEMENT

SECTION PAGE TOTAL MOTOR VEHICLES REGISTRATION REGISTERED  
FILE NO. OF PAGES SCHEDULE NUMBER UNDER  
04 005 20140729 1403 1462 0537

01 RECORD NUMBER 698417343

21 PAGE AMENDED NO SPECIFIC PAGE AMENDED CHANGE REQUIRED CORRECT PERIOD

22 FIRST GIVEN NAME SURNAME

23 BUSINESS NAME

24 BUSINESS NAME

25 COURSE CHANGE

26 PERSONAL

27 DESCRIPTION

28 NUMBER OF BIRTH

02/05 DEBTOR/ SURNAME SURNAME

03/06 BUSINESS NAME ADDRESS

04/07 ADDRESS

29 ASSIGNOR (SECURED PARTY/ BIRTH CLEARANCE/ ASSIGNEE)

08 ADDRESS

09 COLLATERAL CLASSIFICATION ADDRESS

10 MOTOR MAKE MODEL YEAR MAKE MODEL YEAR

11 VEHICLE (1) UNITED "SMART 1" TABLE MODEL ELECTROMECHANICAL TESTING MACHINE

12 GENERAL S/N 0714548

13 COMMERICAL (1) HIRSCH MOVICON X MONOLITH E4 PLATFORM S/N 1W1360022634

14 DISTRIBUTION TRAVELERS FINANCE LTD.

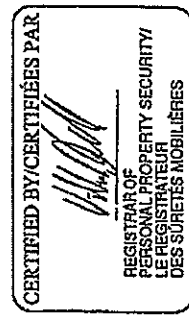
15 BUSINESS NAME/ AGENT OF 500 - 4180 LOUGHESED HIGHWAY

16 REGISTERED PARTY ADDRESS BC V5C6A7

17 TYPE OF SEARCH

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 13



RUN NUMBER : 093  
 RUN DATE : 2017/04/03  
 ID : 20170403135425.69

PROVINCE OF ONTARIO  
 MINISTRY OF GOVERNMENT SERVICES  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : P5SR060  
 PAGE : 13  
 ( 3074)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH EXECUTION ON : FORTE EPS SOLUTIONS INC.  
 SEARCH REFERENCE : 02APR 2017

FORM 26 ADVANCING CHANGE SYSTEM / CHANGE STAMPED

COUNTY OF BRIGS (CARD) MOTOR VEHICLE REGISTRATION REGISTRATION NO. 20140729 1403 1462 0537  
 FILING NO. OF PAGE(S) SCHEDULE 05 005

01 REGISTRY REFERENCE 698417343

PAGE AMENDED NO. 005  
 CHANGE REQUIRED A AMENDMENT

BUSINESS NAME  
 FIRST GIVEN NAME

22 REFERENCE  
 23 IDENTIFY  
 24 TRANSFEROR

BUSINESS NAME

25 OTHER CHANGE  
 26 REASON  
 27 DESCRIPTION

02/ DATE OF BIRTH  
 05 PERFORM  
 03/ TRANSFEREE  
 06 BUSINESS NAME

04/07 ADDRESS

29 ASSIGNOR  
 08 SECURED PARTY/LEIN/GARANTY/ASSIGNEE  
 09 ADDRESS

COLLATERAL CLASSIFICATION

10 MOTOR VEHICLE  
 YEAR MAKE MODEL V-I-N  
 COLLATERAL CLASSIFICATION  
 SECURED PARTY/LEIN/GARANTY/ASSIGNEE  
 MOTOR VEHICLE NO. TYPED  
 GOODS INVENTORY/BOUWBOUW ACCOUNTS OTHER INCLUDED AMOUNT NUMBER OF PARTS/PCS

11 MOTOR VEHICLE  
 12 VEHICLE IDENTIFICATION  
 13 GENERAL  
 14 COMPARTMENT  
 15 DIRECTION  
 16 SECURED PARTY/AGENT OR  
 17 SECURED PARTY/AGENT OR ADDRESS

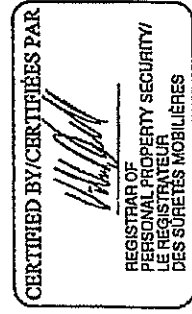
TRAVELERS FINANCE LTD.  
 500 - 4180 LOUGHEED HIGHWAY

BURNABY

BC V5C6A7

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 14





PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425-69

BUSINESS DEBTOR  
FORTE EPS SOLUTIONS INC.  
02APR 2017

FORM OF FINANCING CHANGE STATEMENT / CHANGE STATEMENT

01 CREDITORS TOTAL MOTOR VEHICLES REGISTERED UNDER  
02 REGISTRATION NUMBER 20140730 1456 1462 0842

21 RECORD NUMBER 698417343  
22 PAGE AMENDED NO. SPECIFIC PAGE AMENDED CHANGE REQUIRED GENERAL CORRECT  
23 REFERENCE NO. AMENDMENT A AMENDMENT PERIOD

24 BUSINESS NAME FIRST GIVEN NAME SURNAME

25 BUSINESS NAME SURNAME

26 (1) ENGINEERED AIR MAKE UP UNITS S/N M15684-MVA-1, M15684-MVA-2,  
27 M15684-MVA-3 & M15684-MVA-4

28 DEBTOR/ CREDITORS FIRST GIVEN NAME SURNAME  
29 DEBTOR/ CREDITORS BUSINESS NAME SURNAME  
30 ADDRESS

31 ADDRESS

32 ADDRESS

33 ADDRESS

34 ADDRESS

35 ADDRESS

36 ADDRESS

37 ADDRESS

38 ADDRESS

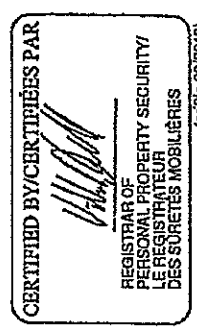
39 ADDRESS

40 ADDRESS

41 ADDRESS

42 ADDRESS

ONTARIO CORPORATION NO.



11 MOTOR YEAR MAKE MODEL V.I.N.  
12 VEHICLE NO. GENERAL  
13 COLLATERAL COLLATERAL  
14 COLLATERAL COLLATERAL  
15 COLLATERAL COLLATERAL  
16 COLLATERAL COLLATERAL  
17 COLLATERAL COLLATERAL

PROVINCE OF ONTARIO  
 MINISTRY OF GOVERNMENT SERVICES  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

RUN NUMBER : 093  
 RUN DATE : 2017/04/03  
 ID : 20170403135425.69

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.  
 FIVE (5) DAYS : 02 APR 2017

SOLICITING FINANCING STATEMENT / CLAIM FOR RETURN

FILE NUMBER : 696441852

REGISTRATION NO. OF REGS. SCHEDULE : 20140526 1240 1590 2989 P PSSA 3

00 DEBTOR NAME : FORTE EPS SOLUTIONS INC.  
 ADDRESS : 16657 HIGHWAY 12 MIDLAND  
 ONTARIO CORPORATION NO. : 1885468

01 DEBTOR NAME : FIRST SOURCE MORTGAGE CORPORATION  
 ADDRESS : 1 VALLEYBROOK DR., SUITE 100 TORONTO ON M3B 2S7

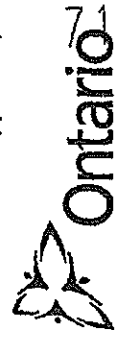
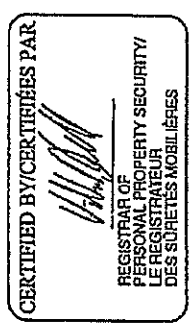
02 DEBTOR NAME : MORRISON BROWN SOSNOVITCH LLP  
 ADDRESS : 910 - 1 TORONTO STREET PO BOX 28 TORONTO ON M5C 2V6

03 DEBTOR NAME : GENERAL SECURITY AGREEMENT

04 DEBTOR NAME : MOTOR VEHICLE

05 DEBTOR NAME : REGISTERING AGENT

06 DEBTOR NAME : CONTACT THE SECURED PARTY



PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

NAME OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.  
DATE : 02 APR 2017

FORM 13 - FINANCING STATEMENT / STATE FOR BLEN

FILE NUMBER : 684459225

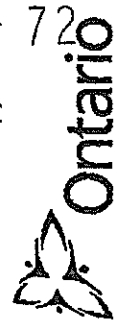
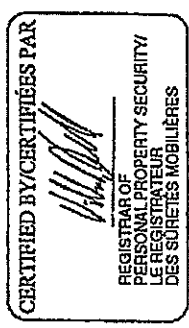
CONTINUATION PAGE NO. OF PAGES : 001  
SCHEDULE NUMBER : 20130201 0942 1200 1699 P PPSA 06

DEBTOR NAME : FORTE EPS SOLUTIONS INC.  
ADDRESS : 16567 HIGHWAY 12  
MIDLAND  
ONT L4R 4K8

DEBTOR NAME : WESTERN ONTARIO COMMUNITY FUTURES DEVELOPMENT CORPORATION INC.  
ADDRESS : 330 WEST ST., UNIT 10  
BRANTFORD  
ONT N3R 7V5

DEBTOR NAME : HGR GRAHAM PARTNERS LLP  
ADDRESS : 518 YONGE ST.  
MIDLAND  
ONT L4R 2C5

REGISTRATION INFORMATION - CONTRACT - THE SECURED PARTY  
CONTINUED ... 18

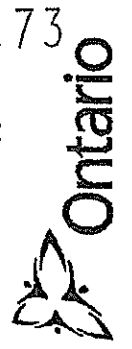
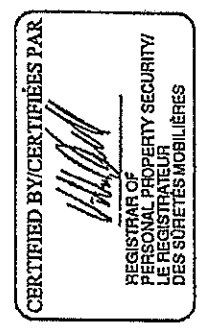


PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.69

BUSINESS DEBTOR  
FORTE EPS SOLUTIONS INC.  
02 APR 2017

00 [REDACTED]  
01 [REDACTED] 001 20130129 1001 1862 7549 P PSSA 9  
02 [REDACTED] ONTARIO CORPORATION NO. L4R 4K8  
03 [REDACTED] MIDLAND  
04 [REDACTED] 16567 HWY 12  
05 [REDACTED] BUSINESS DEVELOPMENT BANK OF CANADA  
06 [REDACTED] 151 FERRIS LANE, P. O. BOX 876 BARRIE ONT L4M 4Y6  
07 [REDACTED]  
08 [REDACTED]  
09 [REDACTED]  
10 [REDACTED]  
11 [REDACTED]  
12 [REDACTED]  
13 [REDACTED]  
14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED] BARRIE ONT L4M 4S5  
17 [REDACTED] CONTINUED... 19



PROVINCE OF ONTARIO  
 MINISTRY OF GOVERNMENT SERVICES  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

RUN NUMBER : 093  
 RUN DATE : 2017/04/03  
 ID : 20170403135425.69

TYPE OF SEARCH: BUSINESS DEBTOR  
 SEARCH CONDUCTED ON: FORTE EPS SOLUTIONS INC.  
 FILE CURRENCY: 02APR 2017

FORM FOR FINANCIAL STATEMENT STATEMENT FOR DEBTOR

00 FILE NUMBER: 678506825

01 REGISTRATION PAGE NO. OF PAGES: 001  
 FILING DATE: 20120510 1738 1626 4104 P PPSA  
 UNDER REGISTRATION NO. 3

02 DEBTOR NAME: [REDACTED] STREET GIVEN NAME: [REDACTED] SUBNAME: [REDACTED] ON L4R4P4  
 03 BUSINESS NAME: FORTE EPS SOLUTIONS INC.  
 04 ADDRESS: 16567 HIGHWAY 12 MIDLAND

05 DEBTOR NAME: [REDACTED] STREET GIVEN NAME: [REDACTED] SUBNAME: [REDACTED]  
 06 BUSINESS NAME: [REDACTED]  
 07 ADDRESS: [REDACTED] ONTARIO CORPORATION NO: [REDACTED]

08 SECURED PARTY: [REDACTED] NORTH SIMCOE COMMUNITY FUTURES DEVELOPMENT CORPORATION  
 09 ADDRESS: P.O. BOX 8, 355 CRANSTON CR. MIDLAND ON L4R4K6

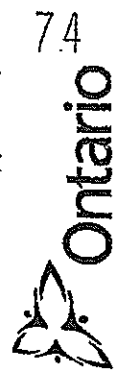
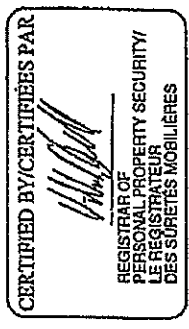
10 COMPANY CLASSIFICATION: [REDACTED] MOTOR VEHICLE AMOUNT: [REDACTED] DATE OF NO. FIXED: [REDACTED]  
 REGISTRATION NO: [REDACTED] MOTOR VEHICLE AMOUNT: [REDACTED] DATE OF NO. FIXED: [REDACTED]  
 SEEDS IN MENTOR: [REDACTED] EQUIPMENT: [REDACTED] INCLUDES: [REDACTED] MATURE DATE: [REDACTED]

11 MOTOR VEHICLE: [REDACTED] MODEL: [REDACTED]  
 12 GENERAL: [REDACTED]

13 MANUFACTURING MACHINERY AND EQUIPMENT RELATED TO THE PRODUCTION OF EXPANDED POLYSTYRENE PRODUCTS.  
 14 GENERAL: [REDACTED]  
 15 DB/CRANSTON

16 REGISTERING: [REDACTED] NORTH SIMCOE COMMUNITY FUTURES DEVELOPMENT CORPORATION  
 17 ADDRESS: PO BOX 8, 355 CRANSTON CR. MIDLAND ON L4R4K6

FOR FURTHER INFORMATION CONTACT THE SECURED PARTY  
 CONTINUED... 20



PROVINCE OF ONTARIO  
 MINISTRY OF GOVERNMENT SERVICES  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : P5SR060  
 PAGE : 20  
 ( 3081)

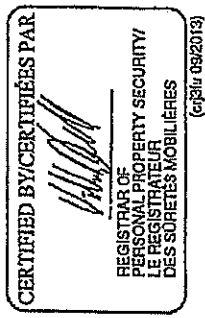
RUN NUMBER : 093  
 RUN DATE : 2017/04/03  
 ID : 20170403135425.69

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : FORTE EPS SOLUTIONS INC.  
 FILE CURRENTCY : 02APR 2017

FOR FURTHER INFORMATION CONTACT THE SECURED PARTY

01 [REDACTED] 20150428 1718 1626 7025  
 REGISTRATION NUMBER

31 RECORD VALUE NUMBER : 678306825 CHANGE NUMBER : 5  
 BUSINESS DEBTOR : FORTE EPS SOLUTIONS INC. ON L4R4K6  
 REGISTERED PARTY / ITEM CLAIMANT / REGISTERING AGENT : ONTARIO CORPORATION INC.  
 VALUE : NORTH STICOR COMMUNITY FUTURES DEVELOPMENT CORPORATION  
 ADDRESS : P.O. BOX 8, 105 FOURTH STREET, UNIT B MIDLAND



CONTINUED...

REPORT : R55R060  
PAGE : 21  
( 3082)

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

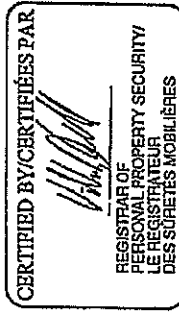
RUN NUMBER : 093  
RUN DATE : 2017/04/03  
ID : 20170403135425.59

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : FONTE EPS SOLUTIONS INC.  
FILE CURRENCY : 02APR 2017

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
698417343	20140729 1012 1462 0374	20140729 1403 1462 0537	20140730 1436 1462 0842
696441852	20140526 1240 1590 2989		
684459225	20130201 0942 1200 1699		
684369324	20130129 1001 1862 7549		
678306825	20120510 1738 1626 4104	20150428 1718 1626 7025	

8 REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.



**TAB C**

Exhibit C to the affidavit  
of JOHN CIPRESSI  
sworn the 5 day of JULY 2017.

  
\_\_\_\_\_  
Commissioner, etc.

**FORBEARANCE AGREEMENT**

**THIS AGREEMENT** is made as of the 23<sup>rd</sup> day of May 2017.

**BETWEEN:**

**BUSINESS DEVELOPMENT BANK OF CANADA**

(the “**Bank**”)

-and-

**FORTE EPS SOLUTIONS INC.**

a corporation governed by the laws of Canada

(the “**Borrower**”)

-and-

**16567 HIGHWAY 12 HOLDINGS LIMITED.**

a corporation governed by the laws of Ontario

(the “**New Guarantor**”)

-and-

**DOMINIC ZITA**

an individual residing in the City of Mississauga

**JOHN CIPRESSI**

an individual residing in the City of Mississauga

**RECITALS:**

- A. The Bank made a credit facility available to the Borrower pursuant to an offer letter dated January 23, 2013, as amended by letter dated February 23, 2013 (collectively, the “**Commitment Letter**”);
- B. The Borrower executed and delivered to the Bank the agreements described in Schedule A hereto hereinafter collectively referred to as the “**Borrower Documents**”;
- C. Dominic Zita and John Cipressi (collectively, the “**Original Guarantors**”, and together with the New Guarantor, the “**Guarantors**” and each a “**Guarantor**”) have executed and delivered to the Bank the Joint and Several Guarantee dated January 31, 2013 granted by them in favour of Business Development Bank of Canada. (the “**Original Guarantee**”, and together with the Borrower Documents, the “**Loan and Security Documents**”);
- D. The Bank has demanded repayment of the Borrower’s and the Original Guarantors’ (collectively, the “**Original Obligors**” and each an “**Original Obligor**”) indebtedness to the Bank and issued Notices of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada);

- E. The Bank commenced an enforcement proceeding against the Borrower by issuing a Notice of Application to appoint a receiver over the assets, undertakings and property of the Borrower with the Ontario Superior Court of Justice (Commercial List) court file number CV-17-11766-00CL (the “**Receivership Application**”). The hearing of the Receivership Application was scheduled for May 8, 2017.
- F. At the request of the Original Obligors, the hearing of the Receivership Application was adjourned by the Bank and the Bank has agreed to forbear from enforcing the Loan and Security Documents in order to allow time for the New Guarantor time to complete the sale of the Property (as defined below) to 2306732 Ontario Inc. pursuant to an Agreement of Purchase and Sale executed on May 5, 2017 (the “**Sale Agreement**”) and to pay out the Indebtedness in full from the proceeds thereof.
- G. The Bank agrees to forbear from enforcing the Loan and Security Documents, subject to and in accordance with the terms and conditions of this Forbearance Agreement (the “**Agreement**”).
- H. As consideration for the Bank’s forbearance under this Agreement, the New Guarantor has agreed and covenanted to unconditionally guarantee performance by the Borrower of all promises under the Loan and Security Document and as security for the indebtedness, obligations and liabilities of the Borrower and the New Guarantor to the Bank has executed the Additional Documents (as defined below).

**NOW THEREFORE THIS AGREEMENT WITNESSETH** that for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties agree as follows:

#### **Acknowledgements**

1. Recitals – The parties hereto acknowledge and agree that each of the foregoing recitals is true and accurate both in substance and in fact.
2. Liability – The Original Obligors acknowledge that as of May 19, 2017, the aggregate amount owing to the Bank and secured by the Borrower Security (as defined in Schedule A) is CDN \$554,744.47, as more particularly described in Schedule B hereto (the “**Indebtedness**”). Furthermore, the Original Obligors hereby confirm that they do not dispute their liability to pay the Indebtedness on any ground whatsoever, that they have no claim, demand, set-off or counter-claim against the Bank on any basis whatsoever, and that there is no matter, fact or thing which may be asserted by them in extinction or diminution of the Indebtedness or result in any bar to or delay in the recovery thereof. If there are any claims for set-off, counter-claim or damages, they are hereby expressly released and discharged.
3. Default – The Borrower acknowledges and agrees that it is in default of its obligations contained in the Borrower Documents, including by reason of its non-payment of the Indebtedness pursuant to the Demands (as such term is defined below).
4. Borrower Documents – The Borrower acknowledges and agrees that the Borrower Documents now held by the Bank for payment of the Indebtedness are valid, binding and enforceable in accordance with their respective terms.

5. The Bank's Rights – The Borrower acknowledges and agrees that except as provided in this Agreement and the Borrower Documents, the Bank (by itself or through its employees or agents) has not made any promises, or taken any action or omitted to take any action which would constitute a waiver of its right to take any enforcement action in connection with the enforcement of the Borrower Documents, or which would estop it from so doing and that no statement, representation, promise, act or omission by the Bank or its employees or agents shall create such a waiver or estoppel unless the Bank executes and delivers to the Borrower a written waiver of any such rights.
6. Guarantees – Each Guarantor confirms that he/it has guaranteed the payment and performance of the Indebtedness owing by the Borrower to the Bank by granting the guarantees to the Bank. Each Guarantor does not disputes his/its liability on any basis whatsoever and confirms that he/it has no claim for set-off, counter-claim or damages on any basis whatsoever against the Bank. If there are any claims, they are hereby expressly released and discharged. Each Guarantor confirms that the guarantee granted by him/it has not been released, waived or varied, that it is binding upon him and that it is valid and enforceable against him/it in accordance with their respective written terms.
7. Demand Letters and BIA Notices - The Original Obligors each acknowledge receipt of demand letters sent by the Bank each dated November 3, 2016 (collectively, the “**Demands**”) wherein the Bank demanded immediate payment of their respective indebtedness to the Bank. The Borrower acknowledges receipt of a Notice of Intention to Enforce Security dated November 3, 2016 (the “**BIA Notice**”) issued on behalf of the Bank pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada). The Original Obligors further acknowledge that the Demands and the BIA Notice are valid and effective, and that the time given by the Bank for payment was reasonable. The Obligors each agree not to contest the validity of the Demands, the BIA Notice, or the reasonableness of the time given for payment in any proceeding for any reason whatsoever.
8. Absence of Undisclosed Liabilities – Except as disclosed in Schedule C hereto the New Guarantor does not have any outstanding indebtedness or any liabilities (whether accrued, absolute, contingent or otherwise) nor any outstanding commitments or obligations of any kind.

#### **Forbearance**

9. The Bank agrees not to take any steps to enforce any of the Loan Documents prior to the earlier of:
  - (i) August 30, 2017 (or such later date as the Bank, acting in its sole discretion may agree to in writing); or
  - (ii) the occurrence of an Event of Default (as hereinafter defined),

(hereinafter referred to as the “**Forbearance Termination Date**” and the period commencing on the date hereof and ending on (but excluding) the Forbearance Termination Date is the “**Forbearance Period**”).

10. Limitation Period – Each Obligor hereby agrees to suspend or extend by a period of five (5) years from the date hereof the basic limitation period provided by Section 4 of the *Limitations Act, 2002* (Ontario) as well as the ultimate limitation period provided by Section 15 of the *Limitations Act, 2002* (Ontario) as a business agreement in accordance with the provisions of Section 22(5) of the *Limitations Act, 2002* (Ontario).
11. Forbearance Fee – In consideration for the Bank’s forbearance and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, concurrently with the execution of this Agreement, the Borrower shall pay to the Bank the sum of five thousand dollars (\$5,000.00) as a forbearance fee (the “**Forbearance Fee**”).

#### **Additional Documentation**

12. In consideration of the Bank’s forbearance and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each of the following documents shall be provided to the Bank contemporaneously with the execution of this Agreement, each in form and substance satisfactory to the Bank and its lawyers (collectively, the “**Additional Documentation**”):
  - (a) an unlimited Guarantee granted by the New Guarantor in favour of the Bank of all the indebtedness, obligations and liabilities of the Borrower to the Bank, on the Bank’s standard form (the “**New Guarantee**”). In the event of any conflict between the New Guarantee and this Agreement, the terms of this Agreement shall govern;
  - (b) General Security Agreement granted by the New Guarantor in favour of the Bank as security for the indebtedness, obligations and liabilities of the Borrower and the New Guarantor to the Bank, on the Bank’s standard form;
  - (c) an assignment of rents in respect of the real property municipally described as 16567 Highway 12 Midland, Town of Midland, Province of Ontario legally described as Parts 1 and 3 on Plan 51R-14263, Town of Midland, Ontario (the “**Property**”)
  - (d) a mortgage/charge, on the Bank’s standard form in the principal amount of \$525,150.00 registered against the Property;
  - (e) officer’s certificates of the New Guarantor;
  - (f) Certified Resolutions of the Boards of Directors of the New Guarantor authorizing and approving their execution, delivery and performance of their obligations under this Agreement and the Additional Documentation; and
  - (g) such further documentation and agreements as the Bank’s solicitors may reasonably request in respect of, in connection with or arising from the documents in paragraphs (a) through (e) above.

The Loan and Security Documents and the Additional Documentation shall hereinafter be collectively referred to as the “**Loan Documents**”.

### Covenants and Agreements

13. Accrued Amounts – The Borrower shall pay to the Bank interest arrears, accrued interest and past due forbearance and other fees in the amount of nineteen thousand five hundred ninety four dollars and forty seven cents (\$19,594.47) as follows: (i) eighteen thousand one hundred ninety and six dollars and forty cents (\$18,106.40) concurrently with the execution of this Agreement; and (ii) the balance in the amount of \$1488.07 on or before June 22, 2017.
14. Monthly Payments– During the Forbearance Period, the Borrower shall continue to pay to the Bank monthly payments by providing the Bank with a post-dated cheques in the amount of fourteen thousand two hundred and seventy five (\$14,275) payable on the twenty second (22) of every month commencing on June 22, 2017.
15. Access – The Borrower shall provide access to the Property to the Bank on 48 hours notice in order to allow the Bank and any of its agents to inspect the Property and conduct environmental assessments and/or appraisals of the Property.
16. Updates – The New Guarantor and the Borrower shall provide the Bank with regular updates following the date of execution of this Agreement setting out the status of the sale transaction contemplated by the Sale Agreement (the “**Sale Transaction**”).
17. Appraisal – The Bank may commission appraisals of the Property (the “**Appraisals**”) at any time during the Forbearance Period. The cost of the Appraisals will be paid by the Bank and the amount so paid shall be added to the Indebtedness and shall bear interest from the date of payment at the highest rate payable by the Borrower for any of their Indebtedness to the Bank.
18. Environmental Assessments – The Bank may complete environmental site assessments in respect of the Property. The Borrower shall fully cooperate with the Bank in assisting the Bank with completing environmental assessments. The cost of the assessments will be paid by the Bank and the amount so paid shall be added to the Indebtedness (as described in Schedule C hereto) and shall bear interest from the date of payment at the highest rate payable by the Borrower for any of their Indebtedness to the Bank.
19. Further Advances – The Borrower acknowledges and confirms that the Bank is under no obligation to make any further advances to the Borrower under the Commitment Letter or otherwise.
20. Payments to Creditors – The Borrower shall utilize its available cash in a manner so as to ensure its continued operation, and not to make any payments out of the ordinary course of business.
21. Agreements Out of Ordinary Course – No Obligor shall enter into any material agreements out of the ordinary course of business, except with the prior written consent of the Bank which consent may be withheld in the Bank’s sole discretion.
22. Remuneration – Without the prior written consent of the Bank, the Borrower shall not make any distributions, directly or indirectly, to or for the benefit of any shareholder,

director, officer, employee or any other person not dealing at arms-length with the Borrower.

23. Realty Taxes – During the Forbearance Period, the Borrower shall (a) make monthly payments to the Town of Midland for property taxes as they become due (the “**Realty Taxes**”); and (b) provide the Bank with copies of all correspondence between the Borrower and the Town of Midland with respect to such tax arrears, including, without limitation, providing the Bank with copies of all cheques sent, or any other evidence of payments made, to the Town of Midland.
24. Encumbrances – The Obligors shall not encumber (except as permitted under the Loan Documents) sell, transfer, convey, lease or otherwise dispose of any of their respective assets or property out of the ordinary course of business without the prior written consent of the Bank, which consent may be withheld in the Bank’s sole discretion.
25. Notice of Default – The Obligors shall forthwith provide the Bank with written notice of the occurrence of an Event of Default hereunder.
26. Notice of Proceedings/Enforcement – Each Obligor shall promptly provide the Bank with notice of the commencement of any law suit, proceedings or other action brought by any person against any Obligor within one business day receipt of same, and provide the Bank with a copy of the relevant pleadings and diligently keep the Bank current and up to date with respect to the status of any such law suit, proceeding or other action. Each Obligor shall notify the Bank in writing immediately upon receipt of any claim or demand, verbal or written, from any person for the payment of indebtedness.
27. Priority Claims – The Borrower and the New Guarantor shall keep current all of its obligations to creditors who may have a lien, charge, security interest or deemed trust in its property and assets which may rank in priority to the security held by the Bank on such property and assets, including, without limitation, all amounts owing for wages, vacation pay, employee source deductions, goods and services tax, harmonized sales tax, provincial sales tax, employer health tax, construction liens, property taxes and Workplace Safety and Insurance Board premiums (collectively, the “**Priority Claims**”).
28. Material Contracts – The Borrower shall not surrender, terminate, repudiate or amend, vary or modify in a manner adverse to the Bank acting reasonably, any material contract with respect to their respective business without the prior written consent of the Bank which may be withheld in the Bank’s sole discretion.
29. Other Agreements – The covenants and other terms and conditions contained in the Loan Documents shall continue in full force and effect, except that, to the extent there exists any actual inconsistency between such provisions and the provisions of this Agreement, the provisions of this Agreement shall govern.
30. Restructuring and Reorganization Proceeding – The parties acknowledge that the Borrower has commenced a restructuring proceeding under the *Bankruptcy and Insolvency Act* (Canada) by filing a Notice of Intention to File a Proposal (the “**Proposal Proceeding**”). The Borrower agrees that the Bank shall be an “unaffected creditor” in the Proposal Proceeding and any proposal filed by the Borrower to its creditors and the Borrower hereby consents to a court order lifting any stay of proceedings as against the Bank. The Borrower further acknowledges and agrees that any charges against the

Borrower's property approved by the court in the Proposal Proceeding shall be subordinate to the Bank's security in the Borrower's property.

### Default

31. Events of Default – Any one or more of the following events in respect of the Obligors will constitute an event of default under this Agreement (each an “**Event of Default**”):
- (i) the termination of the Sale Transaction at any time prior to the Completion Date (as such term is defined in the Sale Agreement);
  - (ii) the non-payment when due of any principal, interest or other amounts payable by the Borrower to the Bank whether under this Agreement, the Loan Documents, or otherwise;
  - (iii) failure by the Borrower to repay the Indebtedness by the Forbearance Termination Date;
  - (iv) the non payment of priority claims by the Borrower and/or the New Guarantor;
  - (v) a default or breach of any obligation, promise, covenant, term or condition occurs under this Agreement or the Loan Documents;
  - (vi) a proceeding is taken against any of the Obligors to have any of the Obligors declared bankrupt, or a proceeding is taken to have a receiver, interim receiver, receiver and manager or agent appointed over all or any part of the property and assets of the Borrower or the New Guarantor (including the private appointment of any such receiver, receiver and manager or agent) or an encumbrancer takes possession of all or any part of the property and assets of the Borrower or the New Guarantor without the prior written consent of the Bank;
  - (vii) any person takes possession of all or any part of the property of the Borrower or the New Guarantor by distress or execution or similar process is levied or enforced against all or any part of the property of the Borrower;
  - (viii) the Borrower or the New Guarantor commit or allow to occur an act of bankruptcy or makes an unauthorized assignment or bulk sale of its property or assets;
  - (ix) there is a change in the *de facto* control of the Borrower or the New Guarantor;
  - (x) if any financial reporting information provided by or on behalf of any of the Obligors to the Bank proves to be false, misleading, inaccurate or incorrect in any material respect, or if there is a failure to provide the Bank with such financial reporting or other information as they may require from time to time; and
  - (xi) the Bank, acting in good faith and upon commercially reasonable grounds, believes that the prospect of payment of the Indebtedness and/or the amounts owing under the Loan Documents or performance by the Obligors of any of their obligations under this Agreement or the Loan Documents is or is about to be

impaired or that all or any part of the Obligors' property is or is about to be placed in jeopardy.

32. Remedies – In addition to the Bank's rights and remedies available under the Loan Documents, under this Agreement, at law or in equity, upon the occurrence of an Event of Default:
- (i) the balance owing by the Obligors to the Bank shall, at the option of the Bank, become immediately due and payable;
  - (ii) the Loan Documents shall, at the Bank's option, become enforceable in accordance with their terms; and
  - (iii) the Bank may, in its sole and unfettered discretion, utilize the Consents (as defined herein) to, *inter alia*, appoint the Receiver over the property and assets of the Borrower, assign the Borrower into bankruptcy and obtain judgment against the Obligors for the full amount of the Indebtedness.

#### Consents

33. Subject to applicable law, upon the occurrence of an Event of Default, the Obligors each consent to any action by the Bank in connection with the enforcement of the Loan Documents, without the necessity of further notice or demand, and hereby agree not to directly or indirectly commence, carry on, consent to, or be a party in any way to any proceeding which would constrain any such action or which would call into question the validity or enforceability of the Indebtedness and/or the Loan Documents. Without limiting the generality of the foregoing, upon or after the occurrence of an Event of Default, the Obligors each hereby irrevocably consent to the appointment of a receiver or receiver and manager (the "Receiver") in respect of any or all of the property, assets or undertakings of the Borrower.
34. Concurrently with the execution of this Agreement, the Borrower shall execute consents in the form attached hereto as Schedule D (the "Consents") to give effect to the above Consents. The Consents may be utilized by the Bank at any time upon or after the occurrence of an Event of Default, acting in the Bank's sole and unfettered discretion. The Borrower authorizes the Bank or its solicitors to insert the date onto the consents.

#### Miscellaneous

35. Reimbursement – The Borrower agrees to reimburse the Bank in respect of all reasonable expenses (including all legal fees and disbursements) which the Bank has incurred or will incur in connection with any review of the Loan Documents, the negotiation, preparation and administration of this Agreement and the enforcement of the Loan Documents. The Bank may pay such expenses directly and the amount so paid shall form part of the indebtedness of the Borrower to the Bank and shall bear interest from the date of payment at the highest rate payable by the Borrower for any of their Indebtedness to the Bank.
36. Further Assurances – The Obligors, upon request by the Bank, shall promptly do, make, execute and deliver all such further acts, documents and instruments as the Bank may reasonably require to allow the Bank to enforce any of its rights under this Agreement and to give effect to the intention of this Agreement.

37. Capacity and Authority – Each of the Obligors represents and warrants to the Bank that it/he has the capacity and, with respect to the Borrower, the authority to enter into and perform its respective obligations under this Agreement.
38. Necessary Proceedings – The execution and delivery of this Agreement and the performance by the Borrower and the New Guarantor of their obligations hereunder have been duly authorized by all necessary proceedings.
39. Headings – The headings contained herein are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
40. Severability – If, in any jurisdiction, any provision of this Agreement or its application to any party or circumstance is restricted, prohibited or unenforceable, such provision shall, as to such jurisdiction, be ineffective only to the extent of such restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction or without affecting its application to other parties or circumstances.
41. Time – Time is of the essence in the performance of the parties' respective obligations.
42. 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.
43. Notices – Any notice, consent or approval required or permitted to be given in connection with this Agreement (a "Notice") 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:

- (i) in the case of a Notice to the Bank at:

Business Development Bank of Canada  
 Special Accounts  
 121 King Street West, Suite 1200  
 Toronto, ON M5H 3T9

Attention: Ruth Thomson  
 Email: [Ruth.Thomson@bdc.ca](mailto:Ruth.Thomson@bdc.ca)

and with a copy to:

Chaitons LLP  
 5000 Yonge Street, 10<sup>th</sup> Floor  
 Toronto, ON M2N 7E9

Attention: Maya Poliak  
 Facsimile: (416) 218-1844  
 Email: [maya@chaitons.com](mailto:maya@chaitons.com)

(ii) in the case of the Obligor:

c/o William Harvey Jones  
Barrister and Solicitor  
Suite 2702, 401 Bay Street  
Toronto, Ontario  
M5H 2Y4

By fax: (416) 596-8876  
Email: wjones@williamjones.ca

44. Assignment – The Obligor may not assign this Agreement or any rights or obligations under this Agreement except with the prior written consent of the Bank which may be withheld in the Bank’s sole discretion.
45. Enurement – 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.
46. Governing Law – This Agreement shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
47. Execution and Delivery – This Agreement may be executed in counterparts, and acceptance of this Agreement may be provided by facsimile transmission or email transmission in PDF format and, on such execution and transmission, this Agreement shall be binding on the parties with the same force and effect as if originally executed.
48. Entire Agreement – The Loan Documents together with the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the parties and set out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understanding 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 and any document required to be delivered pursuant to this Agreement.

[remainder of page intentionally left blank]

IN WITNESS OF WHICH the parties have duly executed this Agreement on the date described above.

**BUSINESS DEVELOPMENT BANK OF CANADA**

By:

B. Thompson  
Name:

Title:  
[Signature]

Name: Angus Hutchinson  
Title: Regional Director  
Special Accounts

I/we have authority to bind the bank.

**FORTE EPS SOLUTIONS INC.**

By:

[Signature]  
Name:

Title: John C. Cipressi

I have authority to bind the corporation.

**16567 HIGHWAY 12 LIMITED**

By:

[Signature]  
Name:

Title:

I have authority to bind the corporation.

[Signature]  
Witness

[Signature]  
Witness

[Signature]  
DOMINIC ZITA

[Signature]  
JOHN CIPRESSI



**SCHEDULE "A"**  
**BORROWER DOCUMENTS**

1. Commitment Letter dated January 23, 2013, as amended by letter dated February 23, 2013;  
and
2. General Security Agreement dated January 31, 2013 granted by Forte EPS Solutions Inc. (the  
"**Borrower**") in favour of Business Development Bank of Canada (the "**Bank**").

Items 1 and 2 above are herein collectively referred to as the "**Borrower Security**".

**SCHEDULE "B"****INDEBTEDNESS OWING**

<b>Loan No.091374-01</b>	<b>CDN Amount</b>
Principal	\$525,150.00
Interest (accrued to May 19, 2017) <sup>1</sup>	\$13,222.96
Annual administration fee	\$500.00
Outstanding Forbearance Fee	\$5,000.00
Protective Disbursement	\$864.45
Interest on Protective Disbursement	\$7.06
Legal Fees	\$10,000.00
<b>TOTAL:</b>	<b>\$554,744.47</b>

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<sup>1</sup> Daily accrual rate of \$85.60

**SCHEDULE "C"**  
**NEW GUARANTOR LIABILITIES**

**SCHEDULE "D"**

**CONSENTS**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**BUSINESS DEVELOPMENT BANK OF CANADA**

Applicant

- and -

**FORTE EPS SOLUTIONS INC.**

Respondent

**CONSENT**

The Respondent, by its solicitors duly authorized, hereby consent to the form and contents of the draft order attached hereto as Schedule "A" and confirm that no person or party to these proceedings is under any legal disability.

DATED at \_\_\_\_\_, this \_\_\_\_\_ day of May, 2017

**FORTE EPS SOLUTIONS INC.**  
by its solicitors William Harvey Jones

Per: \_\_\_\_\_  
WILLIAM HARVEY JONES

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**

THE HONOURABLE ) DAY, THE <sup>TH</sup> DAY  
)  
JUSTICE ) OF, 2017

**BUSINESS DEVELOPMENT BANK OF CANADA**

Applicant

- and -

**FORTE EPS SOLUTIONS INC.**

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

**ORDER**  
**(Appointing Receiver)**

**THIS APPLICATION** made by Business Development Bank of Canada (“**BDC**”) for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing BDO Canada Limited as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of Forte EPS Solutions Inc. (the “**Respondent**”), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of Ruth Thomson sworn April 17, 2017 and the Exhibits thereto and on reading the consent of the Respondent to this Order and the consent of BDO Canada Limited to act as the Receiver,

## **APPOINTMENT**

1. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, BDO Canada Limited is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Respondent acquired for, or used in relation to a business carried on by the Respondent, including all proceeds thereof (the "**Property**").

## **RECEIVER'S POWERS**

2. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Respondent, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Respondent;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Respondent or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Respondent and to exercise all remedies of the Respondent in collecting such monies, including, without limitation, to enforce any security held by the Respondent;
- (g) to settle, extend or compromise any indebtedness owing to the Respondent;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Respondent, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Respondent, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$200,000; and
- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Respondent;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondent, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Respondent;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Respondent may have; and

- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

3. **THIS COURT ORDERS** that (i) the Respondent, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

4. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondent, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

5. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give

unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

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

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

7. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE RESPONDENT OR THE PROPERTY**

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Respondent or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Respondent or the Property are hereby stayed and suspended pending further Order of this Court.

### **NO EXERCISE OF RIGHTS OR REMEDIES**

9. **THIS COURT ORDERS** that all rights and remedies against the Respondent, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Respondent to carry on any business which the Respondent is not lawfully entitled to carry on, (ii) exempt the Receiver or the Respondent from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH THE RECEIVER**

10. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Respondent, without written consent of the Receiver or leave of this Court.

### **CONTINUATION OF SERVICES**

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Respondent or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondent are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Respondent's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Respondent or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

## **RECEIVER TO HOLD FUNDS**

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

## **EMPLOYEES**

13. **THIS COURT ORDERS** that all employees of the Respondent shall remain the employees of the Respondent until such time as the Receiver, on the Respondent's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

## **PIPEDA**

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all

material respects identical to the prior use of such information by the Respondent, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

16. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

#### **RECEIVER'S ACCOUNTS**

17. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless

otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### **FUNDING OF THE RECEIVERSHIP**


20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$[50,000] (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

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

#### **SERVICE AND NOTICE**

24. **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/e-service-protocol/>) 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 '

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is 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 Respondent's creditors or other interested parties at their respective addresses as last shown on the records of the Respondent 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.

**GENERAL**

26. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

27. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Respondent.

28. **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 Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

29. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. **THIS COURT ORDERS** that BDC shall have its costs of this application, up to and including entry and service of this Order, on solicitor client basis as provided for by the terms of BDC's security.

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



**SCHEDULE "A"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties Forte EPS Solutions Inc. (the "**Respondent**") acquired for, or used in relation to a business carried on by the Respondent, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 8<sup>th</sup> day of May, 2017 (the "**Order**") made in an action having Court file number \_\_-CL-\_\_\_\_\_, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

[RECEIVER'S NAME], solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

Per: \_\_\_\_\_

Name:

Title:

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY)**

THE HONOURABLE ) DAY, THE  
JUSTICE )  
) DAY OF, 201

BETWEEN:

**IN THE MATTER OF THE BANKRUPTCY OF  
1825119 ONTARIO LIMITED, IN THE CITY OF NIAGARA FALLS,  
IN THE PROVINCE OF ONTARIO**

**CONSENT**

**FORTE EPS SOLUTIONS INC.** hereby consents to the immediate making of a bankruptcy order in respect of its property, assets and undertaking upon the application of Business Development Bank of Canada.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**FORTE EPS SOLUTIONS INC.**

By:

\_\_\_\_\_  
Name:  
Title:

I have authority to bind the corporation.

\_\_\_\_\_  
Name:  
Title:

I have authority to bind the corporation.

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

**BUSINESS DEVELOPMENT BANK OF CANADA**

Plaintiff

-and-

**FORTE EPS SOLUTIONS INC.**

Defendant

**CONSENT**

The Defendant hereby consents to judgment being entered against it in favour of the Plaintiff in an amount equal to their respective indebtedness then outstanding to the Plaintiff under or relating to the credit facilities granted by the Plaintiff to the Defendant, including principal, interest, fees and expenses, together with interest at the rates applicable thereto and for that purpose, the amounts stated by the Plaintiff shall be binding and conclusive in the absence of manifest error.

**FORTE EPS SOLUTIONS INC.**

By:

\_\_\_\_\_  
Name:

Title:

I have authority to bind the corporation.

\_\_\_\_\_  
Name:

Title:

I have authority to bind the corporation.

**TAB D**

Exhibit D to the affidavit  
of JOHN CIPRESSI  
sworn the 15 day of JUNE, 2017

  
\_\_\_\_\_  
Commissioner, etc.



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
REGISTRY  
OFFICE #51

58474-0233 (LT)

PAGE 1 OF 2  
PREPARED FOR Jones123  
ON 2017/06/04 AT 13:30:06

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

PROPERTY DESCRIPTION: PT LT 101 CON 2 TAY PT 1 & 3, S1R14263; S/T R0926377; MIDLAND

PROPERTY REMARKS:

ESTATE/QUALIFIER:  
FEE SIMPLE  
LT CONVERSION QUALIFIED

RECENTLY:  
FIRST CONVERSION FROM BOOK

FIN CREATION DATE:  
2001/10/09

OWNERS' NAMES  
16567 HIGHWAY 12 HOLDINGS LIMITED

CAPACITY SHARE  
NONE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO						
** SUBSECTION 49(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2001/10/09 **						
R0166873	1963/05/30	BYLAW				C
R0213545	1965/11/25	BYLAW				C
S1R14263	1986/03/26	PLAN REFERENCE				C
SC22728	2002/05/28	NOTICE AGREEMENT		THE CORPORATION OF THE TOWN OF MIDLAND	BRUIN ENGINEERED PARTS INC.	C
SC998248	2012/07/20	TRANSFER	\$1,150,000	1767734 ONTARIO INC.	16567 HIGHWAY 12 HOLDINGS LTD.	C
REMARKS: PLANNING ACT STATEMENTS						
SC1041654	2013/02/21	APL CH NAME OWNER		16567 HIGHWAY 12 HOLDINGS LTD.	16567 HIGHWAY 12 HOLDINGS LIMITED	C
SC1041655	2013/02/21	CHARGE	\$500,000	16567 HIGHWAY 12 HOLDINGS LIMITED	WESTERN ONTARIO COMMUNITY FUTURES DEVELOPMENT CORPORATION ASSOCIATION INC.	C
SC1132541	2014/05/27	APL CH NAME INST		WESTERN ONTARIO COMMUNITY FUTURES DEVELOPMENT CORPORATION ASSOCIATION INC.	THE WESTERN ONTARIO COMMUNITY FUTURES DEVELOPMENT CORPORATION ASSOCIATION	C
REMARKS: SC1041655.						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



LAND  
REGISTRY  
OFFICE #51

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

58474-0233 (LT)

PAGE 2 OF 2  
PREPARED FOR Jones123  
ON 2017/06/04 AT 13:30:06

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
SC1132564	2014/05/27	CHARGE	\$2,300,000	16567 HIGHWAY 12 HOLDINGS LIMITED	FIRST SOURCE MORTGAGE CORPORATION	C
SC1132565	2014/05/27	NO ASSGN RENT GEN		16567 HIGHWAY 12 HOLDINGS LIMITED	FIRST SOURCE MORTGAGE CORPORATION	C
SC1132566	2014/05/27	NO ASSGN RENT SPEC		16567 HIGHWAY 12 HOLDINGS LIMITED	FIRST SOURCE MORTGAGE CORPORATION	C
		REMARKS: SC1132566				
SC1132567	2014/05/27	POSTPONEMENT		THE WESTERN ONTARIO COMMUNITY FUTURES DEVELOPMENT CORPORATION ASSOCIATION	FIRST SOURCE MORTGAGE CORPORATION	C
		REMARKS: SC1041655 TO SC1132564				
SC1411800	2017/05/23	CHARGE	\$700,000	16567 HIGHWAY 12 HOLDINGS LIMITED	BUSINESS DEVELOPMENT BANK OF CANADA	C
SC1411808	2017/05/23	NO ASSGN RENT GEN		16567 HIGHWAY 12 HOLDINGS LIMITED	BUSINESS DEVELOPMENT BANK OF CANADA	C
		REMARKS: SC1411800. DELETE SC1411808 UPON DELETION OF SC1411800				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

## **TAB E**

Exhibit E to the affidavit  
of John Cipressi  
sworn the 5 day of June, 2017.

  
\_\_\_\_\_  
Commissioner, etc.

**AGREEMENT OF PURCHASE AND SALE**  
(FOR USE IN THE PROVINCE OF ONTARIO)

PURCHASER, 2306732 Ontario Inc., agrees to purchase from  
VENDOR, 16567 Highway 12 Holdings Limited, the following  
REAL PROPERTY:  
Address: 16567 Highway 12 Midland fronting on Highway 12  
in the Town of Midland, Ontario and containing a freestanding industrial building of approximately  
84,000 sq. ft. on ± 6.5 acres of land  
and having a frontage of 441 feet more or less by a depth of 647 feet more or less and legally described as  
Parts 1 and 3 on Plan 51R-14263, Town of Midland, Ontario  
(the "Property")  
PURCHASE PRICE: Four Million, Two Hundred and Fifty Thousand Dollars (CDNS  
4,250,000.00)  
DEPOSIT:  
Purchaser submits (Upon acceptance) Twenty thousand Dollars  
(CDNS 20,000.00)  
cash or negotiable cheque payable to Vendor's solicitor to be held in trust pending  
completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.

Purchaser agrees to pay the balance of the purchase price subject to the credits hereinafter acknowledged and subject to the usual adjustments and other adjustments required under this agreement by cash or certified cheque on closing.

The Vendor acknowledges having previously received an advance of five hundred and fifty thousand (\$550,000.00) Dollars from the Purchaser which has not been repaid and is currently outstanding, due and owing. The parties agree that in the event this transaction is completed the said amount outstanding will be applied as a credit against the balance due on closing and the said loan advance shall be extinguished. If this transaction is not completed for any reason whatsoever, including the Purchaser's default, the Vendor's obligations to repay and satisfy the said loan advance will remain unaffected.

SCHEDULE(S) A & B ATTACHED HERETO FORM(S) PART OF THIS AGREEMENT.

1. CHATELS INCLUDED:.....See attached.....  
.....  
.....
2. FIXTURES EXCLUDED:.....See attached.....  
.....  
.....
3. RENTAL ITEMS: The following equipment is rented and not included in the Purchase Price. The Purchaser agrees to assume the rental contract(s), if assumable:  
.....  
.....
4. IRREVOCABILITY: This Offer shall be irrevocable by..... [Purchaser].....until.....6:00 p.m..... on the.....10th.....day of.....May....., 2017, after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Purchaser in full without interest.

To be read with and form a part of this Agreement of Purchase and Sale between:

**2306732 ONTARIO INC. (PURCHASER) AND  
16567 HIGHWAY 12 HOLDINGS LIMITED (VENDOR)**

5. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the.....25th 1<sup>st</sup>.....day of.....July....., 2017,

Upon completion, vacant possession of the property shall be given to the Purchaser unless otherwise provided for in this Agreement.

6. **NOTICES:** For the purpose of giving and receiving notices pursuant to this Agreement. Any notice relating hereto or provided for herein shall be in writing. This offer, any counter offer, notice of acceptance thereof, or any notice shall be deemed given and received, when hand delivered to the address for service below:

i. Vendor: 16567 Highway 12 Midland, Ontario

ii. Purchaser: 2440 Beryl Rd., Oakville, Ontario

or where a facsimile number is provided herein, when transmitted electronically to that facsimile number.  
FAX No 705 526 9529 (for delivery of notices to Vendor) FAX No. 905 815 9500 (for delivery of notices to Purchaser)

7. **HST:** If this transaction is subject to Harmonized Sales Tax (HST.), then such tax shall be in addition to the Purchase Price. If this transaction is not subject to HST., Vendor agrees to certify on or before closing, that the transaction is not subject to HST.

8. **TITLE SEARCH:** Purchaser shall be allowed until 6:00 p.m. on the .....11th .....day of.....June....., 2017, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (.....) may be lawfully continued and that the principal building may be insured against risk of fire. Vendor hereby consents to the municipality or other governmental agencies releasing to Purchaser details of all outstanding work orders affecting the property, and Vendor agrees to execute and deliver such further authorizations in this regard as Purchaser may reasonably require.

9. **FUTURE USE:** Vendor and Purchaser agree that there is no representation or warranty of any kind that the future intended use of the property by Purchaser is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the present use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Vendor and which Vendor is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire in favour of the Purchaser and any mortgagee, (with all related costs at the expense of the Vendor), and which Purchaser will not waive, this Agreement not withstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Vendor, shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Purchaser shall be conclusively deemed to have accepted Vendor's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Vendor and Purchaser retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Vendor and Purchaser acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Vendor and Purchaser will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers, the form of which is as recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Purchaser shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Vendor. If requested by Purchaser, Vendor will deliver any sketch or survey of the property within Vendor's control to Purchaser as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Purchaser on completion, is not available in registrable form on completion, Purchaser agrees to accept Vendor's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Vendor shall provide to Purchaser a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic

To be read with and form a part of this Agreement of Purchase and Sale between:

**2306732 ONTARIO INC. (PURCHASER) AND  
16567 HIGHWAY 12 HOLDINGS LIMITED (VENDOR)**

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cleared funds transfer system is not being used, a direction executed by Vendor directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

**13. INSPECTION:** Purchaser acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Purchaser and Vendor. The Purchaser acknowledges having the opportunity to include a requirement for a property inspection report in this Agreement and agrees that except as may be specifically provided for in this Agreement, the Purchaser will not be obtaining a property inspection or property inspection report regarding the property.

**14. INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion of the risk of Vendor. Pending completion, Vendor shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Purchaser may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Vendor is taking back a Charge/Mortgage, or Purchaser is assuming a Charge/Mortgage, Purchaser shall supply Vendor with reasonable evidence of adequate insurance to protect Vendor's or other mortgagee's interest on completion.

**15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Vendor complies with the subdivision control provisions of the Planning Act by completion and Vendor covenants to proceed diligently at his expense to obtain any necessary consent by completion.

**16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Vendor, and any Charge/Mortgage to be given back by the Purchaser to Vendor at the expense of the Purchaser. If requested by Purchaser, Vendor covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.

**17. RESIDENCY:** Purchaser shall be credited towards the Purchase Price with the amount, if any, necessary for Purchaser to pay to the Minister of National Revenue to satisfy Purchaser's liability in respect of tax payable by Vendor under the non-residency provisions of the Income Tax Act by reason of this sale. Purchaser shall not claim such credit if Vendor delivers on completion the prescribed certificate or a statutory declaration that Vendor is not then a non-resident of Canada.

**18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Purchaser.

**19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Vendor and Purchaser or by their respective lawyers who may be specifically authorized in that regard.

**20. TENDER:** Any tender of documents or money hereunder may be made upon Vendor or Purchaser or their respective lawyers on the day set for completion. Money may be tendered by bank draft or cheque certified by a Chartered Bank, Trust Company, Province of Ontario Savings Office, Credit Union or Caisse Populaire.

**21. FAMILY LAW ACT:** Vendor warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Vendor's spouse has executed the consent hereinafter provided.

**22. UFFI:** Vendor represents and warrants to Purchaser that during the time Vendor has owned the property, Vendor has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Vendor's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.

**23. CONSUMER REPORTS:** The Purchaser is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

**24. AGENCY:** It is understood that the brokers involved in the transaction represent the parties as set out in the Confirmation of Representation below.

**25. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Purchaser and Vendor. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Vendor means vendor and Purchaser means purchaser. This Agreement shall be read with all changes of gender or number required by the context.

Handwritten signature and initials in the bottom right corner of the page.

To be read with and form a part of this Agreement of Purchase and Sale between:

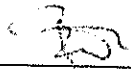

**2306732 ONTARIO INC. (PURCHASER) AND  
16567 HIGHWAY 12 HOLDINGS LIMITED (VENDOR)**

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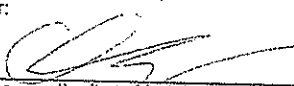
26. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

DATED AT Oakville this 5th day of May, 2017.

SIGNED, SEALED AND DELIVERED in the presence of:

  
\_\_\_\_\_  
  
\_\_\_\_\_

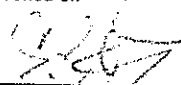
IN WITNESS whereof I have hereunto set my hand and seal:

2306732 Ontario Inc.,  
Per:  Date \_\_\_\_\_  
\_\_\_\_\_  
(I have authority to bind the Corporation)  
\_\_\_\_\_  
(I have authority to bind the Corporation) (Seal) \_\_\_\_\_

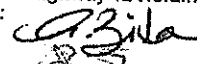
THE UNDERSIGNED accepts the above Offer

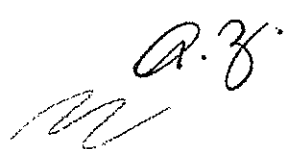
DATED AT \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

SIGNED, SEALED AND DELIVERED in the presence of:

  
\_\_\_\_\_

IN WITNESS, whereof I have hereunto set my hand and seal:

16567 Highway 12 Holdings Limited  
Per:  Date \_\_\_\_\_  
\_\_\_\_\_  
(I have authority to bind the Corporation)



To be read with and form a part of this Agreement of Purchase and Sale between:

**2306732 ONTARIO INC. (PURCHASER) AND  
16567 HIGHWAY 12 HOLDINGS LIMITED (VENDOR)**

---

**SCHEDULE "A"**

To be read with and form a part of this Agreement of Purchase and Sale between:

**2306732 ONTARIO INC. (PURCHASER) AND  
16567 HIGHWAY 12 HOLDINGS LIMITED (VENDOR)**

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**1. HARMONIZED SALES TAX (HST)**

Prior to closing the Purchaser shall deliver to the Vendor a Statutory Declaration, confirming that the Purchaser is registered for the purpose of Part IX of the Excise Tax Act in accordance with the requirements thereof, and providing that the Purchaser so delivers such declaration, together with a copy of the Purchaser's registration, the Purchaser shall not be required to pay to the Vendor, nor shall the Vendor be required to collect from the Purchaser the HST, under this Act. If the Purchaser fails to deliver such Statutory Declaration to the Vendor then the Purchaser shall pay to the Vendor in addition to the purchase price the HST. The Purchaser shall further indemnify the Vendor for the HST requirements.

**2. REPRESENTATIONS AND WARRANTIES**

The Vendor represents and warrants:

- i. The Purchase price includes all existing electrical light fixtures, heating equipment and appurtenances thereto and all other chattels, fixtures and equipment, which may be the property of the Vendor and used in connection with the said premises, and all of which the Vendor warrants to be free and clear of any encumbrances whatsoever and the Vendor warrants that they are in good operating condition as of the date of closing.
- ii. There are no notices of proposed amendments to the zoning bylaws relating to this property.
- iii. There are no current or proposed local improvement charges or other special levies.

**3. ENVIRONMENTAL**

The Vendor hereby represents and warrants to the Purchaser that the lands and buildings do not contain any hazardous, noxious, toxic waste or substance, or other regulated or dangerous contaminants, that it complies with all applicable environmental laws and regulations, and that no such substances have or are in the course of migrating onto the lands and buildings from neighbouring properties.

The Vendor shall within 5 days of acceptance of this Agreement deliver to the Purchaser true copies of all environmental assessments or reports and obtain and deliver forthwith thereafter written confirmation that the reports are current and up to date together with a reliance letter from the author or authors of all the reports produced granting full reliance rights to the Purchaser.

Handwritten signature and initials in the bottom right corner of the page.

To be read with and form a part of this Agreement of Purchase and Sale between:

**2306732 ONTARIO INC. (PURCHASER) AND  
16567 HIGHWAY 12 HOLDINGS LIMITED (VENDOR)**

4. **CONDITIONS**

This Offer shall be conditional for a period of thirty (30) days from the acceptance date hereof, upon the Purchaser satisfying himself in his sole and absolute discretion with the following:

- a) Physical inspection of the Property; and
- b) Environmental Review of the said Property; The Purchaser arranging satisfactory financing
- c) .

If the Purchaser determines in its sole and absolute discretion that these conditions have been satisfied, the Purchaser shall have the right by delivery of written notice to the Vendor on or before the expiration of the conditional period to waive these conditions and to proceed with this Agreement. Upon the waiver of the condition by the Purchaser the Purchaser shall deliver a negotiable cheque in the amount of \$30,000.00 to counsel for the Vendor to be held in trust pending the completion or other termination of this Agreement and to be treated as payment on account of the purchase price and not as a further deposit. The determination of satisfaction with the said conditions shall be personal to the Purchaser and may not be challenged on any grounds whatsoever. If written notice of waiver of these conditions is not delivered or faxed to the Vendor or its solicitor on or before the expiration of the conditional period, this Agreement of Purchase and Sale shall automatically become null and void, in which event the deposit monies shall be returned to the Purchaser without deduction, and all parties to this Agreement shall thereafter be relieved of any obligation or liability hereunder.

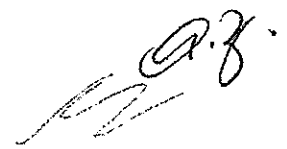
This condition is included for the sole benefit of the Purchaser and may be waived at its sole option.

5. **RIGHT TO ENTER**

Upon acceptance of the agreement, the Vendor agrees to allow the Purchaser, its agents, engineers, surveyors, consultants, any of them, to enter upon the property at reasonable times and from time to time for the purposes of conducting environmental assessments, soil tests, surveys, checking elevations, and conducting such other tests and examinations and/or performing such work as may be required by the Purchaser, provided that the property shall forthwith be reasonably restored by the Purchaser at his sole expense to the physical condition existing prior to such tests or examinations being made.

6. **ASSIGNMENT**

It is agreed that the Purchaser shall have the right at any time prior to closing to assign this Agreement to a corporation or corporations, and/or persons, and when such assignment shall have been made and written notice thereof shall have been given to the Vendor or its Solicitors, the assignee shall assume all the Purchaser's rights and obligations hereunder to the same extent and in the same manner as if such assignee had executed this Agreement of Purchase and Sale as Purchaser, and thereupon all of the obligations of the Purchaser hereunder shall cease and terminate as if the assignee were the party who executed this agreement.

A handwritten signature in black ink, appearing to be 'R. A. F.', is located in the bottom right corner of the page.

To be read with and form a part of this Agreement of Purchase and Sale between:

2306732 ONTARIO INC. (PURCHASER) AND  
16567 HIGHWAY 12 HOLDINGS LIMITED (VENDOR)

7. SURVEY

A survey of the said lands and premises completed by a certified Ontario Land Surveyor showing all boundaries and buildings as they currently exist is attached hereto as Schedule "B".

8. DIRECTIONS AND AUTHORIZATIONS

After acceptance and prior to closing, the Purchaser shall be entitled to full access upon the real property upon reasonable notice and to obtain from the Vendor within five (5) days of the Purchaser's request, directions or authorizations as the Purchaser may require to be given to any governmental authority or agent or servant or employee of the Purchaser permitting release of information as the Purchaser may require, but shall not call upon inspections by any governmental agencies.

9. LEGAL ADVICE

The Parties to this Agreement acknowledge that they have obtained advice from their Legal Counsel prior to signing this document

10. VENDORS DELIVERIES

In addition to any other productions required of the Vendor under this Agreement, the Vendor shall within 5 days of acceptance of this Agreement deliver to the Purchaser:

- i. all warranties, guarantees, working drawings, specifications and other plans pertaining to the lands and buildings, if any, which are in the possession or control of the Vendor,
- ii. current year realty tax bill and CVA,
- iii. List of chattels and fixtures included showing dates of purchase and age,
- iv. List of chattels and fixtures excluded,
- v. List of all rental equipment
- vi. List and copies of all assumable contracts,
- vii. Current zoning and any zoning amendments,
- viii. List and description of all capital improvements,
- ix. All drawings, building plans, electrical, mechanical and plumbing plans in Vendors possession or control.

11. NO AGREEMENT / LEASES

Following the acceptance of this Offer, no agreement to lease, lease amendment or other commitment or agreement relevant to the operation, maintenance and management of the Property shall be made or renewed by the Vendor without the prior written consent of the Purchaser, such consent not to be unreasonably withheld or delayed.

Furthermore, the Purchaser and the Vendor agree that the Vendor or such other entity as the Vendor may appoint (the "Vendor's Tenant") shall lease back the entire subject property for a period of five (5) years from the Closing Date of this Agreement with one (1) further five (5) year renewal. The following is a summary of the fundamental terms of the lease:

To be read with and form a part of this Agreement of Purchase and Sale between:

**2306732 ONTARIO INC. (PURCHASER) AND  
16567 HIGHWAY 12 HOLDINGS LIMITED (VENDOR)**

8/10

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8.5%

- i. The net rental rate shall be \$4.05 per square foot per annum for the first thirty (30) months of the initial term of the lease and \$4.30 per square foot per annum for the last thirty (30) months of the initial term calculated on a deemed area of 84,000 square feet.
  - ii. The lease shall contain an option permitting the Tenant to extend the initial term for one(1) further period of 5 years on notice to the landlord at a rent rate to be determined on the basis of then current prevailing rents for similar premises in the same area where the premises are located but the rental rate shall not be less in any event than the rental rate paid in the last month of the initial term. In the event that the parties are unable to agree on such rental rates for such renewal period, the parties shall refer the question of the rent to be referred to a single arbitrator pursuant to the Arbitration Act of Ontario
  - iii. The lease shall be triple net to the landlord and in the form to be submitted by the Purchaser in compliance with the terms of this Agreement.
  - iv. The first and last month estimated rent shall be paid as an adjustment in favour of the Purchaser on closing.
  - v. Purchaser and the Vendor agree that Vendor's Tenant shall enter into the Purchaser's Standard Lease Agreement, prior to closing. In the event a lease in the form satisfactory to the Purchaser is not executed and delivered on or before closing the Purchaser shall in its sole and absolute discretion, in addition to all other remedies available to it for default by the Vendor, have the right to declare this agreement null and void.
  - vi. The principals of the Vendor shall provide full indemnity for any default by the Tenant.
12. the Vendor further represents and warrants that:
- I. the roof of the premises and all its components have been maintained in a first class condition and are currently free of structural defects, leaks, and in good condition,
  - II. the building is free of structural defects, and
  - III. the mechanical, hvac, plumbing, and electrical installations are in good working condition, in compliance with all applicable laws, and adequate for the current use of the building.
15. The representations and warranties contained in this agreement shall survive and continue to be in full force and effect after closing notwithstanding any investigations done by the Purchaser and the waiver of the due diligence conditions.

10/6/09

29,550

30,100

A.F.

*[Signature]*

SCHEDULE "B"

To be read with and form a part of this Agreement of Purchase and Sale between:

2306732 ONTARIO INC. (PURCHASER) AND  
16567 HIGHWAY 12 HOLDINGS LIMITED (VENDOR)

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Attached as Schedule "B" is the Plan of Survey prepared by ..... and dated..... showing, among other things, the current location of all buildings, structures, erections and fences on the subject property.

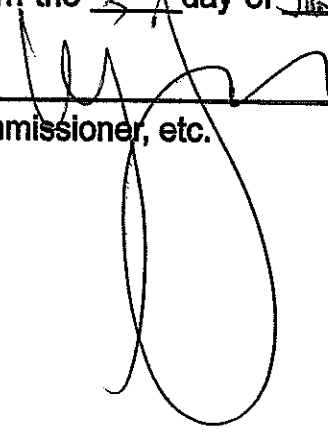


*A. J.*

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**TAB F**

Exhibit "F" to the affidavit  
of JOHN CIOGESSI  
sworn the 5 day of June 2011.

  
\_\_\_\_\_  
Commissioner, etc.

District of: Ontario  
Division No. 03 - Barrie  
Court No. 31-2253654  
Estate No. 31-2253654

FORM 30 - Attachment  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of  
Forte EPS Solutions Inc.  
of the city of Midland, in the Province of Ontario

Purpose:

The purpose of the projection is to present the Statement of Projected Cash-Flow of Forte EPS Solutions Inc. (the "Company") in accordance with the requirements of subsection 50.4(2) of the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

This Statement of Projected Cash-Flow reflects the forecasted cash-flows of the Company for the 15 weeks ended September 3, 2017.

Assumptions:

1. This statement has been prepared for a fifteen-week period of time, on the basis that: (a) the Company files a Proposal to its creditors on or before June 16, 2017; (b) the Company's creditors approve the Proposal at a properly convened meeting of creditors held on or before July 7, 2016; and, (c) Court approval of the Company's Proposal is obtained during the week ended September 3, 2017. This cash flow forecast does not contemplate that the company will require Court approval for an extension of time to file its Proposal ("Extension"). In the event that the company does require an Extension a revised cash flow forecast will be prepared at that time.
2. Receipts from existing and anticipated projects have been estimated by management. Costs of sales have been estimated by management based on existing and anticipated projects.
3. The receipts and applicable disbursements include HST.
4. As of the date of this report, 16567 Highway 7 Holdings Limited ("16567"), a company operating non-arm's length to the Company, owned the Company's premises. 16567 is attempting to sell the premises to an arm's length purchaser. Therefore, future rent expense has been estimated.
5. All expenses have been recorded in the week they are forecast to be incurred. It is expected that some vendors currently supplying goods and services will require cash-on-delivery terms.
6. The cash flow projection includes an estimate of the Trustee's fees and disbursement, including legal fees. These amounts are subject to change.
7. Wages and benefits expense includes a provision for management salaries payable to the Dominic Zita of \$5,000 paid bi-weekly (gross).
8. Related party advances represents funds to be advanced to the Company from 16567.

Dated at the city of Toronto in the Province of Ontario, this 29th day of May 2017.

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Forte EPS Solutions Inc.

FORTE EPS SOLUTIONS INC.  
STATEMENT OF FORECASTED CASH FLOWS  
FOR THE 15 WEEKS ENDED SEPTEMBER 3, 2017

	Forecast														
	28-May-17	4-Jun-17	11-Jun-17	18-Jun-17	25-Jun-17	2-Jul-17	9-Jul-17	16-Jul-17	23-Jul-17	30-Jul-17	6-Aug-17	13-Aug-17	20-Aug-17	27-Aug-17	3-Sep-17
Cash balance - beginning of period	\$ (2,688)	7,564	3,850	19,267	293,989	222,283	125,163	60,509	33,249	141,214	193,758	133,710	103,715	102,778	105,409
Cash receipts (includes HST)															
Collection of AR	24,529	3,865	13,831	4,546	3,026	760	-	-	-	-	-	-	-	-	-
Receipts from new projects	-	6,000	124,500	8,000	-	10,000	14,600	-	115,000	71,600	-	-	14,600	57,000	440,000
	24,529	9,865	138,331	12,546	3,026	10,760	14,600	-	115,000	71,600	-	-	14,600	57,000	440,000
Less: Costs of sales															
Product costs	4,700	-	109,000	13,400	64,700	60,000	59,700	4,700	-	-	9,400	-	-	-	55,000
Labour costs	-	-	4,500	7,000	500	4,000	-	3,500	-	3,500	-	11,500	-	10,500	-
Transport	-	-	-	-	2,850	-	-	-	-	-	-	5,850	-	9,000	14,850
	4,700	-	113,500	20,400	68,050	64,000	59,700	8,200	-	3,500	15,250	11,500	9,000	25,350	55,000
Net receipts after cost of goods sold	19,829	9,865	24,831	(7,854)	(65,024)	(53,240)	(45,100)	(8,200)	115,000	68,100	(15,250)	(11,500)	5,600	31,650	385,000
Disbursements (all applicable expenses include HST)															
Rent and occupancy costs	4,145	5,800	4,500	450	-	29,000	9,400	-	450	-	38,400	-	450	10,000	29,000
Equipment repairs and maintenance	1,958	-	75	300	700	239	250	1,050	500	1,258	82	750	1,000	1,100	650
Insurance	264	2,315	335	783	2,876	264	2,850	-	3,456	203	2,579	335	783	3,140	-
Office and general	-	669	350	1,950	300	-	3,550	2,619	-	300	350	1,019	1,600	300	-
Interest and bank charges	300	-	-	-	-	300	-	-	-	-	300	-	-	300	-
Management salaries	-	5,000	-	5,000	-	5,000	-	5,000	-	5,000	-	5,000	-	5,000	-
Telephone	-	-	1,450	148	102	-	-	1,596	-	-	-	102	1,596	-	102
Professional fees	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Chemicals	-	1,000	-	-	-	-	1,000	-	-	-	-	1,000	-	-	-
Office salaries WSIB/Source Deductions	-	6,570	-	6,570	-	6,570	-	6,570	-	6,570	-	6,570	-	6,570	-
Marketing	283	75	75	75	75	358	75	75	-	75	358	75	75	358	75
Vehicle expense	629	150	629	150	629	150	629	150	629	150	629	150	629	150	629
	9,578	23,579	9,414	17,424	6,682	43,880	19,554	19,060	7,035	15,556	44,799	18,495	6,537	29,019	32,354
Net Cash-flow from operations	10,252	(13,714)	15,417	(25,278)	(71,706)	(97,120)	(64,654)	(27,260)	107,965	52,544	(60,049)	(29,995)	(937)	2,631	352,646
Related party advances		10,000		300,000											
Cash balance - end of period	\$ 7,564	3,850	19,267	293,989	222,283	125,163	60,509	33,249	141,214	193,758	133,710	103,715	102,778	105,409	458,055

**NOTICE TO READER:**

This statement of projected cash-flow of the Company is prepared in accordance with the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report On Cash-Flow Statement and the Report On Cash-Flow Statement By The Person Making The Proposal.

For: Forte EPS Solutions Inc.

Albert Galman Inc., solely in its capacity as Trustee in re the Proposal of Forte EPS Solutions Inc. and not in its personal or any other capacity

Per: John Cipressi  
May 29, 2017

Per: Tom McElroy  
May 29, 2017

May 29, 2017

**To: Albert Gelman Inc. ("Trustee")**

**Re: Notice of Intent to Make a Proposal of Forte EPS Solutions Inc.**

In connection with the Notice of Intent to Make a Proposal filed by Forte EPS Solutions Inc. (the "Debtor") on May 19, 2017 pursuant to Part III of the *Bankruptcy and Insolvency Act* (Canada) ("BIA") the management the Debtor ("Management") have prepared the attached cash-flow statement dated May 29, 2017 for the fifteen week period ended September 3, 2017 (the "Cash Flow Statement") and the assumptions on which the cash-flow statement is based.

The Debtor confirms that:

1. The cash-flow statement and the underlying assumptions are the responsibility of the Debtor;
2. All material information relevant to the cash-flow statement and to the underlying assumptions has been made available to Albert Gelman Inc. in its capacity as Trustee of the Proposal of the Debtor;
3. Management has taken all actions that it considers necessary to ensure:
  - a. That the individual assumptions underlying the cash-flow statement are appropriate in the circumstances;
  - b. That the assumptions underlying the cash-flow statement, taken as a whole, are appropriate in the circumstances; and,
  - c. That all relevant assumptions have been properly presented in the cash-flow statement or in the notes accompanying the cash-flow statement.
4. Management understands and agrees that the determination of what constitutes a material adverse change in the projected cash flow or financial circumstances, for the purposes of your monitoring the on-going activities of the Debtor, is ultimately at your sole discretion, notwithstanding that Management may disagree with such determination;
5. Management understands its duties and obligations under the BIA in respect of the Cash Flow Statement; and,

6. The cash-flow statement and assumptions have been reviewed and approved by the Debtor's board of directors or management has been duly authorized by the Debtor's board of directors to prepare and approve the cash-flow assumptions.

Yours truly,

\_\_\_\_\_  
Forte EPS Solution Inc.  
Per: John Cipressi

\_\_\_\_\_  
Date

*I have the authority to bind the company*

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
FORTE EPS SOLUTIONS INC.**

(Short title of proceeding)

Court file no. 31-2253654  
Estate File no. 31-2253654

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**AFFIDAVIT OF JOHN CIPRESSI  
sworn June 5, 2017**

William Harvey Jones  
Barrister and Solicitor  
2702- 401 Bay Street,  
Toronto, Ontario  
M4V 3A1  
LSUC # 38733J

(416) 596-8876  
Fax: (416) 596-0907

Lawyer for the DEBTOR/APPLICANT

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
FORTE EPS SOLUTIONS INC.**

(Short title of proceeding)

Court file no. 31-2253654  
Estate File no. 31-2253654

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**MotionRecord**

William Harvey Jones  
Barrister and Solicitor  
2702-401 Bay Street,  
Toronto, Ontario  
M4V 3A1  
LSUC # 38733J

(416) 596-8876  
Fax: (416) 596-0907

Lawyer for the DEBTOR/APPLICANT