

# WILLIAM HARVEY JONES

B A R R I S T E R & S O L I C I T O R

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

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

February 14, 2018

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 supplementary motion record returnable on Friday February 16, 2018

Yours very truly

  
\_\_\_\_\_  
William Harvey Jones

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

**SUPPLEMENTARY MOTION RECORD**  
**(Motion returnable February 18, 2018)**

Date February 14, 2018

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

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@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

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**

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TOWN OF MIDLAND IN THE PROVINCE OF ONTARIO**

Applicant

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  - a. Exhibit “A” – Amended Proof of Claim filed by Canada Revenue Agency**
  - b. Exhibit “B” – DIP Loan Agreement and Promissory Note**
  - c. Exhibit “C” – communication from Angelo Mancini**

Date February 14, 2018

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**

Applicant

**SUPPLEMENTARY AFFIDAVIT OF JOHN CIPRESSI SWORN FEBRUARY 14, 2018**

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 the applicant 16567 Highway 12 Holdings Limited 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.

**Orders Sought**

2. The Applicant is seeking an order:

- (a) Authorizing and approving the payment by the Trustee of the sum of \$90,876.91 to the Canada Revenue Agency (the "C.R.A.") as evidenced in the Proof of Claim dated January 31, 2018 filed by the C.R.A. (the Property Claim");
- (b) Terminating the reimbursement agreement entered into between the Trustee, the BDC and the Debtor, subject to the payment of the Property Claim, described above;
- (c) Authorizing the payment by the Trustee of the sum of \$200,000.00 together with accrued interest thereon as authorized under the DIP Finance Charge, to the Applicant in its capacity as DIP Lender, in respect of the DIP Finance Charge authorized by the order of the Honourable Justice Penny granted, July 31, 2017;

- (d) Authorizing the Trustee to make a payment of \$20,000.00 on account of the accrued fees of the Trustee and its counsel;
- (e) Approving the fifth report of the Trustee and its activities as described herein; and
- (f) such further and other relief as counsel may advise and this Honourable Court may permit.

### **The Amended CRA Claim**

3. On January 19, 2018, the CRA filed with the Proposal Trustee a proof of claim in the amount of \$90,585.39 in respect of certain deemed trust claims (the "Property Claim") against the debtor Forte EPS Solutions Inc. (the "Debtor"). However, on February 2, 2018 the CRA amended that claim to an amount of \$90,876.91. Annexed hereto and marked as Exhibit "A" is a true copy of the CRA amended proof of claim in respect of the Property Claim.

4. The Debtor acknowledges that the Property Claim set forth in the amended CRA proof of Claim dated February 2, 2018 is justly owing and payable by the Debtor to the CRA and the Debtor supports an order authorizing the payment of the Property Claim in the amount of \$90,876.91 by Albert Gelman Inc. in its capacity as trustee of the Debtor Forte EPS Solutions Inc. (the "Trustee") to the CRA and an order terminating the obligations of the BDC under the Reimbursement Agreement upon payment of the Property Claim to the CRA by the Proposal Trustee.

### **The Payment of the DIP Loan**

5. On July 31, 2017, the Court approved a debtor-in-possession loan agreement for an aggregate amount of \$200,000.00 (the "DIP Loan"). The DIP Loan agreement and collateral loan documents between the DIP Lender, Highway 12 Holdings and the Debtor were executed and on August 21, 2017 an initial advance of \$40,000.00 the DIP Lender and then re-advanced to pay creditors of the Debtor. The balance of the DIP Loan in the amount of \$160,000.00 was advanced by the DIP Lender to the Debtor's counsel on September 5, 2017. Accordingly, the DIP Loan has now been fully advanced by Highway 12 Holdings. The accrued interest under the DIP Loan amounts to \$12,739.73 as at February 4, 2018 with a per diem rate thereafter of

\$82.19. Annexed hereto a marked as Exhibit "B" is a true copy of the DIP Loan Agreement and promissory note.

**The Sale of the Midland Lands by the Applicant**


6. I am advised by counsel that the sale of the Applicant's lands at 16567 Highway 12, Midland, Ontario is now expected to complete on February 22, 2018. The Applicant holds a deposit from the purchaser and arrangements are being put into place for the completion of the transaction. Annexed as Exhibit "C" to this affidavit is correspondence from Angelo Mancini, counsel to the purchaser, indicating that the purchaser expects to be able to complete on Thursday February 22, 2018.

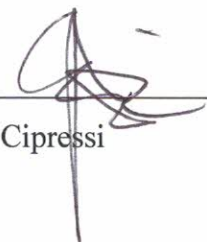
7. Upon the completion of that sale the obligations to all of the secured creditors of the Applicant, including the claims of the Western Ontario Community Futures Development Corporation Association ("SOFFI") will be satisfied.

8. Upon the satisfaction of the SOFFI claims upon the sale of the Midland Lands, the garnishing order issued by SOFFI against the Trustee in respect of the DIP Funds will be ineffective.

9. I swear this affidavit in support of an order in the form of the draft order appended to the Applicant's Notice of Motion herein and for 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 14<sup>th</sup>. )  
Day of February 2018 )

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

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

**TAB A**

Exhibit "A" to the affidavit  
of JOHN CIPRESSI  
sworn the 14 day of FEB, 2018.

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



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NVCC Team 715-20  
Surrey BC V3T 0E5

February 02, 2018

ATTENTION: TOM MACKLEROY  
ALBERT GELMAN INC.  
100 SIMCOE ST  
SUITE 125  
TORONTO ON M5H 3G2

Account Number  
84988 3707 RP0001

ENTERED  
C Feb 08/18  
DU

Dear Sir or Madam:

Re: Forte Eps Solutions Inc. of the City of Midland  
in the Province of Ontario  
Date of the bankruptcy: November 2, 2017

Please find enclosed our amended claim and supporting schedule in  
the above-noted insolvency event for the amount of \$114,757.49.

Issue dividend payment directly to the Receiver General quoting  
the account number shown on the schedule.

Please send individual, corporate and payroll dividend payments  
to:

Canada Revenue Agency  
PO BOX 3800 STN A  
Sudbury ON P3A 0C3

Please send goods and services tax/harmonized sales tax (GST/HST)  
remittances, including dividend payments to the applicable  
tax centre (shown on your client's GST/HST return).

If you need more information about this claim, such as a more  
detailed breakdown of the debt, please contact the undersigned at  
one of the telephone numbers provided in this letter.

Yours truly,

M. Johal  
Collections Contact Officer

Enclosure(s)

Canada National Insolvency Office  
9755 King George Boulevard  
Surrey BC V3T 0E5

Local:  
Toll Free:  
Fax:  
Website:  
1-800-585-5777  
604-585-5777

Proof of Claim (Form 31)  
(Sections 50.1, 81.5, 81.6, subsections 65.2(4), 81.2(1), 81.3(8),  
81.4(8), 102(2), 124(2), 128(1), and paragraphs 51(1)(e)  
and 66.14(b) of the Act)

Send all notices or correspondence regarding this claim to the following address:

Canada Revenue Agency  
Surrey National Verification and Collection Centre  
Insolvency Intake Centre  
Collections Directorate  
9755 King George Blvd  
Surrey BC V3T 5E1

Attention: M. Johal

In the matter of the bankruptcy of Forte Eps Solutions Inc. of the City of Midland in the Province of Ontario, and the claim of Her Majesty the Queen in Right of Canada as represented by the Minister of National Revenue, creditor.

I, M. Johal, of the City of Surrey in the Province of British Columbia, do hereby certify:

- 1.. That I am a collections contact officer of the Canada Revenue Agency.
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the bankruptcy namely the 2nd day of November, 2017, and still is, indebted to the creditor in the sum of \$114,757.49, as specified in the statement of account attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled.
4. (X) UNSECURED CLAIM of \$23,880.58. That in respect of this debt, I do not hold any assets of the debtor as security.

(X) PROPERTY CLAIM of \$90,876.91.

That property holding a value equal to the debt enumerated in the Schedule "A" was in possession of the debtor and still remains in the possession of the debtor and (or) the trustee. The claimant hereby claims an interest in all assets of the debtor up to the value of the property claim shown. The claimant is entitled to demand from the trustee the return of the property.

5. That, to the best of my knowledge, the above-named creditor is not related to the debtor within the meaning of section 4 of the Act, and has not dealt with the debtor in a non-arm's length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to the debtor within the three months immediately before the date of the initial bankruptcy event within the meaning of section 2 of the Act.

Nil

7. Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Sworn before me at the City of Surrey in the Province of British Columbia, on February 2, 2018.

.....  
Commissioner for Oaths

.....  
Signature of Claimant

Jasmine Bains  
A Commissioner for Taking Affidavits for BC  
Expiry Date: Oct 31, 2020

7.

Schedule "A"

Name: Forte Eps Solutions Inc.

Unsecured claim

Income Tax Act  
(as it relates to payroll deductions - non deemed trust)

Account number: 849883707 RP 0001

Assessed period(s): 2016-2017

Principal: \$13,899.42

Penalty and interest: \$ 9,981.16

Total: \$23,880.58

Total Unsecured claim \$23,880.58

Property claim

Income Tax Act  
(as it relates to payroll deductions - deemed trust)

Account number: 849883707 RP 0001

Assessed period(s): 2016-2017

Principal: \$90,876.91

Total: \$90,876.91

Total Property claim \$90,876.91

Sworn before me at the City of in the Province of  
British Columbia, on February 2, 2018.


  
.....  
Commissioner for Oaths

  
.....  
Signature of Claimant

Jamine Bains  
A Commissioner for Taking Affidavits for BC  
Expiry Date: Oct 31, 2020

TAB B

Exhibit "B" to the affidavit  
of Tom Cipressi  
sworn the 14 day of FEB, 2018.

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

**DEBTOR IN POSSESSION LOAN AGREEMENT**

**THIS AGREEMENT** made as of the 31<sup>st</sup>. day of July 2017.

**BETWEEN:**

Forte EPS Solutions Inc., a corporation incorporated under the laws of Canada and having its head office at Midland, Ontario

(hereinafter referred to as the "Borrower")

OF THE FIRST PART,

-- and --

16567 Highway 12 Holdings Limited, a corporation incorporated under the laws of Canada and having its head office at Midland Ontario,

(hereinafter referred to as the "Lender")

OF THE SECOND PART

**WHEREAS** THE Borrower has filed a Notice of Intention to file a Proposal pursuant to Section 50.4 of the *Bankruptcy and Insolvency Act* (the "BIA") and in such proceedings the Borrower has sought and obtained an order approving a sales and investment solicitation process and this Credit Facility;

**WHEREAS** the Borrower has requested that the Lender loan to the Borrower the aggregate sum of up to a maximum \$200,000.00 on the terms and conditions hereinafter set forth (hereinafter the "DIP Loan Facility");

**NOW THEREFORE THIS AGREEMENT WITNESSES THAT** in consideration of the respective covenants and agreements of the parties contained herein, the sum of one dollar paid by each party hereto to each of the other parties hereto and other good and valuable consideration, (the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto), it is agreed as follows:

**ARTICLE ONE -- DEFINITIONS AND INTERPRETATION**

**1.1 Definitions.** In this Agreement unless something in the subject matter or context is inconsistent therewith:

- (a) **BIA Court proceedings** means the proceedings in the Ontario Superior Court of Justice in Bankruptcy bearing Court File No. 31-2253554
- (b) **"Business Day"** means any day other than a Saturday or Sunday, or holiday, on

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which Canadian chartered banks are open for business in Toronto, Ontario;

(c) **“DIP Charge”** means the DIP Charge granted by the Superior Court of Justice as a fully perfected charge on all the property of the Borrower including all existing or after acquired real and personal property of the Borrower which shall rank in priority to all other charges affecting the property of the Borrower except an Administrative Change in favour of the Proposal Trustee of the Borrower and cetin security granted By the Borrower in favour of the Business Development Bank of Canada;

(d) **“Definitive Loan Documentation”** shall include evidence of indebtedness, a general security agreement and filing statements in respect thereof and all related agreements reasonably necessary to secure the advances of the Lender to the Borrower and shall be in a form and substance reasonably satisfactory to the Lender and shall include provisions customarily included in debtor in possession credit facilities in Canada.

## **ARTICLE TWO – THE DIP CREDIT FACILITY LOAN**

**2.1 The Loan.** The Lender hereby agrees that on the terms and subject to the conditions set forth herein, it will make a loan (the “DIP Loan Facility”) in the aggregate maximum amount of up to two hundred thousand (\$200,000) to the Borrower. Subject to the provisions of the Definitive Loan Documentation, including a grid note evidencing the indebtedness from and a general security agreement, such DIP Loan Facility shall be repayable by the Borrower upon the sale of its assets pursuant to the provisions of the BIA upon the approval of the Proposal of the Borrower or otherwise and such advances shall bear interest at the rate of fifteen (15%) per cent per annum compounded semi-annual not in advance.

## **ARTICLE THREE – CONDITIONS PRECEDENT TO DRAW DOWN**

**3.1 Condition Precedent.** No advances under this proposed DIP Loan Facility shall be required until the Definitive Loan Documentation has been completed and the Definitive Loan Documentation shall include terms and conditions customarily included in debtor in possession credit facilities in Canada and, without limiting the generality of the foregoing, it shall include:

- (a) All customary court orders, credit agreements, promissory notes, security agreements, drawdown certificates and financing statements, to be prepared and executed in a form satisfactory to the Lender; and
- (b) An order approving the credit facility contemplated hereunder shall have been entered in the Ontario Superior Court of Justice creating a DIP Charge in form and substance reasonably satisfactory to the Lender and the said DIP Charge shall not have been reversed, modified amended or stayed in a manner adverse to the interests of the Lender

## **ARTICLE FOUR -- COVENANTS**

**4.1 Covenants.** The Definitive Loans Documentation shall contain customary covenants,

representations, and warranties reasonably used in similar debtor in possession financings in Canada and as deemed appropriate in the judgment of the Lender.

**ARTICLE FIVE -- EVENTS OF DEFAULT**

**5.1 Default.** The Definitive Loan Documentation shall contain customary events of default used in similar debtor in possession financing in Canada and as deemed appropriate in the judgment of the Lender.

**ARTICLE SIX -- GENERAL CONTRACT PROVISIONS**

**6.1 Notices.** All notices, requests, demands or other communications (collectively, "Notices") by the terms hereof required or permitted to be given by one party to any other party, or to any other person shall be given in writing by personal delivery or by registered mail, postage prepaid, or by facsimile transmission to such other party as follows:

(a) To the Borrower at: care of Albert Gelman Inc  
Suite 125- 100 Simcoe Street,  
Toronto, Ontario

Attention: Tom McElroy

(b) To the Lender at: care of William Harvey Jones  
Barrister & Solicitor  
Suite 2702- 401 Bay Street  
Toronto, Ontario  
M5H 2Y4

or at such other address as may be given by such person to the other parties hereto in writing from time to time.

All such Notices shall be deemed to have been received when delivered or transmitted, or, if mailed, 48 hours after 12:01 a.m. on the day following the day of the mailing thereof. If any Notice shall have been mailed and if regular mail service shall be interrupted by strikes or other irregularities, such Notice shall be deemed to have been received 48 hours after 12:01 a.m. on the day following the resumption of normal mail service, provided that during the period that regular mail service shall be interrupted all Notices shall be given by personal delivery or by facsimile transmission.

**6.3 Counterparts.** This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original and such counterpart together shall be but one and the same instrument.

**6.4 Enurement.** This agreement shall enure to the benefit of and be binding upon the parties and their respective successors and assigns.

**6.5 Currency.** Unless otherwise provided for herein, all monetary amounts referred to herein shall refer to the lawful money of Canada.

**6.6 Headings for Convenience Only.** The division of this Agreement into articles and sections is for convenience of reference only and shall not affect the interpretation or construction of this Agreement.

**6.7 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and each of the parties hereto agrees irrevocably to conform to the exclusive jurisdiction of the Courts of such Province.

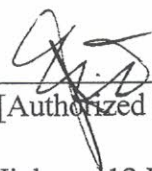
**6.8 Gender.** In this Agreement, words importing the singular number shall include the plural and vice versa, and words importing the use of any gender shall include the masculine, feminine and neuter genders and the word "person" shall include an individual, a trust, a partnership, a body corporate, an association or other incorporated or unincorporated organization or entity.

**6.9 Legislation References.** Any references in this Agreement to any law, by-law, rule, regulation, order or act of any government, governmental body or other regulatory body shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.

**6.10 Severability.** If any Article, Section or any portion of any Section of this Agreement is determined to be unenforceable or invalid for any reason whatsoever, that unenforceability or invalidity shall not affect the enforceability or validity of the remaining portions of this Agreement and such unenforceable or invalid Article, Section or portion thereof shall be severed from the remainder of this Agreement.

**IN WITNESS WHEREOF** the parties have duly executed this Debtor in Possession Credit Facility Loan Agreement this 31<sup>st</sup> day of July 2017.

Forte EPS Solutions Inc.

Per:  \_\_\_\_\_ C/S  
[Authorized Signing Officer]

16567 Highway 12 Holdings Limited

Per:  \_\_\_\_\_ C/S  
[Authorized Signing Officer]

## PROMISSORY NOTE

\$200,000

Due upon sale of the sale of the assets of the Maker  
pursuant to the *Bankruptcy and Insolvency Act*

FOR VALUE RECEIVED the undersigned, Forte EPS Solutions Inc. promises to pay to or to the order of 16567 Highway 12 Holdings Limited (the "Lender") in lawful money of Canada, the lesser of:

- (a) The principal sum of two hundred thousand (\$200,000) dollars; and
- (b) The aggregate of the unpaid balance of all advances made by the Lender as recorded on the reverse of this note or on any attachment, with interest on the principal amount calculated as described below.

This note is issued to evidence advances made by the Lender to the undersigned under a Debtor in Possession Loan Agreement dated as of July 31, 2017, between the undersigned as Borrower and the Lender (the "DIP Loan Agreement").

The principal and interest on this note are payable in accordance with the provisions of the DIP Loan Agreement, which provides, among other things that the principal and all unpaid interest hereunder shall be payable upon the sale of the assets of the Undersigned pursuant to the provisions of the *Bankruptcy and Insolvency Act* pursuant to a Proposal or otherwise.

Interest shall be payable as said at the rate of fifteen (15%) per annum, calculated semi-annually, not in advance, on the principal amount from time to time remaining unpaid. Payments received shall be applied firstly in payment of unpaid accrued interest and the balance if any in reduction of principal.

The Undersigned authorizes the Lender to record on the reverse of this note or on any attachment to this note, all advances, repayments, prepayments and the unpaid principal balance from time to time. The Undersigned agrees that in the absence of any manifest error, the record kept by the Lender on this note or any attachment shall be conclusive evidence of the matters recorded, provided that the failure of the Lender to record or correctly record any amount or date shall not affect the obligation of the Undersigned to pay the outstanding principal amount and interest in accordance with the DIP Loan Agreement.

Upon maturity as provided for in the DIP Loan Agreement, the entire unpaid balance of the principal amount and accrued interest shall become immediately due and payable without notice or demand and the undersigned covenants to pay interest thereon and on subsequent overdue interest at the rate aforesaid, both before and after judgment, until paid in full. The covenants to pay interest shall not merge on the taking of a judgment or judgments with respect to any of the obligations herein stipulated for.

The Undersigned hereby waives demand and presentment for payment, notice of non-payment,

protest, notice of protest, notice of dishonour, bringing of suit and diligence in taking any action.

Terms are used in this note with the meanings ascribed to them in the DIP Loan Agreement unless otherwise specified.

DATED at Toronto, Ontario this 31 day of July 2017.

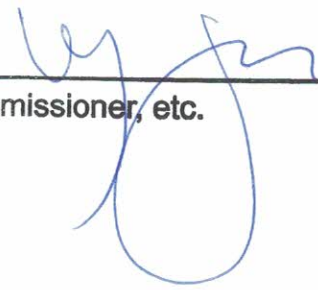
Forte EPS Solutions Inc.

Per:  C/S  
[Authorized Signing Officer]



**TAB 3**

Exhibit C to the affidavit  
of JOHN CIPRESSI  
sworn the 14 day of FEB, 2018.

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

**William Jones**

---

**From:** Angelo Mancini <acm@manciniassociates.com>  
**Sent:** February 14, 2018 3:00 PM  
**To:** 'William Jones'  
**Subject:** RE: 16567 Hwy 12 Holdings

On the assumption that in fact you have attended to the issues raised in my earlier email of today I anticipate being able to close on Thursday, Feb 22.

Angelo Mancini

---

**From:** William Jones [mailto:whjones@williamjones.ca]  
**Sent:** February-14-18 1:51 PM  
**To:** 'Angelo Mancini'; 'Nella Derango'  
**Cc:** jpcontactdirect@yahoo.ca; 'Gasper Santaguida'  
**Subject:** 16567 Hwy 12 Holdings

Mr. Mancini

I am in court on Friday to obtain some relief for the BDC and to deal with distribution matters in the bankruptcy

Critical to that process is some realistic indication that the purchaser is ready willing and able to complete the transition.

I require you written confirmation that you expect to be in a position to complete the transaction along with a date that you anticipate being able to do so

**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**

**SUPPLEMENTARY      MOTION  
RECORD**

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