

Court File No. CV-24-00005012-0000

Ontario
SUPERIOR COURT OF JUSTICE

B E T W E E N:

THE TORONTO-DOMINION BANK

Applicant

- and -

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Respondents

APPLICATION RECORD FOR THE APPLICANT

(Returnable December 6, 2024)

October 30, 2024

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The Toronto-Dominion Bank

TO: Service List

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TAB 1

Court File No.

CV-24-00005012-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:



THE TORONTO-DOMINION BANK

-and-

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Applicant

Respondents

NOTICE OF APPLICATION

**APPLICATION UNDER SECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT,
RSC 1985, C. B-3, AS AMENDED AND SECTION 101 OF THE COURTS OF JUSTICE ACT,
R.S.O. 1990, C.C.43**

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing:

- In person
- By telephone conference
- By video conference

at the following location:

On Friday, December 6, 2024 at 10:00 AM, by judicial teleconference via Zoom at Brampton, Ontario. Zoom particulars to follow.

IF YOU WISH TO OPPOSE THIS APPLICATION, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38C prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer, or where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: 30-OCTOBER-2024

Issued by Tricia Abankwa Digitally signed by Tricia Abankwa
Date: 2024.10.30 15:45:44 -04'00'
Registrar
Superior Court of Justice
7755 Hurontario Street
Brampton, Ontario L6W 4T1

TO: Service List Attached

SERVICE LIST

TO: **ALBERT GELMAN INC.**
250 Ferrand Dr., Suite 403
Toronto, ON, M3C 3G8

Attention: Bryan A. Gelman
Tel: (416) 504-1650 ext. 115
Email: bgelman@albertgelman.com

Proposed Receiver

AND
TO: **STEVENS OMNI INC.**
6430 Kennedy Road, Unit A
Mississauga, ON L5T 2Z5

Attention: Alvin Brown
Email: abrown@stevensomni.com

AND
TO: **SOFLEX LOGISTICS INC.**
6430 Kennedy Rd., Unit A
Mississauga, ON L5T 2Z5

AND
TO: **CANADA REVENUE AGENCY**
c/o Department of Justice
Ontario Regional Office
120 Adelaide St. W., Suite 400
Toronto, ON M5H 1T1

Attention: Rakhee Bhandari
Tel: 416-952-8563
Email: rakhee.bhandari@justice.gc.ca

AND
TO: **HER MAJESTY THE QUEEN IN RIGHT
OF ONTARIO AS REPRESENTED BY
THE MINISTRY OF FINANCE**
Revenue Collections Branch – Insolvency Unit
33 King Street W., P.O. Box 627
Oshawa, ON L1H 8H5
Email: insolvency.unit@ontario.ca

AND
TO: **MACUARIE EQUIPMENT FINANCE LTD.**
181 Bay Street, Suite 3100, P.O. Box 830
Toronto, ON M5J 2T3

AND

TO: **RCAP LEASING INC.**
5575 North Service Road, Suite 300
Burlington, ON L7L 6M1

AND

TO: **CWB NATIONAL LEASING INC.**
1525 Buffalo Place
Winnipeg, MB R3T 1L9

AND

TO: **HOOPP REALTY INC.**
c/o CBRE Limited
1100-145 King St. W.
Toronto, ON M5H 1J8

THE APPLICATION IS FOR:

The Applicant, The Toronto-Dominion Bank (the “**Applicant**” or the “**Bank**”), seeks the following relief:

1. An order (the “**Appointment Order**”) substantially in the form attached hereto as Schedule “A”, *inter alia*, appointing Albert Gelman Inc. (“**AGI**”, or the “**Receiver**”), without security, of all of the assets, undertakings and properties of the Respondents, Stevens Omni Inc. (“**SOI**”) and SoFlex Logistics Inc. (“**SoFlex**” and collectively with SOI, the “**Debtors**”), acquired for, or used in relation to a business or businesses carried on by the Debtors;
2. That the time for service, filing and confirming of the Notice of Application and the Application Record be abridged and validated so that this application is properly returnable today and dispensing with further service thereof; and,
3. Such further and other relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE APPLICATION ARE:

The Debtors

1. SOI is a federal corporation incorporated pursuant to the laws of Canada, with its head office located in Mississauga, Ontario.
2. SOI is a retailer and distributor of flooring products with locations in Mississauga, Ontario and Calgary, Alberta. SOI’s website is www.stevensomni.com. SOI employs approximately 30 employees.
3. SoFlex is a federal corporation incorporated pursuant to the laws of Canada, with its head office located in Mississauga, Ontario.
4. SoFlex was a distributor of flooring products to customers in the United States. SoFlex is no longer operating and has zero employees.

The Financing and the Bank’s Security

5. As of August 21, 2024, SOI was indebted to the Bank in the amount of \$2,837,807.36, plus the costs of enforcement, including legal and professional costs, and interest (the

“**Indebtedness**”) in respect of financing advanced to SOI pursuant to the terms of to a Demand Operating Facility Agreement dated October 28, 2021 (the “**Letter Agreement**”).

6. The credit facilities established by the Letter Agreement was the following:
 - a. Operating Loan: with a maximum credit limit of \$5,000,000 (the “**Operating Loan**”), on which the sum of \$2,822,678.63 is owing as at August 21, 2024; and,
 - b. Credit Card Facility: with a maximum credit limit of \$136,000, on which the sum of \$8,024.27 is owing as at August 21, 2024

(6 (a) – (b) collectively, the “**Financing**”).

7. The Operating Loan is payable on demand.
8. The Bank holds, *inter alia*, the following as security for the Financing:
 - a. General Security Agreement dated October 1, 2012, from SOI (the “**SOI GSA**”); and
 - b. Guarantee dated October 1, 2012, from SoFlex, unlimited in sum, in relation to the indebtedness of SOI (the “**Guarantee**”) supported by a General Security Agreement from SoFlex dated October 1, 2012 (collectively, with the SOI GSA, the “**GSA’s**”)

(collectively, the “**Security**” or the “**Bank’s Security**”).

The Bank’s Security Interest in the Respondents’ Personal Property

9. The Bank has registered a Financing Statement against the Debtors, pursuant to the provisions of the *Personal Property Security Act* (Ontario) to perfect its security interest in the property of the Debtors secured under the GSA’s.
10. The Personal Property Security Registration System Search Results for the Debtors confirm that the Bank has a perfected security interest in the personal property of the Debtors secured under the GSA’s.

Defaults and Demands

11. In August and September 2023, the Bank issued default letters to SOI, as SOI defaulted under the terms of the Financing as a result of, *inter alia*, the following:

- i) Failing to provide Annual Review Engagement financial statements for SOI within 120 days of 2022 year end;
- ii) Failing to provide Management prepared financial projections for Consolidated SOI including Income Statement, Balance Sheet, Cash Flow and Capital Expenditures for each fiscal quarter end;
- iii) Failing to provide Income Statement Projection for SoFlex within 120 days of 2022 fiscal year end therefrom;
- iv) The registration against SOI under Personal Property Security registration system in favor of Her Majesty in Right of Ontario Represented by the Minister of Finance (Ministry of Finance, AM & Collections branch) for \$23,259; and
- v) SoFlex failing to file annual returns for 2023 under the *Canada Business Corporations Act*

(collectively, the “**Defaults**”).

- 12. Since the fall of 2023, the Defaults have continued. As at July 31, 2024, SOI owes Canada Revenue Agency the sum of \$503,478 in arrears.
- 13. In the fall of 2023, SOI and SoFlex requested that the Bank forbear from taking action on the Security, and the Bank, SOI and SoFlex entered into a Forbearance Agreement dated December 18, 2023 (the “**Forbearance Agreement**”), for the purposes of allowing SOI and SoFlex until February 15, 2024, to complete a refinancing and repay the Indebtedness.
- 14. Under the terms of the Forbearance Agreement, SOI agreed to AGI being engaged by the Bank as a financial advisor to consult, review and report on the financial and operational performance of SOI (the “**Engagement**”).
- 15. SOI and SoFlex failed to complete a refinancing and pay the Indebtedness pursuant to the Forbearance Agreement.
- 16. The Bank provided the Debtors with further day-to-day forbearance, banking services and credit and the Engagement continued following February 14, 2024.

17. The Bank did deliver a demand for payment and a Notice of Intention to Enforce Security to SOI, both dated August 21, 2024, pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (the "**BIA**"). The Bank also issued a demand for payment and a Notice of Intention to Enforce Security to SoFlex, both dated August 21, 2024 (collectively, the "**Demands**").
18. All statutory notice periods in relation to the Demands have expired and the Indebtedness remains unpaid.
19. On August 22, 2024, SOI did make an offer to the Bank, conditional on financing, to settle the Bank debt in a compromised sum. This offer was not acceptable to the Bank.

The Appointment of a Receiver

20. The Indebtedness due pursuant to the Demands has not been paid. The ten (10) day period under section 244 of the *BIA* has expired. The Bank is in a position to appoint a receiver over the assets and property of the Debtors pursuant to section 243 of the *BIA*.
21. The provisions of the Bank's Security provide the Bank with the power to appoint a Receiver over all personal property of the Debtors as secured by the GSA's.

The Bank's Position

22. SOI is in default of the Financing, and the Defaults continue.
23. The Debtors are insolvent, the Demands have expired, and the Bank is unwilling to provide the Debtors with any further credit or with any further forbearance.
24. The Bank is in a position to seek the order appointing the Receiver, pursuant to the provisions of the GSA's.
25. A Receiver is necessary to complete an orderly sale of the Debtors' property and apply any proceeds of such sale to the obligations of the Debtors.
26. It is the Bank's position that the appointment of the Receiver is just and equitable and is necessary for the protection of the estate of the Debtors, and the interests of the Bank, as a secured creditor, and other stakeholders.

27. The Bank proposes that AGI be appointed as Receiver, without security, over all personal property of the Debtors, as secured by the GSA's.
28. AGI has consented to act as Receiver should this Honourable Court so appoint it.
29. Section 243 of the *Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3, as amended*.
30. Section 101 of the *Courts of Justice Act, R.S.O. 1990, c. C.43, as amended*.
31. Rule 3, 14, 38 and any other applicable Rule of the *Rules of Civil Procedure*.
32. Such further and other grounds as counsel may advise.

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

1. The Notice of Application and all Schedules thereto;
2. The Affidavit of Sanjay Kansal, to be filed and all Exhibits thereto;
3. The Consent of the Receiver; and,
4. Such further and other material as counsel may advise and this Honourable Court may permit.

October 30, 2024

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Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

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Lawyers for the Applicant,
The Toronto-Dominion Bank

Schedule "A-1" – Appointment Order (Clean)

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE) FRIDAY, THE 6TH
JUSTICE) DAY OF DECEMBER, 2024

THE TORONTO-DOMINION BANK

Applicant

- and -

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Respondents

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant 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 Albert Gelman Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Stevens Omni Inc. and SoFlex Logistics Inc. (collectively the "Debtors") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 7755 Hurontario Street, Brampton, Ontario.

ON READING the affidavit of Sanjay Kansal sworn September 18, 2024 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one appearing although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of Albert Gelman Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

3. 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 Debtor, 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 Debtor;

- (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 Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (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 Debtor, 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 Debtor, 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 \$100,000.00, provided that the aggregate consideration for all such transactions does not exceed \$500,000.00; 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*, [or section 31 of the Ontario *Mortgages Act*, as the case may be,] shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.
- (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 Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the

foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (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.

5. 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 Debtor, 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.

6. 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.

7. 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

8. 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 DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor 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 Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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

11. 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 Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor 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 Debtor 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 Debtor'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 Debtor 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

13. 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

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor'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

15. 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. 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

17. 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

18. 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.

19. 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.

20. 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

21. 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 \$400,000.00 (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.

22. 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.

23. 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.

24. 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

25. 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 [https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part III The E-Service List](https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part_III_The_E-Service_List)) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<https://www.albertbelman.com/corporate-solutions/other-engagements>'.

26. 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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor 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

27. 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.

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

29. 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.

30. 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.

31. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. 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.

Justice, Ontario Superior Court of Justice

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "Receiver") of the assets, undertakings and properties Stevens Omni Inc. and SoFlex Logistics Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ___ day of _____, 20__ (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__.

Albert Gelman Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

Schedule "A-2" – Appointment Order (Blacklined)

Revised: January 21, 2014
~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE) ~~WEEKDAY~~FRIDAY, THE # ~~6TH~~21~~ST~~
JUSTICE) DAY OF ~~MONTH~~OCTOBER~~DECEMBER~~,
20~~YR~~2024

PLAINTIFF¹**THE TORONTO-DOMINION BANK**

ApplicantPlaintiff

- and -

DEFENDANT**STEVENS OMNI INC. and SOFLEX LOGISTICS INC.**

RespondentsDefendant

ORDER
(Appointing Receiver)

THIS ~~MOTION-APPLICATION~~ made by the PlaintiffApplicant² 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 ~~[RECEIVER'S NAME]~~Albert Gelman Inc. as receiver ~~[and manager]~~ (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~Stevens Omni Inc. and SoFlex Logistics Inc. (collectively the "Debtors")

¹ ~~The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

² ~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

acquired for, or used in relation to a business carried on by the Debtors, ~~was, was~~ heard this day at ~~330 University Avenue, Toronto~~ 7755 Hurontario Street, Brampton, Ontario.

ON READING the affidavit of ~~[NAME]~~ Sanjay Kansal sworn ~~[DATE]~~ September 18, 2024 and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~ the Applicant, no one appearing ~~for [NAME]~~ although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of ~~[RECEIVER'S NAME]~~ Albert Gelman Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of ~~Motion-Application~~ and the ~~Motion-Application~~ is hereby abridged and validated³ so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Albert Gelman Inc. ~~[RECEIVER'S NAME]~~ is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. 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:

³ ~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

- (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 Debtor, 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 Debtor;
- (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 Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;

- (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 Debtor, 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 Debtor, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ 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 \$ _____, ~~\$100,000.00,~~ provided that the aggregate consideration for all such transactions does not exceed \$ _____; ~~\$500,000.00;~~ 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*, [or section 31 of the Ontario *Mortgages*

~~⁴This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

Act, as the case may be,]⁵ shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (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 Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

~~⁵ If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (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.

5. 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 Debtor, 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.

6. 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.

7. 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

8. 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 DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor 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 Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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

11. 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 Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor 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 Debtor 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 Debtor'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 Debtor 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

13. 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

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor'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

15. 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. 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

17. 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

18. 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.⁶

19. 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.

20. 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

21. 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 \$400,000.00 (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

⁶ ~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~


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.

22. 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.

23. 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.

24. 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

25. 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 [https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part III The E-Service List](https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part%20III%20The%20E-Service%20List)) ~~<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 '~~<https://www.albertbelman.com/corporate-solutions/other-engagements@>~~'.


26. 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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor 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

27. 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.

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

29. 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.

30. 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.

31. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by

the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. 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.

[Justice, Ontario Superior Court of Justice](#)

DOCSTOR: 1771742/8

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ Albert Gelman Inc., the receiver (the "Receiver") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ Stevens Omni Inc. and SoFlex Logistics Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (~~Commercial List~~) (the "Court") dated the ___ day of _____, 20__ (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]~~ Albert Gelman Inc.,
solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

THE TORONTO-DOMINION BANK

v.

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Applicant

Respondents

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**
PROCEEDING COMMENCED AT BRAMPTON

NOTICE OF APPLICATION

HARRISON PENZA LLP
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)
Tel : (519) 661-6743
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Lawyers for the Applicant,
The Toronto-Dominion Bank

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

THE TORONTO-DOMINION BANK

Applicant

-and-

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Respondents

AFFIDAVIT OF SANJAY KANSAL

(Sworn September 18, 2024)

I, **SANJAY KANSAL**, of the City of Brampton, in the Province of Ontario, **MAKE**

OATH AND SAY:

1. I am an Account Manager with the Applicant, The Toronto-Dominion Bank (the "**Bank**"), and as such have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary these matters are within my own knowledge and are true. Where I have indicated that I have obtained facts from other sources, I have identified the source and I believe those facts to be true.

The Debtors

2. The Respondent, Stevens Omni Inc. ("**SOI**"), is a company incorporated pursuant to the laws of Canada, with its registered office located in the City of Mississauga, Ontario. Attached hereto and marked as **Exhibit "A"** is a true copy of the corporate profile search results for SOI.
3. SOI is a retailer and distributor of flooring products, operating from leased locations in Oakville, Ontario and Calgary Alberta. SOI's website is www.stevensomni.com. SOI employs approximately 30 employees.

4. The Respondent, SoFlex Logistics Inc. (“**SoFlex**”), is a company incorporated pursuant to the laws of Canada, with its registered office located in the City of Mississauga, Ontario. Attached hereto and marked as **Exhibit “B”** is a true copy of the corporate profile search results for SoFlex.
5. SoFlex was a distributor of flooring products to customers in the United States. SoFlex is no longer operating and has zero employees.
6. In August and September 2023, the Bank issued default letters to SOI, as SOI defaulted under the terms of the Financing (as defined below) as a result of, *inter alia*, the following:
 - i) Failing to provide Annual Review Engagement financial statements for SOI within 120 days of 2022 year end;
 - ii) Failing to provide Management prepared financial projections for Consolidated SOI including Income Statement, Balance Sheet, Cash Flow and Capital Expenditures for each fiscal quarter end;
 - iii) Failing to provide Income Statement Projection for SoFlex within 120 days of 2022 fiscal year end therefrom;
 - iv) The registration against SOI under Personal Property Security registration system in favor of Her Majesty in Right of Ontario Represented by the Minister of Finance (Ministry of Finance, AM & Collections branch) for \$23,259; and
 - v) SoFlex failing to file annual returns for 2023 under the *Canada Business Corporations Act*(collectively, the “**Defaults**”).
7. Since the fall of 2023, the SOI’s defaults have continued. As at July 31, 2024, SOI owes Canada Revenue Agency on account of HST in the sum of \$503,478 in arrears.

The Financing and The Bank's Security

8. As of August 21, 2024, SOI is indebted to the Bank in the amount of \$2,837,807.36, plus the costs of enforcement, including legal and professional costs, and interest (the "**Obligations**"), in respect of certain financing advanced to SOI pursuant to the terms of a Demand Operating Facility Agreement dated October 28, 2021 (the "**Letter Agreement**"). Attached hereto and marked as **Exhibit "C"** is a true copy of the Letter Agreement.

9. The credit facilities established by the Letter Agreement are:
 - a. Operating Loan: with a maximum credit limit of \$5,000,000 (the "**Operating Loan**"), on which the sum of \$2,822,678.63 is owing as at August 21, 2024; and,
 - b. Credit Card Facility: with a maximum credit limit of \$136,000, on which the sum of \$8,024.27 is owing as at August 21, 2024.

(9 (a) and (b), the "**Financing**").

10. The Operating Loan is payable on demand.

11. The Bank holds the following security for the Financing:
 - a. General Security Agreement dated October 1, 2012, from SOI (the "**SOI GSA**"). Attached hereto and marked as **Exhibit "D"** is a true copy of the SOI GSA; and
 - b. Guarantee dated October 1, 2012, from SoFlex , unlimited in sum, in relation to the indebtedness of SOI (the "**Guarantee**"), supported by a General Security Agreement from SoFlex dated October 1, 2012 (the "**SoFlex GSA**", and collectively, with the SOI GSA, the "**GSA's**"). Attached hereto and marked as **Exhibit "E"** and "**F"** is a true copy of the Guarantee and the SoFlex GSA respectively

(collectively, the "**Security**").

The Bank's Security Interest in the Personal Property of the Debtors

12. The GSA's secure the following personal property of the Debtors:

1. SECURITY INTEREST

The Grantor [the Debtors] hereby grants to the Bank a security interest in, and assigns (other than with respect to trademarks), mortgages, charges, and pledges (collectively, the "Security Interest") to the Bank, all property of the Grantor, including all present and after acquired personal property and all other property, assets and undertakings of any kind hereinafter described below, in which the Grantor has, or hereafter acquires, any right, title or interest, and accretions and accessions thereto (collectively called the "Collateral")...

2. OBLIGATIONS SECURED

The Security interest secures payment and performance of all present and future obligations of the Grantor to the Bank, including all debts and liabilities, direct or indirect, absolute or contingent, matured or not, wheresoever or howsoever incurred, whether incurred before, at the time of or after the execution of this Agreement, whether the indebtedness and liability is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether arising from the dealings between the Bank and the Grantor or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Grantor, and in any currency, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, including all interest thereon and all amounts owed by the Grantor under this Agreement for fees, costs and expenses and in respect of indemnities granted under this Agreement (collectively called the "Obligations").

13. The Bank has registered a Financing Statement as against the Debtors pursuant to the provisions of the *Personal Property Security Act* (Ontario) to perfect its security interest in the personal property of the Debtors secured under the GSA's.
14. The Personal Property Security Registration System Search Results for the Debtors confirm that the Bank holds a perfected security interest in the personal property of the Debtors as secured by the GSA's. Attached hereto and marked as **Exhibit "G"** and **"H"** is a true copy of the Personal Property Security Registration System Search Results, current to September 10, 2024 and September 16, 2024, for SOI and SoFlex respectively.

Defaults and the Demands

15. The Debtors are insolvent, and have defaulted under the Financing, as set out above.
16. The Bank issued a letter to SOI dated August 4, 2023, which detailed the Debtors' failure to fulfil various obligations pursuant to the Letter Agreement. Attached hereto and marked as **Exhibit "I"** is a true copy of the letter dated August 4, 2023.
17. On September 20, 2023, the Bank's counsel issued a letter to the Debtors advising, among other things, that as a result of the Defaults, the Bank was not agreeable to continuing the credit facilities and banking services being provided to SOI in the normal course, and that the Bank required payment of the Obligations on or before December 1, 2023. The Debtors executed the letter on October 18, 2023, confirming their acknowledgment and agreement to the terms of the letter. Attached hereto and marked as **Exhibit "J"** is a true copy of the letter dated September 20, 2023.
18. The Debtors failed to pay the Obligations on or before December 1, 2023.
19. Despite, the Debtors failing to pay the Obligations on or before December 1, 2023, the Bank entered into a Forbearance Agreement with the Debtors dated December 18, 2023 (the "**Forbearance Agreement**"). Attached hereto and marked as **Exhibit "K"** is a true copy of the Forbearance Agreement.
20. The terms of the Forbearance Agreement included, among other things, the following:
 - a. Albert Gelman Inc. ("**AGI**") shall be engaged by the Bank as a financial advisor

to consult, review and report on the financial and operational performance of SOI, and SOI shall provide full cooperation to AGI;

- b. SOI will pay the Obligations on or before February 15, 2024; and,
 - c. SOI consents to the appointment of AGI as receiver.
21. SOI failed to pay the Obligations on or before February 15, 2024.
22. On February 20, 2024, the Bank's counsel sent an e-mail to counsel for SOI extending the Forbearance Agreement to March 8, 2024, subject to certain terms (the "**Forbearance Addendum**"), and on February 22, 2024, counsel for SOI confirmed SOI's agreement to the Forbearance Addendum. Attached hereto and marked as **Exhibit "L"** is a true copy of the emails between counsel for the Bank and counsel for SOI.
23. SOI failed to pay the Obligations on or before March 8, 2024.
24. On April 23, 2024, counsel for the Bank sent an e-mail to counsel for SOI advising, among other things:
- a. AGI had been working with SOI to obtain refinancing, and the Bank has continued to provide day-to-day- forbearance in relation to the credit and banking services;
 - b. The Bank was concerned that a refinancing would not be sufficient to pay the Obligations;
 - c. The Bank's day-to-day forbearance, and provision of credit and banking services cannot continue for an indeterminate period; and

- d. The Bank has provided a reasonable period to allow for a refinancing and is considering terminating forbearance and issuing a demand for payment and does reserve all rights.
25. On April 23, 2024, counsel for SOI advised counsel for the Bank that he would advise his client of the Bank's concerns. Attached hereto and marked as **Exhibit "M"** is a true copy of the emails between counsel for the Bank and counsel for SOI.
26. Through April 2024 to August 2024, the Bank continued forbearance and the provision of credit and banking services while SOI continued to report to AGI, as follows:
 - a. SOI was working to secure a new private lender to pay the Bank out; and,
 - b. That SOI was taking steps to reduce the size of its sales force and its remuneration for sales staff, and reduce its costs for rented space.
27. SOI provided its draft financial statements to the Bank which showed a loss of \$569,182 for fiscal year 2023.
28. SOI failed to provide its Annual Review Engagement financial statements for fiscal year end March 31, 2024, to the Bank when due on July 31, 2024. These statements have not been received by the Bank to date.
29. In the face of SOI's losses and its inability to secure refinancing, by way of e-mail dated August 13, 2024, the Bank advised SOI that the Bank is unable to provide continued patience or accommodations and that the Bank will be seeking the appointment of AGI as receiver due to the continuing defaults and losses with no

firm evidence of turnaround or repayment. Attached hereto and marked as **Exhibit “N”** is a true copy of the Bank’s e-mail to SOI.

30. The Bank did deliver a demand for payment and a Notice of Intention to Enforce Security to SOI, both dated August 21, 2024, pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (the “**BIA**”). The Bank also issued a demand for payment and a Notice of Intention to Enforce Security to SoFlex (collectively, the “**Demand**”). Attached hereto and marked as **Exhibit “O”** is a true copy of the Demand with the corresponding registered mail receipt. The Demand were e-mailed to the Debtors.
31. The Debtors have failed to provide payment of their Obligations following the receipt of the Demand.
32. On August 22, 2024, SOI made an offer to the Bank requesting the Bank to comprise its debt, with the payment of the offer conditional on a financing that was subject to due diligence and with no firm closing date set.
33. On September 6, 2024, counsel for the Bank e-mailed SOI’s counsel and advised that the Demand expired:
 - a. the Bank will be applying to the Court for an Order appointing AGI as Receiver over the property of the Debtors;
 - b. the Bank will be terminating credit on the Operating Loan and on the Visas;
and,
 - c. the Bank will be restricting all accounts.

Attached hereto and marked as **Exhibit “P”** is a true copy of the emails dated

September 6, 2024.

34. Counsel for SOI did acknowledge receipt of the Demand on behalf of SOI.

The Appointment of a Receiver

35. The Obligations due pursuant to the Demand have not been paid. The Debtors are in default of the Financing.
36. The ten (10) day period under section 244(1) of the *BIA* has expired. The Bank is in a position to appoint a Receiver over the property of the Debtors as secured pursuant to the Security, pursuant to section 243 of the *BIA*.

Personal Property

37. Paragraph 12 of the GSA's grant the Bank the right to appoint a Receiver over all personal property of the Debtors, secured thereunder, as a result of the Defaults, as follows:

12. REMEDIES

(a) Upon the occurrence of an event of default that has not been cured or waived, the Bank, in addition to any right or remedy otherwise provided herein or by law or in equity, will have the rights and remedies set out below, which may be enforced successively or concurrently:

(xii) to appoint or reappoint by instrument in writing any person or persons, whether an officer or officers or employee or employees of the Bank or not, to be a receiver or receivers or a receiver and manager of the Collateral and remove or replace any person or persons so appointed or apply to any court for the appointment of a receiver or receiver and manager (each hereinafter called a "Receiver").

(b) Any Receiver so appointed shall be deemed to be the agent of the Grantor and not the Bank, and the Grantor and not the Bank, shall be solely responsible for the Receiver's acts or defaults and for the Receiver's remuneration and expenses. The Bank shall not be in any way responsible for any misconduct, negligence or failure to act on the part of any such Receiver, its servants, agents or employees.

(c) The Grantor agrees to pay all costs, charges and expenses incurred by the Bank or any Receiver appointed by the Bank, whether directly or for services rendered

(including reasonable legal and auditors' costs and expenses and Receiver remuneration), in operating the Grantor's accounts, in preparing or enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting the Obligations, and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Bank or any Receiver appointed by the Bank, as permitted hereby, shall be a first charge on the Collateral and shall be secured hereby.

38. The Debtors are in default of the terms of the Financing and the Obligations are due and payable in full.
39. The provisions of the Bank's Security provide the Bank with the power to appoint a Receiver over all personal property of the Debtors as secured by the GSA's.

The Bank's Position

40. The Debtors are in default of the Financing, which Defaults continue.
41. The Debtors are insolvent, the Demand has expired, and the Bank is unwilling to provide the Debtors with any further credit or with any forbearance.
42. The Bank is in a position to seek the Order Appointing the Receiver, pursuant to the provisions of the GSA's.
43. It is the Bank's position that the appointment of the Receiver is just and equitable and is necessary for the protection of the estates of the Debtors, and the interests of the Bank, as a secured creditor, and other stakeholders.
44. The Bank proposes that AGI be appointed as Receiver, without security, over all personal property of the Debtors as secured by the GSA's.
45. AGI has consented to act as Receiver should this Honourable Court so appoint it.

46. This affidavit is made in support of the within application for the appointment of AGI as Receiver, without security, over all of the assets, undertakings, and properties of the Debtors, and for no other improper purpose.

Sworn or Affirmed before me: in person OR by video conference

by Sanjay Kansal of the City of Brampton, in the Province of Ontario, before me at the City of London in the Province of Ontario, on September 18, 2024 in accordance with [O. Reg. 431/20](#), Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (*or as may be*)



Signature of Commissioner



SANJAY KANSAL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

THE TORONTO-DOMINION BANK

Applicant

-and-

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Respondents

ATTACHED HERETO ARE EXHIBITS "A" TO "P"
AS REFERRED TO IN THE AFFIDAVIT OF SANJAY KANSAL,
SWORN BEFORE ME BY VIDEOCONFERENCE ON SEPTEMBER 18TH, 2024.



A Commissioner, etc.

Exhibit “A”



Corporate Profile / Profil corporatif

Date and time of Corporate Profile (YYYY-MM-DD)	2024-09-17 10:42 AM	(AAAA-MM-JJ) Date et heure du Profil corporatif
--	---------------------	--

CORPORATE INFORMATION		RENSEIGNEMENTS CORPORATIFS
Corporate name	Dénomination	
	STEVENS OMNI INC.	
Corporation number	449101-7	Numéro de société ou d'organisation
Business number	142454263RC0003	Numéro d'entreprise
Governing legislation	Régime législatif	
	Canada Business Corporations Act (CBCA) - 2008-09-01 Loi canadienne sur les sociétés par actions (LCSA) - 2008-09-01	
Status	Statut	
	Active	
	Active	

REGISTERED OFFICE ADDRESS	ADRESSE DU SIÈGE
	6430A KENNEDY ROAD MISSISSAUGA ON L5T 2Z5 Canada

ANNUAL FILINGS	DÉPÔTS ANNUELS	
Anniversary date (MM-DD)	09-01	(MM-JJ) Date anniversaire
Filing period (MM-DD)	09-01 to/au 10-31	(MM-JJ) Période de dépôt
Status of annual filings	Statut des dépôts annuels	
	Filed	2024 Déposé
	Filed	2023 Déposé
	Filed	2022 Déposé
Date of last annual meeting (YYYY-MM-DD)	2024-06-28	(AAAA-MM-JJ) Date de la dernière assemblée annuelle
Type	Type	
	Non-distributing corporation with 50 or fewer shareholders	
	Société n'ayant pas fait appel au public et comptant 50 actionnaires ou moins	

DIRECTORS		ADMINISTRATEURS
Minimum number	1	Nombre minimal
Maximum number	9	Nombre maximal
Current number	3	Nombre actuel
Melissa More	6430A Kennedy Road, Mississauga ON L5T 2Z5, Canada	
Alvin Brown	6430A Kennedy Road, Mississauga ON L5T 2Z5, Canada	
Darren Stevens	6430A Kennedy Road, Mississauga ON L5T 2Z5, Canada	

CORPORATE HISTORY		HISTORIQUE CORPORATIF
Corporate name history (YYYY-MM-DD)		(AAAA-MM-JJ) Historique de la dénomination
2008-09-01 to present / à maintenant	STEVENS OMNI INC.	
Certificates issued (YYYY-MM-DD)		(AAAA-MM-JJ) Certificats émis
Certificate of Amalgamation Corporations amalgamated	2008-09-01 7016930 OMNI FLOORCOVERINGS LTD. 4215923 STEVENS-DUFOUR INC.	Certificat de fusion Corporations amalgamated
Amendments details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.		Seuls les renseignements concernant les modifications effectuées après 2010-03-20 sont disponibles. Certains certificats émis avant 2000 pourraient ne pas être listés.
Documents filed (YYYY-MM-DD)		(AAAA-MM-JJ) Documents déposés

The Corporate Profile sets out the most recent information filed with and accepted by Corporations Canada as of the date and time set out on the Profile.	Le Profil corporatif fait état des renseignements fournis et acceptés par Corporations Canada à la date et à l'heure indiquées dans le profil.
--	---

Exhibit “B”



Corporate Profile / Profil corporatif

Date and time of Corporate Profile (YYYY-MM-DD)	2024-09-17 10:43 AM	(AAAA-MM-JJ) Date et heure du Profil corporatif
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CORPORATE INFORMATION		RENSEIGNEMENTS CORPORATIFS
Corporate name	Dénomination	
	SoFlex Logistics Inc.	
Corporation number	752843-4	Numéro de société ou d'organisation
Business number	816404057RC0001	Numéro d'entreprise
Governing legislation	Régime législatif	
	Canada Business Corporations Act (CBCA) - 2010-04-16 Loi canadienne sur les sociétés par actions (LCSA) - 2010-04-16	
Status	Statut	
	Active	
	Active	

REGISTERED OFFICE ADDRESS	ADRESSE DU SIÈGE
	6430A Kennedy Road Mississauga ON L5T 2Z5 Canada

ANNUAL FILINGS	DÉPÔTS ANNUELS		
Anniversary date (MM-DD)	04-16	(MM-JJ) Date anniversaire	
Filing period (MM-DD)	04-16 to/au 06-15	(MM-JJ) Période de dépôt	
Status of annual filings	Statut des dépôts annuels		
	Overdue	2024	En retard
	Filed	2023	Déposé
	Filed	2022	Déposé
Date of last annual meeting (YYYY-MM-DD)	2022-04-25	(AAAA-MM-JJ) Date de la dernière assemblée annuelle	
Type	Type		
	Non-distributing corporation with 50 or fewer shareholders		
	Société n'ayant pas fait appel au public et comptant 50 actionnaires ou moins		

DIRECTORS		ADMINISTRATEURS
Minimum number	1	Nombre minimal
Maximum number	9	Nombre maximal
Current number	3	Nombre actuel
Alvin Brown	6430A Kennedy Road, Mississauga ON L5T 2Z5, Canada	
Darren John Stevens	241 Roxton Road, Oakville ON L6H 7K3, Canada	
Melissa More	6430 Kennedy Road, Mississauga ON L5T 2Z5, Canada	

CORPORATE HISTORY		HISTORIQUE CORPORATIF
Corporate name history (YYYY-MM-DD)		(AAAA-MM-JJ) Historique de la dénomination
2010-04-16 to present / à maintenant	SoFlex Logistics Inc.	
Certificates issued (YYYY-MM-DD)		(AAAA-MM-JJ) Certificats émis
Certificate of Incorporation	2010-04-16	Certificat de constitution en société
Amendments details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.		Seuls les renseignements concernant les modifications effectuées après 2010-03-20 sont disponibles. Certains certificats émis avant 2000 pourraient ne pas être listés.
Documents filed (YYYY-MM-DD)		(AAAA-MM-JJ) Documents déposés

The Corporate Profile sets out the most recent information filed with and accepted by Corporations Canada as of the date and time set out on the Profile.	Le Profil corporatif fait état des renseignements fournis et acceptés par Corporations Canada à la date et à l'heure indiquées dans le profil.
--	---

Exhibit “C”



Mississauga Commercial Banking Center
20 Milverton Dr & Hwy 10
Mississauga, ON
L5R 3G2
Telephone No.: (905) 568-1359
Fax No.: (905) 890-4136

1275

October 28, 2021

STEVENS OMNI INC.
630 Kennedy Rd Unit A
Mississauga, ON L5T 2Z5

Attention: Alvin Brown, Melissa More and Darren J Stevens

Demand Operating Facility Agreement

This Agreement between: **The Toronto-Dominion Bank** (the "Bank"), through its Mississauga Commercial Banking Center branch, in Mississauga ON.

and

Borrower's Legal Name: STEVENS OMNI INC. (herein called the "Borrower")

Borrower's Address:

6430 KENNEDY RD UNIT A
MISSISSAUGA, ON
L5T 2Z5

Whereas:

- (i) the Bank has agreed to establish a revolving demand credit facility (the "Facility");
- (ii) the Facility is uncommitted and made available at the sole discretion of the Bank. The Facility may be cancelled at any time even if the Borrower complies with all of the terms and conditions;
- (iii) the Facility will operate on the basis established in this Demand Operating Facility Agreement including without limitation the Standard Terms and Conditions attached as Schedule "A" (the "Agreement"), the terms of which may be changed by the Bank from time to time at the Bank's sole discretion.

In consideration of the Bank establishing the Facility, the Borrower hereby agrees with the Bank to the following terms and conditions:

CREDIT LIMIT

Outstanding under the Facility, including the face amount of any outstanding undrawn L/Cs, and L/Gs will be at all times the lesser of:

- 1) CAD \$5,000,000 or its USD\$ Equivalent AND
- 2) The TOTAL of
 - (A) 80% of the Receivable in Canada and the USA net of over 90day accounts, related accounts contra accounts, and accrued rebate offset and unpaid Government remittances; and
 - (B) 50% of finished goods inventory located at the Borrower's warehouses in Canada on hand and less than two years old. Inventory shall be valued at lower of cost or market value, net of less than 30 day trade accounts payable on warehoused inventory, less consigned inventory, except that the amount calculated under (B) will not exceed CDN\$2,500,000.
 - (C) USD and EURO cash balances

Line to be Forwarded Margined.

PURPOSE

The Borrower will use the Facility to fund working capital.

BORROWING OPTIONS

The Bank will make the Facility available by way of:

- Prime Rate Based Loans in CAD\$ ("Prime Based Loans")
- United States Base Rate Loans in USD\$ ("USBR Loans")
- Letters of Credit in CAD\$ or USD\$ ("L/Cs")
- Stand-by Letters of Guarantee in CAD\$ ("L/Gs")

AVAILABILITY OF THE FACILITY

The Borrower acknowledges that the Facility is uncommitted and is not automatically available upon satisfaction of the terms and conditions, including without limitation the Representations & Warranties, Positive Covenants, Negative Covenants, or Financial Covenants set out herein.

The Bank can demand repayment and/or cancel the availability of the Facility at any time in its sole discretion.

INTEREST RATES AND STAMPING FEES

For the Borrowing Options available to the Borrower, interest rates and fees are as follows:

- Prime Based Loans: Prime Rate + 1.500 % per annum
- USBR Loans: USBR + 1.500 % per annum
- L/Cs: As set out in the Letter of Credit Indemnity Agreement applicable to the issued L/C.
- L/Gs: As set out in the Letter of Credit Indemnity Agreement applicable to the issued L/G.

Information on Interest Rate Definitions, Interest Calculations and Payment is set out in the Schedule "A" attached hereto.

**ADMINISTRATION
FEE**

The Borrower will pay an Administration Fee of CAD \$350 per month.

EXCESS MONITORING FEE

The Borrower may, at the Bank's discretion, be charged an Excess Monitoring Fee of \$250, payable in the currency of the Facility, each time that the Credit Limit of the Facility is exceeded. Any extension of credit above the Credit Limit will be at the Bank's sole and absolute discretion.

RENEWAL FEE

CAD\$ 10,000 per annum

LATE REPORTING FEE

CAD \$250

DRAWDOWN

- 1) The Borrower can use the Facility on a revolving basis. The Borrower will follow the provisions set out in this Agreement with respect to notice periods, minimum amounts of draws, interest periods, and applicable terms.
- 2) Letters of Credit and Letters of Guarantee are permitted to a combined maximum issuance of \$1,000,000 at any point in time.

**BUSINESS CREDIT
SERVICE**

The Borrower will have access to Prime Based Loans via Loan Account Number 9300004 1275 (the "Loan Account") up to the Credit Limit, by withdrawing funds from the Borrower's Current Account Number 1275-5300004 (the "Current Account"). The Borrower agrees that each advance from the Loan Account will be in an amount equal to \$10,000 (the "Transfer Amount") or a multiple thereof. If the Transfer Amount is NIL, the Borrower agrees that an advance from its Loan Account may be in an amount sufficient to cover the debits made to the Current Account. The Borrower agrees that:

- a) all other overdraft privileges which have governed the Current Account are hereby cancelled.
- b) all outstanding overdraft amounts under any such other agreements are now included as indebtedness under the Facility.

The Bank may, but is not required to, automatically advance the Transfer Amount or a multiple thereof or any other amount from the Loan Account to the Current Account in order to cover the debits made to the Current Account if the amount in the Current Account is insufficient to cover the debits. The Bank may, but is not required to, automatically and without notice apply the funds in the Current Account in amounts equal to the Transfer Amount or any multiple thereof or any other amount to repay the outstanding amount in the Loan Account.

OVERDRAFTS

The Borrower will have access to USBR Loans under the Facility via overdraft from USD account number 7334280 at Branch 1275 up to the Credit Limit.

REPAYMENT

The Borrower agrees to repay the Bank on demand. If the Bank demands repayment, the Borrower will pay to the Bank all amounts outstanding under the Facility, including without limitation, as applicable, the amount of all unmatured B/As and the amount of all drawn and undrawn L/Gs and L/Cs. All costs to the Bank and all loss suffered by the Bank in re-employing the amounts so repaid will be paid by the Borrower.

SECURITY

The following security shall be provided, shall, unless otherwise indicated, support all present and future indebtedness and liability of the Borrower and the grantor of the security to the Bank including without limitation indebtedness and liability under guarantees, foreign exchange contracts, cash management products, and derivative contracts, shall be registered in first position, and shall be on the Bank's standard form, supported by resolutions and solicitor's opinion, all acceptable to the Bank:

- a) General Security Agreement ("GSA") executed by STEVENS OMNI INC. representing a First charge on all the Borrower's present and after acquired personal property
- b) Section 427 Bank Act Security representing a First charge on- Inventory
- c) Movable Hypothec for CAD \$20,000,000 on the following Universality of Property from STEVENS OMNI INC.: Accounts Receivable
- d) Assignment of Fire Insurance.
- e) General Security Agreement ("GSA") executed by SOFLEX LOGISTICS INC. representing a First charge on all the present and after acquired personal property of SOFLEX LOGISTICS INC.
- f) Guarantee of Advances – Unlimited Corporate – Executed b SOFLEX LOGISTICS INC in support of STEVENS OMNI INC.
- g) Postponement and Assignment of Creditor's Claim executed by ALVIN BROWN in the amount of CAD\$216,666.
- h) Posiponement and Assignment of Creditor's Claim executed by DARREN STEVENS in the amount of CAD \$216,666
- i) Postponement and Assignment of Creditor's Claim executed by MELISSA MORE in the amount of CAD \$216,666

All persons and entities required to provide a guarantee shall be referred to herein individually as a "Surety" and/or "Guarantor" and collectively as the "Guarantors".

All of the above security and guarantees shall be referred to collectively in this Agreement as "Bank Security".

**DISBURSEMENT
CONDITIONS**

The Borrower will not avail itself of the Facility nor will the Bank make the Facility available to the Borrower until the Borrower has fulfilled the standard Disbursement Conditions contained in Schedule "A".

PERMITTED LIENS

Permitted Liens as referred to in Schedule "A" are:

- a) Purchase Money Security Interests in equipment which Purchase Money Security Interests exist on the date of this Agreement ("Existing PMSIs") which are known to the Bank and all future Purchase Money Security Interests on equipment acquired to replace the equipment under Existing PMSIs, provided that the cost of such replacement equipment may not exceed the cost of the equipment subject to the Existing PMSI by more than 10%

**REPRESENTATIONS
& WARRANTIES**

The Borrower makes the Standard Representations and Warranties set out in Schedule "A".

All representations and warranties shall be deemed to be continually repeated so long as the Borrower has any dealings with the Bank.

POSITIVE COVENANTS

The Borrower will observe the Standard Positive Covenants set out in Schedule "A".

REPORTING COVENANTS:

- 1) Delivery of an Aged Accounts Receivable listing from date of invoice, an Aged Inventory Listing (with full breakdown by location, including how many days in inventory, and outlining any consigned inventory), a Summary Inventory Declaration, and an Aged Accounts Payable listing within 25 days of each Borrowers month end, accompanied by a signed compliance certificate from the Borrowers senior officer.
- 2) Delivery of Management prepared financial projections for Consolidated Stevens Omni Inc. including Income Statement, Balance Sheet, Cash flow and Capital expenditures for each fiscal quarter end. Income Statement Projection for Soflex Logistics to also be provided. Reporting required within 120 days of fiscal year end.
- 3) Quarterly Management Prepared financial statements for Stevens Omni Inc. within 45 days of each respective period, against last year same period results and budget. To be accompanied by a signed compliance certificate from the Borrower's senior officer.
- 4) Annual Review Engagement financial statements for Stevens Omni Inc. within 120 days of year end.

**NEGATIVE
COVENANTS**

The Borrower will observe the Standard Negative Covenants set out in Schedule "A" plus:

- 1) Distributions shall not be permitted unless all financial covenants are in compliance on a pre and post distribution basis.

**FINANCIAL
COVENANTS**

The Borrower agrees at all times to:

- 1) Maintain Debt to Tangible Net Worth no greater than 2.50x. Tested Quarterly.

Debt is defined as the Borrower's total indebtedness less loans made by the shareholders.

Tangible Net Worth is defined as shareholder's equity plus loans made by the shareholders to the Borrower, less loans to its shareholders, employees and other related parties and less intangible assets including without limitation, goodwill, research and development, franchises, patents and trademarks.

**ANCILLARY
FACILITIES**

As at the date of this Agreement, the following uncommitted ancillary products are made available. These products may be subject to other agreements.

- 1) TD Visa Business card (or cards) for an aggregate amount of \$136,000.
- 2) Spot Foreign Exchange Facility which allows the Borrower to enter into USD\$2,000,000 for settlement on a spot basis.
- 3) Certain treasury products, such as forward foreign exchange transactions, and/or interest rate and currency and/or commodity swaps.

The Borrower agrees that treasury products will be used to hedge its risk and will not be used for speculative purposes.

The paragraph headed "FX CLOSE OUT" as set out in Schedule "A" shall apply to FX Transactions.

**SCHEDULE "A"
TERMS AND
CONDITIONS**

Schedule "A" sets out the Standard Terms and Conditions ("Standard Terms and Conditions") which are applicable to the Borrower and which apply to this Facility. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless this letter states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

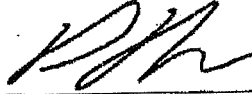
We trust you will find these Facilities helpful in meeting your ongoing financing requirements. We ask that you acknowledge this offer of financing (which includes the Standard Terms and Conditions) by signing and returning the attached duplicate copy of this agreement to the undersigned by 3rd December 2021

Yours truly,

THE TORONTO-DOMINION BANK



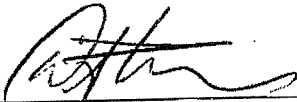
Matthew Searle
Relationship Manger



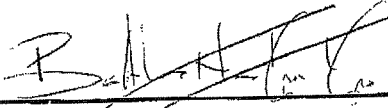
Dennis Kossack
Manager Commercial Credit

TO THE TORONTO-DOMINION BANK:

STEVENS OMNI INC. hereby accepts the foregoing offer this 10 day of January, 20022. The Borrower confirms that, except as may be set out above, the credit facility(ies) detailed herein shall not be used by or on behalf of any third party.



Signature



Signature

DALLEN STEVENS - PRESIDENT

Print Name & Position

ALVIN BROWN - CONTROLLER

Print Name & Position

cc. Guarantor(s)

The Bank is providing the guarantor(s) with a copy of this letter as a courtesy only. The delivery of a copy of this letter does not create any obligation of the Bank to provide the guarantor(s) with notice of any changes to the credit facilities, including without limitation, changes to the terms and conditions, increases or decreases in the amount of the credit facilities, the establishment of new credit facilities or otherwise. The Bank may, or may not, at its option, provide the guarantor(s) with such information, provided that the Bank will provide such information upon the written request of the guarantor.

SCHEDULE "A" - STANDARD TERMS AND CONDITIONS

1. DEFINITIONS

Capitalized Terms used in this Agreement shall have the following meanings:

"*All-in Rate*" means the highest of the interest rates that the Borrower pays for Floating Rate Loans.

"*Business Day*" means any day (other than a Saturday or Sunday) that the Branch/Centre is open for business.

"*Branch / Centre*" means the Bank branch or banking centre noted on the first page of the Letter, or such other branch or centre as may from time to time be designated by the Bank.

"*Daily Simple SOFR*" means, for any day, SOFR, with the conventions for this rate (which will include a lookback being established by the Bank in accordance with the conventions for this rate recommended by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, for determining "Daily Simple SOFR" for bilateral business loans; provided, that if the Bank decides that any such convention is not administratively feasible for the Bank, then the Bank may establish another convention in its reasonable discretion.

"*Early Opt-in Effective Date*" means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Borrower.

"*Early Opt-in Election*" means the occurrence of:

- (i) a determination by the Bank that at least five currently outstanding U.S. dollar-denominated syndicated or bilateral credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate, and
- (ii) the election by the Bank to trigger a fallback from LIBOR and the provision by the Bank of written notice of such election to the Borrower.

"*Face Amount*" means in respect of:

- (i) a B/A, the amount payable to the holder thereof on its maturity;
- (ii) a L/C or L/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C or L/G.

"*Floating Rate Loans*" means any loan drawn down or extended under this Agreement at an interest rate which is referenced to a variable rate of interest, such as Prime Rate.

"*Inventory Value*" means, at the time of determination, the total value (based on the lower of cost or market) of the Borrower's inventories that are subject to the Bank Security (other than (i) those inventories supplied by trade creditors who at that time have not been fully paid and would have a right to repossess all or part of such inventories if the Borrower were then either bankrupt or in receivership, (ii) those inventories comprising work in process and (iii) those inventories that the Bank may from time to time designate in its sole discretion) minus the total amount of any claims, liens or encumbrances on those inventories having or purporting to have priority over the Bank.

"*Letter*" means the letter from the Bank to the Borrower to which this Schedule "A" - Standard Terms and Conditions is attached.

"*Letter of Credit*" or "*L/C*" means a documentary letter of credit or similar instrument in form and substance satisfactory to the Bank.

"*Letter of Guarantee*" or "*L/G*" means a stand-by letter of guarantee or similar instrument in form and substance satisfactory to the Bank.

"LIBOR Replacement Conforming Changes" means any technical, administrative or operational changes (including changes to applicable definitions, timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Bank decides may be appropriate to reflect the adoption and implementation of the LIBOR Successor Rate and the Bank's administration thereof in a manner substantially consistent with market practice (or, if the Bank decides that adoption of any portion of such market practice is not administratively feasible or determines that no market practice for the administration of the LIBOR Successor Rate exists, in such other manner of administration as the Bank decides is reasonably necessary in connection with the administration of this Agreement and the other documents required hereunder).

"LIBOR Successor Rate" means, for any interest period as of the applicable date of determination, the first alternative set forth below that can be determined by the Bank:

- (i) the sum of: (a) Term SOFR and (b) 0.11448% (11.448 basis points) for an interest period of 1 month, 0.26161% (26.161 basis points) for an interest period of 3 months, and 0.42826% (42.826 basis points) for an interest period of 6 months, or
- (ii) the sum of: (x) Daily Simple SOFR and (y) the spread adjustment selected or recommended by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, for the replacement of the contract maturity of LIBOR with a SOFR-based rate having approximately the same length as the interest payment period specified in the "LIBOR Discontinuation" clause in Section 3 of this Schedule A.

"Purchase Money Security Interest" means a security interest on asset which is granted to a lender or to the seller of such asset in order to secure the purchase price of such asset or a loan incurred to acquire such asset provided that the amount secured by the security interest does not exceed the cost of the asset and provided that the Borrower provides written notice to the Bank prior to the creation of the security interest, and the creditor under the security interest has, if requested by the Bank, entered into an inter-creditor agreement with the Bank, in a format acceptable to the Bank.

"Receivable Value" means, at any time of determination, the total value of those of the Borrower's trade accounts receivable that are subject to the Bank Security other than (i) those accounts then outstanding for 90 days, (ii) those accounts owing by persons, firms or corporations affiliated with the Borrower, (iii) those accounts that the Bank may from time to time designate in its sole discretion, (iv) those accounts subject to any claim, liens, or encumbrance having or purporting to have priority over the Bank, (v) those accounts which are subject to a claim of set-off by the obligor under such account, MINUS the amount of all the Borrower's unremitted source deductions and unpaid taxes.

"Receivables / Inventory Summary" means a summary of the Borrower's trade account receivables and inventories, in form as the Bank may require and certified by the Borrower's senior officer or authorized representative.

"SOFR" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the administrator of the secured financing rate from time to time), on the immediately succeeding Business Day.

"Term SOFR" means, for the applicable corresponding interest period, the forward-looking term rate based on SOFR that has been selected or recommended by the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"US\$" or "USD Equivalent" means, on any date, the equivalent amount in United States Dollars after giving effect to a conversion of a specified amount of Canadian Dollars to United States Dollars at the exchange rate determined by the Bank at the time of the conversion.

2. INTEREST RATE DEFINITIONS

Prime Rate means the rate of interest per annum (based on a 365 day year) established and reported by the Bank to the Bank of Canada from time to time as the reference rate of interest for determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness in Canada for Canadian dollar loans made by it in Canada.

The Stamping Fee rate per annum for CDN\$ B/As is based on a 365 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance. The Stamping Fee rate per annum for US\$ B/As is based on a 360 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance.

CDOR means, for any day, the annual rate for B/As denominated in Canadian Dollars for a specified term that appears on the Reuters Screen CDOR Page as of 10:00 a.m. (Toronto time) on such day (or, if such day is not a Business Day, then on the immediately preceding Business Day).

LIBOR means the rate of interest per annum (based on a 360 day year) as determined by the Bank (rounded upwards, if necessary to the nearest whole multiple of 1/16th of 1%) at which the Bank may make available United States dollars which are obtained by the Bank in the Interbank Euro Currency Market, London, England at approximately 11:00 a.m. (Toronto time) on the second Business Day before the first day of, and in an amount similar to, and for the period similar to the interest period of, such advance.

USBR means the rate of interest per annum (based on a 365 day year) established by the Bank from time to time as the reference rate of interest for the determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness for US dollar loans made by it in Canada.

Interest rates will never be less than zero. If Prime Rate, CDOR, LIBOR, USBR or any other applicable base rate changes, resulting in a variable or floating annual interest rate that is a negative number, the interest rate will be 0.00%.

Any interest rate based on a period less than a year expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such determined rate multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period upon which it was based.

3. INTEREST CALCULATION AND PAYMENT

Interest on Prime Based Loans and USBR Loans is calculated daily (including February 29 in a leap year) and payable monthly in arrears based on the number of days for which the subject loan is outstanding. Interest is charged on February 29 in a leap year.

The Stamping Fee is calculated based on the amount and the term of the B/A and is payable upon acceptance by the Bank of the B/A. The net proceeds received by the Borrower on a B/A advance will be equal to the Face Amount of the B/A discounted at the Bank's then prevailing B/A discount rate for CDN\$ B/As or US\$ B/As as the case may be, for the specified term of the B/A less the Stamping Fee. If the B/A discount rate (or the rate used to determine the B/A discount rate) is less than zero, it shall instead be deemed to be zero for purposes of this Agreement.

Interest on LIBOR Loans and CDOR Loans is calculated and payable on the earlier of contract maturity or quarterly in arrears, for the number of days in the LIBOR or CDOR interest period, as applicable.

L/C and L/G fees are payable at the time set out in the Letter of Credit Indemnity Agreement applicable to the issued L/C or L/G.

Interest is payable both before and after maturity or demand, default and judgment.

Each payment under this Agreement shall be applied to any indebtedness or amounts owing in any order at the sole discretion of the Bank.

For loans not secured by real property, all overdue amounts of principal and interest and all amounts outstanding in excess of the Credit Limit shall bear interest from the date on which the same became due or from when the excess was incurred, as the case may be, until the date of payment or until the date the excess is repaid at the Bank's standard rate charged from time to time for overdrafts, or such lower interest rate if the Bank agrees to a lower interest rate in writing. Nothing in this clause shall be deemed to authorize the Borrower to incur loans in excess of the Credit Limit.

If any provision of this Agreement would oblige the Borrower to make any payment of interest or other amount payable to the Bank in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Bank of "interest" at a "criminal rate" (as such terms are construed under the Criminal Code (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by the Bank of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows: first, by reducing the amount or rate of interest, and, thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to the Bank which would constitute interest for purposes of section 347 of the Criminal Code (Canada).

4. DRAWDOWN PROVISIONS

Prime Based and USBR Loans

There is no minimum amount of drawdown by way of Prime Based Loans and USBR Loans, except as stated in this Agreement. The Borrower shall provide the Bank with 3 Business Days' notice of a requested Prime Based Loan over \$1,000,000.

B/As

The Borrower shall advise the Bank of the requested term or maturity date for B/As issued hereunder. The Bank shall have the discretion to restrict the term or maturity dates of B/As. Except as otherwise stated in this Agreement, the minimum amount of a drawdown by way of B/As is \$1,000,000 and in multiples of \$100,000 thereafter. The Borrower shall provide the Bank with 3 Business Days' notice of a requested B/A drawdown. The Borrower will pay to the Bank the Face Amount of the B/A at the maturity of the B/A.

The Borrower appoints the Bank as its attorney to and authorizes the Bank to (i) complete, sign, endorse, negotiate and deliver B/As on behalf of the Borrower in handwritten form, or by facsimile or mechanical signature or otherwise, (ii) accept such B/As, and (iii) purchase, discount, and/or negotiate B/As.

LIBOR and CDOR

The Borrower shall advise the Bank of the requested LIBOR or CDOR contract maturity or interest period. The Bank shall have the discretion to restrict the LIBOR or CDOR contract maturity. Except as otherwise stated in this Agreement, the minimum amount of a drawdown by way of a LIBOR Loan or a CDOR Loan is \$1,000,000, and shall be in multiples of \$100,000 thereafter. The Borrower will provide the Bank with 3 Business Days' notice of a requested LIBOR Loan or CDOR Loan.

L/C and/or L/G

The Bank shall have the discretion to restrict the maturity date of L/Gs or L/Cs.

B/A, LIBOR and CDOR - Conversion

Any portion of any B/A, LIBOR or CDOR Loan that is not repaid, rolled over or converted in accordance with the applicable notice requirements hereunder shall be converted by the Bank to a Prime Based Loan effective as of the maturity date of the B/A or the last day in the interest period of the LIBOR or CDOR contract, as applicable. The Bank may charge interest on the amount of the Prime Based Loan at the rate of 115% of the rate applicable

to Prime Based Loans for the 3 Business Day period immediately following such maturity. Thereafter, the rate shall revert to the rate applicable to Prime Based Loans.

B/A, LIBOR and CDOR – Market Disruption

If the Bank determines, in its sole discretion, that a normal market in Canada for the purchase and sale of B/As or the making of CDOR or LIBOR Loans does not exist, any right of the Borrower to request a drawdown under the applicable borrowing option shall be suspended until the Bank advises otherwise. Any drawdown request for B/As, LIBOR or CDOR Loans, as applicable, during the suspension period shall be deemed to be a drawdown notice requesting a Prime Based Loan in an equivalent amount.

LIBOR Discontinuation

On the earliest of:

- (a) the date that the administrator of LIBOR has permanently or indefinitely ceased to make LIBOR available;
- (b) the governmental authority having jurisdiction over the administrator of LIBOR has made a public statement or publication of information announcing LIBOR is no longer representative; and
- (c) the Early Opt-in Effective Date,

the LIBOR Successor Rate will replace LIBOR for all purposes hereunder and under any other documents (other than any swap agreement, but including any other Bank Security) required in connection herewith, in respect of any interest period and contract maturity of such benchmark on such day and all subsequent interest periods and contract maturities without any amendment to, or further action or consent of any party to this Agreement. If the LIBOR Successor Rate is Daily Simple SOFR, all interest payments will be payable on a monthly basis unless otherwise agreed by the Bank. Notwithstanding anything else herein, any definition of the LIBOR Successor Rate (exclusive of any margin) shall provide that in no event shall such LIBOR Successor Rate be less than zero for the purposes of this Agreement.

The Bank does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to LIBOR or the LIBOR Successor Rate including without limitation, whether the composition or characteristics of the LIBOR Successor Rate, will be similar to, or produce the same value or economic equivalence of, LIBOR or have the same volume or liquidity as did LIBOR prior to its discontinuance or unavailability.

In connection with the implementation and administration of the LIBOR Successor Rate, the Bank will have the right to make LIBOR Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary in this Agreement or in any Bank Security or other document provided in connection herewith, any amendments implementing such LIBOR Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

The Bank will promptly notify the Borrower of (i) the occurrence of an Early Opt-in Election, (ii) the implementation of the LIBOR Successor Rate and (iii) the effectiveness of any LIBOR Replacement Conforming Changes. Any determination, decision or election that may be made by the Bank pursuant to this Section, including any determination with respect to a interest period, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section.

Cash Management

The Bank may, and the Borrower hereby authorizes the Bank to, drawdown under the Facility to satisfy any obligations of the Borrower to the Bank in connection with any cash management service provided by the Bank to

the Borrower. The Bank may drawdown under the Facility even if the drawdown results in amounts outstanding in excess of the Credit Limit.

5. STANDARD DISBURSEMENT CONDITIONS

The Bank shall have received the following documents which should be in form and substance satisfactory to the Bank:

1. a copy of a duly executed resolution of the Borrower's Board of Directors empowering the Borrower to enter into this Agreement;
2. all of the Bank Security and supporting resolutions and solicitors' letters of opinion required under this Agreement;
3. all operation of account documentation;
4. a completed Environmental Questionnaire and/or if requested by the Bank, an audit inspection report from auditors or inspectors acceptable to the Bank;
5. for drawdowns under the Facility by way of L/C or L/G, the Bank's standard form Letter of Credit Indemnity Agreement; and
6. a copy of any necessary or desirable government approvals authorizing the Borrower to enter into this Agreement.

6. STANDARD REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants, which representations and warranties shall be deemed to be repeated each day hereafter, that:

1. The Borrower is a duly incorporated corporation, a limited partnership, partnership, or sole proprietorship, duly organized, validly existing and in good standing under the laws of the jurisdiction where the Branch/Centre is located and each other jurisdiction where the Borrower has property or assets or carries on business and the Borrower has adequate corporate power and authority to carry on its business, own property, borrow monies and enter into agreements therefore, execute and deliver the Agreement, the Bank Security, and documents required hereunder, and observe and perform the terms and provisions of this Agreement.
2. There are no laws, statutes or regulations applicable to or binding upon the Borrower and no provisions in its charter documents or in any by-laws, resolutions, contracts, agreements, or arrangements which would be contravened, breached, violated as a result of the execution, delivery, performance, observance, of any terms of this Agreement.
3. No event of default has occurred nor has any event occurred which, with the passage of time or the giving of notice, would constitute an event of default under any other agreement for borrowed money.
4. There are no actions, suits or proceedings, including appeals or applications for review, or any knowledge of pending actions, suits, or proceedings against the Borrower and its subsidiaries, before any court or administrative agency which would result in any material adverse change in the property, assets, financial condition, business or operations of the Borrower.
5. All material authorizations, approvals, consents, licenses, exemptions, filings, registrations and other requirements of governmental, judicial and public bodies and authorities required to carry on its business have been or will be obtained or effected and are or will be in full force and effect.
6. The financial statements and forecasts delivered to the Bank fairly present the present financial position of the Borrower, and have been prepared by the Borrower and its auditors in accordance with the International Financial Reporting Standards or GAAP for Private Enterprises.
7. All of the remittances required to be made by the Borrower to the federal government and all provincial and municipal governments have been made, are currently up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate capital taxes, payroll taxes and workers' compensation dues are currently paid and up to date.
8. If the Bank Security includes a charge on real property, the Borrower or Guarantor, as applicable, is the legal and beneficial owner of the real property with good and marketable title in fee simple thereto, free from

all easements, rights-of-way, agreements, restrictions, mortgages, liens, executions and other encumbrances, save and except for those approved by the Bank in writing.

9. All information that the Borrower has provided to the Bank is accurate and complete respecting, where applicable:
- I. the names of the Borrower's directors and the names and addresses of the Borrower's beneficial owners;
 - II. the names and addresses of the Borrower's trustees, known beneficiaries and/or settlors; and
 - III. the Borrower's ownership, control and structure.

7. STANDARD POSITIVE COVENANTS

In addition to all of the other obligations in this Agreement the Borrower will:

- (i) pay all amounts outstanding to the Bank when due or demanded,
- (ii) maintain its existence as a sole proprietorship, corporation, partnership or limited partnership, as the case may be, and keep all material agreements, rights, franchises, licenses, operations, contracts or other arrangements in full force and effect,
- (iii) pay all taxes,
- (iv) maintain its property, plant and equipment in good repair and working condition,
- (v) continue to carry on the business now being carried on,
- (vi) maintain adequate insurance on all of its assets, undertakings, and business risks,
- (vii) permit the Bank and its authorized representatives full access to its premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom, and
- (viii) comply with all applicable laws.

8. STANDARD NEGATIVE COVENANTS

The Borrower will not:

- (i) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of its property, now owned or hereafter acquired except for those Permitted Liens set out in the Letter.
- (ii) merge or amalgamate with any other entity or permit any change of ownership or change its capital structure, and
- (iii) sell, lease, assign, or otherwise dispose of all or substantially all of its assets.

Compliance by the Borrower with these Positive Covenants and Negative Covenants shall not automatically entitle the Borrower to the continued availability of the Facility and shall not restrict or limit the Bank's ability to demand repayment of all or any part of amounts outstanding under the Facility.

9. ADDITIONAL INFORMATION AND SECURITY

The Borrower will provide, or cause to be provided, whatever information the Bank may request from time to time, including, without limitation, such updated information and/or additional supporting information as the Bank may require with respect to any or all the matters in the Borrower's representation and warranty made in paragraph 8 of the above Section 6. The Borrower will provide, or cause to be provided, any security or guarantees required by the Bank from time to time.

10. INDEMNITY

The Borrower agrees to indemnify the Bank from and against any and all claims, losses and liabilities arising or resulting from this Agreement. US\$ loans must be repaid with US\$ and CDN\$ loans must be repaid with CDN\$ and the Borrower shall indemnify the Bank for any loss suffered by the Bank if US\$ loans are repaid with CDN\$ or vice versa, whether such payment is made pursuant to an order of a court or otherwise. In no event will the Bank be liable to the Borrower for any direct, indirect or consequential damages arising in connection with this Agreement.

five days after mailing. Delivered information is deemed to be received when delivered or left at the Borrower's address. Electronically delivered information is deemed to be received when sent. Messages sent by facsimile are deemed to be received when the Bank receives a fax confirmation.

17. EXPENSES

The Borrower shall pay all fees and expenses (including but not limited to all legal fees) incurred by the Bank in connection with the preparation, registration and ongoing administration of this Agreement and the Bank Security and with the enforcement of the Bank's rights and remedies under this Agreement and the Bank Security whether or not any amounts are advanced under the Agreement. These fees and expenses shall include, but not be limited to, all outside counsel expenses and all in-house legal expenses, if in-house counsel are used, and all outside professional advisory expenses. The Borrower shall pay interest on unpaid amounts due pursuant to this paragraph at the All-In Rate plus 2% per annum.

Without limiting the generality of Section 24, the Bank or the Bank's agent, is authorized to debit any of the Borrower's accounts with the amount of the fees and expenses owed by the Borrower hereunder, including the registration fee in connection with the Bank Security, even if that debiting creates an overdraft in any such account. If there are insufficient funds in the Borrower's accounts to reimburse the Bank or its agent for payment of the fees and expenses owed by the Borrower hereunder, the amount debited to the Borrower's accounts shall be deemed to be a Prime Based Loan under the Facility.

The Borrower will, if requested by the Bank, sign a Pre-Authorized Payment Authorization in a format acceptable to the Bank to permit the Bank's agent to debit the Borrower's accounts as contemplated in this Section.

18. NON WAIVER

Any failure by the Bank to object to or take action with respect to a breach of this Agreement or any Bank Security shall not constitute a waiver of the Bank's right to take action at a later date on that breach. No course of conduct by the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement and the Bank Security or the Bank's rights thereunder.

19. EVIDENCE OF INDEBTEDNESS

The Bank shall record on its records the amount of all advances made hereunder, payments made in respect thereto, and all other amounts becoming due to the Bank under this Agreement. The Bank's records constitute, in the absence of manifest error, conclusive evidence of the Borrower's indebtedness to the Bank pursuant to this Agreement.

The Borrower will sign the Bank's standard form Letter of Credit Indemnity Agreement for all L/Cs and L/Gs issued by the Bank.

With respect to chattel mortgages taken as Bank Security, this Agreement is the Promissory Note referred to in same chattel mortgage, and the indebtedness incurred hereunder is the indebtedness secured by the chattel mortgage.

20. ENTIRE AGREEMENTS

This Agreement replaces any previous agreements dealing specifically with the Facility. Agreements relating to other credit facilities made available by the Bank continue to apply for those other credit facilities. This Agreement, and if applicable, the Letter of Credit Indemnity Agreement are the entire agreements relating to the Facility described in this Agreement.

Exhibit “D”



TO: The Toronto-Dominion Bank (the "Bank")

Branch of the Bank: 1275

Granted By: STEVENS OMNI INC.

(the "Grantor")

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor agrees with the Bank as follows:

1. Security Interest

The Grantor hereby grants to the Bank a security interest in, and assigns (other than with respect to trade-marks), mortgages, charges and pledges (collectively, the "Security Interest") to the Bank, all property of the Grantor, including all property of the kind hereinafter described below, in which the Grantor now has, or hereafter acquires, any right, title or interest, and accretions and accessions thereto (collectively called the "Collateral"):

- (a) **Intangibles.** All intangible property not otherwise described in this Section 1, including all contractual rights and insurance claims, options, permits, licences, quotas, subsidies, franchises, orders, judgments, patents, trademarks, trade names, trade secrets and know-how, inventions, goodwill, copyrights and other intellectual property of the Grantor, including any right or licence to use intellectual property belonging to a third party (collectively called "Intangibles");
- (b) **Chattel Paper and Documents of Title.** All chattel paper and all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;
- (c) **Deposits and Credit Balances.** All monies and credit balances, including interest due thereon, which are now or may hereafter from time to time be on deposit with or standing to the credit of the Grantor with the Bank or any other bank, financial institution or other Person;
- (d) **Books and Records.** All deeds, documents, writings, papers, books of account and other books and records in any form, electronic or otherwise, relating to or evidencing any of the Collateral;
- (e) **Accounts and Book Debts.** All debts, accounts, claims and choses in action for moneys now due or owing or accruing due or which may hereafter become due or owing to the Grantor, including claims against the Crown in right of Canada or of any province, moneys which may become payable under any policy of insurance (collectively called "Accounts and Book Debts"), together with all contracts, securities, bills, notes, lien notes, judgments, mortgages, letters of credit and advices of credit, and all other rights, benefits and documents which are now or which may be taken, vested in or held by the Grantor in respect of or as security for the Accounts and Book Debts or any part thereof, and the full benefit and advantage thereof and all rights of actions, claims or demands which the Grantor now has or may hereafter have in respect of the foregoing;
- (f) **Equipment.** All tools, machinery, apparatus, equipment, vehicles, furniture, plants, fixtures, and other tangible personal property, other than Inventory, wherever situate, including the assets, if any, described in Schedule "A" hereto (collectively called "Equipment");
- (g) **Inventory.** All goods forming the inventory of the Grantor, of whatever kind and wherever located, whether raw material, work in process or finished goods held for sale, lease or resale, or furnished or to be furnished under contracts for service or used or consumed in the business of the Grantor, goods used in or procured for packing or packaging, timber cut or to be cut, oil, gas and minerals extracted or to be extracted, all livestock and the young thereof after conception and all crops which become such within one year after the date of execution of this Agreement (collectively called "Inventory");
- (h) **Instruments.** All bills, notes, cheques, letters of credit and other instruments, whether negotiable or not (collectively called "Instruments");
- (i) **Securities.** All shares, stocks, warrants, options, bonds, debentures, debenture stock and all other securities and investment property of any kind and all instruments, whether negotiable or non-negotiable, and interest thereon and dividends, whether in shares, money or property, received or receivable upon or in respect of any securities and other investment property and all money or other property paid or payable on account of any return on, or repayment of, capital in respect of any securities or otherwise distributed or distributable in respect thereof or that will in any way be charged to, or be payable out of or in respect of, the capital of the issuer of the securities (collectively called "Securities");
- (j) **Real Property.** All real and immovable property, both freehold and leasehold, together with all buildings and fixtures (collectively called "Real Property"), and all rights under any lease or agreement relating to Real Property;

- (k) **Proceeds.** All proceeds of the property described above, including any property in any form derived directly or indirectly from any use or dealing with the property described above or the proceeds therefrom or that indemnifies or compensates for damage or loss to such property or the proceeds therefrom, including the money held in banks, financial institutions or any other Person (collectively called "Proceeds");

provided that (i) the Security Interest does not and will not extend to, and the Collateral will not include, any agreement, lease, right, franchise, licence or (the "contractual rights") to which the Grantor is a party or of which the Grantor has the benefit, to the extent that the Security Interest would permit any person to terminate the contractual rights unless the consent of one or more Persons has been obtained and until such consent has been obtained, which the Grantor agrees it will use commercially reasonable efforts to obtain if requested by the Bank, the Grantor agrees to hold its interest therein in trust for the Bank, and notwithstanding the foregoing, contractual rights shall not include any account or chattel paper; and (ii) with respect to Real Property, (A) the Security Interest granted hereby is constituted by way of a floating charge, but will become a fixed charge upon the earlier of the Obligations becoming immediately payable, and the occurrence of any other event that by operation of law would result in such floating charge becoming a fixed charge; and (B) the assignment, mortgage and charge granted hereby will not extend to the last day of the term of any lease or agreement relating to Real Property, but the Grantor will hold such last day in trust for the Bank and, upon the enforcement by the Bank of its Security Interest, will assign such last day as directed by the Bank.

2. Obligations Secured

The Security Interest secures the payment and performance of all present and future obligations of the Grantor to the Bank, including all debts and liabilities, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred, whether incurred before, at the time of, or after the execution of this Agreement, whether the indebtedness and liability is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether arising from dealings between the Bank and the Grantor or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Grantor, and in any currency, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, including all interest thereon and all amounts owed by the Grantor under this Agreement for fees, costs and expenses and in respect of indemnities granted under this Agreement (collectively called the "Obligations").

3. Definitions

- (a) Any word or term that is not otherwise defined in this Agreement shall have the meaning given to it in the *Personal Property Security Act* of the province in which the Branch of the Bank is located, as amended from time to time, and being referred to in this Agreement as the "PPSA". Any reference herein to "Collateral" shall, unless the context requires otherwise, be deemed to be a reference to "Collateral or any part thereof".
- (b) The following terms shall have the respective meanings set out below:

"*Branch of the Bank*" means the branch of the Bank located at the address specified above.

"*Business Day*" means any day other than a Saturday, Sunday or statutory holiday in the province in which the Branch of the Bank is located.

"*Control Agreement*" means:

- (a) with respect to any uncertificated security, an agreement between the issuer of such uncertificated security and any Person whereby such issuer agrees to comply with instructions that are originated by such Person in respect of such uncertificated security, without the further consent of the Grantor; and
- (b) with respect to any securities account or security entitlement, an agreement between the securities intermediary which maintains the particular securities account to which security entitlements included in the Collateral relate and any Person whereby such securities intermediary agrees to comply with any entitlement orders with respect to such securities accounts or security entitlements that are originated by such Person, without the further consent of the Grantor.

"*Person*" means any individual, sole proprietorship, joint venture, partnership, corporation, company, firm, association, co-operative, estate, government, government agency, regulatory authority, trust, or any entity of any nature.

4. Representations & Warranties

The Grantor hereby represents and warrants with the Bank and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that:

- (a) **Location of Head Office.** The address of the Grantor's chief executive office and the office where it keeps its records respecting the Accounts and Book Debts (the "Head Office") is set out below the name of the Grantor on the signature page of this Agreement;

- (b) **Location of Collateral.** The Collateral which is goods is or will be located at the address set out on the signature page of this Agreement or at the locations specified in Schedule "A" hereto or such other locations as have been agreed to by the Bank in writing, except for (i) goods in transit to such locations and (ii) Inventory on lease or consignment, but including all fixtures, crops, oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral;
- (c) **Collateral Free and Clear.** The Collateral (other than Real Property) is the sole property of the Grantor free and clear of all security interests, liens, charges, mortgages, hypothecs, leases, licenses, infringements by third parties, encumbrances, statutory liens or trusts, other adverse claims or interests, or any rights of others, except for those security interests which are expressly approved by the Bank in writing prior to their creation or assumption;
- (d) **Amount of Accounts.** Each Account and Book Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Grantor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount unconditionally owing by such Account Debtor or Account Debtors, and no Account Debtor will have any defence, set-off, claim or counterclaim against the Grantor which can be asserted against the Bank, whether in any proceeding to enforce Collateral or otherwise;
- (e) **Status and Binding Obligation.** The Grantor (i) if a corporation or company, has been duly incorporated, amalgamated or continued, as the case may be, and is validly existing as a corporation or company, as the case may be, under the laws of its jurisdiction of incorporation, amalgamation or continuance, as the case may be, (ii) if not a corporation or company, has been duly created or established as a partnership, limited partnership or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) is duly qualified to carry on business and own property in each jurisdiction where it carries on business or where any of its property is located. The Grantor has adequate power, capacity and authority to carry on its business, own property, borrow monies and enter into agreements therefor, execute and deliver this Agreement, and perform its obligations under this Agreement, which Agreement constitutes a legally valid and binding obligation of the Grantor enforceable in accordance with its terms. The making of this Agreement will not result in the breach of, constitute a default under, contravene any provision of, or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Grantor pursuant to any agreement, indenture or other instrument to which the Grantor is a party or by which the Grantor or any of its property may be bound or affected; and
- (f) **Intellectual Property.** All intellectual property applications and registrations are valid, subsisting, unexpired, enforceable, in good standing and have not been abandoned and the Grantor is the owner of the applications and registrations.

5. Covenants

The Grantor covenants and agrees with the Bank that:

- (a) **Place of Business and Location of Collateral.** The Grantor shall not change its name or the location of its Head Office, amalgamate with any other Person, or move any of the Collateral from the address set out on the signature page of this Agreement or the locations specified in Schedule "A" hereto other than in accordance with clause 5(g), without the prior written consent of the Bank;
- (b) **Notification.** The Grantor shall notify the Bank promptly of: (i) any change in the information contained herein or in Schedule "A" hereto relating to the Grantor, the Grantor's business or Collateral; (ii) the details of any significant acquisition of Collateral; (iii) the details of any claims or litigation affecting the Grantor or the Collateral and will furnish the Bank with copies of the details of such claims or litigation; (iv) any loss or damage to Collateral or any material adverse change in the value of Collateral; and (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral;
- (c) **Performance of Obligations.** The Grantor shall observe and perform all its obligations under all material leases, licenses, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances in a proper and efficient manner so as to preserve and protect the Collateral and the business and undertaking of the Grantor in all material respects. The Grantor shall also pay all rents, taxes, rates, levies, assessments and government fees or dues levied, assessed or imposed in respect of the Collateral and other charges or any part thereof as and when the same become due and payable, and shall provide to the Bank, when requested, the receipts and vouchers evidencing payment;
- (d) **Limitations on Discounts, Extensions of Accounts and Compromises.** The Grantor shall not grant any extension of time for payment of any Accounts or Book Debts, or compromise, compound or settle any Accounts or Book Debts for less than the full amount, or release, wholly or partially, any Person liable for the payment of any Accounts or Book Debts, or allow any credit or discount of any Account or Book Debt, other than in the ordinary course of business of the Grantor and consistent with industry practices;

- (e) **Payment of Fees and Expenses.** The Grantor will pay the Bank on demand all costs, fees and expenses (including legal fees on a solicitor and his own client basis) incurred by the Bank in the preparation, execution, registration and perfection of this Agreement and the carrying out of any of the provisions of this Agreement, including, protecting and preserving the Security Interest and enforcing by legal process or otherwise the remedies provided herein. All such costs and expenses payable by the Grantor to the Bank shall bear interest from time to time at the highest interest rate then applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations secured hereunder;
- (f) **Maintenance and Protection of Collateral/No Fixtures.** The Grantor shall care for, protect and preserve the Collateral and not permit its value to be impaired and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Bank. The Grantor shall keep the Collateral in good order, condition and repair and shall not use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in its business in good standing, unless otherwise agreed to in writing by the Bank. The Grantor shall apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so. The Grantor shall defend title to the Collateral against all claims and demands of all other Persons claiming the same or an interest therein and shall diligently initiate and prosecute legal action against every Person who infringes upon the Grantor's rights in intellectual property;
- (g) **Dealing with Collateral.** (i) The Grantor will not sell, lease, transfer, assign, deliver or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Bank, except that the Grantor may, until an event of default as hereinafter provided occurs, deal with any Inventory or Real Property (other than fixtures financed by the Bank and any replacements or substitutions therefor) in the ordinary course of business so that the purchaser thereof takes title thereto free and clear of the Security Interest; (ii) All Proceeds shall continue to be subject to the Security Interest, granted hereby and all money received by the Grantor as Proceeds, other than from the sale of Inventory, shall be received as trustee for the Bank and shall be held separate and apart from other money of the Grantor, and shall be paid over to the Bank upon request; (iii) All money collected or received by the Bank in respect of the Collateral may be applied on account of such parts of the Obligations as the Bank in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of the Bank may be released to the Grantor, all without prejudice to the Bank's rights against the Grantor; (iv) Before an event of default occurs hereunder, the Bank may give notice of this Agreement and the Security Interest to any Account Debtor who is obligated to the Grantor under any of the Accounts and Book Debts and, after the occurrence of an event of default hereunder, may give notice to any such Account Debtor to make all further payments to the Bank, and any payment or other Proceeds received by the Grantor from an Account Debtor after an event of default whether before or after any notice is given by the Bank, shall be held by the Grantor in trust for the Bank and paid over to the Bank on request. The Bank shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Bank may consider appropriate and the Grantor agrees to furnish all assistance and information and to perform all such acts as the Bank may reasonably request in connection therewith and for such purpose to grant to the Bank or its agents access to all places where Collateral may be located and to all premises occupied by the Grantor;
- (h) **Maintenance of Records.** The Grantor will keep proper books of account in accordance with sound accounting practice and mark any and all such records and the Collateral at the Bank's request so as to indicate the Security Interest. The Grantor shall furnish to the Bank such financial information and statements and such information and statements relating to the Collateral as the Bank may from time to time require and shall permit the Bank or its agents at any time at the expense of the Grantor to examine the books of account and other financial records and reports relating to the Collateral and to make copies thereof and take extracts therefrom and to make inquiries of third parties for the purpose of verification of such information. The Grantor authorizes any Person holding any Books and Records to make them available, in a readable form, upon the request of the Bank. The Grantor will deliver to the Bank any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
- (i) **Negative Pledge.** The Grantor will not create, incur, assume or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, hypothec, encumbrance or statutory lien or trust (including any conditional sale, or other title retention agreement or finance lease) of any nature, on any of the Collateral (other than Real Property, but not including any fixtures financed by the Bank and any replacements or substitutions therefor) without the express prior written consent of the Bank;
- (j) **Insurance.** The Grantor will keep the Collateral insured under policies with such coverage, for such amounts and with such insurers as are satisfactory to the Bank from time to time, with loss thereunder, payable to the Bank and shall furnish the Bank with a copy of any policy of insurance, certificate of insurance or other evidence satisfactory to the Bank that such insurance coverage is in effect;
- (k) **Further Assurances.** The Grantor will from time to time forthwith, at the expense of the Grantor, duly authorize, execute and deliver such further instruments and documents, and take such further action, as the Bank may request for the purpose of obtaining or preserving the benefits of, and the rights and powers granted by, this Agreement (including the filing of any financing statements or financing change statements under any applicable legislation with respect to the Collateral) and for the purpose of correcting any deficiencies or clerical errors in this Agreement; and

- (l) **Landlord Agreement.** The Grantor will, at the request of the Bank, obtain a written agreement from each landlord of premises where any of the Collateral is located, in favour of the Bank and in form and substance satisfactory to the Bank, whereby such landlord agrees to give notice to the Bank of any default by the Grantor under the lease and a reasonable opportunity to cure such default prior to the exercise of any remedies by the landlord and acknowledges the Security Interest created by this Agreement and the right of the Bank to enforce the Security Interest created by this Agreement in priority to any claim of such landlord, including the right of the landlord to distraint on the Collateral for arrears of rent.

6. **Survival of Representations and Warranties and Covenants**

All agreements, representations, warranties and covenants made by the Grantor in this Agreement are material, will be considered to have been relied on by the Bank and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Bank and any disposition or payment of the Obligations until the indefeasible repayment and performance in full of the Obligations.

7. **Performance of Covenants by The Bank**

- (a) The Bank may, in its sole discretion and upon notice to the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform including any covenant the performance of which requires the payment of money, provided that the Bank will not be obligated to perform such covenant on behalf of the Grantor. The performance by the Bank of any such covenant shall not oblige the Bank to continue to perform any such covenant or other covenants nor relieve the Grantor from any default or derogate from the rights and remedies of the Bank under this Agreement. The Grantor agrees to indemnify and to reimburse the Bank for all costs and expenses incurred by the Bank in connection with the performance by it of any such covenant, and all such costs and expenses shall be payable by the Grantor to the Bank on demand, shall bear interest at the highest rate per annum applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations.
- (b) In holding any Collateral, the Bank and any agent or nominee on its behalf is only bound to exercise the same degree of care as it would exercise with respect to similar property of its own or of similar value held in the same or similar location. The Bank and any agent or nominee on its behalf will be deemed to have exercised reasonable care with respect to the custody and preservation of the Collateral if it takes such action for that purpose as the Grantor reasonably requests in writing, but failure of the Bank or its nominees to comply with any such request will not of itself be deemed a failure to exercise reasonable care.

8. **Securities, Investment Property**

If Collateral at any time includes Securities, the Grantor authorizes the Bank to transfer all or any of such Securities into its own name or that of its nominee(s) so that the Bank or its nominee(s) may appear on record as the sole owner thereof; provided that, until default, the Bank shall deliver promptly to the Grantor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Grantor or its order a proxy to vote and take all action with respect to such Securities. After default, the Grantor waives all rights to receive any notices or communications received by the Bank or its nominee(s) as such registered owner and agrees that no proxy issued by the Bank to the Grantor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, the Bank may, at any time give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

The Grantor has not consented to and covenants that it will not consent to, the entering into of a Control Agreement by: (a) any issuer of any uncertificated securities included in or relating to the Collateral; or (b) any securities intermediary for any securities accounts or security entitlements included in or relating to the Collateral, other than, in either case, a Control Agreement to which the Bank is a party.

Promptly upon request from time to time by the Bank, the Grantor shall:

- (a) enter into and use reasonable commercial efforts to cause any securities intermediary for any securities accounts or securities entitlements included in or relating to the Collateral to enter into a Control Agreement with the Bank with respect to such securities accounts or securities entitlements as the Bank requires in form and substance satisfactory to the Bank; and
- (b) enter into and use reasonable commercial efforts to cause any issuer of any uncertificated securities included in or relating to the Collateral to enter into a Control Agreement with the Bank with respect to such uncertificated securities in form and substance satisfactory to the Bank.

9. **Dealing with Security Interest**

The Bank may grant extensions of time and other indulgences, give up any of the Security Interest, abstain from perfecting any of the Security Interest, accept compositions, grant releases and discharges and waive rights against and otherwise deal with the Grantor, Account Debtors of the Grantor, sureties and others and with any of the Collateral and any other security as the Bank may see fit without prejudice to the liability of the Grantor or the Bank's right to hold and realize any of the Security Interest. The Bank shall not be accountable to the Grantor for the value of any of the Security Interest released except for any moneys actually received by the Bank.

10. Deposits and Credit Balances

Without limiting any other rights or remedies of the Bank, the Bank may, without notice to the Grantor or any other Person, any notice being expressly waived by the Grantor, set-off and apply all or any of the amounts standing to or for the credit of the Grantor at the Bank or any of the Bank's affiliates, in any currency, against and on account of all or any part of the Obligations, all as the Bank may see fit, whether or not the Obligations or the amounts standing to or for the credit of the Grantor are due and payable. The Bank is authorized and shall be entitled to make such debits, credits, correcting entries, and other entries to the Grantor's accounts and the Bank's records relating to the Grantor as the Bank regards as desirable in order to give effect to the Bank's rights hereunder and the Grantor agrees to be bound by such entries absent manifest error. When applying a deposit or other obligation in a different currency than the Obligations to the Obligations, the Bank will convert the deposit or other obligation to the currency of the Obligations using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

11. Events of Default

Obligations not payable on demand shall, at the option of the Bank, become immediately due and payable upon the occurrence of one or more of the following events (each, an "event of default"):

- (a) the Grantor fails to pay when due, whether by acceleration or otherwise, any of the Obligations;
- (b) the Grantor fails to perform any provision of this Agreement or of any other agreement to which the Grantor and the Bank are parties;
- (c) if any certificate, statement, representation, warranty, audit report or financial statement heretofore or hereafter furnished by or on behalf of the Grantor pursuant to or in connection with this Agreement, or as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Grantor, is shown to have been false in any material respect or to have omitted any material fact; or if upon the date of execution of this Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty, audit report or financial statement, which change shall not have been disclosed to the Bank at or prior to the time of such execution;
- (d) the Grantor ceases or threatens to cease to carry on business, commits an act of bankruptcy, becomes insolvent, proceedings or other actions are taken by or against the Grantor under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation whether in Canada or elsewhere, or the Grantor transfers all or substantially all of its assets to another Person;
- (e) a receiver, trustee, custodian or other similar official is appointed in respect of the Grantor or any of the Grantor's property;
- (f) the institution by or against the Grantor of any formal or informal proceeding for the dissolution or liquidation or settlement of claims against or winding up of affairs of the Grantor;
- (g) an encumbrancer takes possession of any of the Collateral or any process of execution or distress is levied or enforced upon or against any of the Collateral;
- (h) any indebtedness or liability of the Grantor, other than to the Bank, becomes due and payable, or capable of being declared due and payable, before the stated maturity thereof or any such indebtedness or liability shall not be paid at the maturity thereof or upon the expiration of any stated applicable grace period thereof, or the Grantor fails to make payment when due under any guarantee given by the Grantor;
- (i) if the Grantor is an individual, the Grantor dies or is found by a court to be incapable of managing his or her affairs;
- (j) an execution or any other process of any court shall become enforceable against the Grantor;
- (k) if the Grantor is a partnership, the death of a partner; or
- (l) any other event which causes the Bank, in good faith, to deem itself insecure;

and the Bank shall not be required to make any further advances or other extension of credit that constitutes an Obligation.

12. Remedies

- (a) Upon the occurrence of an event of default that has not been cured or waived, the Bank, in addition to any right or remedy otherwise provided herein or by law, will have the rights and remedies set out below, which may be enforced successively or concurrently:
 - (i) to take such steps as the Bank considers desirable to maintain, preserve or protect the Collateral or its value;

- (ii) to take possession of the Collateral and require the Grantor to assemble the Collateral and deliver or make the Collateral available to the Bank at such place as may be specified by the Bank, and the Bank will not be or be deemed to be a mortgagee in possession by virtue of any such actions;
 - (iii) to exercise and enforce all rights and remedies of the Grantor with respect to the Collateral, including collecting and realizing upon all Accounts and Book Debts;
 - (iv) to carry on or concur in carrying on all or any part of the business of the Grantor;
 - (v) for the maintenance, preservation or protection of the Collateral or for carrying on any of the business of the Grantor, to borrow money on the security of the Collateral, which security will rank in priority to the Security Interest, or on an unsecured basis;
 - (vi) to the exclusion of all others, including the Grantor, to enter upon, occupy and use all or any of the premises, buildings and plants owned or occupied by the Grantor and use all or any of the Collateral of the Grantor for such time as the Bank requires to facilitate the preservation and realization of the Collateral, free of charge, and the Bank will not be liable to the Grantor for any neglect in so doing or in respect of any rent, charges, depreciation or damages in connection with such actions;
 - (vii) to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of the Collateral upon such terms and conditions as the Bank may determine;
 - (viii) to dispose of any of the Collateral in the condition in which it was at the date possession of it was taken, or after any commercially reasonable repair, processing or preparation thereof for disposition;
 - (ix) if any part of the Collateral is perishable or will decline speedily in value, to sell or otherwise dispose of same without giving any notice of such disposition;
 - (x) to make any arrangement or compromise which the Bank shall think expedient in the interests of the Bank, including compromising any Accounts and Book Debts, and giving time for payment thereof with or without security;
 - (xi) to appoint a consultant or monitor, at the Grantor's expense, to evaluate the Grantor's business and the value of the Collateral, and to review the options available to the Bank; and
 - (xii) to appoint or reappoint by instrument in writing any person or persons, whether an officer or officers or employee or employees of the Bank or not, to be a receiver or receivers or a receiver and manager of the Collateral and remove or replace any person or persons so appointed or apply to any court for the appointment of a receiver or receiver and manager (each hereinafter called a "Receiver").
- (b) Any Receiver so appointed shall be deemed to be the agent of the Grantor and not the Bank, and the Grantor and not the Bank, shall be solely responsible for the Receiver's acts or defaults and for the Receiver's remuneration and expenses. The Bank shall not be in any way responsible for any misconduct, negligence or failure to act on the part of any such Receiver, its servants, agents or employees.
- (c) The Grantor agrees to pay all costs, charges and expenses incurred by the Bank or any Receiver appointed by the Bank, whether directly or for services rendered (including reasonable legal and auditors' costs and expenses and Receiver remuneration), in operating the Grantor's accounts, in preparing or enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting the Obligations, and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Bank or any Receiver appointed by the Bank, as permitted hereby, shall be a first charge on the Collateral and shall be secured hereby.
- (d) The Bank will give the Grantor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the PPSA.
- (e) Upon default and receiving written demand from the Bank, the Grantor agrees to take such further action as may be necessary to evidence and effect an assignment or licensing of intellectual property to whomever the Bank directs, including to the Bank. The Grantor appoints any officer or employee of the Bank to be its attorney in accordance with applicable legislation with full power of substitution, to do on the Grantor's behalf anything that is required to assign, license or transfer, and to record any assignment, license or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.
- (f) The Grantor authorizes the Bank to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying any Collateral or identifying the locations at which the Collateral is located and correcting any clerical errors or deficiencies in this Agreement) as the Bank may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest. The Grantor hereby irrevocably constitutes and appoints the Bank and any of its officers or employees from time to time as the true and lawful attorney of the Grantor, with full power of substitution, to do any of the foregoing in the name of the Grantor whenever and wherever it may be deemed necessary or

expedient. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement including the expenses incurred by the Bank in connection with the preservation and realization of the Collateral as described above, the Grantor shall be liable to pay any deficiency to the Bank forthwith on demand.

13. Environmental License and Indemnity

The Grantor hereby grants to the Bank and its officers, employees and agents an irrevocable and non-exclusive license, subject to the rights of tenants, to enter any Real Property to conduct investigations, inspections, audits, testing and monitoring with respect to any contaminants or hazardous substances and to remove and analyze samples of any contaminants or hazardous substances at the cost and expense of the Grantor (which cost and expense will form part of the Obligations and will be payable immediately on demand and secured hereby). The Grantor hereby indemnifies and will indemnify the Bank and agrees to hold the Bank harmless against and from all losses, fines, penalties, costs, damages and expenses which the Bank may sustain, incur or be held to be or for which it may become liable, at any time whatsoever for or by reason of or arising from the past, present or future presence of or, clean-up, removal or disposal of any contaminants or hazardous substances from, on, under or adjacent to any Real Property owned by the Grantor or which may become owned or occupied by the Bank or as a result of the Bank's compliance with environmental laws or environmental orders relating thereto, including any clean-up, decommissioning, restoration or remediation of any Real Property owned or occupied by the Grantor or other affected or adjacent lands or property. This indemnification will survive the satisfaction, release or extinguishment of the Obligations created hereby

14. Miscellaneous

- (a) **Interpretation.** The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement (including any schedule now or hereafter annexed hereto) and not to any particular Section or other portion hereof. Unless otherwise specified, any reference herein to a Section or Schedule refers to the specified Section or Schedule to this Agreement. In this Agreement: (i) words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa; (ii) the words "include", "includes" and "including" mean "include", "includes" or "including", in each case, "without limitation"; (iii) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time; (iv) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and (v) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.
- (b) **Successors and Assigns.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Grantor shall not assert against the assignee any claim or defence which the Grantor now has or hereafter may have against the Bank.
- (c) **Amalgamation.** The Grantor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Grantor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby (i) shall extend to "Collateral" (as that term is herein defined) in which any amalgamating company has any rights at the time of amalgamation and to any "Collateral" in which the amalgamated company thereafter has any rights, and (ii) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Bank at the time of amalgamation and any "Obligations" of the amalgamated company to the Bank thereafter arising.
- (d) **Joint and Several.** If there is more than one Grantor named herein, the term "Grantor" shall mean all and each of them, their obligations under this Agreement shall be joint and several, the Obligations shall include those of all or any one of them and no Grantor shall have the right of subrogation, exoneration, reimbursement or indemnity whatsoever and no right of recourse to the Collateral for the Obligations hereunder unless and until all of the Obligations have been paid or performed in full, notwithstanding any change for any cause or in any manner whatsoever in the composition of or membership of any firm or company which is a party hereto.
- (e) **Attachment of Security Interest.** The Grantor acknowledges that value has been given and that the Security Interest granted hereby will attach when the Grantor signs this Agreement and will attach to Collateral in which the Grantor subsequently acquires any rights, immediately upon the Grantor acquiring such rights. The parties do not intend to postpone the attachment of any Security Interest created by this Agreement.

- (f) **No Obligation to Advance.** Neither the execution of this Agreement nor any advance of funds shall oblige the Bank to advance any funds or any additional funds or enter into any transaction or renew any note or extend any time for payment of any of the Obligations of the Grantor to the Bank.
- (g) **Information.** The Bank may provide any financial and other information it has about the Grantor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or anyone acting on behalf of the Bank.
- (h) **Assignment.** The Bank may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Bank.
- (i) **Amendment.** Subject to Section 12(f) of this Agreement, no amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all of the parties hereto. No course of conduct by the Bank will be deemed to result in an amendment of this Agreement.
- (j) **Term.** This Agreement shall be a continuing agreement in every respect for the payment of the Obligations and it shall remain in full force and effect until all of the Obligations shall be indefeasibly paid in full or discharged by the Bank and until the Bank shall no longer have any commitment to the Grantor or any other Person, the fulfillment of which, might result in the creation of Obligations of the Grantor.
- (k) **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Agreement.
- (l) **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the jurisdiction where the Branch of the Bank is located.
- (m) **Waiver by the Bank.** No delay or omission by the Bank in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or of any other right or remedy. Furthermore, the Bank may remedy any default by the Grantor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Grantor. No course of conduct of the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement or the Bank's rights hereunder. All rights and remedies of the Bank granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- (n) **Waiver by the Grantor.** The Grantor waives protest of any Instrument constituting Collateral at any time held by the Bank on which the Grantor is in any way liable and, subject to clause 12(d) hereof, notice of any other action taken by the Bank.
- (o) **Non-Substitution.** The Security Interest is in addition to and not in substitution for any other security now or hereafter held by the Bank.
- (p) **Entire Agreement.** This Agreement including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Grantor and the Bank with respect to the subject matter hereof. There are no representations, warranties, terms and conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth in this Agreement.
- (q) **Acknowledgment.** The Grantor acknowledges receipt of a fully executed copy of this Agreement and, to the extent permitted by applicable law, waives the right to receive a copy of any financing statement, financing change statement or verification statement in respect of any registered financing statement or financing change statement prepared, registered or issued in connection with this Agreement.

(r) Execution. The Grantor agrees that this Agreement may be executed electronically and in counterparts.

IN WITNESS WHEREOF the Grantor has executed this Agreement this 15th day of October, 2012.

[Name of Grantor] STEVENS OMNI INC.

Per: *John Lewis*
(authorized signature)

Per: *[Signature]*
(authorized signature)

Signature: _____

Witness as to execution

Name: _____

[Address of Grantor]
6430 KENNEDY RD., UNIT A
MISSISSAUGA, ONT.
L5T 2Z5



Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

SCHEDULE "A"

DESCRIPTION OF EQUIPMENT/SERIAL NUMBERED GOODS

QUANTITY	DESCRIPTION	SERIAL NUMBER
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LOCATION OF COLLATERAL

The Collateral is now and will hereafter be located at the following address(es) (include Street/Town/City and Province):

8-3967, 112th Avenue SE, Calgary, AB T2C 0J4; 871 Belgrave Way, Delta, BC V3M 5R8;
10000 Louise H. Lafontaine, Anjou, QC H1J 2TC; 2665 Dalton Ave., Quebec, QC G1P 3S8

RESOLUTION AUTHORIZING EXECUTION OF GENERAL SECURITY AGREEMENT

"RESOLVED THAT:

- (a) The Directors and the Officers of the Corporation are hereby authorized for and on behalf of the Corporation to execute and deliver to The Toronto-Dominion Bank a General Security Agreement substantially in the form of the General Security Agreement (attached hereto and initialled by the Secretary for identification) presented to the directors, with such alterations, amendments, deletions or additions as may be approved by the persons executing the same and their execution shall be conclusive evidence of such approval and that the General Security Agreement so executed is the General Security Agreement authorized by this Resolution.
- (b) Any officer or director be and is hereby authorized to execute and deliver on behalf of the Corporation all such other documents and writings and to do such other acts and things as may be necessary or desirable for fulfilling the Corporation's obligations under the General Security Agreement."

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of a Resolution duly passed by the Directors of STEVENS OMNI INC.

of 1st day of October, 2012 and that the said Resolution is now in full force and effect.

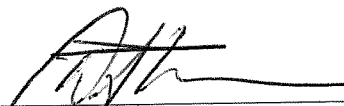

 _____ C/S
 Secretary

Exhibit “E”



This Guarantee is made as of October 1, 2012.

Whereas the undersigned (each hereinafter referred to as the "Guarantor") has agreed to provide The Toronto-Dominion Bank (hereinafter referred to as the "Bank") with a guarantee of the Obligations (as hereinafter defined) of STEVENS OMNI INC. (the "Customer");

And whereas the Guarantor has agreed that if the guarantee herein is not enforceable, the Guarantor will indemnify the Bank or be liable as primary obligor.

NOW THEREFORE, in consideration of the Bank dealing with the Customer now or in the future and/or for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor agrees with the Bank as follows:

1. Obligations Guaranteed

The Guarantor unconditionally and irrevocably guarantees payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred of the Customer to the Bank, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Customer, in any currency, whether incurred by the Customer alone or jointly with another or others and whether as a indemnitor or surety, including interest thereon and all amounts owed by the Customer for fees, costs and expenses (collectively referred to as the "Obligations").

2. Extent of Guarantor's Liability

This is an unlimited Guarantee and the Guarantor's liability to the Bank under this Guarantee shall not be limited as to amount.

3. Indemnity/Primary Obligation

If (i) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 for any reason, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Bank from and against all losses resulting from the failure of the Customer to pay such Obligations, and (ii) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 or the Bank is not indemnified under clause (i) above of this Section 3, for any reason, such Obligations will, as a separate and distinct obligation, be paid by and recoverable from the Guarantor as primary obligor.

The liabilities of the Guarantor under Section 1 and each of clauses (i) and (ii) of this Section 3 are separate and distinct from each other, but the provisions of this Agreement shall apply to each of such liabilities unless the context otherwise requires.

4. Nature of Guarantor's Liability

The liability of the Guarantor under this Guarantee is continuing, absolute and unconditional and will not be affected by any act, omission, event or circumstance that might constitute a legal or equitable defence to or a discharge, limitation or reduction of the liability of the Guarantor hereunder, other than as a result of the indefeasible payment in full of the Obligations, including:

- (a) the unenforceability of any of the Obligations for any reason, including as a result of the act of any governmental authority;
- (b) any irregularity, fraud, illegality, defect or lack of authority or formality in incurring the Obligations, notwithstanding any inquiry that may or may not have been made by the Bank;
- (c) failure of the Bank to comply with or perform any agreements relating to the Obligations;

- (d) any discontinuance, renewal, extension, increase, reduction or any other variance of any of the loans or credits made available to the Customer by the Bank or any change to any of the terms thereof or any waiver by the Bank of any of the obligations of the Customer thereunder;
- (e) the taking of or the failure by the Bank to take a guarantee from any other person;
- (f) any release, compromise, settlement or any other dealing with any person, including any other Guarantor;
- (g) the reorganization of the Customer or its business (whether by amalgamation, merger, transfer, sale or otherwise); and in the case of an amalgamation or merger, the liability of the Guarantor shall apply to the Obligations of the resulting or continuing entity and the term "Customer" shall include such resulting or continuing entity;
- (h) the current financial condition of the Customer and any change in the Customer's financial condition;
- (i) any change in control or ownership of the Customer, or if the Customer is a general or limited partnership, any change in the membership of that partnership or other entity;
- (j) any change in the name, articles or other constating documents of the Customer, or its objects, business or capital structure;
- (k) the bankruptcy, winding-up, dissolution, liquidation or insolvency of the Customer or any proceedings being taken by or against the Customer with respect thereto, and any stay of or moratorium on proceedings by the Bank against the Customer as a result thereof;
- (l) a breach of any duty of the Bank (whether fiduciary or in negligence or otherwise) and whether owed to the Guarantor, the Customer or any other person;
- (m) any lack or limitation of power, capacity or legal status of the Customer, or, if the Customer is an individual, the death of the Customer;
- (n) the Customer's account being closed or the Bank ceasing to deal with the Customer;
- (o) any taking or failure to take any security by the Bank, any loss of or diminution in value of any security, the invalidity, unenforceability, subordination, postponement, release, discharge or substitution, in whole or in part, of any security, or the failure to perfect or maintain perfection or enforce any security; or
- (p) any failure or delay by the Bank in exercising any right or remedy respecting the Obligations or under any security or guarantee.

5. Continuing Guarantee

The obligations of the Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Bank and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Bank. This Guarantee will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Bank as a result of the occurrence of any action or event, including the insolvency, bankruptcy or reorganization of the Customer or the Guarantor, all as though such payment had not been made.

6. Demand for Payment

The Guarantor shall make payment to the Bank under this Guarantee immediately upon receipt of a written demand for payment from the Bank. If any Obligation is not paid by the Customer when due, the Bank may treat all Obligations as due and payable by the Customer and may demand immediate payment under this Guarantee of all or some of the Obligations whether such other Obligations would otherwise be due and payable by the Customer at such time or whether or not any demands, steps or proceedings have been made or taken by the Bank against the Customer or any other person respecting all or any of the Obligations. If any stay of or moratorium on proceedings by the Bank against the Customer is imposed in respect of any Obligation, the Bank may nevertheless demand immediate payment of such Obligation from the Guarantor as if such Obligation was due and payable by the Customer.

7. Interest

If the Guarantor does not make immediate payment in full of the Obligations when demand for payment has been made by the Bank, the Guarantor shall pay interest on any unpaid amount to the Bank at the highest rate of interest per annum that is charged on any Obligations for which payment has been demanded hereunder and which remain unpaid.

1. State of Account

The records of the Bank in respect of the Obligations will be prima facie evidence of the balance of the amount of the Obligations that are due and payable by the Customer to the Bank.

Application of Moneys Received

The Bank may, without notice and demand of any kind and at any time, apply any money received from the Guarantor, the Customer or any other person (including arising from any security that the Bank may from time to time hold) or any balance in any account of the Guarantor held at the Bank or any of the Bank's affiliates, to such part of the Obligations, whether due or to become due, as the Bank in its sole and absolute discretion considers appropriate, or may, in its sole and absolute discretion, refrain from applying any such money. The Bank may also revoke and alter any such application in whole or in part. If any amount that is to be applied is in a currency other than the currency of the Obligation to which such amount is to be applied, then the amount that is applied shall be converted from one currency to another using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

10. No Set-off or Counterclaim

The Guarantor will make all payments required to be made under this Guarantee without claiming or asserting any right of setoff or counterclaim that the Guarantor has or may have against the Customer or the Bank, all of which rights the Guarantor waives.

11. Exhausting Recourse

The Bank is not required to take any proceedings, exhaust its recourse against the Customer or any other Guarantor or person or under any security the Bank may from time to time hold, or take any other action, before being entitled to demand payment from the Guarantor under this Guarantee, and the Guarantor waives all benefits of discussion and division.

12. No Representations

There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Bank will not be bound by any representations or promises made by Customer to the Guarantor and possession of this Guarantee by the Bank will be conclusive evidence against the Guarantor that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with, and this Guarantee will be binding on each Guarantor who has signed this Guarantee notwithstanding the non-execution thereof by any proposed guarantor.

13. Postponement and Assignment

The Guarantor hereby postpones payment of all present and future debts and liabilities of the Customer to the Guarantor, and as security for payment of the Obligations, the Guarantor hereby assigns such debts and liabilities to the Bank and agrees that all moneys received from the Customer by or on behalf of the Guarantor shall be held in trust for the Bank and forthwith upon receipt paid over to the Bank, all without prejudice to and without in any way limiting or lessening the liability of the Guarantor to the Bank under this Guarantee. This assignment and postponement is independent of the guarantee, indemnity and primary obligor obligations contained in this Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and indefeasibly paid in full.

14. Subrogation

The Guarantor will not be entitled to be subrogated to the rights of the Bank against the Customer, to be indemnified by the Customer or to claim contribution from any other Guarantor until the Guarantor makes indefeasible payment to the Bank of all amounts owing by the Guarantor to the Bank under this Guarantee and the Obligations are indefeasibly paid in full.

15. Bankruptcy of Customer

Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or Guarantor for the Obligations, the Bank's rights shall not be affected by the Bank's failure to prove its claim and the Bank may prove such claim if and in any manner as it deems appropriate in its sole discretion. The Bank may value as it sees fit or refrain from valuing any security held by the Bank without in any way releasing, reducing or otherwise affecting the liability of the Guarantor to the Bank, and until all the Obligations of the Customer to the Bank have been indefeasibly paid in full, the Bank shall have the right to include in its claim the amount of all sums paid by the Guarantor to the Bank under this Guarantee and to prove and rank for and receive dividends in respect of such claim, any and all right to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to the Bank.

16. Costs and Expenses

The Guarantor agrees to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of the Bank's in-house lawyers. The Guarantor will pay all legal fees on a solicitor and own client basis.

17. Other Guarantees and Security

The liability of the Guarantor under any other guarantee or guarantees given to the Bank in connection with the Obligations shall not be affected by this Guarantee, nor shall this Guarantee affect or be affected by the endorsement by the Guarantor of any note or notes of the Customer, the intention being that the liability of the Guarantor under such other guarantee or guarantees and this Guarantee, and under such other note or notes and this Guarantee, shall be cumulative. Nor shall the Bank be required to marshal in favour of the Guarantor other guarantees granted by other persons or any security, money or other property that the Bank may be entitled to receive or may have a claim upon.

18. Amendment and Waivers

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Bank. No waiver by the Bank of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the Bank and, unless otherwise provided in the written waiver, will be limited to the specific breach waived. No delay in the exercise of any right or remedy by the Bank shall operate as a waiver thereof. No failure to exercise a right or remedy or partial exercise of a right or remedy by the Bank shall preclude other or further exercise thereof or the exercise of any other right or remedy by the Bank.

19. Discharge

The Guarantor will not be released or discharged from its obligations hereunder except by a written release or discharge signed by the Bank.

20. General

This Guarantee shall be binding on the successors of the Guarantor or, if the Guarantor is an individual, the heirs, executors, administrators and other legal representatives of the Guarantor, and shall enure to the benefit of the successors and assigns of the Bank.

If more than one Guarantor has signed this Guarantee, each Guarantor shall be jointly and severally liable under this Guarantee.

To the extent that any limitation period applies to any claim for payment hereunder of the Obligations or remedy for the enforcement of such payment, the Guarantor agrees that any such limitation period is excluded or waived, but if such exclusion and waiver is not permitted by applicable law, then any limitation period is extended to the maximum length permitted by applicable law.

Any notice or demand which the Bank may wish to give under this Guarantee may be personally served on the Guarantor or sent by ordinary mail or electronic mail to the last known address of the Guarantor. Any notice that is sent by ordinary mail shall be conclusively deemed to have been received on the fifth day following the day on which it is mailed. Any notice that is sent by electronic mail shall be conclusively deemed to have been received on the day it is sent.

If any provision of this Guarantee is determined by any court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the Province of [Ontario] and the laws of Canada applicable therein.

Any word herein contained importing the singular number shall include the plural and any word importing a person shall include a corporation, partnership, firm and any other entity.

Subject to Section 17, this Guarantee constitutes the entire agreement between the Guarantor and the Bank with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties with respect thereto.

Each of the undersigned acknowledges receipt of a copy of this Guarantee.

IN WITNESS WHEREOF, each Guarantor has executed this Guarantee as of the date first written above.

[Name of Guarantor] **SOFLEX LOGISTICS INC.**

Per: *John Cousins*
(authorized signature)

Per: *[Signature]*
(authorized signature)

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Witness as to execution

Exhibit “F”



TO: The Toronto-Dominion Bank (the "Bank")

Branch of the Bank: 1275

Granted By: SOFLEX LOGISTICS INC.

(the "Grantor")

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor agrees with the Bank as follows:

1. Security Interest

The Grantor hereby grants to the Bank a security interest in, and assigns (other than with respect to trade-marks), mortgages, charges and pledges (collectively, the "Security Interest") to the Bank, all property of the Grantor, including all property of the kind hereinafter described below, in which the Grantor now has, or hereafter acquires, any right, title or interest, and accretions and accessions thereto (collectively called the "Collateral"):

- (a) **Intangibles.** All intangible property not otherwise described in this Section 1, including all contractual rights and insurance claims, options, permits, licences, quotas, subsidies, franchises, orders, judgments, patents, trademarks, trade names, trade secrets and know-how, inventions, goodwill, copyrights and other intellectual property of the Grantor, including any right or licence to use intellectual property belonging to a third party (collectively called "Intangibles");
- (b) **Chattel Paper and Documents of Title.** All chattel paper and all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;
- (c) **Deposits and Credit Balances.** All monies and credit balances, including interest due thereon, which are now or may hereafter from time to time be on deposit with or standing to the credit of the Grantor with the Bank or any other bank, financial institution or other Person;
- (d) **Books and Records.** All deeds, documents, writings, papers, books of account and other books and records in any form, electronic or otherwise, relating to or evidencing any of the Collateral;
- (e) **Accounts and Book Debts.** All debts, accounts, claims and choses in action for moneys now due or owing or accruing due or which may hereafter become due or owing to the Grantor, including claims against the Crown in right of Canada or of any province, moneys which may become payable under any policy of insurance (collectively called "Accounts and Book Debts"), together with all contracts, securities, bills, notes, lien notes, judgments, mortgages, letters of credit and advices of credit, and all other rights, benefits and documents which are now or which may be taken, vested in or held by the Grantor in respect of or as security for the Accounts and Book Debts or any part thereof, and the full benefit and advantage thereof and all rights of actions, claims or demands which the Grantor now has or may hereafter have in respect of the foregoing;
- (f) **Equipment.** All tools, machinery, apparatus, equipment, vehicles, furniture, plants, fixtures, and other tangible personal property, other than Inventory, wherever situate, including the assets, if any, described in Schedule "A" hereto (collectively called "Equipment");
- (g) **Inventory.** All goods forming the inventory of the Grantor, of whatever kind and wherever located, whether raw material, work in process or finished goods held for sale, lease or resale, or furnished or to be furnished under contracts for service or used or consumed in the business of the Grantor, goods used in or procured for packing or packaging, timber cut or to be cut, oil, gas and minerals extracted or to be extracted, all livestock and the young thereof after conception and all crops which become such within one year after the date of execution of this Agreement (collectively called "Inventory");
- (h) **Instruments.** All bills, notes, cheques, letters of credit and other instruments, whether negotiable or not (collectively called "Instruments");
- (i) **Securities.** All shares, stocks, warrants, options, bonds, debentures, debenture stock and all other securities and investment property of any kind and all instruments, whether negotiable or non-negotiable, and interest thereon and dividends, whether in shares, money or property, received or receivable upon or in respect of any securities and other investment property and all money or other property paid or payable on account of any return on, or repayment of, capital in respect of any securities or otherwise distributed or distributable in respect thereof or that will in any way be charged to, or be payable out of or in respect of, the capital of the issuer of the securities (collectively called "Securities");
- (j) **Real Property.** All real and immovable property, both freehold and leasehold, together with all buildings and fixtures (collectively called "Real Property"), and all rights under any lease or agreement relating to Real Property;

- (k) **Proceeds.** All proceeds of the property described above, including any property in any form derived directly or indirectly from any use or dealing with the property described above or the proceeds therefrom or that indemnifies or compensates for damage or loss to such property or the proceeds therefrom, including the money held in banks, financial institutions or any other Person (collectively called "Proceeds");

provided that (i) the Security Interest does not and will not extend to, and the Collateral will not include, any agreement, lease, right, franchise, licence or (the "contractual rights") to which the Grantor is a party or of which the Grantor has the benefit, to the extent that the Security Interest would permit any person to terminate the contractual rights unless the consent of one or more Persons has been obtained and until such consent has been obtained, which the Grantor agrees it will use commercially reasonable efforts to obtain if requested by the Bank, the Grantor agrees to hold its interest therein in trust for the Bank, and notwithstanding the foregoing, contractual rights shall not include any account or chattel paper; and (ii) with respect to Real Property, (A) the Security Interest granted hereby is constituted by way of a floating charge, but will become a fixed charge upon the earlier of the Obligations becoming immediately payable, and the occurrence of any other event that by operation of law would result in such floating charge becoming a fixed charge; and (B) the assignment, mortgage and charge granted hereby will not extend to the last day of the term of any lease or agreement relating to Real Property, but the Grantor will hold such last day in trust for the Bank and, upon the enforcement by the Bank of its Security Interest, will assign such last day as directed by the Bank.

2. Obligations Secured

The Security Interest secures the payment and performance of all present and future obligations of the Grantor to the Bank, including all debts and liabilities, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred, whether incurred before, at the time of, or after the execution of this Agreement, whether the indebtedness and liability is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether arising from dealings between the Bank and the Grantor or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Grantor, and in any currency, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, including all interest thereon and all amounts owed by the Grantor under this Agreement for fees, costs and expenses and in respect of indemnities granted under this Agreement (collectively called the "Obligations").

3. Definitions

- (a) Any word or term that is not otherwise defined in this Agreement shall have the meaning given to it in the *Personal Property Security Act* of the province in which the Branch of the Bank is located, as amended from time to time, and being referred to in this Agreement as the "PPSA". Any reference herein to "Collateral" shall, unless the context requires otherwise, be deemed to be a reference to "Collateral or any part thereof".
- (b) The following terms shall have the respective meanings set out below:

"Branch of the Bank" means the branch of the Bank located at the address specified above.

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the province in which the Branch of the Bank is located.

"Control Agreement" means:

- (a) with respect to any uncertificated security, an agreement between the issuer of such uncertificated security and any Person whereby such issuer agrees to comply with instructions that are originated by such Person in respect of such uncertificated security, without the further consent of the Grantor; and
- (b) with respect to any securities account or security entitlement, an agreement between the securities intermediary which maintains the particular securities account to which security entitlements included in the Collateral relate and any Person whereby such securities intermediary agrees to comply with any entitlement orders with respect to such securities accounts or security entitlements that are originated by such Person, without the further consent of the Grantor.

"Person" means any individual, sole proprietorship, joint venture, partnership, corporation, company, firm, association, co-operative, estate, government, government agency, regulatory authority, trust, or any entity of any nature.

4. Representations & Warranties

The Grantor hereby represents and warrants with the Bank and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that:

- (a) **Location of Head Office.** The address of the Grantor's chief executive office and the office where it keeps its records respecting the Accounts and Book Debts (the "Head Office") is set out below the name of the Grantor on the signature page of this Agreement;

- (b) **Location of Collateral.** The Collateral which is goods is or will be located at the address set out on the signature page of this Agreement or at the locations specified in Schedule "A" hereto or such other locations as have been agreed to by the Bank in writing, except for (i) goods in transit to such locations and (ii) Inventory on lease or consignment, but including all fixtures, crops, oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral;
- (c) **Collateral Free and Clear.** The Collateral (other than Real Property) is the sole property of the Grantor free and clear of all security interests, liens, charges, mortgages, hypothecs, leases, licenses, infringements by third parties, encumbrances, statutory liens or trusts, other adverse claims or interests, or any rights of others, except for those security interests which are expressly approved by the Bank in writing prior to their creation or assumption;
- (d) **Amount of Accounts.** Each Account and Book Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Grantor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount unconditionally owing by such Account Debtor or Account Debtors, and no Account Debtor will have any defence, set-off, claim or counterclaim against the Grantor which can be asserted against the Bank, whether in any proceeding to enforce Collateral or otherwise;
- (e) **Status and Binding Obligation.** The Grantor (i) if a corporation or company, has been duly incorporated, amalgamated or continued, as the case may be, and is validly existing as a corporation or company, as the case may be, under the laws of its jurisdiction of incorporation, amalgamation or continuance, as the case may be, (ii) if not a corporation or company, has been duly created or established as a partnership, limited partnership or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) is duly qualified to carry on business and own property in each jurisdiction where it carries on business or where any of its property is located. The Grantor has adequate power, capacity and authority to carry on its business, own property, borrow monies and enter into agreements therefor, execute and deliver this Agreement, and perform its obligations under this Agreement, which Agreement constitutes a legally valid and binding obligation of the Grantor enforceable in accordance with its terms. The making of this Agreement will not result in the breach of, constitute a default under, contravene any provision of, or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Grantor pursuant to any agreement, indenture or other instrument to which the Grantor is a party or by which the Grantor or any of its property may be bound or affected; and
- (f) **Intellectual Property.** All intellectual property applications and registrations are valid, subsisting, unexpired, enforceable, in good standing and have not been abandoned and the Grantor is the owner of the applications and registrations.

5. Covenants

The Grantor covenants and agrees with the Bank that:

- (a) **Place of Business and Location of Collateral.** The Grantor shall not change its name or the location of its Head Office, amalgamate with any other Person, or move any of the Collateral from the address set out on the signature page of this Agreement or the locations specified in Schedule "A" hereto other than in accordance with clause 5(g), without the prior written consent of the Bank;
- (b) **Notification.** The Grantor shall notify the Bank promptly of: (i) any change in the information contained herein or in Schedule "A" hereto relating to the Grantor, the Grantor's business or Collateral; (ii) the details of any significant acquisition of Collateral; (iii) the details of any claims or litigation affecting the Grantor or the Collateral and will furnish the Bank with copies of the details of such claims or litigation; (iv) any loss or damage to Collateral or any material adverse change in the value of Collateral; and (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral;
- (c) **Performance of Obligations.** The Grantor shall observe and perform all its obligations under all material leases, licenses, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances in a proper and efficient manner so as to preserve and protect the Collateral and the business and undertaking of the Grantor in all material respects. The Grantor shall also pay all rents, taxes, rates, levies, assessments and government fees or dues levied, assessed or imposed in respect of the Collateral and other charges or any part thereof as and when the same become due and payable, and shall provide to the Bank, when requested, the receipts and vouchers evidencing payment;
- (d) **Limitations on Discounts, Extensions of Accounts and Compromises.** The Grantor shall not grant any extension of time for payment of any Accounts or Book Debts, or compromise, compound or settle any Accounts or Book Debts for less than the full amount, or release, wholly or partially, any Person liable for the payment of any Accounts or Book Debts, or allow any credit or discount of any Account or Book Debt, other than in the ordinary course of business of the Grantor and consistent with industry practices;

- (e) **Payment of Fees and Expenses.** The Grantor will pay the Bank on demand all costs, fees and expenses (including legal fees on a solicitor and his own client basis) incurred by the Bank in the preparation, execution, registration and perfection of this Agreement and the carrying out of any of the provisions of this Agreement, including, protecting and preserving the Security Interest and enforcing by legal process or otherwise the remedies provided herein. All such costs and expenses payable by the Grantor to the Bank shall bear interest from time to time at the highest interest rate then applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations secured hereunder;
- (f) **Maintenance and Protection of Collateral/No Fixtures.** The Grantor shall care for, protect and preserve the Collateral and not permit its value to be impaired and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Bank. The Grantor shall keep the Collateral in good order, condition and repair and shall not use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in its business in good standing, unless otherwise agreed to in writing by the Bank. The Grantor shall apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so. The Grantor shall defend title to the Collateral against all claims and demands of all other Persons claiming the same or an interest therein and shall diligently initiate and prosecute legal action against every Person who infringes upon the Grantor's rights in intellectual property;
- (g) **Dealing with Collateral.** (i) The Grantor will not sell, lease, transfer, assign, deliver or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Bank, except that the Grantor may, until an event of default as hereinafter provided occurs, deal with any Inventory or Real Property (other than fixtures financed by the Bank and any replacements or substitutions therefor) in the ordinary course of business so that the purchaser thereof takes title thereto free and clear of the Security Interest; (ii) All Proceeds shall continue to be subject to the Security Interest, granted hereby and all money received by the Grantor as Proceeds, other than from the sale of Inventory, shall be received as trustee for the Bank and shall be held separate and apart from other money of the Grantor, and shall be paid over to the Bank upon request; (iii) All money collected or received by the Bank in respect of the Collateral may be applied on account of such parts of the Obligations as the Bank in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of the Bank may be released to the Grantor, all without prejudice to the Bank's rights against the Grantor; (iv) Before an event of default occurs hereunder, the Bank may give notice of this Agreement and the Security Interest to any Account Debtor who is obligated to the Grantor under any of the Accounts and Book Debts and, after the occurrence of an event of default hereunder, may give notice to any such Account Debtor to make all further payments to the Bank, and any payment or other Proceeds received by the Grantor from an Account Debtor after an event of default whether before or after any notice is given by the Bank, shall be held by the Grantor in trust for the Bank and paid over to the Bank on request. The Bank shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Bank may consider appropriate and the Grantor agrees to furnish all assistance and information and to perform all such acts as the Bank may reasonably request in connection therewith and for such purpose to grant to the Bank or its agents access to all places where Collateral may be located and to all premises occupied by the Grantor;
- (h) **Maintenance of Records.** The Grantor will keep proper books of account in accordance with sound accounting practice and mark any and all such records and the Collateral at the Bank's request so as to indicate the Security Interest. The Grantor shall furnish to the Bank such financial information and statements and such information and statements relating to the Collateral as the Bank may from time to time require and shall permit the Bank or its agents at any time at the expense of the Grantor to examine the books of account and other financial records and reports relating to the Collateral and to make copies thereof and take extracts therefrom and to make inquiries of third parties for the purpose of verification of such information. The Grantor authorizes any Person holding any Books and Records to make them available, in a readable form, upon the request of the Bank. The Grantor will deliver to the Bank any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
- (i) **Negative Pledge.** The Grantor will not create, incur, assume or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, hypothec, encumbrance or statutory lien or trust (including any conditional sale, or other title retention agreement or finance lease) of any nature, on any of the Collateral (other than Real Property, but not including any fixtures financed by the Bank and any replacements or substitutions therefor) without the express prior written consent of the Bank;
- (j) **Insurance.** The Grantor will keep the Collateral insured under policies with such coverage, for such amounts and with such insurers as are satisfactory to the Bank from time to time, with loss thereunder, payable to the Bank and shall furnish the Bank with a copy of any policy of insurance, certificate of insurance or other evidence satisfactory to the Bank that such insurance coverage is in effect;
- (k) **Further Assurances.** The Grantor will from time to time forthwith, at the expense of the Grantor, duly authorize, execute and deliver such further instruments and documents, and take such further action, as the Bank may request for the purpose of obtaining or preserving the benefits of, and the rights and powers granted by, this Agreement (including the filing of any financing statements or financing change statements under any applicable legislation with respect to the Collateral) and for the purpose of correcting any deficiencies or clerical errors in this Agreement; and

- (l) **Landlord Agreement.** The Grantor will, at the request of the Bank, obtain a written agreement from each landlord of premises where any of the Collateral is located, in favour of the Bank and in form and substance satisfactory to the Bank, whereby such landlord agrees to give notice to the Bank of any default by the Grantor under the lease and a reasonable opportunity to cure such default prior to the exercise of any remedies by the landlord and acknowledges the Security Interest created by this Agreement and the right of the Bank to enforce the Security Interest created by this Agreement in priority to any claim of such landlord, including the right of the landlord to distraint on the Collateral for arrears of rent.

6. **Survival of Representations and Warranties and Covenants**

All agreements, representations, warranties and covenants made by the Grantor in this Agreement are material, will be considered to have been relied on by the Bank and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Bank and any disposition or payment of the Obligations until the indefeasible repayment and performance in full of the Obligations.

7. **Performance of Covenants by The Bank**

- (a) The Bank may, in its sole discretion and upon notice to the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform including any covenant the performance of which requires the payment of money, provided that the Bank will not be obligated to perform such covenant on behalf of the Grantor. The performance by the Bank of any such covenant shall not oblige the Bank to continue to perform any such covenant or other covenants nor relieve the Grantor from any default or derogate from the rights and remedies of the Bank under this Agreement. The Grantor agrees to indemnify and to reimburse the Bank for all costs and expenses incurred by the Bank in connection with the performance by it of any such covenant, and all such costs and expenses shall be payable by the Grantor to the Bank on demand, shall bear interest at the highest rate per annum applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations.
- (b) In holding any Collateral, the Bank and any agent or nominee on its behalf is only bound to exercise the same degree of care as it would exercise with respect to similar property of its own or of similar value held in the same or similar location. The Bank and any agent or nominee on its behalf will be deemed to have exercised reasonable care with respect to the custody and preservation of the Collateral if it takes such action for that purpose as the Grantor reasonably requests in writing, but failure of the Bank or its nominees to comply with any such request will not of itself be deemed a failure to exercise reasonable care.

8. **Securities, Investment Property**

If Collateral at any time includes Securities, the Grantor authorizes the Bank to transfer all or any of such Securities into its own name or that of its nominee(s) so that the Bank or its nominee(s) may appear on record as the sole owner thereof; provided that, until default, the Bank shall deliver promptly to the Grantor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Grantor or its order a proxy to vote and take all action with respect to such Securities. After default, the Grantor waives all rights to receive any notices or communications received by the Bank or its nominee(s) as such registered owner and agrees that no proxy issued by the Bank to the Grantor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, the Bank may, at any time give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

The Grantor has not consented to and covenants that it will not consent to, the entering into of a Control Agreement by: (a) any issuer of any uncertificated securities included in or relating to the Collateral; or (b) any securities intermediary for any securities accounts or security entitlements included in or relating to the Collateral, other than, in either case, a Control Agreement to which the Bank is a party.

Promptly upon request from time to time by the Bank, the Grantor shall:

- (a) enter into and use reasonable commercial efforts to cause any securities intermediary for any securities accounts or securities entitlements included in or relating to the Collateral to enter into a Control Agreement with the Bank with respect to such securities accounts or securities entitlements as the Bank requires in form and substance satisfactory to the Bank; and
- (b) enter into and use reasonable commercial efforts to cause any issuer of any uncertificated securities included in or relating to the Collateral to enter into a Control Agreement with the Bank with respect to such uncertificated securities in form and substance satisfactory to the Bank.

9. **Dealing with Security Interest**

The Bank may grant extensions of time and other indulgences, give up any of the Security Interest, abstain from perfecting any of the Security Interest, accept compositions, grant releases and discharges and waive rights against and otherwise deal with the Grantor, Account Debtors of the Grantor, sureties and others and with any of the Collateral and any other security as the Bank may see fit without prejudice to the liability of the Grantor or the Bank's right to hold and realize any of the Security Interest. The Bank shall not be accountable to the Grantor for the value of any of the Security Interest released except for any moneys actually received by the Bank.

10. Deposits and Credit Balances

Without limiting any other rights or remedies of the Bank, the Bank may, without notice to the Grantor or any other Person, any notice being expressly waived by the Grantor, set-off and apply all or any of the amounts standing to or for the credit of the Grantor at the Bank or any of the Bank's affiliates, in any currency, against and on account of all or any part of the Obligations, all as the Bank may see fit, whether or not the Obligations or the amounts standing to or for the credit of the Grantor are due and payable. The Bank is authorized and shall be entitled to make such debits, credits, correcting entries, and other entries to the Grantor's accounts and the Bank's records relating to the Grantor as the Bank regards as desirable in order to give effect to the Bank's rights hereunder and the Grantor agrees to be bound by such entries absent manifest error. When applying a deposit or other obligation in a different currency than the Obligations to the Obligations, the Bank will convert the deposit or other obligation to the currency of the Obligations using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

11. Events of Default

Obligations not payable on demand shall, at the option of the Bank, become immediately due and payable upon the occurrence of one or more of the following events (each, an "event of default"):

- (a) the Grantor fails to pay when due, whether by acceleration or otherwise, any of the Obligations;
- (b) the Grantor fails to perform any provision of this Agreement or of any other agreement to which the Grantor and the Bank are parties;
- (c) if any certificate, statement, representation, warranty, audit report or financial statement heretofore or hereafter furnished by or on behalf of the Grantor pursuant to or in connection with this Agreement, or as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Grantor, is shown to have been false in any material respect or to have omitted any material fact; or if upon the date of execution of this Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty, audit report or financial statement, which change shall not have been disclosed to the Bank at or prior to the time of such execution;
- (d) the Grantor ceases or threatens to cease to carry on business, commits an act of bankruptcy, becomes insolvent, proceedings or other actions are taken by or against the Grantor under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation whether in Canada or elsewhere, or the Grantor transfers all or substantially all of its assets to another Person;
- (e) a receiver, trustee, custodian or other similar official is appointed in respect of the Grantor or any of the Grantor's property;
- (f) the institution by or against the Grantor of any formal or informal proceeding for the dissolution or liquidation or settlement of claims against or winding up of affairs of the Grantor;
- (g) an encumbrancer takes possession of any of the Collateral or any process of execution or distress is levied or enforced upon or against any of the Collateral;
- (h) any indebtedness or liability of the Grantor, other than to the Bank, becomes due and payable, or capable of being declared due and payable, before the stated maturity thereof or any such indebtedness or liability shall not be paid at the maturity thereof or upon the expiration of any stated applicable grace period thereof, or the Grantor fails to make payment when due under any guarantee given by the Grantor;
- (i) if the Grantor is an individual, the Grantor dies or is found by a court to be incapable of managing his or her affairs;
- (j) an execution or any other process of any court shall become enforceable against the Grantor;
- (k) if the Grantor is a partnership, the death of a partner; or
- (l) any other event which causes the Bank, in good faith, to deem itself insecure;

and the Bank shall not be required to make any further advances or other extension of credit that constitutes an Obligation.

12. Remedies

- (a) Upon the occurrence of an event of default that has not been cured or waived, the Bank, in addition to any right or remedy otherwise provided herein or by law, will have the rights and remedies set out below, which may be enforced successively or concurrently:
 - (i) to take such steps as the Bank considers desirable to maintain, preserve or protect the Collateral or its value;

- (ii) to take possession of the Collateral and require the Grantor to assemble the Collateral and deliver or make the Collateral available to the Bank at such place as may be specified by the Bank, and the Bank will not be or be deemed to be a mortgagee in possession by virtue of any such actions;
 - (iii) to exercise and enforce all rights and remedies of the Grantor with respect to the Collateral, including collecting and realizing upon all Accounts and Book Debts;
 - (iv) to carry on or concur in carrying on all or any part of the business of the Grantor;
 - (v) for the maintenance, preservation or protection of the Collateral or for carrying on any of the business of the Grantor, to borrow money on the security of the Collateral, which security will rank in priority to the Security Interest, or on an unsecured basis;
 - (vi) to the exclusion of all others, including the Grantor, to enter upon, occupy and use all or any of the premises, buildings and plants owned or occupied by the Grantor and use all or any of the Collateral of the Grantor for such time as the Bank requires to facilitate the preservation and realization of the Collateral, free of charge, and the Bank will not be liable to the Grantor for any neglect in so doing or in respect of any rent, charges, depreciation or damages in connection with such actions;
 - (vii) to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of the Collateral upon such terms and conditions as the Bank may determine;
 - (viii) to dispose of any of the Collateral in the condition in which it was at the date possession of it was taken, or after any commercially reasonable repair, processing or preparation thereof for disposition;
 - (ix) if any part of the Collateral is perishable or will decline speedily in value, to sell or otherwise dispose of same without giving any notice of such disposition;
 - (x) to make any arrangement or compromise which the Bank shall think expedient in the interests of the Bank, including compromising any Accounts and Book Debts, and giving time for payment thereof with or without security;
 - (xi) to appoint a consultant or monitor, at the Grantor's expense, to evaluate the Grantor's business and the value of the Collateral, and to review the options available to the Bank; and
 - (xii) to appoint or reappoint by instrument in writing any person or persons, whether an officer or officers or employee or employees of the Bank or not, to be a receiver or receivers or a receiver and manager of the Collateral and remove or replace any person or persons so appointed or apply to any court for the appointment of a receiver or receiver and manager (each hereinafter called a "Receiver").
- (b) Any Receiver so appointed shall be deemed to be the agent of the Grantor and not the Bank, and the Grantor and not the Bank, shall be solely responsible for the Receiver's acts or defaults and for the Receiver's remuneration and expenses. The Bank shall not be in any way responsible for any misconduct, negligence or failure to act on the part of any such Receiver, its servants, agents or employees.
- (c) The Grantor agrees to pay all costs, charges and expenses incurred by the Bank or any Receiver appointed by the Bank, whether directly or for services rendered (including reasonable legal and auditors' costs and expenses and Receiver remuneration), in operating the Grantor's accounts, in preparing or enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting the Obligations, and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Bank or any Receiver appointed by the Bank, as permitted hereby, shall be a first charge on the Collateral and shall be secured hereby.
- (d) The Bank will give the Grantor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the PPSA.
- (e) Upon default and receiving written demand from the Bank, the Grantor agrees to take such further action as may be necessary to evidence and effect an assignment or licensing of intellectual property to whomever the Bank directs, including to the Bank. The Grantor appoints any officer or employee of the Bank to be its attorney in accordance with applicable legislation with full power of substitution, to do on the Grantor's behalf anything that is required to assign, license or transfer, and to record any assignment, license or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.
- (f) The Grantor authorizes the Bank to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying any Collateral or identifying the locations at which the Collateral is located and correcting any clerical errors or deficiencies in this Agreement) as the Bank may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest. The Grantor hereby irrevocably constitutes and appoints the Bank and any of its officers or employees from time to time as the true and lawful attorney of the Grantor, with full power of substitution, to do any of the foregoing in the name of the Grantor whenever and wherever it may be deemed necessary or

expedient. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement including the expenses incurred by the Bank in connection with the preservation and realization of the Collateral as described above, the Grantor shall be liable to pay any deficiency to the Bank forthwith on demand.

13. Environmental License and Indemnity

The Grantor hereby grants to the Bank and its officers, employees and agents an irrevocable and non-exclusive license, subject to the rights of tenants, to enter any Real Property to conduct investigations, inspections, audits, testing and monitoring with respect to any contaminants or hazardous substances and to remove and analyze samples of any contaminants or hazardous substances at the cost and expense of the Grantor (which cost and expense will form part of the Obligations and will be payable immediately on demand and secured hereby). The Grantor hereby indemnifies and will indemnify the Bank and agrees to hold the Bank harmless against and from all losses, fines, penalties, costs, damages and expenses which the Bank may sustain, incur or be held to be or for which it may become liable, at any time whatsoever for or by reason of or arising from the past, present or future presence of or, clean-up, removal or disposal of any contaminants or hazardous substances from, on, under or adjacent to any Real Property owned by the Grantor or which may become owned or occupied by the Bank or as a result of the Bank's compliance with environmental laws or environmental orders relating thereto, including any clean-up, decommissioning, restoration or remediation of any Real Property owned or occupied by the Grantor or other affected or adjacent lands or property. This indemnification will survive the satisfaction, release or extinguishment of the Obligations created hereby

14. Miscellaneous

- (a) **Interpretation.** The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement (including any schedule now or hereafter annexed hereto) and not to any particular Section or other portion hereof. Unless otherwise specified, any reference herein to a Section or Schedule refers to the specified Section of or Schedule to this Agreement. In this Agreement: (i) words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa; (ii) the words "include", "includes" and "including" mean "include", "includes" or "including", in each case, "without limitation"; (iii) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time; (iv) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and (v) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.
- (b) **Successors and Assigns.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Grantor shall not assert against the assignee any claim or defence which the Grantor now has or hereafter may have against the Bank.
- (c) **Amalgamation.** The Grantor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Grantor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby (i) shall extend to "Collateral" (as that term is herein defined) in which any amalgamating company has any rights at the time of amalgamation and to any "Collateral" in which the amalgamated company thereafter has any rights, and (ii) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Bank at the time of amalgamation and any "Obligations" of the amalgamated company to the Bank thereafter arising.
- (d) **Joint and Several.** If there is more than one Grantor named herein, the term "Grantor" shall mean all and each of them, their obligations under this Agreement shall be joint and several, the Obligations shall include those of all or any one of them and no Grantor shall have the right of subrogation, exoneration, reimbursement or indemnity whatsoever and no right of recourse to the Collateral for the Obligations hereunder unless and until all of the Obligations have been paid or performed in full, notwithstanding any change for any cause or in any manner whatsoever in the composition of or membership of any firm or company which is a party hereto.
- (e) **Attachment of Security Interest.** The Grantor acknowledges that value has been given and that the Security Interest granted hereby will attach when the Grantor signs this Agreement and will attach to Collateral in which the Grantor subsequently acquires any rights, immediately upon the Grantor acquiring such rights. The parties do not intend to postpone the attachment of any Security Interest created by this Agreement.

- (f) **No Obligation to Advance.** Neither the execution of this Agreement nor any advance of funds shall oblige the Bank to advance any funds or any additional funds or enter into any transaction or renew any note or extend any time for payment of any of the Obligations of the Grantor to the Bank.
- (g) **Information.** The Bank may provide any financial and other information it has about the Grantor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or anyone acting on behalf of the Bank.
- (h) **Assignment.** The Bank may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Bank.
- (i) **Amendment.** Subject to Section 12(f) of this Agreement, no amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all of the parties hereto. No course of conduct by the Bank will be deemed to result in an amendment of this Agreement.
- (j) **Term.** This Agreement shall be a continuing agreement in every respect for the payment of the Obligations and it shall remain in full force and effect until all of the Obligations shall be indefeasibly paid in full or discharged by the Bank and until the Bank shall no longer have any commitment to the Grantor or any other Person, the fulfillment of which, might result in the creation of Obligations of the Grantor.
- (k) **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Agreement.
- (l) **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the jurisdiction where the Branch of the Bank is located.
- (m) **Waiver by the Bank.** No delay or omission by the Bank in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or of any other right or remedy. Furthermore, the Bank may remedy any default by the Grantor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Grantor. No course of conduct of the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement or the Bank's rights hereunder. All rights and remedies of the Bank granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- (n) **Waiver by the Grantor.** The Grantor waives protest of any Instrument constituting Collateral at any time held by the Bank on which the Grantor is in any way liable and, subject to clause 12(d) hereof, notice of any other action taken by the Bank.
- (o) **Non-Substitution.** The Security Interest is in addition to and not in substitution for any other security now or hereafter held by the Bank.
- (p) **Entire Agreement.** This Agreement including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Grantor and the Bank with respect to the subject matter hereof. There are no representations, warranties, terms and conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth in this Agreement.
- (q) **Acknowledgment.** The Grantor acknowledges receipt of a fully executed copy of this Agreement and, to the extent permitted by applicable law, waives the right to receive a copy of any financing statement, financing change statement or verification statement in respect of any registered financing statement or financing change statement prepared, registered or issued in connection with this Agreement.

(r) Execution. The Grantor agrees that this Agreement may be executed electronically and in counterparts.

IN WITNESS WHEREOF the Grantor has executed this Agreement this 1ST day of October, 2012.

[Name of Grantor] **SOFLEX LOGISTICS INC.**

Per: *John Leusano*
(authorized signature)

Per: *[Signature]*
(authorized signature)

Signature: _____

Witness as to execution

Name: _____

[Address of Grantor]
6430 KENNEDY RD., UNIT A
MISSISSAUGA, ONT.
L5T 2Z5



Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

SCHEDULE "A"

DESCRIPTION OF EQUIPMENT/SERIAL NUMBERED GOODS

Q. NTITY

DESCRIPTION

SERIAL NUMBER

LOCATION OF COLLATERAL

The Collateral is now and will hereafter be located at the following address(es) (include Street/Town/City and Province):

10000 Louis H. Lafontaine, Anjou, QC H1J 2T3

RESOLUTION AUTHORIZING EXECUTION OF GENERAL SECURITY AGREEMENT


"RESOLVED THAT:

- (a) The Directors and the Officers of the Corporation are hereby authorized for and on behalf of the Corporation to execute and deliver to The Toronto-Dominion Bank a General Security Agreement substantially in the form of the General Security Agreement (attached hereto and initialled by the Secretary for identification) presented to the directors, with such alterations, amendments, deletions or additions as may be approved by the persons executing the same and their execution shall be conclusive evidence of such approval and that the General Security Agreement so executed is the General Security Agreement authorized by this Resolution.
- (b) Any officer or director be and is hereby authorized to execute and deliver on behalf of the Corporation all such other documents and writings and to do such other acts and things as may be necessary or desirable for fulfilling the Corporation's obligations under the General Security Agreement."

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of a Resolution duly passed by the Directors of _____
SOFLEX LOGISTICS INC.

o 1ST day of October, 2012 and that the said Resolution is now in full force and effect.



Secretary

C/S

Exhibit “G”

Enquiry Result

File Currency: 10SEP 2024



Show All Pages

All Pages



Note: All pages have been returned.

Type of Search	Business Debtor						
Search Conducted On	STEVENS OMNI INC.						
File Currency	10SEP 2024						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	663415146	1	5	1	17	03AUG 2025	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
663415146		001	5		20100803 1526 1901 4498	P PPSA	05

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number		
	STEVENS OMNI INC.			
	Address	City	Province	Postal Code
	6430 KENNEDY ROAD UNIT A	MISSISSAUGA	ON	L5T 2Z5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number		
	Address	City	Province	Postal Code

Secured Party	Secured Party / Lien Claimant			
	MACQUARIE EQUIPMENT FINANCE LTD.			
	Address	City	Province	Postal Code
	181 BAY STREET, SUITE 3100 P.O. BOX 830	TORONTO	ON	M5J 2T3

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
			X		X				

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description
	ALL EQUIPMENT, AND ALL COMPUTERS, MACHINES, SYSTEM UNITS, INTEGRATED CIRCUIT BOARDS, PROCESSORS, MONITORS, KEYBOARDS, DISK DRIVES, TAPE DRIVES, INPUT, OUTPUT AND STORAGE DEVICES, COMMUNICATIONS CARDS AND

Registering Agent	Registering Agent			
	AVS SYSTEMS INC.			
Address	City	Province	Postal Code	
17A 100 KAL LAKE RD.	VERNON	BC	V1T 9G1	

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	663415146	1	5	2	17	03AUG 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
663415146		002	5		20100803 1526 1901 4498				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description DEVICES, MODEMS, NETWORK HARDWARE, CABLES, MEMORY, PERIPHERALS, ACCESSORIES, CHANNELS, MANUALS, DOCUMENTATION, MEDIA, ADAPTERS, CONTROLLERS, POWER SUPPLIES, CABINETS, PRINTERS, AND SUPPLIES, AND								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	663415146	1	5	3	17	03AUG 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
663415146		003	5		20100803 1526 1901 4498				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	ALL MACHINES, ASSEMBLIES, TOOLS, AND APPARATUSES USED IN THE								
	MANUFACTURE, ASSEMBLY, PACKAGING, ADJUSTMENT, MAINTENANCE,								
	INSPECTION, TEST, OR DEMONSTRATION OF ANY OF THE FOREGOING, CURRENTLY								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	663415146	1	5	4	17	03AUG 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
663415146		004	5		20100803 1526 1901 4498				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description OR HEREAFTER LEASED TO DEBTOR UNDER A MASTER LEASE BETWEEN DEBTOR AS LESSEE AND SECURED PARTY AS LESSOR, ALONG WITH ANY EXTENSIONS, RENEWALS, OR MODIFICATIONS THERETO, INCLUDING BUT NOT LIMITED TO,								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	663415146	1	5	5	17	03AUG 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
663415146		005	5		20100803 1526 1901 4498				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	INSURANCE COVERING SAME AND THE PROCEEDS OF ALL THE FOREGOING. THE TRANSACTION REPRESENTED BY THIS FINANCING STATEMENT IS INTENDED TO BE A TRUE LEASE. THIS STATEMENT IS FILED FOR INFORMATION PURPOSES ONLY.								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor									
Search Conducted On	STEVENS OMNI INC.									
File Currency	10SEP 2024									
	File Number	Family	of Families	Page						of Pages
	663415146	1	5	6						17
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT										
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number				Registered Under	
		001	1		20150629 1934 1902 6673					
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required			Renewal Years	Correct Period		
	663415146			B RENEWAL			05			
Reference Debtor/ Transferor	First Given Name				Initial	Surname				
	Business Debtor Name									
	STEVENS OMNI INC.									
Other Change	Other Change									
Reason / Description	Reason / Description									
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname				
	Business Debtor Name								Ontario Corporation Number	
	Address				City		Province	Postal Code		
Assignor Name	Assignor Name									
Secured Party	Secured party, lien claimant, assignee									
	Address				City		Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make			Model			V.I.N.		
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent or Secured Party/ Lien Claimant									
	AVS SYSTEMS INC.									

	Address	City	Province	Postal Code
	201 - 1325 POLSON DR.	VERNON	BC	V1T 8H2

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page					of Pages
	663415146	1	5	7					17
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under	
		001	1		20200708 1818 1902 1124				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period			
	663415146			B RENEWAL	05				
Reference Debtor/ Transferor	First Given Name			Initial	Surname				
	Business Debtor Name								
	STEVENS OMNI INC.								
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname			
	Business Debtor Name							Ontario Corporation Number	
	Address				City	Province	Postal Code		
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model			V.I.N.	
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent or Secured Party/ Lien Claimant								
	ESC CORPORATE SERVICES LTD.								

	Address	City	Province	Postal Code
	201-1325 POLSON DRIVE	VERNON	BC	V1T 8H2

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	681750369	2	5	8	17	27SEP 2027			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
681750369		001	1		20120927 1248 1590 8221	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	STEVENS OMNI INC.								
	Address				City	Province	Postal Code		
	6430A KENNEDY ROAD				MISSISSAUGA	ON	L5T 2Z5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	THE TORONTO-DOMINION BANK, BRANCH #1275								
	Address				City	Province	Postal Code		
	20 MILVERTON DRIVE				MISSISSAUGA	ON	L5R 3G2		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			X
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	GOWLING LAFLEUR HENDERSON LLP - HAMILTON								
	Address				City	Province	Postal Code		
	ONE MAIN STREET WEST				HAMILTON	ON	L8P 4Z5		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page					of Pages
	681750369	2	5	9					17
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under	
		01	001		20170724 1434 1530 2080				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period			
	681750369		X	B RENEWAL	5				
Reference Debtor/ Transferor	First Given Name			Initial	Surname				
	Business Debtor Name								
	STEVENS OMNI INC.								
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname			
	Business Debtor Name							Ontario Corporation Number	
	Address				City	Province	Postal Code		
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model			V.I.N.	
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent or Secured Party/ Lien Claimant								
	CANADIAN SECURITIES REGISTRATION SYSTEMS								

	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page					of Pages
	681750369	2	5	10					17
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under	
		01	001		20220719 1933 1531 6255				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period			
	681750369		X	B RENEWAL	5				
Reference Debtor/ Transferor	First Given Name			Initial	Surname				
	Business Debtor Name								
	STEVENS OMNI INC.								
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname			
	Business Debtor Name							Ontario Corporation Number	
	Address				City	Province	Postal Code		
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model			V.I.N.	
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent or Secured Party/ Lien Claimant								
	CANADIAN SECURITIES REGISTRATION SYSTEMS								

	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	755237844	3	5	11	17	09SEP 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
755237844		01	003		20190909 1032 8077 7167	P PPSA	6		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	STEVENS OMNI INC.								
	Address				City	Province	Postal Code		
	6430 KENNEDY RD				MISSISSAUGA	ON	L5T 2Z5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	RCAP LEASING INC.								
	Address				City	Province	Postal Code		
	5575 NORTH SERVICE RD, STE 300				BURLINGTON	ON	L7L 6M1		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
			X	X	X				X
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	ALL PHOTOCOPIER EQUIPMENT FROM TIME TO TIME LEASED BY THE								
	SECURED PARTY TO THE DEBTOR AS DESCRIBED ON LEASES, CONDITIONAL SALES								
	AGREEMENTS AND ANY OTHER FINANCING AGREEMENTS ENTERED INTO BETWEEN								
Registering Agent	Registering Agent								
	REGISTRY = RECOVERY INC.								
	Address				City	Province	Postal Code		
	1551 THE QUEENSWAY				TORONTO	ON	M8Z 1T5		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	755237844	3	5	12	17	09SEP 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
755237844		02	003		20190909 1032 8077 7167				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	THE SECURED PARTY AND THE DEBTOR FROM TIME TO TIME AND ANY PROCEEDS								
	THEREOF, TOGETHER WITH ALL REPLACEMENT PARTS, ACCESSORIES AND								
	ATTACHMENTS.								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	755237844	3	5	13	17	09SEP 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
755237844		03	003		20190909 1032 8077 7167				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	788508108	4	5	14	17	16NOV 2026			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
788508108		001	3		20221116 1023 6005 3675	P PPSA	04		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	STEVENS OMNI INC.								
	Address				City	Province	Postal Code		
	6430A KENNEDY ROAD,				MISSISSAUGA	ON	L5T 2Z5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	CWB NATIONAL LEASING INC.								
	Address				City	Province	Postal Code		
	1525 BUFFALO PLACE (3132422)				WINNIPEG	MB	R3T 1L9		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
			X						
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	ALL TELEPHONE SYSTEMS & VOIP- CLOUD MANAGED SWITCH, CONFERENCE								
	PHONE,VIDEO CONFERENCE SYSTEM AND CLOUD MANAGED SECURITY APPLIANCE								
	C/W ALL RELATED COMPONENTS OF EVERY NATURE OR KIND DESCRIBED IN								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	788508108	4	5	15	17	16NOV 2026			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
788508108		002	3		20221116 1023 6005 3675				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	AGREEMENT NUMBER 3132422, BETWEEN EASYLEASE CORP., AS ORIGINAL SECURED PARTY AND THE DEBTOR, WHICH AGREEMENT WAS ASSIGNED BY THE ORIGINAL SECURED PARTY TO THE SECURED PARTY, AS AMENDED FROM TIME TO								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	788508108	4	5	16	17	16NOV 2026			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
788508108		003	3		20221116 1023 6005 3675				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, SUBSTITUTIONS AND PROCEEDS OF ANY KIND DERIVED DIRECTLY OR INDIRECTLY THEREFROM.								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	STEVENS OMNI INC.								
File Currency	10SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	796011975	5	5	17	17	08AUG 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
796011975		001	1		20230808 1415 1901 8029	P PPSA	06		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	STEVENS OMNI INC.								
	Address				City	Province	Postal Code		
	1293 NORTH SERVICE ROAD EAST				OAKVILLE	ON	L6H 1A7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	HOOPP REALTY INC.								
	Address				City	Province	Postal Code		
	C/O CBRE LIMITED, 1100-145 KING ST. W.				TORONTO	ON	M5H 1J8		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			X
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	PALLETT VALO LLP								
	Address				City	Province	Postal Code		
	300-77 CITY CENTRE DR (WEST TOWER)				MISSISSAUGA	ON	L5B 1M5		

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Exhibit “H”

Enquiry Result

File Currency: 16SEP 2024







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Type of Search	Business Debtor								
Search Conducted On	SOFLEX LOGISTICS INC.								
File Currency	16SEP 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	681750351	1	1	1	3	27SEP 2027			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
681750351		001	1		20120927 1248 1590 8220	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	SOFLEX LOGISTICS INC.								
	Address				City	Province	Postal Code		
	6430A KENNEDY ROAD				MISSISSAUGA	ON	L5T 2Z5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	THE TORONTO-DOMINION BANK, BRANCH #1275								
	Address				City	Province	Postal Code		
	20 MILVERTON DRIVE				MISSISSAUGA	ON	L5R 3G2		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			X
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	GOWLING LAFLEUR HENDERSON LLP - HAMILTON			
	Address	City	Province	Postal Code
	ONE MAIN STREET WEST	HAMILTON	ON	L8P 4Z5

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	SOFLEX LOGISTICS INC.								
File Currency	16SEP 2024								
	File Number	Family	of Families	Page					of Pages
	681750351	1	1	2					3
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under	
		01	001		20170724 1434 1530 2086				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period			
	681750351		X	B RENEWAL	5				
Reference Debtor/ Transferor	First Given Name			Initial	Surname				
	Business Debtor Name								
	SOFLEX LOGISTICS INC.								
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname			
	Business Debtor Name							Ontario Corporation Number	
	Address				City	Province	Postal Code		
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model			V.I.N.	
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent or Secured Party/ Lien Claimant								
	CANADIAN SECURITIES REGISTRATION SYSTEMS								

	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

CONTINUED

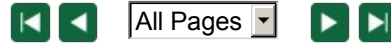
Type of Search	Business Debtor								
Search Conducted On	SOFLEX LOGISTICS INC.								
File Currency	16SEP 2024								
	File Number	Family	of Families	Page					of Pages
	681750351	1	1	3					3
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under	
		01	001		20220719 1933 1531 6254				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period			
	681750351		X	B RENEWAL	5				
Reference Debtor/ Transferor	First Given Name			Initial	Surname				
	Business Debtor Name								
	SOFLEX LOGISTICS INC.								
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname			
	Business Debtor Name							Ontario Corporation Number	
	Address				City	Province	Postal Code		
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model			V.I.N.	
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent or Secured Party/ Lien Claimant								
	CANADIAN SECURITIES REGISTRATION SYSTEMS								

Address	City	Province	Postal Code
4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

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Exhibit “I”



Financial Restructuring Group
3140 Dufferin Street
Toronto, Ontario
M6A 2T1

Telephone No.: 416-785-5363
Fax No.: 416-785-5082

August 4, 2023

STEVENS OMNI INC.
630 Kennedy Rd Unit A
Mississauga, ON
L5T 2Z5

Attention: Alvin Brown

Dear Mr. Alvin Brown,

We refer to the Credit Agreement dated October 28, 2021, as amended from time to time, (the "Agreement") signed by you in relation to the credit facility (the "Facility") granted to you by the Bank.

One of your obligations under the Agreement is:

- Provide Annual Review Engagement financial statements for Stevens Omni Inc. within 120 days of year end.*
- Provide Management prepared financial projections for Consolidated Stevens Omni Inc. including Income Statement, Balance Sheet, Cash Flow and Capital Expenditures for each fiscal quarter end. Income Statement Projection for Soflex Logistics to also be provided. Reporting required within 120 days of fiscal year end.*

You are in default of this Obligation and the Bank does not waive compliance with this Obligation. Please be advised that the Bank preserves all rights and remedies under any and all agreements and security provided in connection with the Facility. If you fail to rectify the default to the complete satisfaction of the Bank, the Bank will exercise any or all rights and remedies under such agreements and security, and/or such rights and remedies as may otherwise be available to it at law.

If you have any queries or comments, please do not hesitate to contact the writer.

Yours truly,

THE TORONTO-DOMINION BANK

Sanjay Kansal
Account Manager

Kathryn Furfaro
Manager Commercial Credit

Exhibit “J”

Harrison Pensa

LAWYERS

Timothy C. Hogan

Direct Line: (519)-661-6743
thogan@harrisonpensa.com

Assistant: Aimee Newman
Direct Line: (519) 850-5568
anewman@harrisonpensa.com

September 20, 2023

Via Registered Mail and E-mail: abrown@stevensomni.com

Private and Confidential

Stevens Omni Inc.
630 Kennedy Rd Unit A
Mississauga, ON L5T 2Z5

Attention: Alvin Brown

Dear Mr. Brown,

**RE: The Toronto-Dominion Bank (the “Bank”), and Stevens Omni Inc. (the “Borrower”)
Our File No. 198383**

We are counsel to the Bank with respect to the credit and banking services provided to the Borrower, as guaranteed by Soflex Logistics Inc. (the “**Guarantor**”).

The terms of the credit facilities between the Borrower and the Bank are set out in the Letter Agreement dated October 28, 2021 (the “**Letter Agreement**”).

This follows the Bank’s letter dated August 4, 2023, which detailed the Borrower’s failure to fulfill the following obligations:

1. Provide Annual Review Engagement financial statements for the Borrower within 120 days of 2022 year end;
2. Provide Management prepared financial projections for Consolidated Stevens Omni Inc. including Income Statement, Balance Sheet, Cash Flow and Capital Expenditures for each fiscal quarter end;
3. Provide Income Statement Projection for Soflex Logistics within 120 days of 2022 fiscal year end.

(collectively, the “**Defaults**”).

Further, the Borrower is in default of the Letter Agreement as a result of the following:

Harrison Pensa LLP

1. The registration against the Borrower under Personal Property Security registration system in favor of Her Majesty in Right of Ontario Represented by the Minister of Finance (Ministry of Finance, AM & Collections branch) for \$23,259;
2. The Guarantor's default for failing to file annual returns for 2033 under the Canada Business Corporations Act.

(1 and 2 also "Defaults")

As a result of the Defaults, the Bank is not agreeable to continuing the credit facilities nor banking services presently provided to the Borrower, as set out in the Letter Agreement, in the normal course.

The debt amount outstanding and owed to the Bank by the Borrower as of September 19, 2023 is **\$3,177,567.69**, plus all accruing interest, all Bank fees due under the Letter Agreement, and the Bank's legal and other costs on a full indemnity basis, as detailed at Schedule "A" (the "**Indebtedness**").

Please be advised that the Bank requires the Indebtedness to be paid in full on or before **December 1, 2023**, with evidence provided to the Bank on or before **December 1, 2023**, that the Borrower is current on all filings and remittances on accounts with Canada Revenue Agency for HST and employee deductions at source.

The Bank will agree to forbear on a day-to-day basis on taking steps to collect the Indebtedness as against the Borrower and the Guarantor, and to provide banking services on a day-to-day basis. This day-to-day forbearance and provision of services shall terminate at the latest on **December 1, 2023**, subject to the reservation of rights contained herein. This period of forbearance is strictly available to the Borrower, in the sole discretion of the Bank, and can be terminated with no notice.

Should the Borrower commit any other defaults under the Letter Agreement, the Bank shall have the option to immediately terminate the day-to-day forbearance provided hereunder and take all necessary steps to enforce its security over the assets of the Borrower.

The Bank does not waive any rights arising out of the Defaults by the Borrower under the Letter Agreement, or any other default, and all such rights are preserved. Any forbearance continues in the Bank's absolute discretion. All terms and conditions set out in the Letter Agreement continue to be applicable and the Bank expressly reserves all rights with respect to all defaults including, without limitation, the Bank's right to demand payment of the Indebtedness from the Borrower and the Guarantor.

Further, the Borrower and the Guarantor acknowledge and agree:

1. The Indebtedness is due and owing to the Bank by the Borrower, and is not disputed, and the Borrower makes no claim of set-off in any way against the Indebtedness; and,

2. The validity and enforceability of all agreements as against them, as well as all security provided by such parties to the Bank thereunder.

Please execute below to confirm each parties' acknowledgement and agreement to the terms of this letter by no later than September 27, 2023. In the event that this letter is not returned as duly executed by the Borrower on or before September 27, 2023, then the terms of this letter shall not be binding on the Bank.

We advise that no intermediate acts, negotiations or indulgences shall act as a waiver to the Bank's rights unless so expressly stated in writing.

The Bank reserves all rights.

Yours truly,

HARRISON PENSA ^{LLP}



As solicitors for The Toronto-Dominion Bank,
with authority to bind the Bank

Dated: October 18, 2023

STEVENS OMNI INC.

By: 

_ Title: Controller

Name: Alvin Brown

I have authority to bind the company

Dated: October 18, 2023

SOFLEX LOGISTICS INC.

By: 

_ Title: Controller

Name: Alvin Brown

I have authority to bind the company

SCHEDULE "A"
INDEBTEDNESS

INDEBTEDNESS OF THE BORROWER AS AT SEPTEMBER 19, 2023¹²
ALL NUMBERS SUBJECT TO CHANGE

	TOTAL DUE
Operating Loan (52***17/1550)	\$3,113,531.47
Visa (ending in 6699, 7055, 7988,8538) ³	\$51,536.22
Admin & Discharge Fees	\$12,500.00
TOTAL	\$3,177,567.69

¹ Plus accruing interest, and all continuing billed and unbilled legal fees and banking fees due under the Letter Agreement.

² The Indebtedness does not include any obligations on various foreign exchange contracts, and such obligations must be honoured by the Borrower when due.

³ Plus Visa Contingency of \$82,500.00, due on payout.

Exhibit “K”

THIS AGREEMENT made as of the 18th day of December, 2023

BETWEEN:

THE TORONTO-DOMINION BANK
3140 Dufferin Street,
Toronto, Ontario M6A 2T1

(hereinafter called the "Bank")

OF THE FIRST PART

-and-

STEVENS OMNI INC.
630 Kennedy Rd., Unit A
Mississauga, ON L5T 2Z5

(hereinafter called the "Borrower")

OF THE SECOND PART

-and-

SOFLEX LOGISTICS INC.
630 Kennedy Rd., Unit A
Mississauga, ON L5T 2Z5

(hereinafter called the "Guarantor")

OF THE THIRD PART

RECITALS

- A. The Bank has made certain Credit Facilities available to the Borrower as more particularly described in this Agreement;
- B. The Borrower is in default of the terms of the Credit Facilities as a result of, *inter alia*:
 - i) Failing to provide Annual Review Engagement financial statements for the Borrower within 120 days of 2022 year end;
 - ii) Failing to provide Management prepared financial projections for Consolidated the Borrower including Income Statement, Balance Sheet, Cash Flow and Capital Expenditures for each fiscal quarter end;
 - iii) Failing to provide Income Statement Projection for the Guarantor within 120 days of 2022 fiscal year end therefrom;

- iv) The registration against the Borrower under Personal Property Security registration system in favor of Her Majesty in Right of Ontario Represented by the Minister of Finance (Ministry of Finance, AM & Collections branch) for \$23,259; and
- v) The Guarantor failing to file annual returns for 2023 under the *Canada Business Corporations Act*

(collectively, the "**Defaults**");

- C. The Defaults were previously communicated to the Borrower by way of letter dated September 20, 2023;
- D. The Bank has not issued demands and notices under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") at this time to the Borrower and/or the Guarantor, and the Bank does reserves its right to issue such demands in the future, in its sole discretion (collectively, the "**Demands**");
- E. As a condition precedent to this Agreement, Albert Gelman Inc. ("**AGI**") shall be engaged by the Bank as a financial advisor to consult, review and report on the financial and operational performance of the Borrower (the "**Engagement**") under the terms of an engagement letter as set out hereto at Schedule "E" (the "**Engagement Letter**");
- F. The Borrower and the Guarantor have requested that the Bank forbear from taking action on the Security (as defined in Schedule "B" to this Agreement) and the Bank, the Borrower and the Guarantor have agreed to enter into this Agreement for the purposes of allowing the Borrower additional time to pay the Indebtedness in full by the Termination Date.

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. RECITALS

The parties agree and acknowledge that the recitals contained herein are true.

2. DEFINITIONS

For the purposes of this Agreement, the following definitions shall apply:

- a) **“Agreement”** or **“this Agreement”** means this Agreement;
- b) **“Credit Facilities”** means the Credit Facilities advanced to the Borrower by the Bank, as more particularly described in Schedule “A”;
- c) **“Priority Claims”** means deemed trusts and other claims ranking in priority to the Bank’s Security including, without limitation, charges under the BIA, utilities, realty taxes, GST, HST, PST, employee remittances and Workers’ Compensation;
- d) **“Security”** or **“Bank’s Security”** means all security currently held by the Bank, together with such additional security, as may be granted by the Borrower or the Guarantor, in support of the repayment of the Indebtedness as more particularly set out in Schedule “B”;
- e) **“Termination Date”** is February 15, 2024;
- f) **“Without Consent”** means without the prior written consent of the Bank.

3. INDEBTEDNESS

- a) As of December 8, 2023, the Indebtedness owing to the Bank by the Borrower was **\$2,973,468.34** plus accrued interest as more particularly described in Schedule “C”;
- b) The above amounts at 3 (a), plus accrued interest thereon, all of the Bank’s legal fees on a solicitor and own client basis and other professional costs, and all other amounts properly payable pursuant to the Credit Facilities, the Security and this Agreement including all banking fees, are in total referred to as the **“Indebtedness”**.

4. TERM OF AGREEMENT

Subject to the terms of this Agreement, the Bank shall grant the Borrower the period of forbearance, to allow the Borrower time to pay the Indebtedness in full by the Termination Date. The forbearance, credit and banking services provided by the Bank to the Borrower continue in the Bank’s sole and absolute discretion.

5. ACKNOWLEDGEMENTS

The Borrower and the Guarantor hereby acknowledge and agree:

- a) That the Indebtedness as detailed herein is owing to the Bank by the Borrower, and is not disputed, and the Borrower makes no claim of set-off in any way against the Indebtedness;
- b) That the Letter Agreement (as defined in Schedule "A" hereto), is valid and binding on the Borrower and, where, applicable, the Guarantor;
- c) That the Credit Facilities and the Security, including the GSA's and the Guarantee (as defined in Schedules "A" and "B" to this Agreement), are valid and binding and shall continue to be enforceable in accordance with the terms thereof;
- d) That the Borrower, the Guarantor, their assigns, employees and any party able to claim through the same, each agree that they have no claim for set-off, counterclaim or damages to the present time on any basis whatsoever against the Bank, its officers, directors, employees, solicitors and agents in respect of this Agreement or in any dealings with the Borrower and Guarantor including, without limitation, any action taken by the Bank in dealing with the Credit Facilities, or with the administration of any accounts held with the Bank by the Borrower, and the Security and if there are any existing claims known or unknown, they are hereby expressly released and discharged by this Agreement;
- e) The Defaults are valid and the Bank is in a position to issue the Demands, and the Bank has not waived its rights in relation to the Indebtedness, and it remains owing in full;
- f) The Bank may enforce its Security and pursue all remedies with respect to the Indebtedness as it may deem appropriate, and by the entering into of this Agreement, the Bank is not estopped from taking any steps it deems necessary in its sole and absolute discretion to enforce the Security and to terminate this Agreement;
- g) That to the date hereof, the Bank has acted in a commercially reasonable manner and the Borrower and, where applicable, the Guarantor are estopped from disputing same;

- h) Except as provided in this Agreement, the Bank (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action, that would constitute a waiver of its rights to enforce the Security and pursue its remedies in respect of the Indebtedness without notice; and,
- i) To the extent that the Bank accepts any payments or makes any advances of funds or credit available to the Borrower during the term of this Agreement, such payments accepted or advances of funds shall not constitute a waiver of the Defaults, any pre-existing default, maturity of loans, or any additional defaults of the Borrower or of the Bank's rights.

6. FORBEARANCE FEE

A forbearance fee of \$5,000 shall be due and payable by the Borrower upon the execution of this Agreement, and shall, with the Borrower's agreement, be debited directly from the Borrower's account(s) with the Bank (the "Forbearance Fee").

7. NON-MANAGERIAL RESPONSIBILITY

The Borrower acknowledges that the Bank shall not have control over any of the operations or affairs of the Borrower and shall not take part in the management of the Borrower's affairs, including the approval of any transactions except as hereinafter qualified. Without limiting the generality of the foregoing, neither the Bank nor its agents shall be entitled to approve or execute agreements, sign cheques, or otherwise sign on bank accounts or interfere with the efficient and proper day-to-day conduct of the business and affairs of the Borrower.

8. NO PROTECTION WITHOUT CONSENT

The Borrower covenants and agrees that it will not, Without Consent, make any filing or seek any protection (including a stay of proceedings) or seek any stay pursuant to the BIA, or otherwise at law or in equity (a "Filing"), and that any Filing made in respect of any of the Borrower and/or the Guarantor will contain the following provisions:

- i) the terms of this Agreement will continue to bind the parties to this Agreement;
- ii) the Bank will not be affected by any stay or other order in such proceedings;

- iii) the Bank will be an unaffected creditor in any plan or proposal unless the Bank consents to being treated otherwise;
- iv) the Borrower and Guarantor each irrevocably consent to the variation of any stay or order in such proceedings which would purport to affect the Bank; and
- v) the Borrower will not make or support any application which would have the effect of:
 - (1) creating any charge ranking in priority to the Security or in priority to any other rights of the Bank; or
 - (2) altering or varying the rights of the Bank under the terms of the Credit Facilities, the Security or this Agreement.

9. CONFLICT WITH THE CREDIT FACILITIES

In the event of a conflict between this Agreement and the Credit Facilities, this Agreement shall prevail, but the foregoing shall not apply to limit or restrict in any way the rights and remedies of the Bank under the Credit Facilities or this Agreement other than as may be specifically contemplated herein. No statement, representation, warranty, undertaking or agreement is enforceable unless in writing signed by the party against who it is asserted or his or her authorized agent. In the event of a conflict between the terms and provisions of same and this Agreement, the terms and provisions of this Agreement shall govern.

10. COVENANTS OF THE BORROWER

The Borrower, and where applicable the Guarantor, agree and covenant that they shall, to the satisfaction of the Bank in its sole discretion:

- a) Maintain all the assets and equipment of the Borrower and the Guarantor in a good state of repair;
- b) The Borrower shall ensure that all arrears owing with respect to all Priority Claims shall not increase through the term of this Agreement and shall provide to the Bank the following:
 - i) On the Termination Date, evidence of all filings and remittances to the Canada Revenue Agency on account of HST (RT) and employee deductions at source (RP), including current statements of account and notices of assessment, all satisfactory to the Bank in its absolute discretion, and shall provide further evidence of same at the Bank's request;

- ii) With regard to the remaining Priority Claims, as requested by the Bank

(the "**Priority Claims Reporting**");
- c) Not declare or pay any payment to any person who does not deal with the Borrower at arm's length (as such term is defined in the *Income Tax Act (Canada)*) except for salaries, contracts, and repayment of loans presently in place;
- d) The Borrower shall maintain all fire, liability, and property insurance with respect to the assets forming the Bank's Security on terms and amounts satisfactory to the Bank, naming the Bank as Loss Payee and provide evidence of same as requested by the Bank;
- e) The Borrower shall provide the Bank an executed copy of the Engagement Letter as set out hereto at Schedule "E" upon execution of this Agreement, and AGI shall continue to be engaged and act in accordance with the Engagement Letter during the term of this Agreement, with the full cooperation of the Borrower and its management, including providing AGI access to all required documents, information, and locations required by AGI, in its discretion, to carry out its duties as financial advisor of the Borrower;
- f) Commencing on Friday, December 22, 2023, and continuing on a bi-weekly basis thereafter until the Termination Date, the Borrower shall provide the Bank with an update on any refinancing efforts, including, but not limited to, providing the Bank copies of all discussion papers or commitment letters from third-party lenders. The Bank will keep such documentation confidential and will not contact any prospective third-party lender (the "**Additional Reporting**");
- g) The Borrower shall provide any other reporting as requested by the Bank;
- h) The Borrower and the Guarantor will reimburse the Bank for all expenses that the Bank has incurred or will incur arising out of its dealings with the Borrower, and with the preparation of this Agreement and in the protection, preservation and enforcement of the Security, including all reasonable legal fees of the Bank on a solicitor and own client basis, and all other reasonable fees in relation to the Borrower in general and this Agreement. The Borrower and the Guarantor specifically waive any and all rights they may have to assess any of the legal or agents' fees previously paid or paid in the future by the Bank, or any agent, whether such right arises pursuant the *Solicitor's Act*

(Ontario) or any law or statute. In this regard, the Borrower and the Guarantor acknowledge and agree that they fully indemnify the Bank for all expenses detailed herein; and

- i) The Borrower shall pay the Indebtedness in full on or before the Termination Date.

11. AMENDMENTS TO THE CREDIT FACILITIES

The Priority Claims Reporting and Additional Reporting shall be in addition to, and not in replacement of, any other reporting now or hereafter required by the Bank, including all reporting required pursuant to the Letter Agreement.

The Bank shall immediately terminate all credit under the Credit Facilities and all accounts of the Borrower on the Termination Date or an Event of Default under this Agreement, whichever occurs first.

12. BANK'S RIGHTS

It is understood and agreed that nothing contained in this Agreement and no negotiations, correspondence or discussions among the parties hereto, shall prejudice, affect or waive any of the Bank's rights under the terms of the Credit Facilities or the Security, except as those rights may have been modified by this Agreement.

13. AFFIRMATION BY GUARANTOR

- a) The Guarantor hereby ratifies the covenants contained in the Guarantee provided, and hereby confirms to the Bank that the Guarantee (as defined in Schedule "B" to this Agreement) is and remains good, valid and binding upon and enforceable against it.
- b) It is further understood and agreed that nothing contained in this Agreement and no negotiations or discussions among the parties hereto shall prejudice the right of the Bank to pursue its remedies against the Guarantor except as those rights may have been modified in this Agreement.

14. EVENTS OF DEFAULT

The Borrower shall be in default of this Agreement upon the happening of any of the following Events of Default:

- a) The Borrower fails to make any payment due to the Bank under the Credit Facilities and/or this Agreement in a timely manner;
- b) The Borrower and Guarantor, or any of them, are in breach of any terms of this Agreement, or any further breach of the Credit Facilities or any other agreement with the Bank, including, without limitation, the Security;
- c) The Borrower fails to provide the Priority Claims Reporting and/or the Additional Reporting to the Bank as required by this Agreement, or any reporting required by the Letter Agreement, as the case may be;
- d) The Borrower fails, as determined in the sole discretion of the Bank, to fully cooperate with AGI, to provide reporting and documents to AGI and/or provide access to AGI under the terms of the Engagement Letter and this Agreement;
- e) If, for any reason whatsoever, a creditor of the Borrower holding security in priority or subordinate to the Security commences to enforce its security, or if any creditor of the Borrower should obtain a judgment and/or a lien as against the Borrower or its property;
- f) There is, in the opinion of the Bank, acting reasonably, a material deterioration in the Security or the ability of the Bank to maximize the recovery of the Indebtedness;
- g) The Borrower makes a Filing under the BIA;
- h) The Borrower is in breach of any of its material obligations to a third party, including the default of payment to such parties; and,
- i) The Borrower fails to pay the Indebtedness by the Termination Date.

15. ENFORCEMENT

The Bank may proceed to enforce its Security and to pursue the Borrower and the Guarantor for payment of the entire Indebtedness at any time and, accordingly, the Borrower and the Guarantor hereby consent to the Bank taking such steps as the Bank deems reasonably necessary, in its discretion, to collect the entire Indebtedness and enforce its Security and the terms of this Agreement, and to take all further necessary and lawful steps, and accordingly:

- i) The Borrower, and where applicable, the Guarantor, consent to the Bank taking such steps as the Bank deems reasonably necessary, in its discretion, to collect the Indebtedness and enforce its Security and the terms of this Agreement including, without limitation, the appointment of a receiver as against or over the property of the Borrower and the Guarantor;
- ii) The Borrower and the Guarantor hereby consent to judgment in favour of the Bank for the Indebtedness owing on the date that the Bank acts on the Consent to Judgment for the sum then owing (collectively, the **"Consent to Judgment"**) as set out at Schedule "D" hereto, which shall be held in escrow by the Bank's counsel, Harrison Pensa LLP, and used on an Event of Default, or following the Termination Date; and,
- iii) The Borrower hereby consents to the appointment of any such receiver, in the form set out at Schedule "F" hereto (the **"Consent to Appointment"**), consenting to AGI as the immediate private or court appointed interim receiver, receiver or receiver and manager of all property of the Borrower, which Consent to Appointment shall be held in escrow by the Bank's counsel, Harrison Pensa LLP, and used on an Event of Default, or following the Termination Date.

The Consent to Judgment and Consent to Appointment are valid and binding upon its provision by the Borrower and the Guarantor to the Bank, and not subject to any conditions precedent.

16. EXTENSION OF AGREEMENT OR PAYMENT IN FULL

The Bank, in its sole discretion, may extend the period of forbearance on terms acceptable to it.

17. PREVIOUS AGREEMENTS

This Agreement replaces all previous agreements between the Borrower and the Bank, save and except the Credit Facilities.

18. NON-WAIVER

No delay on the part of the Bank in exercising any remedy or any waiver of the rights given to it hereunder or any of the Bank's Security shall operate as a waiver thereof except if such waiver is specifically given in writing by the Bank, and no forbearance on the part of the Bank with respect to any event of default shall be deemed to be of any waiver by the Bank of that event of default or any other subsequent or similar event of default.

19. TIME OF THE ESSENCE

Time is of the essence in this Agreement, but a forbearance by the Bank in the strict application of this provision shall not operate as a continuing or subsequent forbearance.

20. CONFLICT

Except as explicitly amended by this Agreement, the terms and provisions of the Credit Facilities, and the Bank's Security shall remain in full force and effect and no statement, representation, warranty, undertaking or agreement is enforceable unless in writing signed by the party against who it is asserted or his or her authorized agent. In the event of a conflict between the terms and provisions of same and this Agreement, the terms and provisions of this Agreement shall govern.

21. FURTHER ASSURANCES

The Borrower shall from time to time and at all times hereafter, at every reasonable request of the Bank, make, do, execute and deliver, or cause to be made, done, executed and delivered, at the sole cost and expense of the Borrower, all such further acts, deeds and assurances and things as may be necessary or desirable in the opinion of the Bank for more effectually implementing the true intent and meaning of this Agreement.

22. NOTICE

Any notice, demand, approval, consent, waiver or other communication ("**Notice**") to be given by one party to another under this Agreement, shall be in writing and shall be sufficiently given if delivered personally, forwarded by registered mail or transmitted by facsimile transmission or e-mail to such party as follows:

In the case of the Borrower and the Guarantor:

To the addresses as provided in this Agreement.

With a copy to:

LINMAC LLP
77 King St. W., Suite 3720,
Toronto, Ontario M5K 1H1
Attention: Sanjay Kutty
Via e-mail: skutty@linmac.com

In the case of the Bank to:

The Toronto-Dominion Bank
3140 Dufferin Street,
Toronto, Ontario M6A 2T1
Attention: Sanjay Kansal
Via e-mail: Sanjay.Kansal@td.com

With a copy to:

Harrison Pensa ^{LLP}
Barristers and Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2
Attention: Tim Hogan
Via e-mail: thogan@harrisonpensa.com

or to such other address, fax number or e-mail as may be designated by Notice given as aforesaid to the other party by the party to whom Notice is to be given. Any Notice delivered and received as aforesaid shall be deemed to have been given and received on the first business day following the date of personal delivery, the forwarding by registered mail, e-mail or facsimile transmission, as the case may be.

23. SUCCESSORS AND ASSIGNS

The Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, administrators, executors or permitted assigns.

24. UNENFORCEABILITY

The invalidity, illegality or unenforceability, for any reason, of any term or provision of this Agreement, shall not in any manner invalidate any other term or provision hereof; the same shall be deemed to have been severed herefrom so that the validity, legality and

enforceability of the remaining terms and provisions hereof shall not be affected, prejudiced or impaired thereby.

25. GOOD FAITH

It is acknowledged by the Borrower and Guarantor that this Agreement was prepared following good faith negotiations, by the Bank and the Borrower and the Guarantor.

26. PIPEDA

The Borrower and Guarantor hereby consent to the Bank's release of personal information in relation to the Credit Facilities, without notice to the Borrower and/or the Guarantor and at the Bank's absolute discretion, to any entity having an interest or potential interest in the collateral for its enforcement or collection purposes. The Borrower and Guarantor further agree and acknowledge that such release of personal information by the Bank is lawful and is permitted despite other avenues that may be available to any third party to obtain such personal information and that such release is not a violation of the provisions of the *Personal Information and Electronic Documents Act*, S.C. 2000, c.5, s.7 and is made with the knowledge and consent of the Borrower and Guarantor as is required under this legislation.

27. COUNTERPARTS and FACSIMILE COPIES

This Agreement or any amendment thereto may be executed in counterparts, and if so executed all counterparts when taken together shall comprise one and the same instrument, and facsimile copies or portable document format (PDF) of signatures shall be treated as originals for all purposes.

28. LIMITATION PERIOD

The obligations of the Borrower and the Guarantor to the Bank are hereby acknowledged and shall be continued to be acknowledged through the term of this Agreement. Commencing on the next business day following execution of this Agreement and continuing until the date the Credit Facilities have been permanently repaid and cancelled, the Bank, the Borrower and the Guarantor agree to toll and suspend the running of the applicable contractual time limitations on the commencement of proceedings, any demands for payment, claims or defences, statutes of limitation, laches or other doctrines related to the passage of time in relation to the Credit Facilities and the Security and any entitlements

arising therefrom or any other related matters, or any time-related doctrine (the “**Tolling Agreement**”). The Bank, the Borrower and the Guarantor confirm that the Tolling Agreement is intended to be an agreement to suspend or extend the basic limitation period provided by section 4 of the *Limitations Act, 2002* (Ontario) (the “**Limitations Act**”), as well as the ultimate limitation period provided by section 15 of the Limitations Act in accordance with the provisions of section 22(3) and 22(4) of the Limitations Act, and is intended to be a “business agreement” in accordance with section 22(5) of the Limitations Act.

29. ACKNOWLEDGEMENT BY THE BORROWER

The Borrower hereby confirms and acknowledges that it has no adverse claims whatsoever against the Bank, its agents or professional advisors including, without limitation, their agents, employees consultants and solicitors (including claims for set-off, counterclaim or damages) with respect to its dealings with the Borrower.

30. ACCEPTANCE

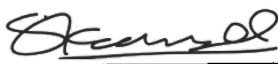
This Agreement is open for acceptance until 5:00 pm on December 18, 2023. Should the Borrower and the Guarantor not accept this offer by the time indicated, the same shall become null and void and no longer binding on the Bank.

The Borrower covenants and agrees with the Bank that this Agreement is subject to the following conditions, which are for the exclusive benefit of the Bank and may be waived only by the Bank in writing. Each of the following conditions is to be completely fulfilled or performed prior to this Agreement being a binding agreement on the Bank, unless the Bank waives any of the conditions, and this Agreement shall then be at an end:

- The Bank’s receipt of a duly authorized and executed copy of this Agreement, the Consent to Judgment and the Consent to Appointment;
- The Bank’s receipt of the executed Engagement Letter; and,
- The Bank’s receipt of the Forbearance Fee.

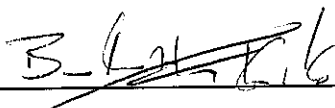
In witness whereof the parties hereto have executed this Agreement as of the day and year first above written.

THE TORONTO-DOMINION BANK

Per: 

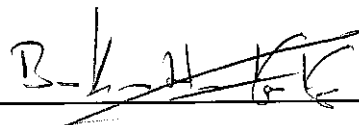
I have the authority to bind the Bank

STEVENS OMNI INC.

Per: 

I have the authority to bind the Corporation

SOFLEX LOGISTICS INC.

Per: 

I have the authority to bind the Corporation

- Schedule "A" - Credit Facilities
- Schedule "B" - Security
- Schedule "C" - Indebtedness
- Schedule "D" - Consent to Judgment
- Schedule "E" - Engagement Letter
- Schedule "F" - Consent to Appointment

SCHEDULE "A"
CREDIT FACILITIES

The following facilities were provided by the Bank, as evidenced by the Demand Operating Facility Agreement dated October 28, 2021 (the "**Letter Agreement**"):

1. Revolving Demand Facility: in the maximum amount of \$5,000,000; and
2. Credit Card Facility: with a maximum credit limit of \$136,000.

**SCHEDULE "B"
SECURITY**

As security for the Credit Facilities and for any monies advanced or to be advanced in the future by the Bank to the Borrower, and for all other present and future indebtedness, fees, expenses and other liabilities, direct or indirect, absolute or contingent due by the Borrower to the Bank, including the Bank's solicitor and own client legal fees in relation to the enforcement of the Security, and the preparation of this Agreement, the Borrower and the Guarantor, as the case may be, have granted to the Bank security over their assets consisting of the following:

1. General Security Agreement from the Borrower dated October 1, 2012;
 2. General Security Agreement from the Guarantor dated October 1, 2012;
- (1 – 2 collectively, the "GSA's")
3. Guarantee dated October 1, 2012, from the Guarantor, unlimited in sum, in relation to the indebtedness of the Borrower (the "Guarantee");
 4. Section 427 *Bank Act* security;
 5. Moveable Hypothec from the Borrower dated September 27, 2012;
 6. Postponement and Assignment of Creditors Claim and Postponement of Security from Darren Stevens;
 7. Postponement and Assignment of Creditors Claim and Postponement of Security from Alvin Brown; and,
 8. Postponement and Assignment of Creditors Claim and Postponement of Security from Melissa More.

SCHEDULE "C"
INDEBTEDNESS

INDEBTEDNESS OF THE BORROWER AS AT DECEMBER 8, 2023¹

ALL NUMBERS SUBJECT TO CHANGE

	TOTAL DUE
Operating Loan (52***17/1550)	\$2,955,010.24
Visa (ending in 6699, 7988,8538)	\$18,458.10
TOTAL	\$2,973,468.34

¹ Plus accruing interest, all continuing billed and unbilled legal fees, the Forbearance Fee and banking fees due under the Letter Agreement.

SCHEDULE "D"
CONSENT TO JUDGMENT

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

THE TORONTO-DOMINION BANK

Plaintiff

-and-

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Defendants

CONSENT

The parties hereto, by their solicitors or individually, consent to a Judgment attached hereto as Schedule "D-1".

The parties herein, by their solicitors or individually, hereby certify that the Judgment being consented to does not affect the rights of any parties under disability.

DATED AT LONDON, ON this 18th day of December, 2023

HARRISON PENZA LLP

Per: "Harrison Pensa LLP"
Solicitors for the Plaintiff

DATED AT 3:26 pm this 18 day of December, 2023

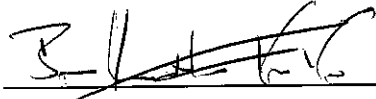
STEVENS OMNI INC.

Per: B. [Signature]

I have the authority to bind the Corporation

DATED AT 3:22 PM this 18 day of December, 2023

SOFLEX LOGISTICS INC.

Per:  _____

I have the authority to bind the Corporation

SCHEDULE "D-1"

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

THE TORONTO-DOMINION BANK

Plaintiff

-and-

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Defendants

JUDGMENT

THIS MOTION for judgment, made by the Plaintiff was heard this day at the Court House, 80 Dundas Street, London, Ontario:

ON READING the Notice of Motion and the consent, filed,

1. **THIS COURT ORDERS AND ADJUDGES** that the Defendant, Stevens Omni Inc., pay to the Plaintiff the sum of \$2,955,010.24 owing as of December 8, 2023, with interest on this sum from December 8, 2023 until payment thereof at the Plaintiff's prime rate of interest from time to time plus 1.50% per annum;
2. **THIS COURT ORDERS AND ADJUDGES** that the Defendant, Stevens Omni Inc., pay to the Plaintiff the sum of \$18,458.10 owing as of December 8, 2023, with interest on this sum from December 8, 2023 until payment thereof at the rate of interest of 19.99% per annum;
3. **THIS COURT ORDERS AND ADJUDGES** that the Defendant, Soflex Logistics Inc., pay to the Plaintiff the sum of \$2,973,468.34 owing as of December 8, 2023, with interest on

this sum from December 8, 2023 until payment thereof at the Plaintiff's prime rate of interest from time to time plus 1.50% per annum; and

4. **THIS COURT ORDERS AND ADJUDGES** that the Defendants pay costs of this action and motion on a full indemnity basis.

Justice, *Ontario* Superior Court of Justice

SCHEDULE "E"
ENGAGEMENT LETTER



December 8, 2023

Albert Gelman Inc.
250 Ferrand Dr., Suite 403
Toronto, Ontario M3C 3G8

Attention: Bryan Gelman

Dear Mr. Gelman:

Re: Stevens Omni Inc. and Soflex Logistics Inc. (collectively the "Debtor")

The Toronto-Dominion Bank (the "Bank") hereby appoints Albert Gelman Inc. (the "Consultant") as the Bank's consultant for the purpose of reviewing and assessing the assets, financial position, business and operations of the Debtor and advising the Bank in connection with the Debtor's indebtedness to the Bank. Without limiting the generality of the foregoing, the Consultant is engaged to do the following:

1. Carry out such review and inspection of the Debtor's premises, books and records as is necessary to advise the Bank with respect to the business and operational and financial performance of the Debtor;
2. Inspect, review and estimate, with the aid of appraisers, if necessary, the realizable value of the Debtor's assets including equipment, inventory and accounts receivable;
3. Determine other claims which may rank in priority to the Bank's claims against the Debtor as well as any other liens which encumber the Debtor's assets;
4. Consult with other stakeholders of Debtor's business such as, creditors, suppliers, customers, investors and others who have an interest in the Debtor's business for the purpose of obtaining information required to complete the engagement herein;
5. Advise, assist or represent the Bank, as required, in formulating, negotiating and completing any agreement that the Bank may wish to enter into with the Debtor with regard to the Debtor's indebtedness; and
6. Perform such other duties, as required by the Bank, which are relevant to this engagement.

The Consultant's duties shall be discharged in accordance with the terms set out below:

1. This engagement shall commence upon the acceptance of the terms set out herein by the Debtor;
2. The Consultant may retain such experts as the Consultant may deem necessary to carry out its duties under this engagement;
3. The Consultant may use any of its employees, agents or experts as the Consultant may deem necessary to discharge its duties as set out in this engagement;
4. The Consultant shall not be involved in the management or operation of the Debtor's business or participate in the Debtor's decision making process and shall not hold itself out as or act in a manner consistent with being an employee, agent, representative or consultant of the Debtor;

5. The Consultant shall perform its duties as consultant solely for the Bank provided however it shall not be an agent of the Bank and therefore shall not have the authority to bind the Bank in any manner;
6. The Consultant shall provide such written or oral reports to the Bank on its findings as the Bank may require;
7. Any reports prepared by the Consultant in the course of this engagement shall be the property of the Bank and the Consultant shall not distribute or disclose any of the contents of the reports to any person without the prior written consent of the Bank;
8. The Consultant shall keep all information regarding the Debtor obtained in the course of this engagement confidential and shall not distribute or disclose any part of such information to any person save and except the Bank and its agents and solicitors expressly authorized by the Bank to receive such information. All information provided and reported to the Bank by the Consultant can be distributed and disclosed by the Bank as the Bank deems necessary in its discretion.
9. The Consultant's fees and disbursements shall be paid by the Debtor or by the Bank directly and added to the indebtedness owing by the Debtor to the Bank.
10. The Bank may terminate this engagement upon providing the Consultant a written notice thereof and the engagement shall be deemed to be terminated the moment the said notice is sent to the Consultant; and
11. The Consultant hereby represents and warrants that it has no conflict of interest in taking on this engagement and undertakes to immediately advise the Bank of any information or situation which would materially affect the terms of this engagement.
12. This Agreement may be executed and delivered by facsimile and may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same agreement.

Please confirm your acceptance of the foregoing terms by signing below and return the signed copy to us as soon as you can.

[signature page to follow]

Yours truly,
THE TORONTO-DOMINION BANK
Per:



Sanjay Kansal

ACCEPTANCE OF ENGAGEMENT

The Consultant accepts the engagement on the terms set out above.

Albert Gelman Inc.
Per:

Bryan Gelman

I have the authority to bind the corporation.

DEBTOR'S ACKNOWLEDGMENT, AGREEMENT AND UNDERTAKING

The Debtor acknowledges, agrees and undertakes as follows:

1. The Debtor acknowledges having carefully reviewed the terms of the engagement set out above.
2. The Debtor consents to the appointment of the Consultant by the Bank on the terms set out above.
3. The Debtor undertakes to cooperate with the Consultant in completing this engagement and in that regard it shall
 - a. provide the Consultant with complete and unrestricted access to its premises, assets, books and records including its computers and any other data storage;
 - b. provide the Consultant with any information or data in such format as required by the Consultant;
 - c. provide the Consultant with such facilities as required to make copies of any books and records and record such information as the Consultant deems necessary;
 - d. arrange for its employees, officers, creditors, suppliers, investors, customers and any other stakeholder to meet with the Consultant to provide any information, analysis or explanation as required by the Consultant; and
 - e. use such level of skill, care and attention reasonably required to ensure that all records, documents, information and data supplied to the Consultant are complete, accurate and up to date.
4. The Debtor hereby irrevocably authorizes and directs its employees, agents, contractors, solicitors accountants, bookkeepers and other professional advisors to co-operate fully with the Consultant, answer all enquiries pertaining to the financial status and business of the Debtor and provide any and all information, documents and records regarding the Debtor which they have in their

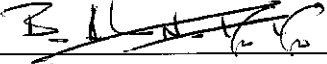
possession or control (save and except legally privileged information), as required by the Consultant and this shall be their full and sufficient authority for so doing.

5. The Debtor hereby irrevocably authorizes all of its creditors to provide to the Consultant such information pertaining to the liabilities, obligations and business affairs of the Debtor as the Consultant may from time to time request.
6. The Debtor acknowledges that the Consultant shall not assume any management role, offer any advice or participate in any decision making process and undertakes not to engage the Consultant in any such capacity.
7. The Debtor further acknowledges that it is not entitled to receive any of the reports, advice and opinion of the Consultant (collectively the "Consultant's Reports") which shall be rendered solely for the Bank and in the event it becomes aware of all or any part of the Consultant's Reports, it shall not rely on them regardless of who released the Consultant's Reports and how the Debtor obtained them.
8. The Debtor undertakes to pay the fees and disbursements of the Consultant including, but not limited to, the cost of all experts such as appraisers, and authorizes the Bank to debit the Debtor's accounts for such fees and disbursements. In the event the Debtor does not promptly pay the Consultant's fees and disbursements, the Bank may directly pay the Consultant and add the payment to the Debtor's indebtedness.
9. The Debtor acknowledges that notwithstanding the engagement of the Consultant, all of the loan and security agreements between the Bank and the Debtor shall continue in full force and effect without any changes and the Bank reserves all rights and remedies which it currently has as against the Debtor and any other persons who are liable for the indebtedness of the Debtor.
10. The Debtor hereby indemnifies and saves the Consultant and the Bank harmless from any and all claims, demands, liabilities, losses and costs incurred or suffered as a result of the performance of the duties discharged in accordance with the terms of this engagement.
11. The Debtor acknowledges that the within engagement is not an act of enforcement by the Bank.
12. The Bank may appoint the Consultant in other capacities, such as receiver/manager and trustee in bankruptcy, and the Consultant may, in acting in such other capacities, use and rely on the information obtained in the course this engagement and the Debtor consents to any such appointment of the Consultant.
13. This Agreement may be executed and delivered by facsimile and may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same agreement.

[signature page to follow]

Dated this _____ day of December, 2023

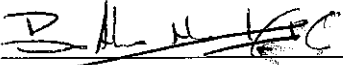
Stevens Omni Inc.

Per: 
Name: ALVIN BROWN
Title: CONTROLLER

I have authority to bind the corporation.

and,

Soflex Logistics Inc.

Per: 
Name: ALVIN BROWN
Title: CONTROLLER

I have authority to bind the corporation.

SCHEDULE "F"
CONSENT TO APPOINTMENT

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

THE TORONTO-DOMINION BANK

Applicant

-and-

STEVENS OMNI INC.

Respondent

CONSENT

The Respondent hereby consents to the appointment of a Receiver of the property of the Respondent under the terms of an Order substantially in the form attached at Schedule "F-1" hereto or to the private appointment of same.

The Respondent herein, by its solicitors or individually, hereby certify that the Order being consented to does not affect the rights of any parties under disability

Dated at 3.22/11A, Ontario this 18 day of December, 2023.

STEVENS OMNI INC.

Per: 

I have the authority to bind the Corporation

SCHEDULE "F-1"

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)
)
JUSTICE) DAY OF , 20

BETWEEN:

THE TORONTO-DOMINION BANK

Applicant

-and-

STEVENS OMNI INC.

Respondent

**ORDER
(appointing Receiver)**

THIS Application, made by the Applicant 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 Albert Gelman Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of the Respondent, Stevens Omni Inc. (hereinafter the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day by judicial videoconference via Zoom at the Courthouse, 330 University Avenue, Toronto, Ontario;

ON READING the affidavit of _____ sworn _____ and the Exhibits thereto and on hearing the submissions of counsel for _____, no one appearing for _____ although duly served as appears from the affidavit of service of _____ sworn _____ and on reading the consent of _____ to act as the Receiver.

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

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

RECEIVER'S POWERS

3. 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 Debtor, 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 Debtor;
- (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 Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (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 Debtor, 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 Debtor, 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 \$_____, provided that the aggregate consideration for all such transactions does not exceed \$_____; 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*, [or section 31 of the Ontario *Mortgages Act*, as the case may be,] shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (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 Debtor;
- (p) to enter into agreements with any trustee in Bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (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.

5. 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 Debtor, 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.

6. 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.

7. 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

8. 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 DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor 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 Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, 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 Debtor to carry on any business

which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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

11. 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 Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor 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 Debtor 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 Debtor'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 Debtor 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

13. 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

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor'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

15. 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. 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

17. 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, including, but not limited to, any illness or bodily harm resulting from a party or parties contracting COVID-19, 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

18. 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.

19. 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 Ontario Superior Court of Justice, Commercial List.

20. 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

21. 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 \$_____ (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.

22. 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.

23. 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.

24. 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

25. 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/sci/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 '<@>'.

26. 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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor 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

27. 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.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in Bankruptcy of the Debtor.

29. 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.

30. 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.

31. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. 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.

Justice, Ontario Superior Court Of
Justice, Commercial List

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that _____, the receiver (the "Receiver"), as appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, of the assets, undertakings and properties of Stevens Omni Inc. (collectively, the "Debtor") acquired for, or used in relation to a business carried on by the Debtor (the "Property"), 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 the 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__.

_____, solely in its capacity as
Receiver of the Property, and not in its personal
capacity

Exhibit “L”

From: Sanjay Kutty <skutty@linmac.com>
Sent: Thursday, February 22, 2024 12:51 PM
To: Tim Hogan
Cc: kathryn.furfaro@td.com (kathryn.furfaro@td.com); Kansal, Sanjay; Bryan Gelman (bgelman@albertgelman.com); Dan Woo
Subject: RE: Stevens Omni Financing Update [C]

[EXTERNAL EMAIL]

I can confirm my client's alignment to the extension terms below.

Sanjay Kutty

Partner

p +1 416 639 2153

skutty@linmac.com

LINMAC LLP

linmac.com

VANCOUVER | CALGARY | TORONTO

PRIVILEGE AND CONFIDENTIALITY NOTICE: This communication and any attachment is confidential and may be subject to solicitor-client privilege. It should only be read by the person to whom it is addressed. If you have received this communication in error, please notify us by reply and delete the communication.

Our Calgary office location will be moving Feb. 26, 2024. Our new address will be: Suite 2720, 308 - 4 Avenue SW Calgary, AB T2P 0H7

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: Tuesday, February 20, 2024 2:55 PM
To: Sanjay Kutty <skutty@linmac.com>
Cc: kathryn.furfaro@td.com (kathryn.furfaro@td.com) <kathryn.furfaro@td.com>; Kansal, Sanjay <sanjay.kansal@td.com>; Bryan Gelman (bgelman@albertgelman.com) <bgelman@albertgelman.com>; Dan Woo <dwoo@albertgelman.com>
Subject: FW: Stevens Omni Financing Update [C]

Good afternoon, Sanjay.

With reference to the attached forbearance agreement dated December 18, 2023 (the "Agreement"), we can confirm:

- a) The Defaults continue
- b) AGI is active with respect to the Engagement
- c) No financing is in place to pay the Indebtedness
- d) Subject to the terms of this e-mail, continued forbearance under the Agreement is not available as the Termination Date of February 15, 2024 is past.

We understand that the Borrower has engaged an appraiser to value its inventory in Oakville and Calgary and is working with Grant Thornton to complete projections to be provided to the AGI and the Bank.

Please be advised that the Bank is agreeable to providing forbearance, credit and banking services on a day-to-day basis in its discretion to March 8, 2024, subject to the following terms:

1. The Borrower will continue to cooperate with AGI under the term of the Engagement
2. All reporting under the Credit Facilities and the Agreement continues, including the monthly delivery of the Aged Accounts Receivable, Inventory and Payables Listing, with 25 days of month end (as required under the Credit Facilities), with a copy of same to be provided to the Bank and AGI
3. The payment of a forbearance fee of \$7,500.00, to be debited from the Borrower's account on acceptance of these terms.

The Bank does not by this Addendum waive its rights under the Credit Facilities nor its Security, which are reserved, and the Bank remains in a position to enforce its Security as against the Borrowers and Guarantors at any time.

We confirm that this email shall stand as an Addendum to the Agreement, with all other terms of the Agreement continuing to apply and bind.

This forbearance, credit and banking services can be terminated with no further notice and the Bank does reserve all rights.

Please reply to this e-mail on or before Thursday February 22, 2024, that the above terms are acceptable, and on receipt of same, these e-mails shall stand as an Addendum to the Agreement and the above noted fee shall be due and payable to the Bank.

Thank-you.

Tim Hogan | [HARRISON PENZA LLP](#) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#) | *tel* 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

Exhibit “M”

From: Sanjay Kutty <skutty@linmac.com>
Sent: Tuesday, April 23, 2024 1:11 PM
To: Tim Hogan
Cc: kathryn.furfaro@td.com (kathryn.furfaro@td.com); Kansal, Sanjay; Bryan Gelman (bgelman@albertgelman.com); Dan Woo
Subject: RE: Stevens Omni Financing Update [C]

[EXTERNAL EMAIL]

Understood. I will confer with my client and advise them of your concerns below.

Sanjay Kutty

Partner

p +1 416 639 2153

skutty@linmac.com

LINMAC LLP

linmac.com

VANCOUVER | CALGARY | TORONTO

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From: Tim Hogan <thogan@harrisonpensa.com>
Sent: Tuesday, April 23, 2024 12:20 PM
To: Sanjay Kutty <skutty@linmac.com>
Cc: kathryn.furfaro@td.com (kathryn.furfaro@td.com) <kathryn.furfaro@td.com>; Kansal, Sanjay <sanjay.kansal@td.com>; Bryan Gelman (bgelman@albertgelman.com) <bgelman@albertgelman.com>; Dan Woo <dwoo@albertgelman.com>
Subject: RE: Stevens Omni Financing Update [C]

Good afternoon Sanjay.

Following on the below e-mail, we can confirm that the Bank's adviser has been working with the Borrower with respect to the Borrower's attempts for refinancing with E-Capital. Through these dealings the Bank has continued to provide day-to-day forbearance credit and banking services.

The Bank is concerned that the refinancing with the E-Capital appears to not be proceeding with any transaction sufficient to see the Bank paid.

The Bank is advised that the Borrower is reviewing a potential proposal to the Bank involving prior ownership.

The Bank's day-to-day forbearance, and provision of credit and banking services cannot continue for an indeterminate period.

The Bank has provided a reasonable period to allow for a refinancing and is considering terminating forbearance and issuing a demand for payment and does reserve all rights.

Thank-you.

Tim Hogan* | [HARRISON PENZA LLP](#) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#) | *tel* 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 |
anewman@harrisonpensa.com *Services provided by *T. Hogan Professional Corporation* through Harrison Pensa LLP.

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

Exhibit “N”

From: Furfaro, Kathryn
Sent: Tuesday, August 13, 2024 1:19 PM
To: Alvin Brown <abrown@stevensomni.com>
Cc: Kansal, Sanjay <sanjay.kansal@td.com>; Bryan Gelman <bgelman@albertgelman.com>; Dan Woo <dwoo@albertgelman.com>
Subject: re: STEVENS OMNI Next Steps [!]

Classification: Internal

Good afternoon Alvin,

Kindly note I have reviewed your draft internal financials.

Based on my review, the Bank is unable to provide continued patience or accommodations.

The Bank will be seeking the appointment of Albert-Gelman Inc. as receiver over the company due to the continuing defaults and losses with no firm evidence of turnaround or repayment.

Please let me know if you have any questions.

Thank you,

Katie

Katie Furfaro | Manager, Commercial Credit | Financial Restructuring Group | **TD Bank Financial Group**
3140 Dufferin Street, Toronto ON M6A 2T1
613.716.8447 | kathryn.furfaro@td.com

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Exhibit “O”

Harrison Pensa

LAWYERS

Timothy C. Hogan

Direct Line: (519)-661-6743
thogan@harrisonpensa.com

Assistant: Emma Benaway
Direct Line: (226) 797-4842
ebenaway@harrisonpensa.com

August 21, 2024

Via Registered & Regular Mail & E-mail – abrown@stevensomni.com

Stevens Omni Inc.
630 Kennedy Road, Unit A
Mississauga, ON L5T 2Z5

Dear Sir/Ma'am,

Re: Indebtedness of Stevens Omni Inc. to The Toronto-Dominion Bank (the "Bank")
Our File No. 198383

We are the solicitors for the Bank with respect to loans provided to Stevens Omni Inc. (hereinafter the "**Debtor**").

According to the Bank's records, the Debtor is indebted to the Bank as at August 21, 2024, in the total sum of \$2,837,807.36¹, including all interest to August 21, 2024, plus all accruing interest, and plus the Bank's costs of enforcement on a full indemnity basis (the "**Indebtedness**").

The Indebtedness is comprised of the following:

Operating Loan (52****17/1550) (number subject to change)	\$2,822,678.63
Visa (ending in 6699, 8538, 3334 & 2911) (number subject to change)	\$8,024.27
Paid Professional Fees ² as of April 11, 2024	\$7,104.46
TOTAL	\$2,837,807.36

The Debtor is in default of certain agreements signed in favour of the Bank including, but not limited to, the following:

¹ Noting a Visa Contingency of \$82,500.00 and Admin and Discharge Fees of \$25,000.00 due on payout.

² With further unpaid and unbilled fees accruing

Harrison Pensa LLP

130 Dufferin Avenue, Suite 1101, P.O. Box 3237, London, Ontario N6A 4K3 Phone: 519.679.9660 Fax: 519.667.3362
harrisonpensa.com

1. Demand Operating Facility Agreement dated October 28, 2021;
2. Forbearance Agreement dated December 18, 2023;
3. TD Business Credit Card Agreement dated August 1, 2017;
4. General Security Agreement dated October 1, 2012; and,
5. Bank Act Security dated October 1, 2021.

On behalf of the Bank, we hereby demand payment of the Indebtedness owing by the Debtor together with interest thereon and all costs to the date of payment.

Failing payment within ten (10) days will result in the Bank taking such steps as it considers necessary or appropriate to recover payment of the Debtor's Indebtedness and to protect its interest.

We advise that no intermediate acts, negotiations, indulgences, acceptance of payments or any continuing credit or provision of banking services shall act as a waiver to the Bank's rights, or demand for payment as set out herein, unless so expressly stated in writing.

The Bank expressly reserves its rights to take such further steps to protect its interest at any time, without further notice to the Debtor, if the Bank becomes aware of any matter which may impair its security. In addition, the Bank reserves the right to restrict or cancel all facilities at any time with no further notice and to restrict the operation of any bank account(s) including placing same on deposit only.

Finally, also find attached to this letter our client's Notice of Intention to Enforce Security as well as the relevant consent to immediate enforcement of the Bank's security. By signing this consent, the Debtor waives the time period given by the Bank under this notice.

Yours truly,

HARRISON PENSA ^{LLP}

A handwritten signature in black ink, appearing to be the initials 'TH' or a stylized 'TCH', written over a horizontal line.

Timothy C. Hogan
TCH/emb
Enclosure

Cc: SoFlex Logistics Inc., as guarantor

NOTICE OF INTENTION TO ENFORCE SECURITY
(Section 244(1) of the *Bankruptcy and Insolvency Act*)

TO: Stevens Omni Inc., an insolvent person

TAKE NOTICE THAT:

1. The Toronto-Dominion Bank, a secured creditor, intends to enforce its security on the property of the insolvent person described as:

All collateral of the insolvent person as described in the following security and the proceeds from the sale of said collateral:

- a. General Security Agreement dated October 1, 2012; and,
- b. Bank Act Security dated October 1, 2021.

The property to which the security relates includes all real property, personal property and assets, including and not limited to, all book debts, inventory, and equipment wherever located, and all other collateral however described of the above-noted insolvent person, including but not limited to all assets leased to the above-noted insolvent person, and the proceeds thereof.

2. The security that is to be enforced is in the form of:

- a. General Security Agreement dated October 1, 2012; and,
- b. Bank Act Security dated October 1, 2021.

3. The total amount of indebtedness secured by the security is \$2,837,807.36 as at August 21, 2024 plus interest as set out in the agreements, plus all costs of enforcement on a solicitor and client basis.

4. The secured creditor will not have the right to enforce its security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at London, Ontario this 21st day of August, 2024.

THE TORONTO-DOMINION BANK
by its solicitors, Harrison Pensa LLP



Per: _____
TIMOTHY C. HOGAN
Harrison Pensa LLP
130 Dufferin Avenue, Suite 1101
London, ON N6A 4K3
(519) 661-6743

Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.

CONSENT
(s.244(2) of the *Bankruptcy and Insolvency Act*)

THE UNDERSIGNED hereby acknowledges receipt of a copy of The Toronto-Dominion Bank's demand dated August 21, 2024 and the Notice of Intention to Enforce Security dated August 21, 2024 pursuant to s.244(1) of the *Bankruptcy and Insolvency Act* and hereby waives the 10 day period set out in the demand and notice and consents to the immediate enforcement The Toronto-Dominion Bank's security.

DATED at _____, Ontario this _____ day of August, 2024.

STEVENS OMNI INC.

Per: _____
I have authority to bind the corporation

SOFLEX LOGISTICS INC.

Per: _____
I have authority to bind the corporation

Harrison Pensa

LAWYERS

Timothy C. Hogan

Direct Line: (519)-661-6743
thogan@harrisonpensa.com

Assistant: Emma Benaway

Direct Line: (226) 797-4842
ebenaway@harrisonpensa.com

August 21, 2024

Via Registered & Regular Mail & E-mail – abrown@stevensomni.com

SoFlex Logistics Inc.
630 Kennedy Road, Unit A
Mississauga, ON L5T 2Z5

Dear Sir/Ma'am,

**Re: Indebtedness of Stevens Omni Inc. to The Toronto-Dominion Bank (the "Bank")
Our File No. 198383**

We are the solicitors for the Bank with respect to loans provided to Stevens Omni Inc. (hereinafter the "Debtor").

According to the Bank's records, Stevens Omni Inc. is indebted to the Bank in the amount of \$2,837,807.36 as of August 21, 2024, together with accruing interest thereon, and the Bank's continuing costs of enforcement on a full indemnity basis.

Pursuant to a guarantee executed by you on October 1, 2012, with respect to Stevens Omni Inc., unlimited in sum, you are liable to pay the amount of the guarantee being \$2,837,807.36, together with accruing interest thereon and the Bank's continuing costs of enforcement (the "**Indebtedness**").

On behalf of the Bank, we hereby demand payment of the Indebtedness totaling \$2,837,807.36 together with interest thereon and all costs to the date of payment.

We refer to the General Security Agreement dated October 1, 2012, and this shall stand as a demand under such General Security Agreement. Attached please find the Bank's notice under s.244(1) of the *Bankruptcy and Insolvency Act* in that regard.

Failing to make payment within ten (10) days will result in the Bank taking such steps as it considers necessary or appropriate to recover payment of the Indebtedness and to protect its interest.

Harrison Pensa LLP

We advise that no intermediate acts, negotiations or indulgences shall act as a waiver to the Bank's rights, or demand for payment as set out herein, unless so expressly stated in writing.

Yours truly,

HARRISON PENSA ^{LLP}

A handwritten signature in black ink, appearing to be 'TH' with a stylized flourish.

Timothy C. Hogan
TCH/emb

NOTICE OF INTENTION TO ENFORCE SECURITY
(Section 244(1) of the *Bankruptcy and Insolvency Act*)

TO: SoFlex Logistics Inc., an insolvent person

TAKE NOTICE THAT:

1. The Toronto-Dominion Bank, a secured creditor, intends to enforce its security on the property of the insolvent person described as:

All collateral of the insolvent person as described in the following security and the proceeds from the sale of said collateral:

- a. General Security Agreement dated October 1, 2012.

The property to which the security relates includes all real property, personal property and assets, including and not limited to, all book debts, inventory, and equipment wherever located, and all other collateral however described of the above-noted insolvent person, including but not limited to all assets leased to the above-noted insolvent person, and the proceeds thereof.

2. The security that is to be enforced is in the form of:

- a. General Security Agreement dated October 1, 2012.

3. The total amount of indebtedness secured by the security is \$2,837,807.36 as at August 21, 2024 plus interest as set out in the agreements, plus all costs of enforcement on a solicitor and client basis.

4. The secured creditor will not have the right to enforce its security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at London, Ontario this 21st day of August, 2024.

THE TORONTO-DOMINION BANK
by its solicitors, Harrison Pensa LLP



Per: _____
TIMOTHY C. HOGAN
Harrison Pensa LLP
130 Dufferin Avenue, Suite 1101
London, ON N6A 4K3
(519) 661-6743

Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.

CONSENT
(s.244(2) of the *Bankruptcy and Insolvency Act*)

THE UNDERSIGNED hereby acknowledges receipt of a copy of The Toronto-Dominion Bank's demand dated August 21, 2024, and the Notice of Intention to Enforce Security dated August 21, 2024, pursuant to s.244(1) of the *Bankruptcy and Insolvency Act* and hereby waives the 10 day period set out in the demand and notice and consents to the immediate enforcement of The Toronto-Dominion Bank's security.

DATED at _____, Ontario this _____ day of August, 2024.

SOFLEX LOGISTICS INC.

Per: _____
I have authority to bind the corporation

Security of Registered Receipt (Bulk)

This receipt is necessary if enquiry is desired. Fragile and perishable articles are not indemnified against damage. Indemnity and fees information is available on request from your Postal Outlet.

Reçu (en nombre) Sécurité ou Recommandé

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Harrison Pensa

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- A Remplissez et retirez le récépissé du client. B Retirez la pellicule protectrice du récépissé. C Collez le récépissé sur cette formule. D Retirez le code à barres du bas et l'apposez sur le "Document de saisie des données" pour le courrier repérable. E Retirez la pellicule de l'étiquette. F Collez l'étiquette sur l'enveloppe.

Date: August 21, 2024

File: TD/Stevens Omni Inc. (198383/TCH)

Label (1) for Stevens Omni Inc. Registered Domestic / RECOMMANDÉ RÉGIME INTÉRIEUR. Includes address: 630 Kennedy Road, Unit A, Mississauga, ON L5T 2T5. Tracking number: RN 835 652 300 CA. Station B 515 Richmond London, Ontario AUG 21 2024 6A 3E0 RC105724.

Label (7) for Soflex Logistics Inc. Registered Domestic / RECOMMANDÉ RÉGIME INTÉRIEUR. Includes address: 630 Kennedy Road, Unit A, Mississauga, ON L5T 2T5. Tracking number: RN 835 652 344 CA. Station B 515 Richmond London, Ontario AUG 21 2024 N6A 3E0 RC105724.

Label (10) for Soflex Logistics Inc. Registered Domestic / RECOMMANDÉ RÉGIME INTÉRIEUR. Includes address: 630 Kennedy Road, Unit A, Mississauga, ON L5T 2T5. Tracking number: RN 835 652 335 CA. Station B 515 Richmond London, Ontario AUG 21 2024 N6A 3E0 RC105724.

Exhibit “P”

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: September 6, 2024 3:18 PM
To: Jeff Rosekat <JRosekat@dickinson-wright.com>
Cc: Thomas Masterson <tmasterson@harrisonpensa.com>
Subject: RE: Stevens Omni

Jeff

As discussed, your client's offer to buy the Bank's position is not acceptable to the Bank.

With the Bank demands now expired:

1. the Bank will be applying to the Court for an Order appointing Albert Gelman Inc. as Receiver over the Property of Stevens Omni and Soflex Logistics
2. the Bank will be terminating credit on the Operating Loan and on the Visas
3. the Bank will be restricting all accounts.

Can you advise if you can confirm instructions for your firm to be included on the service list for the Bank's application?

Thank-you.

Tim Hogan* | [HARRISON PENZA LLP](https://www.harrisonpensa.com) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](https://www.harrisonpensa.com) | *tel* 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 |
anewman@harrisonpensa.com *Services provided by *T. Hogan Professional Corporation* through Harrison Pensa LLP.

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THE TORONTO-DOMINION BANK

v.

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Applicant

Respondents

Court File No. CV-24-00005012 -0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT BRAMPTON

**AFFIDAVIT OF SANJAY KANSAL SWORN
SEPTEMBER 18, 2024**

HARRISON PENZA LLP

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)

Tel : (519) 661-6743
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Lawyers for the Applicant,
The Toronto-Dominion Bank

THE TORONTO-DOMINION BANK

Applicant

-and-

STEVENS OMNI INC. and SOFLEX LOGISTICS INC.

Respondents

Court File No. CV-24-00005012 -0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
BRAMPTON, ONTARIO

APPLICATION RECORD FOR THE APPLICANT

HARRISON PENZA LLP

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

Timothy C. Hogan (LSO #36553S)

Tel: (519) 679-9660

Fax: (519) 667-3362

Email: thogan@harrisonpenza.com

Lawyers for the Applicant,
The Toronto-Dominion Bank