

IN THE MATTER OF THE PROPOSAL OF
FORTE EPS SOLUTIONS INC.
OF THE TOWN OF MIDLAND, IN THE PROVINCE OF ONTARIO

NOTICE OF PROPOSAL TO CREDITORS
(Section 51(1) of the *Bankruptcy and Insolvency Act* (Canada))

Take notice that Forte EPS Solutions Inc. (the "**Company**") of the town of Midland in the Province of Ontario has lodged with us a Proposal (defined below).

Enclosed please find the following documents:

1. Proposal, under Part III, Division I of the BIA lodged with Albert Gelman Inc. (the "**Proposal Trustee**") by the Company and filed with the Official receiver on November 2, 2017 (the "**Proposal**");
2. Trustee's Report to Creditors on the Proposal dated November 13, 2017;
3. The Company's Statement of Affairs sworn on November 2, 2017; and,
4. Proof of claim form, voting letter and proxy.

The creditors or any class of creditors qualified to vote at the meeting may, by resolution, accept the Proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the Court the Proposal is binding on all creditors or the class of creditors affected.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Date at the city of Toronto in the province of Ontario this 13th day of November, 2017.

**ALBERT GELMAN INC., solely in its
capacity as Trustee in re the Proposal
of Forte EPS Solutions Inc. and not
in its personal capacity**

Per: 
Tom McElroy, CPA, CA, CBV, CIRP, LIT

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

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

PROPOSAL

FORTE EPS SOLUTIONS INC. hereby submits the following Proposal pursuant to paragraph 50(1)(a) of the Bankruptcy and Insolvency Act of Canada.

ARTICLE I

Definitions

In this Proposal:

- (a) "Act" means the Bankruptcy and Insolvency Act, S.C. 1992, c.27; as amended and enforced as at the date hereof.
- (b) "Administrative Fees and Expenses" means:
 - (i) the proper fees and expenses of the Trustee; and
 - (ii) the legal and accounting fees and disbursements of the Trustee on and incidental to the preparation of the Proposal, the cash flow and financial statements provided for under the Act and all other costs relating to the proceedings arising out of the Proposal;
- (c) "Company" means FORTE EPS SOLUTIONS INC.;
- (d) "Director" means a person occupying the position of director of a corporation by whatever name called, and "directors" and "board of directors" include a single director;



- (e) **"Claim"** means all debts and liabilities, present or future or contingent, to which the Company is subject on the Filing Date and for which a proof of claim has been filed with the Trustee;
- (f) **"Court"** means the Superior Court of Justice in Bankruptcy and Insolvency;
- (g) **"Effective Date"** means the date on which the Order of the Court approving this Proposal becomes final and non-appealable;
- (h) **"Filing Date"** means the 2nd day of November, 2017;
- (i) **"Inspectors"** means the Inspectors appointed in respect of the Company at the meeting of creditors to consider this Proposal;
- (j) **"Performance of the Proposal"** means the payment of monies pursuant to the provisions of Article VI;
- (k) **"Proposal"** means this proposal dated the 2nd day of November, 2017;
- (l) **"Property of the Company"** has the same meaning in relation to the Company as "Property of a Bankrupt" as defined in S. 67(1) of the Act;
- (m) **"Preferred Creditors"** means those Unsecured Creditors whose Claims the Act directs to be paid in priority to all other claims in a proposal but after payment of the Administrative Fees and Expenses;
- (n) **"Secured Creditors"** means persons holding a mortgage, hypothec, pledge, charge, lien or privilege on or against the property of the Company or any part thereof as security for a Claim, or persons whose Claims are based upon or secured by a negotiable instrument held as collateral security and upon which the Company is only indirectly or secondarily liable, but does not include persons who have Trust Claims as hereinafter defined;
- (o) **"Trustee"** means Albert Gelman Inc. or its duly appointed successor or successors;
- (p) **"Trust Claims"** means Claims for or against Trust Property made by or on behalf of beneficiaries of a trust pursuant to a written agreement or statute or other right recognized by law;
- (q) **"Trust Property"** means property held by the Company in trust for any other person pursuant, as in s.67(1)(a) of the Act;

- (r) **"Unsecured Creditors"** means persons who claim a debt or demand in money or a quantifiable amount in damages is owed to them by the Company as at the date of this Proposal and are not Secured Creditors nor have a claim against Trust Property.

ARTICLE II

Approval of the Proposal

- 2.1 All creditors of the Company who have filed Proofs of Claim as required by the Act and which have been accepted for voting purposes prior to or at the meeting of creditors called for the purpose of approval of this Proposal shall vote by class, according to the class of their respective Claims pursuant to s. 54(2)(b) of the Act. All unsecured creditors shall constitute one class. This Proposal shall be deemed to be accepted by the creditors if, and only if, the unsecured creditors vote for its acceptance by a majority in number and two-thirds in value of the Unsecured Creditors of each class present, personally or by proxy, at the meeting of creditors and voting on the resolution.
- 2.2 Upon acceptance of this Proposal by the creditors, the Trustee shall within five days thereafter apply to the Court for Court approval of the Proposal, pursuant to s. 58 of the Act.
- 2.3 The Proposal will become final and binding when and if it is approved by the Court and no motions to set it aside or vary it, or appeals therefrom, are pending, and the time period for appealing the approval has passed. Such date is the Effective Date.

ARTICLE III

Proposal Generally

- 3.1 The Company will continue to have custody and control over its Property, and will liquidate its assets in a manner to maximise recovery for all stakeholders under the supervision of the Proposal Trustee.
- 3.2 The Company will pay the Administration Fees and Expenses and will pay the Preferred and Unsecured Creditors who have proven Claims as outlined in paragraph 6.1 commencing 60 days after Court Approval of the Proposal.

ARTICLE IV**Proposal Not Affecting Secured Creditors**

- 4.1 The claims of Secured Creditors shall not be affected by this Proposal, except to the extent of the stay of enforcement proceedings and the requirement of notice of enforcement, as provided for under the Act. Subject thereto, all Secured Creditors shall be entitled to proceed to realize upon their collateral and/or value their security and claim for any deficiency on such realization/valuation as Unsecured Creditors, or be otherwise dealt with in accordance with the terms that may be negotiated as between the Company and such creditors.
- 4.2 The claims of the related party both secured and unsecured will be deferred in this proposal in favour of the other unsecured creditors.

ARTICLE V**Proposal Affecting Preferred Creditors**

- 5.1 Preferred Creditors who prove a Claim shall be grouped with the unsecured creditors and paid in accordance with the terms offered to the unsecured creditors.
- 5.2 All claims existing or contingent or potential as of the date of this Proposal against the directors, officers or management or senior employees of the Company will be deemed to have been compromised and released upon approval of this Proposal.
- 5.3 After the Effective Date, the Company shall file income tax returns as required by the *Income Tax Act (Canada)*, remit current HST payments and file HST returns as required by the *Excise Tax Act (Canada)*, and remit current-year payroll deductions (EI, CPP and income tax withholdings) as required by law, make all filings required under provincial statutes including Provincial Sales Tax, Corporate Tax and Employee Health Tax, and remit the relevant payments accordingly.



ARTICLE VI

Proposal Affecting Unsecured Creditors

- 6.1 Subject to the rights of Secured Creditors, the Company will commence an orderly liquidation of its assets after Court Approval of the Proposal.
- 6.2 All claims existing or contingent or potential as of the date of this Proposal against the directors, officers or management or senior employees of the Company will be deemed to have been compromised and released upon completion of this Proposal.

ARTICLE VII

Distribution of Funds Under the Proposal

- 7.1 The amount to be distributed pursuant to this Proposal shall be distributed in the following order of payment:
- (a) to and in satisfaction of the Administrative Fees and Expenses;
 - (b) immediately after the Effective Date, to employees in amounts for which they would be qualified to receive payment under s. 136(1)(d) of the Act;
 - (c) Within 6 months of the Effective Date, in full of the Claims of Her Majesty in Right of Canada or of a province which could be the subject of a demand under subsection 224(1.2) of the Income Tax Act;
 - (d) towards the proven Claims of the Preferred and Unsecured Creditors pro rata and pari passu in full satisfaction to be distributed upon completion of the proposal.
- 7.2 The Company may at any time, but is not obligated to, accelerate any one or more of the payments provided for under this Proposal.

ARTICLE VIII

Discharge of Trustee

- 8.1 The Trustee may apply for its discharge upon Performance of the Proposal by the Company.



ARTICLE 1X

Inspectors

9.1 Pursuant to the provisions of the Act, up to five individuals qualified to act as an inspector may be appointed as inspectors at the meeting of creditors called to consider this Proposal. Each individual so appointed shall have the power of an inspector under the Act and be subject to the provisions of the Act governing the conduct of inspectors.

ARTICLE X

Amendment

10.0 This Proposal may be amended by the Company at any time prior to the conclusion of the first meeting of creditors called to consider the Proposal, provided that any such amendment does not reduce the rights and benefits given to the Creditors by the Proposal before any such amendment, and provided further that any and all amendments shall be deemed to be effective as of the date of this Proposal.

IN WITNESS WHEREOF FORTE EPS SOLUTIONS INC. has hereunto executed this Proposal, this 2nd day of November, 2017.

FORTE EPS SOLUTIONS INC.

Per: _____


JOHN CIPRESSI

I have authority to bind the Company



**IN THE MATTER OF THE PROPOSAL OF
FORTE EPS SOLUTIONS INC.
OF THE TOWN OF MIDLAND, IN THE PROVINCE OF ONTARIO**

**TRUSTEE'S REPORT ON PROPOSAL
(Office of the Superintendent of Bankruptcy Directive No. 24)**

The purpose of this report is to provide the creditors of Forte EPS Solutions Inc. ("**Forte**" or the "**Company**") with sufficient information in order for them to properly consider the impact that the Proposal will have on them versus the impact on them in the event that the Company is deemed or otherwise becomes bankrupt.

Section A – Introduction and Background

Forte is a privately held corporation which was incorporated pursuant to the laws of Ontario on April 19, 2012 and is in the business of manufacturing and distributing expanded polystyrene ("EPS") products primarily used in the construction industry.

Pursuant to a corporation profile report dated May 18, 2017 conducted by the Proposal Trustee Mr. John Cipressi and Mr. Dominic Zita (collectively, the "**Principals**") are the sole directors of the Company.

The Company filed a notice of intent to make a proposal ("**NOI**") pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act* ("**BIA**") on May 19, 2017. The Court approved on each of June 14, July 31 and September 18, 2017 a further 45 day extension of time for the Company to file a proposal to its creditors. On November 2, 2017 the company filed a proposal to its creditors (the "**Proposal**").

Substantially all of the assets of the Company were sold (the "**Transaction**") to Amvic Inc., an arm's length party, pursuant to an agreement of purchase and sale date October 17, 2017 (the "**APS**") which was approved by the Ontario Superior Court of Justice pursuant to the order of Justice Myers dated October 30, 2017 (the "**Approval and Vesting Order**"). The Transaction closed on November 3, 2017.

The Company's only remaining assets are its accounts receivable as well as the Funds (defined below) which are being held by the Proposal Trustee.

Section B – Summary of Proposal

The Debtor's proposal contemplates a sale of its assets and the proceeds of the sale to be disbursed amongst its secured, preferred and unsecured creditors. As noted above, substantially all of the Company's assets were sold pursuant to the Transaction which closed on November 3, 2017.

Section C – Financial Position and Causes of Difficulties

Financial Position

The Company has not provided Albert Gelman Inc., in its capacity as trustee in *re* the proposal of the Company (the “**Proposal Trustee**”) with any externally prepared financial statements audited or otherwise.

The Company has advised the Trustee that no externally prepared financial statement have ever been prepared.

Causes of Financial Difficulties

The Company has informed the Proposal Trustee that its financial difficulties resulted from the following:

- (a) Litigation resulting from “bad” raw materials which it purchased from its Asia in or around June of 2015 and,
- (b) Insufficient sales and, accordingly, insufficient gross margin to cover its fixed costs;

Section D – Interim Receiver

Not applicable.

Section E – Identification and Evaluation of Assets

Pursuant to the Company’s Statement of Affairs sworn on November 2, 2017 (the “**SOA**”) as well as information provided to the Proposal Trustee by the Company, the Company’s assets, along with their estimated liquidation values, are presented below.

Category	Liquidation value (\$)
Book Debts - Accounts Receivable	25,000
Trade fixtures, etc.	20,000
Machinery, equipment and plant	1,080,000

Further details regarding each class of asset of the Company are set out below.

Book Debts – Accounts Receivable

The Company has indicated on its SOA that there are accounts receivable of approximately \$25,000 which are owing to the Company from its former customers.

Trade fixtures, etc. & Machinery, equipment and plant

As was noted above, substantially all of the Company’s assets were sold pursuant to the APS, which sale closed on November 3, 2017. The assets sold included the Company’s machinery and equipment, inventory and other assets. The sale price in respect of the Transaction was

\$1,100,000. On its SOA the Company has allocated \$1,080,000 of the sale price to machinery and equipment and \$20,000 of the sale price to its trade fixtures and other assets.

The proceeds from the Transaction were distributed in accordance with the Order of Justice Myers dated October 30, 2017 and, specifically, \$547,263 to the BDC in respect of its outstanding loan, \$150,000 to the Proposal Trustee in respect of the Professional Fee Payment (defined in the October 31, 2017 Order of Justice Myers) and \$402,737 to be held by the Proposal Trustee.

Section F – Conduct of Debtor

Bankruptcy Offences

The Proposal Trustee is not aware of any offense committed by the Company pursuant to the BIA.

Monitoring

The Proposal Trustee has been monitoring the cash flows of the Company since the filing of the NOI. On September 1, 2017 the Proposal Trustee issued to all creditors its report on material adverse change in the projected cash flow or financial circumstances of the Company pursuant to section 50.4(7)(b) of the BIA (the “**MAC Report**”). The principal concerns of the Trustee as described in the MAC Report were addressed by the Company subsequent to the issuance of the MAC Report.

Reviewable Transactions

The Proposal Trustee has not been provided with the historical banking records of the Company and, therefore, cannot provide an opinion at the date of this report on whether there were any reviewable transaction, as described in sections 95 through 101 of the BIA, undertaken by the Company prior to the filing of the NOI.

Section G – Creditors’ Claims

Pursuant to the Company SOA its creditors as at the filing of the NOI as summarized as follows:

Category	No. of creditors	Value (\$)
Secured	7	2,032,093
Preferred	0	0
Unsecured	66	6,062,882

Trust Claims (deemed or otherwise)

Pursuant to section 67(3) of the BIA amounts owing to the CRA in respect of unpaid employee source deduction are considered to represent a deemed trust claim in favour of the CRA which ranks in priority to the claims of all other creditors, with certain limited exceptions (the “**Deemed Trust Claim**”). Pursuant to section 69.1(1) of the BIA the Deemed Trust Claim must be paid within 6 months of court approval of the Proposal unless the CRA consents to a longer period of time.

According to the Company's SOA there is a Deemed Trust Claim in the amount of approximately \$50,000.

The CRA is currently in the process of conducting audit of the Company's source deductions account and the audit has not been completed.

Secured Creditors

The Proposal is not being made to secured creditors.

As noted above, the Company identified seven (7) secured creditors on its SOA.

In its Fourth Report to Court date October 25, 2017 (the "**Fourth Report**") the Proposal Trustee discusses the claims of secured creditors and their relative priority amongst each other. The Fourth Report also contains the security opinions of Lerner LLP, counsel to the Proposal Trustee, dated June 9 and October 25, 2017 (the "**Security Opinions**").

Creditors may obtain a copy of the Fourth Report from the website of the Proposal Trustee or by contacting the Proposal Trustee directly.

Preferred Creditors

According to the SOA, the Company does not have any preferred creditors.

Unsecured Creditors

Pursuant to the SOA, the Company has creditors with unsecured claims totalling \$6,062,882. This amount includes related party claims of \$3,200,000. The related party claims are discussed in further detail below.

Contingent Creditors

According to the SOA, the Company does not have any contingent creditors.

However, the Proposal Trustee is aware of several lawsuits in which the Company is named as the defendant. These lawsuits were stayed upon the filing of the NOI. The plaintiff's in respect of each lawsuit were listed on the statement of affairs as unsecured creditors. The plaintiff and court file no. of each of these lawsuits is as set out below.

Plaintiff	Court File No.
Nova Chemicals (Canada) Ltd.	SP7485/14
New Electric Enterprises Inc.	16-0957
Alaaeddin Hammamieh oa CompuMe Computer	SC-15-00000943-0000
Sunnyside Machine and Hydraulics Ltd.	SC-16-661
Pacific High Tech Ltd.	CV-16-545247
Underwriters Laboratories of Canada Ltd.	SC-16-00001262-0000
Travelers Transportation Services Ltd.	SC-17-00000743-0000
United Canada Testing Systems Ltd.	SC-16-109137

Related Party Creditors

The creditors listed on the SOA which the Proposal Trustee understands are related to the Company pursuant to subsection 4(2) of the BIA are summarized below:

Creditor	Relationship to Debtor	Claim Amount per SOA
Dominic Zita	Director & Officer	\$ 1,500,000
John Cipressi	Director & Officer	1,500,000
16567 Highway 12 Holdings Ltd.	Common ownership	200,000

Proofs of Claim Received by the Proposal Trustee

As of the date of this report the Canada Revenue Agency and the Workplace Safety and Insurance Board are the only creditors to have filed a claim with the Proposal Trustee.

Section H – Previous Business Dealings with the Company

The Proposal Trustee has not previously provided services to the Debtor.

Section I – Informal Meetings with Major Creditors

Not applicable.

Section J – Remuneration of Proposal Trustee

Payment of the fees and expenses of the Proposal Trustee, including the legal fees and disbursements of the Proposal Trustee, are provided for in the Proposal

Section K – Other Information

In preparing this Report, the Proposal Trustee has relied upon unaudited financial information prepared by the Company's representatives, the books and records of the Company and discussions with representatives of the Company, including their internal accountant, Ms. Laura Wood and their legal counsel, Mr. William Jones. The Proposal Trustee has not performed an audit or other verification of such information. Future oriented financial information relied upon in this Report is based on the Companies' representatives' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.

Unless otherwise noted, all currency references in this report are to Canadian dollars.

Capitalized terms not otherwise defined in this report have the meanings ascribed to them in the Proposal.

It is expressly noted and should be clearly understood that Albert Gelman Inc., in its capacity as Trustee under this Proposal, assumes no personal liability for any claims against the Debtor before or after the filing of the Proposal.

Section L – Statement of Estimated Realization

Distribution to Unsecured Creditors – Proposal

The Proposal contemplates that the Company will "liquidate its assets in a manner to maximize recovery for all stakeholders". As set out above the Company completed the Transaction on November 3, 2017 and, therefore, the Company's only remaining assets are its accounts receivable, which it has valued at \$25,000 on its SOA (the "AR"), as well as funds in the amount of \$402,737 (the "Funds"), which are currently being held by the Proposal Trustee "in trust" for the Company pursuant to the October 30, 2017 Court order of Justice Myers.

Both the AR and Funds are subject to various security interest as described in further detail in the Security Opinions and, therefore, these assets will not be available for distribution to the unsecured creditors of the Company in the Proposal.

Further, the Proposal Trustee has been advised that neither of the Principals, nor any companies controlled either directly or indirectly by the Principals, will be contributing any "third party" funds. The Proposal Trustee is not aware of any other parties who will be contributing to the funding of the Proposal.

Given the above, the Proposal, as filed, provides for no distribution to unsecured creditors.

Distribution to Unsecured Creditors – Bankruptcy

In the event that the Proposal is not accepted by the Company's creditors or the Court the Company would be deemed to have made an assignment in bankruptcy.

In the event of a bankruptcy of the Company the Trustee has estimated that there will not no distribution to unsecured creditors.

Section M - Recommendation

As set out above, the Proposal, as filed, provides for no distribution to unsecured creditors.

Therefore, because the Proposal does not provide for more than what would otherwise be received in a bankruptcy scenario of the Company, the Proposal Trustee cannot recommend acceptance of the Proposal by the unsecured creditors.

Section L – Meeting of Creditors and Procedures for Voting

The primary purpose of the Creditors Meeting is to permit creditors an opportunity to consider and to accept or reject the Company's Proposal.

To be eligible to vote, creditors must have filed with the Proposal Trustee, before the commencement of the Creditors Meeting, a proof of claim and either attend the meeting in person or by proxy, or complete and submit the attached voting letter prior to the Creditors Meeting.

The Proposal Trustee prefers that Proofs of Claim, Proxies and Voting Letters be submitted in advance of the meeting by fax at 416-504-1655 or by email at proofofclaim@albertgelman.com.

Documents sent via mail or courier must be received by the Proposal Trustee prior to the commencement of the Creditors Meeting to be considered for voting purposes.

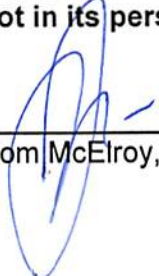
Corporate creditors who will be sending a representative to vote at the meeting must complete the proxy in favour of the representative in attendance, in order to evidence that this person has the authority to vote on behalf of the corporation.

If the Proposal is not accepted by the requisite majority of creditors, the Debtor will be deemed to have made an assignment in bankruptcy. If the Proposal is accepted by the requisite majority of creditors, the Proposal Trustee will then make an application to the Court for approval of the Proposal. Upon the Court approving the Proposal, the Proposal will be binding upon all creditors with provable claims.

* * *

DATED at Toronto, Ontario, this 13th day of November, 2017.

**ALBERT GELMAN INC., solely in its
capacity as Proposal Trustee in re
the Proposal of Forte EPS Solutions Inc.
and not in its personal or any other capacity**



Per: Tom McElroy, CPA, CA, CBV, CIRP, LIT

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

Original Amended

Form 78
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(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

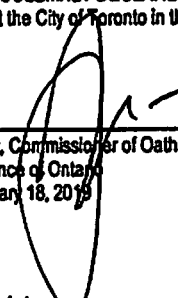
To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 19th day of May 2017. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

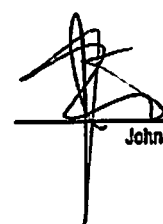
LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	6,062,882.25	1. Inventory	0.00
Balance of secured claims as per list "B"	2,032,093.37	2. Trade fixtures, etc.	20,000.00
Total unsecured creditors	8,094,975.62	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	0.00	Good	0.00
3. Preferred creditors as per list "C"	0.00	Doubtful	0.00
4. Contingent, trust claims or other liabilities as per list "D"		Bad	0.00
estimated to be reclaimable for	20,000.00	Estimated to produce	0.00
Total liabilities	8,114,975.62	4. Bills of exchange, promissory note, etc., as per list "F" ...	0.00
Surplus	NIL	5. Deposits in financial institutions	0.00
		6. Cash	0.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	1,080,000.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRIIFs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H"	25,000.00
		If debtor is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	1,125,000.00
		Deficiency	6,989,975.62

I, John Cipressi, of the city of Victoria Harbour in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 2nd day of November 2017 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Toronto in the Province of Ontario, on this 2nd day of November 2017.



 Tom McElroy, Commissioner of Oaths
 For the Province of Ontario
 Expires January 18, 2019



 John Cipressi

Thomas John McElroy, a Commissioner, etc.,
 Province of Ontario, for Albert Gelman Inc.,
 Trustee in Bankruptcy. Expires Jan 18, 2019.

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

FORM 78 - Continued

List "A"
 Unsecured Creditors
 Forte EPS Solutions Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	16567 Highway 7 Holdings Limited Debtor in Possession Charge	c/o William Harvey Jones Suite 2702- 401 Bay Street Toronto ON M5H 2Y4	0.00	200,000.00	200,000.00
2	2129080 Ontario Corp.	P.O. Box 1262 STN B Mississauga ON L4Y 3W4	230,000.00	0.00	230,000.00
3	2306732 Ontario Inc.	c/o Millenium Disposal Service 2440 Beryl Road Oakville ON L6J 7X4	550,000.00	0.00	550,000.00
4	407 ETR Express Toll Route Attr: Marion Richardson/Collections	6300 Steeles Ave W Woodbridge ON L4H 1J1	776.33	0.00	776.33
5	Advance Specialties USD	P.O. BOX 349 3735 HIGHWAY 22 GLEASON TN 38232	2,017.40	0.00	2,017.40
6	Albert Gelman Inc., Trustee Proposal Trustee Administration	100 Simcoe Street, Suite 125 Toronto ON M5H 3G2	0.00	200,000.00	200,000.00
7	BASF Canada Inc.	P.O. BOX 15248 STATION A TORONTO ON M5W 1C4	762.60	0.00	762.60
8	BASF CANADA USS	P.O. BOX 407 STN D SCARBOROUGH ON M1R 5J11	1.00	0.00	1.00
9	Bernard Baum, LLB	Suite 10 & 11 1540 Lodestar Rd Toronto ON M3J 3C1	41,000.00	0.00	41,000.00
10	Business Development Bank of Canada Attr: ATT: Maya Pofiak	c/o Chalfons LLP 500 Yonge Street, 10th Floor Toronto ON M2N 7E9	0.00	547,167.00	547,167.00
11	Carlson Construction	725 RUNNINGBROOK DRIVE MISSISSAUGA ON L4Y 2R9	2,475.00	0.00	2,475.00
12	CASPIO	2953 BUNKER HILL LANE SUITE 201S SANTA CLARA CA 95054	1.00	0.00	1.00
13	CCH Excavating Inc.	P.O. BOX 159 Port McNicoll ON L0K 1R3	3,835.95	0.00	3,835.95
14	Cdn Business Health Management Inc.	75 MISSISSAUGA STREET WEST ORILLIA ON L3V 3A7	1,440.75	0.00	1,440.75
15	Compu Me	3280 Bloor Street West, Suite 1040 Etobicoke ON M8X 2W4	1.00	0.00	1.00
16	CRA - Canada Revenue Agency - Tax - Ontario Attr: Quebec Insolvency Intake Centre 849883707 RT001	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9	16,978.00	0.00	16,978.00
17	Domenic Frasca	220 Whitturch Mississauga ON L5A 4B3	439,944.49	0.00	439,944.49
18	Dominic Zita	5063 Summersky Court Mississauga ON L5M 0R3	1,500,000.00	0.00	1,500,000.00
19	Eissas Enterprises	901 ESSA ROAD BARRIE ON L9J 0B1	4,106.42	0.00	4,106.42
20	Enbridge Gas	P.O. BOX 680 SCARBOROUGH ON M1K 0A9	9,071.87	0.00	9,071.87
21	EPS INDUSTRY ALLIANCE INC.,	1298 CRONSON BLVD SUITE 201 CROFTON MD 21117	1.00	0.00	1.00
22	Essex Energy	2199 BLACKACRE DRIVE SUITE 2 OLD CASTLE ON N0R 1L0	4,409.66	0.00	4,409.66

02-Nov-2017

Date



John Cipressi

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


FORM 78 - Continued

List "A"
 Unsecured Creditors
 Forte EPS Solutions Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
23	Fastenal Canada, LTD	860 TRILLIUM DRIVE SUITE 117 KITCHENER ON N2R 1K7	3,597.96	0.00	3,597.96
24	First Source Mortgage Corporation	1 VALLEYBROOK DRIVE SOUTH UNIT 100 TORONTO ON M3B 2S10	0.00	18,300.00	18,300.00
25	Fred Hook LTD	BOX 248 MIDLAND Midland ON L4R 4K11	156,041.82	0.00	156,041.82
26	Greywall Coatings INC	165 DRIVE INN ROAD, UNIT 4 SAULT ST MARIE ON P6B 5X8	2,460.33	0.00	2,460.33
27	Ideal Supply Company Limited	869 KING STREET MIDLAND ON L4R 0B10	2,954.11	0.00	2,954.11
28	Jason Pasqualino	417 Lanor Ave Mississauga ON M8W 2R7	25,300.00	0.00	25,300.00
29	JD Hubbert	200 EVANS AVE., UNIT 11 TORONTO ON M8Z 1J10	508.50	0.00	508.50
30	John Cipressi	72 Bourgeois Beach Road Victoria Harbour ON L0K 2A0	1,500,000.00	0.00	1,500,000.00
31	King Radiator HD Inc.	1775 Shawson Dr. Mississauga ON L4W 1N8	41,821.00	0.00	41,821.00
32	Klenzoid	P.O. BOX 3857 COMMERCE COURT POSTAL STN TORONTO ON M6L 1K4	6,277.24	0.00	6,277.24
33	Kreston GTA LLP	8953 WOODBINE AVE, MARKHAM ON L3R 0J12	7,673.98	0.00	7,673.98
34	LaFleche Roofing	1100 PROGRESS DRIVE LONDON ON N6N 1B11	1.00	0.00	1.00
35	Linde Canada Limited	P.O. BOX 4070 STN A TORONTO ON M5W 1M6	653.81	0.00	653.81
36	Lino Tonic	2020 Winston Park Drive, Suite 101 Oakville ON L6H 6X7	49,424.22	0.00	49,424.22
37	Maria Pierucci	23 Highview Ave Toronto ON M3M 1C5	205,000.00	0.00	205,000.00
38	Mary Calleja	8 Penhale Dr. Toronto ON M8P 2X3	28,000.00	0.00	28,000.00
39	MRT Automation Ltd	P.O. BOX 517 MIDLAND ON L4R 4L6	3,765.30	0.00	3,765.30
40	NATS	2525 HAINES ROAD MISSISSAUGA ON L4Y 1Y10	270,990.00	0.00	270,990.00
41	NAXXAR Consulting	1400 Bayly Street, OM2, Unit 10 Pickering ON L1W 3R2	3,359.14	0.00	3,359.14
42	New Electric Enterprises Inc.	3185 DUNDAS STREET WEST OAKVILLE ON L6M 4J7	15,217.56	0.00	15,217.56
43	North Simcoe Community Futures Development Corporation	105 Fourth St., P.O. Box 8 Midland ON L4R 4K9	0.00	226,399.00	226,399.00
44	Nova Chemicals US	P.O BOX 8011 POSTAL STN A TORONTO ON M5W 3W8	158,000.00	0.00	158,000.00
45	Pacific High Tech	4789 Yonge Street Unit 716 Toronto ON M2N 0G6	518,250.89	0.00	518,250.89
46	PBS Freight Systems Inc	8760 JANE ST., UNIT #16 VAUGHAN ON L4K 2M12	10,750.00	0.00	10,750.00

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Date



John Cipressi

District of: Ontario
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FORM 78 - Continued

List "A"
 Unsecured Creditors

Forte EPS Solutions Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
47	Phillip & Fill	33 Hiawatha Pkwy Mississauga ON L5G 3S1	60,000.00	0.00	60,000.00
48	PM Consulting	PM Consulting ON	1.00	0.00	1.00
49	POWER FACTOR SERVICES LTD.	1235 FAIRVIEW STREET SUITE 299 BURLINGTON ON L7S 2K12	937.90	0.00	937.90
50	Prestige Property Tax Specialists	1025 KING STREET EAST CAMBRIDGE ON N3H 3P8	6,274.55	0.00	6,274.55
51	Pro Windows and Doors Ltd.	1 GOODMARK PLACE SUITE 3 ETOBICOKE ON M9W 6M4	34,891.00	0.00	34,891.00
52	PUC Midland Power Utility Corporation	P.O. BOX 820 MIDLAND ON L4R 4P7	13,886.21	0.00	13,886.21
53	RAS Custom Construction Specialties	108 Snowshoe Crt. Thornhill ON L3T 4M6	1.00	0.00	1.00
54	Regency Plastics Company Ltd	50 BRISBANE ROAD DOWNSVIEW ON M3J 2K5	7,063.78	0.00	7,063.78
55	SCC Electrical	P.O. BOX 444 MIDLAND ON L4R 4L6	1,268.59	0.00	1,268.59
56	SCE Construction	29 MEDVIA AVE TORONTO ON M8Z 5L9	1,000.00	0.00	1,000.00
57	Sievert Financial Services Inc.	43 COLBORNE STREET TORONTO ON M6E 1E6	15,425.00	0.00	15,425.00
58	SKID - Freight Brokers, Inc.	P.O. BOX 85 SAINTE MARTHE SUR LE LAC QC J0N 1P0	2,186.55	0.00	2,186.55
59	Steam Specialties	40 CORSTATE AVE. VAUGHAN ON L4K 4X5	1,966.88	0.00	1,966.88
60	Sunnyside Machine & Hydraulics	1178 EVERTON ROAD MIDLAND ON L4R 5J5	811.95	0.00	811.95
61	Tecnodinamica	37, 31010 Fara di Soligo TV Italy	19,753.22	0.00	19,753.22
62	Telus	P.O. BOX 5300 BURLINGTON ON L4R 4S11	1,277.38	0.00	1,277.38
63	Thermaloc Italy SRL	Via Bonanomi 3, Como, IT 22100 Italy	904.76	0.00	904.76
64	Total Quality Logistics	P.O. BOX 634558 CINCINNATI OH 45263 4561	3,953.92	0.00	3,953.92
65	Town of Midland Attr: Pamela Wayne 0380102	575 Dominion Avenue Midland ON L4R 1R2	5,523.38	0.00	5,523.38
66	Travelers Leasing	800-9900 KING GEORGE BLVD. SURREY BC V3T 0K10	0.00	399,800.16	399,800.16
67	Travelers Transportation Services	195 HEART LAKE ROAD S. BRAMPTON ON L6W 3N9	2,926.17	0.00	2,926.17
68	Triple Tech ESJ	1050 KING STREET MIDLAND ON L4R 0B11	1,310.50	0.00	1,310.50
69	Underwriters Laboratories of Canada Inc.	P.O. BOX 15148 STN A Toronto ON M5W 1C4	15,124.92	0.00	15,124.92
70	United Testing Systems Canada Limited	21-225 BRADWICK DRIVE CONCORD ON L4K 1K10	29,410.73	0.00	29,410.73

02-Nov-2017

Date



John Cipressi

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

FORM 78 - Continued

List "A"
Unsecured Creditors

Forte EPS Solutions Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
71	Western Ontario Community Futures Development Corporation Inc. Attr: ATT: David Penton	330 West Street, Unit 10 Brantford ON N3R 7V5	0.00	440,427.21	440,427.21
72	WILSON HIGH VOLTAGE	1271 GORHAM STREET UNIT 9 NEWMARKET ON L3Y 8Y10	4,531.66	0.00	4,531.66
73	Workplace Safety and Insurance Board Attr: Erica Kupka	200 Front St W Toronto ON M5V 3J1	15,581.87	0.00	15,581.87
Total:			6,062,882.25	2,032,093.37	8,094,975.62

02-Nov-2017

Date


John Cipressi

District of: Ontario
 Division No. 03 - Barrie
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FORM 78 - Continued

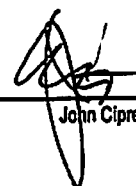
List "B"
 Secured Creditors

Forte EPS Solutions Inc.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	16567 Highway 7 Holdings Limited Debtor in Possession Charge	c/o William Harvey Jones Suite 2702- 401 Bay Street Toronto ON M5H 2Y4	200,000.00	Business Assets - Machinery - Machinery and equipment Business Assets - Machinery - Machinery and equipment- Leased		0.00 0.00		200,000.00
2	Albert Gelman Inc., Trustee Proposal Trustee Administration	100 Simcoe Street, Suite 125 Toronto ON M5H 3G2	200,000.00	Business Assets - Machinery - Machinery and equipment- Leased	30-Oct-2017	0.00		200,000.00
3	Business Development Bank of Canada Attr: ATT: Maya Poliak	c/o Chaltons LLP 500 Yonge Street, 10th Floor Toronto ON M2N 7E9	547,167.00	Business Assets - Machinery - Machinery and equipment	29-May-2017	0.00		547,167.00
4	CRA - Canada Revenue Agency- Tax - Ontario Attr: Quebec Insolvency Intake Centre 849883707 RP001	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9		Business Assets - Machinery - Machinery and equipment- Leased		0.00		
5	First Source Mortgage Corporation	1 VALLEYBROOK DRIVE SOUTH UNIT 100 TORONTO ON M3B 2S10	18,300.00	Business Assets - Machinery - Machinery and equipment		0.00		18,300.00
6	North Simcoe Community Futures Development Corporation	105 Fourth St, P.O. Box 8 Midland ON L4R 4K9	226,399.00	Business Assets - Machinery - Machinery and equipment		0.00		226,399.00
7	Travelers Leasing	800-9900 KING GEORGE BLVD. SURREY BC V3T 0K10	399,800.16	Business Assets - Machinery - Machinery and equipment		0.00		399,800.16
8	Western Ontario Community Futures Development Corporation Inc. Attr: ATT: David Penton	330 West Street, Unit 10 Brantford ON N3R 7V5	440,427.21	Business Assets - Machinery - Machinery and equipment		0.00		440,427.21
Total:			2,032,093.37			0.00	0.00	2,032,093.37

02-Nov-2017

Date



John Cipressi

District of: Ontario
Division No. 03 - Barrie
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FORM 78 - Continued

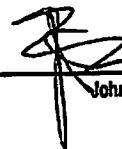
List "C"
Preferred Creditors for Wages, Rent, etc.

Forte EPS Solutions Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

02-Nov-2017

Date



John Cipressi

District of: Ontario
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FORM 78 - Continued

List "D"
Contingent or Other Liabilities

Forte EPS Solutions Inc.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
1	CRA - Canada Revenue Agency - Tax - Ontario Attn: Quebec Insolvency Intake Centre 849883707 RP001	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9	20,000.00	0.00		Deemed Trust Claim
Total:			20,000.00	0.00		

02-Nov-2017

Date


John Cipressi

District of: Ontario
Division No. 03 - Barrie
Court No. 31-2253654
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FORM 78 - Continued

List "E"
Debts Due to the Debtor
Forte EPS Solutions Inc.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
			Total	0.00 0.00 0.00			0.00	

02-Nov-2017

Date



John Cipressi

District of: Ontario
Division No. 03 - Barrie
Court No. 31-2253654
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FORM 78 - Continued

List "F"

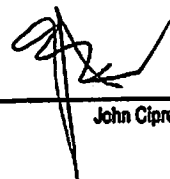
Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

Forte EPS Solutions Inc.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

02-Nov-2017

Date



John Cipressi

District of: Ontario
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FORM 78 - Continued

List "G"
Real Property or Immovables Owned by Debtor
Forte EPS Solutions Inc.

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

02-Nov-2017

Date



John Cipressi

District of: Ontario
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FORM 78 - Concluded

List "H"
 Property


Forte EPS Solutions Inc.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.		Other Assets	0.00	20,000.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant		Machinery and equipment	0.00	788,400.00
		Machinery and equipment - Leased	0.00	291,600.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Book Debts - Accounts Receivable	0.00	25,000.00
			Total:	1,125,000.00

02-Nov-2017

Date



John Cipressi

Court No. 31-2253654

Estate No. 31-2253654

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

**Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)**

Albert Gelman Inc. - Licensed Insolvency Trustee

**100 Simcoe Street, Suite 125
Toronto ON M5H 3G2
Phone: (416) 504-1650 Fax: (416) 504-1655**