

Court File No.:

*ONTARIO*  
SUPERIOR COURT OF JUSTICE -  
(COMMERCIAL LIST)

B E T W E E N:

THE TORONTO-DOMINION BANK

Applicant

-and-

TOOLPLAS SYSTEMS INC. and TOOL PROCESSING SOLUTIONS INC.

Respondents

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

**APPLICATION RECORD**

March 2, 2020

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
Toronto, ON Canada M5H 3S1

**Jeffrey C. Carhart LSO#: 40947B**

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Lawyers for the Applicant



# SERVICE LIST

## SERVICE LIST

|         |   |  |
|---------|---|--|
| TO:     | <b>MILLER THOMSON LLP</b><br>Scotia Plaza<br>40 King Street West, Suite 5800<br>P.O. Box 1011<br>Toronto, ON Canada M5H 3S1<br><br><i>Lawyers for the Applicants</i>                      | <b>Jeffrey C. Carhart LSO#: 40947B</b><br>Tel: 416.595.8615 / Fax: 416.595.8695<br>Email: jcarhart@millerthomson.com<br><br><b>Asim Iqbal LSO#: 61884B</b><br>Tel: 416.595.8596 / Fax: 416.595.8695<br>Email: aiqbal@millerthomson.com |
| AND TO: | <b>THORNTON GROUT FINNIGAN</b><br>Suite 3200, 100 Wellington Street West<br>P. O. Box 329, Toronto-Dominion Centre<br>Toronto, ON M5K 1K7<br><br><i>Lawyers for the Proposed Receiver</i> | <b>Grant Moffat</b><br>Email: GMoffat@tgf.ca<br>Phone: 416.304.0599  |
| AND TO: | <b>DELOITTE RESTRUCTURING INC.</b><br>Bay Adelaide East<br>8 Adelaide Street West, Suite 200<br>M5H 0A9<br><br><i>Proposed Receiver</i>   | <b>Stacey Greenbaum</b><br>Email: sgreenbaum@deloitte.ca<br><br><b>Paul Casey</b><br>Email: paucasey@deloitte.ca   |
| AND TO: | <b>DICKINSON RIGHT LLP</b><br>199 Bay Street<br>Suite 2200<br>Commerce Court West<br>Toronto ON M5L 1G4<br><br><i>Lawyers for the Respondents</i>   | <b>John Leslie</b><br>Email: JLeslie@dickinsonwright.com<br>Phone: 416-646-3801  |
| AND TO: | <b>CHAITONS LLP</b><br>5000 Yonge Street, 10th Floor,<br>Toronto, ON Canada M2N 7E9<br><br><i>Lawyers for Business Development Bank of Canada</i>   | <b>Harvey Chaiton</b><br>Email: harvey@chaitons.com<br>Phone: 416-218-1129   |

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| C               | Credit Agreement dated December 21, 2017   |
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| Tab | Description  |
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# TAB 1

Court File No.:

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

B E T W E E N :

THE TORONTO-DOMINION BANK

Applicant

-and-

TOOLPLAS SYSTEMS INC. and TOOL PROCESSING SOLUTIONS INC.

Respondents

**NOTICE OF APPLICATION**

TO THE RESPONDENT:

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 on

☐

In person

☐

By telephone conference

☒

By video conference

at the following location

Zoom details:

<https://millerthomson.zoom.us/j/99012292059?pwd=bUZYZR3BGQzc4Y1lMaUR0Y04xNEZGQT09> - Meeting ID: 990 1229 2059 - Passcode: 372733, if applicable on March 3, 2021, at 10:00am.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A 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 at least four days 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: March , 2021

Issued by \_\_\_\_\_  
Local registrar

Address of court office [330 University Ave,](#)  
[Toronto, ON M5G 1R8](#)

TO: SERVICE LIST

### APPLICATION

1. The Toronto-Dominion Bank (the “**Bank**”) makes application for an Order substantially in the form attached as **Tab 3** to this Application Record, including,
  - a. if necessary, abridging the time for and validating service of this application and dispensing with further service of same;
  - b. appointing Deloitte Restructuring Inc. (“**Deloitte**”) as receiver (in such capacity, the “**Receiver**”), without security, of all assets, undertakings and property of Toolplas Systems Inc. (“**Toolplas**” or the “**Borrower**”) and Tool Processing Systems Inc. o/a TPS Global (the “**Guarantor**”, and together with the Borrower, the “**Debtors**”) acquired for, or used in relation to the business carried on by the Debtors 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**”); and
  - c. such further and other relief as counsel may advise and this Honourable Court may permit.

### THE GROUNDS FOR THIS APPLICATION ARE:

2. The Debtors carry on business as design and manufacturers of plastic injection moulds and related tooling for automotive interior, exterior and functional component modules.
3. The Bank has made available to the Borrower the following credit facilities (collectively, the “**Credit Facilities**”):



- a. a five (5) year committed revolving credit facility in the amount of \$30,000,000 US pursuant to an asset-based credit agreement dated December 21, 2017 (as amended from time to time, the “**ABL Credit Agreement**”); and
  - b. a non-revolving committed term loan up to the amount of \$6,500,000 US and an uncommitted non-revolving term loan up to the amount of \$1,000,000 US pursuant to an equipment loan agreement dated December 21, 2017 (the “**Equipment Loan Agreement**”, and together with the ABL Credit Agreement, the “**Credit Agreements**”).
4. Pursuant to a guarantee dated July 7, 2020, the Guarantor guaranteed in favour of the Bank the present and future obligations of the Borrower (the “**Guarantee**”).
5. As general and continuing security for payment and performance of its obligations, including the Credit Facilities, the Debtors granted in favour of the Bank, among other security, the following:
  - a. The Borrower granted in favour of the Bank a security interest in all of its present and after-acquired property, assets and undertaking pursuant to a general security agreement dated December 21, 2017 (the “**General Security Agreement**”);
  - b. The Borrower granted in favour of the Bank a security interest in certain specified equipment as additional and specific security for the Borrower’s obligations to the Bank under the Equipment Loan Agreement, pursuant to a security agreement for specified assets (equipment) dated December 21, 2017 (the “**Equipment Security Agreement**”, and together with the General Security Agreement, the “**Security**”); and

- c. The Guarantor granted in favour of the Bank a security interest in all of its present and after-acquired property, assets and undertaking, pursuant to a general security agreement dated July 7, 2020 (the “**Guarantor GSA**”).
6. The Bank’s security interests are perfected by registration in accordance with the Ontario *Personal Property Security Act*.
7. By letter dated February 22, 2021 the Bank (through its counsel) declared the occurrence of Events of Default under the ABL Credit Agreement (the “**Default Notice**”).
8. On February 26, 2021 (the “**Demand Date**”), the Bank (through its counsel) demanded repayment from the Debtors of all of the indebtedness owing by the Borrower to the Bank on or before 2:00pm on March 10, 2021 and issued a notices of intention to enforce security under section 244 of the BIA (the “**BIA Notice**”).
9. As of the Demand Date, the Debtors were indebted to the Bank in the amount of \$18,106,554.52 CAD inclusive of principal and interest to that date (the “**Outstanding Indebtedness**”).
10. On March 2<sup>nd</sup>, 2021, the Borrower executed a Waiver and Consent in favour of the Bank, waiving the 10-day statutory notice period under the BIA Notice and consenting to early enforcement by the Bank of its security.
11. The Debtors have consented to the appointment of a receiver.
12. Deloitte is a licensed trustee in bankruptcy and has consented to being appointed as Receiver by the Court;
13. The Rules of Civil Procedure (Ontario), including Rules 1.04, 2.03, 3.02, 16.08 and 38;
14. The provisions of the Bankruptcy and Insolvency Act (Canada), including section 243 of the BIA
15. The provisions of the *Courts of Justice Act* (Ontario), including section 101 of the CJA;

16. The *Bankruptcy and Insolvency General Rules*, including Rules 6, 11 and 13; and
17. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

18. The following documentary evidence will be used at the hearing of the application:
  - a. the affidavit of Jeffrey Swan sworn March 2<sup>nd</sup>, 2021 and the exhibits thereto;
  - b. the Consent of Deloitte to act as receiver, if so appointed;
  - c. the Consent of the Debtors to the Receivership Order; and
  - d. such further and other evidence as counsel may advise and this Honourable Court may permit.

March 2<sup>nd</sup>, 2021

**MILLER THOMSON LLP**  
Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

**Jeffrey C. Carhart LSO#: 40947B**  
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**Asim Iqbal LSO#: 61884B**  
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Lawyers for the Applicant

THE TORONTO-DOMINION BANK  
Applicant

TOOLPLAS SYSTEMS INC. et. al.  
Respondents

Court File No.: [»](#)

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

Proceeding commenced at Toronto

**NOTICE OF APPLICATION**

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
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**Jeffrey C. Carhart LSO#: 40947B**  
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Lawyers for the Applicant

# TAB 2

Court File No.:

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

**B E T W E E N:**

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**-and-**

**TOOLPLAS SYSTEMS INC. and TOOL PROCESSING SOLUTIONS INC.**

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**AFFIDAVIT OF JEFFREY SWAN  
(Sworn March 2nd, 2021)**

I, Jeffrey Swan of the City of Toronto, in the Province of Ontario, MAKE OATH AND  
SAY:

1. I am a Director in the Financial Restructuring Group of the Applicant, the Toronto-Dominion Bank (the “**Bank**”). I have responsibility for matters pertaining to the Credit Facilities (as defined below) provided by the Bank to Toolplas Systems Inc. (“**Toolplas**” or the “**Borrower**”) and guaranteed by Tool Processing Systems Inc. o/a TPS Global (the “**Guarantor**”, and together with the Borrower, the “**Debtors**”). As such, I have personal knowledge of the matters to which I hereinafter depose. Where the source of my information is other than myself I have set out the source and do verily believe it to be true.

## NATURE OF APPLICATION AND RELIEF SOUGHT

2. This Affidavit is sworn in support of an application for an order substantially in the form attached at Tab 3 of the Bank's Application Record (the "**Receivership Order**"), among other things, appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver and manager (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings, and property of the Debtors 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.

3. The Debtors consent to the Receivership Order.

## THE DEBTORS

4. The Debtors carry on business as design and manufacturers of plastic injection moulds and related tooling for automotive interior, exterior and functional component modules.

5. The Borrower is an Ontario corporation, incorporated on June 30, 2008. The registered head office of the Borrower is 1905 Black Acre Drive, Oldcastle, Ontario. Attached as **Exhibit "A"** is a true copy of the Corporation Profile Report in respect of the Borrower.

6. The Guarantor is an Ontario corporation incorporated on December 8, 2010. The registered head office of the Guarantor is 1905 Blackacre Dr., Oldcastle, Ontario. Attached as **Exhibit "B"** is a true copy of the Corporation Profile Report in respect of the Guarantor.

7. The Debtors operate two manufacturing plants in Ontario: one is located at the corporate headquarters at 1905 Blackacre Dr, Oldcastle, Ontario ("**Plant 1**"), and a second plant is located

at 3920 North Talbot Rd, Oldcastle, Ontario (“**Plant 2**”). Plant 1 is leased from 1128686 Ontario Limited, an unrelated third party. Plant 2 is owned by Mamatas Real Estate Holdings Unlimited Liability Company, an affiliate of the Debtors.

8. I believe that the Debtors employ 26 salaried employees and 137 hourly employees in Ontario, all of which are non-unionized.

## **THE CREDIT FACILITIES**

9. The Bank has made available to the Borrower the following credit facilities (collectively, the “**Credit Facilities**”):

- (a) a five (5) year committed revolving credit facility in the amount of \$30,000,000 US pursuant to an asset-based credit agreement dated December 21, 2017, as amended by a First Amendment dated December 4, 2018, a Second Amendment dated February 1, 2019, a Third Amendment dated June 14, 2019, a Fourth Amendment dated March 24, 2020, a Fifth Amendment dated April 16, 2020, a Sixth Amendment dated May 21, 2020, a Seventh Amendment dated July 7, 2020, and an Eighth Amendment dated July 8, 2020 (collectively, and as may be further amended or restated, the “**ABL Credit Agreement**”); and
- (b) a non-revolving committed term loan up to the amount of \$6,500,000 US and an uncommitted non-revolving term loan up to the amount of \$1,000,000 US pursuant to an equipment loan agreement dated December 21, 2017 (the “**Equipment Loan Agreement**”, and together with the ABL Credit Agreement, the “**Credit Agreements**”).



10. Copies of the ABL Credit Agreement and Equipment Loan Agreement are attached as **Exhibits “C” and “D”**, respectively.

11. Pursuant to a guarantee dated July 7, 2020, the Guarantor guaranteed in favour of the Bank the present and future obligations of the Borrower (the “**Guarantee**”). A copy of the Guarantee is attached as **Exhibit “E”**.

## **SECURITY IN FAVOUR OF THE BANK**

### *Security Interests of the Bank*

12. As general and continuing security for payment and performance of its obligations, including the Credit Facilities, the Debtors granted in favour of the Bank, among other security the following:

- (a) The Borrower granted in favour of the Bank:
  - (i) a security interest in all of its present and after-acquired property, assets and undertaking, pursuant to a general security agreement dated December 21, 2017 (the “**General Security Agreement**”). A copy of the General Security Agreement is attached as **Exhibit “F”**; and
  - (ii) a security interest in certain specified equipment as additional and specific security for the Borrower’s obligations to the Bank under the Equipment Loan Agreement, pursuant to a security agreement for specified assets (equipment) dated December 21, 2017 (the “**Equipment Security Agreement**”), and together with the General Security Agreement, the

**“Security”**). A copy of the Equipment Security Agreement is attached as **Exhibit “G”**;

- (b) The Guarantor granted in favour of the Bank a security interest in all of its present and after-acquired property, assets and undertaking, pursuant to a general security agreement dated July 7, 2020 (the **“Guarantor GSA”**). A copy of the Guarantor GSA is attached as **Exhibit “H”**.

#### *Perfection of Security Interests*

13. On November 15, 2017, the Bank registered a financing statement in respect of all classes of collateral of the Borrower except “consumer goods” pursuant to the Ontario *Personal Property Security Act*. Attached as **Exhibit “I”** is a copy of a certified PPSA Enquiry Response Certificate in respect of the Borrower (in this section, the **“Borrower PPSA Search Results”**).

14. In connection with the Equipment Loan Agreement, on January 22, 2018 and November 29, 2018, the Bank<sup>1</sup> registered against the Borrower equipment-specific financing statements, referring to specific equipment in the general collateral description.

15. On January 6, 2020 the Bank registered against the Guarantor a financing statement in respect of all collateral classifications except “consumer goods”. Attached as **Exhibit “J”** is a copy of an uncertified PPSA Enquiry Response Certificate in respect of the Guarantor (the **“Guarantor PPSA Search”**).

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<sup>1</sup> The secured party is listed as TD Equipment Finance Canada, a Division of The Toronto-Dominion Bank.

*Other PPSA Registrants*

16. According to the Borrower PPSA Search Results, the following additional parties have registrations against the Borrower: Lally Ford, First Midwest Equipment Finance, VFI KR SPE I LLC, Varilease Finance, Inc., 957590 Ontario Inc. O/A Global Leasing, Business Development Bank of Canada, BDC Capital, and GM Financial Canada Leasing Ltd.

17. Of the above-noted registrations, the Borrower PPSA Search Results indicate that the following registrations were made prior to the Bank's November 15, 2017 registration:

- (a) Business Development Bank of Canada ("**BBC**") and BDC Capital Inc., a wholly-owned subsidiary of BBC, ("**BDCC**", and together with BBC, "**BDC**") registered on July 29, 2013 and August 8, 2017, respectively, both in respect of all present and after-acquired property; and
- (b) 957590 Ontario Inc. O/A Global Leasing ("**O/A Global Leasing**"), registered on November 9, 2018 and on December 21, 2016 in respect of equipment only<sup>2</sup>.

18. With respect to the lending arrangement with BDC, the Bank, BBC, BDCC, the Debtors, and Mamatas Real Estate Holdings Unlimited Liability Company are parties to a third amended and restated subordination agreement dated August 14, 2020 (as may be amended, restated, supplemented, or otherwise modified from time to time, the "**Subordination Agreement**"). Under the terms of the Subordination Agreement, the BDC Security (as such term is defined in the Subordination Agreement) has been unconditionally and absolutely postponed

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<sup>2</sup> The "General Collateral Description" under the O/A Global Leasing registrations do not match the descriptions in respect of the Bank's January 22, 2018 or November 29, 2018 registrations, as detailed above.

and subordinated to the Bank Security (as such term is defined in the Subordination Agreement, and which includes the Security) except for the life insurance policy or policies relating to Nikolaos (Nick) Mamatas and the proceeds thereof now or hereafter assigned to BDCC. A copy of the Subordination Agreement, together with the amendments thereto, is attached as **Exhibit “K”**.

19. According to the Guarantor PPSA Search, the following additional parties have registrations against the Guarantor: JPMORGAN Chase Bank N.A (“**JP Morgan**”), and BDCC.

20. As described above, BDCC is party to the Subordination Agreement.

21. The registration in favour of JP Morgan against the Guarantor is limited to all accounts receivable which arise out of the sale of goods or services by the Guarantor to a separate entity, Yanfeng Global Automotive Interior Systems Co. Ltd, which was assigned to JP Morgan as part of a Receivables Purchase Agreement. A copy of the acknowledgment from JP Morgan in respect of its registration against the Guarantor is attached as **Exhibit “L”**.

## **DEFAULTS AND DEMANDS**

22. By letter dated February 22, 2021, the Bank (through its counsel) declared the occurrence of Events of Default under the ABL Credit Agreement (the “**Default Notice**”), as follows:

- (a) Breach of the minimum EBITDA financial covenant under Section 12(o) of the ABL Credit Agreement for the reporting periods of August 2020, September 2020 and November 2020; and

- (b) Breach of the Borrowing Base obligations set out under the ABL Credit Agreement, including pursuant to section 9(b) of the ABL Credit Agreement, for the periods occurring during the months of January 2021 and February 2021.

23. A copy of the Default Notice is attached as **Exhibit “M”**.

24. In addition, the Bank became aware that on February 20, 2021, the Borrower received a Notice of Rent Default (the “**Rent Arrears Notice**”) with respect to a lease agreement dated January 1, 2014 signed by the Borrower and 1128686 Ontario Limited in respect of the premises located at 1905 Black Acre Drive, Tecumseh, Ontario. The Rent Arrears Notice specifies a balance of \$109,145.00 in rent arrears. A copy of the Rent Arrears Notice is attached as **Exhibit “N”**.

25. On February 26, 2021 (the “**Demand Date**”), the Bank (through its counsel) demanded repayment from the Debtors of all of the indebtedness owing by the Borrower to the Bank on or before 2:00pm on March 10, 2021 and issued a notices of intention to enforce security under section 244 of the BIA (the “**BIA Notice**”). A copy of the demand letters and BIA Notices (the “**Demands**”) is attached as **Exhibit “O”**.

26. As of the Demand Date, the Borrower was indebted to the Bank in the amount of \$18,106,554.52 CAD inclusive of principal and interest to that date (the “**Outstanding Indebtedness**”).

*Debtors Consent to Early Enforcement and Appointment of Receiver*

27. On March 2<sup>nd</sup>, 2021, the Debtors executed a Waiver and Consent in favour of the Bank, waiving the 10-day statutory notice period under the BIA Notice and consenting to early

enforcement by the Bank of its security. Copies of the executed Waiver and Consents are attached at **Exhibit “P”**.

## APPOINTMENT OF A RECEIVER

28. In light of the Rent Arrears Notice, the third party creditors may be in a position to enforce their rights against the Debtors and accordingly, I believe a stay of proceedings is necessary.

29. The Bank requires the appointment of a receiver in order to enforce its rights. The Bank is entitled to appoint a receiver under the security documents the Debtors executed.

30. The Debtors have consented to the appointment of the Receiver.

31. Deloitte has consented to act as Receiver. A copy of Deloitte’s executed consent is attached as **Exhibit “Q”**.

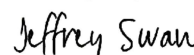
**SWORN BEFORE ME** via video-conference with the deponent in the City of Toronto and the Commissioner in the City of Toronto Ontario this 2<sup>nd</sup> day of March, 2021

DocuSigned by:



A Commissioner for taking Affidavits (or as may be)

DocuSigned by:



AF890058D6AF401...

JEFFREY SWAN

Note: This affidavit was commissioned via simultaneous video-conference in accordance with the *Commissioners for taking Affidavits Act*, R.S.O. 1990, CHAPTER C.17, and Ontario Regulation 431/20 Administering Oath or Declaration Remotely, under which (i) the identity of the deponent was confirmed from government issued identification, (ii) the commissioner administered the oath or affirmation, (iii) the deponent affixed their electronic signature to the affidavit, (iv) the deponent confirmed their electronic signature to the commissioner, (v) the commissioner affixed their electronic signature to the affidavit including exhibits.

This is **Exhibit “A”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

DocuSigned by:



6F056F5F3BC8405...

A Commissioner for Taking Affidavits

## CORPORATION PROFILE REPORT

| Ontario Corp Number                    | Corporation Name                       | Incorporation Date           |
|--|--|------------------------------|
| 2177845                                | TOOLPLAS SYSTEMS INC.                  | 2008/06/30                   |
|  |  | Jurisdiction                 |
|  |  | ONTARIO                      |
| Corporation Type                       | Corporation Status                     | Former Jurisdiction          |
| ONTARIO BUSINESS CORP.                 | ACTIVE                                 | NOT APPLICABLE               |
| Registered Office Address              | Date Amalgamated                       | Amalgamation Ind.            |
| 1905 BLACKACRE DRIVE                   | NOT APPLICABLE                         | NOT APPLICABLE               |
|  | New Amal. Number                       | Notice Date                  |
| OLDCASTLE<br>ONTARIO<br>CANADA N0R 1L0 | NOT APPLICABLE                         | NOT APPLICABLE               |
|  |  | Letter Date                  |
| Mailing Address                        |  | NOT APPLICABLE               |
| 1905 BLACKACRE DRIVE                   | Revival Date                           | Continuation Date            |
|  | NOT APPLICABLE                         | NOT APPLICABLE               |
| OLDCASTLE<br>ONTARIO<br>CANADA N0R 1L0 | Transferred Out Date                   | Cancel/Inactive Date         |
|  | NOT APPLICABLE                         | NOT APPLICABLE               |
|  | EP Licence Eff.Date                    | EP Licence Term.Date         |
|  | NOT APPLICABLE                         | NOT APPLICABLE               |
|  | Number of Directors<br>Minimum Maximum | Date Commenced<br>in Ontario |
|  | 00001 00010                            | NOT APPLICABLE               |
| Activity Classification                |  | Date Ceased<br>in Ontario    |
| NOT AVAILABLE                          |  | NOT APPLICABLE               |



Request ID: 025759936  
Transaction ID: 78344411  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2021/02/26  
Time Report Produced: 16:05:17  
Page: 2

# CORPORATION PROFILE REPORT

## Ontario Corp Number

2177845

## Corporation Name

TOOLPLAS SYSTEMS INC.

## Corporate Name History

TOOLPLAS SYSTEMS INC.

## Effective Date

2008/06/30

## Current Business Name(s) Exist:

YES

## Expired Business Name(s) Exist:

YES - SEARCH REQUIRED FOR DETAILS

## Administrator: Name (Individual / Corporation)

STEPHANE  
ANDRE  
DESBIEANS

## Address

4742 SHADETREE CRESCENT

WINDSOR  
ONTARIO  
CANADA N9G 2T9

## Date Began

2019/01/01

## First Director

NOT APPLICABLE

## Designation

DIRECTOR

## Officer Type

## Resident Canadian

Y

# CORPORATION PROFILE REPORT

**Ontario Corp Number**

2177845

**Corporation Name**

TOOLPLAS SYSTEMS INC.

**Administrator:****Name (Individual / Corporation)**

NIKOLAOS

MAMATAS

**Address**

954 BIRD BOULEVARD

BIRMINGHAM  
MICHIGAN  
UNITED STATES OF AMERICA 48009

**Date Began**

2008/06/30

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

VICE-PRESIDENT

**Resident Canadian****Administrator:****Name (Individual / Corporation)**

NIKOLAOS

MAMATAS

**Address**

954 BIRD BOULEVARD

BIRMINGHAM  
MICHIGAN  
UNITED STATES OF AMERICA 48009

**Date Began**

2008/06/30

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type****Resident Canadian**

N

# CORPORATION PROFILE REPORT

## Ontario Corp Number

2177845

## Corporation Name

TOOLPLAS SYSTEMS INC.

## Administrator:

### Name (Individual / Corporation)

NIKOLAOS

MAMATAS

### Address

954 BIRD BOULEVARD

BIRMINGHAM  
MICHIGAN  
UNITED STATES OF AMERICA 48009

## Date Began

2008/06/30

## First Director

NOT APPLICABLE

## Designation

OFFICER

## Officer Type

TREASURER

## Resident Canadian

N

## Administrator:

### Name (Individual / Corporation)

NIKOLAOS

MAMATAS

### Address

954 BIRD BOULEVARD

BIRMINGHAM  
MICHIGAN  
UNITED STATES OF AMERICA 48009

## Date Began

2010/06/01

## First Director

NOT APPLICABLE

## Designation

OFFICER

## Officer Type

CHIEF EXECUTIVE OFFICER

## Resident Canadian

# CORPORATION PROFILE REPORT

## Ontario Corp Number

2177845

## Corporation Name

TOOLPLAS SYSTEMS INC.

## Administrator:

### Name (Individual / Corporation)

NIKOLAOS  
MAMATAS

### Address

954 BIRD BOULEVARD  
  
BIRMINGHAM  
MICHIGAN  
UNITED STATES OF AMERICA 48009

## Date Began

2010/06/01

## First Director

NOT APPLICABLE

## Designation

OFFICER

## Officer Type

SECRETARY

## Resident Canadian

N

## Administrator:

### Name (Individual / Corporation)

JOHN  
SCHULTZ

### Address

405 TANGLEWOOD COURT  
  
ROCHESTER HILLS  
MICHIGAN  
UNITED STATES OF AMERICA 48309

## Date Began

2019/02/07

## First Director

NOT APPLICABLE

## Designation

OFFICER

## Officer Type

PRESIDENT

## Resident Canadian

Request ID: 025759936  
Transaction ID: 78344411  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2021/02/26  
Time Report Produced: 16:05:17  
Page: 6

# CORPORATION PROFILE REPORT

**Ontario Corp Number**

2177845

**Corporation Name**

TOOLPLAS SYSTEMS INC.

**Last Document Recorded**

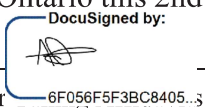
| Act/Code | Description        | Form | Date                           |
|----------|--------------------|------|--------------------------------|
| CIA      | ANNUAL RETURN 2019 | 1C   | 2020/03/15 (ELECTRONIC FILING) |

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

This is **Exhibit “B”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for 

## CORPORATION PROFILE REPORT

| Ontario Corp Number                    | Corporation Name                       | Incorporation Date           |
|--|--|------------------------------|
| 2266744                                | TOOL PROCESSING SOLUTIONS INC.         | 2010/12/08                   |
|  |  | Jurisdiction                 |
|  |  | ONTARIO                      |
| Corporation Type                       | Corporation Status                     | Former Jurisdiction          |
| ONTARIO BUSINESS CORP.                 | ACTIVE                                 | NOT APPLICABLE               |
| Registered Office Address              | Date Amalgamated                       | Amalgamation Ind.            |
| 1905 BLACKACRE DRIVE                   | NOT APPLICABLE                         | NOT APPLICABLE               |
|  | New Amal. Number                       | Notice Date                  |
| OLDCASTLE<br>ONTARIO<br>CANADA N0R 1L0 | NOT APPLICABLE                         | NOT APPLICABLE               |
|  |  | Letter Date                  |
| Mailing Address                        |  | NOT APPLICABLE               |
| 1905 BLACKACRE DRIVE                   | Revival Date                           | Continuation Date            |
|  | NOT APPLICABLE                         | NOT APPLICABLE               |
| OLDCASTLE<br>ONTARIO<br>CANADA N0R 1L0 | Transferred Out Date                   | Cancel/Inactive Date         |
|  | NOT APPLICABLE                         | NOT APPLICABLE               |
|  | EP Licence Eff.Date                    | EP Licence Term.Date         |
|  | NOT APPLICABLE                         | NOT APPLICABLE               |
|  | Number of Directors<br>Minimum Maximum | Date Commenced<br>in Ontario |
|  | 00001 00010                            | NOT APPLICABLE               |
| Activity Classification                |  | Date Ceased<br>in Ontario    |
| NOT AVAILABLE                          |  | NOT APPLICABLE               |

# CORPORATION PROFILE REPORT

## Ontario Corp Number

2266744

## Corporation Name

TOOL PROCESSING SOLUTIONS INC.

## Corporate Name History

TOOL PROCESSING SOLUTIONS INC.

## Effective Date

2011/03/04

2266744 ONTARIO LIMITED

2010/12/08

## Current Business Name(s) Exist:

YES

## Expired Business Name(s) Exist:

NO

## Administrator:

### Name (Individual / Corporation)

LAWRENCE

JEUN

### Address

246 EASTLAWN AVE.

WINDSOR  
ONTARIO  
CANADA N8S 3G9

## Date Began

2010/12/08

## First Director

NOT APPLICABLE

## Designation

DIRECTOR

## Officer Type

## Resident Canadian

Y



# CORPORATION PROFILE REPORT

**Ontario Corp Number**

2266744

**Corporation Name**

TOOL PROCESSING SOLUTIONS INC.

**Administrator:****Name (Individual / Corporation)**

LAWRENCE

JEUN

**Address**

246 EASTLAWN AVE.

WINDSOR  
ONTARIO  
CANADA N8S 3G9

**Date Began**

2010/12/08

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

PRESIDENT

**Resident Canadian**

Y

**Administrator:****Name (Individual / Corporation)**

LAWRENCE

JEUN

**Address**

246 EASTLAWN AVE.

WINDSOR  
ONTARIO  
CANADA N8S 3G9

**Date Began**

2010/12/08

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

SECRETARY

**Resident Canadian**

Y

## CORPORATION PROFILE REPORT

### Ontario Corp Number

2266744

### Corporation Name

TOOL PROCESSING SOLUTIONS INC.

### Administrator:

#### Name (Individual / Corporation)

LAWRENCE

JEUN

#### Address

246 EASTLAWN AVE.

WINDSOR  
ONTARIO  
CANADA N8S 3G9

### Date Began

2010/12/08

### First Director

NOT APPLICABLE

### Designation

OFFICER

### Officer Type

TREASURER

### Resident Canadian

Y

### Administrator:

#### Name (Individual / Corporation)

NIKOLAS

MAMATAS

#### Address

1905 BLACKACRE DRIVE

OLDCASTLE  
ONTARIO  
CANADA N0R 1L0

### Date Began

2019/12/01

### First Director

NOT APPLICABLE

### Designation

OFFICER

### Officer Type

VICE-PRESIDENT

### Resident Canadian

Request ID: 025769998  
Transaction ID: 78367566  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2021/03/02  
Time Report Produced: 08:34:41  
Page: 5

# CORPORATION PROFILE REPORT

**Ontario Corp Number**

2266744

**Corporation Name**

TOOL PROCESSING SOLUTIONS INC.

**Last Document Recorded**

| Act/Code | Description   | Form | Date                           |
|----------|---------------|------|--------------------------------|
| CIA      | CHANGE NOTICE | 1    | 2020/01/15 (ELECTRONIC FILING) |

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

This is **Exhibit “C”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for the City of Mississauga, Ontario  
ts

DocuSigned by:  
  
6F056F5F3BC8405...

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## **CREDIT AGREEMENT**

---

among

**TOOLPLAS SYSTEMS INC.**

as Borrower

and

**THE TORONTO-DOMINION BANK**

as Lender

**DATED** as of December 21st, 2017

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**SCHEDULES AND EXHIBITS**

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| Exhibit 13(a)(ix)  | Form of Closing Certificate  |

## CREDIT AGREEMENT

**CREDIT AGREEMENT** dated as of December \_\_\_\_\_, 2017, among Toolplas Systems Inc., a corporation incorporated under the laws of the Province of Ontario (including its successors and assigns, the "Borrower") and THE TORONTO-DOMINION BANK (including its successors and assigns, the "Lender").

### RECITALS

**WHEREAS**, the Borrower desires that the Lender extend certain loans, advances and other financial accommodations to the Borrower in order to refinance the Existing Indebtedness, and provide for working capital and general corporate purposes and the parties wish to provide for the terms and conditions upon which such loans, advances and other financial accommodations shall be made.

### AGREEMENT

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Borrower and the other Loan Parties, the parties hereto agree as follows:

#### **1. DEFINITIONS AND INTERPRETATION**

##### **(a) General Definitions.**

The following terms have the following meanings when used herein:

"Account", "Chattel Paper", "Document of Title", "Equipment", "Futures Account", "Futures Intermediary", "Intangible", "Goods", "Instrument", "Inventory", "Investment Property", "Securities Account", "Securities Intermediary" shall have the respective meanings assigned to such terms without initial capitals, as of the date of this Agreement, in the PPSA or the STA, as applicable.

"Account Debtor" shall mean, in respect of any Account, the debtor obligated to make payment thereof.

"Acquisition" shall mean any transaction or series of related transactions by means of a take-over bid (as such term is defined in the *Securities Act* (Ontario)), tender offer, amalgamation, merger, purchase of property or assets or otherwise, for the purpose of or resulting, directly or indirectly, in: (a) the acquisition of all or substantially all of the assets of a Person, or of all or substantially all of any business or division of a Person; (b) the acquisition of all of the outstanding Equity Interests (including the acquisition or termination of any rights, warrants or options to acquire the Equity Interests) of any Person, or otherwise causing any Person to become a Subsidiary; (c) a merger or consolidation or any other combination with another Person; (d) the acquisition of Control of a Person; or (e) the acquisition of more than 50% of the ownership or economic interests in any Person engaged in any business that is not managed by a board of directors or other governing body.

"Additional Compensation" shall have the meaning ascribed thereto in subsection 5(k)(i).

"Additional Term Loan" shall have the meaning ascribed thereto in the definition of Term Credit Commitment below.

"Affiliate" shall have the meaning ascribed thereto in the *Business Corporations Act* (Ontario).

"Affiliated Account Debtors" means, with respect to any Account Debtor, any other Account Debtor who controls, is controlled by, or is under common control with, such Account Debtor. For purposes of this definition, the meaning of "control" (including, with correlative meanings, "controlled by" and "under common control with") is limited to the direct or indirect legal or beneficial ownership of more than ten percent (10%) of the ownership of Equity Interests of an Account Debtor or an Affiliated Account Debtor.

"Aggregate Commitment" shall mean the sum of the Revolving Credit Commitment and the Term Credit Commitment, as such amounts may be reduced from time to time in accordance with this Agreement.

"Agreement" shall mean this Credit Agreement as it may be amended, supplemented, extended or restated from time to time.

"Anti-Terrorism Laws" shall mean any laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering or bribery, and any regulation, order, or directive promulgated, issued or enforced pursuant to such laws, all as amended, supplemented or replaced from time to time.

"Applicable Law" shall mean, in respect of a Person, property, transaction, event or other matter, as applicable, all present or future Laws relating or applicable to that Person, property, transaction, event or other matter, including any interpretation of Law by any Governmental Authority.

"Applicable Margin" shall mean, with respect to any Loan or Borrowing from and including the Closing Date, the percentage rate per annum determined in accordance with the pricing grid set forth immediately below, by reference to the applicable Type of Loan:

| Type of Loan    | LIBOR Loans Margin | U.S. Base Rate Loans Margin | Prime Rate Loans Margin |
|-----------------|--------------------|-----------------------------|-------------------------|
| Revolving Loans | 2.25%              | 0.25%                       | 0.75%                   |

"Authorized Officer" shall mean in respect of the Borrower each person whose name appears on Schedule A hereto (as updated from time to time by the Borrower by written notice to the Lender).

"BA Discount Proceeds" shall mean, with respect to a particular Bankers' Acceptance, the following amount:

$$\frac{F}{1 + \frac{D \times T}{365}}$$

where,

"F" means the face amount of such Bankers' Acceptance;

"D" means the applicable BA Discount Rate for such Bankers' Acceptance; and

"T" means the number of days to maturity of such Bankers' Acceptance;

with the amount so determined being rounded up or down to the fifth decimal place and .000005 being rounded up.

"BA Discount Rate" shall mean, for any Bankers' Acceptances to be accepted by the Lender on any date of any Borrowing the CDOR Rate on any such date.

"BA Power of Attorney" shall have the meaning ascribed thereto in subsection 3(d) hereof.

"BA Stamping Fee" shall mean the amount calculated by multiplying the face amount of a Bankers' Acceptance by the BA Stamping Fee Rate and then multiplying the result by a fraction, the numerator of which is the number of days to elapse from and including the date of acceptance of such Bankers' Acceptance by the Lender up to but excluding the maturity date of such Bankers' Acceptance, and the denominator of which is the number of days in the applicable calendar year.

"BA Stamping Fee Rate" shall mean, with respect to Bankers' Acceptances issued by Borrower and accepted by the Lender in connection with a Revolving Loan, 2.25% per annum.

"Bankers' Acceptance" shall mean a Draft in Canadian Dollars that is signed on behalf of Borrower and accepted by the Lender at the Borrower's request in accordance with section 3 hereof.

"Blocked Account" shall have the meaning ascribed thereto in subsection 8(a) hereof.

"Blocked Account Agreement" shall mean a bank agency or similar agreement with the Lender, the Borrower and/or any other applicable Loan Party and any financial institution with which the Borrower and/or such other applicable Loan Party maintains a Blocked Account, Lock Box, depository or other account, in form and substance satisfactory to the Lender in order to effect the cash management arrangements contemplated by this Agreement with respect to such Blocked Account, Lock Box, depository or other account.

"Borrower" shall have the meaning ascribed thereto in the Preamble hereof.

"Borrowing" shall mean a borrowing or advance of credit hereunder consisting of any loans made to the Borrower by the Lender including, without limitation, borrowings by way of Prime Rate Loans, Bankers' Acceptances, U.S. Base Rate Loans, LIBOR Loans or the issuance of a Letter of Credit by the Lender, and any reference relating to the amount of Borrowings shall mean, whether as a result of any Borrowing, deemed Borrowing, Conversion or Rollover, as applicable, the sum of the principal amount of all outstanding Prime Rate Loans, U.S. Base Rate Loans, LIBOR Loans, plus the face amount of all outstanding Bankers' Acceptances plus the maximum amount payable under outstanding Letters of Credit.

"Borrowing Base" shall mean at any time the lesser of the amounts then calculated as specified in subsections 2(b)(i) and (ii) hereof.

"Borrowing Base Certificate" shall have the meaning ascribed thereto in subsection 9(b) hereof.

"Borrowing Base Parties" shall have the meaning ascribed thereto in the definition of "Eligible Account".

“Business Day” shall mean, in respect of a LIBOR Loan, a day on which banks are open for business in Toronto, Ontario and London, England and, for all other purposes, means a day on which banks are open for business in Toronto, Ontario but does not in any event include a Saturday or a Sunday.

“Canadian Dollars” or “Cdn. \$” shall mean the lawful currency of Canada.

“Capital Adequacy Charge” shall have the meaning ascribed thereto in subsection 5(h).

“Capital Adequacy Demand” shall have the meaning ascribed thereto in subsection 5(h).

“Capital Expenditures” shall mean, with respect to any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities and including expenditures for capitalized lease obligations) by Borrower on a consolidated basis with its Subsidiaries during such period that are required by GAAP to be included in or reflected by the property, plant or equipment or similar fixed asset accounts (or in intangible accounts subject to amortization) in the balance sheet of Borrower on a consolidated basis with its Subsidiaries.

“CDOR Rate” shall mean for any day, and relative to Bankers’ Acceptances having any specified term and face amount, the discount rate per annum, calculated on the basis of a year of 365 days or 366 days in the case of a leap year equal to the rate per annum for Canadian Dollar bankers’ acceptances having the specified term (or a term as closely as possible comparable to such specified term of the Bankers’ Acceptance) that appear on the “Reuters Screen CDOR Page” (as defined in the International Swaps and Derivatives Association, Inc. 2000 definitions as modified and amended from time to time), for the Lender at or about 10:00 a.m. (Toronto time) on the first day of such term, as reported by the Lender or if such rate does not appear on such Reuters Screen CDOR Page for the Lender then, the composite or average rate per annum for Canadian Dollar bankers’ acceptances having such term that appear on the Reuters Screen CDOR Page for Canadian chartered banks listed in Schedule I to the *Bank Act* (Canada) at or about 10:00 a.m. (Toronto time) on the first day of such term, as determined by the Lender absent manifest error; provided that if neither such rate described above appears on the Reuters Screen CDOR Page then CDOR will be the annual discount rate of interest (rounded upward to the nearest whole multiple of 1/100 of 1%) as of 10:00 a.m. (Toronto time) on the date at which the Lender is then offering to purchase bankers’ acceptances accepted by it having the specified term (or a term and face amount as closely as possible comparable to such specified term and face amount) of the Bankers’ Acceptance.

“Change of Control” shall mean the occurrence of any transaction, circumstance or event whereby:

- (i) Nikolaos Mamatas ceases to own, directly or indirectly, legally and beneficially, 50.1% of all of the issued and outstanding Equity Interests in the capital of the Borrower giving them directly or indirectly, the right to elect a majority of the board of directors of Borrower or they shall otherwise cease to Control the Borrower; or
- (ii) **[Intentionally deleted]**
- (iii) except to the extent otherwise permitted pursuant to the terms of this Agreement, the Borrower ceases to own, directly or indirectly, legally and beneficially, all of the issued and outstanding Equity Interests in the capital of its Subsidiaries owned as of the day hereof or shall otherwise cease to Control such Subsidiaries; or

- (iv) the Borrower ceases to own, directly or indirectly and beneficially, the right to participate in the income, revenues, profits, property and assets attached to the issued and outstanding Equity Interests in the capital of its Subsidiaries owned as of the date hereof;
- (v) except to the extent otherwise permitted pursuant to the terms of this Agreement, the Borrower, any other Loan Party or any of their respective Subsidiaries (A) consolidates, amalgamates or merges with or into another entity and is not the surviving entity; or (B) conveys, transfers or leases (in one transaction or a series of transactions) all or substantially all of its property and assets to any Person; or
- (vi) Nikolaos Mamatas ceases to be actively involved in the day to day operations and management of the business of the Borrower at any time.

"Closing Certificate" shall have the meaning ascribed thereto in subsection 13(a)(x) hereof.

"Closing Date" shall mean the date upon which all of the conditions described in section 13 have been satisfied or waived in all respects in a manner acceptable to the Lender.

"Code" shall mean the *Internal Revenue Code* of 1986, as amended.

"Collateral" shall mean all of the undertaking, property and assets, present and future, real and personal, of the Borrower, any other Loan Party and any other Person described in the Collateral Documents, including that specifically described in section 7 hereof together with all other undertaking, property and assets of the Borrower or any other Loan Party or any other Person now or hereafter pledged to the Lender to secure, either directly or indirectly, repayment of any of the Liabilities.

"Collateral Access Agreement" means an agreement in form and substance reasonably satisfactory to the Lender pursuant to which a mortgagee or lessor of real property on which Collateral is stored or otherwise located, or a warehouseman, processor or other bailee of Inventory or other property owned by the Borrower or any other Loan Party, acknowledges the Liens granted in favour of the Lender by the Borrower and the other Loan Parties and waives or, in the discretion of the Lender, subordinates on terms reasonably acceptable to the Lender, any Liens held by such Person on such property, and, in the case of any such agreement with a mortgagee or lessor, permits access to and use of such real property following the occurrence and during the continuance of an Event of Default to assemble, complete and sell any Collateral stored or otherwise located thereon.

"Collateral Documents" means, collectively, the documents listed in section 7 hereof and each other Collateral Access Agreement, Blocked Account Agreement and any agreement or instrument pursuant to which the Borrower, any other Loan Party or any other Person, grants or purports to pledge and grant Liens in favour of the Lender in or in respect of Collateral or otherwise relates to such Collateral.

"Constituting Documents" means, with respect to any body corporate, the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of reorganization, articles of revival, letters patent, memorandum of agreement, special Act or statute and any other instrument or constituting document by or pursuant to which the body corporate is incorporated or comes into existence and with respect to any partnership, the partnership

agreement and any other instrument or constating document by or pursuant to which the partnership is created or comes into existence.

"Contaminant" shall mean all Hazardous Materials and all those substances which are regulated by and form the basis of liability under Environmental Laws or any other material or substance which constitutes a material health, safety or environmental hazard to any Person or property.

"Control" (including with correlative meanings the terms "controlled by" and "under common control with") in respect of any other Person means the power, directly or indirectly, to direct or cause the direction of the management and policies of any Person, whether through the ownership of Equity Interests or voting interests or by contract or otherwise.

"Conversion" shall mean a conversion or deemed conversion of a Type of Loan into another Type of Loan pursuant and subject to the provisions hereof; provided that, the conversion of a Type of Loan denominated in one currency to another Type of Loan denominated in another currency shall be effected by repayment of the Loan or portion thereof being converted in the currency in which it was denominated and re-advanced to the Borrower of the Loan into which such conversion was made.

"Conversion Date" shall mean the date specified by the Borrower as being the date on which the Borrower has elected to convert, or this Agreement requires the Conversion of, one Type of Loan into another Type of Loan and which shall be a Business Day.

"Conversion Notice" shall have the meaning ascribed thereto in subsection 6(a)(ii) hereof.

"Default" shall mean any event, condition or default which with the giving of notice, the lapse of time or both would be an Event of Default.

"Dilution" shall mean, with respect to any Person for any period, the percentage obtained by dividing: (a) the sum of non-cash credits against Accounts of such Person for such period, plus pending or probable, but not yet applied, non-cash credits against Accounts of such Person for such period as determined by the Lender, by (b) gross invoiced sales of such Person for such period.

"Draft" shall have the meaning ascribed thereto in subsection 3(d) hereof.

"EBITDA" shall mean, for any period, net income after taxes for such period of a Person, excluding: (i) any after-tax gains or losses on the sale of assets other than Inventory, (ii) other after-tax extraordinary or non-recurring gains or losses (in the Lender's discretion); and (iii) non-cash foreign exchange gains/losses; plus without duplication (i) interest expense, (ii) income tax expense, (iii) depreciation and amortization expenses plus non-cash losses at the Lender's discretion less non-cash gains at the Lender's discretion.

"EDC" shall mean Export Development Canada, including its successors and assigns.

"EDC Foreign Exchange Insurance" shall mean insurance provided by EDC in respect of any Foreign Exchange Contract of Borrower which provides the Lender with a guarantee to pay to the Lender any losses that occur as a result of Borrower not being able to meet its obligations on any such Foreign Exchange Contract for any reason, whether in the normal course or as a result of any proceedings relating to bankruptcy or insolvency, or otherwise, such insurance to be in form and substance satisfactory to the Lender in its discretion.



"Eligible Account" shall mean an Account owing to the Borrower and a subsequent Loan Party who has met the conditions hereunder with respect to the granting of a guarantee and security acceptable to the Lender (collectively, the "Borrowing Base Parties") which is acceptable to the Lender in its discretion for lending purposes. Without limiting the aforementioned Lender's discretion, the Lender shall, in general, consider an Account to be an Eligible Account if it meets, and so long as it continues to meet, all of the following requirements:

- (i) it is genuine and in all respects is what it purports to be;
- (ii) it is owned by the Borrowing Base Parties and the Borrowing Base Parties have the right to subject it (and has subjected it) to a first (subject only to Permitted Liens) ranking Lien in favour of the Lender;
- (iii) it arises from (A) the performance of services by the Borrowing Base Parties and such services have been fully performed and acknowledged and accepted by the Account Debtor thereunder; or (B) the sale of Goods by the Borrowing Base Parties and such Goods have been completed in accordance with the Account Debtor's specifications (if any) and delivered to and accepted by the Account Debtor, such Account Debtor has not refused to accept and has not returned or offered to return any of the Goods, or has not refused to accept any of the services, which are the subject of such Account, and the Borrowing Base Parties have possession of, or have delivered to the Lender at the Lender's request, shipping and delivery receipts evidencing delivery of such Goods;
- (iv) it is evidenced by an invoice rendered to the Account Debtor thereunder, and is due and payable within a maximum of ninety (90) days after the stated invoice date thereof and does not remain unpaid for more than the lesser of ninety (90) days past the stated invoice date thereof and thirty (30) days past the stated due date thereof, provided, however, that if more than twenty-five percent (25%) of the aggregate dollar amount of invoices owing by a particular Account Debtor to the Borrowing Base Parties remain unpaid for more than the lesser of ninety (90) days past the stated invoice date thereof and thirty (30) days past the respective stated due dates thereof with respect to invoices rendered to all such Account Debtors, then all Accounts owing to the Borrowing Base Parties by such Account Debtors shall be deemed ineligible;
- (v) it is not subject to any prior assignment or Lien whatsoever, other than Permitted Liens;
- (vi) it is a valid, legally enforceable and unconditional obligation of the Account Debtor thereunder, and is not subject to setoff, counterclaim, contra, deduction, credit, allowance or adjustment, or to any claim by such Account Debtor denying liability thereunder in whole or in part whether by reason of prepayment, previous credit or otherwise;
- (vii) it does not arise out of a contract or order which fails in any material respect to comply with the requirements of Applicable Law;
- (viii) the Account Debtor thereunder is not any of the following (each "Related Account Debtor"):

- A. a Subsidiary, Parent or Affiliate of, or otherwise related to, the Borrower or any other Loan Party; or
  - B. a director, officer, employee or agent of the Borrower, any other Loan Party or any Subsidiary, Parent or Affiliate of the Borrower or any other Loan Party;
- (ix) it is not an Account with respect to which the Account Debtor is (A) the U.S. or any department, agency or instrumentality thereof, unless the Borrowing Base Parties assign their right to payment of such Account to the Lender pursuant to, and in full compliance with, the *Assignment of Claims Act* of 1940, as amended, (B) Her Majesty the Queen in Right of Canada or any department, agency or instrumentality thereof, unless the Borrowing Base Parties grant to the Lender by way of absolute assignment and as security, their right to payment of such Account pursuant to and in full compliance with, and all other steps deemed necessary by the Lender have been taken under, the *Financial Administration Act* (R.S.C. 1985, c. F-11), as amended, and such assignment is enforceable against such Person, or (C) a Crown corporation, any other government or other governmental body, including any provincial or territorial governmental body, if such Account cannot be the object of a valid first (subject only to Permitted Liens) ranking Lien in favour of the Lender without special formalities or requirements, unless such formalities or requirements have been performed to the full satisfaction of the Lender and such assignment is enforceable against such Person;
- (x) it is not an Account with respect to which the Account Debtor is located in a state of the U.S., a province or territory of Canada or in any other country (except with respect to an Account Debtor in any such other country in respect of which clause (B) in subparagraph (xii) below has been complied with) which requires the Borrowing Base Parties as a precondition to commencing or maintaining an action in its courts, either to (A) receive a certificate of authority to do business and be in good standing therein, (B) file a notice of business activities report or similar report with its taxing authority, or (C) otherwise comply with any other requirement of such state, province, territory or country, unless (x) the Borrowing Base Parties have taken the appropriate actions described in clauses (A), (B) or (C), (y) the failure to take one of the actions described in either clause (A), (B) or (C) may be cured retroactively by the Borrowing Base Parties at their election, or (z) the Borrowing Base Parties have proven, to the Lender's satisfaction, that it is exempt from any such requirements under any such state's, province's, territory's or country's Laws;
- (xi) it is an Account which arises out of a sale made in the ordinary course of the Borrowing Base Parties' business;
- (xii) the Account Debtor is a resident or citizen of, and is located or has its chief executive office located within (A), a state or province or territory of the U.S. or Canada in which the Lien in favour of the Lender is properly registered in accordance with Applicable Law and the Account is payable in the lawful money of either the U.S. or Canada, or (B) any other country, provided the payment of such Account is secured by a letter of credit or insurance which is payable in

U.S. or Canadian Dollars supplied by an institution, and which is in form and substance and otherwise, satisfactory to the Lender in its discretion;

- (xiii) it is not an Account with respect to which the Account Debtor's obligation to pay is conditional upon the Account Debtor's approval of the Goods or services or is otherwise subject to any repurchase obligation or return right, as with sales made on a bill-and-hold, guaranteed sale, sale on approval, sale or return or consignment basis;
- (xiv) it is not an Account (A) with respect to which any representation or warranty contained in this Agreement or any other Loan Documents is untrue or (B) which violates any of the covenants of the Borrower or any other Loan Party contained in this Agreement or any other Loan Documents;
- (xv) it is not an Account which, when added to a particular Account Debtor's and its Affiliated Account Debtors' other indebtedness in aggregate owing to the Borrowing Base Parties, exceeds fifteen percent (15%) (other than Ford, Chrysler and General Motors each of which shall be 35%) of the aggregate of the Borrowing Base Parties' Accounts net of any Accounts of the Borrowing Base Parties owing by a Related Account Debtor; provided that Accounts excluded from Eligible Accounts solely by reason of this paragraph (xv) shall be Eligible Accounts to the extent of such limits and set forth herein;
- (xvi) it is not an Account with respect to which the prospect of payment or performance by the Account Debtor is or will be impaired, as determined by the Lender in its discretion; and
- (xvii) it is not an Account arising from pre-billings on progress billings.

"Eligible Equipment" shall mean the unencumbered Equipment owned by the Borrower which is financed by the Lender pursuant to the Term Loan Agreement(s), is located at locations acceptable to the Lender in Canada and is the subject matter of the Term Loan and the Additional Term Loans in respect of which the Lender has a first priority Lien.

"Eligible Inventory" shall mean Inventory of the Borrowing Base Parties which is acceptable to the Lender in its discretion for lending purposes. Without limiting the aforementioned Lender's discretion, the Lender shall, in general, consider Inventory to be Eligible Inventory if it meets, and so long as it continues to meet, all of the following requirements:

- (i) it is raw materials Inventory which are steel and manufacturing parts which are used for and/or forms part of the particular moulds being manufactured which is owned by the Borrowing Base Parties and the Borrowing Base Parties have the right to subject it to a first (subject only to Permitted Liens) ranking Lien in favour of the Lender;
- (ii) it is located on the premises listed on Schedule B hereto or such other premises from time to time accepted in writing by the Lender;
- (iii) it is not subject to any prior assignment or Lien whatsoever, other than Permitted Liens, has not given rise to an Account and is not related to any Eligible UBCR and is subject to a valid first (subject only to Permitted Liens) ranking Lien in

favour of the Lender which is properly perfected in the jurisdiction where such Inventory is located or as otherwise required by Applicable Law;

- (iv) it is not supplies used in the packaging of finished goods, parts, samples or display, and is held for sale or furnishing under contracts of service and is used in the manufacturing of finished goods;
- (v) it is (except as the Lender may otherwise consent in writing) unspoiled and free from deficiencies which would, in the Lender's determination, affect its market value;
- (vi) it is not in transit, unless subject to a documentary Letter of Credit issued by the Lender for the Borrower's account, or stored with or in the possession of a bailee, consignee, warehouseman, processor, shipper or similar party or located on any leased premises unless the Lender has given its prior written approval or the Borrowing Base Parties have caused (unless the Lender has waived such requirement and/or has caused a reserve to be imposed) any such bailee, consignee, warehouseman, processor, shipper, similar party or lessor to issue and deliver to the Lender, in form and substance acceptable to the Lender in its discretion, a Collateral Access Agreement and such financing statements, warehouse receipts, bills of lading, waivers and other documents as the Lender shall require;
- (vii) the Lender has determined in its discretion that it is not unacceptable due to obsolescence, age, type, category, quantity, expiry or other factors and for greater certainty any packaging materials and any used or old, returned, damaged or defective or spoiled Inventory, Inventory unfit for intended usage or not readily saleable at above cost, and Inventory held or placed on consignment shall not be acceptable as Eligible Inventory;
- (viii) it is not work in process;
- (ix) it is not Inventory that has been transferred between Borrowing Base Parties at above original arms'-length third party cost; provided that, Inventory excluded from Eligible Inventory solely by reason of this paragraph (ix) shall be Eligible Inventory to the extent of the original arms'-length third party cost thereof;
- (x) it is not Inventory (A) with respect to which any of the representations and warranties contained in this Agreement or any other Loan Documents are untrue or (B) which violates any of the covenants of the Borrower or any other Loan Party contained in this Agreement or any Loan Documents.

"Eligible UBCR" shall mean unbilled contract revenue amounts from customers acceptable to the Lender in its reasonable credit discretion as accrued and recorded on the Borrower's books and records in accordance with GAAP consistent with historical practice pursuant to contracts and/or in respect of manufacturing conducted by the Borrower for such customers acceptable to the Lender in respect of moulds which are at least equal to or greater than 60% substantially completed moulds which have undergone sufficient customer testing such that "PPAP" is materially assured to Lender's satisfaction in its reasonable credit discretion and which are not in respect of any moulds which have not received final written "PPAP" within 18 months of the commencement of manufacturing of such mould and generation of such unbilled contract revenue amount and such related mould is located in

Canada or the U.S. at locations acceptable to the Lender and otherwise meets the general criteria, but for the fact that these are unbilled work-in-process receivables, of an Eligible Account.

"Employee Benefit Plan" shall have the meaning ascribed thereto in the definition of Pension Plan.

"Environmental Claims" shall mean, with respect to any Person, any written notice of violation, claim, deficiency, demand, abatement or other order or prosecution by any governmental authority or any person for personal injury (including sickness, disease or death), tangible or intangible property damage, damage to the environment, nuisance, pollution, contamination or other adverse effects on the environment, or for fines, penalties, convictions or deed or use restrictions, resulting from or based upon (i) the existence, or the continuation of the existence, of a Release (including, without limitation, sudden or non-sudden, accidental or non-accidental Releases), of, or exposure to, any Contaminant at, in, by or from any of the properties of such Person, (ii) the environmental aspects of the transportation, storage, treatment or disposal of Contaminants in connection with the operation of any of the properties of such Person or (iii) the violation, or alleged violation by such Person, of any statutes, ordinances, orders, rules, regulations, permits or licenses of or from any Governmental Authority, agency or court relating to environmental matters connected with any of the properties of such Person, under any applicable Environmental Laws.

"Environmental Laws" shall mean all federal, provincial, territory, state, municipal, district, local and foreign Laws, rules, regulations, ordinances, interpretations and orders of courts or Governmental Authorities and consent decrees (including, without limitation, those of the United States of America) relating to health, safety, hazardous substances, pollution and environmental matters, now or hereafter in effect and includes, without limitation, the *Environmental Protection and Enhancement Act* (Ontario), *Climate Change and Emissions Management Act* (Ontario), *Water Act* (Ontario), *Drainage Districts Act* (Ontario), *Ontario Land Stewardship Act*, *Dangerous Goods Transportation and Handling Act* (Ontario), *Occupational Health and Safety Act* (Ontario), *Gasoline Handling Act* (Ontario), the *Canadian Environmental Protection Act*, the *Canadian Transportation of Dangerous Goods Act*, and the *Fisheries Act* (Canada) and regulations thereunder, and Laws and regulations respecting pesticides, fisheries regulation and water resource management, as all of the aforesaid Laws and regulations have been and hereafter may be amended or supplemented, and any related or analogous present or future federal, provincial, territory, state, municipal, district, local or foreign Laws, statutes, rules, regulations, ordinances and consent decrees (including, without limitation, those of the United States of America) having the force of Law, regulations, ordinances, licenses, permits and interpretations having the force of Law, orders of regulatory and administrative bodies and guidelines.

"Environmental Losses" shall have the meaning ascribed thereto in subsection 16(b) hereof.

"Equity Interests" shall mean, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"Equivalent Amount" shall mean, on any given date, with respect to any two currencies, the amount obtained in the selected currency which could be purchased with the relevant amount of the other currency at the then applicable Spot Rate at 11:00 a.m. Toronto time on such date (and if such date is not a Business Day, on the preceding Business Day) for the purchase of the selected currency with such other currency.

"ERISA" shall mean the *U.S. Employee Retirement Income Security Act* of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" shall mean any person that for purposes of Title I or Title IV of ERISA or Section 412 of the Code would be deemed at any relevant time to be a single employer or otherwise aggregated with the Borrower or any of its Subsidiaries under Section 414(b) or (c) of the Code or Section 4001 of ERISA.

"Event of Default" shall have the meaning ascribed thereto in section 14 hereof.

"Excess Availability" shall mean, as of any date of determination by the Lender, the excess, if any, of (i) the Borrowing Base less (ii) the aggregate of the outstanding Revolving Loans (including issued and outstanding Letters of Credit) as of the close of business on such date.

"Existing Indebtedness" shall mean all indebtedness and liabilities owing by the Borrower or any other Loan Party to Fifth Third Bank, BDC Capital Inc., Alterinvest II Fund L.P., Wells Fargo/GE and any and all other existing equipment financiers/lessors pursuant to any agreement, document, lease or instrument.

"Federal Funds Rate" shall mean, for any day, the rate of interest per annum equal to (a) the weighted average (rounded upwards, if necessary, to the next 1/100th of one percent per annum) of the annual rates of interest on overnight Federal funds transactions with members of the Federal Reserve Board of the United States of America (or any successor thereof) arranged by Federal funds brokers on such day, as published on the next succeeding Business Day by the Federal Reserve Bank of New York (or any successor thereto) or, (b) if such day is not a Business Day, such weighted average for the immediately preceding Business Day for which the same is published or, (c) if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100th of one percent per annum) of the quotations for such day on such transactions received by the Lender from three Federal funds brokers of recognized standing selected by the Lender.

"Federal Reserve Board" or "Federal" shall mean the Board of Governors of the Federal Reserve System of the United States of America or any successor thereof.

"Financial Reporting Certificate" shall have the meaning ascribed thereto in subsection 9(d)(i) hereof.

"Fiscal Quarter End" shall mean, November 30, February 28, May 31, and August 31 in the case of the Borrower and the other Loan Parties, in each Fiscal Year.

"Fiscal Year" shall mean the fiscal year of the Borrower on a consolidated basis ending on the Fiscal Year End of each calendar year.

"Fiscal Year End" shall mean August 31 in the case of the Borrower and the other Loan Parties, in each Fiscal Year.

"Fixed Charge Coverage Ratio" shall mean as at each Fiscal Quarter End to be calculated on a consolidated basis for the Borrower on a trailing four (4) quarter basis, the ratio of (a) the total EBITDA for such period less the sum for such period of: (i) income taxes paid (or which should have been paid) in cash during such period, (ii) non-financed Capital Expenditures, and (iii) Permitted Distributions to (b) the sum for such period of: (i) interest expense paid or scheduled to be paid within such period; and (ii) scheduled principal payments of long term debt, including the principal component of any capital lease and subordinated debt (in each case, whether or not in fact paid or scheduled to be paid during such period) but for greater certainty not including (a) up to the amount of \$925,000 in respect of repayments of all outstanding term/equipment loans, including capital leases, but not any of the indebtedness owing to Business Development Bank Canada or its Affiliates, on the Closing Date, and (b) up to the amount \$2,191,000 in respect of repayments/purchases of operating leases with Wells Fargo on the Closing Date.

"Fixed Rate Loan" shall mean a loan in U.S. Dollars that bears interest at a fixed rate as set out in the applicable Term Loan Agreement.

"Foreign Exchange Contracts" shall mean any currency swap agreements, cross currency agreements, forward agreements, floor, cap or collar agreements, futures or options, insurance or other similar agreements or arrangements, or any combination thereof, where the subject matter of the same is currency exchange rates or the price, value or amount payable thereunder is dependent or based upon currency exchange rates or fluctuations in currency exchange rates as in effect from time to time.

"Fraudulent Conveyance" means a fraudulent conveyance or fraudulent transfer under the applicable provisions of any fraudulent conveyance or fraudulent transfer Applicable Law or similar law of any province, territory, nation or other Governmental Authority, as in effect from time to time.

"GAAP" shall mean generally accepted accounting principles in Canada as in effect from time to time, and, following any change in respect of accounting standards to be adopted by Canadian private companies, such accounting standards approved by the Canadian Accounting Standards Board in effect from time to time as may be selected by the Borrower, including without limitation, accounting standards for private enterprises or international financial reporting standards, in each case consistently applied provided that each Loan Party shall, when required to adopt new accounting standards, adopt accounting standards for private enterprises unless the Lender otherwise consents in writing.

"Governmental Authority" shall mean the government of Canada, the United States of America or any other nation, or of any political subdivision thereof, whether state, provincial, territory or local, and any agency, authority, instrumentality, regulatory body, court, central bank (or similar monetary or regulatory authority) or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including any supranational bodies such as the European Union or the European Central Bank and including a Minister of the Crown, Superintendent of Financial Institutions or other comparable authority or agency.

"Guarantors" shall include any Person who enters into, executes and delivers one or more guarantees in favour of the Lender in respect of the Liabilities and "Guarantor" means any one of them.

"Hazardous Materials" shall mean any pollutant, contaminant, chemical, or industrial or hazardous, toxic or dangerous goods, waste, substance or material, defined or regulated as such in (or for purposes of) any Environmental Laws and any other toxic, reactive, or flammable chemicals, including (without limitation) any friable asbestos, any petroleum (including crude oil or any fraction), any radioactive substance and any polychlorinated biphenyls; provided, that in the event that any Environmental Law is amended so as to broaden the meaning of any term defined thereby, such broader

meaning shall apply subsequent to the effective date of such amendment; and provided further that, without limitation, to the extent that the Applicable Laws of any province, state, municipality or any other local or foreign jurisdiction (including those of the United States of America) establish a meaning for "waste," "hazardous material," "hazardous substance," "hazardous waste," "solid waste," "pollutant," "contaminant," "chemical mixture," "chemical substance," or "toxic substance" which is broader than that specified in any federal Environmental Laws in such jurisdiction, such broader meaning shall apply in the relevant jurisdiction.

"Hedging Instruments" shall mean, collectively, Foreign Exchange Contracts and Interest Rate Swaps.

"Hedging Obligations" shall mean, as of the date of determination, the notional amount of all Hedging Instruments.

"Hedging Reserves" shall mean, at any time, a mark-to-market reserve in respect of the Hedging Obligations then outstanding between the Borrower and the Lender, as determined by the Lender in its discretion and as adjusted from time to time by the Lender in its discretion, whether as a result of a change in the reserve methodology used by the Lender or otherwise.

"Indemnified Liabilities" shall have the meaning ascribed thereto in subsection 16(a) hereof.

"Indemnified Party" shall have the meaning ascribed thereto in section 16 hereof.

"Interest Payment Date" shall mean: (i) with respect to each Prime Rate Loan and U.S. Base Rate Loan, the first Business Day of each calendar month; and (ii) with respect to each LIBOR Loan, the last day of each applicable Interest Period and, if any Interest Period is longer than three (3) months, the last Business Day of each three (3) month period during such Interest Period; provided that, in any case, the Maturity Date or, if applicable, any earlier date on which the Revolving Credit Commitment is fully cancelled or permanently reduced in full or accelerated, shall be an Interest Payment Date with respect to all Loans then outstanding under this Agreement.

"Interest Period" shall mean: (i) with respect to each Prime Rate Loan and U.S. Base Rate Loan, the period commencing on the applicable Borrowing date or Conversion Date, as the case may be, and terminating on the date selected by the Borrower hereunder for the Conversion of such Loan into another Type of Loan or for the repayment of such Loan; (ii) with respect to any Loan by way of Bankers' Acceptances, the period selected by the Borrower and being of three (3) or six (6) months' duration commencing on the applicable Borrowing date, Rollover Date or Conversion Date, as the case may be; or (iii) with respect to each LIBOR Loan, the period selected by the Borrower and being of three (3) or six (6) months' duration commencing on the applicable Borrowing date, Rollover Date or Conversion Date, as the case may be; provided that in any case: (A) the last day of each Interest Period shall be also the first day of the next Interest Period whether with respect to the same or another Loan; (B) the last day of each Interest Period shall be a Business Day and if the last day of an Interest Period selected by the Borrower is not a Business Day the Borrower shall be deemed to have selected an Interest Period the last day of which is the Business Day next following the last day of the Interest Period selected unless such next following Business Day falls in the next calendar month in which event the Borrower shall be deemed to have selected an Interest Period the last day of which is the Business Day next preceding the last day of the Interest Period selected by the Borrower; and (C) the last day of all Interest Periods for Loans outstanding pursuant to this Agreement shall expire on or prior to the Maturity Date.



"Interest Rate Swaps" shall mean any interest rate swap agreements, forward rate agreements, floor, cap or collar agreements, futures or options, insurance or other similar agreements or arrangements, or any combination thereof, where the subject matter of the same is interest rates or the price, value or amount payable thereunder is dependent or based upon the interest rates or fluctuation in interest rates in effect from time to time (but for certainty, shall exclude conventional floating rate debt).

"ITA" shall mean the *Income Tax Act* (Canada) and the rules and regulations enacted thereunder, each as amended or modified from time to time.

"Judgment Conversion Date" has the meaning ascribed thereto in subsection 17(j)(i)B hereof.

"Judgment Currency" has the meaning ascribed thereto in subsection 17(j)(i) hereof.

"Law" shall mean all federal, provincial, territorial, state or local laws, (including the common law), by-laws, ordinances, statutes, regulations, treaties, judgments and decrees, and all official directives, rules, guidelines, notices, approvals, orders, policies and other requirements of any Governmental Authority whether or not they have force of law.

"Leased Premises" means, collectively, the real and immovable property leased by the Borrower or any other Loan Party pursuant to the Real Property Leases.

"Lender" shall have the meaning ascribed thereto in the Preamble hereof.

"Lender's Branch" shall mean the Lender's branch office located at TD Tower, 100 Wellington Street West, 29th Floor, Toronto, Ontario, Canada M5K 1A2 or such other branch of the Lender as the Lender may designate in writing to the Borrower from time to time.

"Letter of Credit Fee" shall have the meaning ascribed thereto in subsection 5(i) hereof.

"Letter of Credit Fee Rate" shall mean, with respect to any Letter of Credit, the applicable percentage rate per annum determined in accordance with the pricing grid set forth immediately below by reference to either a standby Letter of Credit or a documentary Letter of Credit, as the case may be:

| <b>Letter of Credit</b>       | <b>Letter of Credit Fee Rate</b>           |
|-------------------------------|--|
| Standby Letters of Credit     | the greater of 2.5% per annum and \$250.00 |
| Documentary Letters of Credit | the greater of 1.25% per annum or \$250.00 |

"Letter of Credit Request" shall have the meaning ascribed thereto in subsection 6(b) hereof.

"Letters of Credit" shall mean documentary or standby letters of credit issued for Borrower's account in accordance with the terms of subsection 2(f) hereof.

"L/C Liabilities" shall mean at any time the face amount of letters of credit (if any) issued for Borrower's account by the Lender to the extent not drawn down and if drawn down, not fully reimbursed to the Lender.

"Liabilities" shall mean any and all present and future obligations, liabilities and indebtedness of the Borrower and the Guarantors to the Lender or to any Parent, Affiliate or Subsidiary of the Lender of any and every kind and nature, howsoever created, arising or evidenced and howsoever owned, held or acquired, whether now or hereafter existing, whether now due or to become due, whether primary, secondary, direct, indirect, absolute, contingent or otherwise (including, without limitation, obligations of performance), whether several, joint or joint and several, and whether arising or existing under written or oral agreement or by operation of Law, including, without limitation, all Loans, all L/C Liabilities, all Hedging Obligations and all unpaid interest, fees, charges, costs, indemnities and expenses owing to the Lender arising under, pursuant to or in connection with this Agreement or any Loan Document or any other document between any of the Loan Parties and The Toronto-Dominion Bank or any Parent, Affiliate or Subsidiary.

"LIBOR Loan" shall mean a Loan in United States Dollars that bears interest based on the LIBOR Rate.

"LIBOR Rate" shall mean, for each Interest Period applicable to a LIBOR Loan, the rate of interest per annum, expressed on the basis of a year of 360 days:

- (i) applicable to deposits in United States Dollars and appearing on the display referred to as "LIBOR01 Page" as defined in the International Swap Dealer Association, Inc. definitions, as modified from time to time (or any display substituted therefor for the purpose of displaying bid quotation for deposits in United States Dollars) of Reuters Limited (or any successor thereto or Affiliate thereof) as of 11:00 a.m. (London, England time) on the second Business Day prior to the first day of such Interest Period; or
- (ii) if such rate does not appear on the "LIBOR01 Page" of such Reuters display, or if such display or rate is not available for any reason, the rate per annum at which United States Dollars are offered by the principal lending office in London, England of the Lender (or of its Affiliates if it does not maintain such an office) in the London interbank market at approximately 11:00 a.m. (London, England time) on the second Business Day prior to the first day of such Interest Period,

in each case in an amount similar to such LIBOR Loan and for a period comparable to such Interest Period.

"LIBOR Revolving Loan" shall mean a LIBOR Loan that is a Revolving Loan.

"Lien" shall mean, with respect to any asset, including any real or personal property or other right owned or being purchased or acquired by a Person (including an interest in respect of a capital lease) any mortgage, lien, title retention lien, charge, hypothec, pledge, claim, security interest, adverse right/claim/trust (statutory or otherwise) or other encumbrance of any kind, whether arising by contract, as a matter of Law, by judicial process or otherwise in respect of such asset.

"Loan" or "Loans" shall mean any and all Revolving Loans, Term Loan and Additional Term Loan made by the Lender pursuant to section 2 hereof and all other loans, advances and financial accommodations made by the Lender to or on behalf of the Borrower hereunder.

"Loan Account" shall mean the account or accounts of the Lender maintained at the Lender's Branch identified and described in Schedule E attached hereto (as such may be replaced or updated from time to time by the Lender in writing to the Borrower).

"Loan Documents" shall mean this Agreement and any and all agreements, instruments and documents entered into in connection with the transactions contemplated by this Agreement, including, without limitation, the Collateral Documents, Hedging Instruments, the Term Loan Agreement(s) and all other guarantees, mortgages, charges, hypothecs, trust deeds, pledges, powers of attorney, consents, assignments, contracts, notices, acknowledgements, estoppels, certificates, directions, waivers, security agreements, leases, financing statements and all other writings heretofore, now or from time to time hereafter executed by or on behalf of the Borrower or any other Person (including any other Loan Party) and delivered to the Lender or to any Parent, Affiliate or Subsidiary of the Lender.

"Loan Party" shall mean the Borrower and any Guarantors.

"Lock Box" shall have the meaning ascribed thereto in subsection 8(a) hereof.

"Material Adverse Effect" shall mean with respect to any Person, any event, act, condition or occurrence of whatever nature (including, without limitation, a labour union strike or lockout and any adverse determination in any litigation, arbitration or governmental investigation or proceeding), whether singly or in conjunction with any other event or events, act or acts, condition or conditions, occurrence or occurrences, whether or not related, that could reasonably be expected to cause a material adverse change in, or that could reasonably be expected to have a material adverse effect upon, any of the business, property, assets, operations or financial condition of such Person.

"Maturity Date" shall mean the fifth anniversary date of the Closing Date subject to acceleration and Event of Default pursuant to section 14 hereof.

"Multiemployer Plan" shall mean any multiemployer plan as defined in Section 4001(a)(3) of ERISA, which is contributed to by (or to which there is an obligation to contribute of) the Borrower or any of its Subsidiaries or with respect to which the Borrower or any of its Subsidiaries has any liability (including on account of an ERISA Affiliate).

"Notice of Borrowing" shall have the meaning ascribed thereto in subsection 6(a)(i).

"Parent" shall mean any Person which, at any time, now or hereafter owns at least 50% or more of the issued outstanding voting Equity Interests of another Person or otherwise Controls such other Person, and if such other Person is a partnership, owns at least 50% or more of the issued outstanding voting Equity Interests of the general partner of such other Person or otherwise Controls such general partner of such other Person.

"PBGC" shall mean the U.S. Pension Benefit Guaranty Corporation or any successor entity.

"Pension Plan" or "Employee Benefit Plan" shall mean an "employee pension benefit plan" as defined in Section 3(2) of ERISA (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA maintained or contributed to by the Borrower or any of its Subsidiaries or with respect to which the Borrower or any of its Subsidiaries has any liability (including on account of an ERISA Affiliate).

"Permitted Bank Account" shall have the meaning ascribed thereto in subsection 12(q) hereof.

"Permitted Distributions" shall mean any payments or distributions made by a Loan Party from time to time to any Person as permitted by the provisions of this Agreement, including, without

limitation, those listed in subsection 12(k) hereof or otherwise agreed to in writing by the Lender, from time to time in its discretion.

"Permitted Indebtedness" shall have the meaning ascribed thereto in subsection 11(k) hereof.

"Permitted Investments" shall have the meaning ascribed thereto in subsection 12(l) hereof.

"Permitted Liens" shall mean: (i) statutory liens of landlords, carriers, warehousemen, mechanics, materialmen or suppliers incurred in the ordinary course of business and securing amounts not yet due or declared to be due by the claimant thereunder which are reserved from the Borrowing Base and which are being contested in good faith and by appropriate proceedings and during such period which such Liens are being so contested, such Liens shall not be executed on any of the Collateral; (ii) Liens in favour of the Lender; (iii) zoning restrictions and easements, rights of way, licenses, covenants and other restrictions affecting the use of real property that do not individually or in the aggregate have a Material Adverse Effect on the ability of the owner or user thereof to use such real property for its intended purpose in connection with its business; (iv) Liens and prior claims securing the payment of taxes or other governmental charges not yet delinquent or being contested in good faith and by appropriate proceedings and are reserved from the Borrowing Base or, during such period which such Liens are being so contested, such Liens shall not be executed on any of the Collateral; (v) Liens securing a purchase money obligation (but not with respect to any Inventory or Eligible Equipment being financed by the Lender) or Liens incurred or deposits made in the ordinary course of business in connection with capitalized leases for purchase of, and in each case applying only to, Equipment as permitted hereunder, the documents relating to such Liens to be in form and substance acceptable to the Lender; (vi) deposits or pledges to secure performance of bids, trade contracts, tenders, leases, statutory obligations, indemnity, performance, surety and appeal bonds and other obligations of like nature incurred in the ordinary course of business (to the extent not excepted elsewhere herein); (vii) the Liens set forth on Schedule C or specifically permitted by the Lender in its discretion and in writing from time to time; (viii) any Lien arising out of the refinancing, extension, renewal or refunding of any indebtedness secured by a Lien permitted by any of the foregoing sections (i) through (vii) inclusive; provided, that (A) such indebtedness is not secured by any additional assets, and (B) the amount of such indebtedness is not increased; (ix) pledges or deposits in connection with worker's compensation, employment insurance and other social security legislation, (x) rights of setoff, banker's lien and other similar rights arising solely by operation of Law; (xi) Liens subordinated to the Liens described in (ii) above by agreements satisfactory in form and substance to the Lender in its discretion; (xii) undetermined or inchoate Liens and charges arising or potentially arising under statutory provisions which have not at the time been filed or registered in accordance with Applicable Law or of which written notice has not been duly given in accordance with Applicable Law or which although filed or registered, relate to obligations not due or delinquent.

"Person" shall mean any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, institution, entity, party or foreign or local government (whether federal, provincial, county, city, municipal or otherwise), including, without limitation, any instrumentality, division, agency, body or department thereof.

"Plans" means all pension, retirement or supplemental retirement benefit plans, arrangements or agreements, including any defined benefit or defined contribution pension plans and any group registered retirement savings plans and any other similar employee benefit plans, arrangements or agreements, whether oral or written, formal or informal, funded or unfunded, that are, in each case, sponsored or maintained by the Borrower or any other Loan Party providing for retirement income for the benefit of the Borrower's or any such other Loan Party's employees, former employees dependants or

beneficiaries of either of them, whether or not insured, which for greater certainty do not include Union Plans.

“PPSA” shall mean the *Personal Property Security Act* (Ontario), any other applicable personal property security legislation in any other applicable jurisdiction and the regulations made relating thereto, as each may be amended from time to time, and includes any statute substituted therefor and any amendments thereto.

“Prime Rate” shall mean the floating annual rate of interest established from time to time by the Lender as the reference rate for determining interest rates on commercial loans made in Canada in the lawful currency of Canada and designated as its prime rate; provided that under no circumstances shall the Prime Rate be less than the market bid rate determined by the Lender as the average of bid rates for thirty (30) day Canadian Dollar bankers’ acceptance that appear on the Reuters Screen CDOR Page at 10:00 a.m. (Toronto time) on the applicable day plus one and one half percent (1.5%) per annum. The Prime Rate is not intended to be the lowest or most favourable rate of the Lender in effect at any time and shall vary from time to time as determined by the Lender.

“Prime Rate Loan” shall mean a Loan in Canadian Dollars that bears interest based on the Prime Rate.

“Prime Rate Revolving Loan” shall mean a Prime Rate Loan that is a Revolving Loan.

“Priority Payables” shall mean, at any time, the full amount of any liabilities or any other amount that is due and payable at such time by the Borrower or any other Loan Party which has a trust imposed to provide for payment or Lien ranking or capable of ranking senior to or *pari passu* with Liens securing the Liabilities on any of the Collateral under federal, provincial, state, county, municipal, or local law including, but not limited, to claims for unremitted and accelerated rents, taxes, wages, vacation pay, workers’ compensation obligations, government royalties or pension fund obligations, including, amounts in respect of WEPPA, together with the aggregate value, determined in accordance with GAAP, of all Eligible Inventory which the Lender considers may be or may become subject to a right of a supplier to recover possession thereof under any federal or provincial law, where such supplier’s right may have priority over the Liens securing the Liabilities including, without limitation, Eligible Inventory subject to a right of a supplier to repossess goods pursuant to Section 81.1 of the *Bankruptcy and Insolvency Act* (Canada) or similar suppliers’ rights in Quebec pursuant to the Quebec Civil Code.

“Real Property” means, collectively, all real and immovable property owned or leased by the Borrower or any other Loan Party, including, without limitation, the Leased Premises.

“Real Property Leases” means the real property leases and other rights of occupancy relating to real property to which the Borrower or any other Loan Party is a party or under which it has rights, whether as lessor or lessee, including those identified and described on Schedule D attached hereto.

“Related Account Debtor” shall have the meaning ascribed thereto in subparagraph (viii) of the definition of “Eligible Account”.

“Release” shall mean any releasing, spilling, leaking, seepage, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping, in each case as defined in Environmental Laws, and shall include any threatened Release, as defined in Environmental Laws; provided, that in the event that any Environmental Law is amended so as to broaden the meaning

of any term defined thereby, such broader meaning shall apply subsequent to the effective date of such amendment.

“Reportable Event” shall mean an event described in Section 4043(c) of ERISA with respect to a Pension Plan that is subject to Title IV of ERISA other than those events as to which the 30-day notice period is waived under applicable regulations.

“Revolving Credit Commitment” shall mean Thirty Million U.S. Dollars (U.S. \$30,000,000) or its Canadian Dollar Equivalent Amount.

“Revolving Loans” shall have the meaning ascribed thereto in subsection 2(a) hereof.

“Rollover” shall mean (i) with respect to any LIBOR Loan, the continuation of all or a portion of such Loan (subject to the provisions hereof) for an additional Interest Period subsequent to the initial or any subsequent Interest Period applicable thereto; and (ii) with respect to any Bankers’ Acceptance, the rollover of the maturing Bankers’ Acceptance into a new Bankers’ Acceptance.

“Rollover Date” shall mean the date of commencement of a new Interest Period applicable to a LIBOR Loan or a Bankers’ Acceptance and which date shall be a Business Day.

“Rollover Notice” shall have the meaning ascribed hereto in subsection 6(a)(iii) hereof.

“Sanctioned Person” shall mean any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person, group, regime, entity or thing, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any Anti-Terrorism Law.

“Spot Rate” shall mean in respect of a currency, the rate determined by the Lender by reference to applicable currency markets to be the spot rate for the purchase by the Lender of such currency with another currency through its main Toronto branch at approximately 11:00 a.m. (Toronto time) on the date as of which the foreign exchange computation is made; provided that if at the time of any such determination, no such spot rate can be reasonably quoted, the Lender may use its discretion to determine such rate hereunder, and such determination shall be conclusive absent manifest error.

“STA” shall mean the *Securities Transfer Act* (Ontario), any similar applicable legislation in any other applicable jurisdiction and the regulations made relating thereto, as each may be amended from time to time, and includes any statute substituted therefor and any amendments thereto.

“Statutory Payables Report” shall have the meaning ascribed thereto in subsection 9(b)(ii).

“Subsidiary” shall mean, with respect to a corporation, a subsidiary as defined in the *Business Corporations Act* (Ontario) as in effect on the date hereof, and any partnership, joint venture or other organization which is Controlled by the corporation or any Subsidiary of the corporation.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges, premiums, assessments, governmental charges, rents, rates, royalties, withholdings or dues of any kind or nature whatsoever imposed by any Governmental Authority or any other jurisdiction having power to tax, together with any penalties, fines, additions to tax and interest thereon.

“Term” shall have the meaning ascribed thereto in subsection 10(a) hereof.

"Term Availability Period" shall mean the period commencing on the Closing Date and ending on the date which is five (5) years from the date hereof.

"Term Credit Commitment" shall mean the committed non-revolving term loan up to the amount of Six Million Five Hundred Thousand United States Dollars (U.S. \$6,500,000) (the "Term Loan") and the uncommitted non-revolving term loan up to the amount of One Million United States Dollars (U.S. \$1,000,000) (the "Additional Term Loan"); all as set out in and subject to the provisions of the Term Loan Agreement(s).

"Term Loan" shall have the meaning ascribed thereto in the definition of Term Credit Commitment set out above.

"Term Loan Agreement(s)" shall mean the equipment loan agreement(s) entered into between the Borrower and the Lender's equipment finance division contemporaneously herewith in respect of the Term Loan and the Additional Term Loan, as amended, restated, supplemental or replaced from time to time.

"Term Loan Facility" shall have the meaning ascribed thereto in subsection 2(c) hereof.

"Termination Event" means except for any such event or condition that could not reasonably be expected to have a Material Adverse Effect: (a) a "Reportable Event" described in Section 4043 of ERISA for which the notice requirement has not been waived by the PBGC, or (b) the withdrawal of any U.S. Loan Party or any ERISA Affiliate from a Pension Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, or (c) the termination of a Pension Plan, the filing of a notice of intent to terminate a Pension Plan or the treatment of a Pension Plan amendment as a termination, under Section 4041 of ERISA, if the plan assets are not sufficient to pay all plan liabilities, or (d) the institution of proceedings to terminate, or the appointment of a trustee with respect to, any Pension Plan by the PBGC, or (e) any other event or condition which would constitute grounds under Section 4042(a) of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, or (f) the imposition of a Lien pursuant to Section 412 of the Code or Section 302 of ERISA, or (g) the partial or complete withdrawal of any U.S. Loan Party or any ERISA Affiliate from a Multiemployer Plan if withdrawal liability is asserted by such plan, or (h) any event or condition which results in the reorganization or insolvency of a Multiemployer Plan under Sections 4241 or 4245 of ERISA, or (i) any event or condition which results in the termination of a Multiemployer Plan under Section 4041A of ERISA or the institution by PBGC of proceedings to terminate a Multiemployer Plan under Section 4042 of ERISA.

"Type" shall mean, with respect to any Loan, whether such Loan is a Prime Rate Loan, a U.S. Base Rate Loan, a LIBOR Loan or a Loan by way of Bankers' Acceptances.

"Union Plans" shall mean any Plan that the Borrower or any other Loan Party contributes to or is required to contribute to pursuant to a collective agreement or participation agreement that is not sponsored, maintained or administered by the Borrower or any other Loan Party.

"United States" or "U.S." shall mean the United States of America.

"United States Dollars" or "U.S. Dollars" or "U.S. \$" shall mean the lawful currency of the United States of America.

"Unused Line Fee" shall have the meaning ascribed thereto in subsection 5(f) hereof.

"U.S. Base Rate" shall mean the greater of (i) the variable per annum reference rate of interest announced and adjusted by Lender from time to time for United States Dollar commercial loans in Canada and (ii) the sum of (A) the Federal Funds Rate and (B) three percent (3%) per annum. The U.S. Base Rate is not intended to be the lowest or most favourable rate of the Lender in effect at any time and shall vary from time to time as determined by the Lender.

"U.S. Base Rate Loan" shall mean a Loan in U.S. Dollars that bears interest based on the U.S. Base Rate.

"U.S. Base Rate Revolving Loan" shall mean a U.S. Base Rate Loan that is a Revolving Loan.

"Voidable Transfer" shall have the meaning ascribed thereto in subsection 17(o) hereof.

"WEPPA" shall mean the *Wage Earner Protection Program Act* (Canada), and the regulations made relating thereto, as each may be amended from time to time and includes any statute substituted therefor and any amendments thereto.

(b) Accounting Terms and Definitions; Interpretation.

Unless otherwise defined or specified herein, all defined terms in subsection 1(a) as used in this Agreement shall have the meanings set out in such subsection, and all accounting terms used in this Agreement shall be construed in accordance with GAAP, applied on a basis consistent in all material respects with the financial statements delivered by the Borrower to the Lender on or before the Closing Date. All accounting determinations for purposes of determining compliance with the financial covenants contained in subsection 12(o) shall be made in accordance with GAAP as in effect on the Closing Date and applied on a basis consistent in all material respects with the audited financial statements delivered to the Lender by the Borrower on or before the Closing Date. The financial statements required to be delivered hereunder from and after the Closing Date, and all financial records, shall be maintained in accordance with GAAP. If GAAP shall change from the basis used in preparing the audited financial statements delivered to the Lender by the Borrower on or before the Closing Date, the certificates required to be delivered pursuant to subsection 9(d) demonstrating compliance with the covenants contained herein shall include, upon the request of the Lender, calculations setting forth the adjustments necessary to demonstrate how the Borrower are in compliance with the financial covenants based upon GAAP as in effect on the Closing Date. References herein to sections and subsections hereof shall include such sections and subsections as amended or modified. Nothing in this Agreement or in any Loan Documents providing for Permitted Liens or otherwise permitting the existence or granting of any Lien, shall or shall be deemed to grant any subordination or postponement in favour of the holder of any Lien, the priority of all such Liens to be determined by other Applicable Law. The inclusion of Permitted Liens in this Agreement is not intended to subordinate and shall not subordinate any Lien created by any of the security contemplated by this Agreement and the other Loan Documents to any Permitted Liens. For the purpose of any calculations, comparisons, measurements or determinations hereunder, amounts denominated in Canadian Dollars shall be converted to the Equivalent Amount in U.S. Dollars on the date of such calculation, comparison, measurement or determination.

## 2. LOANS AND LETTERS OF CREDIT

Subject to the terms and conditions of this Agreement and the Loan Documents:



(a) Revolving Loans, Term Loan and Additional Term Loan.

The Lender shall make such revolving loans and advances and accept Bankers' Acceptances requested as part of the revolving facilities hereunder (the "Revolving Loans") and the term loan advances in respect of each of the Term Loan and the Additional Term Loan to or for the account of the Borrower as the Borrower shall from time to time request, in accordance with the terms hereof. Subject to the provisions hereof requiring earlier repayment (including provisions applicable to Bankers' Acceptances), all Revolving Loans, the Term Loan and the Additional Term Loan shall be repaid in full upon the earlier to occur of: (i) the end of the term of this Agreement as determined and set forth in subsection 10(a) hereof; (ii) the termination of this Agreement and/or the cancellation and termination of the Revolving Credit Commitment set forth in subsection 10(b) hereof; and (iii) their acceleration pursuant to section 15 of this Agreement. If at any time the Equivalent Amount in U.S. Dollars of the outstanding aggregate principal balance of the Revolving Loans (including for greater certainty the face amount of all Bankers' Acceptances) or the outstanding aggregate principal balance of the Term Loan and the Additional Term Loan made to the Borrower exceeds any limit expressed herein, (whether or not such excess results from any change in exchange rates between U.S. Dollars and Canadian Dollars), the Borrower shall immediately, and without the necessity of a demand by the Lender, pay to the Lender (or cause to be paid to the Lender) such amount as may be necessary to eliminate such excess, and the Lender shall apply any such payments received by the Lender against the outstanding principal balance of the Revolving Loans, the Term Loan and the Additional Term Loan as it may determine in its discretion in order to eliminate such excess. In particular, if at any time the sum of the L/C Liabilities and the outstanding principal balance of the Loans (including for greater certainty the face amount of all Bankers' Acceptances) and in the case of Revolving Loans expressed as the Equivalent Amount in U.S. Dollars thereof, exceeds the Aggregate Commitment or the amount of Revolving Loans, expressed as the Equivalent Amount in U.S. Dollars thereof, exceeds the amount of the Borrowing Base, the Borrower shall immediately pay to the Lender such amount as may be necessary to eliminate such excess, and the Lender shall apply such payment in such order as the Lender shall determine in its discretion in order to eliminate such excess. The Borrower hereby authorize the Lender to charge any of the Borrower's accounts to make any payments, whether of principal, interest, costs, fees, expenses or otherwise, required by this Agreement. For certainty, any reduction pursuant to this subsection 2(a) in order to eliminate any excess shall not be deemed to be a permanent reduction in the Aggregate Commitment.

(b) Margin and Other Requirements: Revolving Loans.

The Lender shall make Revolving Loans to Borrower in Canadian Dollars by way of Prime Rate Revolving Loans and/or Bankers' Acceptances and/or in U.S. Dollars by way of U.S. Base Rate Revolving Loans or LIBOR Revolving Loans. The Equivalent Amount in U.S. Dollars of all such Revolving Loans outstanding at any time shall not exceed the lesser of the following:

- (i) the sum of the following amounts at such time expressed as the Equivalent Amount in Canadian Dollars thereof:
  - A. an amount in the Lender's discretion up to
    - I. eighty-five percent (85%) of the face amount (not including any interest component) of Eligible Accounts which are uninsured by EDC; plus
    - II. ninety percent (90%) of the face amount (not including any interest component) of Eligible Accounts insured by EDC

pursuant to insurance acceptable to the Lender in its reasonable credit discretion; plus

- B. an amount subject to the applicable EDC insurance policy credit limits in the Lender's discretion up to
- I. seventy percent (70%) of the net book value of Eligible UBCR which is 90% or greater complete as determined by the Lender in its reasonable credit discretion and which are insured by EDC pursuant to insurance acceptable to the Lender in its reasonable credit discretion up to a maximum amount of \$20,000,000; plus
  - II. sixty percent (60%) of the net book value of Eligible UBCR which is 90% or greater complete as determined by the Lender in its reasonable credit discretion and which are uninsured up to a maximum amount of \$3,000,000; plus
  - III. fifty percent (50%) of the net book value of Eligible UBCR which is 60% or greater complete as determined by the Lender in its reasonable credit discretion and which are insured by EDC pursuant to insurance acceptable to the Lender in its reasonable credit discretion up to the maximum amount of \$3,000,000 (with a sub-limit of \$1,000,000 out of such \$3,000,000 in respect of uninsured Eligible UBCR); plus
  - IV. twenty five percent (25%) of the net book value of the Borrower's Eligible Inventory up to the maximum amount of \$1,000,000;

provided further that the aggregate amount as calculated under this subsection 2(b)(i)B shall not at any time exceed 20,000,000 Canadian Dollars; minus

C. **[Intentionally deleted]**

- D. such reserve amount(s) (without duplication) as the Lender elects to establish from time to time in the exercise of its discretion including, without limitation: (i) reserves in respect of Dilution which equals or exceeds five percent (5%) at any time; (ii) reserves on account of Priority Payables; (iii) reserves in respect of enforcement costs, costs to complete any moulds and bill the Eligible UBCR which has been included in the Borrowing Base, amounts relating to payments that may become owing to landlords that have not entered into a Collateral Access Agreement with the Lender in an amount equal to three (3) month's rent determined by the Lender with reference to the Real Property Lease with such landlord; (iv) reserves in respect of amounts relating to payments that may become owing to a carrier or warehousemen or other Person who transports or stores or warehouses any Collateral that have not entered into a Collateral Access Agreement with the Lender in an amount equal to an average of three (3) months of fees payable to such carrier, warehousemen or other Person as determined by the Lender; (v) reserves

in respect of amounts relating to all accrued and unpaid amounts owing to any Person who has possession of any Collateral (other than as provided in (iii) and (iv) above) that has not entered into a Collateral Access Agreement; (vi) 110% of any amounts advanced by the Lender in respect of any VISA facility; (vii) reserves in respect of cash management products or services provided by the Lender; and (viii) payables materially past their due date; minus

E. the amount of Hedging Reserves (except with respect to any Foreign Exchange Contracts for which (i) EDC Foreign Exchange Insurance has been obtained, and (ii) are not maturing within thirty (30) days); and minus

F. the L/C Liabilities; and

(ii) the Revolving Credit Commitment minus the aggregate of all then outstanding L/C Liabilities and Hedging Reserves (except with respect to any Foreign Exchange Contracts for which (i) EDC Foreign Exchange Insurance has been obtained, and (ii) are not maturing within thirty (30) days).

(c) Margin and Other Requirements: Term Loan and Additional Term Loan.

The Lender shall make the Term Loan and the Additional Term Loan to the Borrower pursuant to Fixed Rate Loans. The amount of such Term Loan and the Additional Term Loan outstanding at any time shall not exceed each applicable Term Credit Commitment and shall be more particularly described and governed by the Term Loan Agreement(s) (collectively, the "Term Loan Facility"),

The Term Loan and the Additional Term Loan pursuant to the Term Loan Facility shall meet all of the following requirements:

- (i) the Term Loan and the Additional Term Loan may be Borrowed only for the purposes set forth in subsection 2(g) hereof;
- (ii) the Term Loan shall be advanced in accordance with the applicable Term Loan Agreement; and
- (iii) the Additional Term Loan is an uncommitted facility which is provided subject to the Lender's prior credit approval in its sole discretion and shall be advanced at any time prior to the end of the Borrower's 2018 Fiscal Year End in accordance with the provisions of the applicable Term Loan Agreement but may not be repaid and reborrowed and any unutilized portion of the Additional Term Loan shall be terminated and cancelled on the Borrower's 2018 Fiscal Year End.

(d) Hedging Instruments.

Subject to the terms and conditions of this Agreement, during the term of this Agreement, the Lender shall, absent the existence of a Default or an Event of Default, and at the sole discretion of the Lender, from time to time provide Hedging Instruments upon a request by Borrower, provided that, at no time shall any Hedging Obligations be outstanding such that the aggregate exposure under any outstanding Hedging Instruments, as determined by the Lender in accordance with its internal

methodology from time to time, exceed Three Million United States Dollars (U.S. \$3,000,000) or the Equivalent Amount in Canadian Dollars thereof. Each such Hedging Instrument shall be in form and substance acceptable to the Lender in its discretion. Interest Rate Swaps may not be entered into by Borrower unless Borrower has entered into an ISDA Master Agreement with the Lender and shall not, in any event, have a term greater than sixty (60) months and for greater certainty may only be entered into in the Lender's sole discretion and credit approval. Foreign Exchange Contracts shall not have an expiry date of more than twelve (12) months or more than 18 months if an ISDA Master Agreement has been entered into by Borrower. Notwithstanding the term of any Hedging Instrument provided by the Lender hereunder, the Lender shall be entitled to terminate, on the Maturity Date (or such earlier date as provided by this Agreement or any Hedging Instrument), any such Hedging Instruments having a maturity date extending beyond the Maturity Date and all such Hedging Instruments shall provide for such termination rights of the Lender and the payment of all applicable breakage costs to the Lender. The maximum notional value of any Foreign Exchange Contracts which can mature on any given day is limited to One Million Five Hundred Thousand United States Dollars (U.S. \$1,500,000) or the Equivalent Amount in Canadian Dollars thereof.

(e) Loan Accounts.

(i) The accounts or records maintained by the Lender shall be conclusive evidence, absent manifest error, of the amount of the Loans made by the Lender to the Borrower, and the interest and payments thereon. Any failure to record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Loans.

(ii) [Intentionally Deleted].

(f) Letters of Credit.

Subject to the terms and conditions of this Agreement and the Loan Documents, the Lender shall, absent the existence of a Default, from time to time issue or cause the issuance of, upon Borrower's request, Letters of Credit in Canadian Dollars or U.S. Dollars; provided, that the aggregate amount of all outstanding L/C Liabilities shall at no time exceed One Million U.S. Dollars (U.S. \$1,000,000) or the Equivalent Amount in Canadian Dollars thereof, and provided, further that such Letters of Credit shall be in form and substance acceptable to the Lender in its discretion, and shall not have an expiry date more than three hundred sixty five (365) days from the date of issuance or beyond the date which is thirty (30) days prior to the Maturity Date. Documentary Letters of Credit shall be available only for the purchase of Eligible Inventory. Borrower's reimbursement obligation in respect of the Letters of Credit shall automatically reduce, in accordance with subsection 2(b), the amount which Borrower may borrow based upon the Revolving Credit Commitment. Any unreimbursed payment made by the Lender to any Person on account of any Letter of Credit shall constitute a Revolving Loan hereunder, in the case of any unreimbursed payments in U.S. Dollars as a U.S. Base Rate Loan, and in the case of any unreimbursed payments in Canadian Dollars as a Prime Rate Loan.

(g) Use of Loan Proceeds.

The Borrower shall use the proceeds of the Loans as follows:

(i) all Revolving Loans shall be used solely for the purpose of paying the Existing Indebtedness and funding ongoing operational requirements, general corporate purposes of the Borrower and each other Loan Party and to pay all fees, costs and

expenses incurred by the Borrower and each other Loan Party in connection with the transactions contemplated by this Agreement and the other Loan Documents;

- (ii) the Term Loan shall be used solely for the purpose of refinancing any existing term or equipment loans or other Existing Indebtedness; and
- (iii) the Additional Term Loan shall be used solely for the purpose of purchasing additional new or used machinery and equipment prior to the end of the Borrower's 2018 Fiscal Year End.

### 3. **BANKERS' ACCEPTANCES**

#### (a) Payment or Conversion to Prime Rate Loan.

Borrowings by way of Bankers' Acceptances shall form part of the Loans as selected by the Borrower at the time accepted, in an amount equivalent to their face amounts. Subject to effecting a Rollover or Conversion, the Borrower shall pay to the Lender, in same day funds, the face amount of each Bankers' Acceptance on its maturity date, whether or not the Lender is the holder thereof. The Borrower shall be indebted to the Lender in an amount equivalent to the full face amount of each Bankers' Acceptance honoured and paid by the Lender to the holder of such Bankers' Acceptance upon the maturity thereof in respect of which the Borrower has not made payment as aforesaid. Such indebtedness shall be deemed to be a Prime Rate Loan and shall be subject to all of the provisions of this Agreement applicable to Prime Rate Loans (until any Conversion thereof permitted pursuant to the provisions hereof), including in particular section 5(d) pertaining to interest, from and after the date on which such Bankers' Acceptance was so honoured and paid.

#### (b) Availability.

The Lender shall not be obliged to accept any Draft which:

- (i) is drawn on or which matures on a day which is not a Business Day;
- (ii) matures subsequent to the Maturity Date;
- (iii) has a term which is other than ninety (90) days or one hundred eighty (180) days;
- (iv) is denominated in any currency other than Canadian Dollars;
- (v) is not in form satisfactory to the Lender;
- (vi) is less than One Million Canadian Dollars (Cdn. \$1,000,000), or an integral multiple of One Hundred Thousand Canadian Dollars (Cdn. \$100,000) in excess thereof;
- (vii) if there are already five (5) Bankers' Acceptances outstanding at the time which a Loan by way of Bankers' Acceptances is requested; or
- (viii) in respect of which the Borrower has not then paid the applicable BA Stamping Fee.

(c) Grace.

The Borrower hereby renounces, and shall not claim or request or require the Lender to claim, any days of grace for the payment of any Bankers' Acceptance accepted by the Lender.

(d) Pre-signed Drafts.

To facilitate the acceptance by the Lender of Bankers' Acceptances as contemplated by this Agreement, Borrower shall supply the Lender with such numbers of drafts, depository notes or bills (within the meaning of the *Depository Bills and Notes Act* (Canada)) or bills of exchange (within the meaning of the *Bills of Exchange Act* (Canada)) in the forms prescribed by or otherwise approved by the Lender (each such executed draft, depository note, bill or bill of exchange is herein referred to as a "Draft") as the Lender may request, each executed thereby. In addition, in order to facilitate the acceptance of Bankers' Acceptance hereunder, Borrower shall execute and deliver to the Lender a power of attorney in respect of Bankers' Acceptances substantially in the form of Exhibit 3(d) hereto, (the "BA Power of Attorney"). The Lender shall exercise such care in the custody and safekeeping of such Drafts as it gives to similar property owned by it, and the Lender shall not be liable for any damage, loss or other claim arising by reason of any loss or improper use of any pre-signed Drafts held by the Lender except any such damage, loss or other claim caused by the bad faith, gross negligence or wilful misconduct of the Lender or its employees, agents or representatives. The signatures of Borrower's signing officers may be mechanically reproduced in facsimile, and any such signatures shall be binding on Borrower as if such signatures had been manually inscribed by such officers. Notwithstanding that any one or more of the individuals whose manual or facsimile signature appears on any Draft as a signatory on behalf of Borrower may no longer hold office at the date of such Draft or at the date of its acceptance by the Lender hereunder or at any time thereafter, any Draft signed as aforesaid on behalf of Borrower shall be valid and binding upon Borrower. The Lender may complete and accept such Drafts from time to time in accordance with the instructions of Borrower and the Lender shall incur no liability whatsoever in respect of any instructions carried out by the Lender in the belief that such instructions were properly given by Borrower.

(e) Sale of Bankers' Acceptances.

If the Lender sells any Bankers' Acceptances on behalf of Borrower, the Lender shall pay the BA Discount Proceeds therefrom to or as directed by the Borrower or deposit the BA Discount Proceeds to an account of the Borrower. The Lender shall be entitled but not obliged to purchase any Bankers' Acceptances for its own account (and not on behalf of Borrower) at a price equal to the BA Discount Proceeds. Upon any Rollover or Conversion in respect of Bankers' Acceptances, the BA Discount Proceeds shall be dealt with in accordance with subsection 3(f) below.

(f) Rollovers and Conversions.

Upon any Rollovers or Conversions in respect of Bankers' Acceptances, the Borrower agrees as follows:

- (i) on any Rollover of Bankers' Acceptances, the Borrower shall be liable to the Lender for the face amount of maturing Bankers' Acceptances; in order to satisfy the continuing liability of the Borrower to the Lender for the face amount of the maturing Bankers' Acceptances, the Lender shall receive and retain for its own account the BA Discount Proceeds from the purchase by the Lender of the new Bankers' Acceptances issued on such Rollover and the Borrower shall on the maturity date of the maturing Bankers' Acceptances pay to the Lender, an

amount equal to the difference between the face amount of the maturing Bankers' Acceptances and the BA Discount Proceeds from the new Bankers' Acceptances together with the applicable BA Stamping Fee;

- (ii) in the case of a Conversion from a Prime Rate Loan into Bankers' Acceptances, in order to satisfy the continuing liability of the Borrower to the Lender for the amount of the converted Prime Rate Loan, the Lender shall receive for its own account the BA Discount Proceeds from the purchase by the Lender of such Bankers' Acceptances and the Borrower shall pay to the Lender, the difference between the face amount of the converted Prime Rate Loan and the BA Discount Proceeds from such Bankers' Acceptances together with the applicable BA Stamping Fee; and
- (iii) in the case of a Conversion of Bankers' Acceptances, in order to satisfy the continuing liability of the Borrower to the Lender for an amount equal to the face amount of such Bankers' Acceptances, the Lender shall record the obligation of the Borrower to the Lender as a Loan of the Type into which the maturing Bankers' Acceptance has been converted.

(g) Prepayments.

In the event that any Bankers' Acceptances are to be repaid prior to the maturity date of such Bankers' Acceptances, the Borrower shall be required to comply with the provisions of section 3(h) below in the same manner as if an Event of Default had occurred and was continuing; provided, that, if any Bankers' Acceptances are proposed to be repaid prior to their maturity date at the request of the Borrower, the Borrower shall provide five (5) Business Days prior written notice to the Lender in respect thereof.

(h) Default.

Upon the occurrence and during the continuance of any Event of Default, notwithstanding the date of maturity of any outstanding Bankers' Acceptances, the Borrower shall pay to the Lender, forthwith at its request, an amount equivalent to the amount or amounts required to pay:

- (i) on maturity, all outstanding Bankers' Acceptances; and
- (ii) all unpaid BA Stamping Fees, if any,

and except for any amount payable in respect of unpaid BA Stamping Fees, such amount shall be held by the Lender in a cash-collateral account as additional security for payment of the face amount of such outstanding Bankers' Acceptances upon maturity and upon such deposit by the Borrower, the Borrower's obligations in respect of such Bankers' Acceptances shall be deemed to have been satisfied. The cash-collateral account shall be under the sole control of the Lender and neither the Borrower nor any other Person shall have any right to any cash deposited therein. Upon maturity of the Bankers' Acceptances in respect of which deposits have been made in the cash-collateral account, the Lender shall apply the amounts so held in such cash-collateral account to the face amount of such Bankers' Acceptances whereupon any cash remaining in the cash collateral account shall be transferred by the Lender to the Loan Account and be applied by the Lender against the Liabilities.

(i) Obligations Unconditional.

The payment obligations of the Borrower under this section 3 are unconditional and irrevocable and shall be paid strictly in accordance with its terms under all circumstances including, without limitation, the following circumstances:

- (i) any lack of validity or enforceability of any Bankers' Acceptances; and
- (ii) the existence of any claim, set-off, defence or other right which the Borrower may have at any time against the holder of a Bankers' Acceptance, the Lender or any other person, whether under this Agreement or otherwise.

**4. REPAYMENT OF TERM LOAN AND ADDITIONAL TERM LOAN**

(a) Scheduled Repayments.

- (i) *Term Loan* - Unless the Term Loan is required to be repaid at an earlier date pursuant to the terms of this Agreement, the Borrower agrees to repay Borrowings under the Term Loan in accordance with the applicable Term Loan Agreement.
- (ii) *Additional Term Loan* - Unless the Additional Term Loan is required to be repaid at an earlier date pursuant to the terms of this Agreement, the Borrower agrees to repay Borrowings under the Additional Term Loan in accordance with the applicable Term Loan Agreement.

(b) Voluntary Prepayments.

In the event that the Borrower elects to make any prepayment of the Term Loan or Additional Term Loan, in whole or in part, prior to the end of any Interest Period, the Borrower shall pay to the Lender, in addition to the principal amount of such prepayment and the termination fee set out in Section 10(b), an amount equal to any applicable breakage costs calculated by the Lender as of the date of any such prepayment. Upon any prepayment of the Term Loan or the Additional Term Loan, in whole or in part, the Borrower shall also pay to the Lender all accrued interest on the Term Loan and the Additional Term Loan to the date of such prepayment. All payments shall be applied in inverse order of maturity.

(c) Repayment on Maturity Date.

For greater certainty and without limiting subsection 4(a) above, to the extent not paid when due for any reason, the Borrower shall repay all Liabilities in connection with the Term Loan and the Additional Term Loan, including the outstanding principal amount of all Borrowings thereunder, together with all accrued interest, fees and other amounts then unpaid by it with respect to such Borrowings (which, for greater certainty, shall include all amounts payable by the Borrower to the Lender with respect to any Bankers' Acceptances outstanding on the Maturity Date), in full on the Maturity Date, and the Term Loan and the Additional Term Loan shall be automatically terminated on the Maturity Date.

(d) Repayment on Termination of Revolving Credit Commitment.

For greater certainty and without limiting subsection 4(a) above, the Borrower shall repay all Liabilities in connection with the Term Loan Facility, including the outstanding principal amount of all



Borrowings thereunder, together with all accrued interest, fees and other amounts then unpaid by it with respect to such Borrowings (which, for greater certainty, shall include all amounts payable by the Borrower to the Lender with respect to any Bankers' Acceptances outstanding on the Maturity Date), in full, and the Term Loan Facility shall be automatically terminated, in the event that the Revolving Credit Commitment is terminated.

## **5. INTEREST; FEES; CHARGES; ILLEGALITY**

### **(a) Rates of Interest.**

Interest accrued on all Loans (other than Loans by way of Bankers' Acceptances) shall be due and be paid by the Borrower on the earliest of: (i) each Interest Payment Date; (ii) the date of acceleration following the occurrence of an Event of Default in consequence of which the Lender elects to accelerate the Loans; or (iii) termination of this Agreement pursuant to section 10 hereof. Interest shall accrue, and the Borrower shall pay, on the principal amount of the Loans (other than Loans by way of Bankers' Acceptances) made to the Borrower outstanding at the end of each day as follows:

- (i) in the case of Prime Rate Revolving Loans, in Canadian Dollars during each applicable Interest Period at a rate per annum equal to the sum of the Prime Rate in effect from time to time during that Interest Period, plus the Applicable Margin in respect of Prime Rate Revolving Loans;
- (ii) in the case of U.S. Base Rate Revolving Loans, in U.S. Dollars during each applicable Interest Period at a rate per annum equal to the sum of the U.S. Base Rate in effect from time to time during that Interest Period, plus the Applicable Margin in respect of U.S. Base Rate Revolving Loans; and
- (iii) in the case of the Term Loan and the Additional Term Loan, the applicable rates of interest shall be as set out in the applicable Term Loan Agreement.

The rate of interest payable on Prime Rate Loans or U.S. Base Rate Loans shall increase or decrease by an amount equal to any increase or decrease in the Prime Rate or U.S. Base Rate, effective as of the opening of business on the day that any such change in the Prime Rate or U.S. Base Rate occurs. Upon and following the occurrence of an Event of Default, and during the continuation thereof, the principal amount of all Loans (other than Bankers' Acceptances) shall bear interest payable on demand at a rate per annum equal to the rate of interest then in effect under this subsection 5(a) plus two percent (2%) per annum. In addition, the Stamping Fee for any Bankers' Acceptance issued during the continuation of an Event of Default shall be increased by two percent (2%) per annum.

### **(b) Computation of Interest and Fees.**

Interest hereunder shall be determined daily, and calculated monthly not in advance, both before and after default and judgment. In the case of Prime Rate Loans and U.S. Base Rate Loans, interest shall be computed on the actual number of days elapsed during the applicable Interest Period over a year consisting of three hundred and sixty five (365) or three hundred sixty six (366), as the case may be, days. In the case of LIBOR Loans, interest shall be computed on the actual number of days elapsed during the applicable Interest Period over a year consisting of three hundred and sixty (360) days. All interest payments to be made under this Agreement shall be paid without allowance or deduction for deemed re-investment or otherwise, both before and after maturity and before and after default and/or judgment, if any, until payment, and interest shall accrue on overdue interest, if any, compounded on each Interest Payment Date. Unless otherwise stated, wherever in this Agreement reference is made to a rate of

interest or rate of fees "per annum" or a similar expression is used, such interest or fees will be calculated on the basis of a calendar year of 365 days and using the nominal rate method of calculation, and will not be calculated using the effective rate method of calculation or on any other basis that gives effect to the principle of deemed re-investment of interest. For the purposes of the *Interest Act* (Canada) and disclosure under such act, whenever interest to be paid under this Agreement is to be calculated on the basis of a year of 365 days or any other period of time that is less than a calendar year, the yearly rate of interest to which the rate determined pursuant to such calculation is equivalent is the rate so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by either 365 or such other period of time, as the case may be. In calculating interest or fees payable under this Agreement for any period, unless otherwise specifically stated, the first day of a period shall be included and the last day of a period shall be excluded. Notwithstanding any other provision hereof, all determinations and calculations of interest rates and amounts hereunder by the Lender shall be conclusive evidence absent (in the case of any calculation of an amount based on a particular rate) manifest mathematical error in calculating such amount. For the purpose of computing interest hereunder, all items of payment received by the Lender shall be deemed applied by the Lender on account of the related Loan (subject to final payment of such items) upon receipt by the Lender of good funds in the Loan Account.

(c) Maximum Interest.

In the event that any provision of this Agreement or any other Loan Document would oblige the Borrower or any other Loan Party to make any payment of interest or any other payment which is construed by a court of competent jurisdiction to be interest in an amount or calculated at a rate which would be prohibited by Law or would result in a receipt by the Lender 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 *nunc pro tunc* to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by Law or so result in a receipt by the Lender of interest at a criminal rate, such adjustment to be effected, to the extent necessary as follows:

- (i) firstly, by reducing the amount or rate of interest required to be paid under this Agreement; and
- (ii) thereafter by reducing any fees, commissions, premiums and other amounts required to be paid to the Lender which would constitute interest for the purposes of Section 347 of the *Criminal Code* (Canada).

If, notwithstanding the provisions of this section and after giving effect to all adjustments contemplated thereby, the Lender shall have received an amount in excess of the maximum permitted by such clause, then such excess shall be applied by the Lender to the reduction of the principal balance of the outstanding Loans and not to the payment of interest, or if such excessive interest exceeds such principal balance, such excess shall be refunded to the Borrower.

(d) BA Stamping Fees.

The Borrower shall pay to the Lender before acceptance of each Bankers' Acceptance the applicable BA Stamping Fee for each such Bankers' Acceptance.

(e) Closing Fee.

The Borrower shall pay to the Lender a non-refundable closing fee of Forty Five Thousand U.S. Dollars (U.S. \$45,000).

(f) Unused Line Fee.

The Borrower shall pay to the Lender at the end of each month, in arrears, an unused line fee equal to 0.25% per annum on the daily average amount by which the Revolving Credit Commitment exceeds the sum of the outstanding principal balance of the Revolving Loans and the L/C Liabilities, all as defined in this Agreement and all expressed as the Equivalent Amount in U.S. Dollars (the "Unused Line Fee").

(g) Examination and Appraisal Fees.

In addition to the costs and expenses described in subsection 12(p) hereof, the Borrower shall pay to the Lender an examination fee equal to One Thousand Two Hundred Fifty Canadian Dollars (Cdn. \$1,250) per person per day for any audit, inspection or other activity described in the first sentence of subsection 12(c) hereof and conducted or undertaken before or after the date of this Agreement, plus all out-of-pocket expenses incurred by the Lender including, without limitation, travel expenses, payable as incurred. The parties acknowledge that although such examination fees are currently One Thousand Two Hundred Fifty Canadian Dollars (Cdn. \$1,250) per person per day, the Borrower hereby agrees and acknowledges that such fees may change at any time upon prior written notice to the Borrower.

(h) Capital Adequacy Charge.

If the Lender shall have determined, acting reasonably, that the adoption of any Applicable Law, rule or regulation regarding capital adequacy, or any change therein or in the interpretation or application thereof, or compliance by the Lender with any request or directive regarding capital adequacy (whether or not having the force of Law) from any central bank or governmental authority enacted after the Closing Date, does or shall have the effect of reducing the rate of return on the Lender's capital as a consequence of its obligations hereunder to a level below that which the Lender could have achieved but for such adoption, change or compliance (taking into consideration the Lender's policies with respect to capital adequacy) by a material amount, then from time to time, after submission by the Lender to the Borrower of a written demand therefor (the "Capital Adequacy Demand") together with the certificate described below, the Borrower shall immediately pay to the Lender such additional amount or amounts (the "Capital Adequacy Charge") as will compensate the Lender for such reduction in respect of its Loans hereunder. A certificate of the Lender claiming entitlement to payment as set forth above shall be conclusive evidence in the absence of manifest error. Such certificate shall set forth the nature of the occurrence giving rise to such reduction, the amount of the Capital Adequacy Charge to be paid to the Lender, and the method by which such amount was determined. In determining such amount, the Lender may use any averaging and attribution method, applied on a non-discriminatory basis.

(i) Letter of Credit Fees.

The Borrower shall pay to the Lender a Letter of Credit fee (the "Letter of Credit Fee") calculated by multiplying the maximum face amount of the Letter of Credit issued for the account of the Borrower by the applicable Letter of Credit Fee Rate and then multiplying the result by a fraction the numerator of which is the number of days in the term of the relevant Letter of Credit and the denominator of which is three hundred sixty five (365) days in respect of Canadian Dollar Letters of Credit and three hundred and sixty days (360) days in respect of U.S. Dollar Letters of Credit which Letter of Credit Fee shall be payable upon and as a condition of issuance of such Letter of Credit; provided, however that such Letter of Credit Fee shall not be less than Two Hundred Fifty Canadian Dollars (Cdn. \$250) in respect of each Letter of Credit denominated in Canadian Dollars and Two Hundred Fifty United States Dollars (U.S. \$250) in respect of each Letter of Credit denominated in United States Dollars. The Borrower shall also pay to the Lender on demand, the normal and customary administrative charges for issuance,

amendments, negotiation, renewal or extension of any documentary Letters of Credit imposed by any correspondent bank issuing such documentary Letters of Credit.

(j) Illegality.

If, after the date of this Agreement, the adoption of or change to any Applicable Law, or any change in the interpretation or application thereof by any court or by any Governmental Authority, now or hereafter makes it unlawful or impossible for the Lender to make, fund or maintain the Loans or to give effect to its obligations in respect of the Loans, the Lender may, by written notice to the Borrower, declare its obligations under this Agreement to be terminated, whereupon the same shall forthwith terminate, and the Borrower shall prepay within the time required by such Law (or at the end of such longer period as the Lender at its discretion has agreed) the principal of all such Loans together with accrued interest, any Additional Compensation that may be applicable to the date of such payment and all breakage costs. If any such change shall only affect a portion of the Lender's obligations under this Agreement which is, in the opinion of the Lender and the Lender's counsel in their sole discretion, acting reasonably, severable from the remainder of this Agreement, so that the remainder of this Agreement may be continued in full force and effect without otherwise affecting any of the obligations of the Lender, the Borrower or any other Loan Party under this Agreement, the Lender shall only declare its obligations under that portion so terminated.

(k) Increased Costs.

- (i) In the event of any change after the date of this Agreement in any Applicable Law or in the interpretation or application thereof by any court or by any Governmental Authority which now or hereafter:

- A. subjects the Lender to any Tax or changes the basis of taxation, or increases any existing Tax, on payments of principal, interest, fees or other amounts payable by the Borrower to the Lender under this Agreement or any other Loan Document (except for Taxes on the overall net income of the Lender); or
- B. imposes, modifies or deems applicable any reserve, special deposit or similar requirements against assets held by, or deposits in or for the account of or loans by or any other acquisition of funds by, the Lender for the Loans,

with the result of an increase in the cost to, or a reduction in the amount of principal, interest or other amount received or receivable by, or the effective return of, the Lender under this Agreement in respect of making, maintaining or funding such Loans, the Lender shall determine that amount of money which shall compensate the Lender for such increase in cost or reduction in income (in this Agreement referred to as "Additional Compensation").

- (ii) Upon the Lender having determined that it is entitled to Additional Compensation the Lender shall promptly notify the Borrower. The Lender shall provide to the Borrower a copy of the relevant Applicable Law, and a certificate of the Lender setting forth the Additional Compensation and the basis of calculation therefor, which shall be conclusive evidence of such Additional Compensation in the absence of manifest error. The Borrower shall pay to the Lender within ten (10) Business Days of the giving of such notice the Lender's

Additional Compensation calculated to the date of such notification. The Lender shall be entitled to be paid such Additional Compensation from time to time to the extent that the provisions of this subsection 5(k) are then applicable, notwithstanding that the Lender has previously been paid Additional Compensation. The Lender shall endeavour to limit the incidence of any Additional Compensation, including seeking recovery for the account of the Borrower, by appealing any assessment at the expense of the Borrower upon the request of the Borrower.

## 6. LOAN ADMINISTRATION; TAXES

### (a) Loan Requests.

Subject to the provisions hereof, the Borrower may make a request for a Loan, or a Conversion or Rollover thereof, in the following manner:

- (i) the Borrower shall give the Lender same day notice, no later than 12:00 p.m. (Toronto time) on such day, of its intention to borrow a Prime Rate Loan or a U.S. Base Rate Loan or in the case of a LIBOR Loan or Bankers' Acceptances, the Borrower shall give notice to the Lender no later than 10:00 a.m. (Toronto time) three (3) Business Days prior to its intention to borrow a LIBOR Loan or by way of Bankers' Acceptances, which notice shall be substantially in the form of Exhibit 6(a)(i)A hereto in the case of Prime Rate Loans and U.S. Base Rate Loans or in the form of Exhibit 6(a)(i)B hereto in the case of LIBOR Loans or Bankers' Acceptances (each a "Notice of Borrowing");
- (ii) the Borrower shall give the Lender notice no later than 12:00 p.m. (Toronto time) three (3) Business Days prior to its intention to request a Conversion of any Type of Loan with another Type of Loan, which notice will be substantially in the form of Exhibit 6(a)(ii) hereto (a "Conversion Notice"); and/or
- (iii) the Borrower shall give notice to the Lender no later than 12:00 p.m. (Toronto time) three (3) Business Days prior to its intention to request a Rollover of any Bankers' Acceptance or any LIBOR Loan, which notice will be substantially in the form of Exhibit 6(a)(iii) hereto (a "Rollover Notice");

provided, however, that no such request may be made at a time when there exists a Default or an Event of Default that is continuing. Each request hereunder for any Bankers' Acceptances or LIBOR Loans will be for a minimum principal amount of One Million Canadian Dollars (Cdn. \$1,000,000) or One Million United States Dollars (U.S. \$1,000,000), as the case may be, and integral multiples of One Hundred Thousand Canadian Dollars (Cdn. \$100,000) or One Hundred Thousand United States Dollars (U.S. \$100,000), as the case may be, in excess thereof. The Borrower may select, by irrevocable notice to the Lender, the Interest Period applicable to any LIBOR Loan or Bankers' Acceptances or any Conversion into, or Rollover of any LIBOR Loan or Bankers' Acceptances provided, that, there shall not be outstanding more than five (5) LIBOR Loans at any one time. The coming due of any amount required to be paid under this Agreement, whether on account of interest or for any other liability, shall be deemed irrevocably to be a request for a Prime Rate Loan or U.S. Base Rate Loan, as applicable, on the due date thereof in the amount required to pay such interest or other liability. In addition to the foregoing, each cheque presented for payment against any disbursement accounts of the Borrower, and any other charge or request for payment against such disbursement accounts, shall be deemed irrevocably to be a request for a Prime Rate Loan or U.S. Base Rate Loan, as applicable, on the date thereof in the amount required

to pay any such cheque, charge or request for payment. As an accommodation to the Borrower, the Lender may permit electronic requests for Loans and electronic transmittal of instructions, authorizations, agreements or reports to the Lender and the Lender shall be entitled to rely upon such electronic transmittals. Unless the Borrower specifically direct the Lender in writing not to accept or act upon telephonic or electronic communications, the Lender shall have no liability to the Borrower or any other Loan Party for any loss or damage suffered as a result of the Lender's honouring of any requests, execution of any instructions, authorizations or agreements or reliance on any reports communicated to it telephonically or electronically and purporting to have been sent to the Lender by the Borrower and the Lender shall have no duty to verify the origin of any such communication or the authority of the Person sending it. Each Notice of Borrowing, Conversion Notice or Rollover Notice shall be irrevocable by and binding on the Borrower.

(b) Letter of Credit Requests.

Each Letter of Credit shall be issued upon the irrevocable written request of the Borrower (each a "Letter of Credit Request") at least three (3) Business Days prior to the proposed date of issuance. Each Letter of Credit Request shall be sent by facsimile, confirmed immediately in writing, in the form of a Letter of Credit application satisfactory to the Lender in its discretion, and shall specify in form and detail satisfactory to the Lender: (i) the proposed date of issuance of the Letter of Credit (which shall be a Business Day); (ii) the face amount of the Letter of Credit; (iii) the expiry date of the Letter of Credit; (iv) the name and address of the beneficiary thereof. Each Letter of Credit Request shall be accompanied by an application and indemnity in form and substance satisfactory to the Lender in its discretion.

(c) Disbursement.

The Borrower hereby irrevocably authorize the Lender to disburse the proceeds of each Loan (other than the BA Discount Proceeds in respect of a Bankers' Acceptance not purchased by the Lender) requested by the Borrower, or deemed to be requested by the Borrower and to be disbursed or paid by the Lender, as follows: (i) the proceeds of each Loan (other than the BA Discount Proceeds in respect of a Bankers' Acceptance not purchased by the Lender) requested under subsection 6(a)(i) and to be disbursed or paid by the Lender, shall be disbursed by the Lender in Canadian Dollars or U.S. Dollars, as applicable, in immediately available funds, in the case of the initial Borrowing, in accordance with the terms of the Notice of Borrowing, and in the case of each subsequent Borrowing, by wire transfer or otherwise to such bank account as may be agreed upon by the Borrower and the Lender from time to time; and (ii) the proceeds of each Revolving Loan deemed requested pursuant to subsection 6(a) shall be disbursed by the Lender by way of direct payment of the relevant interest or other liability.

(d) Market Disruption Respecting LIBOR Loans.

In the event that at any time subsequent to the giving of a Notice of Borrowing, Rollover Notice or Conversion Notice to the Lender by the Borrower with regard to any requested LIBOR Loan, as the case may be, a Lender makes a determination, which shall be conclusive and binding upon the Borrower, that:

- (i) by reason of circumstances affecting the London interbank market, adequate and fair means do not exist for ascertaining the rate of interest with respect to, or deposits are not available in sufficient amounts in the ordinary course of business at the rate determined hereunder to fund, a requested LIBOR Loan during the ensuing Interest Period selected;

- (ii) the making or continuing of the requested LIBOR Loan by the Lender has been made impracticable by the occurrence of an event which materially adversely affects the London interbank market generally; or
- (iii) the LIBOR Rate will not or does not represent the effective cost to the Lender of United States Dollar deposits in such market for the relevant Interest Period,

then the Lender shall give notice thereof to the Borrower as soon as possible after such determination and the Borrower shall, within one (1) Business Day after receipt of such notice and in replacement of the Notice of Borrowing, Rollover Notice or Conversion Notice, as the case may be, previously given by the Borrower, give the Lender a Notice of Borrowing or a Conversion Notice, as the case may be, which specifies the Borrowing of another Type of Loan (other than a LIBOR Loan) or the Conversion of the relevant LIBOR Loan on the last day of the applicable Interest Period into another Type of Loan. In the event the Borrower fails to give, if applicable, a valid replacement Conversion Notice with respect to the maturing LIBOR Loans which are the subject of a Rollover Notice, such maturing LIBOR Loans shall be converted on the last day of the applicable Interest Period into U.S. Base Rate Revolving Loans, as if a Conversion Notice had been given to the Lender by the Borrower pursuant to the provisions hereof. In the event the Borrower fails to give, if applicable, a valid replacement Notice of Borrowing with respect to a request for a Borrowing originally requested by way of a LIBOR Revolving Loan, then the Borrower shall be deemed to have requested a U.S. Base Rate Revolving Loan, in the amount specified in the original Notice of Borrowing and the Lender (subject to the other provisions hereof) shall make available the requested amount by way of a U.S. Base Rate Revolving Loan, as applicable.

(e) Market Disruption Respecting Bankers' Acceptances.

If, at any time, the Lender determines in good faith, which determination shall constitute conclusive evidence thereof, by reason of circumstances affecting the money market, there is no market for Bankers' Acceptances or the Lender is prevented from accepting any Bankers' Acceptances, the Lender shall give written notice to the Borrower of such fact and as a result:

- (i) the right of the Borrower to request any Bankers' Acceptances (or Rollover or Conversion thereof) shall be suspended until the Lender determines that the circumstances causing such suspension no longer exist and the Lender so notifies the Borrower in writing; and
- (ii) any notice relating to any Bankers' Acceptances (or Rollover or Conversion thereof) which is outstanding at such time shall be deemed to be a notice requesting a Prime Rate Revolving Loan in the face amount of the requested Bankers' Acceptance.

(f) Application of Payments.

All payments received by the Lender on account of Revolving Loans shall be applied by the Lender against any Liabilities in respect of Revolving Loans in such order as the Lender shall determine in its discretion. All payments received by the Lender on account of the Term Loan and Additional Term Loan shall be applied by the Lender against the Liabilities in respect of the Term Loan and Additional Term Loan in accordance with the provisions of the applicable Term Loan Agreement.

(g) Method and Place of Payment.

All payments by the Borrower hereunder or under any other Loan Documents shall be made to the Lender at the Lender's Branch no later than 1:00 p.m. (Toronto time) for value on the date when due, and shall be made in immediately available funds without set-off or counterclaim. Any payments received by the Lender after such time shall be deemed to have been received on the next succeeding Business Day.

## (h) [Intentionally Deleted]

(i) Net of Taxes.

All payments to be made to the Lender under this Agreement or the other Loan Documents shall be made free and clear of, and without reduction for or on account of, any present or future Taxes; provided, however, if any Taxes are required by Applicable Law or the interpretation or application thereof by any court or Government Authority to be withheld from any interest or other amount payable to the Lender under this Agreement or any other Loan Document, the amount so payable to the Lender shall be increased to the extent necessary to yield to the Lender, on a net basis after payment of all Taxes (including all Taxes imposed on any additional amounts payable under this subsection), interest or any such other amount payable under this Agreement or any other Loan Document at the rate or in the amount specified under this Agreement or any other Loan Document. The Borrower shall be fully liable and responsible for and shall, promptly following receipt of a request from the Lender, pay to the Lender, any and all Taxes in the nature of sales, use, and goods and services Taxes payable under the laws of Canada or any Province of Canada, or payable under the laws of any other country or jurisdiction with respect to any and all goods and services made available under this Agreement or any other Loan Document to the Borrower by the Lender. Whenever any Taxes are payable by the Borrower, as promptly as possible thereafter that the Borrower shall send or cause to be sent to the Lender, a certified copy of an original official receipt showing payment of such Taxes. If the Borrower fails to pay any Taxes when due or if the Borrower fails to remit to the Lender the required documentary evidence of such payment, the Borrower shall indemnify and save harmless the Lender from any Taxes or other liabilities that may become payable by the Lender or to which the Lender may be subjected as a result of any such failure. A certificate of the Lender as to the amount of any such Taxes and containing details of the calculation of such Taxes shall be, absent manifest error, conclusive evidence of the amount of such Taxes.

7. SECURITY(a) Security.

Without limiting subsection 13(a)(iv) hereof, as security for the payment of all Liabilities of the Borrower, each of the Borrower and each other Loan Party, as applicable, agrees to deliver, or cause to be delivered, to the Lender each of the following:

- (i) [Intentionally deleted]
- (ii) general security agreement in favour of the Lender by each of the Loan Parties charging all present and future property, assets and undertaking of the Loan Parties;
- (iii) security under Section 427 of the *Bank Act* (Canada) from Borrower in favour of and in the forms provided by the Lender including, without limitation, a notice of



intention, an agreement to give security, an application for credit and promise to give security, etc. and a grant of security under Section 427;

- (iv) **[Intentionally deleted]**
- (v) an assignment of insurance monies which may become payable in respect of the property of each of the Loan Parties in favour of the Lender;
- (vi) an assignment of insurance, designation of beneficiary, direction to pay and/or a tripartite agreement from EDC in respect of all EDC insurance relating to Eligible Accounts and Eligible UBCR;
- (vii) **[Intentionally deleted]**
- (viii) such other security and supporting documents, certificates or instruments in respect of the Borrower and the other Loan Parties (including third party and related party postponements and subordinations (including without limitation an intercreditor agreement with Business Development Bank of Canada ("BDC")/Alterinvest II Fund L.P., a non-disturbance agreement with BDC and landlord and mortgagee waivers) as may be reasonably requested by the Lender from time to time; and
- (ix) the indemnity contemplated in Section 6(b) in respect of Letters of Credit.

## 8. COLLECTIONS

### (a) Blocked Accounts and Lock Boxes.

Until a notice is received by the Borrower as provided hereinafter, and subject to section 8(e) below, the Borrower and each other Loan Party shall collect and enforce all of its Accounts in accordance with current practices. In furtherance thereof, the Borrower and each other Loan Party shall establish U.S. Dollar and/or Canadian Dollar accounts with the Lender (each a "Blocked Account"), into which the Borrower and each other Loan Party will immediately deposit all payments received by the Borrower and each other Loan Party (including all payments made for Inventory or services sold or rendered by any of them), in the identical form in which such payments were made, whether by cash or cheque. At and following such time as the Lender, in its discretion, so notifies the Borrower, the Borrower and each other Loan Party shall direct all of its Account Debtors to make all payments on the Accounts directly to a post office box (each a "Lock Box") with a financial institution acceptable to, and in the name and under exclusive control of, the Lender. All payments received in the Lock Box shall be deposited in the Blocked Account. If the Borrower, any other Loan Party, any Affiliate or Subsidiary of the Borrower or any other Loan Party, or any shareholder, officer, director, employee or agent of the Borrower or any Affiliate or Subsidiary, or any other Person acting for or in concert with the Borrower or any other Loan Party shall receive any monies, cheques, notes, drafts or other payments relating to or as proceeds of Accounts or other Collateral, the Borrower, any such other Loan Party and each such Person shall receive, and shall be deemed to receive, all such items exclusively in trust for, and as the sole and exclusive property of, the Lender and, immediately upon receipt thereof, shall remit the same (or cause the same to be remitted) in kind to the appropriate Blocked Account. Each financial institution with which a Lock Box and Blocked Account (other than a Lock Box or Blocked Account with the Lender, which for greater certainty shall remain under the exclusive control of the Lender) are to be established shall enter into a Blocked Account Agreement with the Lender pursuant to which it shall acknowledge and agree, in a manner reasonably satisfactory to the Lender, that the amounts on deposit in such Lock

Box and Blocked Account are the sole and exclusive property of the Lender, that such financial institution has no right to set off against such Lock Box or Blocked Account or against any other account maintained by such financial institution into which the contents of such Blocked Account are transferred, and that such financial institution shall wire, or otherwise transfer in immediately available funds in a manner reasonably satisfactory to the Lender, funds deposited in the Blocked Account on a daily basis as such funds are collected. Except as otherwise agreed by the Lender, the Borrower and each other Loan Party agrees that all payments made to each Blocked Account established by the Borrower or any other Loan Party or otherwise received by the Lender, whether in respect of the Accounts of the Borrower or any other Loan Party or as proceeds of other Collateral of the Borrower or any other Loan Party or otherwise, will be applied on account of the Liabilities of the Borrower in accordance with the terms of this Agreement. The Borrower and each other Loan Party agrees to pay all fees, costs and expenses which such parties incur in connection with opening and maintaining Lock Boxes and Blocked Accounts. All of such fees, costs and expenses which remain unpaid by the Borrower or any other Loan Party pursuant to any Blocked Account Agreement, to the extent same shall have been paid by the Lender hereunder, shall constitute Revolving Loans hereunder, shall be payable to the Lender by the Borrower upon demand, and, until paid, shall bear interest at the highest rate then applicable to the Revolving Loans hereunder. All cheques, drafts, instruments and other items of payment or proceeds of Collateral delivered to the Lender in kind shall be endorsed by the Borrower or any other Loan Party, as applicable, to the Lender, and, if that endorsement of any such item shall not be made for any reason, the Lender is hereby irrevocably authorized to endorse the same on the Borrower's or such other Loan Party's behalf. For the purpose of this paragraph, the Borrower and each other Loan Party irrevocably hereby make, constitute and appoint the Lender (and all Persons designated by the Lender for that purpose) as such parties' true and lawful attorney and agent-in-fact (i) to endorse the Borrower's or such other Loan Party's name upon said items of payment and/or proceeds of Collateral of the Borrower or of any other Loan Party and upon any Chattel Paper, document, instrument, invoice or similar document or agreement relating to any Account of the Borrower or of any other Loan Party or goods pertaining thereto; (ii) to take control in any manner of any item of payment or proceeds thereof; (iii) to have access to any lock box or postal box into which any of the Borrower's or any other Loan Party's mail is deposited; and (iv) open and process all mail addressed to the Borrower or any other Loan Party and deposited therein; provided, however, that the Lender shall not exercise any such powers described in subparagraphs (i), (ii) (except for routine Lock Box payments/proceeds or through any Blocked Account), (iii) and (iv) unless and until an Event of Default has occurred and is continuing. The Borrower and the Loan Parties hereby expressly acknowledge, confirm and agree that the implementation of the cash management arrangements contemplated herein is a contractual right provided to the Lender hereunder in order for the Lender to manage and monitor their collateral position and not a proceeding for enforcement or recovery of a claim, or pursuant to, or an enforcement of, any security or remedies whatsoever, the cash management arrangements contemplated herein are critical to the structure of the lending arrangements contemplated herein, the Lender is relying on this acknowledgement, confirmation and agreement with respect to such cash management arrangements in making accommodations of credit available to the Borrower and in particular that any accommodations of credit are being provided by the Lender strictly on the basis of the Borrowing Base calculation hereunder to fully support and collateralize any such accommodations of credit hereunder and the Borrower and the Loan Parties hereby further acknowledge, confirm and agree that the Lender shall have the contractual right to continue to apply the contemplated cash management arrangements contemplated herein notwithstanding any default, termination or non-renewal of this Agreement or any of the credit facilities contemplated herein or any stay of proceedings or filing in connection with any insolvency proceeding under any Applicable Law as a matter of, and shall be considered and deemed to be a matter of, replacing and monitoring the Lender's Collateral and not as an enforcement of any of its security or Liens.

(b) Rights of the Lender.

The Lender may, at any time after the occurrence of an Event of Default that is continuing, and from time to time thereafter for so long as such Event of Default has not been cured by the Borrower or waived by the Lender in writing, whether before or after notification to any Account Debtor and whether before or after the maturity of any of the Liabilities, (i) enforce collection of any of the Borrower's or any other Loan Party's Accounts or contract rights by suit or otherwise; (ii) exercise all of the Borrower's or any other Loan Party's rights and remedies with respect to proceedings brought to collect any Accounts; (iii) surrender, release or exchange all or any part of any Accounts of the Borrower or of any other Loan Party, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder; (iv) sell or assign any Account of the Borrower or of any other Loan Party upon such terms, for such amount and at such time or times as the Lender deems advisable; (v) prepare, file and sign the Borrower's or any other Loan Party's name on any proof of claim in bankruptcy or other similar document against any Account Debtor indebted on an Account of the Borrower or of any other Loan Party; and (vi) do all other acts and things which are necessary, in the Lender's discretion, to fulfill the Borrower's or any other Loan Party's obligations under this Agreement and to allow the Lender to collect the Accounts. In addition to any other provision hereof, the Lender may at any time on or after the occurrence of an Event of Default that is continuing, at the Borrower's expense, notify any parties obligated on any of the Accounts of the Borrower or of any other Loan Party to make payment directly to the Lender of any amounts due or to become due thereunder.

(c) Application of Collections.

The Lender shall, upon receipt by the Lender at its office in Toronto, Ontario of cash or other immediately available funds from collections of items of payment and proceeds of any Collateral, apply the whole or any part of such collections or proceeds against the Liabilities in such order as the Lender shall determine in its discretion but for greater certainty, amounts received by the Lender pursuant to the cash management arrangements contemplated herein shall be applied firstly to the Revolving Loans and then to amounts owing under the Term Loan Facility when such amounts are due and owing at the Lender's option and in its discretion.

(d) Dealings by the Lender.

In its sole credit judgment, without waiving or releasing any obligation, liability or duty of the Borrower or of any other Loan Party under this Agreement or the Loan Documents or any Event of Default, at any time or times hereafter, the Lender may (but shall not be obligated to) pay, acquire or accept an assignment of any Lien asserted by any Person in, upon or against the Collateral or to pay any obligation owing by the Borrower or by any other Loan Party. All sums paid by the Lender in respect thereof and all costs, fees and expenses (including, without limitation, legal fees and disbursements (on a solicitor-client basis) for outside counsel, all court costs and all other charges relating thereto) incurred by the Lender shall constitute Revolving Loans, payable by the Borrower to the Lender on demand and, until paid, shall bear interest at the highest rate then applicable to Revolving Loans hereunder.

(e) Receipts by Borrower.

Immediately upon the Borrower's or any other Loan Party's receipt of any portion of the Collateral consisting of an agreement, Instrument, Document of Title or Chattel Paper, the Borrower or any such other Loan Party, as the case may be, shall deliver the original thereof to the Lender together with an appropriate endorsement or other specific evidence of assignment thereof to the Lender (in form and substance acceptable to the Lender). If an endorsement or assignment of any such items shall not be made for any reason, the Lender is hereby irrevocably authorized, as the Borrower's or any other Loan

Party's attorney and agent-in-fact, to endorse or assign the same on the Borrower's or such other Loan Party's behalf.

## 9. SCHEDULES AND REPORTS

### (a) Activity Reports.

The Borrower shall deliver to the Lender prior to any Borrowing, and in any event not less frequently than weekly (subject to more frequent reporting at the Lender's discretion) by facsimile or email at a number or email address in accordance with subsection 17(a) hereof or as otherwise advised by the Lender from time to time, a report, substantially in the form of Exhibit 9(a) hereto, of the Borrower's and any other Loan Party's invoice activity, UBCR accruals and details of credit memos and credit notes issued by the Borrower or any other Loan Party, a schedule showing cash receipts and all PPAP approvals, all for the previous week or such other lesser period and, as the Lender may request, supporting purchase orders, invoices, proof of delivery and other information requested by the Lender in respect of same.

### (b) Borrowing Base Certificate.

Within twenty (20) days after the close of each calendar month, and at such other times as may be requested by the Lender from time to time hereafter in the Lender's discretion, the Borrower shall deliver to the Lender a certificate for such month, which shall include calculations of the Borrowing Base (excluding reserves but including calculations of Eligible Accounts, Eligible UBCR and Eligible Inventory) substantially in the form of Exhibit 9(b) hereto (a "Borrowing Base Certificate"), and shall also deliver to the Lender (and electronically to Collateral Services Inc. at [tdaf@collateral-services.com](mailto:tdaf@collateral-services.com) with a copy to [td.af-analyst@td.com](mailto:td.af-analyst@td.com) in the case of accounts payable and Accounts trial balances) (i) an aged trial balance of the Borrower's and any other Loan Party's accounts payable as of the end of such month, together with a listing of any cheques prepared but not sent in respect of any accounts payable, (ii) a report substantially in the form of Exhibit 9(b)(ii) hereto in respect of all statutory payables coming due during such month from the Borrower or any other Loan Party, identifying all such payables by type and amount and indicating date of payment of each, such payables to include unemployment insurance, Canada Pension Plan and income tax employee withholdings, harmonized sales taxes (including goods and services and retail sales taxes), and all other payables in respect of which any statutory Lien or trust arises (a "Statutory Payables Report"), and (iii) a trial balance identifying by age each Account and UBCR of the Borrower and of any other Loan Party, a reconciliation thereof to the above Borrowing Base calculations, and copies of the invoices when requested by the Lender (with evidence of shipment attached) pertaining to each such Account, for the period (or other applicable period) immediately preceding. For purposes of calculating Excess Availability and the amount of the Borrowing Base relating thereto, the Lender may, in the exercise of its discretion, and without prejudice to its ability to establish other reserves as set out in this Agreement, establish a reserve in an aggregate amount based on the Borrower's and other Loan Parties' outstanding debt which is not current, in the discretion of the Lender (in accordance with its terms of payment as verified by the Lender) or which is past due as of such date of determination, to the extent thereof, and a reserve in an aggregate amount based on outstanding cheques issued by the Borrower and any other Loan Parties, to the extent thereof. At such times as may be requested by the Lender from time to time hereafter, the Borrower shall deliver to the Lender: (x) copies of all account statements received in respect of the Borrower's or any other Loan Party's chequing and any other accounts held with any financial institution, if any and if permitted by the Lender; (y) such additional schedules, certificates, reports and information with respect to the Collateral as the Lender may from time to time, require and (z) a collateral assignment of any or all items of Collateral. The Lender, through its officers, employees or agents, shall have the right, acting reasonably, at any time and from time to time in the Lender's name, in the name of a nominee of the Lender or in the Borrower's

or any other Loan Party's name, to verify the validity, amount or any other matter relating to any of the Borrower's or any other Loan Party's Accounts, by mail, telephone, telegraph or otherwise. The Borrower shall reimburse the Lender, on demand, for all costs, fees and expenses incurred by the Lender in this regard.

(c) Inventory Reports.

Without limiting the generality of the foregoing, the Borrower shall deliver to the Lender (and electronically to Collateral Services Inc.), at least once a month within twenty (20) days after the close of each month (or more frequently when requested by the Lender in its discretion), a costed out perpetual inventory report and a report regarding all moulds which are a work in process including the location and percentage of completion regarding each such mould and PPAP approvals, with respect to the Borrower's and each other Loan Party's Inventory (including a warehouse month end stock status report if applicable), including (i) a reconciliation thereof to the above Borrowing Base calculations; (ii) a reconciliation of the perpetual inventory report to the general ledger; and (iii) for each SKU item on such perpetual inventory report, the most recent invoice cost of each such SKU item. The Borrower shall immediately notify the Lender of any event causing loss or depreciation in value of the Borrower's and each other Loan Party's Inventory.

(d) Financial Reports.

The Borrower agrees to deliver to the Lender the following financial information, all of which shall be prepared in accordance with GAAP consistently applied:

- (i) no later than thirty (30) days after the end of each month, copies of internally prepared financial statements of the Borrower on a consolidated and on a consolidating basis and individual company basis for the Borrower and the other Loan Parties, on a month and year-to-date basis with a comparison to the prior year and budget including, without limitation, balance sheets and statements of income, retained earnings and cash flow certified by the chief financial officers of the Borrower and accompanied by a certificate by such officers to the Lender substantially in the form of Exhibit 9(d)(i) hereto (the "Financial Reporting Certificate");
- (ii) no later than thirty (30) days after the end of Borrower's Fiscal Year End, a detailed budget and statement of cash flow projections for Borrower (on a consolidated basis with the other Loan Parties) during the following Fiscal Year on a monthly basis, in such detail as the Lender may require, including, without limitation, balance sheet, income statement and statement of cash flows; and
- (iii) no later than one hundred and twenty (120) days after the end of the Fiscal Year End for the Borrower, annual audited consolidated and consolidating financial statements for the Borrower, together with an accompanying audit opinion of independent chartered accountants satisfactory to the Lender together with such accountants' report thereon to management if such is made.

(e) Authorized Officer.

Unless otherwise provided for herein, all schedules, certificates, reports and assignments and other items delivered by the Borrower to the Lender hereunder shall be executed by an Authorized Officer and shall be in such form and contain such information as the Lender shall request. The Borrower

shall deliver from time to time such other schedules and reports pertaining to the Collateral of the Borrower and of any other Loan Party, and all such other financial information, as the Lender may request.

## 10. TERMINATION

### (a) Survival of Security Interests, Liens, etc.

This Agreement shall be in effect from the date hereof until the Maturity Date (the "Term") unless the due date of the Liabilities is accelerated pursuant to section 14 hereof in which event this Agreement shall terminate on the date thereafter that the Liabilities are paid in full, provided, however, that the Liens created under the Collateral Documents, this Agreement and the Loan Documents shall survive such termination until the date upon which full and final and indefeasible payment and satisfaction in full of the Liabilities shall have occurred. At such time as the Borrower has repaid all of the Liabilities and this Agreement has terminated, (i) the Borrower (a) shall deliver to the Lender a release, in form and substance satisfactory to the Lender, of all obligations and liabilities of the Lender and its officers, directors, employees, agents, Parents, Subsidiaries and Affiliates to the Borrower or to any other Loan Party, and if the Borrower is obtaining new financing from another lender, the Borrower shall deliver such lender's indemnification of the Lender, in form and substance satisfactory to the Lender, or (b) shall provide cash collateral or such other security in form and substance satisfactory to the Lender for any indemnification obligations in respect of unmatured Bankers Acceptances, outstanding Letters of Credit and for cheques which the Lender has credited to the Borrower's account held at the Lender, but which subsequently are dishonoured for any reason and (ii) upon the Borrower's request and upon receipt of the release and indemnification described in subparagraph (i) above, the Lender shall deliver to the Borrower a release in form and substance satisfactory to the Lender.

### (b) Prepayment.

The Borrower shall have the right, at any time and from time to time prior to the Maturity Date, upon not less than thirty (30) days prior written notice to the Lender, to terminate this Agreement and/or cancel, reduce and/or terminate the Revolving Credit Commitment and/or the Term Loan Commitment (in excess of regularly scheduled payments). If the Borrower terminates this Agreement and/or cancel, reduce and/or terminate the Revolving Credit Commitment or the Term Loan Commitment at any time prior to the Maturity Date, the Borrower agrees to pay to the Lender, as a prepayment fee, in addition to the payment of all other Liabilities owing by the Borrower (in the case of any such termination or cancellation), an amount equal to one percent (1%) in the first, second and third year of the Term and one half of one percent (0.5%) in the fourth and fifth year of the Term, of the amount of the Revolving Credit Commitment and/or Term Loan Commitment canceled, reduced and/or terminated, provided that the foregoing prepayment fees shall not be payable by the Borrower if all the Liabilities hereunder are being refinanced by another division of the Lender. For greater certainty, the Revolving Loan may not be prepaid without also prepaying the Term Loan Facility in full.

The Borrower and the Lender acknowledge and agree that, as a direct and proximate result of the termination of this Agreement under the aforesaid circumstances, or prepayment otherwise, the Lender will suffer a loss in an amount which is difficult to calculate and determine with certainty and, therefore, as a result of the Borrower's and the Lender's endeavour to ascertain and agree in advance to the amount necessary to compensate the Lender for said loss, the Borrower has agreed to pay the aforesaid prepayment and other fees set out herein.

## 11. REPRESENTATIONS AND WARRANTIES

The Borrower and each other Loan Party, jointly and severally, hereby make the following representations, warranties and covenants to the Lender and hereby acknowledge that the Lender is relying upon the following in connection with the transactions contemplated by this Agreement:

(a) Organization.

Borrower is a corporation duly incorporated and subsisting under the laws of the Province of Ontario. Each Subsidiary of the Borrower and each other Loan Party is a corporation duly incorporated (or amalgamated, continued or formed, as the case may be) and organized and validly existing under the laws of its jurisdiction of incorporation (or amalgamation, continuation or formation, as the case may be), in each case, as set forth in Schedule 11(i) hereto. Each of the Borrower, each other Loan Party and each of their respective Subsidiaries has all requisite capacity, power and authority to own, hold under licence or lease its properties necessary for the conduct of its business and to carry on its business, in each case, as currently conducted except where the failure to so qualify would not have a Material Adverse Effect. The Borrower shall notify the Lender in writing not less than ten (10) Business Days prior to the change of its name or that of any other Loan Party or any of their respective Subsidiaries or the use of any trade names or division names not previously disclosed to the Lender in writing.

(b) Authority and Conflict.

The Borrower and each other Loan Party has the right and power and is duly authorized and empowered to enter into, execute and deliver this Agreement and the Loan Documents to which it is a party and perform its obligations hereunder and thereunder as applicable. The execution, delivery and performance of this Agreement and the Loan Documents does not and shall not, in any material respect, conflict with the provisions of the Constatting Documents of each Loan Party party thereto or any statute, regulation, ordinance or rule of Law, or any material agreement, contract or other document which may now or hereafter be binding on the Borrower any other Loan Party or any of their respective Subsidiaries, and the execution, delivery and performance of this Agreement and the Loan Documents, as applicable, shall not result in the imposition of any Lien or other encumbrance upon any of the property of the Borrower any other Loan Party or any of their respective Subsidiaries under any existing indenture, mortgage, deed of trust, loan or credit agreement or other agreement or instrument by which any of them or any of their property may be bound or affected. This Agreement and each of the other Loan Documents have been duly executed and delivered by each Loan Party party thereto. No consent, approval, authorization or other order or other action by and no notice to or filing with any Governmental Authority or any other Person is required for the execution, delivery or performance of this Agreement and each other Loan Document to which each Loan Party is a party.

(c) Enforceability.

This Agreement and the Loan Documents to which the Borrower or any other Loan Party is a party are the legal, valid and binding obligations of the Borrower and such other Loan Party as applicable and are enforceable against the Borrower and such other Loan Party as applicable in accordance with their respective terms, except to the extent that such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the rights of creditors generally, the fact that specific performance and injunctive relief may only be given at the discretion of the courts, and the equitable or statutory powers of the courts to stay proceedings before them and to stay the execution of judgments.

(d) Compliance with Laws and Permits.

The Borrower, each of the other Loan Parties and each of their respective Subsidiaries has obtained all licenses, authorizations, approvals and permits required in their respective businesses except where the failure to do so would not have a Material Adverse Effect, and the Borrower, each other Loan Party and each of their respective Subsidiaries is and shall remain in compliance in all material respects with all Applicable Laws (including, without limitation, statutes, orders, regulations, rules and ordinances relating to taxes, employer and employee contributions and similar items, securities, employee retirement and welfare benefits, employee health and safety or environmental matters), the failure to comply with which could have a Material Adverse Effect with respect to the Borrower, any other Loan Party or any of their respective Subsidiaries, and there are no conditions with respect to such licenses, authorizations, approvals and permits that materially affect or restrict the transferability of such licenses, authorizations, approvals and permits.

(e) Financial Statements and Other Information.

The financial statements and reports delivered or to be delivered by the Borrower to the Lender at or prior to the date of this Agreement and at all times subsequent thereto accurately reflect in all material respects the matters reflected therein and the financial condition of the Borrower, each other Loan Party and each of their respective Subsidiaries on a consolidated basis for which such statements are delivered, and since the date of such financial statements delivered to the Lender most recently prior to the date of this Agreement, no event or condition has occurred which has had, or is reasonably likely to have, a Material Adverse Effect with respect to the Borrower, any other Loan Party and any of their respective Subsidiaries on a consolidated basis.

(f) Litigation.

Except as otherwise disclosed on Schedule 11(f), there are no actions or proceedings which are pending or, to the best of the Borrower's or any other Loan Party's knowledge, threatened against the Borrower, any other Loan Party or any of their respective Subsidiaries which if determined adversely against any of them would expose any of them to present or future liability in excess of Cdn. \$250,000 in the aggregate at any time, and the Borrower and each other Loan Party shall, and each of them shall cause each of their respective Subsidiaries to, promptly upon becoming aware of any such pending or threatened action or proceeding, give written notice thereof to the Lender.

(g) No Default.

None of the Borrower, any other Loan Party or any of their respective Subsidiaries is in default under any material contract, lease or commitment to which it is a party or by which it is bound, nor does the Borrower know of any dispute regarding any contract, lease or commitment which is material to the continued financial success and well-being of any of them. No Default or Event of Default has occurred and is continuing or would reasonably be expected to occur immediately following the Closing Date and a drawdown hereunder.

(h) Qualification in Jurisdictions.

The Borrower, each other Loan Party and each of their respective Subsidiaries has, and shall at all times have, in place a duly constituted board of directors or single director overseeing its affairs, is not and shall not be at any time subject to a shareholder agreement or declaration adversely affecting the ability of the Borrower or any other Loan Party to perform its obligations under this Agreement or any other Loan Document or which is contrary or inconsistent with any term, provision or



condition contained in this Agreement or in any other Loan Document, unless otherwise agreed to in writing by the Lender, and is duly qualified and in good standing in all provinces, states or other jurisdictions where the nature and extent of the business transacted by it or the ownership of its assets makes such qualification necessary, except for such other provinces, states or other jurisdictions in which the failure to so qualify would not have a Material Adverse Effect with respect to any of them.

(i) Subsidiaries and Affiliates.

Except as otherwise disclosed on Schedule 11(i), none of the Borrower or any other Loan Party has any Subsidiary, nor is the Borrower or any other Loan Party engaged in any joint venture or partnership with any other Person. Schedule 11(i) sets forth each such Subsidiaries and/or joint ventures and/or partnerships and sets out for each jurisdiction of incorporation or formation, as the case may be.

(j) Solvency.

The Borrower, each other Loan Party and each of their respective Subsidiaries is solvent, is able to pay its debts as they become due and has capital sufficient to carry on its business, now owns property having a value both at fair valuation and at present fair saleable value greater than the amount required to pay its debts, and will not be rendered insolvent by the execution and delivery of this Agreement or any of the Loan Documents or by completion of the transactions contemplated hereunder or thereunder.

(k) Indebtedness.

None of the Borrower, any other Loan Party or any of their respective Subsidiaries is now obligated, whether directly or indirectly, as principal, guarantor, surety or otherwise, for any loans (including shareholder loans) or other indebtedness or liability (contingent or otherwise) other than the following (collectively, "Permitted Indebtedness"):

- (i) the Liabilities;
- (ii) indebtedness and liabilities disclosed to the Lender on Schedule 11(k);
- (iii) unsecured indebtedness to trade creditors arising in the ordinary course of the Borrower's, any other Loan Party's or any of their respective Subsidiaries business;
- (iv) unsecured indebtedness arising from the endorsement of drafts and other instruments for collection, in the ordinary course of the Borrower's, any other Loan Party's or any of their respective Subsidiaries business;
- (v) unsecured indebtedness and liabilities owing by the Borrower to any other Loan Party or unsecured indebtedness and liabilities owing by any other Loan Party to the Borrower, the particulars of which are set out on Schedule 11(k) it being understood, and the Borrower and each other Loan Party hereby agree and covenant with the Lender, that any such indebtedness and liabilities, whether present or future, contingent or otherwise, are and shall, at all times, be subordinate to the Liabilities and the Borrower and the other Loan Parties shall deliver a subordination and postponement agreement, in form and substance acceptable to the Lender;

- (vi) indebtedness incurred by the Borrower for the purchase of Equipment financed with the Additional Term Loan;
- (vii) unsecured indebtedness in respect of netting services, overdraft protections and otherwise in connection with deposit accounts, so long as such indebtedness is incurred in the ordinary course of business;
- (viii) refinancings of indebtedness described in clauses (ii) and (v) above so long as the principal amount thereof is not increased, the weighted average life to maturity is not shortened, no additional collateral therefor shall be granted and, if the indebtedness being refinanced is subordinated to the Liabilities, the replacement indebtedness shall be subordinated on the same terms as such indebtedness being so refinanced; and
- (ix) deposits or pledges to secure bids, tenders, contracts (other than contracts for the payment of money), leases, statutory obligations, indemnity, performance, surety and appeal bonds and other obligations of like nature, in each case arising in the ordinary course of business; and
- (x) any deferred taxes.

None of the Borrower, any other Loan Party or any of their respective Subsidiaries is in arrears in payment of any amount to any supplier of Inventory or any governmental body or agency including, without limitation, amounts owing or to be remitted with respect to employee withholdings for income tax or Canada Pension Plan, harmonized sales taxes (including goods and services and retail sales taxes), other than those being contested in good faith and by appropriate proceedings diligently conducted and in respect of which no Lien has been filed.

(l) Locations.

The offices where the Borrower and each other Loan Party keeps its books, records and accounts (or copies thereof) concerning the Collateral, the Borrower's and each other Loan Party's principal place of business and all other places of business, locations of Collateral and post office boxes of the Borrower and each other Loan Party are as set forth in Schedule B hereto.

(m) Equipment and Locations; Real Property.

The Collateral, including without limitation, the Borrower's and any other Loan Party's Equipment is, and shall be kept, or, in the case of vehicles, based, at the addresses set forth on Schedule B, and at other locations within those jurisdictions where the Lender has perfected security over the Collateral of the relevant Loan Party and of which the Lender has been advised by the Borrower in writing. The Borrower, along with any other Loan Party, shall be permitted to have moulds in transit in the Province of Ontario as well as located at the premises or locations of their respective trial sources or other parties in the Province of Ontario in accordance with their normal business practices. Schedule B also contains a complete and accurate list of the addresses of all Real Property and other premises where the Borrower or any Loan Party rents or licenses space or stores Collateral, together with, in the case of non-owned Real Property or such other premises, the name and mailing address of the owner of such Real Property.

(n) Collateral Used in More than One Jurisdiction.

If any of the Collateral consists of Goods of a type normally used in more than one province, whether or not actually so used, the Borrower shall immediately give written notice to the Lender of any use of any such Goods in any province other than a province in which the Borrower has previously advised the Lender such Goods shall be used, and such Goods shall not, unless the Lender shall otherwise consent in writing, be used outside of those jurisdictions where the Lender has perfected security over the Collateral of the relevant Loan Party.

(o) Other Security Agreements.

No security agreement, financing statement or analogous instrument exists or shall exist with respect to any of the Collateral other than any security agreement, financing statement or analogous instrument evidencing Permitted Liens.

(p) Accounts and Inventory.

Each Account, Eligible UBCR or item of Inventory which the Borrower shall, expressly or by implication, request the Lender to classify as an Eligible Account, Eligible UBCR or as Eligible Inventory, respectively, shall, as of the time when such request is made, conform in all respects to the requirements of such classification as set forth in the respective definitions of Eligible Account, Eligible UBCR and Eligible Inventory and as otherwise established by the Lender from time to time, and the Borrower shall promptly notify the Lender in writing within five (5) days of the Borrower becoming aware if any such Eligible Account, Eligible UBCR or Eligible Inventory shall subsequently become ineligible. No Accounts owing from any party related to or Affiliated with the Borrower, any other Loan Parties or any of their respective direct or indirect shareholders, directors, officers or employees is or shall be due and payable more than thirty (30) days after the stated invoice date thereof.

(q) Ownership of Collateral; Liens.

The Borrower and each other Loan Party is and shall at all times be the lawful owner of all Collateral now purportedly owned or hereafter purportedly acquired by the Borrower and each other such Loan Party, free from all Liens whatsoever, whether voluntarily or involuntarily created and whether or not perfected, other than the Permitted Liens. Each Real Property Lease is in full force and effect and unamended (except as disclosed to the Lender) and the Borrower is not in default under any of its obligations thereunder, and is not aware of any circumstances that would constitute a breach thereunder and, to the knowledge of the Borrower, none of the other parties to each Real Property Lease are in material default of any of their respective obligations thereunder.

To the knowledge of the Borrower, after inquiry, all of the buildings, structures, improvements, appurtenances and fixtures (collectively in this subsection 11(q) "buildings and structures") situate on or forming part of the Real Property are in good operating condition and in a state of good maintenance and repair, are adequate and suitable for the purposes for which they are currently being used and the Borrower and each other Loan Party, as the case may be, has adequate rights of ingress and egress to and from all of the buildings and structures for the operation of the Borrower's or such other Loan Party's business in the ordinary course. Without limiting the generality of, and in addition to, the foregoing:

- (i) the Real Property and the current uses thereof by the Borrower or other Loan Party, as the case may be, comply in all respects with Applicable Law;

- (ii) except as disclosed in writing to the Lender, no alterations, repairs, improvements or other work have been ordered, directed or requested in writing under any Applicable Law by any Person with respect to the Real Property or the buildings and structures or with respect to any of the plumbing, heating, elevating, water, drainage or electrical systems, fixtures or works, which alteration, repair, improvement or other work has not been completed;
- (iii) unless otherwise disclosed to the Lender, to the knowledge of the Borrower, all accounts for material, work and services with respect to the Real Property (except for current accounts the payment dates of which have not yet passed) have been fully paid and satisfied and no Person is entitled to claim a lien under the *Construction Lien Act* (Ontario) or any similar applicable legislation in any other jurisdiction against the Real Property; and
- (iv) there is nothing owing by the Borrower or any other Loan Party in respect of the supply to or the use by it of water, gas, electrical power or energy, steam or hot water, or other utilities (except for current accounts the payment dates of which have not yet passed).

(r) Information.

All written information now, heretofore or hereafter furnished by the Borrower or any other Loan Party to the Lender is and shall be true and correct in all material respects as of the date with respect to which such information was or is furnished (except for financial projections, which have been and shall be prepared in good faith based upon assumptions).

(s) Affiliate Transactions.

None of the Borrower or any other Loan Party is conducting, permitting or suffering to be conducted, nor shall it conduct, permit or suffer to be conducted, any activities pursuant to or in connection with which any of the Collateral is now, or will (while any Liabilities remain outstanding) be owned by any Affiliate, including, without limitation, any Subsidiary save and except (i) as otherwise permitted by the terms of this Agreement; or (ii) in the ordinary course of business and upon fair and terms no less favourable to such Loan Party or such Subsidiary than would be obtained in a comparable arm's-length transaction with a Person not an Affiliate of a Borrower or such Subsidiary.

(t) Use of Equipment.

With respect to the Borrower's and each other Loan Party's Equipment: (i) subject to Permitted Liens, the Borrower and each other Loan Party has good and marketable title to and ownership of all Equipment purportedly owned by them; (ii) the Borrower and each other Loan Party has kept and maintained such Equipment in good operating condition and repair and has made all necessary replacements thereof and renewals thereto so that the value and operating efficiency thereof shall at all times be preserved and maintained, ordinary wear and tear excepted and except where the failure to do so would not have, either individually or in the aggregate, a Material Adverse Effect; and (iii) none of the Borrower or any other Loan Party has permitted any such items to become a fixture to real estate (including to any of the Real Property) or an accession to other personal property unless disclosed to the Lender or the Lender has a charge/mortgage on applicable Real Property.

(u) Margin Securities and Use of Proceeds.

- (i) None of the Borrower or any other Loan Party own any margin securities, and none of the proceeds of the Loans hereunder shall be used for the purpose of purchasing or carrying any margin securities or for the purpose of reducing or retiring any indebtedness which was originally incurred to purchase any margin securities.

(v) Employment Matters.

Except as set forth in Schedule 11(f), there are no labour disputes pending or threatened between the Borrower, any other Loan Party or any of their respective Subsidiaries and any of its employees or any union representing any employees, other than those which are not, in the aggregate, likely to have a Material Adverse Effect with respect to the Borrower, such Loan Party or any such Subsidiary. The Borrower, each of the other Loan Parties and each of their respective Subsidiaries are in compliance in all material respects with all Applicable Law respecting employment and employment terms, conditions and practices, except where the failure to so comply would not have a Material Adverse Effect with respect to the Borrower, such Loan Party or any such Subsidiary. Except as set forth in Schedule 11(v) hereto, none of the Borrower, any other Loan Party or any of their respective Subsidiaries are a party to any other labour, union or collective bargaining agreement.

(w) Intellectual Property.

The Borrower, each other Loan Party and each of their respective Subsidiaries possesses, and shall continue to possess, adequate licenses, patents, patent applications, copyrights, service marks, trademarks, trademark applications, trade styles and trade names to continue to conduct its business as heretofore conducted by it, details of all of which are described on Schedule 11(w) save and except to the extent that any Person who has licensed or granted the Borrower, any Loan Party or any of their respective Subsidiaries the right to use any such licenses, patents, patent applications, copyrights, service marks, trademarks, trademark applications, trade styles or trade names which are owned by such Person terminates the use of same, and except where the failure to possess same would not have a Material Adverse Effect. All such licenses, patents, patent applications, copyrights, service marks, trademarks, trademark applications, trade styles and trade names which are not owned by the Borrower, any other Loan Party or any of their respective Subsidiaries are currently being used by the Borrower, any other Loan Party or any of their respective Subsidiaries in accordance and in compliance, in all material respects, with the terms and conditions of use of any such licenses, patents, patent applications, copyrights, service marks, trademarks, trademark applications, trade styles and trade names and the Borrower and the other Loan Parties are not aware of any reason why any such use would be terminated.

(x) Authorized and Issued Capital.

Schedule 11(x) attached hereto sets out, in respect of the Borrower, each other Loan Party and each of their respective Subsidiaries, each such party's authorized and issued Equity Interests and the direct or indirect registered and beneficial holders of all such Equity Interests which for greater certainty includes all Parents of the Borrower. All issued and outstanding Equity Interests of the Borrower, each other Loan Party and each of their respective Subsidiaries have been validly issued under Applicable Law, are fully-paid and non-assessable.

(y) Environmental Laws.

Except as disclosed in Schedule 11(y) hereto: (i) the operations and properties of the Borrower, each other Loan Party and each of their respective Subsidiaries comply with all applicable Environmental Laws except for any non-compliance which would not have a Material Adverse Effect

with respect to any of them; (ii) the Borrower, each other Loan Party and each of their respective Subsidiaries and all of their present facilities or operations and properties, as well as to the knowledge of the Borrower and each other Loan Party their past facilities or operations and properties, are not subject to any judicial proceeding or administrative proceeding or any outstanding written order or agreement with any Governmental Authority or private party respecting (a) any Environmental Law or; (b) any Environmental Claim arising from the Release of a Contaminant into the environment in each case which would have a Material Adverse Effect; (iii) to the best of the knowledge of the Borrower and each other Loan Party, none of their operations or properties is subject to any federal, provincial or state investigation evaluating whether any remedial work is needed to respond to a Release of any Contaminant into the environment in each case which would have a Material Adverse Effect with respect to any of them; (iv) none of the Borrower, any other Loan Party or any of their respective Subsidiaries nor any other predecessor of any of the Borrower, any other Loan Party or any of their respective Subsidiaries has, to the best of the knowledge of the Borrower, and each other Loan Party, carried on the past or present facilities or operations or properties of the Borrower, any of the other Loan Parties or any of their respective Subsidiaries, any past or present treatment, storage, or disposal of a Hazardous Material, nor, to the best of knowledge of the Borrower and each other Loan Party, have the Borrower, any other Loan Party or any of their respective Subsidiaries or, any prior owner or operator on any of the properties of the Borrower, any other Loan Party or any of their respective Subsidiaries reported a spill or Release of a Contaminant into the environment in each case which would have a Material Adverse Effect with respect to any of them; (v) none of the Borrower, any other Loan Party or any of their respective Subsidiaries has been notified that it has any liability in connection with any Release of any Contaminant into the environment in each case which would have a Material Adverse Effect with respect to any of them; (vi) none of the operations, past or present, of the Borrower, any other Loan Party or any of their respective Subsidiaries involve the generation, transportation, treatment or disposal of Hazardous Materials in violation of Environmental Laws, in each case which would have a Material Adverse Effect with respect to any of them; (vii) none of the Borrower, any other Loan Party or any of their respective Subsidiaries have disposed of any Contaminant by placing it in or on the ground or waters of any premises owned, leased or used by any of them and to the knowledge of the Borrower or any other Loan Party neither has any lessee, prior owner, prior operator or occupant or other person in each case which would have a Material Adverse Effect with respect to the Borrower, any other Loan Party or any of their respective Subsidiaries; (viii) no surface impoundments, and to the best knowledge of the Borrower or any other Loan Party, no underground storage tanks, are on any properties of the Borrower, any other Loan Party or any of their respective Subsidiaries that would or are likely to have a Material Adverse Effect on any of the Borrower, any other Loan Party or any of their respective Subsidiaries; and (ix) to the best of the knowledge of the Borrower and any other Loan Party, no lien in favour of any Governmental Authority for (A) any liability under any Environmental Laws, or (B) damages arising from or costs incurred by such Governmental Authority in response to a Release of a Contaminant into the environment, has been filed or attached to the property of the Borrower, any other Loan Party or any of their respective Subsidiaries.

(z) Pension and Other Benefits.

All Plans sponsored by the Borrower or any other Loan Party are registered under, and in compliance in all material respects with, all requirements of Applicable Law, all payments, reports, returns and filings required to be made thereunder have been made. All such Plans have been administered in accordance with their terms and provisions of Applicable Law except where failure to do so would or could reasonably not be expected to have a Material Adverse Effect. In respect of Plans which are registered pension plans within the meaning of the ITA, to the best of the Borrower's or other Loan Party's knowledge, there have been no partial wind-ups of any Plans, no unauthorized merger of such Plans, no unauthorized withdrawal of funds from such Plans and no improper contribution holidays taken in respect of such Plans which would or could be reasonably expected to have a Material Adverse

Effect. Where applicable, all Plans are fully funded on both a going concern and solvency basis as at the Closing Date. Where the most recent actuarial valuation report that has been filed with the applicable governmental authorities for any such Plan discloses a going concern unfunded actuarial liability, past service unfunded actuarial liability or solvency deficiency as at the date of such valuation, the Borrower or a Loan Party are making payments in accordance with valuation report and Applicable Law. All employer or employee payments, contributions and premiums that the Borrower or a Loan Party are required to remit or pay to in respect of each Union Plan has been remitted or paid in a timely fashion in accordance with the terms of the Union Plan, the applicable collective agreement or participation agreement, and all Applicable Laws. Except as set forth on Schedule 11(z) hereto, none of the Borrower, any other Loan Party or any of their respective Subsidiaries sponsors, administers, maintains or contributes to any other Plans or Union Plans.

(aa) U.S. ERISA and Employee Benefit Matters.

- (i) As of the Closing Date, no U.S. Loan Party nor any ERISA Affiliate maintains or contributes to, or has any obligation under, any Employee Benefit Plans other than those identified on Schedule 11(z);
- (ii) Each U.S. Loan Party and each ERISA Affiliate is in compliance with all applicable provisions of ERISA and the regulations and published interpretations thereunder with respect to all Employee Benefit Plans except for any required amendments for which the remedial amendment period as defined in Section 401(b) of the Code has not yet expired and except where a failure to so comply could not reasonably be expected to have a Material Adverse Effect. Each Employee Benefit Plan that is intended to be qualified under Section 401(a) of the Code has been determined by the Internal Revenue Service of the United States to be so qualified, and each trust related to such plan has been determined to be exempt under Section 501(a) of the Code except for such plans that have not yet received determination letters but for which the remedial amendment period for submitting a determination letter has not yet expired. No liability has been incurred by any U.S. Loan Party or any ERISA Affiliate which remains unsatisfied for any taxes or penalties with respect to any Employee Benefit Plan or any Multiemployer Plan except for a liability that could not reasonably be expected to have a Material Adverse Effect;
- (iii) As of the Closing Date, no Pension Plan has been terminated, nor has any accumulated funding deficiency (as defined in Section 412 of the Code) been incurred (without regard to any waiver granted under Section 412 of the Code), nor has any funding waiver from the Internal Revenue Service of the United States been received or requested with respect to any Pension Plan, nor has any U.S. Loan Party or any ERISA Affiliate failed to make any contributions or to pay any amounts due and owing as required by Section 412 of the Code, Section 302 of ERISA or the terms of any Pension Plan prior to the due dates of such contributions under Section 412 of the Code or Section 302 of ERISA, nor has there been any event requiring any disclosure under Section 4041(c)(3)(C) or 4063(a) of ERISA with respect to any Pension Plan that could not reasonably be expected to have a Material Adverse Effect;
- (iv) Except where the failure of any of the following representations to be correct could not reasonably be expected to have a Material Adverse Effect, no U.S. Loan Party nor any ERISA Affiliate has: (A) engaged in a non-exempt prohibited

transaction described in Section 406 of the ERISA or Section 4975 of the Code, (B) incurred any liability to the PBGC which remains outstanding other than the payment of premiums and there are no premium payments which are due and unpaid, (C) failed to make a required contribution or payment to a Multiemployer Plan, or (D) failed to make a required installment or other required payment under Section 412 of the Code;

- (v) No Termination Event has occurred or is reasonably expected to occur;
- (vi) Except where the failure of any of the following representations to be correct in all material respects could not reasonably be expected to have a Material Adverse Effect, no proceeding, claim (other than a benefits claim in the ordinary course of business), lawsuit and/or investigation is existing or, to the knowledge of the Borrowers, threatened concerning or involving any (A) employee welfare benefit plan (as defined in Section 3(1) of ERISA) currently maintained or contributed to by any U.S. Loan Party or any ERISA Affiliate, (B) Pension Plan, or (C) Multiemployer Plan;
- (vii) No U.S. Loan Party nor any Subsidiary thereof is a party to any contract, agreement or arrangement that could, solely as a result of the delivery of this Agreement or the consummation of transactions contemplated hereby, result in the payment of any "excess parachute payment" within the meaning of Section 280G of the Code.

(bb) Investment Property.

Except as provided in subsection 11(x) of this Agreement, none of the Borrower or any Loan Party owns or has any interest in any Investment Property, including, for greater certainty, none of the Borrower or any other Loan Party maintain any Securities Account or Futures Account with any Securities Intermediaries or Futures Intermediaries, respectively.

(cc) U.S. Government Regulation.

None of the Borrowers, any other Loan Party or any Subsidiary thereof is an "investment company" or a company "controlled" by an "investment company" (as each such term is defined or used in the *Investment Company Act* of 1940 as enacted in the United States, as amended) and none of the Borrowers, any other Loan Party or any Subsidiary thereof is, or after the extension of any Loan will be, subject to regulation under the Interstate Commerce Act, as amended, or any other Applicable Law which limits its ability to incur or consummate the transactions contemplated hereby.

(dd) Tax Returns and Payments.

Each Borrower, every other Loan Party and each Subsidiary thereof has duly filed or caused to be filed all material federal, state, local and other tax returns required by Applicable Law to be filed, and has paid, or made adequate provision for the payment of, all federal, state, provincial, local and other Taxes, assessments and governmental charges or levies upon it and its property, income, profits and assets which are due and payable (other than any amount the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided for on the books of the relevant Borrower, each other Loan Party and each Subsidiary thereof and a reserve in respect of Priority Payables has been established in respect of the Borrowing Base). Such returns accurately reflect in all material respects all liability for Taxes of the



Borrower, any other Loan Party or any Subsidiary thereof for the periods covered thereby. There is no ongoing audit or examination or, to the knowledge of the Borrower and any other Loan Party, other investigation by any Governmental Authority of the Tax liability of the Borrower, any other Loan Party or any Subsidiary thereof. No Governmental Authority has asserted any Lien or other claim against the Borrower, any other Loan Party or any Subsidiary thereof with respect to unpaid Taxes which has not been discharged or resolved (other than (i) any amount the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided for on the books of the Borrower and any other Loan Party and (ii) Permitted Liens). The charges, accruals and reserves on the books of the Borrower, any other Loan Party and each Subsidiary thereof in respect of federal, state, provincial, local and other Taxes for all Fiscal Years and portions thereof since the organization of the Borrower, any other Loan Party or any Subsidiary thereof are in the judgment of the Borrower adequate, and the Borrower do not anticipate any additional Taxes or assessments for any of such years.

(ee) OFAC.

None of the Borrowers, any other Loan Party or any Subsidiary or Affiliate thereof: (i) is a Sanctioned Person, (ii) has any of its assets in any Sanctioned Person, or (iii) derives more than ten percent (10%) of its operating income from investments in, or transactions with Sanctioned Persons. The proceeds of any Loan will not be used and have not been used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person.

The Borrower and each other Loan Party represents, warrants and covenants to the Lender that all representations, warranties and covenants of the Borrower and of any other Loan Party contained in this Agreement or any of the Loan Documents (whether appearing in sections 11 or 12 hereof or elsewhere) shall be true at the time of the Borrower's and each other Loan Party's execution of this Agreement, shall survive the execution, delivery and acceptance hereof and thereof by the parties hereto and thereto and the closing of the transactions described herein or related hereto, shall remain true until the repayment in full of all of the Liabilities and termination of this Agreement, and shall be remade by the Borrower and each such Loan Party at the time each Loan is made pursuant to this Agreement.

## 12. COVENANTS

Until payment or satisfaction in full of all Liabilities and termination of this Agreement, unless the Borrower obtains the Lender's prior written consent waiving or modifying any of the Borrower's or any other Loan Party's covenants hereunder in any specific instance, the Borrower and each other Loan Party, jointly and severally, agree as follows:

(a) Locations; Books and Records.

The Borrower shall promptly (but in no event less than ten (10) days prior thereto) advise the Lender in writing of the proposed change of the principal place of business, proposed opening of any new place of business, the closing of any existing place of business or the opening or closing of any post office box of the Borrower or of any other Loan Party. Except where the failure to do so would not have a Material Adverse Effect, the Borrower and each other Loan Party shall at all times keep accurate and complete books, records and accounts with respect to all of the Borrower's and each other Loan Party's business activities, in accordance with sound accounting practices and GAAP consistently applied, and shall keep such books, records and accounts, and any copies thereof, only at the addresses indicated for such purpose on Schedule B (other than duplicates maintained at any Parent entity's offices).

(b) Material Adverse Effect and other Notifications.

The Borrower shall promptly advise the Lender in writing of any Material Adverse Effect in respect of the Borrower, any other Loan Party or any of their respective Subsidiaries or the occurrence of any Default or Event of Default. Without limiting the generality of the foregoing, the Borrower shall immediately notify the Lender in writing of any termination, assignment or other dealing in respect of any Real Property Leases to which the Borrower, any other Loan Party or any of their respective Subsidiaries are a party.

(c) Audits and Inventory Appraisals.

- (i) The Lender, or any Persons designated by the Lender, shall have the right, on prior written notice by facsimile or email in accordance with subsection 17(a) hereof (unless an Event of Default has occurred and is continuing then such right may be exercised without prior notice), at any time during normal business hours (including, without limitation, through audits scheduled within forty-five (45) days after the Closing Date and thereafter every four months and more frequently during the occurrence and continuance of a Default or Event of Default) to call at the Borrower's or any other Loan Party's places of business or at any warehouse or storage facility where property or assets of the Borrower or any other Loan Party are located at any times, and, without hindrance or delay, to inspect the Collateral and to inspect, check and make extracts from the Borrower's and any other Loan Party's books, records, journals, orders, receipts and any correspondence and other data relating to the Borrower's and any other Loan Party's business, the Collateral or any transactions between the parties hereto, and shall have the right to make such verification concerning the Borrower's or any other Loan Party's business as the Lender may consider under the circumstances.
- (ii) The Borrower shall pay to or reimburse the Lender for all fees, costs, and out-of-pocket expenses incurred by the Lender in the exercise of its rights pursuant to this subsection 12(c) hereunder (in addition to the fees payable by the Borrower pursuant to subsection 5(g) hereof in connection with the Lender's examination of Borrower's or any other Loan Party's books and records and Collateral), including, without limitation, reimbursing the Lender on the last day of each month, in arrears, for the amount of a monitoring fee charged by Collateral Services Inc. (currently U.S. \$100 per month for an Account and UBCR aging listing and U.S. \$150 per month for an Inventory listing, but subject to change, and a one-time set up fee of U.S. \$850 for an Account and UBCR aging listing and a one-time setup fee of U.S. \$1,000 for an Inventory listing) and all of such costs, fees and expenses shall constitute Revolving Loans hereunder, shall be payable on demand and, until paid, shall bear interest at the highest rate then applicable to Revolving Loans hereunder.
- (iii) Upon on an Event of Default which is continuing, appraisals of the Equipment and Inventory by an appraiser satisfactory to the Lender may be conducted at the Lender's option.

(d) Insurance.

- (i) The assets and properties of the Borrower and the other Loan Parties at all times shall be maintained in accordance with the requirements of all insurance carriers which provide insurance with respect to the assets and properties of the Borrower

and such other Loan Parties so that such insurance shall remain in full force and effect. The Borrower and each other Loan Party shall keep the Collateral properly housed and shall keep the Collateral insured against such risks and in such amounts as the Lender may require and under policies in such form as shall be satisfactory to the Lender. Originals or certified copies of such policies of insurance have been, or on the Closing Date, shall be, delivered to the Lender together with evidence of payment of all premiums therefor, and shall contain, *inter alia*, an endorsement, in form and substance acceptable to the Lender, showing loss under such insurance policies payable to the Lender as first loss payee and first mortgagee. Such endorsement, the other terms of the said policies, or an independent instrument furnished to the Lender, shall provide that the insurance company shall give the Lender at least thirty (30) days written notice before any such policy of insurance is materially altered or cancelled and shall include a standard mortgage clause providing, *inter alia*, that no act or omission, whether wilful or negligent, or default of the Borrower or any other Person shall affect the right of the Lender to recover under such policy of insurance in case of loss or damage. The Borrower shall, within fifteen (15) days from the Closing Date, deliver to the Lender an insurance binder letter in compliance with the provisions of this subsection 12(d)(i). The Borrower and each other Loan Party hereby directs all insurers under such policies of insurance to pay all proceeds payable thereunder directly to the Lender and the Lender shall apply such proceeds in accordance with the provisions of this Agreement and the Lender shall give same day credit for such proceeds received before 2:00 p.m. on such day. The Borrower and each other Loan Party irrevocably, makes, constitutes and appoints the Lender (and all officers, employees or agents designated by the Lender) as the Borrower's and each such other Loan Party's true and lawful attorney (and agent-in-fact) for the purpose of making, settling and adjusting claims under such policies of insurance, endorsing the name of the Borrower or any other Loan Party, as applicable, on any cheque, draft, instrument or other item of payment for the proceeds of such policies of insurance and making all determinations and decisions with respect to such policies of insurance.

- (ii) The Borrower, each other Loan Party and each of their respective Subsidiaries shall maintain, at its expense, such public liability and third party property damage insurance and business interruption insurance as is customary for Persons engaged in businesses similar to that of the Borrower, each other Loan Party and each of their respective Subsidiaries with financially sound and reputable insurance companies or associations and in such amounts, with such deductibles and under policies in such form as shall be satisfactory to the Lender. Originals or certified copies of such policies have been, or on the Closing Date, shall be, delivered to the Lender together with evidence of payment of all premiums therefor. Each such policy shall contain an endorsement showing the Lender as additional insured thereunder and providing that the insurance company or association shall give the Lender at least thirty (30) days written notice before any such policy of insurance shall be materially altered or cancelled and the Borrower shall give the Lender at least thirty (30) days written notice before any such policy of insurance shall be materially altered or cancelled. The Borrower shall, within fifteen (15) days from the Closing Date, deliver to the Lender an insurance binder letter in compliance with the provisions of this subsection 12(d)(ii).

- (iii) The Borrower shall deliver to the Lender evidence of payment of all insurance premiums to be paid on account of insurance required pursuant to this Agreement.
- (iv) If the Borrower, any other Loan Party or any of their respective Subsidiaries at any time or times hereafter shall fail to obtain or maintain any of the policies of insurance required above or to pay any premium in whole or in part relating thereto, then the Lender, without waiving or releasing any obligation or default by the Borrower or any other Loan Party hereunder, may (but shall be under no obligation to) obtain and maintain such policies of insurance and pay such premiums and take such other actions with respect thereto as the Lender deems advisable. All sums disbursed by the Lender in connection with any such actions, including, without limitation, court costs, expenses, other charges relating thereto and legal fees and disbursements (on a solicitor-client basis), shall constitute Revolving Loans hereunder and, until paid, shall bear interest at the highest rate then applicable to Revolving Loans hereunder.
- (v) The Borrower shall promptly advise the Lender of the occurrence of any damage to any property and assets of the Borrower, any Loan Party or any of their respective Subsidiaries, including any of the Collateral, which damage is in excess of Two Hundred and Fifty Thousand Canadian Dollars (Cdn. \$250,000) unless such damage is covered by insurance and the Borrower notifies the Lender in writing of the amount covered.

(e) Use of Collateral.

The Borrower and each other Loan Party shall not use the Collateral, or any part thereof, in any unlawful business or for any unlawful purpose or use or maintain any of the Collateral in any manner that does or could result in material damage to the environment or a violation of any applicable Environmental Laws, or that does or could reasonably be expected to result in an Environmental Claim, in each case which damage, violation or Environmental Claim would have a Material Adverse Effect; the Borrower and each other Loan Party shall keep the Collateral in good condition, repair and order, ordinary wear and tear excepted; the Borrower and each other Loan Party shall not permit the Collateral, or any part thereof, to be levied upon under execution, attachment, writs of enforcement, distraint or other legal process; the Borrower and each other Loan Party shall not sell, lease, grant a Lien in or otherwise encumber or dispose of any of the Collateral except for Permitted Liens or as otherwise as expressly permitted by this Agreement and the Borrower and each other Loan Party shall not permit any Liens except Permitted Liens to attach to the Collateral that could rank either in priority to, or *pari passu* to the Liens in favour of the Lender granted pursuant to this Agreement, the Collateral Documents or any Loan Documents; and the Borrower and each other Loan Party shall not secrete or abandon any of the Collateral, or remove or permit removal of any of the Collateral from any of the locations listed on Schedule B (as updated from time to time in accordance with the terms of this Agreement) or in any written notice to the Lender pursuant to subsection 11(n) hereof, except for the removal of Inventory sold in the ordinary course of the Borrower's or any other Loan Party's business as permitted herein or the removal of Equipment which is not Eligible Equipment for the purpose described in subparagraph (iii) in the immediately following paragraph below or otherwise as permitted herein.

With respect to the Borrower's and each other Loan Party's Equipment, the Borrower and each other Loan Party: (i) shall keep and maintain such Equipment in good operating condition and repair and shall make all necessary replacements thereof and renewals thereto so that the value and operating efficiency thereof shall at all times be preserved and maintained, ordinary wear and tear

excepted; (ii) the Borrower and each other Loan Party shall not permit any Equipment to become a fixture to real estate (including to any of the Real Property) or an accession to other personal property except as has been disclosed to the Lender or the Lender has a charge/mortgage on the applicable Real Property; (iii) the Borrower and each other Loan Party shall not dispose of any Equipment except as permitted by this Agreement and except for any obsolete, unused or worn out Equipment which is not Eligible Equipment and upon any disposition of any such obsolete, unused or worn out Equipment the Borrower and any such other Loan Party shall ensure that any disposition proceeds in respect thereof are payable and paid to the Lender to be applied by the Lender to such Loans then outstanding; (iv) the Borrower and each other Loan Party, immediately on demand by the Lender, shall deliver to the Lender any and all evidence of ownership of any of the Equipment purportedly owned by them.

(f) Use of Loan Proceeds.

All monies and other property obtained by the Borrower from the Lender pursuant to this Agreement will be used solely as contemplated by subsection 2(g) hereof.

(g) Recordation of Liens.

The Borrower and each other Loan Party shall, at the request of the Lender, indicate on its records concerning the Collateral a notation, in form satisfactory to the Lender, of the Liens in favour of the Lender, and the Borrower and each other Loan Party shall not maintain duplicates or copies of such records at any address other than the Borrower's principal place of business set forth in Schedule B hereto (other than duplicates maintained at any Parent entity's offices); provided, however, that the Borrower, in the ordinary course of its business, may furnish copies of such records to its accountants, attorneys and other agents or advisors as it may determine to be necessary or desirable, in the exercise of its commercially judgment.

(h) Taxes.

The Borrower, each other Loan Party and each of their respective Subsidiaries shall pay all Priority Payables when due and shall file all required Tax returns and pay all of their respective Taxes when due, including, without limitation, Taxes imposed by federal, provincial or municipal agencies, and shall cause any Liens for Taxes to be promptly released; provided, that the Borrower, each other Loan Party and each of their respective Subsidiaries shall have the right to contest the payment of such Taxes in good faith by appropriate proceedings so long as: (i) the amount so contested is shown on the Borrower's, such other Loan Party's or such respective Subsidiaries' financial statements; (ii) the contesting of any such payment does not give rise to a material Lien for Taxes, unless the Borrower has provided collateral security acceptable in form and substance to the Lender; (iii) upon the occurrence of an Event of Default that is continuing, the Borrower keep on deposit with the Lender (such deposit to be held without interest) an amount of money which, in the sole judgment of the Lender, acting reasonably, is sufficient to pay such taxes and any interest or penalties that may accrue thereon; and (iv) if the Borrower, such other Loan Party or any respective Subsidiary fails to prosecute such contest with diligence, the Lender may apply the money so deposited in payment of such Taxes. If the Borrower, any other Loan Party or any of their respective Subsidiaries fails to pay any such Taxes and in the absence of any such contest by the Borrower, such other Loan Party or any respective Subsidiary, the Lender may (but shall be under no obligation to) advance and pay any sums required to pay any such Taxes and/or to secure the release of any Lien therefor, and any sums so advanced by the Lender shall constitute Revolving Loans hereunder, shall be payable by the Borrower to the Lender on demand, and, until paid, shall bear interest at the highest rate then applicable to Revolving Loans hereunder.

(i) Indebtedness.

None of the Borrower, any other Loan Party or any of their respective Subsidiaries shall, without the prior written consent of the Lender, (i) incur, create, assume or suffer to exist or repay any indebtedness other than Permitted Indebtedness prior to but for greater certainty, not at any time after any Default or Event of Default; or (ii) assume, guarantee or endorse, or otherwise become liable in connection with, the obligations of any Person (other than to the Lender), except by (a) endorsement of instruments for deposit or collection, (b) similar transactions in the ordinary course of the Borrower's, any other Loan Party's or any of their respective Subsidiaries' business or (c) in connection with any Permitted Indebtedness.

(j) Mergers, Sales, Acquisitions and Other Transactions.

Each of the Borrower and each other Loan Party shall not, and shall cause their respective Subsidiaries not to, without the prior written consent of the Lender:

- (i) enter into any merger, amalgamation or consolidation, or wind up, liquidate or dissolve, or sell, lease or otherwise dispose of all or substantially all of its assets; provided, that any Subsidiary which is wholly-owned, directly or indirectly by a Loan Party, may amalgamate or merge with any other Loan Party, so long as, in the case of any such amalgamation or merger, such Loan Party shall be the survivor thereof and that (I) the amalgamated or merged corporation confirms to the Lender in writing (in form and substance satisfactory to the Lender, acting reasonably) that the amalgamated or merged corporation is liable, by operation of law or otherwise, for the obligations of the applicable Loan Party under the Loan Documents, as the case may be, and (II) such amalgamated or merged corporation forthwith delivers to the Lender a certificate of an Authorized Officer attaching the new articles, by-laws and incumbency information for such amalgamated corporation, and any replacement share certificates for Equity Interests previously pledged to the Lender (together with executed replacement powers of attorney), and (III) the Lender receives such legal opinions and other acknowledgements or agreements from the applicable Persons as the Lender may reasonably require; or
- (ii) create any new Subsidiary or Affiliate unless the provisions of subsection 12(u) are complied with; or
- (iii) make any Acquisition; or
- (iv) issue any Equity Interests of, or warrants or other rights to receive or purchase any Equity Interests of, any class of its stock other than in connection with any Permitted Distributions; or
- (v) purchase, invest or otherwise acquire (in any manner whatsoever) any interest in any Investment Property (including for greater certainty maintain any Securities Account or Futures Account with any Securities Intermediary or Futures Intermediary, respectively) (other than Permitted Investments), or
- (vi) enter into any transaction outside the ordinary course of the Borrower's, any other Loan Party's or any of their respective Subsidiaries' business unless specifically permitted by this Agreement.

(k) Dividends and Distributions.

None of the Borrower or any other Loan Party shall, and shall cause each of their Subsidiaries not to, make any distribution of funds or property including, without limitation: (i) declare or pay any bonus (other than pursuant to subsection 12(n)), dividend or other distribution (whether in cash or in kind) on, purchase, redeem or retire any of its Equity Interests, or make any payment on account of, or set apart assets for the repurchase, redemption, defeasance or retirement of, any class of its stock; or (ii) make any optional payment or prepayment on or redemption (including without limitation by making payments to a sinking fund or analogous fund) or repurchase of any indebtedness for borrowed money other than indebtedness pursuant to this Agreement, or (iii) make any payment on or in respect of any indebtedness, or any interest, fee or other payment, to any Parent, Subsidiary, Affiliate or other related Person other than the following:

- A. the Borrower shall be entitled to declare and pay dividends to its shareholders or repay shareholder loans up to the maximum amount of \$1,232,000 during the Term provided, that (a) immediately prior to making such payment no Default or Event of Default (including without limitation any breach of the Fixed Charge Coverage Ratio covenant in Section 12(o)(ii)) has occurred or taking any such payment into account would result therefrom, (b) the Lender has received the final audited financial statements for the Loan Parties for the most recent Fiscal Year End, and (c) immediately prior to and after making any such payment, the Borrower maintains Excess Availability of U.S. \$4,000,000;
- B. the Borrower shall be entitled to make intercompany advances to Toolplas Systems Technology (Zhuhai), provided, that (a) any such payments do not exceed Cdn. \$40,000 in any month, (b) such payments related solely to employee salaries, office premises rent and/or general corporate expenses, and (c) immediately prior to making such payment no Default or Event of Default (including without limitation any breach of the Fixed Charge Coverage Ratio covenant in Section 12(o)(ii)) has occurred or would result therefrom.

(l) Investments and Loans.

None of the Borrower or any other Loan Party shall, and the Borrower and each Loan Party shall cause their respective Subsidiaries not to, make any loans to, or investments in, any Person, whether in cash, securities or other property of any kind, other than each of the following (collectively, "Permitted Investments"):

- A. investments that are direct obligations of Canada or the United States or any agency thereof pledged and delivered to the Lender;
- B. commercial paper with maturities of not more than 180 days and a published rating of not less than A-1 or P-1 (or the equivalent rating) by a nationally recognized investment rating agency pledged and delivered to the Lender;
- C. certificates of time deposit and bankers' acceptances pledged and delivered to the Lender having maturities of not more than 180 days and repurchase agreements backed by United States or Canada government

securities of a commercial bank if (i) such bank has a market capitalization of at least \$10,000,000,000, or (ii) its debt obligations, or those of a holding company of which it is a Subsidiary, are rated not less than A (or the equivalent rating) by a nationally recognized investment rating agency;

- D. U.S. or Canadian money market funds that invest solely in obligations issued or guaranteed by the United States of America, Canada or an agency thereof pledged and delivered to the Lender;
- E. pursuant to a Hedging Instrument;
- F. investments agreed to in writing by the Lender and received in connection with the bankruptcy or reorganization of customers or in settlement of delinquent obligations of, and other disputes with, customers and suppliers, arising in the ordinary course of business;
- G. equity investments in or intercompany loans to (in each case, in the ordinary course of business) any other Loan Party or by any Subsidiary of a Loan Party to such Loan Party; provided that, in the case of any intercompany loans, the parties with respect thereto have executed and delivered an intercompany subordination agreement to Lender and such loans owing to a Loan Party are evidenced by notes endorsed and delivered to the Lender (and the Lender shall have a first priority perfected security interest therein) and, in the case of any such Equity Interest, such Equity Interests are pledged to and delivered to the Lender (together with executed stock powers and irrevocable proxies relating thereto in form and substance reasonably satisfactory to the Lender) and the Lender shall have a first priority perfected security interest therein; and
- H. the extension of commercial trade credit in connection with the sale of Inventory in the ordinary course of business.

(m) Corporate Existence; Amendments to Constatng Documents.

The Borrower and each other Loan Party shall, and shall cause each of their respective Subsidiaries to, preserve and keep in force and effect their respective existence, corporate or otherwise, and all material franchises, licenses, rights, privileges and permits necessary for the proper conduct of their respective businesses, except where the failure to maintain such franchises, license, privileges and permits would not have a Material Adverse Effect. None of the Borrower or any other Loan Party shall, and shall cause their respective Subsidiaries not to, except with the prior written consent of the Lender, such consent not to be unreasonably withheld or delayed, amend its Constatng Documents in a manner that would adversely affect the Lender.

(n) Salaries and Bonuses.

None of the Borrower or any other Loan Party shall, except with the prior written consent of the Lender, pay any amount to any of its officers and/or directors in their capacities as officers and directors by way of salary, bonus, commission, directors fees, executive management compensation or



otherwise in excess of the scale of such payments to such officers and/or directors in effect on the date of this Agreement.

(o) Financial Covenants.

The Borrower shall maintain and keep in full force and effect each of the financial covenants set forth below. The calculation and determination of each such financial covenant, and all accounting terms contained therein, shall be calculated and construed in accordance with GAAP, applied on a basis consistent with the financial statements of the Borrower delivered on or before the Closing Date, and on a consolidated and consolidating basis for the Loan Parties:

(i) [Intentionally Deleted]

(ii) Fixed Charge Coverage Ratio. The Borrower shall be required to maintain a Fixed Charge Coverage Ratio of not less than 1.1 to 1.00.

(iii) [Intentionally Deleted]

(p) Reimbursement of Expenses.

The Borrower shall reimburse the Lender for all out-of-pocket costs and expenses (including, without limitation, legal fees and disbursements (on a solicitor-client basis) for outside counsel), relating to it and incurred by the Lender in connection with the documentation and consummation of this transaction and any other related transactions between the Borrower and the Lender including, without limitation, personal property security and other public record searches, Lien filings, express mail or similar express or messenger delivery, appraisal costs, surveys, title insurance and environmental audit or review costs, and in seeking to collect, protect or enforce any rights in or to the Collateral or incurred by the Lender in seeking to collect any Liabilities and to administer and enforce any of the Lender's rights under this Agreement. The Borrower shall also pay all normal service charges with respect to bank accounts maintained by the Lender for the benefit of the Borrower. All such costs, expenses and charges shall constitute Revolving Loans hereunder, shall be payable to the Lender on demand and, until paid, shall bear interest at the highest rate then applicable to Revolving Loans hereunder.

(q) Bank Accounts, Cash Management and Hedging.

The Borrower and each other Loan Party shall maintain all banking relationships, bank accounts and cash management and hedging facilities with the Lender, other than Permitted Indebtedness, and all current banking relationships, cash management and hedging facilities which are maintained with Persons other than the Lender shall be terminated and all such other bank accounts closed; provided that, notwithstanding the foregoing, accounts with Royal Bank of Canada may remain open until the date which is sixty (60) days of the date hereof provided that the Borrower shall provide the Lender with daily screenshots relating to all transactions/activity regarding such accounts until such accounts are closed and shall use its best efforts to terminate such accounts as soon as possible. Furthermore, the Borrower shall establish and maintain a foreign exchange hedging policy satisfactory to Lender in its reasonable credit discretion. The Borrower shall deliver to the Lender, within thirty (30) days of the date hereof, the details relating to the Borrower's foreign exchange hedging policy including but not limited to details provided as per Schedule 12(q), which policy must provide for not less than 75% of Borrower's foreign exchange exposure to be hedged, both as of the date of such disclosure and throughout the term of this Agreement.

(r) Material Changes and Affiliate Transactions.

The Borrower and each other Loan Party shall not, and shall cause their respective Subsidiaries not to, make any material change in the nature of the business in which the Borrower, such other Loan Party or such Subsidiaries are currently engaged and, except as permitted hereby, shall purchase Inventory only from parties at arm's-length to the Borrower and each other Loan Party, its officers and directors and its direct or indirect shareholders.

(s) Environmental Compliance.

The Borrower and each other Loan Party shall, and shall cause their respective Subsidiaries to, conduct its business and occupy its premises in compliance with all Environmental Laws applicable to them, including, without limitation, those relating to the Borrower's, any Loan Party's or any such Subsidiaries' generation, handling, use, storage, and disposal of Hazardous Materials; the Borrower and each other Loan Party shall take prompt and appropriate action to the extent required under Environmental Laws to respond to any non-compliance or alleged non-compliance with any Environmental Laws and shall regularly report to the Lender on such non-compliance or alleged non-compliance and the Borrower's, any such other Loan Party's or any such Subsidiaries' response, except in each case above for such non-compliance that would not have a Material Adverse Effect. Without limiting the generality of the foregoing, whenever the Borrower gives the notice to the Lender contemplated by subsection 12(t) the Borrower shall at the Lender's request and at the Borrower's expense:

- (i) cause an independent environmental engineer acceptable to the Lender to conduct, as reasonably warranted in light of the subject matter of the notice, such tests or other evaluations of the site where the Borrower's, such other Loan Party's or such Subsidiaries' non-compliance or alleged non-compliance with Environmental Laws has occurred and prepare and deliver to the Lender a report addressed to the Lender, or addressed to the Loan Party and on which the Lender may rely containing such qualifications reasonably acceptable to the Lender setting forth the results of such tests or other evaluations, a proposed plan for responding to any environmental problems described therein, and an estimate of the costs thereof; and
- (ii) provide to the Lender a supplemental report of such engineer whenever the scope of the environmental problems, or the Borrower's or any such other Loan Party's response thereto or the estimated costs thereof shall change. Such reports shall also be addressed to the Lender, or addressed to the Loan Party and on which the Lender may rely, and shall, as requested by the Lender, set out the results of such engineers' review of, *inter alia*:
  - A. the internal policies and procedures of the Borrower, such other Loan Party or such Subsidiaries relating to environmental regulatory compliance to ensure that all appropriate steps are being taken by or on behalf of the Borrower, such other Loan Party or such Subsidiaries to comply with all applicable requirements of Environmental Laws;
  - B. progress of compliance deficiencies;

- C. all other environmental audit reports which the Borrower, any other Loan Party or such Subsidiaries, or any predecessor thereof has commissioned in the normal conduct of its business; and
- D. all environmental reports which have been commissioned by or made available to the Borrower, any other Loan Party or such Subsidiaries in connection with new Acquisitions, and the engineers' report and recommendations on results of tests performed or samples taken by it during the course of its review, irregularities or steps which may be taken to ensure continued compliance, as well as such other matters as the Borrower and/or the Lender may request from time to time.

(t) Environmental Occurrences.

The Borrower shall provide written notice to the Lender no later than five (5) Business Days after the happening during the term hereof of any of the following:

- (i) the receipt of a material notice of non-compliance, violation or contravention of any Environmental Laws from any Governmental Authority with respect to the activities carried on by the Borrower, any other Loan Party or any of their respective Subsidiaries;
- (ii) the receipt of written data or confirmation that there has been an unpermitted spill or other Release of Hazardous Materials upon, under or about or affecting any of the properties owned, operated, leased or occupied by the Borrower, any other Loan Party or any of their respective Subsidiaries in amounts that are required to be reported under Environmental Laws, or Hazardous Materials at levels or in amounts that are required to be reported, remedied or responded to under Environmental Laws are detected on or in the soil or groundwater;
- (iii) upon the Borrower, any other Loan Party or any of their respective Subsidiaries having knowledge or become aware that it is or may be liable for any material costs of cleaning up or otherwise remedying a Release of Hazardous Materials;
- (iv) any part of the properties owned, operated, managed, possessed, leased or occupied by the Borrower, any other Loan Party or any of their respective Subsidiaries or of which the Borrower, any other Loan Party or any of their respective Subsidiaries otherwise have charge, management or control, are subject to a lien, charge, mortgage or other type of encumbrance under, or may be subject to any order, direction or other administrative proceeding under, any Environmental Laws; or
- (v) the Borrower, any other Loan Party or any of their respective Subsidiaries undertakes any remedial work with respect to any Hazardous Materials contamination in the environment.

(u) Additional Loan Parties.

If, after the Closing Date, the Borrower or any other Loan Party creates or acquires, either directly or indirectly, any new Subsidiary in accordance with the terms of this Agreement, or wishes to add an Affiliate as a Loan Party hereunder and/or add any eligible assets to the Borrowing Base, the

Borrower or such other Loan Party, as the case may be, shall, upon such creation or Acquisition or addition thereof, at the sole option and discretion of the Lender, cause such new Subsidiary or Loan Party to:

- (i) become a guarantor or a joint borrower hereunder and be the subject of a field examination at Borrower's cost and expense with results satisfactory to the Lender in its reasonable credit discretion prior to any such inclusion of any such entities' assets in the Borrowing Base;
- (ii) execute and deliver to the Lender (1) a joinder agreement in form and substance satisfactory to the Lender in its capacity as a guarantor or joint borrower, as applicable, (2) any further documents, instruments or agreements as the Lender may reasonably require in order to grant the Lender a perfected first priority security interest (subject only to Permitted Liens) in substantially all of the assets of such new Subsidiary, (3) revised schedules to the Loan Documents reflecting the Borrower's ownership interest in such new Subsidiary, and (4) the certificates, if any, representing the Equity Interests of such Subsidiary required to be pledged to the Lender, at its discretion, together with undated stock powers and an irrevocable proxy (or equivalent instruments, as applicable), or if such interest is uncertificated, evidence of the registration of the Lender's lien on and security interest in such interest on the books and records of such entity; and
- (iii) execute and deliver all such other instruments, documents and agreements and take such other actions, as the Lender may reasonably request or require to fully evidence and consummate the transactions contemplated in this subparagraph and to ensure the enforceability, perfection and first-priority (subject only to Permitted Liens) of the interests and undertakings hereunder and thereunder, including, without limitation, (A) the execution and delivery of guaranties, security agreements, pledge agreements, mortgages, deeds of trust, financing statements and other documents, and the filing or recording of any of the foregoing, (B) the delivery of certificated securities and other Collateral with respect to which perfection is obtained by possession, and (C) legal opinions in form and substance and from such counsel reasonably satisfactory to the Lender.

(v) Compliance with ERISA.

Each U.S. Loan Party hereby agrees to (a) except where the failure to observe the following could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) comply with applicable provisions of ERISA and the regulations and published interpretations thereunder with respect to all Employee Benefit Plans, (ii) not take any action or fail to take action the result of which could reasonably be expected to result in a liability to the PBGC or to a Multiemployer Plan, (iii) not participate in any prohibited transaction that could result in any civil penalty under ERISA or tax under the Code and (iv) operate each Employee Benefit Plan in such a manner that will not incur any tax liability under Section 4980B of the Code or any liability to any qualified beneficiary as defined in Section 4980B of the Code and (b) furnish to the Lender upon the Lender's request such additional information about any Employee Benefit Plan as may be reasonably requested by the Lender.

(w) Related Party Transactions.

Except as specifically permitted hereunder, the Borrower shall not without the prior written consent of the Lender which may be unreasonably withheld and delayed, enter into any

transaction for the purchase, sale, exchange or transfer of any property or assets whatsoever to Toolplas Systems Technology (Zhuhai) Company Limited or any of its Subsidiaries or enter into any transaction, including the purchase, sale, exchange or transfer of any property or assets or the rendering of any services, or enter into, assume or permit to exist any employment, consulting, management or analogous agreement or arrangement, or make of any investment, gift, loan, advance, distribution, the provision of any financial assistance or credit enhancement transaction or the delivery of any document in connection with same, with any of its shareholders or with any of its existing or future Affiliates or Subsidiaries, including without limitation, Toolplas Global, Inc, Toolplas Systems Mexico S de RL de CV, Toolplas Daidong, Inc, Tool Processing Solutions Inc., their directors, officers, employees or contractors, not less favourable than it would obtain in a comparable arms-length transaction and only in the ordinary course of business and consistent with historical practice in respect of ordinary course trade transactions on arms-length trade terms.

### 13. CONDITIONS PRECEDENT

#### (a) Closing Deliveries.

The obligation of the Lender to fund the initial Loans and issue the initial Letter of Credit (if any) is subject to the satisfaction or waiver on or before the Closing Date of the following conditions precedent:

- (i) Completion by the Lender to its sole satisfaction of its review of the management prepared interim financial statements (including balance sheets, cash flow statements and profit and loss statements) as at October 31, 2017 and projections rolled forward from such actual results from such date for the remainder of Fiscal Year 2017, Fiscal Year 2018 and Fiscal Year 2019, with respect to the Borrower and any other information and material requested by the Lender to ensure that, among other things, no changes have occurred that would result in a material amendment, as determined by the Lender, to any of the financial forecasts and other information provided by the Borrower to the Lender and that the Borrower has sufficient availability pursuant to the Borrowing Base to meet its seasonal working capital requirements, if any.
- (ii) The Lender shall have received the final audited financial statements for the Borrower dated August 31, 2017 (materially consistent with the draft financial statements previously delivered to the Lender, and otherwise satisfactory to the Lender).
- (iii) No material adverse change in the facts and information presented by the Borrower or others on the Borrower's behalf has occurred and no material litigation or claims (in the sole judgment of the Lender) with respect to any aspect of Borrower's, or any of their respective Subsidiaries business or assets shall have occurred.
- (iv) The Lender shall have received, in form and substance satisfactory to it in its discretion, each of the Collateral Documents including each of the security documents, agreements, opinions, reports, approvals, consents, certificates and other documents set forth on the closing document list attached hereto as Schedule 13(a)(iv), evidence of all registrations as required and confirmation of its first priority Lien in the Collateral (subject only to Permitted Liens). The Lender is hereby authorized to file any and all financing statements against the

Borrower in any province or territory of Canada, in any state of the United States and in any other jurisdiction in accordance with the Laws of such province, territory, state or jurisdiction wherein it may reasonably determine that such filing is desirable in order to perfect its interest in the Collateral.

- (v) Since August 31, 2017, no event shall have occurred which has had or could be expected to have a Material Adverse Effect with respect to the Borrower or any of their respective Subsidiaries, as determined by the Lender in its discretion.
- (vi) The Lender shall have received payment in full of all fees and expenses payable to it by the Borrower, including, without limitation, legal fees and expenses incurred by the Lender in connection with this Agreement and the consummation of the transactions contemplated hereby, on or before the Closing Date.
- (vii) The Lender shall have determined that immediately after giving effect to (A) the making of the initial Revolving Loans requested to be made on the Closing Date, (B) the issuance of the initial Letter of Credit, if any, on the Closing Date, and (C) the payment or reimbursement by the Borrower of the Lender for all closing costs and expenses incurred in connection with the transactions contemplated hereby, on a *pro forma* basis Excess Availability shall not be less than U.S.\$1,500,000, and the Borrower shall have trailing twelve month (TTM) Fixed Charge Coverage Ratio of not less than 1.1:1.
- (viii) The Lender shall have received evidence of repayment of all of the Borrower's indebtedness owing to creditors other than: (A) the Borrower's or such other Loan Party's indebtedness to unsecured trade creditors incurred in the normal course of business and on normal payment terms; (B) indebtedness to those creditors which the Lender has agreed may continue as creditors of the Borrower after the Closing Date (which creditors include those holding Permitted Liens or creditors which have delivered a complete subordination and postponement of any such indebtedness as requested by the Lender, in form and substance satisfactory to the Lender, including a subordination and postponement of any indebtedness owing by the Borrower to or any of its Subsidiaries); and (C) any other Permitted Indebtedness and evidence in respect of the discharge and release of any Liens which are not Permitted Liens.
- (ix) No request of the Minister of National Revenue for payment pursuant to Section 224(1.1), or any successor section, of the ITA shall have been received by the Lender in respect of Borrower.
- (x) The Lender shall have received a Borrowing Base Certificate as at the Closing Date, together with a certificate from an Authorized Officer of the Borrower substantially in the form of Exhibit 13(a)(ix) hereto (the "Closing Certificate") pursuant to which such Authorized Officer shall certify that: (A) in calculating the Excess Availability described in clause (vii) above, the Borrower's outstanding debt was (and is) current and not past due in any respect except as otherwise disclosed in writing to the Lender; (B) all representations and warranties contained herein and in any Loan Documents are true and correct; (C) no Default or Event of Default has occurred and is continuing; and (D) no event has occurred and is continuing that would have a Material Adverse Effect with respect to the Borrower or any of its Subsidiaries.

- (xi) The Borrower shall have or cause to be executed and delivered to the Lender all documents which the Lender determines in its discretion are necessary to consummate the transactions contemplated hereby.
- (xii) Completion of tax, lien, judgment and other searches and investigations with respect to the Collateral and all security provided by the Borrower, with results satisfactory to the Lender, and completion of a review to its satisfaction of the management, creditworthiness, financial position, systems and procedures of the Borrower.
- (xiii) The Lender shall have received, reviewed and determined as reasonably satisfactory all third party documentation (including all Collateral Access Agreements and any other debt and security subordinations and postponements it may require). The Lender shall have received and reviewed all material contracts entered into by or binding on the Borrower (including all supply, service, purchase and rental contracts and all collective agreements with employees or their union) as it may consider material in its discretion.
- (xiv) Completion of final pre-closing collateral roll-forward, ineligible and Borrowing Base calculations to the satisfaction of the Lender.
- (xv) Completion and an equipment appraisal satisfactory to the Lender, together with a reliance letter in favour of the Lender, if applicable.
- (xvi) Without limiting the generality of subsection 13(a)(iv), the Lender shall have received one or more legal opinions from the Borrower's counsel in form and substance reasonably satisfactory to the Lender and its counsel, opining with respect to, but not limited to, the Borrower's incorporation and subsistence, the Borrower's corporate power and capacity to enter into this Agreement and the Loan Documents, the Borrower's and each other Loan Party's due authorization, execution and delivery and performance of this Agreement and the Loan Documents, and the enforceability of this Agreement and the Loan Documents against the Borrower.
- (xvii) The Lender shall have received the following which shall each be in form and substance reasonably satisfactory to the Lender:
  - A. up to date aged accounts receivable, aged UBCR listing, aged accounts payable and inventory listings; and
  - B. an updated pro-forma opening balance sheet reflecting valuations of Accounts, Inventory, machinery and Equipment, as well as, the proposed debt structure and other adjustments, all in form, substance and content satisfactory to the Lender, to ensure that (i) the assets of the Borrower, at a fair valuation, exceed the total liabilities of the Borrower, (ii) the Borrower is able to meet the financial covenants proposed in this Agreement and to pay its debts as they mature, and (iii) the Borrower has sufficient capital to conduct business.
- (xviii) The Lender shall have received and be reasonably satisfied that the Borrower has complied with its obligations relating to insurance as required by this Agreement.

- (xix) The Lender shall have received and be reasonably satisfied with the background checks relating to Nikolaos Mamatas.
- (xx) The Lender shall have received a completed environmental management and social risk questionnaire in the Lender's standard form.
- (xxi) The Lender shall have received satisfactory evidence that all liabilities in connection with recently implemented tax planning strategies have been paid.
- (xxii) The separate equipment financing transactions with The Toronto-Dominion Bank pursuant to the Term Loan Agreement(s) must close contemporaneously with the financing contemplated hereunder and each advance in respect of the Additional Term Loan shall be subject to the Lender's receipt of a financial forecast from the Borrower which is satisfactory to the Lender which evidences no Event of Default including compliance with all financial covenants taking the advance into account including a Fixed Charge Coverage Ratio of not less than 1.1:1 measured quarterly on a trailing four quarter basis, and on the Closing Date only that total liabilities (including any and all Loans contemplated hereunder) to equity in accordance with GAAP of not more than 5.0:1.

(b) Post-Closing Deliveries.

After the Closing Date, the obligation of the Lender to make any requested Loan or issue any requested Letter of Credit is subject to the satisfaction of the conditions precedent set forth below. Each such request shall constitute a representation and warranty that such conditions are satisfied:

- (i) All representations and warranties contained in this Agreement and the Loan Documents shall be true and correct in all material respects on and as of the date of such request, as if then made, other than representations and warranties that relate solely to an earlier date in which case such representations and warranties shall be true and correct in all material respects as of such earlier date; and
- (ii) No Default or Event of Default shall have occurred, or would result from the making of the requested Revolving Loan or issue of the requested Letter of Credit, which has not been waived in writing by the Lender or cured by the applicable Loan Party.

**14. DEFAULT**

The occurrence of any one or more of the following events shall constitute an "Event of Default" hereunder.

(a) Payment.

The failure of the Borrower or any other Loan Party to pay when due, in accordance with the terms hereof or in any other Loan Document, any amount in respect of the Liabilities.

(b) Breaches of this Agreement and Loan Documents.

The failure of the Borrower, any other Loan Party or any other Guarantor to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations (other than as



described in subsection 14(a) above) of the Borrower, such other Loan Party, or such other Guarantor, as the case may be, under this Agreement or any of the other Loan Documents, or any other document or agreement with any branch or Subsidiary or Affiliate of The Toronto-Dominion Bank, to which each is a party and such failure shall continue unremedied for ten (10) Business Days; provided that, such ten (10) Business Day period shall not apply in the case of (i) any failure to perform or observe any such covenant, condition, promise, agreement or obligation which is not capable of being cured at all or within such ten (10) Business Day period, or (ii) the material failure to perform or observe, in the Lender's discretion, any such covenant, condition, promise, agreement or obligation is with respect to any covenant, condition, promise, agreement or obligation contained in subsection 8(a), section 9 or any of subsections 12(b) (as to a Material Adverse Effect only), (c), (d), (e), (h), (i), (j), (k), (l) (m), (o), (p), (q), (r), (s) or (t) hereof.

(c) Breaches of Representations and Warranties.

The making or furnishing by the Borrower, any other Loan Party or any other Guarantor (or any director, officer, employee or other representative thereof) to the Lender of any representation, warranty, certificate, schedule, report or other notices as required by or in connection with this Agreement or any of the other Loan Documents or in connection with any other agreement between the Borrower, such other Loan Party, or such other Guarantor and the Lender, which shall prove to have been untrue or misleading in any material respect on the date when made or deemed to have been made, or the failure of the Borrower, any other Loan Party, or any other Guarantor to perform, keep or observe any of the covenants, conditions, promises, or agreements of the Borrower, such other Loan Party, or such other Guarantor under any other agreement with any Person if such failure, in the opinion of the Lender, has or is likely to have a Material Adverse Effect with respect to the Borrower or any other Loan Party and such failure, if capable of being cured, shall continue unremedied for five (5) days.

(d) Levy, Seizure or Attachment.

The creation (whether voluntary or involuntary) of any Lien or other encumbrance upon any of the Collateral or any property or assets in excess of (Cdn.) \$250,000 of the Borrower, any other Loan Party or any of their respective Subsidiaries, other than a Permitted Lien, or the making or any attempt to make any levy, seizure or attachment thereof which is not stayed or lifted within fifteen (15) days; or (except as permitted by this Agreement) sale, lease or furnishing under a contract of service of, any of the Collateral or any property or asset of the Borrower, other Loan Party or any of their respective Subsidiaries, or the loss, theft, damage or destruction of all or a substantial portion of the property and assets of the Borrower, a Loan Party or any of their respective Subsidiaries.

(e) Bankruptcy or Similar Proceedings.

The making of an assignment or proposal in bankruptcy by the Borrower, any other Loan Party, any of their respective Subsidiaries, or any other Guarantor or the filing by the Borrower, any other Loan Party, any of their respective Subsidiaries, or any other Guarantor of notice of its intention to make a proposal in bankruptcy or the commencement of any proceedings in bankruptcy by or against the Borrower, any other Loan Party, any of their respective Subsidiaries, or any other Guarantor for the liquidation or reorganization of any such party or alleging that any such party is insolvent or unable to pay its debts as they mature or for the readjustment or arrangement of the Borrower's, any other Loan Party's, any of their respective Subsidiaries', or any other Guarantor's debts, whether under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or under any other Law, whether state, provincial or federal, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving any such party; provided, however, that if such commencement of proceedings, application, filing, petition or case against the Borrower, such other Loan Party or any of their respective Subsidiaries is involuntary, such action

shall not constitute an Event of Default unless such proceedings are not forthwith contested in good faith by the Borrower, such other Loan Party or such respective Subsidiary and dismissed, stayed or withdrawn within twenty (20) days after the commencement of such proceedings.

(f) Appointment of a Receiver or Similar Person.

The appointment of a receiver or trustee for the Borrower, any other Loan Party, any of their respective Subsidiaries, or any other Guarantor for any of the Collateral or for any substantial part of the Borrower's, any other Loan Party's or any of their respective Subsidiaries', assets or the institution of any proceedings for the dissolution or winding up, or the full or partial liquidation, or (without the consent of the Lender) the merger, amalgamation or consolidation, of the Borrower, any other Loan Party or any of their respective Subsidiaries which is a corporation or a partnership, provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment or proceeding has resulted in a seizure or possession of any of such parties' property or assets (including any of the Collateral) by such receiver or trustee, or is not forthwith contested in good faith by the Borrower, such other Loan Party, such respective Subsidiaries, or such other Guarantor and revoked or dismissed within twenty (20) days after the commencement of such proceedings.

(g) Judgments.

The entry of any judgment or the issuance or registration of any writ of enforcement or order against the Borrower, any other Loan Party or any of their respective Subsidiaries which is in excess of Two Hundred and Fifty Thousand Canadian Dollars (Cdn. \$250,000) and which is not being contested in good faith and by appropriate proceedings or remains unsatisfied or undischarged and in effect for fifteen (15) days after such entry without a stay of enforcement or execution.

(h) Default or Revocation of Agreements.

The occurrence of the revocation or termination of any Loan Document executed and delivered by any Loan Party to the Lender pursuant to which such Loan Party has guaranteed to the Lender the payment of all or any of the Liabilities or has granted the Lender a Lien upon some or all of such Loan Party's real and/or personal property to secure directly or indirectly the payment of all or any of the Liabilities.

(i) Default Under Indebtedness.

The occurrence of a default or an event of default, which continues after the passage of any applicable cure period which has not been waived, under any agreement or instrument evidencing indebtedness for borrowed money in excess of Two Hundred and Fifty Thousand Canadian Dollars (Cdn. \$250,000) executed or delivered by the Borrower, any other Loan Party or any of their respective Subsidiaries or pursuant to which agreement or instrument the Borrower, any other Loan Party or any of their respective Subsidiaries or its properties is or may be bound and which has not been cured or waived in writing by the applicable creditor, including, without limitation, the occurrence of a default or an event of default in respect of or under the Subordinated Debt.

(j) Change of Control.

The occurrence of any Change of Control has occurred or the occurrence of a pledge, transfer, assignment or disposition of, or grant of a Lien in or in respect of, any Equity Interests of, the

Borrower, any other Loan Party or any of their respective Subsidiaries, other than as permitted in accordance with this Agreement.

(k) [Intentionally Deleted]

# **15. REMEDIES UPON AN EVENT OF DEFAULT**

(a) No Further Advances.

Upon the occurrence and during the continuation of a Default or Event of Default, the Lender shall have no further obligation to make or extend any Loan hereunder, to issue or cause to be issued any Letter of Credit hereunder or to grant any other financial accommodation to the Borrower. Further, upon the occurrence and during the continuation of any Event of Default, the Lender shall be entitled, on prior notice to the Borrower, to amend availability reserves, advance rates and sub-limits under the Borrowing Base and eligibility requirements for Eligible Accounts and Eligible Inventory.

(b) Acceleration and Remedies.

Upon the occurrence and during the continuation of an Event of Default described in subsection 14(e) or (f) hereof, all of the Liabilities shall immediately and automatically become due and payable, without notice of any kind, and upon the occurrence and during the continuation of any other Event of Default, any or all of the Liabilities may, at the option of the Lender, and without demand, notice or legal process of any kind, be declared, and immediately shall become, due and payable. Upon either occurrence, the Lender may, in addition to any other right or remedy which it may have at Law or in equity, proceed to realize its security hereunder or under any Collateral Documents and to enforce its rights by:

- (i) entry;
- (ii) the appointment by instrument in writing of a receiver or receivers of the Collateral or any part thereof (which receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Lender or not and the Lender may remove any receiver or receivers so appointed and appoint another or others in his or their stead);
- (iii) proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or
- (iv) any other action, suit, remedy or proceeding authorized or permitted hereby or by Applicable Law or by equity.

In addition, the Lender may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings.

(c) Receivers.

Any receiver or receivers so appointed shall have power to:

- (i) take possession of and to use the Collateral or any part thereof;

- (ii) carry on the business of the Borrower or any other Loan Party (including, but not limited to, the taking or defending of any actions or legal proceedings, and the doing or refraining from doing all other things as to the receiver may seem necessary or desirable in connection with the business, operations and affairs of the Borrower or any other Loan Party);
- (iii) borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Borrower or any other Loan Party;
- (iv) further charge the Collateral in priority to the security interests of this Agreement as security for money so borrowed; and
- (v) sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as the receiver shall determine.

The Lender shall not be responsible for any actions or errors of omission by the receiver or receivers in exercising any such powers.

(d) Disposition of Collateral.

In addition, the Lender may enter upon, use, occupy and possess the Collateral or any part thereof, free from all Liens, except for Permitted Liens, without hindrance, interruption or denial of the same by the Borrower or any other Loan Party or by any other person or persons save only a landlord pursuant to its rights of reversion under any lease of real property on expiry of its term, and may lease or sell the whole or any part or parts of the Collateral. Any sale hereunder may be made by public auction, by public tender or by private contract, with or without notice and with or without advertising and without any other formality (except as required by Law), all of which are hereby waived by the Borrower and each other Loan Party. Such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Lender in its discretion may seem advantageous. Such sale may take place whether or not the Lender has taken possession of the Collateral.

(e) Remedies Not Exclusive.

No remedy for the realization of the Liens granted pursuant hereto or pursuant to any Collateral Documents, any Loan Documents or any other security held by the Lender or for the enforcement of the rights of the Lender shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Agreement includes a receiver and manager.

(f) Miscellaneous.

At the Lender's request, the Borrower and each other Loan Party shall, at the Borrower's expense, assemble the Collateral and make it available to the Lender at one or more places to be designated by the Lender. The Borrower and each other Loan Party recognizes that if the Borrower and each such other Loan Party fails to perform, observe or discharge any of its Liabilities under this Agreement or the Loan Documents, no remedy at Law will provide adequate relief to the Lender, and the Borrower and each other Loan Party agrees that the Lender shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages. Any notification of intended disposition of any of the Collateral required by Law will be deemed reasonably and properly given if given at least fifteen (15) calendar days before such disposition. Any proceeds of any disposition

by the Lender of any of the Collateral may be applied by the Lender to the payment of expenses and any Borrowings in connection with the Collateral and its realization including, without limitation, legal fees and disbursements (on a solicitor-client basis) of outside counsel and any balance of such proceeds may be applied by the Lender toward the payment of such of the Liabilities, and in such order of application, as the Lender may from time to time elect or re-elect.

## 16. INDEMNIFICATION

### (a) General Indemnity.

The Borrower and each other Loan Party agrees to defend (with counsel satisfactory to the Lender), protect, indemnify and hold harmless the Lender, each Affiliate or Subsidiary of the Lender, and each of their respective officers, directors, employees, attorneys and agents (each an "Indemnified Party") from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature (including, without limitation, those liabilities described in subsection 16(b) hereof and the disbursements and the fees (on a solicitor-client basis) of internal and external counsel for each Indemnified Party in connection with any investigative, administrative or judicial proceeding, whether or not the Indemnified Party shall be designated a party thereto) (collectively, the "Indemnified Liabilities"), which may be imposed on, incurred by, or asserted against, any Indemnified Party (whether direct, indirect or consequential and whether based on any federal, provincial, state or local Laws or regulations including, without limitation, securities, environmental and commercial Laws and regulations, under common law or in equity, or based on contract or otherwise) in any manner relating to or arising out of this Agreement or any Loan Documents or any act, event or transaction related or attendant to any of the foregoing, the making and the management of the Loans or the use or intended use of the proceeds of the Loans save and except for any Indemnified Liabilities arising as a result of the gross negligence or wilful misconduct of any Indemnified Party. To the extent that the undertaking to indemnify set forth in the preceding sentence may be unenforceable because it is violative of any Law or public policy, the Borrower and each other Loan Party shall satisfy such undertaking to the maximum extent permitted by Applicable Law. Any liability, obligation, loss, damage, penalty, cost or expense covered by this indemnity shall be paid to each Indemnified Party within five (5) Business Days of written demand therefor, and, failing prompt payment, shall, together with interest thereon at the highest rate then applicable to Revolving Loans hereunder from the date incurred by each Indemnified Party until paid by the Borrower, be added to the Liabilities of the Borrower and be secured by the Collateral. The provisions of this section 16 shall survive the satisfaction and payment of the other Liabilities and the termination of this Agreement.

### (b) Environmental Indemnity.

Without limiting the generality of subsection 16(a), the Borrower and each other Loan Party shall at all times indemnify and hold harmless the Indemnified Parties from and against any and all liabilities and costs suffered or incurred by such Indemnified Parties including, without limitation, any and all orders, directions, suits, actions, proceedings, claims, settlements, damages, losses, liabilities, costs and expenses (including, without limitation, legal fees and disbursements on a solicitor-client basis, litigation costs and any costs of settlement), with respect to: (i) any actual or threatened Release of Hazardous Materials or the presence of any Hazardous Materials affecting any of the properties of the Borrower or any other Loan Party, whether or not the same originates or emanates from any such properties or any contiguous property, including any loss of value of any such properties as a result of any of the foregoing; (ii) any costs of remedial, preventative or similar action which may be imposed by any Governmental Authority on the Borrower or any other Loan Party, including without limitation, any prosecution initiated or threatened with respect to non-compliance with Environmental Laws, (iii) any costs of remedial, preventative or similar action incurred by any Governmental Authority or any costs

incurred by any other person or damages from injury to, destruction of, or loss of natural resources, including costs of assessing such injury, destruction or loss incurred pursuant to any Environmental Laws; (iv) liability for personal injury or property damage arising under any statutory, common law, tort, breach of statutory duty, riparian rights, strict liability or any other doctrine or theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance, trespass or for the carrying on an abnormally dangerous activity at or near any of the properties of the Borrower or any other Loan Party; (v) any environmental liabilities and costs affecting any of the properties of the Borrower or any other Loan Party within the jurisdiction of any Governmental Authority; and/or (vi) any other environmental liabilities and costs (collectively, the "Environmental Losses"); provided that, the Borrower and the Loan Parties shall have no indemnification obligations hereunder with respect to any Environmental Losses arising as a result of the gross negligence or wilful misconduct of any Indemnified Party.

## 17. MISCELLANEOUS

### (a) Notices.

All written notices and other written communications with respect to this Agreement or any of the Loan Documents shall be sent by ordinary or registered mail, by facsimile, email or delivered in person as follows:


#### (i) **in the case of the Lender to it at:**

TD Tower  
100 Wellington Street West, 29<sup>th</sup> Floor  
Toronto, ON M5K 1A2  
Attention: Zami Salaria, Director, Asset Finance

(if by facsimile to facsimile number 416-983-6522)  
(if by email to email address [zami.salaria@td.com](mailto:zami.salaria@td.com))

#### (ii) **in the case of the Borrower or any other Loan Party at:**

1905 Blackacre Dr.  
Oldcastle, ON N0R 1L0  
Attention: Nikolaos Mamatas

(if by facsimile to facsimile number 519-737-9245)  
(if by email to email address )

The notice or other communication so sent shall be deemed to be received on the day of personal delivery or facsimile, or if mailed, three days following the date of such mailing.

### (b) Choice of Governing Law and Construction.

Except as expressly set forth therein, this Agreement and the Loan Documents shall be governed and controlled by the Laws of the Province of Ontario and the Laws of Canada applicable therein as to interpretation, enforcement, validity, construction, effect, and in all other respects, including, without limitation, the legality of the interest rate and other charges, but excluding perfection of the Liens in the Collateral, which shall be governed and controlled by the Laws of the relevant jurisdiction.

(c) Forum Selection and Service of Process.

To induce the Lender to accept this Agreement, the Borrower and each other Loan Party, irrevocably: (i) agrees that, subject to the Lender's sole and absolute election, all actions or proceedings in any way, manner or respect, arising out of or from or related to this Agreement, the Loan Documents or the Collateral shall be litigated in courts having situs within the City of Toronto, Province of Ontario; (ii) consents and submits to the jurisdiction of any local, provincial or federal courts located within said city and province; and (iii) hereby waives any right it may have to transfer or change the venue of any litigation brought by the Lender in accordance with this paragraph.

(d) Modification and Benefit of Agreement.

This Agreement shall be binding upon the Borrower, the other Loan Parties and the Lender and their respective successors and assigns and shall enure to the benefit of the Borrower, the other Loan Parties and the Lender and their respective successors and assigns. This Agreement and the Loan Documents may not be modified, altered or amended except by an agreement in writing signed by the Borrower and/or the other Loan Parties as applicable and the Lender. The Borrower and each other Loan Party may not sell, assign or transfer this Agreement, or the Loan Documents or any portion thereof including, without limitation, any right, title, interest, remedies, powers or duties thereunder. The Borrower and each other Loan Party hereby consents to the Lender's sale, assignment, transfer or other disposition, at any time and from time to time hereafter, of this Agreement, or the Loan Documents, or of any portion thereof, or participation therein including, without limitation, the Lender's right, title, interest, remedies, powers and/or duties thereunder. The Borrower and each other Loan Party agrees that it shall execute and deliver such documents as the Lender may request in connection with any such sale, assignment, transfer or other disposition.

(e) Headings of Subdivisions.

The headings of subdivisions in this Agreement are for convenience of reference only, and shall not govern the interpretation of any of the provisions of this Agreement.

(f) Power of Attorney.

The Borrower and each other Loan Party acknowledge and agree that every power of attorney granted hereunder or under any other Loan Document is an appointment coupled with an interest and shall be irrevocable until all of the Liabilities are paid in full and this Agreement is terminated.

(g) Waiver of Jury Trial, Other Waivers, Confidentiality.

The Lender, the Borrower and each other Loan Party hereby waive all rights to trial by jury in any action or proceeding which pertains directly or indirectly to this Agreement, any of the Loan Documents, the Liabilities, the Collateral or any alleged tortious conduct or which, in any way, directly or indirectly, arises out of or relates to the relationship between the Borrower, any other Loan Party and the Lender. In no event shall the Lender be liable for lost profits or other special or consequential damages. To the extent permitted by law, the Borrower and each other Loan Party hereby waive all rights to notice and hearing of any kind prior to the exercise by the Lender of its rights to repossess the Collateral without judicial process or to replevy, attach or levy upon such Collateral without prior notice or hearing, and hereby waives demand, presentment, protest and notice of non-payment, and further waives the benefit of all valuation, appraisal and exemption Laws. The Lender's failure, at any time or times hereafter, to require strict performance of any provision of this Agreement or any of the Loan Documents shall not waive, affect or diminish any right of the Lender thereafter to demand strict compliance and performance

therewith. Any suspension or waiver by the Lender of an Event of Default under this Agreement or any default under any of the Loan Documents shall not suspend, waive or affect any other Event of Default under this Agreement or any other default under any of the Loan Documents, whether the same is prior or subsequent thereto and whether of the same or of a different kind or character. No delay on the part of the Lender in the exercise of any right or remedy under this Agreement or any Loan Documents shall preclude other or further exercise thereof or the exercise of any right or remedy. None of the undertakings, agreements, warranties, covenants and representations contained in this Agreement or any of the Loan Documents and no Event of Default under this Agreement or default under any of the Loan Documents shall be deemed to have been suspended or waived by the Lender unless such suspension or waiver is in writing, signed by two duly authorized officers of the Lender and directed to the Borrower specifying such suspension or waiver.

(h) Timing of Payments.

Any payment required to be made by the Borrower to the Lender hereunder or under any Loan Documents or any other security shall be made in the currency in respect of which the obligation requiring such payment arose. Any payment received by the Lender after 3:00 p.m. (Toronto time) on a Business Day, or on any day that is not a Business Day, shall be credited to the account of the Borrower as applicable on the next following Business Day.

(i) U.S. Currency.

All dollar amounts specified herein are in U.S. Dollars unless otherwise indicated.

(j) Judgment Currency.

(i) If for the purpose of obtaining or enforcing judgment against the Borrower or any other Loan Party in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this subsection 17(j) referred to as the "Judgment Currency") an amount due in Canadian Dollars under this Agreement, the conversion shall be made at the rate of exchange prevailing on the Business Day immediately preceding:

- A. the date of actual payment of the amount due, in the case of any proceeding in the courts of the Province of Ontario or in the courts of any other jurisdiction that will give effect to such conversion being made on such date; or
- B. the date on which the foreign court determines, in the case of any proceeding in the courts of any other jurisdiction (the date as of which such conversion is made pursuant to this subsection 17(j)(i)B being hereinafter in this subsection 17(j) referred to as the "Judgment Conversion Date").

(ii) If, in the case of any proceeding in the court of any jurisdiction referred to in subsections 17(j)(i)B, there is a change in the rate of exchange prevailing between the Judgment Conversion Date and the date of actual payment of the amount due, the Borrower shall pay such additional amount (if any, but in any event not a lesser amount) as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of Canadian Dollars which could have



been purchased with the amount of Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date.

(iii) Any amount due from the Borrower under the provisions of subsection 17(j)(ii) shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of this Agreement.

(iv) The term "rate of exchange" in this subsection 17(j) means the noon rate of exchange based on Canadian interbank transactions in Canadian Dollars in the Judgment Currency published or quoted by the Bank of Canada for the day in question, or if such rate is not so published or quoted by the Bank of Canada, such term shall mean the Equivalent Amount of the Judgment Currency.

(k) Severability.

Any provision of this Agreement that is prohibited or unenforceable under Applicable Law in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

(l) Conflicts.

In the event there occurs any conflict or inconsistency between any provision of this Agreement and any provision of the Loan Documents, the provision of this Agreement shall govern.

(m) Counterparts.

This Agreement and any amendments, waivers, consents, acknowledgements or supplements may be executed in number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which counterparts together shall constitute but one agreement. Counterparts may be executed in original or facsimile form or similar method of electronic transmission.

(n) Summary of Terms and Conditions Superseded. Term Loan Facility Documents.

For greater certainty, the provisions of this Agreement supersede the related provisions in the commitment letter from the Lender (TD Asset Finance) to the Borrower dated August 31, 2017 in respect of the Loans; For greater certainty, the Term Loan Facility shall be subject to the separate Term Loan Agreement(s) and, in the event there occurs any conflict or inconsistency between any provision of this Agreement and any provision of such the Term Loan Agreement(s) relating to the Term Loan Facility, the provisions of the applicable Term Loan Agreement shall govern.

(o) Joint and Several Liability; Fraudulent Preferences.

Notwithstanding anything to the contrary contained herein, all Liabilities, whether arising hereunder or under the other Loan Documents shall be joint and several obligations of the Borrower and the other Loan Parties.

Notwithstanding any provisions of this Agreement to the contrary, it is intended that the joint and several nature of the Liabilities of the Loan Parties and the Liens granted by the Loan Parties

pursuant to any Loan Document to secure the Liabilities, not constitute a Fraudulent Conveyance. Consequently, the Lender and the Loan Parties agree that if the Liabilities of a Loan Party, or any Liens granted by such Loan Party securing the Liabilities would, but for the application of this sentence, constitute a Fraudulent Conveyance, the Liabilities of such Loan Party and the Liens securing such Liabilities shall be valid and enforceable only to the maximum extent that would not cause such Liabilities or such Lien to constitute a Fraudulent Conveyance, and the Liabilities of such Loan Party and this Agreement shall automatically be deemed to have been amended accordingly.

If the incurrence or payment of the Liabilities by any Loan Party or the transfer to the Lender of any property should for any reason subsequently be declared to be void or voidable under any state or federal law relating to creditors' rights, preferences, or other voidable or recoverable payments of money or transfers of property (collectively, a "Voidable Transfer") and if the Lender is required to repay or restore, in whole or in part, any such Voidable Transfer, or elects to do so upon the advice of its counsel, then, as to any such Voidable Transfer, or the amount thereof that the Lender is required or elects to repay or restore, and as to all costs, expenses, including legal fees and expenses of the Lender, the Liabilities shall automatically shall be revived, reinstated, and restored and shall exist as though such Voidable Transfer had never been made, and this Agreement, the other Loan Documents and all Liens granted hereunder and thereunder shall be immediately reinstated until full and final payment of the Liabilities, in cash, shall have been received by the Lender.

*[Signature Page Follows]*

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement as of the date set out on the first page hereof.

Lender:

**THE TORONTO-DOMINION BANK**

By: 

Name:

**Zami Salaria**

Title:

**Director Asset Finance**

By: 

Name:

**DARCY MACK**

Title:

**AUP**

Borrower:

**TOOLPLAS SYSTEMS INC.**

By: \_\_\_\_\_

Name:

Title:

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement as of the date set out on the first page hereof.

Lender:

**THE TORONTO-DOMINION BANK**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

Borrower:

**TOOLPLAS SYSTEMS INC.**

By:  \_\_\_\_\_

Name:

Title:

**SCHEDULE A**  
**AUTHORIZED OFFICERS OF THE BORROWER**

1. Nikolaos Mamatas
2. Robert Downie
3. Lawrence Jeun
4. Theresa Katona

**SCHEDULE B**  
**BUSINESS AND COLLATERAL LOCATIONS**

1. 1905 Blackacre Drive, Oldcastle, ON N0R 1L0
2. 3920 North Talbot Road, Oldcastle, ON N0R 1L0

**SCHEDULE C  
PERMITTED LIENS**

None.

**SCHEDULE D**  
**REAL PROPERTY LEASES**

1. Lease dated September 1, 2017 between Mamatas Real Estate Holdings Unlimited Liability Company, as landlord, and Toolplas Systems Inc., as tenant, for the property municipally known as 3920 North Talbot Road, Oldcastle, Ontario N0R 1L0.
2. Lease dated January 1, 2014 between 1128686 Ontario Limited, as landlord, and Toolplas Systems Inc., as tenant, for the property municipally known as 1905 Blackacre Drive, Oldcastle, Ontario N0R 1L0.



**SCHEDULE E**  
**LOAN ACCOUNT**

**TOOLPLAS SYSTEMS INC.**

CAD DISBURSEMENT - 5299516 1104  
CAD CONTROL - 5299451 1104  
CAD EFT/WIRE - 5299400 1104

USD DISBURSEMENT - 7324191 1104  
USD CONTROL - 7324140 1104  
USD EFT/WIRE - 7324108 1104

USBBS CONTROL - 0324-8348187  
USBBS DISBURSEMENT - 0324 8348284

**TOOLPLAS GLOBAL, INC.**

USD ACCOUNT - 7324051-1104 (Pending signed documentation)  
USBBS ACCOUNT - (Pending signed documentation)

**SCHEDULE 11(f)**  
**ACTIONS AND PROCEEDINGS**

None.

**SCHEDULE 11(i)**  
**AFFILIATES, JOINT VENTURES AND PARTNERSHIPS**

Toolplas Systems Technology (Zhuhai) Company Limited

**SCHEDULE 11(k)**  
**INDEBTEDNESS AND LIABILITIES**

1. All existing indebtedness, liabilities and obligations owed to the Business Development Bank of Canada.
2. All existing indebtedness, liabilities and obligations owed to shareholders Nikolaos Mamatas and Robert Downie.

**SCHEDULE 11(v)**  
**LABOUR, UNION AND COLLECTIVE BARGAINING AGREEMENTS**

None.

**SCHEDULE 11(w)**  
**INTELLECTUAL PROPERTY**

None.

**SCHEDULE 11(x)**  
**AUTHORIZED AND ISSUED CAPITAL**

**1. Toolplas Systems Inc.**

(a) Authorized:

- (i) An unlimited number of Class “A” Voting shares;
- (ii) An unlimited number of Class “B” Voting shares;
- (iii) An unlimited number of Class “C” Special shares;
- (iv) An unlimited number of Class “D” Special shares;

(b) Issued:

- (i) Robert Downie – 44 Class D Special shares;
- (ii) Nikolaos Mamatas – 200 Class A Voting shares

**2. Toolplas Systems Technology (Zhuhai) Company Limited**

- (a) 100 shares issued and authorized

**SCHEDULE 11(y)**  
**ENVIRONMENTAL MATTERS**

None.



**SCHEDULE 11(z)**  
**PLANS**

(Attached)

**SCHEDULE 12(q)  
HEDGE POLICY**

| <b>Schedule xx to the Financial Reporting Certificate</b> |                       |                       |
|---|-----------------------|-----------------------|
| <b>Dated: Month, Year</b>                                 |                       |                       |
| <b>For the month ended Month, Year</b>                    |                       |                       |
| <b>US Denominated Balance</b>                             |                       |                       |
| <b>Account</b>  | <b>Description</b>    | <b>Amount (000's)</b> |
| 10000   | Petty Cash (US)       | 4,000                 |
| 10001   | Current Account - US  | 3,770                 |
| 10002   | Trade Receivable - US | 14,759                |
| 15000   | TD Revolver - US      | (4,085)               |
| 15001   | UBCR - US             | 27,500                |
| <b>Total Assets (US)</b>                                  |                       | <b>45,944</b>         |
| 16000   | Term Loan - US        | (1,660)               |
| 31000   | Trade Payables - US   | (2,085)               |
| 35000   | Capital Lease - US    | (3,000)               |
| 35001   | GE Lease - US         | (1,200)               |
| 35002   | Rebate Payable        | (550)                 |
| 35005   | Customer Deposits     | (250)                 |
| <b>Total Liabilities (US)</b>                             |                       | <b>(8,745)</b>        |
| <b>Net US Exposure</b>                                    |                       | <b>37,199</b>         |
| <b>Total Forwards</b>                                     |                       | <b>30,614</b>         |
| <b>% Coverage</b>   |                       | <b>82.3%</b>          |
| <b>Compliance Requirement</b>                             |                       | <b>75.0%</b>          |
| <b>Meet (Y/N)</b>   |                       | <b>Yes</b>            |

**SCHEDULE 13(a)(iv)  
CLOSING DOCUMENTS LIST**

(Closing Agenda Attached)

**EXHIBIT 3(D)**  
**FORM OF BANKERS' ACCEPTANCES POWER OF ATTORNEY**

THIS BANKERS' ACCEPTANCES POWER OF ATTORNEY is made this \_\_\_\_ day of [●] by Toolplas Systems Inc. (the "Borrower") to and in favour of THE TORONTO-DOMINION BANK (the "Lender").

WHEREAS the Borrower wishes to facilitate the acceptance of Bankers' Acceptances pursuant to the provisions of the Credit Agreement dated as of [●] between the Borrower, as borrower and the Lender, as lender (as amended, supplemented, restated, replaced or modified from time to time the "Credit Agreement").

AND WHEREAS this Bankers' Acceptances Power of Attorney is being delivered pursuant to the Credit Agreement;

AND WHEREAS all capitalized terms used herein, unless otherwise defined, shall have the same meanings ascribed thereto in the Credit Agreement;

NOW THEREFORE IN CONSIDERATION of the Lender extending credit to and for the benefit of the Borrower, and for other good and valuable consideration, the receipt of which are hereby acknowledged by the Borrower, the Borrower hereby appoints the Lender, acting by any authorized signatory of the Lender, the attorney of the Borrower:

- (a) to sign for and on behalf and in the name of the Borrower as drawer and to endorse on its behalf, Bankers' Acceptances drawn on the Lender payable to the order of the Borrower or payable to the order of the Lender;
- (b) to fill in the amount, date and maturity date of such Bankers' Acceptances; and
- (c) to discount and/or deliver such Bankers' Acceptances which have been accepted by the Lender,

provided that such acts in each case are to be undertaken by the Lender strictly in accordance with instructions given to the Lender by the Borrower as provided in this Bankers' Acceptances Power of Attorney. For greater clarity, signatures of any authorized signatory(ies) of the Lender may be mechanically reproduced in facsimile on Bankers' Acceptances in accordance herewith and the Credit Agreement and such facsimile signatures shall be binding and effective as if they had been manually executed by such authorized signatory(ies) of the Lender.

Instructions from the Borrower to the Lender relating to the execution, completion, endorsement, discount and/or delivery by the Lender on behalf of the Borrower of Bankers' Acceptances which the Borrower wishes to submit to the Lender for acceptance by the Lender shall be communicated by the Borrower in writing to the Lender by delivery to the Lender of Notices of Borrowing and other notices in respect of Conversions and Rollovers all in accordance with the Credit Agreement.

The communication in writing by the Borrower to the Lender of the instructions set out in any notices by the Borrower referred to above shall constitute (a) the authorization and instruction of the Borrower to the Lender to sign for and on behalf of and in the name of the Borrower as drawer of the requested Bankers' Acceptances and to complete and/or endorse Bankers' Acceptances in accordance with such information as set out above, and (b) the request of the Borrower to the Lender to accept such Bankers' Acceptances and discount the same in accordance with the Credit Agreement. The Borrower

acknowledges that the Lender shall not be obligated to accept any such Bankers' Acceptances except in accordance with the provisions of the Credit Agreement.

The Lender shall be and is hereby authorized to act on behalf of the Borrower upon and in compliance with instructions communicated to the Lender as provided herein if the Lender reasonably believes such instructions to be genuine. the Lender 's actions in compliance with such instructions shall be conclusively deemed to have been in accordance with the instructions of the Borrower.

The Borrower hereby indemnifies the Lender and its directors, officers, employees, affiliates and agents and agrees to hold it and them harmless from and against any loss, liability, expense or claim of any kind or nature whatsoever incurred by any of them as a result of any action or inaction in any way relating to or arising out of this Bankers' Acceptances Power of Attorney or the acts contemplated hereby; provided that this indemnity shall not apply to any such loss, liability, expense or claim which results from the gross negligence or wilful misconduct of the Lender or any of its directors, officers, employees, affiliates or agents.

This Bankers' Acceptances Power of Attorney may be revoked by the Borrower at any time upon not less than five (5) Business Days' prior written notice served upon the Lender, provided that no such revocation shall reduce, limit or otherwise affect the obligations of the Borrower in respect of any Bankers' Acceptance executed, completed, endorsed, discounted and/or delivered in accordance herewith prior to the time at which such revocation becomes effective.

This Bankers' Acceptances Power of Attorney is in addition to and not in substitution of any agreement to which the Lender and the Borrower are parties.

This Bankers' Acceptances Power of Attorney shall be governed in all respects by the laws of the Province of Ontario and the federal laws of Canada applicable therein and the Borrower and the Lender each hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of such jurisdiction in respect of all matters arising out of this power of attorney.

In the event of a conflict or inconsistency between the provisions of this Bankers' Acceptances Power of Attorney and the provisions of the Credit Agreement, the provisions of the Credit Agreement shall govern and prevail.

DATED as of the date first set forth above.

**Toolplas Systems Inc..**

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

Name:

Title:

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

Name:

Title

# **EXHIBIT 6(a)(i)A** **FORM OF ADVANCE REQUEST FOR PRIME RATE LOANS**

|  |                            |   |                                 |               |  |                           |
|--|----------------------------|---|---------------------------------|---------------|--|---------------------------|
| <b>The Toronto-Dominion Bank</b><br>TD Tower<br>100 Wellington Street West, 29th Floor<br>Toronto, Ontario M5X 1A2   |                            |   |                                 |               |  |                           |
| Date: _____  |                            |   |                                 |               |  |                           |
| To: analyst<br>TD Asset Finance  |                            | Phone: XXX-XXX-XXXX   | Fax: 416-983-6522               |               |  |                           |
| From: The Toronto-Dominion Bank  |                            | Phone: XXX-XXX-XXXX   | Fax: XXX-XXX-XXXX               |               |  |                           |
| In accordance with the terms of our Agreement (as defined below), as of the date hereof, we request a floating rate advance under our revolving credit facility from The Toronto-Dominion Bank. The amount of the proposed advance is to be wired to the named beneficiary and account as detailed below.  |                            |   |                                 |               |  |                           |
| <b>CAD Transactions</b>  |                            |   |                                 |               |  |                           |
|  | <b>Account Number</b>      | <b>Amount</b>   | <b>Beneficiary Account Name</b> |               |  |                           |
| Debit  | _____                      | \$0.00  | The Toronto-Dominion Bank       |               |  |                           |
| Credit   | _____                      | \$0.00  | The Toronto-Dominion Bank       |               |  |                           |
| Credit   | _____                      | \$0.00  | XXXXXXX                         |               |  |                           |
| <b>USD Transactions</b>  |                            |   |                                 |               |  |                           |
|  | <b>Account Number</b>      | <b>Amount</b>   | <b>Beneficiary Account Name</b> |               |  |                           |
| Debit  | _____                      | \$0.00  | The Toronto-Dominion Bank       |               |  |                           |
| Credit   | _____                      | \$0.00  | The Toronto-Dominion Bank       |               |  |                           |
| Credit   | _____                      | \$0.00  | XXXXXXX                         |               |  |                           |
| The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the proposed borrowing, before and after giving effect thereto and to the application of the proceeds the rein:  |                            |   |                                 |               |  |                           |
| (a) the representations and warranties made by the undersigned contained in the Credit Agreement dated as of XXX, 2016 and in the Other Agreements (collectively the "Agreement"), between the undersigned and The Toronto-Dominion Bank through its TD Asset Finance division, as amended from time to time are true and correct as of the date of hereof, except for representations and warranties that relate solely to an earlier date; and |                            |   |                                 |               |  |                           |
| (b) no Default or Event of Default has occurred and is continuing or would result from this proposed borrowing request.  |                            |   |                                 |               |  |                           |
| Capitalized terms used herein have the meaning ascribed to them in the Agreement.  |                            |   |                                 |               |  |                           |
| Authorized signature _____   | Authorized signature _____ | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td align="center">Bank Use Only</td> </tr> <tr> <td> </td> </tr> <tr> <td align="center">TDAF authorized signature</td> </tr> </table> |                                 | Bank Use Only |  | TDAF authorized signature |
| Bank Use Only  |                            |   |                                 |               |  |                           |
|  |                            |   |                                 |               |  |                           |
| TDAF authorized signature  |                            |   |                                 |               |  |                           |

**EXHIBIT 6(a)(i)B**  
**FORM OF NOTICE OF BORROWER FOR LIBOR LOANS AND BANKERS' ACCEPTANCES**

|   |                             |  |                          |               |  |                           |
|---|-----------------------------|--|--------------------------|---------------|--|---------------------------|
| The Toronto-Dominion Bank<br>TD Tower<br>100 Wellington Street West, 29th Floor<br>Toronto, Ontario M5K 1A2   |                             |  |                          |               |  |                           |
| Date: _____   |                             |  |                          |               |  |                           |
| To:   | analyst<br>TD Asset Finance | Phone: XXX-XXX-XXXX  | Fax: 416-933-6522        |               |  |                           |
| From:   | The Toronto-Dominion Bank   | Phone: XXX-XXX-XXXX  | Fax: XXX-XXX-XXXX        |               |  |                           |
| In accordance with the terms of our Agreement (as defined below), as of the date hereof, we request a LIBOR Loans or Bankers' Acceptances under our revolving credit facility from The Toronto-Dominion Bank. The amount of the proposed advance is to be wired to the named beneficiary and account as detailed below.   |                             |  |                          |               |  |                           |
| USD   | LIBOR Loan                  | <input style="width: 100px;" type="text"/>   | (30, 60 or 90 days)      |               |  |                           |
|   | Interest Period             | <input style="width: 100px;" type="text"/>   |                          |               |  |                           |
| CAD   | Bankers' Acceptances        | <input style="width: 100px;" type="text"/>   | (30, 60, 90 or 150 days) |               |  |                           |
|   | Interest Period             | <input style="width: 100px;" type="text"/>   |                          |               |  |                           |
| Value Date<br>Amount: <input style="width: 200px;" type="text"/><br>(LIBOR Loans and Bankers' Acceptances Minimum US\$500,000 or Can \$500,000)<br>Payto (bank)<br>_____<br>_____<br>Favour: ac # _____<br>(beneficiary name)<br>_____<br>_____   |                             |  |                          |               |  |                           |
| The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the proposed borrowing, before and after giving effect thereto and to the application of the proceeds the rein:   |                             |  |                          |               |  |                           |
| (a) the representations and warranties made by the undersigned contained in the Credit Agreement dated as of 2016 and in the Other Agreements (collectively the "Agreement"), between the undersigned and The Toronto-Dominion Bank through its TD Asset Finance division, as amended from time to time are true and correct as of the date of hereof, except for representations and warranties that relate solely to an earlier date; and |                             |  |                          |               |  |                           |
| (b) no Default or Event of Default has occurred and is continuing or would result from this proposed borrowing request.   |                             |  |                          |               |  |                           |
| Capitalized terms herein have the meaning ascribed to them in the Agreement.  |                             |  |                          |               |  |                           |
| authorized signature _____  |                             | authorized signature _____   |                          |               |  |                           |
|   |                             | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Bank Use Only</td> </tr> <tr> <td style="height: 20px;"></td> </tr> <tr> <td style="padding: 2px;">TDAF authorized signature</td> </tr> </table> |                          | Bank Use Only |  | TDAF authorized signature |
| Bank Use Only   |                             |  |                          |               |  |                           |
|   |                             |  |                          |               |  |                           |
| TDAF authorized signature   |                             |  |                          |               |  |                           |

**EXHIBIT 6(a)(ii)**  
**FORM OF CONVERSION NOTICE**

(Borrower letterhead)

Date: \_\_\_\_\_

To: THE TORONTO-DOMINION BANK  
 TD Tower  
 100 Wellington Street West, 29th Floor  
 Toronto, Ontario M5K 1A2

From: c/o [BORROWER]  
 Ph: <\*> Fax: <\*>

Re: Credit Agreement dated as of [●], 2017 between [BORROWER], as borrower and THE TORONTO-DOMINION BANK, as lender (as amended, restated, replaced, supplemented or extended from time to time the "Credit Agreement"). All capitalized terms used herein shall have the meaning ascribed to such terms in the Credit Agreement.

The undersigned hereby irrevocable requests a Conversion of one Type of Loan into another Type of Loan as follows:

Type of Loan to be Converted:

|      |   |   |
|------|---|---|
| CAD  | Prime Rate Loan                         | <input type="checkbox"/>                  |
| CAD  | Bankers' Acceptances                    | <input type="checkbox"/>                  |
|      | Interest Period                         | <input type="checkbox"/> (90 or 180 days) |
| U.S. | U.S. Base Rate Loan                     | <input type="checkbox"/>                  |
| U.S. | Bankers' Interest LIBOR Revolving Loans | <input type="checkbox"/> (90 or 180 days) |

Conversion Date: \_\_\_\_\_

Amount:

(Bankers' Acceptances and LIBOR Revolving Loans Minimum Cdn.\$1,000,000)



The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the proposed Conversion, before and after giving effect thereto and to the application of the proceeds therefrom:

- (a) the representations and warranties contained in Section 11 of the Credit Agreement and in the Loan Documents (as defined in the Credit Agreement) are true and correct as though made on and as of such date except to the extent that such representations and warranties expressly relate to an earlier date and except for changes therein expressly permitted or contemplated by the Credit Agreement or Loan Documents; and
- (b) no Default or Event of Default (as each term is defined in the Credit Agreement) has occurred and is continuing or would result from such proposed Conversion.

**IN WITNESS WHEREOF**, the undersigned has executed this Conversion Notice as the \_\_\_\_\_ of the Borrower as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

**[BORROWER]**

Per: \_\_\_\_\_  
Authorized Officer

**EXHIBIT 6(a)(iii)**  
**FORM OF ROLLOVER NOTICE**

**TO: THE TORONTO-DOMINION BANK** (the “Lender”)

**RE: Credit Agreement between TOOLPLAS SYSTEMS INC.** (the “Borrower”) and the Lender made as of ~~<\*>~~, 2017 (the “Credit Agreement”)

Pursuant to the terms of the Credit Agreement, the undersigned hereby irrevocably requests a rollover of outstanding credit as follows:

- Date of requested rollover: \_\_\_\_\_  
 [Choose as appropriate]

**Bankers’ Acceptances**

|  |            |
|--|------------|
| Maturity Date of Maturing Bankers’ Acceptances         | _____      |
| Aggregate Face Amount of Maturing Bankers’ Acceptances | \$ _____   |
| Portion Thereof to be Replaced                         | \$ _____   |
| Term of New Bankers’ Acceptances                       | _____ days |

**LIBOR Loans**

|   |       |        |
|---|-------|--------|
| Maturity Date of Maturing LIBOR Revolving Loan    | _____ |        |
| Principal Amount of Maturing LIBOR Revolving Loan | _____ | US\$   |
| Portion Thereof to be Replaced                    | _____ | US\$   |
| Interest Period of New LIBOR Loan                 | _____ | months |

The undersigned hereby confirms that no Default or Event of Default has occurred and is continuing as at the date hereof or would arise immediately after giving effect to or as a result of such rollover.

All capitalized terms defined in the Credit Agreement and used herein shall have the meaning ascribed thereto in the Credit Agreement.

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

**TOOLPLAS SYSTEMS INC.**

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

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



**EXHIBIT 9(b)**  
**FORM OF BORROWING BASE CERTIFICATE**

(TD to Attach)

**EXHIBIT 9(b)(ii)**  
**FORM OF STATUTORY PAYABLES REPORT**

TO: THE TORONTO-DOMINION BANK

Reference is hereby made to that certain credit agreement dated as of [●] made between [BORROWER], as borrower (the "Borrower") and THE TORONTO-DOMINION BANK, as lender (the "Lender") (as amended, supplemented, restated, replaced or extended from time to time the "Credit Agreement"). This certificate is delivered pursuant to subsection 9(b)(ii) of the Credit Agreement.

STATUTORY CLAIMS COMING DUE DURING: \_\_\_\_\_

COMPANY NAME: [BORROWER]

| STATUTORY PAYABLE |   | TOTAL OWED | DATE and<br>AMOUNT PAID | AMOUNT IN<br>ARREARS |
|-------------------|---|------------|-------------------------|----------------------|
| 1.                | Employee Income Tax Withholdings                  |            |                         |                      |
| 2.                | Unemployment Insurance (UIC) – Employees' Portion |            |                         |                      |
| 3.                | Canada Pension Plan (CPP) – Employees' Portion    |            |                         |                      |
| 4.                | Employer's Share of Payroll taxes                 |            |                         |                      |
| 5.                | Corporate Income Tax                              |            |                         |                      |
| 6.                | Goods & Services Tax (GST)                        |            |                         |                      |
| 7.                | Provincial Sales Tax (PST)                        |            |                         |                      |
| 8.                | Municipal Taxes                                   |            |                         |                      |
| 9.                | Workers' Compensation                             |            |                         |                      |
| 10.               | Pension Plan                                      |            |                         |                      |
| 11.               | Vacation Pay                                      |            |                         |                      |
| 12.               | Other   |            |                         |                      |
|                   | <b>TOTAL</b>                                      |            |                         |                      |

IN WITNESS WHEREOF, the undersigned has executed this Certificate as the \_\_\_\_\_ of the Borrower as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

[BORROWER]

Per: \_\_\_\_\_  
 Authorized Officer

**EXHIBIT 9(d)(i)**  
**FORM OF FINANCIAL REPORTING CERTIFICATE**

Date: \_\_\_\_\_

THE TORONTO-DOMINION BANK  
 TD Tower  
 100 Wellington Street West, 29<sup>th</sup> Floor  
 Toronto, Ontario M5K 1A2

Reference is hereby made to that certain credit agreement dated as of [●] made between [BORROWER], as borrower (the "Borrower") and THE TORONTO-DOMINION BANK, as lender (the "Lender") (as amended, supplemented, restated, replaced or extended from time to time the "Credit Agreement"). This certificate is delivered pursuant to subsection 9(e)(i)A of the Credit Agreement. Unless otherwise defined herein, capitalized terms used herein shall have the same meanings ascribed to such terms in the Credit Agreement.

The undersigned Authorized Officer of the Borrower hereby certifies on behalf of the Borrower and not in [his/her] personal capacity as of the date hereof that [he/she] is the [**Vice-President, Finance and Administration**] of the Borrower, and that, as such, [he/she] is authorized to execute and deliver this Financial Reporting Certificate to the Lender on the behalf of the Borrower, and that:

1. Attached hereto are true and correct copies of the unaudited balance sheet of the Borrower as of the month ended [●] or at the end of the fiscal year ended [●] and the related statement of income, statement of cash flow and statement of retained earnings for the period commencing on the first day of the current fiscal year and of such month and ending on the last day of such month or such fiscal year, as the case may be, which are complete and accurate in all respects and fairly present, consistently in accordance with GAAP (subject to ordinary, year-end audit adjustments and the absence of footnotes), the financial position and the results of operations of the Borrower. Included with the financial statements are comparisons to the prior year and to the Borrower's budget, as required by the Credit Agreement.
2. The undersigned has reviewed and is familiar with the terms of the Credit Agreement and has made, or has caused to be made under his/her supervision, a review of the transactions and financial condition of the Borrower and its Subsidiaries during the accounting period covered by the attached financial statements.
3. The Borrower, during such period, has observed, performed or satisfied all of the covenants and other agreements, and satisfied every condition in the Credit Agreement to be observed, performed or satisfied by the Borrower, and the undersigned has no knowledge of any Default or Event of Default, except [**any exceptions to be described in reasonable detail.**]
4. All of the representations and warranties contained in the Credit Agreement and Loan Documents are correct and complete as if made as of this date including, without limitation, that the Borrower is not in arrears in respect of any lease, rental or other payment due under any property lease or to any warehousemen, bailee or similar Person.
5. The financial covenant analyses and information set forth on Schedule 1 attached hereto are true and accurate on and as of the date of this Financial Reporting Certificate. All amounts and ratios in Schedule 1 refer to the financial statements of the Borrower attached hereto and are determined in accordance with the specifications set forth in the Credit Agreement.

6. All adjustments made to the financial results of the Borrower, as set forth in the accompanying financial statements, in order to perform the covenant analyses set forth in Schedule 1 are set forth in Schedule 2 attached hereto.
7. As at the date hereof, no notice of non-compliance, violation or contravention has been received from any Governmental Authority with respect to the activities carried on by the Borrower or as to any matter whatsoever.

or

7. As at the date hereof, the Borrower has received the following notice(s) of non-compliance, violation(s) or contravention(s) from [insert Governmental Authority], copies of which are attached hereto, with respect to [provide details of non-compliance].

Attached hereto is a written action plan to remedy the non-compliance, violation or contravention referred to in paragraph 7 above.

**IN WITNESS WHEREOF**, the undersigned has executed this Certificate as the **[Vice-President, Finance and Administration]** of the Borrower as of the \_\_\_\_\_ of the Borrower as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

**[BORROWER]**

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

Authorized Officer

**EXHIBIT 13(a)(ix)**  
**FORM OF CLOSING CERTIFICATE**

TO: THE TORONTO-DOMINION BANK

Reference is hereby made to that certain credit agreement dated as of [●] made between [BORROWER], as borrower (the "Borrower") and THE TORONTO-DOMINION BANK, as lender (the "Lender") (as amended, supplemented, restated, replaced or extended from time to time the "Credit Agreement"). This certificate is delivered pursuant to subsection 13(a)(ix) of the Credit Agreement. Unless otherwise defined herein, capitalized terms used herein shall have the same meanings ascribed to such terms in the Credit Agreement.

The undersigned Authorized Officer of the Borrower, hereby certifies on behalf of the Borrower and not in [his/her] personal capacity as follows:

1. As at the date hereof, all representations and warranties contained in the Credit Agreement and in any other Loan Document are true and correct;
2. As at the date hereof, no Default or Event of Default has occurred and is continuing;
3. As at the date hereof, no event has occurred and is continuing which could be expected to have a Material Adverse Effect with respect to the Borrower or any of their respective Subsidiaries; and
4. As at the date hereof after giving effect to all matters set out in subsection 13(a)(vi) of the Credit Agreement, the Excess Availability is equal to Cdn.\$1,500,000, the Borrower has a TTM Fixed Charge Coverage Ratio of not less than 1.1:1 and the Borrower's total liabilities to equity (including all Loans under the Credit Agreement) in accordance with GAAP on the Closing Date of not less than 5.0:1. In calculating such amount, the Borrower's outstanding debt was and is current and not past due in any respect.

**IN WITNESS WHEREOF**, the undersigned has executed this Certificate as the \_\_\_\_\_ of the Borrower as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

**[BORROWER]**

Per: \_\_\_\_\_  
 Authorized Officer



## FIRST AMENDMENT TO CREDIT AGREEMENT

**THIS FIRST AMENDMENT TO THE CREDIT AGREEMENT** (this “**Amendment**”) is dated with effect as of December 4, 2018 and is entered into by and among:

**TOOLPLAS SYSTEMS INC.**

as Borrower

- and -

**THE TORONTO-DOMINION BANK**

as Lender

### RECITALS

- A.** The Borrower and the Lender are parties to a Credit Agreement dated December 21<sup>st</sup>, 2017 (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the “**Credit Agreement**”); and
- B.** The Borrower has requested, and the Lender has agreed, subject to the terms and conditions set forth herein, to amend certain of the terms of the credit facilities governed by the Credit Agreement.

**NOW THEREFORE**, in consideration of the accommodations of credit made available by the Lender to the Borrower and the mutual covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

#### 1. Definitions

All capitalized terms used in this Amendment, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Credit Agreement.

#### 2. Amendments to Credit Agreement

The Credit Agreement is hereby amended as follows:

- (a) Subparagraph (xv) of the definition of “**Eligible Account**” is hereby deleted in its entirety and replaced with the following:

“(xv) it is not an Account which, when added to a particular Account Debtor’s and its Affiliated Account Debtors’ other indebtedness in aggregate owing to the Borrowing Base Parties, exceeds fifteen percent (15%) (other than Ford, Chrysler, General Motors, Toyota Boshoko and Yangfeng each of which shall be 35%) of the aggregate of the Borrowing Base Parties’ Accounts net of any Accounts of the Borrowing Base Parties owing by a Related Account Debtor; provided that Accounts excluded from Eligible Accounts solely by reason of this paragraph (xv) shall be Eligible Accounts to the extent of such limits and set forth herein;”

- (b) The definition of “**Eligible UBCR**” is hereby deleted in its entirety and replaced with the following:

“Eligible UBCR” shall mean: a) In Transit Moulds Eligible UBCR; and b) unbilled contract revenue amounts from customers acceptable to the Lender in its reasonable credit discretion as accrued and recorded on the Borrower’s books and records in accordance with GAAP consistent with historical practice pursuant to contracts and/or in respect of manufacturing conducted by the Borrower for such customers acceptable to the Lender in respect of moulds which are at least equal to or greater than 60% substantially completed moulds which have undergone sufficient customer testing such that “PPAP” is materially assured to Lender’s satisfaction in its reasonable credit discretion and which are not in respect of any moulds which have not received final written “PPAP” within 18 months of the commencement of manufacturing of such mould and generation of such unbilled contract revenue amount and such related mould is located in Canada or the U.S. at locations acceptable to the Lender and otherwise meets the general criteria, but for the fact that these are unbilled work-in-process receivables, of an Eligible Account.”

- (c) The following definition of “**In Transit Moulds Eligible UBCR**” is hereby added to Section 1 of the Credit Agreement in the applicable alphabetical order:

“In Transit Moulds Eligible UBCR” shall mean unbilled contract revenue amounts from customers acceptable to the Lender in its reasonable credit discretion as accrued and recorded on the Borrower’s books and records in accordance with GAAP consistent with historical practice pursuant to contracts and/or in respect of manufacturing conducted by the Borrower for such customers acceptable to the Lender which are EDC insured in respect of moulds which: (i) are at least equal to or greater than 60% substantially completed moulds; (ii) are being shipped to Canada from China; (iii) title has been transferred to the Borrower, and Lender has perfected its interest in the Canadian jurisdiction of origin and ultimate destination for the Borrower; (iv) are in transit to the Borrower’s premises; (v) are insured to the Lender’s satisfaction with Lender as first loss payee and such insurance has been assigned to Lender to its satisfaction; (vi) are supported by documentation acceptable to the Lender (including, but not limited to, a Collateral Access Agreement, the original bill of lading and invoice); (vii) are in transit for a maximum of thirty (30) days or less (viii) any and all amounts in respect of the purchase and transportation of such moulds, including duty, freight, brokerage fees, insurance and other similar costs (all such amounts other than purchase price, the “Clearance Costs”), are either (A) supported by letter of credit acceptable to the Lender, (B) paid for by the Borrower and such payments have been verified by Lender, (C) as to the Clearance Costs, reserved for in the Borrower Base and, as to the purchase price, reserved for in the Borrower Base unless waivers of all repossession, revendication or similar rights of an unpaid supplier have been received to the satisfaction of the Lender or (D) or such other arrangement that may be satisfactory to the Lender.”

- (d) The definition of “**Term Credit Commitment**” is hereby deleted in its entirety and replaced with the following:

“Term Credit Commitment” shall mean the committed non-revolving term loan up to the amount of Six Million Five Hundred Thousand United States Dollars (U.S. \$6,500,000) (the “Term Loan”) and the uncommitted non-revolving term loan up

to the maximum aggregate amount of all advances in the amount of One Million Two Hundred Thirty Nine Thousand Nine Hundred United States Dollars (U.S. \$1,239,900) (the "Additional Term Loan"); all as set out in and subject to the provisions of the Term Loan Agreement(s)."

- (e) Section 2(b)(i)B. of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"B. an amount subject to the applicable EDC insurance policy credit limits in the Lender's discretion up to

- I. seventy percent (70%) of the net book value of Eligible UBCR which is 90% or greater complete as determined by the Lender in its reasonable credit discretion and which are insured by EDC pursuant to insurance acceptable to the Lender in its reasonable credit discretion up to a maximum aggregate amount of \$20,000,000; plus
- II. sixty percent (60%) of the net book value of Eligible UBCR (other than In Transit Moulds Eligible UBCR) which is 90% or greater complete as determined by the Lender in its reasonable credit discretion and which are uninsured up to a maximum aggregate amount of \$3,000,000; plus
- III. fifty percent (50%) of the net book value of Eligible UBCR which is 60% or greater complete as determined by the Lender in its reasonable credit discretion and which are insured by EDC pursuant to insurance acceptable to the Lender in its reasonable credit discretion up to the maximum aggregate amount of \$3,000,000 (with a sub-limit of \$1,000,000 out of such \$3,000,000 in respect of uninsured Eligible UBCR); plus
- IV. twenty five percent (25%) of the net book value of the Borrower's Eligible Inventory up to the maximum amount of \$1,000,000;

provided that the aggregate availability of all In Transit Moulds Eligible UBCR generated in accordance with Sections 2(b)(i)B.1. and 2(b)(i)B.III. shall not exceed the aggregate amount of \$3,000,000 at any time and provided further that the aggregate amount as calculated under this subsection 2(b)(i)B shall not at any time exceed \$20,000,000; minus"

- (f) Section 2(c)(iii) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"(iii) the Additional Term Loan is an uncommitted facility which is provided subject to the Lender's prior credit approval in its sole discretion and amounts thereunder may only be advanced at any time prior to March 31, 2019 in accordance with the provisions of the applicable Term Loan Agreement but may not be repaid and reborrowed and for greater certainty, any unutilized portion of the Additional Term Loan shall be terminated and cancelled on March 31, 2019."

3. **No Other Changes**

Except as explicitly amended by this Amendment, all of the terms and conditions of the Credit Agreement shall remain in full force and effect, unamended hereby.

4. **Conditions Precedent**

This Amendment shall be effective when the Lender shall have received an executed copy of this Amendment, and each of the following, in form and substance acceptable to the Lender in its reasonable credit discretion:

- (a) the Lender shall have received an amendment fee in the amount of \$20,000 (the "**Amendment Fee**"). The Amendment Fee shall be fully due and payable and debited from the Borrower's bank account with the Lender upon the execution and delivery of this amendment. In addition, the Borrower shall be responsible for any and all reasonable costs, fees and expenses incurred by the Lender in connection with this Amending in accordance with the terms of the Credit Agreement.
- (b) such other matters as the Lender may require, including without limitation, updated additional applicable disclosure Schedules to the Credit Agreement and an update certificate of insurance, all in form and substance acceptable to the Lender in its reasonable credit discretion.

5. **Representations and Warranties**

The Borrower and each other Loan Party, jointly and severally, hereby represent and warrant to the Lender as follows:

- (a) the Borrower is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now and formerly conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required;
- (b) the execution, delivery and performance by the Borrower of this Amendment and any other agreements or instruments required hereunder have been duly authorized by all necessary corporate and, if required, shareholder or partner action and been duly executed and delivered by the Borrower and constitute legal, valid and binding obligations of the Borrower and each other Credit Party thereto, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganisation, moratorium or other Applicable Laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;
- (c) the execution, delivery and performance by the Borrower of this Amendment and any other agreements or instruments required hereunder or executed in connection herewith: (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other person whatsoever, except as obtained by the Borrower, (ii) will not violate any Applicable Law or the charter, by-laws or other organizational documents of the Borrower or any order of any Governmental Authority, (iii) will not violate or result

in a default under any material contract, and (iv) will not result in the creation or imposition of any Lien on any asset of the Borrower, except for any Lien arising in favour of the Lender under the Loan Documents and Permitted Liens; and

- (d) all of the representations and warranties made by Borrower contained in the Credit Agreement are correct on and as of the date hereof as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

## 6. **References**

Upon the execution and delivery of this Amendment, all references in the Credit Agreement to "*this Agreement*", "*hereunder*", "*hereof*", "*herein*" or words of similar import shall be deemed to refer to the Credit Agreement as amended hereby; and any and all references in the Loan Documents to the Credit Agreement shall be deemed to refer to the Credit Agreement as amended hereby.

## 7. **Release**

The Borrower and each other Loan Party hereby absolutely and unconditionally releases and forever discharge the Lender, each Affiliate or Subsidiary of the Lender, and each of their respective officers, directors, employees, attorneys and agents, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state, provincial or federal law or otherwise, which the Borrower and each other Loan Party have had, now have or have made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Amendment, whether such claims, demands and causes of action are matured or unmatured or known or unknown other than claims, liabilities or obligations to the extent caused by the Lender's own gross negligence or willful misconduct. For greater clarity, the Lender is required to continue to honour its obligations under, subject to and in accordance with, the terms and conditions of the Credit Agreement.

## 8. **Miscellaneous**

This Amendment may be executed in any number of counterparts and delivered by PDF or other electronic method, each of which when so executed and delivered shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]



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## SECOND AMENDMENT TO CREDIT AGREEMENT

THIS SECOND AMENDMENT TO THE CREDIT AGREEMENT (this "Amendment") is dated with effect as of February 1, 2019 and is entered into by and among:

**TOOLPLAS SYSTEMS INC.**  
as Borrower

- and -

**THE TORONTO-DOMINION BANK**  
as Lender

### RECITALS

A. The Borrower and the Lender are parties to a Credit Agreement dated December 21<sup>st</sup>, 2017 (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the "Credit Agreement").

B. The Borrower has advised the Lender that:

- (i) Robert Downie (the "Vendor") currently owns 44 Class D Special shares in the capital of the Borrower (the "Subject Shares");
- (ii) Pursuant to a share purchase agreement (the "Purchase Agreement"), the Vendor will be selling the Subject Shares to Nikolas Mamatas, John Schultz Consulting, LLC and 1830086 Ontario Inc. (collectively, the "Purchasers"), allocated amongst the Purchasers as follows:

| Purchaser                    | Subject Shares       |
|------------------------------|----------------------|
| Nikolas Mamatas              | 7.4 Class D Special  |
| John Schultz Consulting, LLC | 18.3 Class D Special |
| 1830086 Ontario Inc.         | 18.3 Class D Special |

- (iii) In connection with the Purchase Agreement, the Borrower intends to repay the minority shareholder loan in the amount of \$275,000 owing by the Borrower to the Vendor (the "Repayment").

C. The Repayment will cause certain breaches of the Credit Agreement, including, without limitation, subsection 12(k) (regarding payments in respect to indebtedness). Without consent of the Lender, such breaches would constitute an Event of Default under the Credit Agreement. Accordingly, the Borrower has requested, and the Lender has agreed, subject to the terms and conditions set forth herein, to consent to the Repayment and amend certain of the terms of the credit facilities governed by the Credit Agreement.

**NOW THEREFORE**, in consideration of the accommodations of credit made available by the Lender to the Borrower and the mutual covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:



**1. Definitions**

All capitalized terms used in this Amendment, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Credit Agreement.

**2. Consent to the Repayment of Shareholder Loan**

The Lender hereby consents to the Repayment subject to and in accordance with the provisions hereof, and provided that: (i) both before and after making the Repayment, the Borrower is in compliance with all of its financial covenants set out in the Credit Agreement; (ii) no event of default under the Credit Agreement has occurred and is continuing at the time of making the Repayment; and (iii) the Borrower does not reasonably foresee the making of the Repayment will result in the occurrence of an Event of Default under the Credit Agreement.

**3. Amendments to Credit Agreement**

The Credit Agreement is hereby amended as follows:

- (a) The definition of "**Fixed Charge Coverage Ratio**" is hereby deleted in its entirety and replaced with the following:
- (b) "Fixed Charge Coverage Ratio" shall mean as at each Fiscal Quarter End to be calculated on a consolidated basis for the Borrower on a trailing four (4) quarter basis, the ratio of (a) the total EBITDA for such period less the sum for such period of: (i) income taxes paid (or which should have been paid) in cash during such period, (ii) non-financed Capital Expenditures, and (iii) Permitted Distributions to (b) the sum for such period of: (i) Interest expense paid or scheduled to be paid within such period; and (ii) scheduled principal payments of long term debt, including the principal component of any capital lease and subordinated debt (in each case, whether or not in fact paid or scheduled to be paid during such period) but for greater certainty not including up to the amount of \$275,000 in respect of the repayment of the minority shareholder loan owing by the Borrower to Robert Downie in connection with the purchase and sale of the Equity Interests in the capital of the Borrower by Robert Downie to Nikolas Mamatas, John Schultz Consulting, LLC and 1830086 Ontario Inc occurring on or about February 1, 2019"

**4. No Other Changes**

Except as explicitly amended by this Amendment, all of the terms and conditions of the Credit Agreement shall remain in full force and effect, unamended hereby.

**5. Conditions Precedent**

This Amendment shall be effective when the Lender shall have received an executed copy of this Amendment, and each of the following, in form and substance acceptable to the Lender in its reasonable credit discretion:

- (a) the Borrower shall be responsible for any and all reasonable costs, fees and expenses incurred by the Lender in connection with this Amendment in accordance with the terms of the Credit Agreement; and

- (b) such other matters as the Lender may require, including without limitation, updated additional applicable disclosure Schedules to the Credit Agreement and an update certificate of insurance, all in form and substance acceptable to the Lender in its reasonable credit discretion.

## **6. Representations and Warranties**

The Borrower and each other Loan Party, jointly and severally, hereby represent and warrant to the Lender as follows:

- (a) the Borrower is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now and formerly conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required;
- (b) the execution, delivery and performance by the Borrower of this Amendment and any other agreements or instruments required hereunder have been duly authorized by all necessary corporate and, if required, shareholder or partner action and been duly executed and delivered by the Borrower and constitute legal, valid and binding obligations of the Borrower and each other Credit Party thereto, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganisation, moratorium or other Applicable Laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;
- (c) the execution, delivery and performance by the Borrower of this Amendment and any other agreements or instruments required hereunder or executed in connection herewith: (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other person whatsoever, except as obtained by the Borrower, (ii) will not violate any Applicable Law or the charter, by-laws or other organizational documents of the Borrower or any order of any Governmental Authority, (iii) will not violate or result in a default under any material contract, and (iv) will not result in the creation or imposition of any Lien on any asset of the Borrower, except for any Lien arising in favour of the Lender under the Loan Documents and Permitted Liens; and
- (d) all of the representations and warranties made by Borrower contained in the Credit Agreement are correct on and as of the date hereof as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

## **7. References**

Upon the execution and delivery of this Amendment, all references in the Credit Agreement to "*this Agreement*", "*hereunder*", "*hereof*", "*herein*" or words of similar import shall be deemed to refer to the Credit Agreement as amended hereby; and any and all references in the Loan Documents to the Credit Agreement shall be deemed to refer to the Credit Agreement as amended hereby.

**8. Release**

The Borrower and each other Loan Party hereby absolutely and unconditionally releases and forever discharge the Lender, each Affiliate or Subsidiary of the Lender, and each of their respective officers, directors, employees, attorneys and agents, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state, provincial or federal law or otherwise, which the Borrower and each other Loan Party have had, now have or have made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Amendment, whether such claims, demands and causes of action are matured or unmatured or known or unknown other than claims, liabilities or obligations to the extent caused by the Lender's own gross negligence or willful misconduct. For greater clarity, the Lender is required to continue to honour its obligations under, subject to and in accordance with, the terms and conditions of the Credit Agreement.

**9. Miscellaneous**

This Amendment may be executed in any number of counterparts and delivered by PDF or other electronic method, each of which when so executed and delivered shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers under their respective seals, as applicable, as of the day and year first above written.

Lender:

THE TORONTO-DOMINION BANK

Per: 

Name: Sameer Khan

Title: Sr. Analyst

Per: 

Name: Sean Noonan

Title: Manager Commercial Credit  
TD Asset Finance

Borrower:

TOOLPLAS SYSTEMS INC.

Per: 

Name: NIKOLAOS MAMATAS

Title: CHIEF EXECUTIVE OFFICER

I have the authority to bind the  
corporation

[signature page to Second Amendment Agreement between Credit Agreement between The Toronto-Dominion Bank and Toolplas Systems Inc.]



**THIRD AMENDMENT TO CREDIT AGREEMENT**

**THIS THIRD AMENDMENT TO THE CREDIT AGREEMENT** (this "Amendment") is dated with effect as of June 14, 2019 and is entered into by and among:

**TOOLPLAS SYSTEMS INC.**  
as Borrower

- and -

**THE TORONTO-DOMINION BANK**  
as Lender

**RECITALS**

- A. The Borrower and the Lender are parties to a Credit Agreement dated December 21<sup>st</sup>, 2017 (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the "Credit Agreement"); and
- B. The Borrower has requested, and the Lender has agreed, subject to the terms and conditions set forth herein, to amend certain of the terms of the credit facilities governed by the Credit Agreement.

**NOW THEREFORE**, in consideration of the accommodations of credit made available by the Lender to the Borrower and the mutual covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

**1. Definitions**

All capitalized terms used in this Amendment, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Credit Agreement.

**2. Amendments to Credit Agreement**

The Credit Agreement is hereby amended as follows:

- (a) Subsection 6(h) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"(h) LIBOR Discontinuation.

In the event that at any time subsequent to the giving of a Notice of Borrowing, Rollover Notice or Conversion Notice to the Lender by the Borrower with regard to any requested LIBOR Loan, as the case may be, the Lender makes a determination, which shall be conclusive and binding upon the Borrower, that:

- (i) adequate and reasonable means do not exist for ascertaining the LIBOR Rate, including because the LIBOR Screen Rate is not available or published on a current basis for a Loan in the applicable currency or for the applicable Interest Period and such circumstances are unlikely to be temporary; or

- (ii) the administrator of the LIBOR Screen Rate or a Governmental Authority having jurisdiction over the administrator of the LIBOR Screen Rate has made a public statement identifying a specific date after which the LIBOR Screen Rate will permanently or indefinitely cease to be made available or permitted to be used for determining the interest rate of loans (a "Scheduled Unavailability Date"); or
- (iii) a Governmental Authority having jurisdiction over the Lender has made a public statement identifying a specific date after which a LIBOR Rate or the LIBOR Screen Rate shall no longer be permitted to be used for determining the interest rate of loans (a "Scheduled Unavailability Date"); or
- (iv) if applicable, syndicated loans currently being executed, or that include language similar to that contained in this Section, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace the LIBOR Rate; or
- (v) the supervisor for the administrator of the LIBOR Screen Rate has made a public statement that the administrator is insolvent,

then reasonably promptly after such determination by the Lender, the Lender and the Borrower may mutually agree upon the LIBOR Successor Rate, and the Lender and the Borrower may amend this Agreement to replace the LIBOR Rate with an alternate benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein ), giving due consideration to any evolving or then existing convention for similar U.S. Dollar denominated credit facilities for such alternative benchmarks (any such proposed rate, a "LIBOR Successor Rate"), together with any proposed LIBOR Successor Rate Conforming Changes and any such amendment shall become effective at 5:00 p.m. (New York time) on the fifth (5th) Business Day after such agreement.

If no LIBOR Successor Rate has been determined and the circumstances under clause (i) above exist or the Scheduled Unavailability Date has occurred (as applicable), the Lender will promptly so notify the Borrower. Thereafter, the obligation of the Lender to make or maintain LIBOR Loans shall be suspended (to the extent of the affected LIBOR Loans or Interest Periods). Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of LIBOR Loans (to the extent of the affected LIBOR Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a U.S. Base Rate Loan.

Notwithstanding anything else herein, any definition of LIBOR Successor Rate (exclusive of any margin) shall provide that in no event shall such LIBOR Successor Rate be less than zero (0) for purposes of this Agreement."

- (b) Section 6 of the Credit Agreement shall be amended by adding the following new subsection 6(j) at the end of the section:

"(i) CDOR Discontinuation

- (i) If the Lender determines (which determination shall be conclusive absent manifest error), or the Borrower notifies the Lender that the Borrower has determined that:
- A. adequate and reasonable means do not exist for ascertaining the CDOR Rate, including because the Reuters Screen CDOR Page is not available or published on a current basis for the applicable Interest Period and such circumstances are unlikely to be temporary;
  - B. the administrator of the CDOR Rate or a Governmental Authority having jurisdiction has made a public statement identifying a specific date after which the CDOR Rate will permanently or indefinitely cease to be made available or permitted to be used for determining the interest rate of loans;
  - C. a Governmental Authority having jurisdiction over the Lender has made a public statement identifying a specific date after which the CDOR Rate shall no longer be permitted to be used for determining the interest rate of loans (each such specific date in subsection 6(j)(i)B above and in this subsection 6(j)(i)C a "CDOR Scheduled Unavailability Date") or if applicable, syndicated loans currently being executed, or that include language similar to that contained in this subsection 6(j) are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace the CDOR Rate, then reasonably promptly after such determination by the Lender or receipt by the Lender of such notice, as applicable, the Lender and the Borrower may mutually agree upon a successor rate to the CDOR Rate, and the Lender and the Borrower may amend this Agreement to replace the CDOR Rate with an alternate benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein), giving due consideration to any evolving or then existing convention for similar Canadian Dollars denominated syndicated credit facilities for such alternative benchmarks (any such proposed rate, a "CDOR Successor Rate"), together with any proposed CDOR Successor Rate conforming changes and any such amendment shall become effective at 5:00 p.m. (Toronto time) on the fifth (5<sup>th</sup>) Business Day after such amendment.
- (ii) If no CDOR Successor Rate has been determined and the circumstances under subsection 6(j)(i)(a) above exist or a CDOR Scheduled Unavailability Date has occurred (as applicable), the Lender will promptly so notify the Borrower. Thereafter, the obligation of the Lender to make or maintain Bankers' Acceptances shall be suspended (to the extent of the affected Bankers' Acceptances or Interest Periods). Upon receipt of such notice, a Borrower may revoke any pending request for



an advance of, conversion to or rollover of Bankers' Acceptances, (to the extent of the affected Bankers' Acceptances or Interest Periods) or, failing that, will be deemed to have converted such request into a request for an advance of a Prime Rate Loan (subject to subsection 6(j)(i) hereof) in the amount specified therein.

- (iii) Notwithstanding anything else herein, any definition of the CDOR Successor Rate (exclusive of any margin) shall provide that in no event shall such CDOR Successor Rate be less than zero for the purposes of this Agreement. In addition, CDOR Rate shall not be included or referenced in the definition of Prime Rate."

- (c) Subparagraph (iv) of the definition of "Eligible Account" in section 1 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"(iv) it is evidenced by:

- A. an invoice (other than invoices from Yanfeng 1 that are in respect to Accounts that are fully covered by EDC insurance) rendered to the Account Debtor thereunder, that is due and payable within a maximum of ninety (90) days after the stated invoice date thereof and does not remain unpaid for more than the lesser of: a) ninety (90) days past the stated invoice date thereof; and b) thirty (30) days past the stated due date thereof; or
- B. in the case of an invoice from Yanfeng 1 that is in respect to an Account that is fully covered by EDC insurance and rendered to the Account Debtor thereunder, that is due and payable within a maximum of one hundred and twenty (120) days after the stated invoice date thereof and not remain unpaid for more than the lesser of: a) one hundred and twenty (120) days past the stated invoice date thereof; b) sixty (60) days past the stated due date thereof;

provided, however, that if more than twenty-five percent (25%) of the aggregate dollar amount of invoices owing by a particular Account Debtor to the Borrowing Base Parties remain unpaid for more than:

- Y. in the case of invoices (other than invoices from Yanfeng 1 that are fully covered by EDC insurance), the lesser of: a) ninety (90) days past the stated invoice date thereof; and b) thirty (30) days past the respective stated due dates thereof; and
- Z. in the case of invoices from Yanfeng 1 that are fully covered by EDC insurance, the lesser of: a) one hundred and twenty (120) days past the stated invoice date thereof; and b) sixty (60) days past the respective stated due dates thereof;

with respect to invoices rendered to all such Account Debtors, then all Accounts owing to the Borrowing Base Parties by such Account Debtors shall be deemed ineligible;"

- (d) Subparagraph (xv) of the definition of "**Eligible Account**" in section 1 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"(xv) it is not an Account which, when added to a particular Account Debtor's and its Affiliated Account Debtors' other indebtedness in aggregate owing to the Borrowing Base Parties, exceeds fifteen percent (15%) (other than: a) Ford, Chrysler and General Motors each of which shall be thirty-five percent (35%); b) Toyota Boshoku and Yanfeng 1 each of which shall be thirty-five percent (35%), however such higher limits are subject to such Accounts being fully covered by EDC insurance or else the above fifteen percent (15%) limit applies; and c) Antolin and Century Plastics each of which shall be twenty-five (25%), however such higher limits are subject to such Accounts being fully covered by EDC insurance or else the above fifteen percent (15%) limit applies of the aggregate of the Borrowing Base Parties' Accounts net of any Accounts of the Borrowing Base Parties owing by a Related Account Debtor; provided that Accounts excluded from Eligible Accounts solely by reason of this paragraph (xv) shall be Eligible Accounts to the extent of such limits and set forth herein;"

- (e) The definition of "**LIBOR RATE**" in section 1 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"LIBOR Rate" shall mean, for each Interest Period applicable to a LIBOR Loan, the rate of interest per annum, expressed on the basis of a year of 360 days:

- (i) applicable to deposits in United States Dollars and appearing on the display referred to as "LIBOR01 Page" as defined in the International Swap Dealer Association, Inc. definitions, as modified from time to time (or any display substituted therefor for the purpose of displaying bid quotation for deposits in United States Dollars) of Reuters Limited (or any successor thereto or Affiliate thereof) (the "LIBOR Screen Rate") as of 11:00 a.m. (London, England time) on the second Business Day prior to the first day of such Interest Period; or
- (ii) if such rate does not appear on the "LIBOR01 Page" of such Reuters display, or if such display or rate is not available for any reason, the rate per annum at which United States Dollars are offered by the principal lending office in London, England of the Lender (or of its Affiliates if it does not maintain such an office) in the London interbank market at approximately 11:00 a.m. (London, England time) on the second Business Day prior to the first day of such Interest Period,

in each case in an amount similar to such LIBOR Loan and for a period comparable to such Interest Period."

- (f) The following definitions of "**Antolin**", "**CDOR Scheduled Unavailability Date**", "**CDOR Successor Rate**", "**Century Plastics**", "**LIBOR Screen Rate**", "**LIBOR Successor Rate**", "**Libor Successor Rate Conforming Changes**", "**Reuters Screen CDOR Page**", "**Scheduled Unavailability Date**" and "**Yanfeng 1**" are hereby added to Section 1 of the Credit Agreement in the applicable alphabetical order:

"Antolin" shall mean Grupo Antolin - North America, Inc., including its successors and assigns."

“CDOR Scheduled Unavailability Date” shall have the meaning ascribed therein in subsection 6(j).”

“CDOR Successor Rate” shall have the meaning ascribed therein in subsection 6(i).”

“Century Plastics” shall mean Century Plastics Inc., including its successors and assigns.”

“LIBOR Screen Rate” shall have the meaning ascribed thereto in the definition of LIBOR Rate above.”

“LIBOR Successor Rate” shall have the meaning ascribed thereto in subsection 6(h).”

“LIBOR Successor Rate Conforming Changes” shall mean, with respect to any proposed LIBOR Successor Rate, any conforming changes to the definition of U.S. Base Rate, Interest Period, timing and frequency of determining rates and making payments of interest and other administrative matters as may be appropriate, in the opinion of the Lender in consultation with the Borrower, to reflect the adoption of such LIBOR Successor Rate and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such LIBOR Successor Rate exists, in such other manner of administration as the Lender determines in consultation with the Borrower).”

“Reuters Screen CDOR Page” shall have the meaning ascribed thereto in the International Swaps and Derivatives Association, Inc. 2000 definitions as modified and amended from time to time.”

“Scheduled Unavailability Date” shall have the meaning ascribed thereto in subsection 6(h).”

“Yanfeng I” shall mean Yanfeng US Automotive Interiors Systems I LLC, including its successors and assigns.”

### **3. No Other Changes**

Except as explicitly amended by this Amendment, all of the terms and conditions of the Credit Agreement shall remain in full force and effect, unamended hereby.

### **4. Conditions Precedent**

This Amendment shall be effective when the Lender shall have received an executed copy of this Amendment, and each of the following, in form and substance acceptable to the Lender in its reasonable credit discretion:

- (a) the Borrower shall be responsible for any and all reasonable costs, fees and expenses incurred by the Lender in connection with this Amendment in accordance with the terms of the Credit Agreement; and
- (b) such other matters as the Lender may require, including without limitation, updated additional applicable disclosure Schedules to the Credit Agreement and an update certificate of insurance, all in form and substance acceptable to the Lender in its reasonable credit discretion.

## **5. Representations and Warranties**

The Borrower and each other Loan Party, jointly and severally, hereby represent and warrant to the Lender as follows:

- (a) the Borrower is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now and formerly conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required;
- (b) the execution, delivery and performance by the Borrower of this Amendment and any other agreements or instruments required hereunder have been duly authorized by all necessary corporate and, if required, shareholder or partner action and been duly executed and delivered by the Borrower and constitute legal, valid and binding obligations of the Borrower and each other Loan Party thereto, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganisation, moratorium or other Applicable Laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;
- (c) the execution, delivery and performance by the Borrower of this Amendment and any other agreements or instruments required hereunder or executed in connection herewith:
  - (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other person whatsoever, except as obtained by the Borrower, (ii) will not violate any Applicable Law or the charter, by-laws or other organizational documents of the Borrower or any order of any Governmental Authority, (iii) will not violate or result in a default under any material contract and (iv) will not result in the creation or imposition of any Lien on any asset of the Borrower, except for any Lien arising in favour of the Lender under the Loan Documents and Permitted Liens; and
- (d) all of the representations and warranties made by Borrower contained in the Credit Agreement are correct on and as of the date hereof as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

## **6. References**

Upon the execution and delivery of this Amendment, all references in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of similar import shall be deemed to refer to the Credit Agreement as amended hereby; and any and all references in the Loan Documents to the Credit Agreement shall be deemed to refer to the Credit Agreement as amended hereby.

## **7. Release**

The Borrower and each other Loan Party hereby absolutely and unconditionally releases and forever discharge the Lender, each Affiliate or Subsidiary of the Lender, and each of their respective officers, directors, employees, attorneys and agents, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state, provincial or federal law or otherwise, which the

Borrower and each other Loan Party have had, now have or have made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Amendment, whether such claims, demands and causes of action are matured or unmatured or known or unknown other than claims, liabilities or obligations to the extent caused by the Lender's own gross negligence or willful misconduct. For greater clarity, the Lender is required to continue to honour its obligations under, subject to and in accordance with, the terms and conditions of the Credit Agreement.

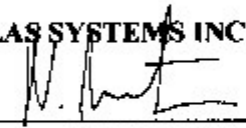
**8. Miscellaneous**

This Amendment may be executed in any number of counterparts and delivered by PDF or other electronic method, each of which when so executed and delivered shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same agreement.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers under their respective seals, as applicable, as of the day and year first above written.

) Lender:  
)  
) **THE TORONTO-DOMINION BANK**  
)  
)  
) Per: \_\_\_\_\_  
) Name: \_\_\_\_\_  
) Title: \_\_\_\_\_  
)  
)  
) Per: \_\_\_\_\_  
) Name: \_\_\_\_\_  
) Title: \_\_\_\_\_  
)

) Borrower:  
)  
) **TOOLPLAS SYSTEMS INC.**  
)  
) Per:  \_\_\_\_\_  
) Name: **NIKOLAOS MAMATAS**  
) Title: **CEO**  
)  
) I have the authority to bind the  
) corporation  
)



## Asset Finance

March 24, 2020

Toolplas Systems Inc.  
1905 Blackacre Dr.  
Oldcastle, Ontario N0R 1L0

**Attention: Mr. Nick Mamatas**

Dear Sirs:

**Re: Credit facility granted to Toolplas Systems Inc. (the "Borrower") pursuant to a credit agreement made as of December 21, 2017 between The Toronto-Dominion Bank (the "Lender") and Toolplas Systems Inc., as amended by amendment to the credit agreement dated December 4, 2018, February 1, 2019, June 14, 2019 and January 7, 2020 (collectively, the "Credit Agreement").**

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The Credit Agreement is hereby amended as follows:

Subsection 2(b)(iii) shall be added therefor:

- "(iii) temporary over advances permitted to the lessor of:
- A. The Hedging Reserves OR
  - B. CAD \$1,180,000 from March 24, 2020 to April 15, 2020 OR
  - C. CAD \$885,000 from April 16, 2020 to May 15, 2020 OR
  - D. CAD \$590,000 from May 16, 2020 to June 15, 2020 OR
  - E. CAD \$295,000 from June 16, 2020 to July 15, 2020 OR
  - F. CAD \$0 from July 16, 2020 and thereafter"

Subsection 2(d) shall be deleted in its entirety and the following substituted therefor:

"(d) Hedging Instruments.

Subject to the terms and conditions of this Agreement, during the term of this Agreement, the Lender shall, absent the existence of a Default or an Event of Default, and at the sole discretion of the Lender, from time to time provide Hedging Instruments upon a request by Borrower, provided that, at no time shall any Hedging Obligations be outstanding such that the aggregate exposure under any outstanding Hedging Instruments, as determined by the Lender in accordance with its internal methodology from time to time, exceed Three Million United States Dollars (U.S. \$3,000,000) or the Equivalent Amount in Canadian Dollars thereof. Each such Hedging Instrument shall be in form and substance acceptable to the Lender in its discretion. Interest Rate Swaps may not be entered into by Borrower unless Borrower has entered into an ISDA Master Agreement with the Lender and shall not, in any event, have a term greater than sixty (60) months and for greater certainty may only be entered into in the Lender's sole discretion and credit approval. **Foreign Exchange Contracts shall not have an expiry date of more than six (6) months. New Foreign Exchange Contracts are prohibited until July 15, 2020.** Notwithstanding the term of any Hedging Instrument provided by the Lender hereunder, the Lender shall be entitled to terminate, on the Maturity Date (or such earlier date as provided by this Agreement or any Hedging Instrument), any such Hedging Instruments having a maturity date extending beyond the Maturity Date and all such Hedging Instruments shall provide for such termination rights of the Lender and the payment of all applicable breakage costs to the Lender. The maximum notional value of any Foreign Exchange Contracts which can mature on any given day is limited to One Million Five Hundred Thousand United States Dollars (U.S. \$1,500,000) or the Equivalent Amount in Canadian Dollars thereof."

Subsection 12(q) shall be deleted in its entirety and the following substituted therefor:



## Asset Finance

"(q) Bank Accounts, Cash Management and Hedging.

The Borrower and each other Loan Party shall maintain all banking relationships, bank accounts and cash management and hedging facilities with the Lender, other than Permitted Indebtedness, and all current banking relationships, cash management and hedging facilities which are maintained with Persons other than the Lender shall be terminated and all such other bank accounts closed; provided that, notwithstanding the foregoing, accounts with Royal Bank of Canada may remain open until the date which is sixty (60) days of the date hereof provided that the Borrower shall provide the Lender with daily screenshots relating to all transactions/activity regarding such accounts until such accounts are closed and shall use its best efforts to terminate such accounts as soon as possible. Furthermore, the Borrower shall establish and maintain a foreign exchange hedging policy satisfactory to Lender in its reasonable credit discretion. The Borrower shall deliver to the Lender, within thirty (30) days of the date hereof, the details relating to the Borrower's foreign exchange hedging policy including but not limited to details provided as per Schedule 12(q), which policy must provide for not less than 75% of Borrower's foreign exchange exposure to be hedged, both as of the date of such disclosure and throughout the term of this Agreement. **Foreign exchange hedging policy is waived from March 24, 2020 to July 15, 2020"**

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the dates first written above.

### THE TORONTO-DOMINION BANK

By: 

Name: Zami Salaria

Title: Director

By: 

Name: Darcy Mack

Title: Associate Vice President

### Acknowledgment & Agreement:

The undersigned Borrower hereby acknowledges receipt of, and authorizes, consents to and agrees with all of the foregoing as of the date first written above.

### TOOLPLAS SYSTEMS INC.

By: 

Name: Nick Mamatas

Title: Chief Executive Officer



April 16, 2020

**Toolplas Systems Inc.**  
1905 Blackacre Dr.  
Oldcastle, Ontario N0R 1L0

**Attention: Mr. Nick Mamatas**

Dear Sirs:

**Re: Credit facility granted to Toolplas Systems Inc. (the "Borrower") pursuant to a credit agreement made as of December 21, 2017 between The Toronto-Dominion Bank (the "Lender") and Toolplas Systems Inc., as amended by amendment to the credit agreement dated December 4, 2018, February 1, 2019, June 14, 2019, January 7, 2020 and March 24, 2020 (collectively, the "Credit Agreement").**

---

The Credit Agreement is hereby amended as follows:

The definition of "Eligible Account" subsection (iv) in section 1 of the Credit Agreement shall be deleted in its entirety and the following substituted therefor:

it is evidenced by an invoice rendered to the Account Debtor thereunder, and is due and **payable within a maximum of ninety (90) days after the stated invoice date thereof and does not remain unpaid for more than the lesser of ninety (90) days past the stated invoice date thereof and thirty (30) days past the stated due date thereof<sup>1</sup>**, provided, however, that if more than twenty-five percent (25%) of the aggregate dollar amount of invoices owing by a particular Account Debtor to the Borrowing Base Parties remain unpaid for more than the lesser of ninety (90) days past the stated invoice date thereof and thirty (30) days past the respective stated due dates thereof with respect to invoices rendered to all such Account Debtors, then all Accounts owing to the Borrowing Base Parties by such Account Debtors shall be deemed ineligible;

1. One-time exception for accounts receivable from Minghua de Mexico S.A. for specific invoices outlined in table (1) below as follows:

**"payable within a maximum of one hundred twenty (120) days after the stated invoice date thereof and does not remain unpaid for more than the lesser of one hundred twenty (120) days past the stated invoice date thereof and sixty (60) days past the stated due date thereof "**

## Table (1) – Specific Invoices

Aged Accounts Receivable

April 6, 2020 2:01 PM

Pag 1

TOOLPLAS\TKATONA

(Detail, aged as of 2020 April 06)

Aged by transaction date.

Amounts are in the customer's local currency (report totals are in CAD).

Customer: No.: MINMEX US; Customer Posting Group: CUSTOMER

| No.        | Name                 | Aged Customer Balances |         |              |              |              | Doc.              | Ineligibility | Program       | Terms       |
|------------|----------------------|------------------------|---------|--------------|--------------|--------------|-------------------|---------------|---------------|-------------|
|            |                      | Balance Due            | Current | 31 - 60 Days | 61 - 90 Days | Over 90 Days |                   |               |               |             |
| Trx Date   | Description          |                        | Contact |              |              |              | Curr.             | Date          |               |             |
| MINMEX US  | Minghua de Mexico SA |                        |         |              |              |              | Amounts are in US |               |               |             |
| 2020-01-06 | Invoice 26236-26245  | 1,421,060.00           | 0.00    | 0.00         | 0.00         | 1,421,060.00 | USD               | 2020-04-05    | Tesla Model Y | 100% @ PPAP |
| 2020-01-06 | Invoice 26246-26254  | 69,000.00              | 0.00    | 0.00         | 0.00         | 69,000.00    | USD               | 2020-04-05    | Tesla Model Y | 100% @ PPAP |
| 2020-01-06 | Invoice 26255-26257  | 14,850.00              | 0.00    | 0.00         | 0.00         | 14,850.00    | USD               | 2020-04-05    | Tesla Model Y | 100% @ PPAP |
| 2020-01-30 | Invoice 26546-26547  | 11,680.00              | 0.00    | 0.00         | 11,680.00    | 0.00         | USD               | 2020-04-29    | Tesla Model Y | 100% @ PPAP |
| 2020-01-30 | Invoice 26548-26554  | 121,640.00             | 0.00    | 0.00         | 121,640.00   | 0.00         | USD               | 2020-04-29    | Tesla Model Y | 100% @ PPAP |
| MINMEX US  | Total Amount Due     | 1,638,230.00           | 0.00    | 0.00         | 133,320.00   | 1,504,910.00 |                   |               |               |             |

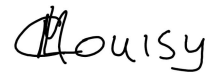
IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the dates first written above.

### THE TORONTO-DOMINION BANK

By: 

Name: Zami Salaria

Title: Director

By: 

Name: Chaz Louisy

Title: Manager Commercial Credit

### Acknowledgment & Agreement:

The undersigned Borrower hereby acknowledges receipt of, and authorizes, consents to and agrees with all of the foregoing as of the date first written above.

### TOOLPLAS SYSTEMS INC.

By: \_\_\_\_\_

Name: Nick Mamatas

Title: Chief Executive Officer

May 21, 2020

**Toolplas Systems Inc.**  
1905 Blackacre Dr.  
Oldcastle, Ontario N0R 1L0

**Attention: Mr. Nick Mamatas**

Dear Sirs:

**Re: Credit facility granted to Toolplas Systems Inc. (the "Borrower") pursuant to a credit agreement made as of December 21, 2017 between The Toronto-Dominion Bank (the "Lender") and Toolplas Systems Inc., as amended by amendment to the credit agreement dated December 4, 2018, February 1, 2019, June 14, 2019, January 7, 2020, March 24, 2020 and April 16, 2020 (collectively, the "Credit Agreement").**

---

The Credit Agreement is hereby amended as follows:

The definition of "Eligible Account" subsection (iv) in section 1 of the Credit Agreement shall be deleted in its entirety and the following substituted therefor:

it is evidenced by an invoice rendered to the Account Debtor thereunder, and is due and **payable within a maximum of ninety (90) days after the stated invoice date thereof and does not remain unpaid for more than the lesser of ninety (90) days past the stated invoice date thereof and thirty (30) days past the stated due date thereof<sup>1</sup>**, provided, however, that if more than twenty-five percent (25%) of the aggregate dollar amount of invoices owing by a particular Account Debtor to the Borrowing Base Parties remain unpaid for more than the lesser of ninety (90) days past the stated invoice date thereof and thirty (30) days past the respective stated due dates thereof with respect to invoices rendered to all such Account Debtors, then all Accounts owing to the Borrowing Base Parties by such Account Debtors shall be deemed ineligible;

1. One-time exception for accounts receivable from Minghua de Mexico S.A. for specific invoices outlined in table (1) below as follows:

**"payable within a maximum of two hundred ten (210) days after the stated invoice date thereof and does not remain unpaid for more than the lesser of two hundred ten (210) days past the stated invoice date thereof and one hundred fifty (150) days past the stated due date thereof "**

## Table (1) – Specific Invoices

Aged Accounts Receivable

April 6, 2020 2:01 PM

Pag 1

TOOLPLAS\TKATONA

(Detail, aged as of 2020 April 06)

Aged by: transaction date.


Amounts are in the customer's local currency (report totals are in CAD).


Customer: No.: MINMEX US; Customer Posting Group: CUSTOMER

| No.        | Name                 | Aged Customer Balances |                 |              |              |              | Doc.                    | Ineligibility | Program       | Terms       |
|------------|----------------------|------------------------|-----------------|--------------|--------------|--------------|-------------------------|---------------|---------------|-------------|
| Trx Date   | Description          | Balance Due            | Current Contact | 31 - 60 Days | 61 - 90 Days | Over 90 Days | Curr. Amounts are in US | Date          |               |             |
| MINMEX US  | Minghua de Mexico SA |                        |                 |              |              |              |                         |               |               |             |
| 2020-01-06 | Invoice 26236-26245  | 1,421,060.00           | 0.00            | 0.00         | 0.00         | 1,421,060.00 | USD                     | 2020-04-05    | Tesla Model Y | 100% @ PPAP |
| 2020-01-06 | Invoice 26246-26254  | 69,000.00              | 0.00            | 0.00         | 0.00         | 69,000.00    | USD                     | 2020-04-05    | Tesla Model Y | 100% @ PPAP |
| 2020-01-06 | Invoice 26255-26257  | 14,850.00              | 0.00            | 0.00         | 0.00         | 14,850.00    | USD                     | 2020-04-05    | Tesla Model Y | 100% @ PPAP |
| 2020-01-30 | Invoice 26546-26547  | 11,680.00              | 0.00            | 0.00         | 11,680.00    | 0.00         | USD                     | 2020-04-29    | Tesla Model Y | 100% @ PPAP |
| 2020-01-30 | Invoice 26548-26554  | 121,640.00             | 0.00            | 0.00         | 121,640.00   | 0.00         | USD                     | 2020-04-29    | Tesla Model Y | 100% @ PPAP |
| MINMEX US  | Total Amount Due     | 1,638,230.00           | 0.00            | 0.00         | 133,320.00   | 1,504,910.00 |                         |               |               |             |

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the dates first written above.

### THE TORONTO-DOMINION BANK

By:   
 Name: Zami Salaria  
 Title: Director

By:   
 Name: Chaz Louisy  
 Title: Manager Commercial Credit

### Acknowledgment & Agreement:

The undersigned Borrower hereby acknowledges receipt of, and authorizes, consents to and agrees with all of the foregoing as of the date first written above.

### TOOLPLAS SYSTEMS INC.

By: \_\_\_\_\_  
 Name: Nick Mamatas  
 Title: Chief Executive Officer

## **JOINDER & SEVENTH AMENDMENT TO CREDIT AGREEMENT**

**THIS JOINDER SEVENTH AMENDMENT TO THE CREDIT AGREEMENT** (this “**Amendment**”) is dated with effect as of July 7, 2020 and is entered into by and among:

**TOOLPLAS SYSTEMS INC.**

as “Borrower”

- and –

**TOOL PROCESSING SOLUTIONS INC.**

“TPS Global” as a new Guarantor by way of a joinder set out herein.

-and –

**THE TORONTO-DOMINION BANK**

as “Lender”

### **RECITALS**

- A. The Borrower and the Lender are parties to a Credit Agreement dated December 21<sup>st</sup>, 2017 (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the “**Credit Agreement**”); and
- B. The Borrower has requested, and the Lender has agreed, subject to the terms and conditions set forth herein: (i) to join TPS Global to the Credit Agreement as a Guarantor and Loan Party; and (ii) amend certain of the terms of the credit facilities governed by the Credit Agreement.

**NOW THEREFORE**, in consideration of the accommodations of credit made available by the Lender to the Borrower and the mutual covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

#### **1. Definitions**

All capitalized terms used in this Amendment, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Credit Agreement.

#### **2. Joinder to Credit Agreement**

- (a) Upon the date hereof, TPS Global joins in as, assumes the obligations of, adopts the obligations, liabilities and role of, and becomes a Guarantor and Loan Party under the Credit Agreement and the other Loan Documents. All references to “Guarantor” or “Loan Party” contained in the Credit Agreement and any other Loan Documents, in each case, are hereby deemed for all purposes to also refer to and include TPS Global as a Guarantor and Loan Party, and TPS Global hereby agrees to comply with all terms and conditions of the Credit Agreement and the other Loan Documents as if it were an original signatory to the Credit Agreement and each of the other applicable Loan Documents.
- (b) Without limiting the generality of the provisions of subparagraph (a) above, TPS Global is thereby liable, jointly and severally along with the Borrower and any

other Loan Party, for all existing and future Loans and other Liabilities incurred at any time by the Borrower and any other Loan Party, as applicable, under the Credit Agreement and each of the applicable Loan Documents.

### 3. Amendments to Credit Agreement

The Credit Agreement is hereby amended as follows:

- (a) Subsection 2(b)(i)A of the Credit Agreement shall be deleted in its entirety and the following substituted therefor:

“A. an amount in the Lender’s discretion up to

- I. eighty-five percent (85%) of the face amount (not including any interest component) of Eligible Accounts which are uninsured by either Euler or EDC; plus
- II. ninety percent (90%) of the face amount (not including any interest component) of Eligible Accounts insured by either Euler or EDC pursuant to insurance acceptable to the Lender in its reasonable credit discretion; plus”

- (b) Subsection 2(b)(i)B of the Credit Agreement shall be deleted in its entirety and the following substituted therefor:

“B. an amount subject to the applicable Euler insurance policy credit limits, EDC insurance policy credit limits and applicable Eligible Account and Eligible UBCR Concentration Limit in the Lender’s discretion up to:

- I. seventy percent (70%) of the net book value of Eligible UBCR which is ninety percent (90%) or greater complete as determined by the Lender in its reasonable credit discretion and which are insured by either Euler or EDC pursuant to insurance acceptable to the Lender in its reasonable credit discretion up to a maximum aggregate amount of \$20,000,000; plus
- II. sixty percent (60%) of the net book value of Eligible UBCR (other than In Transit Moulds Eligible UBCR) which is ninety percent (90%) or greater complete as determined by the Lender in its reasonable credit discretion and which are uninsured by either Euler or EDC up to a maximum aggregate amount of \$3,000,000; plus
- III. fifty percent (50%) of the net book value of Eligible UBCR which is between sixty percent (60%) to a maximum of ninety percent (90%) complete as determined by the Lender in its reasonable credit discretion and which are insured by either Euler or EDC pursuant to insurance acceptable to the Lender in its reasonable credit discretion up to the maximum aggregate amount of \$3,000,000 (with a sub-limit of \$1,000,000 out of such \$3,000,000 in respect of uninsured Eligible UBCR); plus

- IV. twenty five percent (25%) of the net book value of the Borrower's Eligible Inventory up to the maximum amount of \$1,000,000;

provided that the aggregate availability of all In Transit Moulds Eligible UBCR generated in accordance with Sections 2(b)(i)B.I., 2(b)(i)B.II and 2(b)(i)B.III. shall not exceed the aggregate amount of \$3,000,000 at any time and provided further that the aggregate amount as calculated under this subsection 2(b)(i)B shall not at any time exceed \$20,000,000; minus."

- (c) Subsection 2(b)(i)E of the Credit Agreement shall be deleted in its entirety and the following substituted therefor:

"E. the amount of Hedging Reserves (except with respect to any Foreign Exchange Contracts for which (i) either Euler Foreign Exchange Insurance or EDC Foreign Exchange Insurance has been obtained, and (ii) are not maturing within thirty (30) days); and minus"

- (d) Subsection 2(b)(ii) of the Credit Agreement shall be deleted in its entirety and the following substituted therefor:

"(ii) the Revolving Credit Commitment minus the aggregate of all then outstanding L/C Liabilities and Hedging Reserves (except with respect to any Foreign Exchange Contracts for which (i) either Euler Foreign Exchange Insurance or EDC Foreign Exchange Insurance has been obtained, and (ii) are not maturing within thirty (30) days)."

- (e) Subsection 6(j) the Credit Agreement shall be deleted in its entirety and the following substituted therefor:

"(j) CDOR Discontinuation

- (i) If the Lender determines (which determination shall be conclusive absent manifest error), or the Borrower notifies the Lender that the Borrower has determined that:

A. adequate and reasonable means do not exist for ascertaining the CDOR Rate, including because the Reuters Screen CDOR Page is not available or published on a current basis for the applicable Interest Period and such circumstances are unlikely to be temporary;

B. the administrator of the CDOR Rate or a Governmental Authority having jurisdiction has made a public statement identifying a specific date after which the CDOR Rate will permanently or indefinitely cease to be made available or permitted to be used for determining the interest rate of loans;

C. a Governmental Authority having jurisdiction over the Lender has made a public statement identifying a specific date after which the CDOR Rate shall no longer be permitted to be used for determining the interest rate of loans (each such specific date



in subsection 6(j)(i)(B) above and in this subsection 6(j)(i)(C) a “CDOR Scheduled Unavailability Date”); or

- D. if applicable, syndicated loans currently being executed, or that include language similar to that contained in this subsection 6(j) are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace the CDOR Rate,

then reasonably promptly after such determination by the Lender or receipt by the Lender of such notice, as applicable, the Lender and the Borrower may mutually agree upon a successor rate to the CDOR Rate, and the Lender and the Borrower may amend this Agreement to replace the CDOR Rate with an alternate benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein), giving due consideration to any evolving or then existing convention for similar Canadian Dollars denominated syndicated credit facilities for such alternative benchmarks (any such proposed rate, a “CDOR Successor Rate”), together with any proposed CDOR Successor Rate conforming changes and any such amendment shall become effective at 5:00 p.m. (Toronto time) on the fifth (5<sup>th</sup>) Business Day after such amendment.

- (ii) If no CDOR Successor Rate has been determined and the circumstances under subsection 6(j)(i) above exist or a CDOR Scheduled Unavailability Date has occurred (as applicable), the Lender will promptly so notify the Borrower. Thereafter, the obligation of the Lender to make or maintain Bankers’ Acceptances shall be suspended (to the extent of the affected Bankers’ Acceptances or Interest Periods). Upon receipt of such notice, a Borrower may revoke any pending request for an advance of, conversion to or rollover of Bankers’ Acceptances, (to the extent of the affected Bankers’ Acceptances or Interest Periods) or, failing that, will be deemed to have converted such request into a request for an advance of a Prime Rate Loan (subject to the forgoing subsection 6(j)(ii) hereof) in the amount specified therein.
- (iii) Notwithstanding anything else herein, any definition of the CDOR Successor Rate (exclusive of any margin) shall provide that in no event shall such CDOR Successor Rate be less than zero for the purposes of this Agreement. In addition, CDOR Rate shall not be included or referenced in the definition of Prime Rate.”

- (f) Subsections 7(a)(iv), 7(a)(vii) and 7(a)(viii) of the Credit Agreement shall be deleted in their entirety and the following substituted therefor:

- “(iv) an unlimited guarantee from TPS Global in favour of the Lender guaranteeing the repayment and performance of all Liabilities of the Borrower;
- (vii) an assignment of insurance, designation of beneficiary, direction to pay and/or a tripartite agreement from Euler in respect of all Euler insurance relating to Eligible Accounts and Eligible UBCR;



- (viii) such other security and supporting documents, certificates or instruments in respect of the Borrower and the other Loan Parties (including third party postponement and subordinations (including without limitation an intercreditor agreement with Business Development Bank of Canada (“BDC”) and BDC Capital Inc., an intercreditor agreement with or no interest letter from JP Morgan Chase Bank, N.A., a non-disturbance agreement with BDC and landlord and mortgagee waivers) as may be reasonably requested by the Lender from time to time.”
- (g) Subsection 12(q) of the Credit Agreement shall be amended by deleting it in its entirety and replaced with the following:

“(q) Bank Accounts, Cash Management and Hedging.

The Borrower and each other Loan Party shall maintain all banking relationships, bank accounts and cash management and hedging facilities with the Lender, other than Permitted Indebtedness, and all current banking relationships, cash management and hedging facilities which are maintained with Persons other than the Lender shall be terminated and all such other bank accounts closed; provided that, notwithstanding the foregoing, accounts with Royal Bank of Canada may remain open until the date which is sixty (60) days of the date hereof provided that the Borrower shall provide the Lender with daily screenshots relating to all transactions/activity regarding such accounts until such accounts are closed and shall use its best efforts to terminate such accounts as soon as possible. Furthermore, the Borrower shall establish and maintain a foreign exchange hedging policy whereby at least seventy-five percent (75%) of all FX Exposure in respect of foreign exchange shall be the subject of Foreign Exchange Contracts or natural hedging arrangements in respect of its purchasing, costs, expenses and sales, all to the satisfaction of the Lender in its reasonable credit discretion. Furthermore, for greater certainty, if TPS Global at any time maintains banking relationships, bank accounts and cash management and hedging facilities with a financial institution that is not the Lender in respect to the Permitted Indebtedness, TPS Global shall establish a Blocked Account in accordance with section 8 hereof in respect to such bank accounts and cash management and hedging facilities.”

- (h) Section 12 of the Credit Agreement shall be amended by adding the following new subsection 12(x) at the end of the section:

“(x) TPS Global Insurance.

If at any time the fair market value of assets and properties, including, but not limited to, Inventory, accounts receivable or Equipment, whether individually or in the aggregate of TPS Global (collectively, the “TPS Assets”) is equal to or exceeds Cdn.\$500,000, which for greater certainty shall be, to the extent applicable, calculated and construed in accordance with GAAP, then within ten (10) days of the date such fair market valuation is equal to or exceeds Cdn.\$500,000, TPS Global shall obtain and deliver or cause to be obtained and delivered to the Lender, in form and substance satisfactory to the Lender: (i) insurance with respect to the TPS Assets in accordance with the terms and conditions of the Credit Agreement, including Section 12(d) thereof; (ii) originals or certified copies of such policies of insurance; (iii) an updated

Schedule “A” to Irrevocable Direction to Pay re All Risk Insurance dated July 6, 2020 from TPS Global; and (iv) such other documents, consents, certificates, opinions and agreements as the Lender may require in respect to such insurance. The Borrower and TPS Global each covenant and agree to deliver such reports regarding the TPS Assets as the Lender may reasonable require to determine fair market value of the TPS Assets.”

- (i) Subsection 14(b) of the Credit Agreement shall amended by deleting it in its entirety and replaced with following:

“(b) Breaches of this Agreement and Loan Documents.

The failure of the Borrower, any other Loan Party or any other Guarantor to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations (other than as described in subsection 14(a) above) of the Borrower, such other Loan Party, or such other Guarantor, as the case may be, under this Agreement or any of the other Loan Documents, or any other document or agreement with any branch or Subsidiary or Affiliate of The Toronto-Dominion Bank, to which each is a party and such failure shall continue unremedied for ten (10) Business Days; provided that, such ten (10) Business Day period shall not apply in the case of (i) any failure to perform or observe any such covenant, condition, promise, agreement or obligation which is not capable of being cured at all or within such ten (10) Business Day period, or (ii) the material failure to perform or observe, in the Lender’s discretion, any such covenant, condition, promise, agreement or obligation is with respect to any covenant, condition, promise, agreement or obligation contained in subsection 8(a), section 9 or any of subsections 12(b) (as to a Material Adverse Effect only), (c), (d), (e), (h), (i), (j), (k), (l), (m), (o), (p), (q), (r), (s), (t) or (x) hereof.”

- (j) Subparagraph (iv) of the definition of “**Eligible Account**” in section 1 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“(iv) it is evidenced by:

- A. an invoice from Valeo and Industrias Cazel associated with the Ford CX727 program rendered to the Account Debtor thereunder, that is due and payable within a maximum of ninety (90) days after the stated invoice date thereof and does not remain unpaid for more than the lesser of: a) one hundred and twenty (120) days past the stated invoice date thereof; and b) sixty (60) days past the stated due date thereof;
- B. an invoice (other than invoices from: i) Valeo and Industrias Cazel associated with the Ford CX727 program; and ii) the Yanfeng Group, the Antolin Group Plastic Tec, Tycos Tool & Die – Magna Exteriors and US Farathane Corp that are in respect to Accounts that are fully covered by either Euler insurance or EDC insurance) rendered to the Account Debtor thereunder, that is due and payable within a maximum of ninety (90) days after the stated invoice date thereof and does not remain unpaid for more than the lesser of: a) ninety (90) days past the stated invoice date thereof; and b) thirty (30) days past the stated due date thereof; or

- C. in the case of any invoice from the Yanfeng Group, the Antolin Group, Plastic Tec, Tycos Tool & Die – Magna Exteriors and US Farathane Corp that is in respect to an Account that has not been sold, transferred or assigned in any way to JP Morgan Chase Bank, N.A., and that is fully covered by either EDC insurance or Euler insurance and rendered to the Account Debtor thereunder, that is due and payable within a maximum of one hundred and twenty (120) days after the stated invoice date thereof and not remain unpaid for more than the lesser of: a) one hundred and twenty (120) days past the stated invoice date thereof; and b) sixty (60) days past the stated due date thereof,

provided, however, that if more than twenty-five percent (25%) of the aggregate dollar amount of invoices owing by a particular Account Debtor to the Borrowing Base Parties remain unpaid for more than:

- Y. in the case of invoices (other than invoices from (i) the Yanfeng Group, the Antolin Group, Plastic Tec, Tycos Tool & Die – Magna Exteriors and US Farathane Corp that are fully covered by either Euler insurance or EDC insurance; and (ii) Valeo and Industrias Cazel associated with the Ford CX727 program ), the lesser of: a) ninety (90) days past the stated invoice date thereof; and b) thirty (30) days past the respective stated due dates thereof; and
- Z. in the case of invoices from: (i) each of the Yanfeng Group, the Antolin Group, Plastic Tec, Tycos Tool & Die – Magna Exteriors and US Farathane Corp that have not been sold, transferred or assigned in any way to JP Morgan Chase Bank, N.A., and that are fully covered by either Euler insurance or EDC insurance; or (ii) Valeo and Industrias Cazel associated with the Ford CX727 program, the lesser of: a) one hundred and twenty (120) days past the respective stated invoice date thereof; and b) sixty (60) days past the respective stated due dates thereof,

with respect to invoices rendered to all such Account Debtors, then all Accounts owing to the Borrowing Base Parties by such Account Debtors shall be deemed ineligible;”

- (k) Subparagraph (xv) of the definition of “**Eligible Account**” in section 1 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“(xv) it is not an Account which exceeds the applicable Eligible Account and Eligible UBCR Concentration Limit, provided that a portion of Accounts excluded from Eligible Accounts solely by such limits may be Eligible Accounts up to the limits set out in the Eligible Account and Eligible UBCR Concentration Limit.”

- (l) The definitions of “**Change of Control**”, “**Eligible UBCR**”, “**Existing Indebtedness**”, “**Fixed Charge Coverage Ratio**”, “**Guarantors**” and “**In Transit Moulds Eligible UBCR**” in section 1 of the Credit Agreement are hereby deleted in their entirety and replaced with the following:

““Change of Control” mean the occurrence of any transaction, circumstance or event whereby:

- (i) Nikolaos Mamatas ceases to own, directly or indirectly, legally and beneficially, 50.1% of all of the issued and outstanding Equity Interests in the capital of the Borrower giving them directly or indirectly, the right to elect a majority of the board of directors of Borrower or they shall otherwise cease to Control the Borrower; or
- (ii) except to the extent otherwise permitted pursuant to the terms of this Agreement, the Borrower ceases to own, directly or indirectly, legally and beneficially, all of the issued and outstanding Equity Interests in the capital of its Subsidiaries owned as of the day hereof or shall otherwise cease to Control such Subsidiaries;
- (iii) the Borrower ceases to own, directly or indirectly and beneficially, the right to participate in the income, revenues, profits, property and assets attached to the issued and outstanding Equity Interests in the capital of its Subsidiaries owned as of the date hereof;
- (iv) except to the extent otherwise permitted pursuant to the terms of this Agreement, TPS Global ceases to own, directly or indirectly, legally and beneficially, all of the issued and outstanding Equity Interests in the capital of its Subsidiaries owned as of the day hereof or shall otherwise cease to Control such Subsidiaries; or
- (v) the TPS Global ceases to own, directly or indirectly and beneficially, the right to participate in the income, revenues, profits, property and assets attached to the issued and outstanding Equity Interests in the capital of its Subsidiaries owned as of the date hereof;
- (vi) except to the extent otherwise permitted pursuant to the terms of this Agreement, the Borrower, any other Loan Party or any of their respective Subsidiaries (A) consolidates, amalgamates or merges with or into another entity and is not the surviving entity; or (B) conveys, transfers or leases (in one transaction or a series of transactions) all or substantially all of its property and assets to any Person; or
- (vii) Nikolaos Mamatas ceases to be actively involved in the day to day operations and management of the business of the Borrower at any time.”

“Eligible UBCR” shall mean, subject to the Eligible Account and Eligible UBCR Concentration Limit: a) In Transit Moulds Eligible UBCR; and b) Other Eligible UBCR, provided that a portion of In Transit Moulds Eligible UBCR and Other Eligible UBCR excluded from Eligible UBCR solely by such limits may be Eligible UBCR up to the limits set out in the Eligible Account and Eligible UBCR Concentration Limit less any amount utilized in determining Eligible Account”

““Existing Indebtedness” shall mean all indebtedness and liabilities owing by the Borrower or other Loan Party to BDC Capital Inc., Business Development Bank of Canada, Wells Fargo/GE and any and all other existing equipment financiers/lessors pursuant to any agreement document, lease or instrument.”

““Fixed Charge Coverage Ratio” shall mean as at each Fiscal Quarter End to be calculated on a consolidated basis for the Borrower on a trailing four (4) quarter

basis, the ratio of (a) the total EBITDA for such period less the sum for such period of: (i) income taxes paid (or which should have been paid) in cash during such period, (ii) non-financed Capital Expenditures, and (iii) Permitted Distributions to (b) the sum for such period of: (i) interest expense paid or scheduled to be paid within such period; and (ii) scheduled principal payments of long term debt, including the principal component of any capital lease and subordinated debt (in each case, whether or not in fact paid or scheduled to be paid during such period) but for greater certainty not including: (a) up to the amount of \$275,000 in respect of the repayment of the minority shareholder loan owing by the Borrower to Robert Downie in connection with the purchase and sale of the Equity Interests in the capital of the Borrower by Robert Downie to Nikolas Mamatas, John Schultz Consulting, LLC and 1830086 Ontario Inc occurring on or about February 1, 2019, and (b) up to the amount of \$600,000 in respect of total unfinanced capital expenditures of the Borrower in Fiscal Year 2020, provided that such \$600,000 is fully offset by new indebtedness of up to the amount of \$600,000 owing by the Borrower to Business Development Bank of Canada, which shall be fully subordinated to the Lender.”

““Guarantors” shall include any Person who enters into, executes and delivers one or more guarantees in favour of the Lender in respect of the Liabilities and for greater certainty includes TPS Global, and “Guarantor” means any one of them.”

““In Transit Moulds Eligible UBCR” shall mean unbilled contract revenue amounts from customers acceptable to the Lender in its reasonable credit discretion as accrued and recorded on the Borrower’s books and records in accordance with GAAP consistent with historical practice pursuant to contracts and/or in respect of manufacturing conducted by the Borrower for such customers acceptable to the Lender which are either Euler insured or EDC insured in respect of moulds which: (i) are at least equal to or greater than 60% substantially completed moulds; (ii) are being shipped to Canada from China; (iii) title has been transferred to the Borrower, and Lender has perfected its interest in the Canadian jurisdiction of origin and ultimate destination for the Borrower; (iv) are in transit to the Borrower’s premises; (v) are insured to the Lender’s satisfaction with Lender as first loss payee and such insurance has been assigned to Lender to its satisfaction; (vi) are supported by documentation acceptable to the Lender (including, but not limited to, a Collateral Access Agreement, the original bill of lading and invoice); (vii) are in transit for a maximum of thirty (30) days or less (viii) any and all amounts in respect of the purchase and transportation of such moulds, including duty, freight, brokerage fees, insurance and other similar costs (all such amounts other than purchase price, the “Clearance Costs”), are either (A) supported by letter of credit acceptable to the Lender, (B) paid for by the Borrower, and such payments have been verified by Lender, (C) as to the Clearance Costs, reserved for in the Borrower Base and, as to the purchase price, reserved for in the Borrower Base unless waivers of all repossession, revendication or similar rights of an unpaid supplier have been received to the satisfaction of the Lender, or (D) or such other arrangement that may be satisfactory to the Lender.”

- (m) The following definitions of “**Antolin Interiors Mexico**”, “**Antolin Interiors USA - Nashville**”, “**Eligible Account and Eligible UBCR Concentration Limit**”, “**Euler**”, “**Euler Foreign Exchange Insurance**”, “**Industrias Cazel**”, “**Other Eligible UBCR**”,



“**Plastic Tec**”, “**TPS Global**”, “**TPS Assets**”), “**Tycos Tool & Die – Magna Exteriors**”, “**US Farathane Corp**”, “**Valeo**”, “**Yanfeng 2**” and “**Yanfeng Group**” are hereby added to Section 1 of the Credit Agreement in the applicable alphabetical order:

““Antolin Group” shall mean Antolin, Antolin Interiors Mexico and Antolin Interiors USA – Nashville, and any of their subsidiaries.”

““Antolin Interiors Mexico” shall mean Antolín Interiors México, S.A. de C.V., including its successors and assigns.”

““Antolin Interiors USA - Nashville” shall mean Antolin Interiors USA, Inc., including its successors and assigns.”

““Borrowing Base Parties’ Accounts Amount” shall have the meaning ascribed in the definition of Eligible Account and Eligible UBCR Concentration Limit.”

““Eligible Account and Eligible UBCR Concentration Limit” means Accounts, In Transit Moulds Eligible UBCR, and Other Eligible UBCR for a particular customer of the Borrower in the aggregate amount of up to and including:

- A. With respect to any customer not specified in subsections B-F below, fifteen percent (15%) of the aggregate of the Accounts, In Transit Moulds Eligible UBCR, and Other Eligible UBCR net of any Accounts, In Transit Moulds Eligible UBCR, and Other Eligible UBCR of the Borrowing Base Parties owing by a Related Account Debtor (the “Borrowing Base Parties’ Accounts Amount”);
- B. Ford, Chrysler, General Motors and Toyota Boshoko each of which may not exceed thirty-five percent (35%) of the Borrowing Base Parties’ Accounts Amount, however such limit for Toyota Boshoko is subject to such Accounts, In Transit Moulds Eligible UBCR, and Other Eligible UBCR being fully covered by either Euler insurance or EDC insurance or else the above fifteen percent (15%) limit applies for Toyota Boshoko;
- C. the Yanfeng Group may not exceed thirty-five percent (35%) of the Borrowing Base Parties’ Accounts Amount in the aggregate among each member of the Yanfeng Group at any given time, however such limit is subject to such Accounts, In Transit Moulds Eligible UBCR, and Other Eligible UBCR being fully covered by either Euler insurance or EDC insurance or else the above fifteen percent (15%) limit applies;
- E. Century Plastics may not exceed twenty-five percent (25%) of the Borrowing Base Parties’ Accounts Amount, however such limit is subject to such Accounts, In Transit Moulds Eligible UBCR, and Other Eligible UBCR being fully covered by either Euler insurance or EDC insurance or else the above fifteen percent (15%) limit applies; and
- F. the Antolin Group may not exceed twenty-five percent (25%) of the Borrowing Base Parties’ Accounts Amount in the aggregate

among each member of the Antolin Group at any given time, however such limit is subject to such Accounts, In Transit Moulds Eligible UBCR, and Other Eligible UBCR being fully covered by either Euler insurance or EDC insurance or else the above fifteen percent (15%) limit applies).

““Euler” shall mean Euler Hermes North America Insurance Company, Inc., including its successors and assigns.”

““Euler Foreign Exchange Insurance” shall mean shall mean insurance provided by Euler in respect of any Foreign Exchange Contract of Borrower which provides the Lender with a guarantee to pay to the Lender any losses that occur as a result of Borrower not being able to meet its obligations on any such Foreign Exchange Contract for any reason, whether in the normal course or as a result of any proceedings relating to bankruptcy or insolvency, or otherwise, such insurance to be in form and substance satisfactory to the Lender in its discretion.”

““Industrias Cazel” shall mean Industrias Cazel, S. de R.L. de C.V., including its successors and assigns.”

““Other Eligible UBCR” means unbilled contract revenue amounts from customers acceptable to the Lender in its reasonable credit discretion as accrued and recorded on the Borrower’s books and records in accordance with GAAP consistent with historical practice pursuant to contracts and/or in respect of manufacturing conducted by the Borrower for such customers acceptable to the Lender in respect of moulds which are at least equal to or greater than 60% substantially completed moulds which have undergone sufficient customer testing such that “PPAP” is materially assured to Lender’s satisfaction in its reasonable credit discretion and which are not in respect of any moulds which have not received final written “PPAP” within 18 months of the commencement of manufacturing of such mould and generation of such unbilled contract revenue amount and such related mould is located in Canada or the U.S. at locations acceptable to the Lender and otherwise meets the general criteria, but for the fact that these are unbilled work-in-process receivables, of an Eligible Account.”

““Plastic Tec” shall mean Plastic Tec S.A. de C.V., including its successors and assigns.”

““TPS Global” shall mean Tool Processing Solutions Inc., including its successors and assigns.”

““TPS Assets” shall have the meaning assigned to it in subsection 12(x) hereof;

““Tycos Tool & Die – Magna Exteriors” shall mean Magna Exteriors of America, Inc., including its successors and assigns.”

““US Farathane Corp.” shall mean U.S. Farathane, LLC, including its successors and assigns.”

““Valeo” shall mean Valeo North America, Inc, including its successors and assigns.”

““Yanfeng 2” shall mean Yanfeng US Automotive Interiors Systems II LLC, including its successors and assigns.”

““Yanfeng Group” shall mean Yanfeng 1 and Yanfeng 2, and any of their subsidiaries.”

- (n) Schedule B of the Credit Agreement entitled “Business and Collateral Locations” is deleted and Schedule B attached hereto shall be substituted therefor.
- (o) Schedule D of the Credit Agreement entitled “Real Property Leases” is deleted and Schedule D attached hereto shall be substituted therefor.
- (p) Schedule 11(f) of the Credit Agreement entitled “Actions and Proceedings” is deleted and Schedule 11(f) attached hereto shall be substituted therefor.
- (q) Schedule 11(i) of the Credit Agreement entitled “Affiliates, Joint Ventures and Partnerships” is deleted and Schedule 11(i) attached hereto shall be substituted therefor.
- (r) Schedule 11(k) of the Credit Agreement entitled “Indebtedness and Liabilities” is deleted and Schedule 11(k) attached hereto shall be substituted therefor.
- (s) Schedule 11(v) of the Credit Agreement entitled “Labour, Union and Collective Bargaining” is deleted and Schedule 11(v) attached hereto shall be substituted therefor.
- (t) Schedule 11(w) of the Credit Agreement entitled “Intellectual Property” is deleted and Schedule 11(w) attached hereto shall be substituted therefor.
- (u) Schedule 11(x) of the Credit Agreement entitled “Authorized and Issued Capital” is deleted and Schedule 11(x) attached hereto shall be substituted therefor.
- (v) Schedule 11(y) of the Credit Agreement entitled “Environmental Matters” is deleted and Schedule 11(y) attached hereto shall be substituted therefor.
- (w) Schedule 11(z) of the Credit Agreement entitled “Plans” is deleted and Schedule 11(z) attached hereto shall be substituted therefor.
- (x) Exhibit 9(b) of the Credit Agreement entitled “Form of Borrowing Base Certificate” is deleted and Exhibit 9(b) attached hereto shall be substituted thereof.
- (y) Exhibit 9(d)(i) of the Credit Agreement entitled “Form of Financial Reporting Certificate” is deleted and Exhibit 9(d)(i) attached hereto shall be substituted thereof.

#### 4. **Continuance of Credit Agreement and Security**

The Credit Agreement, as changed, altered, amended or modified by this Amendment shall be and continue in full force and effect and is hereby confirmed and the rights and obligations of all parties thereunder shall not be affected or prejudiced in any manner except as specifically provided for herein. It is agreed and confirmed that after giving effect to this Amendment that the security contemplated by the Credit Agreement as it relates to each Loan Party secures, *inter alia*, the payment of all of the obligations of the Borrower including, without limitation, the obligations arising under the Credit Agreement, as amended by the terms of this Amendment. Nothing in this Amendment shall constitute a release, settlement, extinguishment, rescission or



novation of any indebtedness or advance outstanding under the Credit Agreement and all advances outstanding under the Credit Agreement shall continue as advances following the execution and delivery of this Amendment.

5. **Costs and Expenses.** The Borrower shall be responsible for any and all reasonable costs, fees and expenses incurred by the Lender in connection with this Amendment in accordance with the terms of the Credit Agreement.

6. **Conditions Precedent**

This Amendment shall be effective when the Lender shall have received an executed copy of this Amendment, and each of the following, in form and substance acceptable to the Lender in its reasonable credit discretion:

- (a) an unlimited guarantee from TPS Global in favour of the Lender guaranteeing the repayment and performance of all Liabilities of the Borrower;
- (b) a general security agreement in favour of the Lender by TPS Global charging all present and future property, assets and undertaking of TPS Global;
- (c) an assignment of insurance of insurance policies held by each of the Borrower and TPS Global, designation of beneficiary, direction to pay and/or a tripartite agreement from Euler Hermes North America Insurance Company, Inc. (“**Euler**”) in respect of all Euler insurance relating to Eligible Accounts and Eligible UBCR.;
- (d) a second amended and restated intercreditor agreement with Business Development Bank of Canada and BDC Capital Inc., which will include, among other things, increasing the Borrower’s aggregate indebtedness from Business Development Bank of Canada to \$2,850,000, BDC Capital Inc. and Business Development Bank of Canada each agreeing to fully subordinate their security interests in the assets of TPS Global to the Lender;
- (e) an intercreditor agreement with or no interest letter from JP Morgan Chase Bank, N.A in a form satisfactory to the Lender;
- (f) the closing of the BDC Capital Inc. financing to the Borrower pursuant to a letter of offer dated December 18, 2019 and accepted by, among others, the Borrower and TPS Global; and
- (g) such other documents, consents, certificates, opinions and agreements as the Lender may require, including without limitation, updated additional applicable disclosure Schedules to the Credit Agreement and an update certificates of insurance.

7. **Representations and Warranties**

The Borrower, TPS Global and each other Loan Party, jointly and severally, hereby represent and warrant to the Lender as follows:

- (a) The Borrower and each other Loan Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now and formerly conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to

result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required;

- (b) the execution, delivery and performance by the Borrower, TPS Global and each other Loan Party of this Amendment and any other agreements or instruments required hereunder have been duly authorized by all necessary corporate and, if required, shareholder or partner action and been duly executed and delivered by Borrower, TPS Global and each other Loan Party and constitute legal, valid and binding obligations of the Borrower, TPS Global and each other Loan Party thereto, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganisation, moratorium or other Applicable Laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;
- (c) the execution, delivery and performance by the Borrower, TPS Global and each other Loan Party of this Amendment and any other agreements or instruments required hereunder or executed in connection herewith: (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other person whatsoever, except as obtained by the Borrower, TPS Global and each other Loan Party, (ii) will not violate any Applicable Law or the charter, by-laws or other organizational documents of the Borrower, TPS Global and each other Loan Party or any order of any Governmental Authority, (iii) will not violate or result in a default under any material contract, and (iv) will not result in the creation or imposition of any Lien on any asset of the Borrower, TPS Global and each other Loan Party, except for any Lien arising in favour of the Lender under the Loan Documents and Permitted Liens; and
- (d) all of the representations and warranties made by Borrower, TPS Global and each other Loan Party contained in the Credit Agreement are correct on and as of the date hereof as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

## 8. References

Upon the execution and delivery of this Amendment, all references in the Credit Agreement to “*this Agreement*”, “*hereunder*”, “*hereof*”, “*herein*” or words of similar import shall be deemed to refer to the Credit Agreement as amended hereby; and any and all references in the Loan Documents to the Credit Agreement shall be deemed to refer to the Credit Agreement as amended hereby.

## 9. Release

The Borrower, TPS Global and each other Loan Party hereby absolutely and unconditionally releases and forever discharge the Lender, each Affiliate or Subsidiary of the Lender, and each of their respective officers, directors, employees, attorneys and agents, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state, provincial or federal law or otherwise, which the Borrower, TPS Global and each other Loan Party have had, now have or have made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Amendment, whether such claims, demands and causes of action are matured or unmatured or known or unknown other than claims, liabilities or obligations to the extent caused by the Lender's own

gross negligence or willful misconduct. For greater clarity, the Lender is required to continue to honour its obligations under, subject to and in accordance with, the terms and conditions of the Credit Agreement.

10. **Governing Law.**


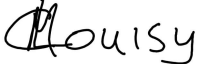
This Amendment will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to any rules or principles relating to conflicts of laws.

11. **Miscellaneous**

This Amendment may be executed in any number of counterparts and delivered by PDF or other electronic method, each of which when so executed and delivered shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same agreement.

*[SIGNATURE PAGE FOLLOWS]*

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers under their respective seals, as applicable, as of the day and year first above written.

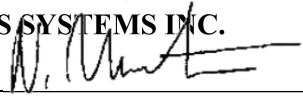
) Lender:  
)  
) **THE TORONTO-DOMINION BANK**  
) Per:   
) Name: Zami Salaria  
) Title: Director  
)  
) Per:   
) Name: Chaz Louisy  
) Title: MCC - Asset Based Lending  
)


) Borrower:  
)  
) **TOOLPLAS SYSTEMS INC.**  
) Per: \_\_\_\_\_  
) Name:  
) Title:  
) I have the authority to bind the  
) corporation

) Guarantor:  
)  
) **TOOL PROCESSING SOLUTIONS INC.**  
) Per: \_\_\_\_\_  
) Name:  
) Title:  
) I have the authority to bind the  
) corporation

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers under their respective seals, as applicable, as of the day and year first above written.

) Lender:  
)  
) **THE TORONTO-DOMINION BANK**  
)  
) Per: \_\_\_\_\_  
) Name: \_\_\_\_\_  
) Title: \_\_\_\_\_  
)  
)  
) Per: \_\_\_\_\_  
) Name: \_\_\_\_\_  
) Title: \_\_\_\_\_  
)

) Borrower:  
)  
) **TOOLPLAS SYSTEMS INC.**  
)  
) Per:  \_\_\_\_\_  
) Name: Nikolaos Mamatas  
) Title: CEO  
)  
) I have the authority to bind the  
corporation

) Guarantor:  
)  
) **TOOL PROCESSING SOLUTIONS INC.**  
)  
) Per:  \_\_\_\_\_  
) Name: Nikolaos Mamatas  
) Title: Vice President  
)  
) I have the authority to bind the  
corporation

**SCHEDULE B**  
**BUSINESS AND COLLATERAL LOCATIONS**

1. 1905 Blackacre Drive, Oldcastle, ON NOR 1L0
2. 3920 North Talbot Road, Oldcastle, ON NOR 1L0

**SCHEDULE D**  
**REAL PROPERTY LEASES**

1. Lease dated September 1, 2017 between Mamatas Real Estate Holdings Unlimited Liability Company, as landlord, and Toolplas Systems Inc., as tenant, for the property municipally known as 3920 North Talbot Road, Oldcastle, Ontario NOR 1L0.
2. Lease dated January 1, 2014 between 1128686 Ontario Limited, as landlord, and Toolplas Systems Inc., as tenant, for the property municipally known as 1905 Blackacre Drive, Oldcastle, Ontario NOR 1L0.

**SCHEDULE 11(f)**  
**ACTIONS AND PROCEEDINGS**

None.



**SCHEDULE 11(i)**  
**AFFILIATES, SUBSIDIARIES, JOINT VENTURES AND PARTNERSHIPS**

Borrower

1. Toolplas Systems Technology (Zhuhai) Company Limited
2. Tool Processing Solutions Inc.

TPS Global

1. None

**SCHEDULE 11(k)**  
**INDEBTEDNESS AND LIABILITIES**

1. All existing indebtedness, liabilities and obligations owed to BDC Capital Inc. to the aggregate amount of \$2,850,000
2. All existing indebtedness, liabilities and obligations owed to shareholder Nikolaos Mamatas.
3. All existing indebtedness, liabilities and obligations owed to Business Development Bank of Canada to the aggregate amount of \$5,020,000.

**SCHEDULE 11 (v)**  
**LABOUR, UNION AND COLLECTIVE BARGAINING AGREEMENTS**

None.

**SCHEDULE 11(w)**  
**INTELLECTUAL PROPERTY**

None.

**SCHEDULE 11(x)**  
**AUTHORIZED AND ISSUED CAPITAL**

**1.** Toolplas Systems Inc.

(a) Authorized:

- (i) An unlimited number of Class “A” Voting shares;
- (ii) An unlimited number of Class “B” Voting shares;
- (iii) An unlimited number of Class “C” Special shares;
- (iv) An unlimited number of Class “D” Special shares;

(b) Issued:

- (i) John Schultz Consulting LLC – 18.3 Class D Special shares;
- (ii) 1830086 Ontario Inc.- 18.3 Class D Special shares;
- (iii) Nikolaos Mamatas – 7.4 Class D Special shares;
- (iv) Nikolaos Mamatas - 200 Class A Voting shares

**2.** Toolplas Systems Technology (Zhuhai) Company Limited

(a) 100 shares issued and authorized

**3.** Tool Processing Solutions Inc.

(a) Issued

- (i) Lawrence Jeun – 60 common shares;
- (ii) Nikolaos Mamatas – 40 common shares.

(b) Authorized

- (i) An unlimited number of common shares;

**SCHEDULE 11(y)**  
**ENVIRONMENTAL MATTERS**

None.

**SCHEDULE 11(z)**  
**PLANS**

NIL

**EXHIBIT 9(b)**  
**FORM OF BORROWING BASE CERTIFICATE**  
(TD to attach)



**EXHIBIT 9(b) - BORROWING BASE CERTIFICATE****Toolplas Systems Inc.**for the period ending: **Accounts  
Receivable**

|                                                                         | F/X Rate     | 1.00000         | 1.00000         | 1.28290         |
|-------------------------------------------------------------------------|--------------|-----------------|-----------------|-----------------|
|                                                                         |              | CAD\$           | CAD\$           | USD             |
|                                                                         |              | Insured         | Uninsured       | Insured         |
| <b>Accounts Receivable</b>                                              |              |                 |                 |                 |
|                                                                         | <b>as of</b> | <b>0-Jan-00</b> | <b>0-Jan-00</b> | <b>0-Jan-00</b> |
| (a) Gross Accounts Receivable                                           |              | 0.00            | 0.00            | 0.00            |
| Less ineligible:                                                        |              |                 |                 |                 |
| Past Dues > 90 Days from Invoice Date                                   |              | 0.00            | 0.00            | 0.00            |
| Past Due > 90 Days from Invoice Date (excl)                             |              | 0.00            | 0.00            | 0.00            |
| Cross-Age: 25% Rule                                                     |              | 0.00            | 0.00            | 0.00            |
| Contras                                                                 |              | 0.00            | 0.00            | 0.00            |
| Concentration - per Loan Agreement                                      |              | 0.00            | 0.00            | 0.00            |
| Related / Intercompany                                                  |              | 0.00            | 0.00            | 0.00            |
| Invoice ahead of PPAP                                                   |              | 0.00            | 0.00            | 0.00            |
| Reverse PPAP Ford Over 90                                               |              | 0.00            | 0.00            | 0.00            |
| Rebate owing                                                            |              | 0.00            | 0.00            | 0.00            |
| Ineligible terms - Deposit @ PO                                         |              | 0.00            | 0.00            | 0.00            |
| Ineligible terms - Deposit @ Kick off                                   |              | 0.00            | 0.00            | 0.00            |
| Progress billings - Excess of Cost incurred                             |              | 0.00            | 0.00            | 0.00            |
| Unapplied Cash (Customer Deposits)                                      |              | 0.00            | 0.00            | 0.00            |
| Accruals for Customers                                                  |              | 0.00            | 0.00            | 0.00            |
| Customers on Hold                                                       |              | 0.00            | 0.00            | 0.00            |
| COD Accounts                                                            |              | 0.00            | 0.00            | 0.00            |
| Misc. Accounts                                                          |              | 0.00            | 0.00            | 0.00            |
| Government A/R                                                          |              | 0.00            | 0.00            | 0.00            |
| Foreign A/R                                                             |              | 0.00            | 0.00            | 0.00            |
| Dilution reserve grossed up                                             |              | 0.00            | 0.00            | 0.00            |
| Other- AR to GL Variance                                                |              | 0.00            | 0.00            | 0.00            |
| (b) Sub-Total Ineligible Accounts                                       |              | 0.00            | 0.00            | 0.00            |
| Eligible Accounts receivable (a-b)                                      |              | 0.00            | 0.00            | 0.00            |
| Advance Rate                                                            |              | 90%             | 85%             | 90%             |
| Available from Accounts Receivable                                      |              | <b>0.00</b>     | <b>0.00</b>     | <b>0.00</b>     |
| <b>Total Availability from A/R in CAD\$</b>                             |              | <b>0.00</b>     | <b>0.00</b>     | <b>0.00</b>     |
| <b>Specified Concentration Limits</b>                                   |              |                 |                 |                 |
| 35 % - Ford, Chrysler & GM                                              |              |                 |                 |                 |
| 35% - Toyota Boshoko and Yanfeng subject to EDC/Euler insurance         |              |                 |                 |                 |
| 25% - Century Plastics and Antolin Group subject to EDC/Euler insurance |              |                 |                 |                 |

|                                        | F/X Rate     | Insured                  |                          |                         |
|----------------------------------------|--------------|--------------------------|--------------------------|-------------------------|
| <b>Inventory</b>                       |              | CAD\$                    | CAD\$                    | CAD\$                   |
|                                        |              | <b>&gt;60 to &lt;90%</b> | <b>&gt;90% Intransit</b> | <b>&lt;60% Complete</b> |
|                                        |              | <b>Intransit</b>         |                          |                         |
|                                        | <b>As of</b> | <b>0-Jan-00</b>          | <b>0-Jan-00</b>          | <b>0-Jan-00</b>         |
| Gross Inventory                        |              | 0.00                     |                          | 0.00                    |
| Ford U535 &534 (>91 days)              |              | 0.00                     |                          | 0.00                    |
| Ford U535 &534 (<91 days) without PPAP |              |                          |                          |                         |
| (c) Total Inventory                    |              | <b>0.00</b>              | <b>0.00</b>              | <b>0.00</b>             |

**EXHIBIT 9(d)(i)**

**FORM OF FINANCIAL REPORTING CERTIFICATE**

Date: \_\_\_\_\_

THE TORONTO-DOMINION BANK  
TD Tower  
100 Wellington Street West, 29<sup>th</sup> Floor  
Toronto, Ontario M5K 1A2

Reference is hereby made to that certain credit agreement dated as of [●] made between [BORROWER], as borrower (the "Borrower"), the other Loan Parties party thereto from time to time, THE TORONTO-DOMINION BANK, as lender (the "Lender") (as amended, supplemented, restated, replaced or extended from time to time the "Credit Agreement"). This certificate is delivered pursuant to subsection 9(e)(i)A of the Credit Agreement. Unless otherwise defined herein, capitalized terms used herein shall have the same meanings ascribed to such terms in the Credit Agreement.

The undersigned Authorized Officer of the Borrower hereby certifies on behalf of the Borrower and not in [his/her] personal capacity as of the date hereof that [he/she] is the [**Vice-President, Finance and Administration**] of the Borrower, and that, as such, [he/she] is authorized to execute and deliver this Financial Reporting Certificate to the Lender on the behalf of the Borrower, and that:

1. Attached hereto are true and correct copies of the unaudited balance sheet of the Borrower as of the month ended [●] or at the end of the fiscal year ended [●] and the related statement of income, statement of cash flow and statement of retained earnings for the period commencing on the first day of the current fiscal year and of such month and ending on the last day of such month or such fiscal year, as the case may be, which are complete and accurate in all respects and fairly present, consistently in accordance with GAAP (subject to ordinary, year-end audit adjustments and the absence of footnotes), the financial position and the results of operations of the Borrower. Included with the financial statements are comparisons to the prior year and to the Borrower's budget, as required by the Credit Agreement.
2. The undersigned has reviewed and is familiar with the terms of the Credit Agreement and has made, or has caused to be made under his/her supervision, a review of the transactions and financial condition of the Borrower and its Subsidiaries during the accounting period covered by the attached financial statements.
3. The Borrower, during such period, has observed, performed or satisfied all of the covenants and other agreements, and satisfied every condition in the Credit Agreement to be observed, performed or satisfied by the Borrower, and the undersigned has no knowledge of any Default or Event of Default, except [**any exceptions to be described in reasonable detail.**]
4. All of the representations and warranties contained in the Credit Agreement and Loan Documents are correct and complete as if made as of this date including, without

limitation, that the Borrower is not in arrears in respect of any lease, rental or other payment due under any property lease or to any warehousemen, bailee or similar Person.

5. The financial covenant analyses and information set forth on Schedule 1 attached hereto are true and accurate on and as of the date of this Financial Reporting Certificate. All amounts and ratios in Schedule 1 refer to the financial statements of the Borrower attached hereto and are determined in accordance with the specifications set forth in the Credit Agreement.
6. All adjustments made to the financial results of the Borrower, as set forth in the accompanying financial statements, in order to perform the covenant analyses set forth in Schedule 1 are set forth in Schedule 2 attached hereto.
7. As at the date hereof, no notice of non-compliance, violation or contravention has been received from any Governmental Authority with respect to the activities carried on by the Borrower or as to any matter whatsoever.

or

7. As at the date hereof, the Borrower has received the following notice(s) of non-compliance, violation(s) or contravention(s) from [insert Governmental Authority], copies of which are attached hereto, with respect to [provide details of non-compliance].
8. As at the date hereof, the fair market value of the TPS Assets whether individually or in the aggregate, is Cdn.\$\_\_\_\_\_, which such amount, to the extent applicable, is calculated and construed in accordance with GAAP.
9. As of the date hereof, TPS Global does not maintain any banking relationships, bank accounts and cash management and hedging facilities with any financial institution.

or

9. As of the date hereof, TPS Global maintains all banking relationships, bank accounts and cash management and hedging facilities with the Lender and [insert any additional financial institutions]

Attached hereto is a written action plan to remedy the non-compliance, violation or contravention referred to in paragraph 7 above.

**IN WITNESS WHEREOF**, the undersigned has executed this Certificate as the **[Vice-President, Finance and Administration]** of the Borrower as of the \_\_\_\_\_ of the Borrower as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

**[BORROWER]**

Per: \_\_\_\_\_  
Authorized Officer

## CONSENT AND EIGHTH AMENDMENT TO CREDIT AGREEMENT

**THIS CONSENT AND EIGHTH AMENDMENT TO THE CREDIT AGREEMENT** (this “**Consent and Amendment**”) is dated with effect as of July 8, 2020 and is entered into by and among:

**TOOLPLAS SYSTEMS INC.**  
as “**Borrower**”

- and -

**TOOL PROCESSING SOLUTIONS INC.**  
“**TPS Global**” as a Guarantor

- and -

**THE TORONTO-DOMINION BANK**  
as “**Lender**”

### RECITALS

- A. The Borrower, TPS Global and the Lender are parties to a Credit Agreement dated December 21<sup>st</sup>, 2017 (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the “**Credit Agreement**”); and
- B. The Borrower has requested, and the Lender has agreed, subject to the terms and conditions set forth herein, to: a) consent to certain additional indebtedness owing by the Borrower to BDC Capital Inc.; b) cancel the waiver of certain requirements set out in subsection 12(q) of the Credit Agreement; and c) amend certain of the terms of the credit facilities governed by the Credit Agreement.

**NOW THEREFORE**, in consideration of the accommodations of credit made available by the Lender to the Borrower and the mutual covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

#### 1. **Definitions**

All capitalized terms used in this Consent and Amendment, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Credit Agreement.

#### 2. **BDC Capital Inc. COVID-19 Financing Program**

The Borrower has advised the Lender that it may enter into a certain COVID-19 working capital bridge note loan with BDC Capital Inc. (“**BDC**”), pursuant to a term sheet dated May 13, 2020 issued by BDC to the Borrower (the “**BDC Term Sheet**”), whereby BDC will loan up to CAD\$4,000,000 (the “**BDC Indebtedness**”) to the Borrower to assist the Borrower with its business operations. The aggregate BDC Indebtedness is not permitted pursuant to subsection 11(k) and subsection 12(i) of the Credit Agreement, which provides, among other things, that neither the Borrower nor any other Loan Party without the prior written consent of the Lender, shall incur, create, assume or suffer to exist or repay any indebtedness other than Permitted Indebtedness. As such, the Borrower has requested and the Lender has agreed to consent to the BDC Indebtedness, subject to terms and conditions and documentation satisfactory to the Lender in its sole discretion, and provided that such BDC Indebtedness is: a) fully and unconditionally

subordinate to the Lender's security interests in the Collateral; and b) is subject to the terms of an intercreditor agreement, if applicable, in form and substance satisfactory to the Lender in its sole discretion.

3. **Cancellation of Waiver of Foreign Exchange Hedging Policy**

Pursuant to an amendment agreement dated March 24, 2020, the Lender agreed to waive the Foreign exchange hedging requirements under subsection 12(q) of the Credit Agreement for the period of March 24, 2020 to July 15, 2020 (inclusive). The Lender hereby confirms and the Borrower and each of the other Loan Parties acknowledge, agree and confirm, that as of the date hereof the Lender is no longer waiving such hedging requirements, and for greater certainty the Borrower and each of the other Loan Parties, jointly and severally, covenant and agree to adhere to the requirements set out in subsection 12(q) of the Credit Agreement in accordance with the terms and conditions of the Credit Agreement.

4. **Amendments to Credit Agreement**

The Credit Agreement is hereby amended as follows:

- (a) Subsection 2(b)(iii) of the Credit Agreement shall be deleted in its entirety and the following substituted therefor:

“(iii) temporary over advances permitted to the lessor of:

- A. Cdn.\$1,000,000 from July 1, 2020 to the earlier of: (i) the Borrower's receipt of its July wage subsidy payment under CEWS; and (ii) July 31, 2020 (inclusive);
- B. Cdn.\$500,000 from August 1, 2020 to the earlier of (i) the Borrower's receipt of its August wage subsidy payment under the CEWS; and (ii) August 31, 2020 (inclusive); or
- C. Cdn.\$0 at all other times thereafter.”

- (b) Subsection 12(o) of the Credit Agreement shall be deleted in its entirety and the following substituted therefor:

“(o) Financial Covenants.

The Borrower shall maintain and keep in full force and effect each of the financial covenants set forth below. The calculation and determination of each such financial covenant, and all accounting terms contained therein, shall be calculated and construed in accordance with GAAP, applied on a basis consistent with the financial statements of the Borrower delivered on or before the Closing Date, and on a consolidated and consolidating basis for the Loan Parties:

- (i) Minimum EBITDA. For the period between May 2020 to April 2021 (inclusive), the Borrowers shall maintain a minimum EBITDA at each month end, measured monthly on a trailing twelve (12) month basis, according to the following table:

| <u>Period</u>                                                                                                  | <u>Minimum<br/>EBITDA<br/>Threshold</u> |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| May 31 2020                                                                                                    | Cdn.\$-706,044                          |
| June 30, 2020                                                                                                  | Cdn.\$-495,125                          |
| July 31, 2020                                                                                                  | Cdn.\$-600,358                          |
| August 31, 2020                                                                                                | Cdn.\$-923,084                          |
| September 30, 2020                                                                                             | Cdn.\$-856,568                          |
| October 31, 2020                                                                                               | Cdn.\$-1,248,511                        |
| November 30, 2020                                                                                              | Cdn.\$-1,307,552                        |
| December 31, 2020                                                                                              | Cdn.\$-587,769                          |
| January 31, 2021                                                                                               | Cdn.\$-49,517                           |
| February 28, 2021                                                                                              | Cdn.\$892,061                           |
| March 31, 2021                                                                                                 | Cdn.\$2,291,867                         |
| April 30, 2021                                                                                                 | Cdn.\$3,454,183                         |
| Thereafter, the minimum EBITDA test will no longer be required unless other expressly requested by the Lender. |                                         |

- (ii) Fixed Charge Coverage Ratio. The Borrower shall be required to maintain a Fixed Charge Coverage Ratio of not less than 1.1 to 1.00 at all times prior to April 30, 2020 (inclusive) and at all other times on and after May 1, 2021 (inclusive).
- (iii) Capital Expenditures. For the period between July 1, 2020 to April 30, 2021 (inclusive), the Borrower shall not, without the prior written consent of the Lender, make any unfinanced Capital Expenditures in an aggregate amount of more than Fifty Thousand Canadian Dollars (CAD\$50,000) in any calendar month, and provided, that no Default or Event of Default has occurred and immediately after making any unfinanced Capital Expenditure during such period.”
- (c) Subparagraph (iv) of the definition of “**Eligible Account**” in section 1 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:
  - “(iv) it is evidenced by:
    - A. in the case of invoices rendered to Account Debtors associated with the Ford CX727 program:
      - I. for the period between July 1, 2020 to September 30, 2020 (inclusive), an invoice rendered to Antolin Interiors Mexico, Bluestar Technology, Tycos Tool & Die – Magna Exteriors, Valeo and Yangfeng Group, rendered

during such period to the applicable Account Debtor thereunder, that is due and payable within a maximum of ninety (90) days after the respective stated invoice date thereof and does not remain unpaid for more than the lesser of: a) two hundred (270) days past the respective stated invoice date thereof; and b) two hundred and ten (210) days past the respective stated due date thereof; or

- II. subject to subparagraph (iv)A.I) above, in the case of any invoice rendered to Antolin Group, Industrias Cazel, Plastic Tec, Tycos Tool & Die – Magna Exteriors, US Farathane Corp, Valeo and Yangfeng Group that is fully covered by either EDC insurance or Euler insurance and rendered to the Account Debtor thereunder, that is due and payable within a maximum of one hundred and twenty (120) days after the respective stated invoice date thereof and does not remain unpaid for more than the lesser of: a) one hundred and twenty (120) days past the respective stated invoice date thereof; and b) sixty (60) days past the respective stated due date thereof;
- B. Until and including July 31, 2020, any invoice rendered to Minghua that is due and payable within a maximum of two hundred and ten (210) days after the respective stated invoice date thereof and does not remain unpaid for more than the lesser of: a) two hundred and ten (210) days past the respective stated invoice date thereof; and b) one hundred and fifty (150) days past the respective stated due date thereof;
- C. an invoice (other than invoices rendered to: i) Antolin Group, Bluestar Technology, Industrias Cazel, Plastic Tec, Tycos Tool & Die – Magna Exteriors, US Farathane Corp, Valeo and Yangfeng Group associated with the Ford CX727 program described in subparagraph (iv)A. above; and ii) from Minghua described in subparagraph (iv)B. above; and (iii) the Yanfeng Group, the Antolin Group, Plastic Tec, Tycos Tool & Die – Magna Exteriors, US Farathane Corp and Industrias Cazel that are in respect to Accounts that are fully covered by either Euler insurance or EDC insurance and rendered to the Account Debtor thereunder described in subparagraph (iv)D. below) rendered to the Account Debtor thereunder, that is due and payable within a maximum of ninety (90) days after the respective stated invoice date thereof and does not remain unpaid for more than the lesser of: a) ninety (90) days past the respective stated invoice date thereof; and b) thirty (30) days past the respective stated due date thereof; or
- D. any invoice rendered to the Yanfeng Group, the Antolin Group, Plastic Tec, Tycos Tool & Die – Magna Exteriors, US Farathane Corp and Industrias Cazel that is in respect to an Account that: (i) has not been sold, transferred or assigned in any way to JP Morgan Chase Bank, N.A.; (ii) is not associated with the Ford



CX727 program; and (iii) that is fully covered by either EDC insurance or Euler insurance and rendered to the Account Debtor thereunder, that is due and payable within a maximum of one hundred and twenty (120) days after the respective stated invoice date thereof and not remain unpaid for more than the lesser of: a) one hundred and twenty (120) days past the respective stated invoice date thereof; and b) sixty (60) days past the respective stated due date thereof,

provided, however, that if more than twenty-five percent (25%) of the aggregate dollar amount of invoices owing by a particular Account Debtor to the Borrowing Base Parties remains unpaid for more than: the lesser of: a) the number of days past the respective stated invoice date specified in subparagraph (ix)A. though (ix)D. above applicable to such Account Debtor; and b) the number of days past the respective stated due dates specified in subparagraph (ix)A. though (ix)D. above applicable to such Account Debtor, then all Accounts owing to the Borrowing Base Parties by such Account Debtor shall be deemed ineligible;.”

- (d) The following definitions of “**Bluestar Technology**”, “**CEWS**” and “**Minghua**” are hereby added to Section 1 of the Credit Agreement in the applicable alphabetical order:

““Bluestar Technology” shall mean Bluestar Technology (Shenzen) Co. Ltd., including any of its successors and assigns.”

““CEWS” means the Canadian Emergency Wage Subsidy program, implemented by the Government of Canada, pursuant to which the Government of Canada will provide a wage subsidy for eligible businesses that have suffered a significant decrease in revenue as a result of the COVID-19 pandemic.”

““Minghua” shall mean Minghua de Mexico SA de CV, including any of its successors and assigns.”

- (e) Schedule 11(k) of the Credit Agreement entitled “Indebtedness and Liabilities” is deleted and Schedule 11(k) attached hereto shall be substituted therefor.

## 5. **Continuance of Credit Agreement and Security**

The Credit Agreement, as changed, altered, amended or modified by this Consent and Amendment shall be and continue in full force and effect and is hereby confirmed and the rights and obligations of all parties thereunder shall not be affected or prejudiced in any manner except as specifically provided for herein. It is agreed and confirmed that after giving effect to this Consent and Amendment that the security contemplated by the Credit Agreement as it relates to each Loan Party secures, *inter alia*, the payment of all of the obligations of the Borrower including, without limitation, the obligations arising under the Credit Agreement, as amended by the terms of this Consent and Amendment. Nothing in this Consent and Amendment shall constitute a release, settlement, extinguishment, rescission or novation of any indebtedness or advance outstanding under the Credit Agreement and all advances outstanding under the Credit Agreement shall continue as advances following the execution and delivery of this Consent and Amendment.

6. **Costs and Expenses**

The Lender shall have received an amendment fee in the amount of \$17,500 (the “**Amendment Fee**”). The Amendment Fee shall be fully due and payable and debited from the Borrower’s bank account with the Lender upon the execution and delivery of this Consent and Amendment. In addition, the Borrower shall be responsible for any and all costs, fees and expenses incurred by the Lender in connection with this Consent and Amendment in accordance with the terms of the Credit Agreement.

7. **Conditions Precedent**

The effectiveness of this Consent and Amendment is subject to all of the following conditions being fulfilled to the Lender’s satisfaction and pursuant to documentation in form and substance acceptable to the Lender in its sole discretion:

- (i) the Lender has received a fully executed copy of this Consent and Amendment;
- (ii) the Lender has received the Amendment Fee;
- (iii) the Lender has received a copy of the BDC Term Sheet, and has approved same, and for certainty such approval is subject at all times to the terms and conditions set out in Section 2 hereof; and
- (iv) the Lender shall have received such other documents, consents, certificates, opinions and agreements as the Lender may reasonably require in connection with this Consent and Amendment.

8. **Representations and Warranties**

The Borrower, TPS Global and each other Loan Party, jointly and severally, hereby represent and warrant to the Lender as follows:

- (a) The Borrower and each other Loan Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now and formerly conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required;
- (b) the execution, delivery and performance by the Borrower, TPS Global and each other Loan Party of this Consent and Amendment and any other agreements or instruments required hereunder have been duly authorized by all necessary corporate and, if required, shareholder or partner action and been duly executed and delivered by Borrower, TPS Global and each other Loan Party and constitute legal, valid and binding obligations of the Borrower, TPS Global and each other Loan Party thereto, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganisation, moratorium or other Applicable Laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;
- (c) the execution, delivery and performance by the Borrower, TPS Global and each other Loan Party of this Consent and Amendment and any other agreements or instruments required hereunder or executed in connection herewith: (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental

Authority or any other person whatsoever, except as obtained by the Borrower, TPS Global and each other Loan Party, (ii) will not violate any Applicable Law or the charter, by-laws or other organizational documents of the Borrower, TPS Global and each other Loan Party or any order of any Governmental Authority, (iii) will not violate or result in a default under any material contract, and (iv) will not result in the creation or imposition of any Lien on any asset of the Borrower, TPS Global and each other Loan Party, except for any Lien arising in favour of the Lender under the Loan Documents and Permitted Liens; and

- (d) all of the representations and warranties made by Borrower, TPS Global and each other Loan Party contained in the Credit Agreement are correct on and as of the date hereof as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

9. **References**

Upon the execution and delivery of this Consent and Amendment, all references in the Credit Agreement to “*this Agreement*”, “*hereunder*”, “*hereof*”, “*herein*” or words of similar import shall be deemed to refer to the Credit Agreement as amended hereby; and any and all references in the Loan Documents to the Credit Agreement shall be deemed to refer to the Credit Agreement as amended hereby.

10. **Release**

The Borrower, TPS Global and each other Loan Party hereby absolutely and unconditionally releases and forever discharge the Lender, each Affiliate or Subsidiary of the Lender, and each of their respective officers, directors, employees, attorneys and agents, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state, provincial or federal law or otherwise, which the Borrower, TPS Global and each other Loan Party have had, now have or have made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Consent and Amendment, whether such claims, demands and causes of action are matured or unmatured or known or unknown other than claims, liabilities or obligations to the extent caused by the Lender’s own gross negligence or willful misconduct. For greater clarity, the Lender is required to continue to honour its obligations under, subject to and in accordance with, the terms and conditions of the Credit Agreement.

11. **Governing Law**


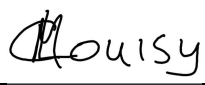
This Consent and Amendment will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to any rules or principles relating to conflicts of laws, and the parties hereto hereby attorn to the jurisdiction of the Courts of the Province of Ontario (Commercial List).

12. **Miscellaneous**

This Consent and Amendment may be executed in any number of counterparts and delivered by PDF or other electronic method, each of which when so executed and delivered shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same agreement.

*[SIGNATURE PAGE FOLLOWS]*

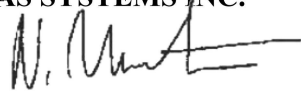

**IN WITNESS WHEREOF**, the parties hereto have caused this Consent and Amendment to be duly executed by their respective authorized officers under their respective seals, as applicable, as of the day and year first above written.

) Lender:  
)  
) **THE TORONTO-DOMINION BANK**  
)  
)  
) Per:   
) Name: Zami Salaria  
) Title: Director  
)  
)  
) Per:   
) Name: Chaz Louisy  
) Title: MCC - Asset Based Lending

) Borrower:  
)  
) **TOOLPLAS SYSTEMS INC.**  
)  
)  
) Per: \_\_\_\_\_  
) Name:  
) Title:  
) I have the authority to bind the  
) corporation

) Guarantor:  
)  
) **TOOL PROCESSING SOLUTIONS INC.**  
)  
)  
) Per: \_\_\_\_\_  
) Name:  
) Title:  
) I have the authority to bind the  
) corporation

**IN WITNESS WHEREOF**, the parties hereto have caused this Consent and Amendment to be duly executed by their respective authorized officers under their respective seals, as applicable, as of the day and year first above written.


) Lender:  
)  
) **THE TORONTO-DOMINION BANK**  
)  
)  
) Per: \_\_\_\_\_  
) Name: \_\_\_\_\_  
) Title: \_\_\_\_\_  
)  
)  
) Per: \_\_\_\_\_  
) Name: \_\_\_\_\_  
) Title: \_\_\_\_\_  
)  
)  
) Borrower:  
)  
) **TOOLPLAS SYSTEMS INC.**  
)   
) Per: \_\_\_\_\_  
) Name: Nikolaos Mamatas  
) Title: CEO  
) I have the authority to bind the  
) corporation  
)  
)  
) Guarantor:  
)  
) **TOOL PROCESSING SOLUTIONS INC.**  
)   
) Per: \_\_\_\_\_  
) Name: Nikolaos Mamatas  
) Title: Vice President  
) I have the authority to bind the  
) corporation

**SCHEDULE 11(k)**  
**INDEBTEDNESS AND LIABILITIES**

1. All existing indebtedness, liabilities and obligations owed to BDC Capital Inc. to the aggregate amount of up to \$2,850,000.
2. The indebtedness, liabilities and obligations owed to BDC Capital Inc. to the aggregate amount of up to \$4,000,000 pursuant to the terms of a Term Sheet dated May 13, 2020 issued by BDC Capital Inc. to the Borrower, provided that: (a) such indebtedness is subject to terms and conditions and documentation satisfactory to the Lender in its sole discretion; (b) such Indebtedness is fully and unconditionally subordinate to the Lender's security interests in the Collateral; and c) is subject to the terms of an intercreditor agreement, if applicable, in form and substance satisfactory to the Lender in its sole discretion.
3. All existing indebtedness, liabilities and obligations owed to shareholder Nikolaos Mamatas.
4. All existing indebtedness, liabilities and obligations owed to Business Development Bank of Canada to the aggregate amount of \$5,020,000.

This is **Exhibit “D”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Takir

DocuSigned by:  
  
6F056F5F3BC8405...





**LOAN AGREEMENT # 17004910**

TD Equipment Finance Canada, a division of The Toronto-Dominion Bank  
2020 Winston Park Drive, Suite 301  
Oakville, ON L6H 6X7  
Phone: 905-403-4770 Fax: 905-403-4771

**Date:** December 21st, 2017

**Lender:** TD Equipment Finance Canada, a division of The Toronto-Dominion Bank ("**TD Equipment Finance**")

**Borrower:** Toolplas Systems Inc. (the "**Borrower**")

**Borrower's Address:** 1905 Blackacre Dr., Oldcastle, ON N0R 1L0

**Credit Limit:** The Borrowings hereunder shall not exceed the amounts as set out below ("**Term Loan Facility**"):

**Committed Term Loan:** Up to the lesser of (a) U.S.\$6,500,000, and (b) 65% of the Net Orderly Liquidation Value of existing unencumbered Eligible Equipment as set out on **Schedule "B"** hereto as determined by an appraiser acceptable to TD Equipment Finance ("**Term Loan**"); and

**Uncommitted Additional Term Loan:** Up to the lesser of:

- (a) U.S.\$1,000,000; and
- (b) 100% of cost/purchase price of additional unencumbered Eligible Equipment to be purchased by the Borrower subject to and in accordance with the provisions hereof and for greater certainty, TD Equipment Finance's credit approval in its sole discretion, in its 2018 Fiscal Year which may not be repaid and reborrowed and any unutilized portion shall be terminated and cancelled on the Borrower's 2018 Fiscal Year End ("**Additional Term Loan**").

**Type of Credit and Borrowing Options:** Equipment financing term loan facilities available by way of Fixed Rate Term Loans.

**Term Loan:** 5 years from the date of each applicable drawdown/Borrowing.

**Amortization:** Term Loan: 7 years on a straight line basis.

Additional Term Loan: 7 years from each date of drawdown/Borrowing on a straight line basis.

**Interest Rate:** Term Loan: Fixed Rate of 4.77% per annum.

Additional Term Loan: Fixed Rate to be determined at time of each drawdown/Borrowing.

**Administration Fee:** The Borrower has paid or will pay prior to a drawdown hereunder a non-refundable administration fee of USD\$975.00 as set out on the invoice attached hereto.

**Guarantor(s), if applicable:** Future Loan Parties, if any.

**Drawdown:** Term Loan: One-time drawdown Borrowing on the Closing Date.

Additional Term Loan: In multiple tranches/ drawdowns/ Borrowings prior to the end of the Borrower's 2018 Fiscal Year End.

**Repayment:** Interest shall be computed from the day of any drawdown/Borrowing. The principal and interest shall be repaid in equal monthly blended payments of principal and interest on the Business Day of each successive one (1) month periods commencing on the thirtieth (30<sup>th</sup>) day from the Closing Date which is a Business Day of the month following the Closing Date and any and all outstanding amounts owing under the Term Loan and the Additional Term Loan shall be repaid on the Maturity Date, all in accordance with the amortization schedule attached hereto.

Term Loan: Any and all amounts owing which are in excess of the Net Orderly Liquidation Value of the applicable Eligible Equipment, shall be immediately repaid by the Borrower on demand.

**Prepayment:** The Borrower may, provided that an Event of Default has not occurred and is continuing, prepay in full or in part, and shall repay in full in the event of an Event of Default, the principal then outstanding under this Loan Agreement and in respect of unliquidated damages and not as a penalty, shall also pay the amount, if any, by which (a) the present

value of the payments which remain payable at such time during the Term based upon a discount rate equal to the rate per annum calculated on a monthly equivalent basis equal to the yield on the Government of Canada Bond with a maturity as close as possible to the then remaining period of the Term exceeds (b) the repayment amount.

#### **Security:**

In addition to the Security provided under the ABL Credit Agreement, the following documentation (hereinafter collectively, the "**Security**") shall be provided and shall, unless otherwise indicated, support all present and future indebtedness and liability of the Borrower to TD Equipment Finance, shall be registered in first (subject to Permitted Liens) position, and shall be substantially on TD Equipment Finance's standard form, supported by resolutions and Solicitor's Letter of Opinion, as required by TD Equipment Finance, all acceptable to TD Equipment Finance:

- Security Agreement for Specified Assets ("**Security Agreement**")
- Sublease Addendum (if applicable)
- Postponement of Shareholders Loans (if applicable)

Such other security as may be reasonably required by TD Equipment Finance and its legal counsel.

#### **Disbursement Conditions**

The obligation of TD Equipment Finance to permit any drawdown/Borrowing hereunder is subject to the following Disbursement Conditions:

- TD Equipment Finance shall have received the following documents which shall be in form and substance satisfactory to TD Equipment Finance:
  - (a) Duly executed resolution of the Board of Directors of the Borrower empowering the Borrower to enter into this Loan Agreement;
  - (b) Duly executed original copies of all required Security;
  - (c) Duly executed copy of this Loan Agreement;
  - (d) Pre-Authorized Debit (PAD) Agreement;

- (e) Confirmation of Insurance of PL/PD coverage with TD Equipment Finance noted as first loss payee, mortgagee and additional insured;
- (f) Confirmation that all Collateral (as defined in the Security Agreement for Specified Assets) to be domiciled in the Province of Ontario;
- (g) Confirmation of PPSA/RDPRM registrations;
- (h) Subordination/Priorities Agreements or Postponements and/or payout letters and undertakings to discharge regarding all existing Equipment (but not motor vehicles or photocopiers financed by and secured in favour of General Motors, BMW and Global Leasing) of Borrower required including a subordination agreement with Business Development Bank of Canada and its Affiliates satisfactory to TD Equipment Finance;
- (i) Any additional security as required by TD Equipment Finance.

The representations and warranties contained in the Security and the ABL Credit Agreement are true and correct and there is no Event of Default and no Event of Default would result from any such disbursement/Borrowing.

The obligation of TD Equipment Finance to permit any Borrowing under the Additional Term Loan is subject to the following additional Disbursement Conditions:

- (a) A Loan Agreement in respect of each such drawdown/Borrowing;
- (b) An executed Letter of Direction in the form attached hereto and such other ancillary documents as TD Equipment Finance may reasonably require in respect of each drawdown/Borrowing;
- (c) Delivery and Acceptance Certificate in respect of each drawdown/Borrowing;
- (d) Confirmation that all applicable taxes to be paid up front by Borrower;

- (e) A copy of the Borrower's most recent forecast evidencing compliance with all financial and other covenants under the ABL Credit Agreement taking any drawdown/Borrowing into account and the quarterly financial statements and TD Equipment Finance's credit approval in its sole discretion and its review of the Collateral to confirm it is satisfactory to them including a copy of the invoice, a full description of Collateral and an amortization schedule based on proposed Collateral.

**Events of Default:**

TD Equipment Finance may accelerate the payment of principal and interest under this Loan Agreement, at any time after the occurrence of any one of the following Events of Default:

- (a) Non-payment of principal outstanding under this Loan Agreement when due or non-payment of interest or fees outstanding under this Loan Agreement.
- (b) If there is a breach or non-performance or non-observance of any term or condition of this Loan Agreement or the Security and, if such default is capable to being remedied, the default continues unremedied for 10 days after the occurrence.
- (c) If the Borrower makes a general assignment for the benefit of creditors, files or presents a petition, makes a proposal or commits any act of bankruptcy, or if any action is taken for the winding up, liquidation or the appointment of a liquidator, trustee in bankruptcy, custodian, curator, sequestrator, receiver or any other officer with similar powers or if a judgment or order shall be entered by any court approving a petition for reorganization, arrangement or composition of or in respect of the Borrower or if the Borrower is insolvent or declared bankrupt.
- (d) If there exists an event, the effect of which with lapse of time or the giving of notice, will constitute an event of default or a default under

any other agreement for borrowed money entered into by the Borrower.

- (e) If the Security is not enforceable or if any party to the Security shall dispute or deny any liability or any of its obligations under the Security.
- (f) Any Event of Default under the ABL Credit Agreement.

**“Business Day”** means any day (other than a Saturday or Sunday) that TD Equipment Finance is open for business.

**Collection Charges  
and Interest:**

Should the Borrower fail to pay when due the whole or any part of any payments or any other sum owed by Lender under this Loan Agreement, the Borrower shall pay to TD Equipment Finance in addition thereto, a collection charge equal to the greater of ten dollars (\$10.00) for each month or part thereof for which said payment or other sum shall be overdue, or the interest on any and all overdue payments and amounts in default from date thereof until paid in full at the rate of eighteen percent (18%) per annum (or such other rate as may be notified to the Borrower from time to time) calculated and compounded monthly. Such collection charges shall be due and payable on demand. TD Equipment Finance shall have the right to deduct such collection charges and interest from any payment received before crediting the balance of such payment to the debt owed by the Borrower, other overdue payments and amounts in default. The Borrower further agrees to pay to TD Equipment Finance a fee for cheques returned due to non-sufficient funds or other reasons (an “**NSF Cheque**”) to reimburse TD Equipment Finance for its time and expense incurred with respect to an NSF Cheque. Such NSF charge shall be \$48.00 (which amount is subject to change at the sole discretion of TD Equipment Finance). If any provision of this Loan Agreement would obligate the Borrower to make any payment of interest or other amount payable to TD Equipment Finance in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by TD Equipment Finance of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)) then, notwithstanding such provisions, 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 law or so result in a receipt by TD Equipment Finance of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows:

1. firstly, by reducing the amount or rate of interest required to be paid to TD Equipment Finance under this Loan Agreement, and
2. thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to TD Equipment Finance which would constitute "*interest*" for purposes of Section 347 of the *Criminal Code* (Canada).

**Acceleration:**

If TD Equipment Finance accelerates the payment of principal and interest hereunder, the Borrower shall immediately pay to TD Equipment Finance all amounts outstanding hereunder.

**Evidence of Indebtedness:**

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

**Information Attestation:**

All information that the Borrower has provided to TD Equipment Finance 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,

is accurate and complete.

TD Equipment Finance reserves the right to request from the Borrower updated information and/or additional supporting information.

**Assignment:**

TD Equipment Finance may assign or grant participation in all or part of this Loan Agreement or in any loan made hereunder without notice to and without the Borrower's consent. The Borrower may not assign or transfer all or any part of its rights or obligations under this Loan Agreement.

**Expenses:**

Borrower shall pay TD Equipment Finance all reasonable fees including but not limited to all reasonable legal and documentation fees and expenses incurred by TD Equipment Finance in establishing, completing its due diligence, documenting and monitoring the loan as well as the expenses of TD Equipment Finance in connection with the enforcement of its rights under this Loan Agreement whether or not the final loan and security documentation are executed or any amounts are advanced.

**Consent to the Collection, Use and/or Disclosure of Information – Individuals**

In this section, “**you**” means: (i) any individual, or that individual's authorized representative, who is the Borrower; (ii) any individual who is a partner of the Borrower; and (iii) the signing authorities, as identified to us, of the Borrower. In this section and in the section, “**Consent to the Collection and/or Disclosure of Information – Business Customer (other than an Individual)**” below, the words “*we*”, “*us*” and “*our*” mean TD Bank Group (“**TD**”). TD includes The Toronto-Dominion Bank and its world-wide affiliates, including TD Equipment Finance, which provide deposit, investment, loan, securities, trust, insurance and other products or services. The word “**Information**” means financial, personal and other details about you, that you provide to us and we obtain from others outside our organization, including through the products and services that are provided by us to the Borrower. You agree that, at the time you request to begin a relationship with us and during the course of your relationship with us, we may share your Information with our world-wide affiliates, and collect, use and disclose your Information as described in the Privacy Agreement separately provided to you and available online at [td.com](http://td.com), including for, but not limited to, the purposes of identifying you, providing you with ongoing service, helping us serve you better, protecting us both from fraud and error, complying with legal and regulatory requirements, and marketing products and services to you. We may communicate with you for any of



these purposes by telephone, fax, text messaging, or other electronic means, and automatic dialing-announcing device, at the numbers you have provided to us, or by ATM, internet, mail, email and other methods. To understand how you can withdraw your consent, refer to the "Marketing Purposes" section of the Privacy Agreement or contact us at 1-866-567-8888. If:

- (a) there are changes to the signing authorities of the Borrower; or
- (b) at the time of entering into this Loan Agreement, the Borrower, if a corporation, has any individual who owns or controls, directly or indirectly, 25 per cent or more of the shares of the corporation, or has any director, where such individual or director is not, at such time, either a signing authority of the corporation or a personal banking customer of TD; or
- (c) at the time of entering into this Loan Agreement the Borrower, if other than a corporation, has any individual who owns or controls, directly or indirectly, 25 per cent or more of the Borrower, where such individual is not, at such time, either a signing authority of the Borrower or a personal banking customer of TD;

then the Borrower, agrees to make such signing authorities and any such individual or director aware of the Privacy Agreement, advise them that they are subject to such agreement and inform them that a copy of such agreement is available online at [td.com](http://td.com). The definition of "you" in the Privacy Agreement shall be deemed to include any such individual or director. Notwithstanding the foregoing, (b) and (c) shall not apply where the Borrower is a public body, or a corporation that has minimum net assets of \$75 million on its last audited balance sheet and whose shares are traded on a Canadian stock exchange or a stock exchange that is prescribed by section 3201 of the Income Tax Regulations, as may be amended from time to time, and operates in a country that is a member of the Financial Action Task Force.

**Consent to the Collection and/or Disclosure of Information –  
Business Customer (other than an Individual)**

In this section, “you” means the business customer that is not an individual. In addition to any rights TD may have regarding the collection and disclosure of your information, you authorize TD to obtain information about you from, and disclose information about you to, our world-wide affiliates, other lenders, credit reporting or credit rating agencies, credit bureaus and any supplier, agent or other party that performs services for you or on TD’s behalf.

**Customer Resolution Process**

If the Borrower has a problem or concern the Borrower may contact TD Equipment Finance toll free at 1-800-263-3216, by email at [tdefcacs@td.com](mailto:tdefcacs@td.com) or the Borrower may visit TD Equipment Finance at 2020 Winston Park Drive, Suite 301, Oakville, Ontario, L6H 6X7. For a more detailed overview of TD Equipment Finance’s complaint process visit [www.td.com](http://www.td.com). Financial Consumer Agency of Canada (FCAC) – If the Borrower has a complaint regarding a potential violation of a consumer protection law, a public commitment, or an industry code of conduct, the Borrower can contact the FCAC in writing at 6<sup>th</sup> Floor, Enterprise Building, 427 Laurier Ave. West, Ottawa, Ontario, K1R 1B9. The FCAC can also be contacted by telephone at 1-866-461-3222 (en français 1-866-461-2232) or through its website at [www.fcac-acfc.gc.ca](http://www.fcac-acfc.gc.ca). Please note that the FCAC does not become involved in matters of redress or compensation.

**English Language:**

The parties hereto confirm their express wish that this Loan Agreement as well as all other documents related hereto, including schedules and notices, be drawn up in the English language only. *Les parties aux présentes confirment leur volonté expresse de voir la présente entente de prêt de même que tous les documents, y compris tous les annexes et avis, s’y rattachant, rédigés en langue anglaise seulement.*

**Entire Agreement:**

This Loan Agreement together with the ABL Credit Agreement and the Security constitutes the entire agreement between the parties hereto in respect of the Term Loan Facility.

**Interpretation and  
Additional Definitions:**

All terms used but not defined herein shall have the meanings ascribed thereto in the ABL Credit Agreement. The following terms have the following meanings when used in this Loan Agreement:

"ABL Credit Agreement" shall mean the asset-based credit agreement among the Borrower, as borrower, and The Toronto-Dominion Bank, as lender, dated on or about the date hereof, as amended, restated, replaced or supplemented from time to time.

"Eligible Equipment" shall mean the unencumbered equipment owned by the Borrower which is financed by TD Equipment Finance pursuant to this Loan Agreement located in the Province of Ontario at locations acceptable to TD Equipment Finance, and is the subject matter of the Term Loan and the Additional Term Loan in respect of which the Lender has a first (subject to Permitted Liens) priority Lien.

"Net Orderly Liquidation Value" means the Equivalent Amount in U.S. dollars of the value of Eligible Equipment based on definitions and assumptions acceptable to TD Equipment Finance in its discretion and confirmed in an appraisal report addressed to, or with a reliance letter acceptable to, TD Equipment Finance by an accredited appraiser satisfactory to TD Equipment Finance in its discretion.

We trust you will find this credit facility helpful in meeting your ongoing financing requirements. We ask that if you wish to accept this offer of financing, please do so by signing and returning this Loan Agreement to the undersigned.

Yours truly,

**TD Equipment Finance Canada,**  
a division of The Toronto-Dominion Bank

Per:

Name/Title:



ALLAN COOKE VP


**TO: TD Equipment Finance Canada, a division of The Toronto-Dominion Bank**

The Borrower hereby accepts the foregoing offer this December 21st, 2017. 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.

**TOOLPLAS SYSTEMS INC.**

Per:

Name/Title:

\_\_\_\_\_

Per:

Name/Title:

\_\_\_\_\_

cc. Guarantor(s)

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

This is **Exhibit “E”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for T

DocuSigned by:  
  
6F056F5F3BC8405...



This **Guarantee** is made as of the 7 day of July 2020.

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  
TOOLPLAS SYSTEMS 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 (any and all such legal and equitable defences are hereby expressly waived by the Guarantor) 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 or reduction in the amount, or any other variance of any loans or credits now or hereafter made available to the Customer by the Bank or guaranteed by the Customer to the Bank or any other change to any of the terms or conditions of any of the Obligations (including, without limitation, respecting rates of interest, fees or charges, maturity dates), or any waiver by the Bank respecting any of the Obligations;
- (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.

**8. 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.

**9. 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.

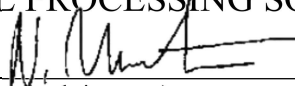
This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

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.

TOOL PROCESSING SOLUTIONS INC.

Per:   
(authorized signature)

Per: \_\_\_\_\_  
(authorized signature)

[Name of Guarantor]

Per: \_\_\_\_\_  
(authorized signature)

Per: \_\_\_\_\_  
(authorized signature)

[Name of Guarantor]

Per: \_\_\_\_\_  
(authorized signature)

Per: \_\_\_\_\_  
(authorized signature)

[Name of Guarantor]

Per: \_\_\_\_\_  
(authorized signature)

Per: \_\_\_\_\_  
(authorized signature)

[Name of Guarantor]

Per: \_\_\_\_\_  
(authorized signature)

Per: \_\_\_\_\_  
(authorized signature)

[Name of Guarantor]

Per: \_\_\_\_\_  
(authorized signature)

Per: \_\_\_\_\_  
(authorized signature)

**Personal Guarantee**

Signature of Guarantor: \_\_\_\_\_

Print name: \_\_\_\_\_

**Personal Guarantee**

Signature of Guarantor: \_\_\_\_\_

Print name: \_\_\_\_\_

**Personal Guarantee**

Signature of Guarantor: \_\_\_\_\_

Print name: \_\_\_\_\_

**Personal Guarantee**

Signature of Guarantor: \_\_\_\_\_

Print name: \_\_\_\_\_

**Personal Guarantee**

Signature of Guarantor: \_\_\_\_\_

Print name: \_\_\_\_\_

**Personal Guarantee**

Signature of Guarantor: \_\_\_\_\_

Print name: \_\_\_\_\_

**Personal Guarantee**

Signature of Guarantor: \_\_\_\_\_

Print name: \_\_\_\_\_


**Personal Guarantee**

Signature of Guarantor: \_\_\_\_\_

Print name: \_\_\_\_\_

This is **Exhibit “F”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Taking

DocuSigned by:  
  
6F056F5F3BC8405...

## GENERAL SECURITY AGREEMENT

THIS AGREEMENT made as of the 21st day of December, 2017.

BETWEEN:

**THE TORONTO-DOMINION BANK**

(hereinafter called the "Lender"),

- and -

**TOOLPLAS SYSTEMS INC.**

(hereinafter called the "Debtor")

WHEREAS the Lender and the Debtor are parties to the Credit Agreements (as herein defined).

THIS AGREEMENT WITNESSES that, in consideration of the sum of \$1.00 in lawful money of Canada now paid by the Lender to the Debtor (the receipt and sufficiency of which are hereby acknowledged), the Debtor agrees with the Lender as follows:

### ARTICLE 1 INTERPRETATION

**1.01 Certain Defined Terms.** In this Agreement, unless there is something in the context or subject matter inconsistent therewith:

"Act" means the *Personal Property Security Act* (Ontario), as amended from time to time, and any regulations thereto.

"Applicable Law" shall have the meaning ascribed thereto in the ABL Credit Agreement.

"Collateral" means, subject to section 2.02 hereof, all undertaking, property and assets of the Debtor now owned or hereafter acquired and any proceeds from the sale or other disposition thereof, including, without limitation, the property and assets described in Section 2.02.

"Credit Agreements" means, including without limitation, an asset-based credit agreement between the Debtor and the Lender dated with effect as of the date hereof (as

it may be amended, supplemented or replaced from time to time, herein called the "**ABL Credit Agreement**"), the equipment loan agreement between the Debtor and TD Equipment Finance Canada, a division of The Toronto-Dominion Bank dated effect as of the date hereof (as it may be amended, supplemented or replaced from time to time, herein called the "**Equipment Loan Agreement**"), and any other credit and/or loan agreement entered into among the Debtor and the Lender from time to time, as the same may be amended, modified, supplemented or replaced from time to time.

"**Credit Documents**" means, including without limitation, this Agreement, the other Collateral Documents (as that term is defined in the ABL Credit Agreement), the security agreement for specified assets, and any other credit and/or loan documents or materials entered into among the Debtor and the Lender from time to time, as the same may be amended, modified, supplemented or replaced from time to time, delivered in connection with the Credit Agreements.

"**Obligations**" means in respect of the Debtor, the aggregate of all indebtedness, obligations and liabilities of the Debtor to the Lender, whether incurred prior to, at the time of, or subsequent to the execution hereof, including extensions and renewals arising under the Credit Agreements, the Credit Documents and any other document delivered to the Lender in connection therewith, including without limitation, Liabilities (as that term is defined in the ABL Credit Agreement).

**1.02 Other Usages.** References to "**this Agreement**", "**hereof**", "**herein**", "**hereto**" and like references refer to this General Security Agreement and any Schedules hereto and not to any particular Article, Section or other subdivision of this Agreement.

**1.03 Number and Gender.** Where the context so requires, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders (including the neuter).

**1.04 Headings.** The insertion of headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

**1.05 Currency.** Unless otherwise specified herein, all statements of or references to dollar amounts in this Agreement shall mean lawful money of Canada.

**1.06 Applicable Law and Attornment Clause.** This Agreement and all documents delivered pursuant hereto shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereby attorn to the courts of the Province of Ontario and agree that those courts shall have non-exclusive jurisdiction to determine all disputes relating to this Agreement.

**1.07 Prohibited Provisions.** In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court, this Agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and

all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

**1.08 Time of the Essence.** Time shall in all respects be of the essence of this Agreement.

## **ARTICLE 2 SECURITY INTEREST**

**2.01 Grant of Security Interest.** As general and continuing security for the payment and performance of its Obligations, the Debtor hereby mortgages, charges, pledges, assigns, transfers and sets over to the Lender, and grants to the Lender a security interest in, all Collateral.

**2.02 Description of Collateral.** All property, assets and undertaking of the Debtor shall be included in the Collateral subject to the mortgage, charge, pledge, assignment and security interest in favour of the Lender created by this Agreement including, without limitation, the following:

- (a) **Accounts** - all debts, amounts, claims and moneys which now are, or which may at any time hereafter become, due or owing to or owned by the Debtor, whether or not earned by performance; all securities, mortgages, bills, notes and other documents now held or owned, or which may be hereafter taken, held or owned, by or on behalf of the Debtor, in respect of such debts, amounts, claims and moneys or any part thereof; and all books, documents and papers recording, evidencing or relating to such debts, amounts, claims and moneys or any part thereof, all of which are herein collectively called "**Accounts**";
- (b) **Chattel Paper** - all present and future agreements made between the Debtor as secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific goods, all of which are herein collectively called "**Chattel Paper**";
- (c) **Documents** - all documents, including, without limitation, all books, invoices, letters, papers and other records, in any form evidencing or relating to the Collateral, all of which are herein collectively called "**Documents**"; and
- (d) **Documents of Title** - all writings now or hereafter owned by the Debtor, each of which writing purports to be issued by or addressed to a bailee and purports to cover such goods and chattels in the bailee's possession as are identified or fungible portions of an identified mass, whether such goods and chattels are Inventory or Equipment (as hereinafter defined), and which writing is treated in the ordinary course of business as establishing that the person in possession of such writing is entitled to receive, hold and dispose of the said writing and the goods and chattels it covers, and further, whether such writing is negotiable in form or otherwise, including bills of lading and warehouse receipts, all of which are herein collectively called "**Documents of Title**";
- (e) **Equipment** - all equipment now owned or hereafter acquired by the Debtor, including, without limitation, all machinery, fixtures, plant, tools, furniture,

chattels, vehicles of any kind or description including, without limitation, motor vehicles, parts, accessories installed in or affixed or attached to any of the foregoing, all drawings, specifications, plans and manuals relating thereto and any other tangible personal property which is not Inventory (as hereinafter defined), all of which are herein collectively called "**Equipment**";

- (f) **Instruments** - all present and future bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada)) of the Debtor, and all other writings that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery and all letters of credit and advices of credit provided that such letters of credit and advices of credit state that they must be surrendered upon claiming payment thereunder, all of which are herein collectively called "**Instruments**";
- (g) **Intangibles** - all intangible property now owned or hereafter acquired by the Debtor and which is not Accounts including, without limitation, all contractual rights, goodwill, patents, trademarks, trade names, copyrights and other intellectual property of the Debtor and all other choses in action of the Debtor of every kind, whether due or owing at the present time or hereafter to become due or owing, all of which are herein collectively called "**Intangibles**";
- (h) **Inventory** - all goods or chattels now or hereafter forming the inventory of the Debtor including, without limitation, all goods, merchandise, raw materials, work in process, finished goods, goods held for sale or resale or lease or that have been leased or that are to be, or have been, furnished under a contract of service, and goods used in or procured for packing or packaging, all of which are herein collectively called "**Inventory**";
- (i) **Intentionally deleted;**
- (j) **Money** - all money now or hereafter owned by the Debtor, whether or not such money is authorized or adopted by the Parliament of Canada as part of its currency or by any foreign government as part of its currency, all of which is herein collectively called "**Money**";
- (k) **Proceeds** - all property in any form derived directly or indirectly from any dealing with the Collateral or the proceeds therefrom, including, without limitation, property that indemnifies or compensates for the expropriation, destruction or damage of the Collateral or the proceeds therefrom, all of which is herein collectively called "**Proceeds**"; and
- (l) **Securities** - all present and future securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; including, without limitation, an uncertificated security and all substitutions therefor and

dividends and income derived therefrom, all of which are herein collectively called "Securities".

**2.03 Further Description of Collateral.** For greater certainty but without limiting the generality of the description of Collateral as set out in Section 2.02, the Collateral shall include all present and future personal property of the Debtor located on or about or in transit to or from the location(s) set out in the Credit Agreement.

**2.04 Attachment of Security Interest.** The parties hereby acknowledge that:

- (a) value has been given by the Lender to the Debtor;
- (b) the Debtor has rights in the Collateral (other than future property); and
- (c) the parties have agreed not to postpone the time for attachment of the security interest created by this Agreement.

**2.05 Exception re: Last Day of Leases and Contractual Rights.** The last day of the term of any lease, sublease or agreement therefor is specifically excepted from the security interest created by this Agreement, but the Debtor agrees to stand possessed of such last day in trust for such person as the Lender may direct and the Debtor shall assign and dispose thereof in accordance with such direction. To the extent that the security interest created by this Agreement in any contractual rights (other than Accounts described in Section 40(4) of the Act) would constitute a breach or cause the acceleration of such contract, such security interest shall not be granted hereunder but the Debtor shall hold its interest therein in trust for the Lender, and shall grant a security interest in such contractual rights to the Lender forthwith upon obtaining the appropriate consents to the creation of such security interest. The Debtor agrees to use commercially reasonable efforts to obtain any such consent from time to time reasonably requested by the Secured Party.

**2.06 Release by the Lender.** The Lender may, at its discretion, at any time release from the security interest created by this Agreement any part or parts of the Collateral or any other security or any surety for the Obligations either with or without sufficient consideration therefor without thereby releasing any other part of the Collateral or any person from this Agreement.

### **ARTICLE 3 WARRANTIES AND COVENANTS OF THE DEBTOR**

**3.01 Warranties and Covenants.** The Debtor hereby warrants, covenants and agrees with the Lender as follows:

- (a) There is no French form of the Debtor's corporate name.
- (b) The Debtor shall keep the Collateral in good condition and repair subject to ordinary wear and tear.



- (c) Except in accordance with a Loan Agreement, the Debtor shall prevent the Collateral from becoming an accession to any personal property not subject to this Agreement, or becoming affixed to any real property.
- (d) The Debtor shall keep proper books of account and records covering all its business and affairs on a current basis and shall permit a representative of the Lender to inspect the Debtor's books of account, records and documents and to make copies therefrom during reasonable business hours and upon reasonable notice.

**3.02 Performance of Covenants by the Lender.** The Lender may, in its sole discretion and upon notice to the Debtor, perform any covenant of the Debtor under this Agreement that the Debtor fails to perform and that the Lender is capable of performing, including any covenant the performance of which requires the payment of money, provided that the Lender will not be obligated to perform any such covenant on behalf of the Debtor and no such performance by the Lender will require the Lender further to perform the Debtor's covenants nor operate as a derogation of the rights and remedies of the Lender under this Agreement.

#### **ARTICLE 4 DEFAULT AND ENFORCEMENT**

**4.01 Events of Default.** The security hereby constituted shall become enforceable upon the occurrence of an event of default under any of the Credit Agreements (an "Event of Default").

**4.02 Remedies.** At any time after the occurrence of an Event of Default, the Lender shall have the following rights, powers and remedies:

- (a) to appoint any person to be an agent or any person to be a receiver, manager or receiver and manager (herein called a "Receiver") of the Collateral and to remove any Receiver so appointed and to appoint another if the Lender so desires; it being agreed that any Receiver appointed pursuant to the provisions of this Agreement shall have all of the powers of the Lender hereunder, and in addition, shall have the power to carry on the business of the Debtor;
- (b) to make payments to parties having prior charges or encumbrances on properties on which the Debtor may hold charges or encumbrances;
- (c) to enter onto any premises where the Collateral may be located;
- (d) to take possession of all or any part of the Collateral with power to exclude the Debtor, its agents and its servants therefrom;
- (e) to notify the account debtors or obligors under any Accounts of the assignment of such Accounts to the Lender and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Debtor thereunder directly to the Lender and to give valid and binding receipts and discharges therefor and in respect thereof and, upon such notification and at the expense of the Debtor, to enforce collection of any such Accounts, and to adjust, settle or

compromise the amount or payment thereof, in the same manner and to the same extent as the Debtor might have done;

- (f) to preserve, protect and maintain the Collateral and make such replacements thereof and additions thereto as the Lender shall deem advisable;
- (g) to enjoy and exercise all powers necessary or incidental to the performance of all functions provided for in this Agreement including, without limitation, the power to purchase on credit, the power to borrow in the Debtor's name or in the name of any Receiver and to advance its own money to the Debtor at such rates of interest as it may deem reasonable, provided that any Receiver shall borrow money only with the prior consent of the Lender, and to grant security interests in the Collateral in priority to the security interest created by this Agreement, as security for the money so borrowed;
- (h) to sell, lease or dispose of all or any part of the Collateral whether by public or private sale or lease or otherwise and on any terms so long as every aspect of the disposition is commercially reasonable, including, without limitation, terms that provide time for payment on credit; provided that
  - (i) neither the Lender nor any Receiver will be required to sell, lease or dispose of the Collateral, but may peaceably and quietly take, hold, use, occupy, possess and enjoy the Collateral without molestation, eviction, hindrance or interruption by the Debtor or any other person or persons whomsoever for such period of time as is commercially reasonable;
  - (ii) the Lender or any Receiver may convey, transfer and assign to a purchaser or purchasers the title to any of the Collateral so sold; and
  - (iii) the Debtor will be entitled to be credited with the actual proceeds of any such sale, lease or other disposition only when such proceeds are received by the Lender or any Receiver in cash;
- (i) to enjoy and exercise all of the rights and remedies of a secured party under the Act;
- (j) to dispose of all or any part of the Collateral in the condition in which it was on the date possession of it was taken, or after any commercially reasonable repair, processing or preparation for disposition;
- (k) to sell or otherwise dispose of any part of the Collateral without giving any notice whatsoever where:
  - (i) the Collateral is perishable;
  - (ii) the Lender or any Receiver believes on reasonable grounds that the Collateral will decline speedily in value;

- (iii) the Collateral is of a type customarily sold on a recognized market;
  - (iv) the cost of care and storage of the Collateral is disproportionately large relative to its value;
  - (v) every person entitled by law to receive a notice of disposition consents in writing to the immediate disposition of the Collateral; or
  - (vi) a Receiver who is a receiver and manager disposes of the Collateral in the course of the Debtor's business;
- (l) to commence, continue or defend proceedings in any court of competent jurisdiction in the name of the Lender, a Receiver or the Debtor for the purpose of exercising any of the rights, powers and remedies set out in this Section 4.02, including the institution of proceedings for the appointment of a receiver, manager or receiver and manager of the Collateral; and
  - (m) at the sole option of the Lender, provided notice is given to the Debtor in the manner required by the Act and to any other person to whom the Act requires notice be given, to elect to retain all or any part of the Collateral in satisfaction of the Obligations.

**4.03 Receiver as Agent.** Any Receiver shall be deemed to be the agent of the Debtor for the purpose of establishing liability for the acts or omissions of such Receiver and the Lender shall not be liable for such acts or omissions and, without restricting the generality of the foregoing, the Debtor hereby irrevocably authorizes the Lender to give instructions to any Receiver relating to the performance of its duties as set out herein.

**4.04 Expenses of Enforcement.** The Debtor shall pay to any Receiver the remuneration of such Receiver and all reasonable costs and expenses (including, without limitation, reasonable legal fees and disbursements on a solicitor-and-client basis) properly incurred by such Receiver pursuant to its appointment and the exercise of its powers hereunder, and shall pay to the Lender and such Receiver as required all amounts of money (including interest thereon) borrowed or advanced by either of them pursuant to the powers set out herein, and the obligations of the Debtor to the Lender and any Receiver pursuant to this Section 4.04 shall be payable on demand and shall bear interest at an annual rate equal to the highest interest rate payable on any of the Obligations, which interest shall be calculated and compounded monthly and payable on demand.

**4.05 Indulgences and Releases.** Either the Lender or any Receiver may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as the Lender or such Receiver may see fit without prejudice to the Obligations or the right of the Lender and such Receiver to repossess, hold, collect and realize the Collateral.

**4.06 No Liability for Failure to Exercise Remedies.** Neither the Lender nor any Receiver shall be liable or accountable to the Debtor or to any other person for any failure to exercise any

of the rights, powers and remedies set out in Section 4.02, nor shall either be bound to commence, continue or defend proceedings for the purpose of preserving or protecting any rights of any party in respect of the same.

**4.07 Proceeds of Disposition.** Subject to the claims, if any, of prior secured creditors of the Debtor, all moneys received by the Lender or by a Receiver pursuant to Section 4.02 shall be applied as follows:

- (a) first, in payment of all costs and expenses incurred by the Lender in the exercise of all or any of the powers granted to it under this Agreement and in payment of all of the remuneration of any Receiver and all costs and expenses properly incurred by such Receiver in the exercise of all or any of the powers granted to it under this Agreement, including, without limitation, the remuneration, costs and expenses referred to in Section 4.04;
- (b) second, in payment of all amounts of money borrowed or advanced by the Lender or any Receiver pursuant to the powers set out in this Agreement, together with any interest thereon;
- (c) third, in payment of the Obligations, provided that if there are not sufficient moneys to pay all of the Obligations, the Lender may apply the moneys available to such part or parts thereof as the Lender, in its sole discretion, may determine; and
- (d) fourth, in accordance with Applicable Law.

**4.08 Debtor Liable for Deficiency.** If the monies received by the Lender or any Receiver pursuant to Section 4.02 are not sufficient to pay the claims set out in Section 4.07 the Debtor shall immediately pay the Lender the amount of such deficiency.

**4.09 Restriction on Debtor.** Upon the Lender taking possession of the Collateral or the appointment of a Receiver, all the powers, functions, rights and privileges of the Debtor or any officer, director, servant or agent of the Debtor with respect to the Collateral shall, to the extent permitted by law, be suspended unless specifically continued by the written consent of the Lender; however, all other powers, functions, rights and privileges of the Debtor or any officer, director, servant or agent of the Debtor shall be unaffected by such events.

**4.10 Rights Cumulative.** All rights and remedies of the Lender set out in this Agreement shall be cumulative and no right or remedy contained herein is intended to be exclusive but each shall be in addition to every other right or remedy contained herein or in any existing or future security document between the parties hereto or now or hereafter existing at law or in equity or by statute. The taking of a judgment or judgments with respect to any of the Obligations shall not operate as a merger of any of the covenants contained in this Agreement.

**4.11 Care by the Lender.** The Lender shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral in the Lender's possession if it takes such action for that purpose as the Debtor requests in writing, but failure of the Lender to comply with any such request shall not be deemed to be (or to be evidence of) a failure to exercise reasonable

care, and no failure of the Lender to preserve or protect any rights with respect to such Collateral against prior parties, or to do any act with respect to the preservation of such Collateral not so requested by the Debtor, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

**4.12 Set-Off.** Without in any way limiting any other rights or remedies available to the Lender, the Lender shall have the right (but shall not be obligated), at any time and from time to time after the occurrence of an Event of Default and without notice to the Debtor (such notice being expressly waived by the Debtor), to set off against the Obligations or any of them deposits (general or special) or monies then held by the Lender or any other indebtedness owing by the Lender to, or held by the Lender for the credit of, the Debtor, regardless of the currency in which such indebtedness is denominated and notwithstanding that such indebtedness is not then due.

**4.13 Proceeds Held in Trust.** Upon the security hereby constituted becoming enforceable, all Proceeds that are monies collected or received by the Debtor shall be received by the Debtor in trust for the Lender, shall be segregated from other funds of the Debtor and shall be forthwith paid over to the Lender in the same form as so received (with any necessary endorsement) to be held as cash collateral and applied as provided by Section 4.07.

## **ARTICLE 5 GENERAL**

**5.01 Waiver.** Any breach by the Debtor of any of the provisions contained in this Agreement or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, may only be waived by the Lender in writing, provided that no such waiver by the Lender shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom. No delay or omission by the Lender in exercising any right or remedy hereunder shall operate as a waiver thereof, or of any breach by the Debtor or Event of Default giving rise to such right or remedy.

**5.02 The Lender as Attorney.** Upon an Event of Default, the Debtor hereby irrevocably appoints the Lender and any person further designated by the Lender to be the attorney of the Debtor for and in the name of the Debtor to execute and do any deeds, documents, transfers, demands, assignments, assurances, consents and things which the Debtor is obliged to sign, execute or do hereunder and, after the happening of any event by which the security hereby constituted becomes enforceable, to commence, continue and defend any proceedings authorized to be taken hereunder and generally to use the name of the Debtor in the exercise of all or any of the powers hereby conferred on the Lender. In particular, without limiting the generality of the foregoing, upon and during the continuation of an Event of Default, the Debtor hereby nominates, constitutes and appoints the Lender to be the true and lawful attorney of the Debtor in the name of the Debtor to ask, demand, and receive of and from any and all debtors of the Debtor obligated under any Account, and on non-payment of the same or any part thereof, to commence and prosecute any action or proceeding for the recovery of the same, either in its own name, the name of a Receiver or in the name of the Debtor, and to use all other lawful remedies which the Debtor could or might have used for such recovery, and on receipt or recovery to sign and give good and effectual receipt or receipts for the same with full power from time to time to appoint a

substitute or substitutes for all or any of the purposes aforesaid, and in case of any difficulty or dispute with any debtor of the Debtor in respect of Accounts to submit such difficulty or dispute to arbitration in such manner as the Lender shall see fit and to compound, compromise, and accept part in satisfaction for payment of the whole of any Account or to grant an extension of time for payment thereof, either with or without security.

**5.03 Further Assurances.** The Debtor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, mortgages, transfers, assurances or other documents as the Lender shall reasonably require to give effect to or to preserve and perfect the security interest in the Collateral intended to be granted to the Lender hereunder, or any security interest the Debtor may hereafter become bound to grant to the Lender, for the purpose of accomplishing and effecting the intention of this Agreement.

**5.04 Continuing Security.** The security interest constituted hereby shall be deemed to be a continuing security for the Obligations until all of the Obligations from time to time are paid and performed in full and this Agreement is terminated.

**5.05 No Obligation to Advance.** Neither the execution nor delivery of this Agreement shall obligate the Lender to advance any moneys to the Debtor.

**5.06 Consumer Goods.** Notwithstanding any other clause in this Agreement, in no event shall goods that are used or acquired for use primarily for personal, family or household purposes form part of the Collateral.

**5.07 Notices.** Any demand, notice or other communication in connection with this Agreement shall be made in accordance with the notice provisions set out in the Loan Agreement.

**5.08 Successors and Assigns.** This agreement shall enure to the benefit of the Lender and its successors and assigns and shall be binding upon the Debtor and its successors and assigns.

#### **5.09 Amalgamation of the Debtor**

The Debtor hereby acknowledges and agrees that, subject to compliance with the Credit Agreement, in the event it amalgamates with any other corporation or corporations, it is the intention of the parties hereto that the term "Debtor", when used herein, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interest granted hereby:

- (a) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation;
- (b) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of amalgamation and any "Obligations" of the amalgamated corporation to the Lender thereafter arising; and

- (c) shall attach to "Collateral" owned by each corporation amalgamating with the Debtor and by the amalgamated corporation, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated corporation when such becomes owned or is acquired.

#### **5.10 Entire Agreement**

Except for the Credit Agreements, the Credit Documents, and any document, agreement or instrument delivered pursuant thereto or referred to therein, this Agreement constitutes the entire agreement between the parties hereto and supersedes any prior agreements, undertakings, declarations, representations and undertakings, both written and oral, in respect of the subject matter hereof.

**5.11 Acknowledgment of Receipt & Delivery of Financing Statement, etc.** The Debtor hereby acknowledges receipt of an executed copy of this Agreement and 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.

#### **5.12 Paramountcy**

In the event of any conflict or inconsistency between the provisions of this Agreement, the ABL Credit Agreement and the Equipment Loan Agreement, the provisions of the ABL Credit Agreement and/or the Equipment Loan Agreement, as applicable, shall prevail and be paramount.

[Signature page follows]

IN WITNESS WHEREOF the Debtor has executed this Agreement as of the date first above written.

TOOLPLAS SYSTEMS INC.

By: 

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


Authorized Signing Officer

30912459.4



This is **Exhibit “G”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Taking Affidavits

DocuSigned by:  
  
6F056F5F3BC8405...



## SECURITY AGREEMENT FOR SPECIFIED ASSETS #17004910

TO: **TD Equipment Finance Canada, a division of The Toronto-Dominion Bank ("TD Equipment")**  
2020 Winston Park Drive, Suite 301  
Oakville, ON L6H 6X7

GRANTED BY: **Toolplas Systems Inc. (the "Grantor")**

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

### 1. **SECURITY INTEREST**

The Grantor hereby grants to TD Equipment a security interest in, and assigns, mortgages, charges and pledges (collectively the "**Security Interest**") to TD Equipment, the personal property of the Grantor described or referred to in **Schedule "A"** together with the Proceeds (collectively called the "**Collateral**").

### 2. **OBLIGATIONS SECURED**

The Security Interest secures the payment and performance of all present and future obligations of the Grantor to TD Equipment, 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 and/or the loan agreement dated as of the date hereof between the parties hereto (the "**Loan 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 TD Equipment and the Grantor or from other dealings or proceedings by which TD Equipment 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 Collateral 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:

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

"*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.

*"Proceeds"* means all proceeds of the property described above, including any property in any form derived directly or indirectly from any use or dealing with the Collateral or the proceeds therefrom or that indemnifies or compensates for damage or loss to the Collateral or the proceeds therefrom.

#### 4. **REPRESENTATIONS & WARRANTIES**

The Grantor hereby represents and warrants with TD Equipment 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 is set out below the name of the Grantor on the signature page of this Agreement;
- (b) **Location of Collateral.** The Grantor will keep the Collateral at the address(es) specified in **Schedule "A"**, or if left blank, at the address(es) specified on the signature page of this Agreement or such other locations as have been agreed to by TD Equipment in writing;
- (c) **Collateral Free and Clear.** The Collateral 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 TD Equipment in writing prior to their creation or assumption; and
- (d) **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.

#### 5. **COVENANTS**

The Grantor covenants and agrees with TD Equipment that:

- (a) **Place of Business and Location of Collateral.** The Grantor shall not change its name, amalgamate with any other Person, or move any of the Collateral from the address(es) set out on the signature page of this Agreement or the locations specified in **Schedule "A"** hereto without the prior written consent of TD Equipment;

- (b) **Notification.** The Grantor shall notify TD Equipment promptly of: (i) any change in the information contained herein or in **Schedule "A"** hereto relating to the Grantor, the Grantor's business or the Collateral; (ii) the details of any claims or litigation affecting the Grantor or the Collateral and will furnish TD Equipment with copies of the details of such claims or litigation; and (iii) any loss or damage to the Collateral or any material adverse change in the value of the 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 TD Equipment, when requested, the receipts and vouchers evidencing payment;
- (d) **Payment of Fees and Expenses.** The Grantor will pay TD Equipment on demand all costs, fees and expenses (including legal fees on a solicitor and his own client basis) incurred by TD Equipment 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 TD Equipment 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;
- (e) **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 TD Equipment. 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 shall defend title to the Collateral against all claims and demands of all other Persons claiming the same or an interest therein;
- (f) **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 TD Equipment; (ii) All Proceeds shall continue to be subject to the Security Interest, granted hereby and all money received by the Grantor as Proceeds shall be received as trustee for TD Equipment and shall be held separate and apart from other money of the Grantor, and shall be paid over to TD Equipment 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 TD Equipment in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of TD Equipment may be released to the Grantor, all without prejudice to TD Equipment's rights against the Grantor. TD Equipment shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner TD Equipment

may consider appropriate and the Grantor agrees to furnish all assistance and information and to perform all such acts as TD Equipment may reasonably request in connection therewith and for such purpose to grant to TD Equipment or its agents access to all places where Collateral may be located and to all premises occupied by the Grantor;

- (g) **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 TD Equipment's request so as to indicate the Security Interest. The Grantor shall furnish to TD Equipment such financial information and statements and such information and statements relating to the Collateral as TD Equipment may from time to time require and shall permit TD Equipment 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 TD Equipment;
- (h) **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 without the express prior written consent of TD Equipment;
- (i) **Insurance.** The Grantor will keep the Collateral insured under policies with such coverage, for such amounts and with such insurers as are satisfactory to TD Equipment from time to time, with loss thereunder, payable to TD Equipment and shall furnish TD Equipment with a copy of any policy of insurance, certificate of insurance or other evidence satisfactory to TD Equipment that such insurance coverage is in effect;
- (j) **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 TD Equipment 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
- (k) **Landlord Agreement.** The Grantor will, at the request of TD Equipment, obtain a written agreement from each landlord of premises where any of the Collateral is located, in favour of TD Equipment and in form and substance satisfactory to TD Equipment, whereby such landlord agrees to give notice to TD Equipment 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 TD Equipment to enforce the Security Interest created by this Agreement in priority to any claim of such landlord, including the right of the landlord to distrain 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 TD Equipment and will survive the

execution and delivery of this Agreement or any investigation made at any time by or on behalf of TD Equipment and any disposition or payment of the Obligations until the indefeasible repayment and performance in full of the Obligations.

**7. PERFORMANCE OF COVENANTS BY TD EQUIPMENT**

- (a) TD Equipment 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 TD Equipment will not be obligated to perform such covenant on behalf of the Grantor. The performance by TD Equipment of any such covenant shall not oblige TD Equipment 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 TD Equipment under this Agreement. The Grantor agrees to indemnify and to reimburse TD Equipment for all costs and expenses incurred by TD Equipment in connection with the performance by it of any such covenant, and all such costs and expenses shall be payable by the Grantor to TD Equipment 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, TD Equipment 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. TD Equipment 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 TD Equipment or its nominees to comply with any such request will not of itself be deemed a failure to exercise reasonable care.

**8. DEALING WITH SECURITY INTEREST**

TD Equipment 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, debtors of the Grantor, sureties and others and with any of the Collateral and any other security as TD Equipment may see fit without prejudice to the liability of the Grantor or TD Equipment's right to hold and realize any of the Security Interest. TD Equipment shall not be accountable to the Grantor for the value of any of the Security Interest released except for any moneys actually received by TD Equipment.

**9. EVENTS OF DEFAULT**

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

- (a) any Event of Default under the Loan Agreement;
- (b) any Event of Default under the ABL Credit Agreement (as defined in the Loan Agreement),

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

## 10. **REMEDIES**

- (a) Upon the occurrence of an event of default that has not been cured or waived, TD Equipment, 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 TD Equipment 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 TD Equipment at such place as may be specified by TD Equipment and TD Equipment 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;
  - (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 TD Equipment requires to facilitate the preservation and realization of the Collateral, free of charge, and TD Equipment 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 TD Equipment 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 TD Equipment shall think expedient in the interests of TD Equipment;
  - (xi) to appoint a consultant or monitor, at the Grantor's expense, to evaluate the

value of the Collateral, and to review the options available to TD Equipment;  
and

- (xii) to appoint or reappoint by instrument in writing any person or persons, whether an officer or officers or employee or employees of TD Equipment 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 TD Equipment, and the Grantor and not TD Equipment, shall be solely responsible for the Receiver's acts or defaults and for the Receiver's remuneration and expenses. TD Equipment 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 TD Equipment or any Receiver appointed by TD Equipment, 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 the 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 TD Equipment or any Receiver appointed by TD Equipment, as permitted hereby, shall be a first charge on the Collateral and shall be secured hereby.
- (d) TD Equipment 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 the Collateral is to be made as may be required by the PPSA.
- (e) The Grantor appoints any officer or employee of TD Equipment 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 TD Equipment 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 TD Equipment may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest. The Grantor hereby irrevocably constitutes and appoints TD Equipment 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 TD Equipment in connection with the preservation and



realization of the Collateral as described above, the Grantor shall be liable to pay any deficiency to TD Equipment forthwith on demand.

## 11. 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 TD Equipment.
- (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 shall (i) extend 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 TD Equipment at the time of amalgamation and any "Obligations" of the amalgamated company to TD Equipment 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

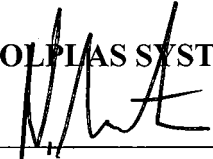
and that the Security Interest granted hereby will attach when the Grantor signs this Agreement and will attach to Collateral in which the Grantor subsequently acquires any rights, immediately upon the Grantor acquiring such rights. The parties do not intend to postpone the attachment of any Security Interest created by this Agreement.

- (f) **No Obligation to Advance.** Neither the execution of this Agreement nor any advance of funds shall oblige TD Equipment 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 TD Equipment.
- (g) **Information.** TD Equipment 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 TD Equipment or anyone acting on behalf of TD Equipment.
- (h) **Assignment.** TD Equipment 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 TD Equipment.
- (i) **Amendment.** Subject to Section 10(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 TD Equipment 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 TD Equipment and until TD Equipment 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 Province of Ontario.
- (m) **Waiver by TD Equipment.** No delay or omission by TD Equipment 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, TD Equipment 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 TD Equipment will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement or TD Equipment's rights hereunder. All rights and remedies of TD Equipment granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

- (n) **Non-Substitution.** The Security Interest is in addition to and not in substitution for any other security now or hereafter held by TD Equipment including in connection with the ABL Credit Agreement.
- (o) **Entire Agreement.** This Agreement, the Loan Agreement and the ABL Credit Agreement (together with any "Security" thereunder) including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Grantor and TD Equipment 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.
- (p) **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.
- (q) **Execution.** The Grantor agrees that this Agreement may be executed electronically and in counterparts.

IN WITNESS WHEREOF the Grantor has executed this Agreement this 21st day of December, 2017.

Per: **TOOLPLAS SYSTEMS INC.**

  
(authorized signature)

**Witness as to execution**

Print Witness

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

Address of Witness: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**If individual is a Grantor**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Grantor Legal Name

Address of Grantor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## SCHEDULE "A"

### PERSONAL PROPERTY AND COLLATERAL OF THE GRANTOR

THE COLLATERAL IS NOW AND WILL HEREAFTER BE LOCATED AT THE FOLLOWING ADDRESS(ES) (include Street/Town/City/Province):  
 {If the Collateral is customarily used in more than one location, list each location}

#### LOCATION OF COLLATERAL

**Equipment Location: 1905 Blackacre Dr, Oldcastle, ON N0R 1L0**

| Serial Number | Asset Description                                                                                                     |
|---------------|-----------------------------------------------------------------------------------------------------------------------|
| N/A           | VERTICAL ROLL-IN CARRIAGE STYLE BAND SAW, MOTORS, AND CONTROLS                                                        |
| 11218025      | 1.5-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                                                        |
| 4931          | VERTICAL CNC HIGH SPEED GRAPHITE MACHINING CENTER                                                                     |
| 8MTC0320      | VERTICAL CNC HIGH SPEED GRAPHITE MACHINING CENTER                                                                     |
| W8172         | NC WIRE EDM                                                                                                           |
| 5003          | SINKER TYPE ELECTRICAL DISCHARGE MACHINE                                                                              |
| 514           | 30-KVA RAM TYPE CNC ELECTRICAL DISCHARGE MACHINE                                                                      |
| W7058         | 4-AXIS CNC WIRE ELECTRICAL DISCHARGE MACHINE                                                                          |
| 85            | NC ELECTRICAL DISCHARGE MACHINE                                                                                       |
| 106           | 3-AXIS CNC VERTICAL RAM TYPE ELECTRICAL DISCHARGE MACHINE                                                             |
| 7872/9211     | 4-AXIS SINKER TYPE CNC EDM                                                                                            |
| 1798-01       | BENCH-TOP PRECISION HORIZONTAL BORING DRILLING & MILLING MACHINE                                                      |
| 9111          | 4-AXIS CNC RAM TYPE DIE SINKER ELECTRICAL DISCHARGE MACHINE                                                           |
| A3921018      | 6" X 18" HAND FEED SURFACE GRINDER                                                                                    |
| A386A065      | 6" X 18" CAPACITY HAND FEED SURFACE GRINDER                                                                           |
| N/A           | 4-POINT 300-TON CAPACITY MOTORIZED SLIDING BOLSTER SINGLE STAGE DOWN ACTION TOP<br>MOUNTED HYDRAULIC DIE TRYOUT PRESS |
| U1120609755   | 275 AMP CAPACITY PRECISION TIG WELDER                                                                                 |
| N/A           | OXYGEN/ACETYLENE TORCH CUTTING OUTFIT                                                                                 |
| N/A           | 3/4 HORSEPOWER X 8" DOUBLE END PEDESTAL TYPE GRINDER                                                                  |
| N/A           | 225 AMP CAPACITY PRECISION TIG WELDER                                                                                 |
| N/A           | 48" X 48" PLATFORM SCALE                                                                                              |
| VH9033        | CNC 20 AUTOMATIC TOOL CHANGER 3-AXIS BRIDGE STYLE VERTICAL GANTY MILL                                                 |
| 10002         | DOUBLE COLUMN BRIDGE TYPE CNC VERTICAL MACHINING CENTER                                                               |
| 980304405     | COORDINATE MEASURING MACHINE                                                                                          |
| 0332-142      | RENISHAW PH10M PROBE, SUPPORT COMPUTER                                                                                |
| 30705291      | 2-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                                                          |
| Z-487         | 3-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                                                          |
| 97571         | MILLING MACHINE                                                                                                       |
| 20904997      | 2-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                                                          |
| 10517134      | 1.5-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                                                        |
| N/A           | DOUBLE END PEDESTAL TYPE GRINDER                                                                                      |

| Serial Number                     | Asset Description                                                                                                           |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| 3299                              | 12" PEDESTAL TYPE DOUBLE END GRINDER                                                                                        |
| 30506                             | 20" VERTICAL DISC GRINDER                                                                                                   |
| 970740                            | VARIABLE SPEED VERTICAL MILLING MACHINE                                                                                     |
| 0508F01                           | 10" X 24" HYDRAULIC FEED SURFACE GRINDERS                                                                                   |
| P3891004                          | 12" X 24" CAPACITY HYDRAULIC WET SURFACE GRINDER                                                                            |
| 04010085-771                      | C.C TOOL ROOM LATHE                                                                                                         |
| 91004143                          | 2-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                                                                |
| R20157                            | DRILLING MACHINE                                                                                                            |
| 14892                             | 300 TON CAPACITY 4-POST DOWN-ACTING HYDRAULIC SPOTTING PRESS                                                                |
| M73316211                         | ROLLING BOLSTER HYDRAULIC 4-POST DIE TRYOUT PRESS                                                                           |
| EP-126-032696                     | 200 TON 4 POST DOWN ACTING HYDRAULIC PRESS                                                                                  |
| NDS2501428                        | 250-TON HYDRAULIC SPOTTING PRESS                                                                                            |
| LG-20789L                         | 200 AMP CONSTANT CURRENT AC/DC WIRE FEED WELDER                                                                             |
| A389A043                          | 6" X 18" CAPACITY HAND FEED SURFACE GRINDER                                                                                 |
| A3833013                          | 6" X 18" CAPACITY HAND FEED SURFACE GRINDER                                                                                 |
| 8F00051 & N/A                     | SUPERFACE GRINDING MACHINE                                                                                                  |
| 331P-3                            | CNC GANTRY STYLE CNC VERTICAL MACHINING CENTER                                                                              |
| 351P-4                            | CNC GANTRY STYLE CNC VERTICAL MACHINING CENTER                                                                              |
| N/A                               | BENCH TYPE SHRINK SYSTEM                                                                                                    |
| 00-27043, 90-24479, &<br>00-27069 | BENCH TYPE TOOL AND CUTTER GRINDER                                                                                          |
| 288/MA71661 &<br>206/MA71649      | TWIN PALLET HORIZONTAL CNC MACHINING CENTER PALLET SIZE 19.7" X 19.7"                                                       |
| 7103100                           | HEAT SHRINK TOOL PRESETTER                                                                                                  |
| TPTCGD2574074410                  | COMBINATION COMPUTER NUMERICAL CONTROLLED HORIZONTAL BORING, DRILLING,<br>AND MILLING<br>MACHINE AND DEEP HOLE GUN DRILL    |
| TPTCGD1933053                     | 2" CNC GUN DRILL                                                                                                            |
| 25111                             | GUN DRILL                                                                                                                   |
| A389A043                          | 6" X 18" HAND FEED SURFACE GRINDER 6" X 18",<br>PERMANENT MAGNETIC CHUCK, ONE SHOT<br>LUBRICATION SYSTEM, MOTORS & CONTROLS |
| IG566995-001                      | BAG HOUSE TYPE DUST COLLECTOR                                                                                               |
| 94896                             | 30" VERTICAL METAL CUTTING BAND SAW                                                                                         |
| 824015-W                          | VERTICAL ROLL-IN CARRIAGE STYLE BAND SAW                                                                                    |
| 115                               | 5-AXIS TILTING HEADSTOCK/GANTRY TYPE CNC GUN DRILL                                                                          |
| LB271702                          | 200 AMP CONSTANT CURRENT AC/DC WIRE FEED WELDER                                                                             |
| DJ1838                            | WALK BEHIND FLOOR CLEANING MACHINE                                                                                          |
| 64886                             | 4-GLOVE SANDBLAST CABINET                                                                                                   |
| 61175                             | 4.72" 4-AXIS HORIZONTAL CNC MACHINING CENTER                                                                                |

| Serial Number     | Asset Description                                                                                  |
|-------------------|----------------------------------------------------------------------------------------------------|
| 1832/99           | CNC 3-AXIS 5' SPINDLE BAR CAPACITY CNC HORIZONTAL TABLE TYPE BORING MILL                           |
| LHS-48            | CNC 5-AXIS HORIZONTAL PROFILE MILL                                                                 |
| K411-012          | 5-AXIS VERTICAL CNC MACHINING CENTER                                                               |
| 115               | VERTICAL MACHINING CENTER                                                                          |
| 133               | HORIZONTAL MACHINING CENTER                                                                        |
| 0424670-SEDI-028  | CNC 5-AXIS HIGH SPEED GANTRY MILL                                                                  |
| C0190             | 3-AXIS VERTICAL CNC MACHINING CENTER                                                               |
| C0179             | 3-AXIS VERTICAL CNC MACHINING CENTER                                                               |
| 05-18             | CNC 3-AXIS 5" SPINDLE BAR CAPACITY CNC HORIZONTAL TABLE TYPE BORING MILL                           |
| V09028            | CNC 24-AUTOMATIC TOOL CHANGER VERTICAL MACHINING CENTER                                            |
| MB9977            | CNC 3-AXIS 24-AUTOMATIC TOOL CHANGER VERTICAL MACHINING CENTER                                     |
| 8036              | CNC HORIZONTAL BORING MILLING & DRILLING MACHINE                                                   |
| 9001 9B0693       | RAM TYPE TRAVELING GANTRY VERTICAL CNC MACHINING CENTER                                            |
| 63806             | 7000 POUND X 187" MAXIMUM LIFT CAPACITY LIQUID PROPANE GAS FORK LIFT TRUCK                         |
| N/A               | 2 TON CAPACITY NUT & BOLT WALL MOUNTED JIB CRANE                                                   |
| N/A               | 30/15 TON DOUBLE GIRDER TRAVELING BRIDGE CRANE, AUXILIARY HOOK                                     |
| 3411              | 30-TON CAPACITY DOUBLE GIRDER TOP RUNNING 6-WAY PENDANT CONTROLLED BRIDGE CRANE                    |
| 10173-2           | 30-TON CAPACITY / 20 TON AUXILIARY TOP RUNNING DOUBLE GIRDER 6-WAY PENDANT CONTROLLED BRIDGE CRANE |
| N/A               | NUT & BOLT WALL MOUNTED 180-DEGREE JIB ARM 2-TON CAPACITY HOISTS                                   |
| N/A               | TRACK MOUNTED 84" X 84" DIE TRANSFER CART                                                          |
| N/A               | TRACK MOUNTED 84" X 84" DIE TRANSFER CART                                                          |
| 10173-1           | 50-TON CAPACITY / 20-TON AUXILIARY DOUBLE GIRDER TOP RUNNING 6-WAY PENDANT CONTROLLED BRIDGE CRANE |
| N/A               | 50-HP ROTARY SCREW TYPE PACKAGED AIR COMPRESSOR                                                    |
| N/A               | 75-HP ROTARY SCREW TYPE PACKAGED AIR COMPRESSOR                                                    |
| AP1615086         | 75 HORSEPOWER CAPACITY FULLY ENCLOSED RECIPROCATING SCREW AIR COMPRESSOR                           |
| N/A               | LOT OF MACHINE ACCESSORIES / PRECISION & INSPECTION EQUIPMENT                                      |
| N/A               | LOT OF SHOP EQUIPMENT                                                                              |
| N/A               | LOT OF GENERAL OFFICE EQUIPMENT                                                                    |
| N/A               | LOT OF BUSINESS MACHINES                                                                           |
| FDYY95LXNVA27649  | TANDEM AXLE FLAT BED STAKE TRUCK                                                                   |
| 1M2AX16C08M001348 | TRUCK TRACTOR                                                                                      |
| N/A               | QUICK DRAW SOFT SIDE ALUMINUM FLAT BED TRAILER                                                     |
| 1D7HA18N22J168506 | 1/2 TON CAPACITY CREW CAB PICK UP TRUCK                                                            |
| 0D1059-20805      | QUICK DRAW SOFT SIDE ALUMINUM FLAT BED TRAILER                                                     |
| 2HSFMAMR3WL057346 | EAGLE SLEEPER TYPE HIGHWAY TRACTOR PRO-SLEEPER                                                     |
| 1PTF7ATAXR9014778 | FLAT BED TWIN SLIDING AXLE TRAILER WITH QUICK DRAW TARPAULIN SYSTEM                                |


| Serial Number                                                                       | Asset Description                                                                     |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| 1FDPF80C4TVA09616                                                                   | SINGLE AXLE STAKE BED TRUCK WITH DUAL REAR WHEELS AND TARPAULIN SYSTEM                |
| 2HSCHSR77C556022                                                                    | 6 X 4 TRUCK TRACTOR                                                                   |
| LWI.IV-06.09-0408-02                                                                | LASER WELDING MACHINE                                                                 |
| 74002                                                                               | 3-AXIS HORIZONTAL CNC MACHINING CENTER                                                |
| <b>Equipment Location: 3920 North Talbot Rd, Oldcastle, Ontario, Canada N0R 1L0</b> |                                                                                       |
| 801                                                                                 | 5.11" 3-AXIS TABLE TYPE BORING MILL                                                   |
| 182015                                                                              | 3-AXIS VERTICAL MACHINING CENTER                                                      |
| 133293                                                                              | 3-AXIS VERTICAL MACHINING CENTER                                                      |
| 9711935                                                                             | CNC TYPE 907, VERTICAL MACHINING CENTER                                               |
| 210016                                                                              | 3-AXIS VERTICAL CNC MACHINING CENTER                                                  |
| 4738                                                                                | 3-AXIS VERTICAL GANTRY TYPE CNC MACHINING CENTER                                      |
| 131058                                                                              | 3-AXIS VERTICAL CNC MACHINING CENTER                                                  |
| 131066                                                                              | 3-AXIS VERTICAL CNC MACHINING CENTER                                                  |
| 5756                                                                                | 3-AXIS VERTICAL GANTRY TYPE CNC MACHINING CENTER                                      |
| 35184                                                                               | 3-AXIS VERTICAL CNC MACHINING CENTER                                                  |
| 81003651                                                                            | 2-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                          |
| 144dj169                                                                            | 3-AXIS VERTICAL MACHINING CENTER                                                      |
| 153dj004                                                                            | 3-AXIS VERTICAL MACHINING CENTER                                                      |
| 114DJ264                                                                            | 3-AXIS VERTICAL MACHINING CENTER                                                      |
| N/A                                                                                 | 3-AXIS VERTICAL MACHINING CENTER                                                      |
| 072CF15621 &<br>073CF15712                                                          | VERTICAL VARIABLE SPEED CNC MILLING MACHINES                                          |
| 1168                                                                                | VERTICAL MACHINING CENTER                                                             |
| 93594031                                                                            | CNC OPENSIDE HORIZONTAL MACHINING CENTER                                              |
| N/A                                                                                 | 20" X 40" C.C QUICK CHANGE GEARED HEAD LATHE                                          |
| 102103                                                                              | 22" SWING X 60" CENTER TO CENTER QUICK CHANGE GEARED HEAD ENGINE LATHE                |
| 13939-599008                                                                        | 20" CAPACITY ABRASIVE CUT OFF MACHINE                                                 |
| X0806431H                                                                           | AUTOMATIC HORIZONTAL METAL CUTTING BAND SAW                                           |
| SH10107544                                                                          | 29" WIDE X 20" HIGH CAPACITY HORIZONTAL METAL CUTTING BAND SAW                        |
| 85268                                                                               | BAND SAW                                                                              |
| 813045                                                                              | VERTICAL ROLL-IN CARRIAGE STYLE METAL CUTTING BAND SAW                                |
| JG085491                                                                            | CONSTANT CURRENT AC/DC WIRE FEED WELDER WITH RADIATOR 1 COOLING SYSTEM, CART AND TANK |
| 400U2522 (810)                                                                      | 4'X SQUARE COLUMN 2.5" CAPACITY RADIAL DRILL                                          |
| 21127987                                                                            | 2-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                          |
| 41028960                                                                            | 2-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                          |
| 70402101                                                                            | 10-TON 4-POST PULL DOWN ACTING HYDRAULIC PRESS                                        |

| Serial Number   | Asset Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 91040104        | 6" X 18" HAND FEED SURFACE GRINDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 14SSF50201C     | 14" CAPACITY ABRASIVE CUT OFF MACHINE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| I2852           | 20" FLOOR TYPE VARIABLE SPEED DRILL PRESS, 1.1/1.5-KW MOTOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 395             | VERTICAL MILLING MACHINE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| R-7             | 3-HP VARIABLE SPEED VERTICAL MILLING MACHINE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 16012040AHB     | 3-AXIS VERTICAL CNC MACHINING CENTER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| V140297         | CNC HIGH SPEED VERTICAL MACHINING CENTER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| IG524206        | CUBE TYPE DUST COLLECTOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 49477           | BENCH TYPE SINGLE LIP TOOL AND CUTTER GRINDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 951329          | BENCH-TOP PRECISION HORIZONTAL BORING DRILLING & MILLING MACHINE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| N/A             | VERTICAL MILLING MACHINE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| N/A             | SINGLE LIP BENCH TYPE TOOL AND CUTTER GRINDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 7103105         | HEAT SHRINK TOOL PRESETTER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 1032QR1043      | 10" X 32" HYDRAULIC SURFACE GRINDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 86040203        | 8" X 18" HAND FEED SURFACE GRINDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 0508F02         | 10" X 24" HYDRAULIC FEED SURFACE GRINDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 860251-38604626 | 6" X 18" HAND FEED SURFACE GRINDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 803849          | 50-HP ROTARY SCREW TYPE PACKAGED AIR COMPRESSOR WITH ZEKs HEAT SINK AIR DRYER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| N/A             | JIB CRANE TABLE SAW, TOOL AND CUTTER GRINDER, HAND TOOLS, PNEUMATIC HAND TOOLS, TOOL HOLDERS,<br>SHOP FANS, HOLDDOWN SETS, STEEL SAW HORSES, ACETYLENE OUTFITS, WELDING SCREEN, BANDING OUTFIT,<br>TORIT DONALDSON VS 2400 CUBE TYPE DUST COLLECTOR, WORK BENCHES, ANGLE PLATES, CHAINS, I-BOLTS, MISC.<br>CLEANING SUPPLIES, MAGNETIC LIFT BLOCK & CART, LARGE SINE PLATES, SMALL SINE PLATES, HAND TRUCKS,<br>STORAGE CABINETS, GRILL, CARBIDE FACE GRINDER, DOUBLE END GRINDERS, SCRAP HOPPERS,<br>SELF DUMPING/DRAINING HOPPERS, C-CLAMOS, SHOP VACS, RISERS, DRAFTING TABLES, MISC. OFFICE FURNITURE, ETC. |
| 60706           | 5,100 POUND CAPACITY LIQUID PROPANE GAS FORK LIFT TRUCK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| N/A             | 1 TON CAPACITY NUT & BOLT WALL MOUNTED JIB CRANE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 82846           | 10 TON CAPACITY TOP RUNNING DOUBLE GIRDER I-BEAM BRIDGE CRANE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 93285           | 14 TON CAPACITY TOP RUNNING DOUBLE GIRDER I-BEAM BRIDGE CRANE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |



This is **Exhibit “H”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Taking

DocuSigned by:  
  
6F056F5F3BC8405...

## GENERAL SECURITY AGREEMENT

**THIS AGREEMENT** made as of the 7 day of July, 2020. B

E T W E E N :

**THE TORONTO-DOMINION BANK**

(hereinafter called the “**Lender**”),

- and -

**TOOL PROCESSING SOLUTIONS INC.**

(hereinafter called the “**Debtor**”)

### RECITALS

- A. The Lender has made certain credit facilities available to Toolplas Systems Inc. (the “**Borrower**”) pursuant to the Credit Agreements (as herein defined);
- B. The Debtor guaranteed, or will guarantee, the obligations of the Borrower to the Lender under the Credit Agreements and Credit Documents (as herein defined) pursuant to a Guarantee (as herein defined); and
- C. To secure the payment and performance of the Obligations (as herein defined), the Debtor has agreed to grant to the Lender a security interest in the Collateral (as herein defined) in accordance with the terms of this Agreement.

**THIS AGREEMENT WITNESSES** that, in consideration of the sum of \$1.00 in lawful money of Canada now paid by the Lender to the Debtor (the receipt and sufficiency of which are hereby acknowledged), the Debtor agrees with the Lender as follows:

### ARTICLE 1 INTERPRETATION

**1.01 Certain Defined Terms.** In this Agreement, unless there is something in the context or subject matter inconsistent therewith:

“**Act**” means the *Personal Property Security Act* (Ontario), as amended from time to time, and any regulations thereto.

**“Applicable Law”** shall have the meaning ascribed thereto in the ABL Credit Agreement.

**“Borrower”** has the meaning set out in the Recitals.

**“Collateral”** means, subject to section 2.02 hereof, all undertaking, property and assets of the Debtor now owned or hereafter acquired and any proceeds from the sale or other disposition thereof, including, without limitation, the property and assets described in Section 2.02.

**“Credit Agreements”** means, including without limitation, an asset-based credit agreement between the Borrower, the other Loan Parties and Guarantors party thereto from time to time, and the Lender dated as of December 21, 2017 (as it may be amended, supplemented or replaced from time to time, herein called the **“ABL Credit Agreement”**), the equipment loan agreement between Borrower and TD Equipment Finance Canada, a division of The Toronto-Dominion Bank dated December 21, 2017 (as it may be amended, supplemented or replaced from time to time, herein called the **“Equipment Loan Agreement”**), and any other credit and/or loan agreement entered into among the Borrower and the Lender from time to time, as the same may be amended, modified, supplemented or replaced from time to time.

**“Credit Documents”** means, including without limitation, this Agreement, the Guarantee, the other Collateral Documents (as that term is defined in the ABL Credit Agreement), Loan Documents (as that term is defined in the ABL Credit Agreement) and other the security agreement for specified assets, and any other credit and/or loan documents or materials entered into among any of the Borrower or the Debtor and the Lender from time to time, as the same may be amended, modified, supplemented or replaced from time to time, delivered in connection with the Credit Agreements.

**“Guarantee”** means the guarantee of even date issued by the Debtor to the Lender for the obligations of the Borrower to Lender as may be modified, amended, supplemented, re-stated, superseded or replaced from time to time;

**“Obligations”** means in respect of the Debtor, the aggregate of all indebtedness, obligations and liabilities of the Debtor to the Lender, whether incurred prior to, at the time of, or subsequent to the execution hereof, including extensions and renewals arising under this Agreement, the Guarantee, the Credit Agreements, the Credit Documents and any other document delivered to the Lender in connection therewith, including without limitation, Liabilities (as that term is defined in the ABL Credit Agreement).

**1.02 Other Usages.** References to **“this Agreement”**, **“hereof”**, **“herein”**, **“hereto”** and like references refer to this General Security Agreement and any Schedules hereto and not to any particular Article, Section or other subdivision of this Agreement.

**1.03 Number and Gender.** Where the context so requires, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders (including the neuter).

**1.04 Headings.** The insertion of headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

**1.05 Currency.** Unless otherwise specified herein, all statements of or references to dollar amounts in this Agreement shall mean lawful money of Canada.

**1.06 Applicable Law and Attornment Clause.** This Agreement and all documents delivered pursuant hereto shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereby attorn to the courts of the Province of Ontario and agree that those courts shall have non-exclusive jurisdiction to determine all disputes relating to this Agreement.

**1.07 Prohibited Provisions.** In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court, this Agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

**1.08 Time of the Essence.** Time shall in all respects be of the essence of this Agreement.

## **ARTICLE 2 SECURITY INTEREST**

**2.01 Grant of Security Interest.** As general and continuing security for the payment and performance of its Obligations, the Debtor hereby mortgages, charges, pledges, assigns, transfers and sets over to the Lender, and grants to the Lender a security interest in, all Collateral.

**2.02 Description of Collateral.** All property, assets and undertaking of the Debtor shall be included in the Collateral subject to the mortgage, charge, pledge, assignment and security interest in favour of the Lender created by this Agreement including, without limitation, the following:

- (a) **Accounts** - all debts, amounts, claims and moneys which now are, or which may at any time hereafter become, due or owing to or owned by the Debtor, whether or not earned by performance; all securities, mortgages, bills, notes and other documents now held or owned, or which may be hereafter taken, held or owned, by or on behalf of the Debtor, in respect of such debts, amounts, claims and moneys or any part thereof; and all books, documents and papers recording, evidencing or relating to such debts, amounts, claims and moneys or any part thereof, all of which are herein collectively called “**Accounts**”;
- (b) **Chattel Paper** - all present and future agreements made between the Debtor as secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific goods, all of which are herein collectively called “**Chattel Paper**”;

- (c) **Documents** - all documents, including, without limitation, all books, invoices, letters, papers and other records, in any form evidencing or relating to the Collateral, all of which are herein collectively called “**Documents**”; and
- (d) **Documents of Title** - all writings now or hereafter owned by the Debtor, each of which writing purports to be issued by or addressed to a bailee and purports to cover such goods and chattels in the bailee’s possession as are identified or fungible portions of an identified mass, whether such goods and chattels are Inventory or Equipment (as hereinafter defined), and which writing is treated in the ordinary course of business as establishing that the person in possession of such writing is entitled to receive, hold and dispose of the said writing and the goods and chattels it covers, and further, whether such writing is negotiable in form or otherwise, including bills of lading and warehouse receipts, all of which are herein collectively called “**Documents of Title**”;
- (e) **Equipment** - all equipment now owned or hereafter acquired by the Debtor, including, without limitation, all machinery, fixtures, plant, tools, furniture, chattels, vehicles of any kind or description including, without limitation, motor vehicles, parts, accessories installed in or affixed or attached to any of the foregoing, all drawings, specifications, plans and manuals relating thereto and any other tangible personal property which is not Inventory (as hereinafter defined), all of which are herein collectively called “**Equipment**”;
- (f) **Instruments** - all present and future bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada)) of the Debtor, and all other writings that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery and all letters of credit and advices of credit provided that such letters of credit and advices of credit state that they must be surrendered upon claiming payment thereunder, all of which are herein collectively called “**Instruments**”;
- (g) **Intangibles** - all intangible property now owned or hereafter acquired by the Debtor and which is not Accounts including, without limitation, all contractual rights, goodwill, patents, trademarks, trade names, copyrights and other intellectual property of the Debtor and all other choses in action of the Debtor of every kind, whether due or owing at the present time or hereafter to become due or owing, all of which are herein collectively called “**Intangibles**”;
- (h) **Inventory** - all goods or chattels now or hereafter forming the inventory of the Debtor including, without limitation, all goods, merchandise, raw materials, work in process, finished goods, goods held for sale or resale or lease or that have been leased or that are to be, or have been, furnished under a contract of service, and goods used in or procured for packing or packaging, all of which are herein collectively called “**Inventory**”;
- (i) **Intentionally deleted;**

- (j) **Money** - all money now or hereafter owned by the Debtor, whether or not such money is authorized or adopted by the Parliament of Canada as part of its currency or by any foreign government as part of its currency, all of which is herein collectively called “**Money**”;
- (k) **Proceeds** - all property in any form derived directly or indirectly from any dealing with the Collateral or the proceeds therefrom, including, without limitation, property that indemnifies or compensates for the expropriation, destruction or damage of the Collateral or the proceeds therefrom, all of which is herein collectively called “**Proceeds**”; and
- (l) **Securities** - all present and future securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; including, without limitation, an uncertificated security and all substitutions therefor and dividends and income derived therefrom, all of which are herein collectively called “**Securities**”.

**2.03 Further Description of Collateral.** For greater certainty but without limiting the generality of the description of Collateral as set out in Section 2.02, the Collateral shall include all present and future personal property of the Debtor located on or about or in transit to or from the location(s) set out in the Credit Agreement.

**2.04 Attachment of Security Interest.** The parties hereby acknowledge that:

- (a) value has been given by the Lender to the Debtor;
- (b) the Debtor has rights in the Collateral (other than future property); and
- (c) the parties have agreed not to postpone the time for attachment of the security interest created by this Agreement.

**2.05 Exception re: Last Day of Leases and Contractual Rights.** The last day of the term of any lease, sublease or agreement therefor is specifically excepted from the security interest created by this Agreement, but the Debtor agrees to stand possessed of such last day in trust for such person as the Lender may direct and the Debtor shall assign and dispose thereof in accordance with such direction. To the extent that the security interest created by this Agreement in any contractual rights (other than Accounts described in Section 40(4) of the Act) would constitute a breach or cause the acceleration of such contract, such security interest shall not be granted hereunder but the Debtor shall hold its interest therein in trust for the Lender, and shall grant a security interest in such contractual rights to the Lender forthwith upon obtaining the appropriate consents to the creation of such security interest. The Debtor agrees to use commercially reasonable efforts to obtain any such consent from time to time reasonably requested by the Secured Party.

**2.06 Release by the Lender.** The Lender may, at its discretion, at any time release from the security interest created by this Agreement any part or parts of the Collateral or any other security or any surety for the Obligations either with or without sufficient consideration therefor without thereby releasing any other part of the Collateral or any person from this Agreement.

### **ARTICLE 3 WARRANTIES AND COVENANTS OF THE DEBTOR**

**3.01 Warranties and Covenants.** The Debtor hereby warrants, covenants and agrees with the Lender as follows:

- (a) There is no French form of the Debtor's corporate name.
- (b) The Debtor shall keep the Collateral in good condition and repair subject to ordinary wear and tear.
- (c) Except in accordance with a ABL Credit Agreement, the Debtor shall prevent the Collateral from becoming an accession to any personal property not subject to this Agreement, or becoming affixed to any real property.
- (d) The Debtor shall keep proper books of account and records covering all its business and affairs on a current basis and shall permit a representative of the Lender to inspect the Debtor's books of account, records and documents and to make copies therefrom during reasonable business hours and upon reasonable notice.

**3.02 Performance of Covenants by the Lender.** The Lender may, in its sole discretion and upon notice to the Debtor, perform any covenant of the Debtor under this Agreement that the Debtor fails to perform and that the Lender is capable of performing, including any covenant the performance of which requires the payment of money, provided that the Lender will not be obligated to perform any such covenant on behalf of the Debtor and no such performance by the Lender will require the Lender further to perform the Debtor's covenants nor operate as a derogation of the rights and remedies of the Lender under this Agreement.

### **ARTICLE 4 DEFAULT AND ENFORCEMENT**

**4.01 Events of Default.** The security hereby constituted shall become enforceable upon the occurrence of an event of default under any of the Credit Agreements (an "**Event of Default**").

**4.02 Remedies.** At any time after the occurrence of an Event of Default, the Lender shall have the following rights, powers and remedies:

- (a) to appoint any person to be an agent or any person to be a receiver, manager or receiver and manager (herein called a "**Receiver**") of the Collateral and to remove any Receiver so appointed and to appoint another if the Lender so desires; it being agreed that any Receiver appointed pursuant to the provisions of this



Agreement shall have all of the powers of the Lender hereunder, and in addition, shall have the power to carry on the business of the Debtor;

- (b) to make payments to parties having prior charges or encumbrances on properties on which the Debtor may hold charges or encumbrances;
- (c) to enter onto any premises where the Collateral may be located;
- (d) to take possession of all or any part of the Collateral with power to exclude the Debtor, its agents and its servants therefrom;
- (e) to notify the account debtors or obligors under any Accounts of the assignment of such Accounts to the Lender and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Debtor thereunder directly to the Lender and to give valid and binding receipts and discharges therefor and in respect thereof and, upon such notification and at the expense of the Debtor, to enforce collection of any such Accounts, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Debtor might have done;
- (f) to preserve, protect and maintain the Collateral and make such replacements thereof and additions thereto as the Lender shall deem advisable;
- (g) to enjoy and exercise all powers necessary or incidental to the performance of all functions provided for in this Agreement including, without limitation, the power to purchase on credit, the power to borrow in the Debtor's name or in the name of any Receiver and to advance its own money to the Debtor at such rates of interest as it may deem reasonable, provided that any Receiver shall borrow money only with the prior consent of the Lender, and to grant security interests in the Collateral in priority to the security interest created by this Agreement, as security for the money so borrowed;
- (h) to sell, lease or dispose of all or any part of the Collateral whether by public or private sale or lease or otherwise and on any terms so long as every aspect of the disposition is commercially reasonable, including, without limitation, terms that provide time for payment on credit; provided that
  - (i) neither the Lender nor any Receiver will be required to sell, lease or dispose of the Collateral, but may peaceably and quietly take, hold, use, occupy, possess and enjoy the Collateral without molestation, eviction, hindrance or interruption by the Debtor or any other person or persons whomsoever for such period of time as is commercially reasonable;
  - (ii) the Lender or any Receiver may convey, transfer and assign to a purchaser or purchasers the title to any of the Collateral so sold; and



- (iii) the Debtor will be entitled to be credited with the actual proceeds of any such sale, lease or other disposition only when such proceeds are received by the Lender or any Receiver in cash;
- (i) to enjoy and exercise all of the rights and remedies of a secured party under the Act;
- (j) to dispose of all or any part of the Collateral in the condition in which it was on the date possession of it was taken, or after any commercially reasonable repair, processing or preparation for disposition;
- (k) to sell or otherwise dispose of any part of the Collateral without giving any notice whatsoever where:
  - (i) the Collateral is perishable;
  - (ii) the Lender or any Receiver believes on reasonable grounds that the Collateral will decline speedily in value;
  - (iii) the Collateral is of a type customarily sold on a recognized market;
  - (iv) the cost of care and storage of the Collateral is disproportionately large relative to its value;
  - (v) every person entitled by law to receive a notice of disposition consents in writing to the immediate disposition of the Collateral; or
  - (vi) a Receiver who is a receiver and manager disposes of the Collateral in the course of the Debtor's business;
- (l) to commence, continue or defend proceedings in any court of competent jurisdiction in the name of the Lender, a Receiver or the Debtor for the purpose of exercising any of the rights, powers and remedies set out in this Section 4.02, including the institution of proceedings for the appointment of a receiver, manager or receiver and manager of the Collateral; and
- (m) at the sole option of the Lender, provided notice is given to the Debtor in the manner required by the Act and to any other person to whom the Act requires notice be given, to elect to retain all or any part of the Collateral in satisfaction of the Obligations.

**4.03 Receiver as Agent.** Any Receiver shall be deemed to be the agent of the Debtor for the purpose of establishing liability for the acts or omissions of such Receiver and the Lender shall not be liable for such acts or omissions and, without restricting the generality of the foregoing, the Debtor hereby irrevocably authorizes the Lender to give instructions to any Receiver relating to the performance of its duties as set out herein.

**4.04 Expenses of Enforcement.** The Debtor shall pay to any Receiver the remuneration of such Receiver and all reasonable costs and expenses (including, without limitation, reasonable legal fees and disbursements on a solicitor-and-client basis) properly incurred by such Receiver pursuant to its appointment and the exercise of its powers hereunder, and shall pay to the Lender and such Receiver as required all amounts of money (including interest thereon) borrowed or advanced by either of them pursuant to the powers set out herein, and the obligations of the Debtor to the Lender and any Receiver pursuant to this Section 4.04 shall be payable on demand and shall bear interest at an annual rate equal to the highest interest rate payable on any of the Obligations, which interest shall be calculated and compounded monthly and payable on demand.

**4.05 Indulgences and Releases.** Either the Lender or any Receiver may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as the Lender or such Receiver may see fit without prejudice to the Obligations or the right of the Lender and such Receiver to repossess, hold, collect and realize the Collateral.

**4.06 No Liability for Failure to Exercise Remedies.** Neither the Lender nor any Receiver shall be liable or accountable to the Debtor or to any other person for any failure to exercise any of the rights, powers and remedies set out in Section 4.02, nor shall either be bound to commence, continue or defend proceedings for the purpose of preserving or protecting any rights of any party in respect of the same.

**4.07 Proceeds of Disposition.** Subject to the claims, if any, of prior secured creditors of the Debtor, all moneys received by the Lender or by a Receiver pursuant to Section 4.02 shall be applied as follows:

- (a) first, in payment of all costs and expenses incurred by the Lender in the exercise of all or any of the powers granted to it under this Agreement and in payment of all of the remuneration of any Receiver and all costs and expenses properly incurred by such Receiver in the exercise of all or any of the powers granted to it under this Agreement, including, without limitation, the remuneration, costs and expenses referred to in Section 4.04;
- (b) second, in payment of all amounts of money borrowed or advanced by the Lender or any Receiver pursuant to the powers set out in this Agreement, together with any interest thereon;
- (c) third, in payment of the Obligations, provided that if there are not sufficient moneys to pay all of the Obligations, the Lender may apply the moneys available to such part or parts thereof as the Lender, in its sole discretion, may determine; and
- (d) fourth, in accordance with Applicable Law.

**4.08 Debtor Liable for Deficiency.** If the monies received by the Lender or any Receiver pursuant to Section 4.02 are not sufficient to pay the claims set out in Section 4.07 the Debtor shall immediately pay the Lender the amount of such deficiency.

**4.09 Restriction on Debtor.** Upon the Lender taking possession of the Collateral or the appointment of a Receiver, all the powers, functions, rights and privileges of the Debtor or any officer, director, servant or agent of the Debtor with respect to the Collateral shall, to the extent permitted by law, be suspended unless specifically continued by the written consent of the Lender; however, all other powers, functions, rights and privileges of the Debtor or any officer, director, servant or agent of the Debtor shall be unaffected by such events.

**4.10 Rights Cumulative.** All rights and remedies of the Lender set out in this Agreement shall be cumulative and no right or remedy contained herein is intended to be exclusive but each shall be in addition to every other right or remedy contained herein or in any existing or future security document between the parties hereto or now or hereafter existing at law or in equity or by statute. The taking of a judgment or judgments with respect to any of the Obligations shall not operate as a merger of any of the covenants contained in this Agreement.

**4.11 Care by the Lender.** The Lender shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral in the Lender's possession if it takes such action for that purpose as the Debtor requests in writing, but failure of the Lender to comply with any such request shall not be deemed to be (or to be evidence of) a failure to exercise reasonable care, and no failure of the Lender to preserve or protect any rights with respect to such Collateral against prior parties, or to do any act with respect to the preservation of such Collateral not so requested by the Debtor, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

**4.12 Set-Off.** Without in any way limiting any other rights or remedies available to the Lender, the Lender shall have the right (but shall not be obligated), at any time and from time to time after the occurrence of an Event of Default and without notice to the Debtor (such notice being expressly waived by the Debtor), to set off against the Obligations or any of them deposits (general or special) or monies then held by the Lender or any other indebtedness owing by the Lender to, or held by the Lender for the credit of, the Debtor, regardless of the currency in which such indebtedness is denominated and notwithstanding that such indebtedness is not then due.

**4.13 Proceeds Held in Trust.** Upon the security hereby constituted becoming enforceable, all Proceeds that are monies collected or received by the Debtor shall be received by the Debtor in trust for the Lender, shall be segregated from other funds of the Debtor and shall be forthwith paid over to the Lender in the same form as so received (with any necessary endorsement) to be held as cash collateral and applied as provided by Section 4.07.

## **ARTICLE 5 GENERAL**

**5.01 Waiver.** Any breach by the Debtor of any of the provisions contained in this Agreement or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, may only be waived by

the Lender in writing, provided that no such waiver by the Lender shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom. No delay or omission by the Lender in exercising any right or remedy hereunder shall operate as a waiver thereof, or of any breach by the Debtor or Event of Default giving rise to such right or remedy.

**5.02 The Lender as Attorney.** Upon an Event of Default, the Debtor hereby irrevocably appoints the Lender and any person further designated by the Lender to be the attorney of the Debtor for and in the name of the Debtor to execute and do any deeds, documents, transfers, demands, assignments, assurances, consents and things which the Debtor is obliged to sign, execute or do hereunder and, after the happening of any event by which the security hereby constituted becomes enforceable, to commence, continue and defend any proceedings authorized to be taken hereunder and generally to use the name of the Debtor in the exercise of all or any of the powers hereby conferred on the Lender. In particular, without limiting the generality of the foregoing, upon and during the continuation of an Event of Default, the Debtor hereby nominates, constitutes and appoints the Lender to be the true and lawful attorney of the Debtor in the name of the Debtor to ask, demand, and receive of and from any and all debtors of the Debtor obligated under any Account, and on non-payment of the same or any part thereof, to commence and prosecute any action or proceeding for the recovery of the same, either in its own name, the name of a Receiver or in the name of the Debtor, and to use all other lawful remedies which the Debtor could or might have used for such recovery, and on receipt or recovery to sign and give good and effectual receipt or receipts for the same with full power from time to time to appoint a substitute or substitutes for all or any of the purposes aforesaid, and in case of any difficulty or dispute with any debtor of the Debtor in respect of Accounts to submit such difficulty or dispute to arbitration in such manner as the Lender shall see fit and to compound, compromise, and accept part in satisfaction for payment of the whole of any Account or to grant an extension of time for payment thereof, either with or without security.

**5.03 Further Assurances.** The Debtor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, mortgages, transfers, assurances or other documents as the Lender shall reasonably require to give effect to or to preserve and perfect the security interest in the Collateral intended to be granted to the Lender hereunder, or any security interest the Debtor may hereafter become bound to grant to the Lender, for the purpose of accomplishing and effecting the intention of this Agreement.

**5.04 Continuing Security.** The security interest constituted hereby shall be deemed to be a continuing security for the Obligations until all of the Obligations from time to time are paid and performed in full and this Agreement is terminated.

**5.05 No Obligation to Advance.** Neither the execution nor delivery of this Agreement shall obligate the Lender to advance any moneys to the Debtor.

**5.06 Consumer Goods.** Notwithstanding any other clause in this Agreement, in no event shall goods that are used or acquired for use primarily for personal, family or household purposes form part of the Collateral.

**5.07 Notices.** Any demand, notice or other communication in connection with this Agreement shall be made in accordance with the notice provisions set out in the ABL Credit Agreement.

**5.08 Successors and Assigns.** This agreement shall enure to the benefit of the Lender and its successors and assigns and shall be binding upon the Debtor and its successors and assigns.

### **5.09 Amalgamation of the Debtor**

The Debtor hereby acknowledges and agrees that, subject to compliance with the Credit Agreement, in the event it amalgamates with any other corporation or corporations, it is the intention of the parties hereto that the term “Debtor”, when used herein, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interest granted hereby:

- (a) shall extend to “Collateral” (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any “Collateral” thereafter owned or acquired by the amalgamated corporation;
- (b) shall secure the “Obligations” (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of amalgamation and any “Obligations” of the amalgamated corporation to the Lender thereafter arising; and
- (c) shall attach to “Collateral” owned by each corporation amalgamating with the Debtor and by the amalgamated corporation, at the time of amalgamation, and shall attach to any “Collateral” thereafter owned or acquired by the amalgamated corporation when such becomes owned or is acquired.

### **5.10 Entire Agreement**

Except for the Credit Agreements, the Credit Documents, and any document, agreement or instrument delivered pursuant thereto or referred to therein, this Agreement constitutes the entire agreement between the parties hereto and supersedes any prior agreements, undertakings, declarations, representations and undertakings, both written and oral, in respect of the subject matter hereof.

**5.11 Acknowledgment of Receipt & Delivery of Financing Statement, etc.** The Debtor hereby acknowledges receipt of an executed copy of this Agreement and 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.

### **5.12 Paramountcy**

In the event of any conflict or inconsistency between the provisions of this Agreement, the ABL Credit Agreement and the Equipment Loan Agreement, the provisions of the ABL Credit

Agreement and/or the Equipment Loan Agreement, as applicable, shall prevail and be paramount.

[Signature page follows]

**IN WITNESS WHEREOF** the Debtor has executed this Agreement as of the date first above written.

**TOOL PROCESSING SOLUTIONS INC.**


By: 

Name: Nikolaos Mamatras  
Authorized Signing Officer

*[signature page to General Security Agreement – Tool Processing Solutions Inc.]*

This is **Exhibit “I”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Taking Affidavits

DocuSigned by:  
  
6F056F5F3BC8405...



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 1  
( 2944 )

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

TYPE OF SEARCH : BUSINESS DEBTOR

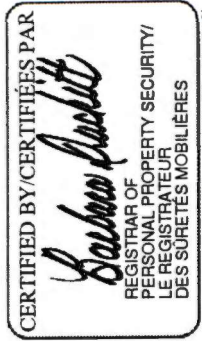
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.

FILE CURRENCY : 25FEB 2021

ENQUIRY NUMBER 20210226161111.41 CONTAINS 37 PAGE(S), 13 FAMILY(IES).

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

MILLER THOMSON LLP  
40 KING STREET WEST, SUITE 5800  
TORONTO ON M5H 3S1



CONTINUED... 2



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 2  
( 2945)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
762055425

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
01 001 20200522 1405 1462 9576 P PPSA 1

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME TOOLPLAS SYSTEMS INC.  
04 ADDRESS 1905 BLACKACRE DR OLD CASTLE ONTARIO CORPORATION NO. 002177845  
ON N0R1L0

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME  
07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / FIRST GIVEN NAME INITIAL SURNAME  
09 ADDRESS LALLY FORD 78 MILL ST. W, BOX 520 TILBURY ON N0P2L0

10 COLLATERAL CLASSIFICATION MOTOR VEHICLE AMOUNT DATE OF NO. FIXED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED Maturity OR Maturity DATE  
X 71731 22MAY2021

11 MOTOR YEAR MAKE MODEL V.I.N.  
12 VEHICLE 2020 FORD F350 1FT8W3BT8LEC95477

13 GENERAL  
14 COLLATERAL  
15 DESCRIPTION

16 REGISTERING LALLY FORD  
17 AGENT ADDRESS 78 MILL ST. W, BOX 520 TILBURY ON N0P2L0

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

CONTINUED... 3

CERTIFIED BY / CERTIFIÉES PAR  
*Sarahna Pickett*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES

(crtf1u 06/2019)



TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00

FILE NUMBER  
760246767

01

CAUTION FILING  
TOTAL PAGES  
001 2

MOTOR VEHICLE SCHEDULE  
20200220 1134 1590 7422 P PPSA 8

REGISTERED UNDER PERIOD  
P PPSA 8

02

DEBTOR NAME  
DATE OF BIRTH  
BUSINESS NAME  
ADDRESS

FIRST GIVEN NAME  
TOOLPLAS GLOBAL, INC.  
5700 CROOKS ROAD, SUITE 207

INITIAL  
SURNAME  
TROY

ONTARIO CORPORATION NO.  
MI 48098

05

DEBTOR NAME  
DATE OF BIRTH  
BUSINESS NAME  
ADDRESS

FIRST GIVEN NAME  
TOOLPLAS SYSTEMS INC.  
3920 NORTH TALBOT ROAD

INITIAL  
SURNAME  
OLDCASTLE

ONTARIO CORPORATION NO. 00217784  
ON N0R 1L0

08

SECURED PARTY / LIEN CLAIMANT  
ADDRESS

FIRST MIDWEST EQUIPMENT FINANCE CO.  
520 N. CASS AVENUE

WESTMONT IL 60559

10

COLLATERAL CLASSIFICATION  
CONSUMER  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED  
X X X X X

MOTOR VEHICLE AMOUNT  
DATE OF MATURITY OR NO. FIXED  
Maturity Date

11

MOTOR VEHICLE  
YEAR MAKE  
MODEL  
V.I.N.

13

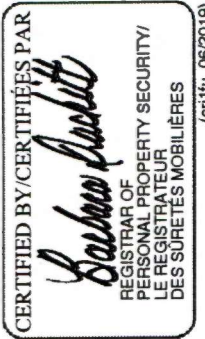
GENERAL COLLATERAL DESCRIPTION  
ALL OBLIGATIONS PURSUANT TO AN ASSIGNMENT AND ACKNOWLEDGMENT OF ASSIGNMENT DATED THE 24TH DAY OF JANUARY, 2020.  
UNISIG MODEL USC-M38 CNC DEEP HOLE DRILLING AND MACHINE CENTER

16

REGISTERING AGENT  
ADDRESS  
DICKINSON WRIGHT LLP  
2200-199 BAY STREET  
TORONTO ON M5L 1G4

17

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*  
CONTINUED... 4





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

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 2021022616111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                                             |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |
|----|-------------------------------------------------------------|-----------------------------------------------------|------------------|------------------------|---------------------|-------------------------|---------------------|----------|--------|------------------|----------------------------|
| 00 | FILE NUMBER                                                 | 760246767                                           |                  |                        |                     |                         |                     |          |        |                  |                            |
| 01 | CAUTION FILING                                              | PAGE NO.                                            | TOTAL PAGES      | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER | REGISTERED UNDER        | REGISTRATION PERIOD |          |        |                  |                            |
|    |                                                             | 002                                                 | 2                | 20200220               | 1134                | 1590                    | 7422                |          |        |                  |                            |
| 02 | DEBTOR NAME                                                 | DATE OF BIRTH                                       | FIRST GIVEN NAME | INITIAL                | SURNAME             | ONTARIO CORPORATION NO. |                     |          |        |                  |                            |
| 03 | BUSINESS NAME                                               |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |
| 04 | ADDRESS                                                     |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |
| 05 | DEBTOR NAME                                                 | DATE OF BIRTH                                       | FIRST GIVEN NAME | INITIAL                | SURNAME             | ONTARIO CORPORATION NO. |                     |          |        |                  |                            |
| 06 | BUSINESS NAME                                               |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |
| 07 | ADDRESS                                                     |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |
| 08 | SECURED PARTY / LIEN CLAIMANT                               |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |
| 09 | ADDRESS                                                     |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |
| 10 | COLLATERAL CLASSIFICATION                                   | CONSUMER                                            | GOODS            | INVENTORY              | EQUIPMENT           | ACCOUNTS                | OTHER               | INCLUDED | AMOUNT | DATE OF MATURITY | OR NO. FIXED Maturity DATE |
| 11 | MOTOR VEHICLE                                               | YEAR                                                | MAKE             | MODEL                  | V.I.N.              |                         |                     |          |        |                  |                            |
| 12 | GENERAL COLLATERAL                                          | COLLATERAL INCLUDES ALL ATTACHMENTS AND ACCESSORIES |                  |                        |                     |                         |                     |          |        |                  |                            |
| 13 | DESCRIPTION                                                 |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |
| 14 | REGISTERING AGENT                                           | ADDRESS                                             |                  |                        |                     |                         |                     |          |        |                  |                            |
| 15 | *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. *** |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |
| 16 | CONTINUED...                                                |                                                     |                  |                        |                     |                         |                     |          |        |                  |                            |

CERTIFIED BY / CERTIFIÉES PAR  
*Sabrina Pascale*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY /  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES  
(c) 11u 06/2019



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

REPORT : PSSR060  
PAGE : 5  
( 2948)

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
752342679

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
X 001 2 20190614 1513 6083 2736 P PPSA 5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME TOOLPLAS SYSTEMS INC.  
04 ADDRESS 1905 BLACKACRE DRIVE OLDCASTLE ONTARIO CORPORATION NO.  
NOR 1L0

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME  
07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / VFI KR SPE I LLC  
09 LIEN CLAIMANT ADDRESS 2800 EAST COTTONWOOD PARKWAY, 2ND FLOOR SALT LAKE CITY UT 84121

10 COLLATERAL CLASSIFICATION  
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE  
X

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE  
13 GENERAL ANY AND ALL GOODS, CHATTELS, FIXTURES, EQUIPMENT, ASSETS, ACCOUNTS  
14 COLLATERAL RECEIVABLE, CONTRACT RIGHTS, GENERAL INTANGIBLES AND PROPERTY OF  
15 DESCRIPTION EVERY KIND WHEREVER LOCATED IN WHICH DEBTOR HAS ANY INTEREST AND

16 REGISTERING ESC CORPORATE SERVICES LTD. (CSC) AH  
17 AGENT ADDRESS 445 KING STREET TORONTO ON M5V 1K4

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

CONTINUED... 6

CERTIFIED BY/CERTIFIES PAR  
*Sarahna Pickett*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SURETES MOBILIERES

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

REPORT : PSSR060  
PAGE : 6  
( 2949)

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
752342679

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
002 2 20190614 1513 6083 2736

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO.  
03 BUSINESS NAME  
04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO.  
06 BUSINESS NAME  
07 ADDRESS

08 SECURED PARTY /  
09 LIEN CLAIMANT ADDRESS

10 COLLATERAL CLASSIFICATION  
CONSUMER  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MOTOR VEHICLE AMOUNT DATE OF MATURITY OR NO FIXED Maturity DATE

11 YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL PROCEEDS THEREOF.

14 COLLATERAL  
15 DESCRIPTION

16 REGISTERING  
17 AGENT ADDRESS

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

CONTINUED...

7

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(c) 11/06/2019







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

REPORT : PSSR060  
PAGE : 8  
( 2951)

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
751209552

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
002 002 20190514 1752 1862 9262

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME TOOLPLAS SYSTEMS INC.  
04 ADDRESS 1905 BLACKACRE DRIVE OLDCASTLE ONTARIO CORPORATION NO. NOR 1L0

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME  
07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY /  
09 LIEN CLAIMANT ADDRESS ONTARIO CORPORATION NO.

10 COLLATERAL CLASSIFICATION  
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 YEAR MAKE MODEL V.I.N.

12 GENERAL NEW MAKINO MODEL V90S 5 AXIS VMC S/N 83  
13 COLLATERAL COLLATERAL INCLUDES ALL ATTACHMENTS AND ACCESSORIES  
14 DESCRIPTION  
15

16 REGISTERING ADDRESS  
17 AGENT  
\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*  
CONTINUED...

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETES MOBILIERES  
(c)11u 06/2019





RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 9  
( 2952)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                                                                            |                                                                    |                     |                                                   |                            |                          |
|----|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------|---------------------|---------------------------------------------------|----------------------------|--------------------------|
| 00 | FILE NUMBER<br>750847491                                                                   |                                                                    |                     |                                                   |                            |                          |
| 01 | CAUTION FILING<br>X                                                                        | PAGE NO. OF PAGES<br>001                                           | TOTAL PAGES<br>7    | MOTOR VEHICLE SCHEDULE<br>20190503 1353 6083 1638 | REGISTERED UNDER<br>P PPSA | REGISTRATION PERIOD<br>5 |
| 02 | DEBTOR NAME                                                                                | DATE OF BIRTH                                                      | FIRST GIVEN NAME    | INITIAL                                           | SURNAME                    |                          |
| 03 | BUSINESS NAME                                                                              | TOOLPLAS SYSTEMS INC.                                              |                     |                                                   |                            |                          |
| 04 | ADDRESS                                                                                    | 1905 BLACKACRE DRIVE<br>OLDCASTLE                                  |                     |                                                   |                            |                          |
| 05 | DEBTOR NAME                                                                                | DATE OF BIRTH                                                      | FIRST GIVEN NAME    | INITIAL                                           | SURNAME                    |                          |
| 06 | BUSINESS NAME                                                                              |                                                                    |                     |                                                   |                            |                          |
| 07 | ADDRESS                                                                                    |                                                                    |                     |                                                   |                            |                          |
| 08 | SECURED PARTY / CREDIT LENDER                                                              | VARILEASE FINANCE, INC.                                            |                     |                                                   |                            |                          |
| 09 | ADDRESS                                                                                    | 2800 EAST COTTONWOOD PARKWAY, 2ND FLOOR<br>SALT LAKE CITY UT 84121 |                     |                                                   |                            |                          |
| 10 | COLLATERAL CLASSIFICATION<br>CONSUMER<br>GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED | MOTOR VEHICLE AMOUNT                                               | DATE OF MATURITY OR | NO. FIXED                                         |                            |                          |
| 11 | YEAR MAKE                                                                                  | MODEL                                                              | V.I.N.              |                                                   |                            |                          |
| 12 | MOTOR VEHICLE                                                                              |                                                                    |                     |                                                   |                            |                          |
| 13 | GENERAL                                                                                    | SCHEDULE NO. 01 THIS IS AN ASSET SPECIFIC FILING, NOT AN ALL ASSET |                     |                                                   |                            |                          |
| 14 | COLLATERAL DESCRIPTION                                                                     | FILING. ALL OF THE EQUIPMENT, SOFTWARE AND PERSONAL PROPERTY       |                     |                                                   |                            |                          |
| 15 |                                                                                            | PURSUANT TO A LEASE BETWEEN LESSOR AND LESSEE. THE EQUIPMENT,      |                     |                                                   |                            |                          |
| 16 | REGISTERING AGENT                                                                          | ESC CORPORATE SERVICES LTD. (CSC) AH                               |                     |                                                   |                            |                          |
| 17 | ADDRESS                                                                                    | 445 KING STREET<br>TORONTO                                         |                     |                                                   |                            |                          |
|    |                                                                                            | *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***        |                     |                                                   |                            |                          |
|    |                                                                                            | CONTINUED... 10                                                    |                     |                                                   |                            |                          |

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paselt*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETÉS MOBILIÈRES

(c)11u 06/2019



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

REPORT : PSSR060  
PAGE : 10  
( 2953 )

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                               |                                                                                                                                                                                                 |
|----|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 00 | FILE NUMBER                   | 750847491                                                                                                                                                                                       |
| 01 | CAUTION FILING                | PAGE NO. OF PAGES<br>002 7                                                                                                                                                                      |
| 02 | DEBTOR NAME                   | DATE OF BIRTH                                                                                                                                                                                   |
| 03 | BUSINESS NAME                 | BUSINESS NAME                                                                                                                                                                                   |
| 04 | ADDRESS                       | ADDRESS                                                                                                                                                                                         |
| 05 | DEBTOR NAME                   | DATE OF BIRTH                                                                                                                                                                                   |
| 06 | BUSINESS NAME                 | BUSINESS NAME                                                                                                                                                                                   |
| 07 | ADDRESS                       | ADDRESS                                                                                                                                                                                         |
| 08 | SECURED PARTY / LIEN CLAIMANT | ADDRESS                                                                                                                                                                                         |
| 09 | COLLATERAL CLASSIFICATION     | CONSUMER                                                                                                                                                                                        |
| 10 | GOODS                         | INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED                                                                                                                                                     |
| 11 | MOTOR VEHICLE                 | YEAR MAKE                                                                                                                                                                                       |
| 12 | VEHICLE                       | MODEL                                                                                                                                                                                           |
| 13 | GENERAL                       | SOFTWARE AND PERSONAL PROPERTY INCLUDE ALL ADDITIONS, ALTERATIONS, ACCESSIONS AND MODIFICATIONS THERETO AND REPLACEMENTS OF ANY PART THEREOF, AND SUBSTITUTIONS THEREFORE, ALL ACCESSORIES, AND |
| 14 | COLLATERAL DESCRIPTION        |                                                                                                                                                                                                 |
| 15 | REGISTERING AGENT             | ADDRESS                                                                                                                                                                                         |

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

CONTINUED...

11

CERTIFIED BY/CERTIFIÉES PAR  
*Sabrina Dacelle*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(crj1tu 06/2019)





RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 2021022616111.41

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

REPORT : PSSR060  
PAGE : 11  
( 2954 )

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
750847491

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
003 7 20190503 1353 6083 1638

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME ADDRESS  
04 ADDRESS  
ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME ADDRESS  
07 ADDRESS  
ONTARIO CORPORATION NO.

08 SECURED PARTY /  
09 LIEN CLAIMANT ADDRESS

10 COLLATERAL CLASSIFICATION  
CONSUMER  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED DATE OF MATURITY OR NO FIXED Maturity DATE

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE  
13 GENERAL ATTACHMENTS, IN WHOLE OR IN PART, ANY RELATED SOFTWARE (EMBEDDED  
14 COLLATERAL THEREIN OR OTHERWISE), ALL INTANGIBLES AND OTHER RIGHTS ASSOCIATED  
15 DESCRIPTION WITH SUCH EQUIPMENT, INCLUDING WITHOUT LIMITATION ANY LICENSES TO

16 REGISTERING ADDRESS  
17 AGENT  
\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*  
CONTINUED...

12



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

REPORT : PSSR060  
PAGE : 12  
( 2955)

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
750847491

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
004 7 20190503 1353 6083 1638

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME ADDRESS  
04 ADDRESS  
ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME ADDRESS  
07 ADDRESS  
ONTARIO CORPORATION NO.

08 SECURED PARTY /  
09 LIEN CLAIMANT ADDRESS

10 COLLATERAL CLASSIFICATION  
CONSUMER  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED DATE OF MATURITY OR MATURITY DATE  
NO. FIXED

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE  
13 GENERAL USE OR OWN SUCH EQUIPMENT, ANY MANUFACTURER'S OR OTHER WARRANTIES  
14 COLLATERAL WITH RESPECT TO SUCH EQUIPMENT, ALL GOODS, REFUNDS, REBATES,  
15 DESCRIPTION REMITTANCES, INSURANCE AND INSURANCE PROCEEDS, AND ALL RIGHTS

16 REGISTERING  
17 AGENT ADDRESS

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

CONTINUED...

13

CERTIFIED BY / CERTIFIÉES PAR  
*Sarahna Paselt*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETÉS MOBILIÈRES

(crj1tu 06/2019)





RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                               |                                                                   |                                                             |                        |                                        |                         |                     |               |        |                  |                            |
|----|-------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|------------------------|----------------------------------------|-------------------------|---------------------|---------------|--------|------------------|----------------------------|
| 00 | FILE NUMBER<br>750847491      |                                                                   |                                                             |                        |                                        |                         |                     |               |        |                  |                            |
| 01 | CAUTION FILING                | PAGE NO. 005                                                      | TOTAL PAGES 7                                               | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20190503 1353 6083 | REGISTERED UNDER        | REGISTRATION PERIOD |               |        |                  |                            |
| 02 | DEBTOR NAME                   | DATE OF BIRTH                                                     | FIRST GIVEN NAME                                            | INITIAL                | SURNAME                                | ONTARIO CORPORATION NO. |                     |               |        |                  |                            |
| 03 | BUSINESS NAME                 | ADDRESS                                                           |                                                             |                        |                                        |                         |                     |               |        |                  |                            |
| 04 | DATE OF BIRTH                 | FIRST GIVEN NAME                                                  | INITIAL                                                     | SURNAME                | ONTARIO CORPORATION NO.                |                         |                     |               |        |                  |                            |
| 05 | DEBTOR NAME                   | DATE OF BIRTH                                                     | FIRST GIVEN NAME                                            | INITIAL                | SURNAME                                |                         |                     |               |        |                  |                            |
| 06 | BUSINESS NAME                 | ADDRESS                                                           |                                                             |                        |                                        |                         |                     |               |        |                  |                            |
| 07 | SECURED PARTY / LIEN CLAIMANT | ADDRESS                                                           |                                                             |                        |                                        |                         |                     |               |        |                  |                            |
| 08 | COLLATERAL CLASSIFICATION     | CONSUMER                                                          | GOODS                                                       | INVENTORY              | EQUIPMENT                              | ACCOUNTS                | OTHER INCLUDED      | MOTOR VEHICLE | AMOUNT | DATE OF MATURITY | OR NO. FIXED MATURITY DATE |
| 09 | YEAR                          | MAKE                                                              | MODEL                                                       | V.I.N.                 |                                        |                         |                     |               |        |                  |                            |
| 10 | MOTOR VEHICLE                 |                                                                   |                                                             |                        |                                        |                         |                     |               |        |                  |                            |
| 11 | GENERAL                       | RELATED THERETO, AND OTHER PROPERTY OR RIGHTS TO WHICH THE LESSEE |                                                             |                        |                                        |                         |                     |               |        |                  |                            |
| 12 | COLLATERAL                    | MAY BE OR BECOME ENTITLED BY REASON OF LESSEE'S INTEREST IN THE   |                                                             |                        |                                        |                         |                     |               |        |                  |                            |
| 13 | DESCRIPTION                   | EQUIPMENT, SOFTWARE OR PERSONAL PROPERTY. THIS FILING IS FOR      |                                                             |                        |                                        |                         |                     |               |        |                  |                            |
| 14 | REGISTERING AGENT             | ADDRESS                                                           | *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. *** |                        |                                        |                         |                     |               |        |                  |                            |
| 15 | CONTINUED...                  |                                                                   |                                                             |                        |                                        |                         |                     |               |        |                  |                            |

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES

(crj1tu 06/2019)

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 14  
( 2957)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
750847491

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
006 7 20190503 1353 6083 1638

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME ADDRESS  
04 ADDRESS  
ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME ADDRESS  
07 ADDRESS  
ONTARIO CORPORATION NO.

08 SECURED PARTY /  
09 LIEN CLAIMANT ADDRESS

10 COLLATERAL CLASSIFICATION  
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 YEAR MAKE MODEL V.I.N.

12 MOTOR  
13 VEHICLE

14 GENERAL PRECAUTIONARY AND INFORMATIONAL PURPOSES ONLY. THE PARTIES CONSIDER  
15 COLLATERAL THIS TRANSACTION TO BE A TRUE LEASE. LESSEE HAS NO RIGHT TO SELL OR  
16 DESCRIPTION PLEDGE THE EQUIPMENT AND PERSONAL PROPERTY, IT IS OWNED BY LESSOR

16 REGISTERING  
17 AGENT ADDRESS

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

CONTINUED...

15



(en) 11u 06/2019





RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 15  
( 2958)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
750847491

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
007 7 20190503 1353 6083 1638

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO.  
03 NAME BUSINESS NAME ADDRESS  
04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO.  
06 NAME BUSINESS NAME ADDRESS  
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT ADDRESS  
09 ADDRESS

10 COLLATERAL CLASSIFICATION  
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 YEAR MAKE MODEL V.I.N.

12 MOTOR VEHICLE

13 GENERAL AND LEASED TO LESSEE. IN THE EVENT THAT THE LEASE IS DEEMED TO BE A  
14 COLLATERAL SECURED TRANSACTION, THIS FILING IS INTENDED TO PERFECT THE SECURITY  
15 DESCRIPTION INTEREST GRANTED.

16 REGISTERING AGENT ADDRESS

17 ADDRESS

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

CONTINUED...

16

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES

(crj1tu 06/2019)



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

|                                                  |                                                  |                              |                              |                        |
|--------------------------------------------------|--------------------------------------------------|------------------------------|------------------------------|------------------------|
| CAUTION FILING                                   | PAGE NO. OF                                      | TOTAL MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER          | REGISTERED UNDER       |
| 001                                              | 1                                                | 20190612 1211 6083 2656      |                              |                        |
| 21 RECORD REFERENCED                             | FILE NUMBER                                      | 750847491                    |                              |                        |
|                                                  | PAGE AMENDED                                     | NO SPECIFIC PAGE AMENDED X   | CHANGE REQUIRED D ASSIGNMENT |                        |
| 23 REFERENCE DEBTOR/ TRANSFEROR                  | FIRST GIVEN NAME                                 | INITIAL                      | SURNAME                      |                        |
| 24                                               | BUSINESS NAME                                    | TOOLPLAS SYSTEMS INC.        |                              |                        |
| 25 OTHER CHANGE REASON/ DESCRIPTION              | DATE OF BIRTH                                    | FIRST GIVEN NAME             | INITIAL                      | SURNAME                |
| 26                                               | DEBTOR/ TRANSFEREE                               | BUSINESS NAME                |                              |                        |
| 27                                               | ADDRESS                                          |                              |                              |                        |
| 28                                               |                                                  |                              |                              |                        |
| 02/03/06/04/07                                   |                                                  |                              |                              |                        |
| 29 ASSIGNOR SECURED PARTY/LIEN CLAIMANT/ASSIGNEE | VARILEASE FINANCE, INC.                          |                              |                              |                        |
| 08                                               | VFI KR SPE-I LLC                                 |                              |                              |                        |
| 09                                               | ADDRESS 2800 EAST COTTONWOOD PARKWAY 2ND FLOOR   | SALT LAKE CITY               | UT                           | 84121                  |
| 10                                               | COLLATERAL CLASSIFICATION CONSUMER               | MOTOR VEHICLE INCLUDED       | DATE OF MATURITY OR          | NO FIXED MATURITY DATE |
|                                                  | GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER         | AMOUNT                       |                              |                        |
|                                                  | YEAR MAKE                                        | MODEL                        | V.I.N.                       |                        |
| 11                                               | MOTOR VEHICLE GENERAL DESCRIPTION                |                              |                              |                        |
| 12                                               | REGISTERING AGENT OR SECURED PARTY/LIEN CLAIMANT | ADDRESS                      | TORONTO                      | ON                     |
| 13                                               |                                                  |                              |                              |                        |
| 14                                               |                                                  |                              |                              |                        |
| 15                                               |                                                  |                              |                              |                        |
| 16                                               |                                                  |                              |                              |                        |
| 17                                               |                                                  |                              |                              |                        |

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

CONTINUED... 17

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Blackett*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETES MOBILIERES

(c)2u 06/2019





RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSR060  
PAGE : 17  
( 2960)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                                             |                                                                       |                  |                         |                     |                  |                     |    |               |  |  |
|----|-------------------------------------------------------------|-----------------------------------------------------------------------|------------------|-------------------------|---------------------|------------------|---------------------|----|---------------|--|--|
| 00 | FILE NUMBER                                                 | 746318286                                                             |                  |                         |                     |                  |                     |    |               |  |  |
| 01 | CAUTION FILING                                              | PAGE NO. OF PAGES                                                     | TOTAL            | MOTOR VEHICLE SCHEDULE  | REGISTRATION NUMBER | REGISTERED UNDER | REGISTRATION PERIOD |    |               |  |  |
|    |                                                             | 001                                                                   | 4                | 20181129 0910 1793 7626 | P                   | PPSA             | 4                   |    |               |  |  |
| 02 | DEBTOR NAME                                                 | DATE OF BIRTH                                                         | FIRST GIVEN NAME | INITIAL                 | SURNAME             |                  |                     |    |               |  |  |
| 03 | BUSINESS NAME                                               | TOOLPLAS SYSTEMS INC.                                                 |                  |                         |                     |                  |                     |    |               |  |  |
| 04 | ADDRESS                                                     | 1905 BLACKACRE DRIVE<br>OLDCASTLE<br>ONTARIO CORPORATION NO. N0R1L0   |                  |                         |                     |                  |                     |    |               |  |  |
| 05 | DEBTOR NAME                                                 | DATE OF BIRTH                                                         | FIRST GIVEN NAME | INITIAL                 | SURNAME             |                  |                     |    |               |  |  |
| 06 | BUSINESS NAME                                               | TOOLPLAS SYSTEMS INC.                                                 |                  |                         |                     |                  |                     |    |               |  |  |
| 07 | ADDRESS                                                     | 3920 NORTH TALBOT ROAD<br>OLDCASTLE<br>ONTARIO CORPORATION NO. N0R1L0 |                  |                         |                     |                  |                     |    |               |  |  |
| 08 | SECURED PARTY / LIEN CLAIMANT                               | THE TORONTO-DOMINION BANK                                             |                  |                         |                     |                  |                     |    |               |  |  |
| 09 | ADDRESS                                                     | 2020 WINSTON PARK DRIVE, SUITE 301<br>OAKVILLE<br>ON L6H6X7           |                  |                         |                     |                  |                     |    |               |  |  |
| 10 | COLLATERAL CLASSIFICATION                                   | CONSUMER                                                              | GOODS            | INVENTORY EQUIPMENT     | ACCOUNT'S OTHER     | INCLUDED         | DATE OF MATURITY    | OR | MATURITY DATE |  |  |
|    |                                                             |                                                                       |                  |                         |                     |                  |                     |    |               |  |  |
| 11 | YEAR                                                        | MAKE                                                                  | MODEL            |                         |                     | V.I.N.           |                     |    |               |  |  |
| 12 | MOTOR VEHICLE                                               |                                                                       |                  |                         |                     |                  |                     |    |               |  |  |
| 13 | GENERAL DESCRIPTION                                         | (1) 2012 GROB G350-GENERATION 1 (5) AXIS CNC X600/Y770/Z805 (MM)      |                  |                         |                     |                  |                     |    |               |  |  |
| 14 | COLLATERAL DESCRIPTION                                      | (1) 2012 AWEA YAMA SEIKI AF-1250 (3) AXIS CNC X1250/Y620/Z620 (MM)    |                  |                         |                     |                  |                     |    |               |  |  |
| 15 | REGISTERING AGENT                                           | PPSA CANADA INC.                                                      |                  |                         |                     |                  |                     |    |               |  |  |
| 16 | ADDRESS                                                     | 110 SHEPPARD AVE EAST, SUITE 303<br>TORONTO<br>ON M2N6Y8              |                  |                         |                     |                  |                     |    |               |  |  |
| 17 | *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. *** |                                                                       |                  |                         |                     |                  |                     |    |               |  |  |

CONTINUED... 18

CERTIFIED BY / CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETÉS MOBILIÈRES

(c)11u 06/2019



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 18  
( 2961 )

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25 FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
746318286

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
002 4 20181129 0910 1793 7626

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME ADDRESS  
04 ADDRESS  
ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME ADDRESS  
07 ADDRESS  
ONTARIO CORPORATION NO.

08 SECURED PARTY / TD EQUIPMENT FINANCE CANADA, A DIVISION OF THE TORONTO-DOMINION BANK  
09 LIEN CLAIMANT ADDRESS 2020 WINSTON PARK DRIVE, SUITE 301 OAKVILLE ON L6H6X7

10 COLLATERAL CLASSIFICATION  
CONSUMER  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED DATE OF MATURITY OR MATURITY DATE  
MOTOR VEHICLE AMOUNT NO FIXED

11 YEAR MAKE MODEL V.I.N.

12 MOTOR  
13 VEHICLE

14 GENERAL S/N 1250 12013,  
15 COLLATERAL (1) 2014 GROB G550 (5) AXIS UNIVERSAL MACHINING CENTER W/HEIDENHAIN  
16 DESCRIPTION ITNC 530 CONTROL 31"x 40"x 40" S/N G551-1347 TOGETHER WITH ALL

16 REGISTERING  
17 AGENT ADDRESS

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

CONTINUED...

19

CERTIFIED BY/CERTIFIÉES PAR

*Sabrina Dacelle*

REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETÉS MOBILIÈRES

(crt) 06/2019





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

REPORT : PSSR060  
PAGE : 19  
( 2962)

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                                                                                                                                                                                             |                                  |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| 00 | FILE NUMBER                                                                                                                                                                                                 | 746318286                        |
| 01 | CAUTION FILING                                                                                                                                                                                              | PAGE 003<br>TOTAL NO. OF PAGES 4 |
| 02 | DEBTOR NAME                                                                                                                                                                                                 | DATE OF BIRTH                    |
| 03 | BUSINESS NAME                                                                                                                                                                                               | FIRST GIVEN NAME                 |
| 04 | ADDRESS                                                                                                                                                                                                     | INITIAL SURNAME                  |
| 05 | DEBTOR NAME                                                                                                                                                                                                 | DATE OF BIRTH                    |
| 06 | BUSINESS NAME                                                                                                                                                                                               | FIRST GIVEN NAME                 |
| 07 | ADDRESS                                                                                                                                                                                                     | INITIAL SURNAME                  |
| 08 | SECURED PARTY / LIEN CLAIMANT                                                                                                                                                                               | DATE OF BIRTH                    |
| 09 | ADDRESS                                                                                                                                                                                                     | FIRST GIVEN NAME                 |
| 10 | COLLATERAL CLASSIFICATION                                                                                                                                                                                   | INITIAL SURNAME                  |
| 11 | MOTOR VEHICLE                                                                                                                                                                                               | DATE OF BIRTH                    |
| 12 | YEAR MAKE                                                                                                                                                                                                   | FIRST GIVEN NAME                 |
| 13 | GENERAL COLLATERAL DESCRIPTION                                                                                                                                                                              | INITIAL SURNAME                  |
| 14 | ATTACHMENTS, ACCESSORIES, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND | INITIAL SURNAME                  |
| 15 | OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND                                                                                                                                         | INITIAL SURNAME                  |
| 16 | REGISTERING AGENT                                                                                                                                                                                           | INITIAL SURNAME                  |
| 17 | ADDRESS                                                                                                                                                                                                     | INITIAL SURNAME                  |

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

CONTINUED... 20

CERTIFIED BY/CERTIFIÉES PAR  
*Sabrina Daulton*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES

(crj1tu 06/2019)



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 20  
( 2963 )

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                               |                                                                                    |                                                             |                        |                                             |                         |                     |          |  |  |  |
|----|-------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|---------------------------------------------|-------------------------|---------------------|----------|--|--|--|
| 00 | FILE NUMBER<br>746318286      |                                                                                    |                                                             |                        |                                             |                         |                     |          |  |  |  |
| 01 | CAUTION FILING                | PAGE NO. 004                                                                       | TOTAL PAGES 4                                               | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20181129 0910 1793 7626 | REGISTERED UNDER        | REGISTRATION PERIOD |          |  |  |  |
| 02 | DEBTOR NAME                   | DATE OF BIRTH                                                                      | FIRST GIVEN NAME                                            | INITIAL                | SURNAME                                     | ONTARIO CORPORATION NO. |                     |          |  |  |  |
| 03 | BUSINESS NAME                 | ADDRESS                                                                            |                                                             |                        |                                             |                         |                     |          |  |  |  |
| 04 | DATE OF BIRTH                 | FIRST GIVEN NAME                                                                   | INITIAL                                                     | SURNAME                | ONTARIO CORPORATION NO.                     |                         |                     |          |  |  |  |
| 05 | DEBTOR NAME                   | DATE OF BIRTH                                                                      | FIRST GIVEN NAME                                            | INITIAL                | SURNAME                                     |                         |                     |          |  |  |  |
| 06 | BUSINESS NAME                 | ADDRESS                                                                            |                                                             |                        |                                             |                         |                     |          |  |  |  |
| 07 | SECURED PARTY / LIEN CLAIMANT | ADDRESS                                                                            |                                                             |                        |                                             |                         |                     |          |  |  |  |
| 08 | COLLATERAL CLASSIFICATION     | CONSUMER                                                                           | GOODS                                                       | INVENTORY EQUIPMENT    | ACCOUNT'S OTHER INCLUDED                    | MOTOR VEHICLE AMOUNT    | DATE OF MATURITY OR | NO FIXED |  |  |  |
| 09 | YEAR MAKE                     | MODEL                                                                              | V.I.N.                                                      |                        |                                             |                         |                     |          |  |  |  |
| 10 | MOTOR VEHICLE                 |                                                                                    |                                                             |                        |                                             |                         |                     |          |  |  |  |
| 11 | GENERAL                       | A RIGHT TO ANY INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES                 |                                                             |                        |                                             |                         |                     |          |  |  |  |
| 12 | COLLATERAL DESCRIPTION        | OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. |                                                             |                        |                                             |                         |                     |          |  |  |  |
| 13 | REGISTERING AGENT             | ADDRESS                                                                            | *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. *** |                        |                                             |                         |                     |          |  |  |  |
| 14 | CONTINUED...                  |                                                                                    |                                                             |                        |                                             |                         |                     |          |  |  |  |

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES

(e) 11u 06/2019)



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
745740342

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
001 1 20181109 1429 9049 1288 P PPSA 06

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME TOOLPLAS SYSTEMS INC.  
04 ADDRESS 1905 BLACK ACRE DR. OLDCASTLE ONTARIO CORPORATION NO. NUR 1L0

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME  
07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / 957590 ONTARIO INC. O/A GLOBAL LEASING  
09 LIEN CLAIMANT ADDRESS 3290 JEFFERSON BLVD. WINDSOR ON N8T 2W8

10 COLLATERAL CLASSIFICATION  
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE  
X X

11 YEAR MAKE MODEL V.I.N.

12 MOTOR VEHICLE  
13 GENERAL TOSHIBA E-STUDIO 2505AC MFP, S/N CFDH50195, TOSHIBA E-STUDIO 2000AC  
14 COLLATERAL MFP, S/N CFPH15999  
15 DESCRIPTION

16 REGISTERING ADDRESS  
17 AGENT  
\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 22

CERTIFIED BY / CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY /  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES

(crj1tu 06/2019)



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 22  
( 2965 )

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                                             |                                                                                                                                                                                                    |                  |                        |                         |                     |       |          |                  |        |                                            |
|----|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------|-------------------------|---------------------|-------|----------|------------------|--------|--------------------------------------------|
| 00 | FILE NUMBER<br>735857343                                    |                                                                                                                                                                                                    |                  |                        |                         |                     |       |          |                  |        |                                            |
| 01 | CAUTION FILING                                              | PAGE NO. 01                                                                                                                                                                                        | TOTAL PAGES 003  | MOTOR VEHICLE SCHEDULE | 20180122 1711 1462 4506 | REGISTRATION NUMBER | P     | PPSA     | REGISTERED UNDER | PERIOD | 8                                          |
| 02 | DEBTOR NAME                                                 | DATE OF BIRTH                                                                                                                                                                                      | FIRST GIVEN NAME | INITIAL                | SURNAME                 |                     |       |          |                  |        |                                            |
| 03 | BUSINESS NAME                                               | TOOLPLAS SYSTEMS INC.                                                                                                                                                                              |                  |                        |                         |                     |       |          |                  |        |                                            |
| 04 | ADDRESS                                                     | 1905 BLACKACRE DRIVE<br>OLDCASTLE<br>ONTARIO CORPORATION NO. ON NOR1L0                                                                                                                             |                  |                        |                         |                     |       |          |                  |        |                                            |
| 05 | DEBTOR NAME                                                 | DATE OF BIRTH                                                                                                                                                                                      | FIRST GIVEN NAME | INITIAL                | SURNAME                 |                     |       |          |                  |        |                                            |
| 06 | BUSINESS NAME                                               | ONTARIO CORPORATION NO.                                                                                                                                                                            |                  |                        |                         |                     |       |          |                  |        |                                            |
| 07 | ADDRESS                                                     | ONTARIO CORPORATION NO.                                                                                                                                                                            |                  |                        |                         |                     |       |          |                  |        |                                            |
| 08 | SECURED PARTY / LIEN CLAIMANT                               | THE TORONTO-DOMINION BANK                                                                                                                                                                          |                  |                        |                         |                     |       |          |                  |        |                                            |
| 09 | ADDRESS                                                     | 2020 WINSTON PARK DRIVE, SUITE 301<br>OAKVILLE ON L6H6X7                                                                                                                                           |                  |                        |                         |                     |       |          |                  |        |                                            |
| 10 | COLLATERAL CLASSIFICATION                                   | CONSUMER                                                                                                                                                                                           | GOODS            | INVENTORY              | EQUIPMENT               | ACCOUNTS            | OTHER | INCLUDED | MOTOR VEHICLE    | AMOUNT | DATE OF MATURITY OR NO FIXED MATURITY DATE |
| 11 | MOTOR VEHICLE                                               | YEAR                                                                                                                                                                                               | MAKE             | MODEL                  | V.I.N.                  |                     |       |          |                  |        |                                            |
| 12 | GENERAL DESCRIPTION                                         | 2017 ROEDERS HIGH SPEED OPTICS MILLING MACHINE S/N RXP601DSHZ2-004<br>TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS |                  |                        |                         |                     |       |          |                  |        |                                            |
| 13 | REGISTERING AGENT                                           | TD EQUIPMENT FINANCE CANADA, A DIVISION OF THE TORONTO-DOMINION BANK                                                                                                                               |                  |                        |                         |                     |       |          |                  |        |                                            |
| 14 | ADDRESS                                                     | 2020 WINSTON PARK DRIVE, SUITE 301<br>OAKVILLE ON L6H6X7                                                                                                                                           |                  |                        |                         |                     |       |          |                  |        |                                            |
| 15 | *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. *** |                                                                                                                                                                                                    |                  |                        |                         |                     |       |          |                  |        |                                            |
| 16 | CONTINUED...                                                |                                                                                                                                                                                                    |                  |                        |                         |                     |       |          |                  |        |                                            |
| 17 | 23                                                          |                                                                                                                                                                                                    |                  |                        |                         |                     |       |          |                  |        |                                            |

CERTIFIED BY/CERTIFIES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETES MOBILIERES

(c) 11u 06/2019





TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00

FILE NUMBER  
735857343

01

CAUTION FILING  
02  
003

TOTAL PAGES  
003

MOTOR VEHICLE SCHEDULE  
20180122 1711 1462 4506

REGISTERED UNDER  
P PPSA

REGISTRATION PERIOD  
8

02

DEBTOR NAME

DATE OF BIRTH

FIRST GIVEN NAME

INITIAL

SURNAME

ONTARIO CORPORATION NO.

03

BUSINESS NAME

ADDRESS

04

DATE OF BIRTH

FIRST GIVEN NAME

INITIAL

SURNAME

ONTARIO CORPORATION NO.

05

DEBTOR NAME

DATE OF BIRTH

FIRST GIVEN NAME

INITIAL

SURNAME

ONTARIO CORPORATION NO.

06

BUSINESS NAME

ADDRESS

07

DATE OF BIRTH

FIRST GIVEN NAME

INITIAL

SURNAME

ONTARIO CORPORATION NO.

08

SECURED PARTY / LIEN CLAIMANT

TD EQUIPMENT FINANCE CANADA, A DIVISION OF THE TORONTO-DOMINION BANK

09

ADDRESS

2020 WINSTON PARK DRIVE, SUITE 301

OAKVILLE

ON

L6H6X7

10

COLLATERAL CLASSIFICATION  
CONSUMER  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED

MOTOR VEHICLE AMOUNT  
DATE OF MATURITY OR MATURITY DATE

NO FIXED

11

YEAR MAKE

MODEL

V.I.N.

12

MOTOR VEHICLE

13

GENERAL

IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR

14

COLLATERAL DESCRIPTION

DEALINGS WITH THE COLLATERAL AND A RIGHT TO ANY INSURANCE PAYMENT OR

15

OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO

16

REGISTERING AGENT

TD EQUIPMENT FINANCE CANADA, A DIVISION OF THE TORONTO-DOMINION BANK

17

ADDRESS

2020 WINSTON PARK DRIVE, SUITE 301

OAKVILLE

ON

L6H6X7

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

CONTINUED...

24



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 24  
( 2967)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                                             |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|----|-------------------------------------------------------------|------------------|------------------|------------------------|---------------------------------------------|-------------------------|------|-----------------------|--|--|--|
| 00 | FILE NUMBER                                                 | 735857343        |                  |                        |                                             |                         |      |                       |  |  |  |
| 01 | CAUTION FILING                                              | PAGE NO. 03      | TOTAL PAGES 003  | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20180122 1711 1462 4506 | REGISTERED UNDER P      | PPSA | REGISTRATION PERIOD 8 |  |  |  |
| 02 | DEBTOR NAME                                                 | DATE OF BIRTH    | FIRST GIVEN NAME | INITIAL                | SURNAME                                     | ONTARIO CORPORATION NO. |      |                       |  |  |  |
| 03 | BUSINESS NAME                                               | ADDRESS          |                  |                        |                                             |                         |      |                       |  |  |  |
| 04 | DATE OF BIRTH                                               | FIRST GIVEN NAME | INITIAL          | SURNAME                | ONTARIO CORPORATION NO.                     |                         |      |                       |  |  |  |
| 05 | DEBTOR NAME                                                 | DATE OF BIRTH    | FIRST GIVEN NAME | INITIAL                | SURNAME                                     | ONTARIO CORPORATION NO. |      |                       |  |  |  |
| 06 | BUSINESS NAME                                               | ADDRESS          |                  |                        |                                             |                         |      |                       |  |  |  |
| 07 | ADDRESS                                                     |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 08 | SECURED PARTY / LIEN CLAIMANT                               |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 09 | ADDRESS                                                     |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 10 | COLLATERAL CLASSIFICATION                                   |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | CONSUMER                                                    |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | GOODS                                                       |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED                 |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | MOTOR VEHICLE                                               |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | AMOUNT                                                      |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | DATE OF MATURITY OR MATURITY DATE                           |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 11 | YEAR MAKE                                                   |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 12 | MOTOR VEHICLE                                               |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 13 | GENERAL                                                     |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 14 | COLLATERAL                                                  |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 15 | DESCRIPTION                                                 |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 16 | REGISTERING AGENT                                           |                  |                  |                        |                                             |                         |      |                       |  |  |  |
| 17 | ADDRESS                                                     |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | ON                                                          |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | L6H6X7                                                      |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. *** |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | CONTINUED...                                                |                  |                  |                        |                                             |                         |      |                       |  |  |  |
|    | 25                                                          |                  |                  |                        |                                             |                         |      |                       |  |  |  |

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES  
(en) 06/2019





RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 25  
( 2968)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                                             |                                                                               |                  |                        |                         |                     |                         |                  |               |                     |                                             |
|----|-------------------------------------------------------------|-------------------------------------------------------------------------------|------------------|------------------------|-------------------------|---------------------|-------------------------|------------------|---------------|---------------------|---------------------------------------------|
| 00 | FILE NUMBER                                                 | 734015115                                                                     |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 01 | CAUTION FILING                                              | PAGE NO. 001                                                                  | TOTAL PAGES 1    | MOTOR VEHICLE SCHEDULE | 20171115 1110 1793 3715 | REGISTRATION NUMBER | 20171115 1110 1793 3715 | REGISTERED UNDER | P PPSA        | REGISTRATION PERIOD | 6                                           |
| 02 | DEBTOR NAME                                                 | DATE OF BIRTH                                                                 | FIRST GIVEN NAME | INITIAL                | SURNAME                 |                     |                         |                  |               |                     |                                             |
| 03 | BUSINESS NAME                                               | TOOLPLAS SYSTEMS INC.                                                         |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 04 | ADDRESS                                                     | 1905 BLACKACRE DRIVE<br>OLDCASTLE<br>ONTARIO CORPORATION NO. N0R1L0 ON N0R1L0 |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 05 | DEBTOR NAME                                                 | DATE OF BIRTH                                                                 | FIRST GIVEN NAME | INITIAL                | SURNAME                 |                     |                         |                  |               |                     |                                             |
| 06 | BUSINESS NAME                                               | TPS GLOBAL                                                                    |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 07 | ADDRESS                                                     | 1905 BLACKACRE DRIVE<br>OLDCASTLE<br>ONTARIO CORPORATION NO. N0R1L0 ON N0R1L0 |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 08 | SECURED PARTY / LIEN CLAIMANT                               | THE TORONTO-DOMINION BANK                                                     |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 09 | ADDRESS                                                     | TD WEST, 100 WELLINGTON ST W, 26TH FLR<br>TORONTO ON M5K1A2                   |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 10 | COLLATERAL CLASSIFICATION                                   | CONSUMER                                                                      | GOODS            | INVENTORY              | EQUIPMENT               | ACCOUNTS            | OTHER                   | INCLUDED         | MOTOR VEHICLE | AMOUNT              | DATE OF MATURITY OR NO. FIXED MATURITY DATE |
| 11 | MOTOR VEHICLE                                               | YEAR                                                                          | MAKE             | MODEL                  | V.I.N.                  |                     |                         |                  |               |                     |                                             |
| 12 | GENERAL DESCRIPTION                                         | AIRDR & BERLIS LLP (KRR-141342)                                               |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 13 | REGISTERING AGENT                                           | 181 BAY STREET, SUITE 1800<br>TORONTO ON M5J2T9                               |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 14 | *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. *** |                                                                               |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 15 | CONTINUED...                                                |                                                                               |                  |                        |                         |                     |                         |                  |               |                     |                                             |
| 16 | 26                                                          |                                                                               |                  |                        |                         |                     |                         |                  |               |                     |                                             |

CERTIFIED BY/CERTIFIÉES PAR  
*Sabrina Davelle*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(crj11u 09/2019)



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

REPORT : PSSR060  
PAGE : 26  
( 2969 )

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25 FEB 2021

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

|                      |             |                                      |                                    |                                                                 |                                         |
|----------------------|-------------|--------------------------------------|------------------------------------|-----------------------------------------------------------------|-----------------------------------------|
| CAUTION<br>FILING    | PAGE<br>NO. | TOTAL<br>PAGES                       | MOTOR VEHICLE<br>SCHEDULE          | REGISTRATION<br>NUMBER                                          | REGISTERED<br>UNDER                     |
| 01                   | 001         | 734015115                            | 20190111                           | 1002 1462 5636                                                  |                                         |
| RECORD<br>REFERENCED | FILE NUMBER | NO SPECIFIC PAGE AMENDED             | CHANGE REQUIRED<br>B RENEWAL       | RENEWAL<br>YEARS                                                | CORRECT<br>PERIOD                       |
| 21                   | 734015115   |                                      | 2                                  |                                                                 |                                         |
| 22                   |             | FIRST GIVEN NAME                     | INITIAL                            | SURNAME                                                         |                                         |
| 23                   |             | BUSINESS NAME                        | TOOLPLAS SYSTEMS INC.              |                                                                 |                                         |
| 24                   |             | DEBTOR/<br>TRANSFEROR                |                                    |                                                                 |                                         |
| 25                   |             | OTHER CHANGE                         |                                    |                                                                 |                                         |
| 26                   |             | REASON/<br>DESCRIPTION               |                                    |                                                                 |                                         |
| 27                   |             | DATE OF BIRTH                        | FIRST GIVEN NAME                   | INITIAL                                                         | SURNAME                                 |
| 28                   |             | DEBTOR/<br>TRANSFEREE                |                                    |                                                                 |                                         |
| 02/                  |             | BUSINESS NAME                        |                                    |                                                                 |                                         |
| 05                   |             | ADDRESS                              |                                    |                                                                 |                                         |
| 03/                  |             |                                      |                                    |                                                                 |                                         |
| 06                   |             |                                      |                                    |                                                                 |                                         |
| 04/07                |             |                                      |                                    |                                                                 |                                         |
| 29                   |             | ASSIGNOR                             |                                    |                                                                 |                                         |
| 08                   |             | SECURED PARTY/LIEN CLAIMANT/ASSIGNEE |                                    |                                                                 |                                         |
| 09                   |             | COLLATERAL CLASSIFICATION            |                                    |                                                                 |                                         |
| 10                   |             | GOODS                                | INVENTORY EQUIPMENT ACCOUNTS OTHER | MOTOR VEHICLE<br>INCLUDED                                       | DATE OF<br>MATURITY OR<br>MATURITY DATE |
| 11                   |             | YEAR                                 | MAKE                               | MODEL                                                           | V.I.N.                                  |
| 12                   |             | MOTOR<br>VEHICLE                     |                                    |                                                                 |                                         |
| 13                   |             | GENERAL                              |                                    |                                                                 |                                         |
| 14                   |             | COLLATERAL                           |                                    |                                                                 |                                         |
| 15                   |             | DESCRIPTION                          |                                    |                                                                 |                                         |
| 16                   |             | REGISTERING AGENT OR                 |                                    |                                                                 |                                         |
| 17                   |             | SECURED PARTY/<br>LIEN CLAIMANT      | ADDRESS                            | PPSA CANADA INC.<br>110 SHEPPARD AVE EAST, SUITE 303<br>TORONTO | ON M2N6Y8                               |

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

CONTINUED... 27

CERTIFIED BY/CERTIFIÉES PAR  
*Sabrina Davelle*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETÉS MOBILIÈRES

(cr)2u 06/2019





RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 27  
( 2970)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                                             |                                                               |                  |                        |                     |                  |                     |    |  |  |  |  |
|----|-------------------------------------------------------------|---------------------------------------------------------------|------------------|------------------------|---------------------|------------------|---------------------|----|--|--|--|--|
| 00 | FILE NUMBER                                                 | 730628181                                                     |                  |                        |                     |                  |                     |    |  |  |  |  |
| 01 | CAUTION FILING                                              | PAGE NO. OF PAGES                                             | TOTAL            | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER | REGISTERED UNDER | REGISTRATION PERIOD |    |  |  |  |  |
|    |                                                             | 001                                                           | 1                | 20170808 1044          | 1590 9818           | P                | PISA                | 25 |  |  |  |  |
| 02 | DEBTOR NAME                                                 | DATE OF BIRTH                                                 | FIRST GIVEN NAME | INITIAL                | SURNAME             |                  |                     |    |  |  |  |  |
| 03 | BUSINESS NAME                                               | TOOLPLAS SYSTEMS INC.                                         |                  |                        |                     |                  |                     |    |  |  |  |  |
| 04 | ADDRESS                                                     | 1905 BLACKACRE DRIVE<br>OLDCASTLE                             |                  |                        |                     |                  |                     |    |  |  |  |  |
| 05 | DEBTOR NAME                                                 | DATE OF BIRTH                                                 | FIRST GIVEN NAME | INITIAL                | SURNAME             |                  |                     |    |  |  |  |  |
| 06 | BUSINESS NAME                                               | TOOLPLAS SYSTEMS INC.                                         |                  |                        |                     |                  |                     |    |  |  |  |  |
| 07 | ADDRESS                                                     | 3920 NORTH TALBOT ROAD<br>OLDCASTLE                           |                  |                        |                     |                  |                     |    |  |  |  |  |
| 08 | SECURED PARTY / TRUSTEES                                    | BUSINESS DEVELOPMENT BANK OF CANADA                           |                  |                        |                     |                  |                     |    |  |  |  |  |
| 09 | ADDRESS                                                     | 2485 OUELLETTE AVENUE, STE. 200<br>WINDSOR                    |                  |                        |                     |                  |                     |    |  |  |  |  |
| 10 | COLLATERAL CLASSIFICATION                                   | MOTOR VEHICLE AMOUNT DATE OF MATURITY OR NO. FIXED INCL. DATE |                  |                        |                     |                  |                     |    |  |  |  |  |
| 11 | MOTOR VEHICLE                                               | V.I.N.                                                        |                  |                        |                     |                  |                     |    |  |  |  |  |
| 12 | YEAR MAKE                                                   | MODEL                                                         |                  |                        |                     |                  |                     |    |  |  |  |  |
| 13 | GENERAL COLLATERAL DESCRIPTION                              | KIRWIN PARTNERS LLP (31153/RPL/DP)                            |                  |                        |                     |                  |                     |    |  |  |  |  |
| 14 | REGISTERING AGENT                                           | 423 PELISSIER STREET<br>WINDSOR                               |                  |                        |                     |                  |                     |    |  |  |  |  |
| 15 | *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. *** |                                                               |                  |                        |                     |                  |                     |    |  |  |  |  |
| 16 | CONTINUED...                                                |                                                               |                  |                        |                     |                  |                     |    |  |  |  |  |
| 17 | 28                                                          |                                                               |                  |                        |                     |                  |                     |    |  |  |  |  |

CERTIFIED BY/CERTIFIES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETES MOBILIERES  
(c)11u 06/2019)



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 28  
( 2971)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING PAGE NO. OF PAGES TOTAL MOTOR VEHICLE REGISTRATION NUMBER REGISTERED UNDER  
01 001 20170808 1452 1590 9857

21 RECORD FILE NUMBER 730628181

22 PAGE AMENDED NO SPECIFIC PAGE AMENDED CHANGE REQUIRED RENEWAL YEARS CORRECT PERIOD  
B RENEWAL 6

23 REFERENCE FIRST GIVEN NAME INITIAL SURNAME  
24 DEBTOR/ TRANSFEROR BUSINESS NAME TOOLPLAS SYSTEMS INC.

25 OTHER CHANGE  
26 REASON/  
27 DESCRIPTION

28 DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02/ 05 DEBTOR/ BUSINESS NAME  
03/ TRANSFEREE  
06 BUSINESS NAME  
04/07 ADDRESS

ONTARIO CORPORATION NO.

29 ASSIGNOR SECURED PARTY/LIEN CLAIMANT/ASSIGNEE

08 COLLATERAL CLASSIFICATION  
09 CONSUMER ADDRESS

10 GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MOTOR VEHICLE DATE OF NO FIXED Maturity OR Maturity DATE

YEAR MAKE MODEL V.I.N.

11 MOTOR VEHICLE

12 VEHICLE

13 GENERAL

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING AGENT OR ADDRESS

17 SECURED PARTY/ LIEN CLAIMANT

KIRWIN PARTNERS LLP (31153/RPL/DP)  
423 PELLISSIER STREET

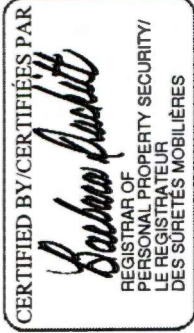
WINDSOR

ON N9A 4L2

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

CONTINUED...

29



(cr/2u 06/2019)





RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 29  
( 2972)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING PAGE NO. OF PAGES TOTAL MOTOR VEHICLE REGISTRATION NUMBER REGISTERED UNDER  
01 001 20180718 1452 1590 4830  
RECORD FILE NUMBER 730628181  
RENEWAL YEARS 2  
CORRECT PERIOD

PAGE AMENDED NO SPECIFIC PAGE AMENDED CHANGE REQUIRED B RENEWAL  
21 001 20180718 1452 1590 4830  
RENEWAL YEARS 2  
CORRECT PERIOD

REFERENCE DEBTOR/ TRANSFEROR BUSINESS NAME  
TOOLPLAS SYSTEMS INC.

OTHER CHANGE  
REASON/  
DESCRIPTION

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
02/ 05/ 03/ 04/07

ONTARIO CORPORATION NO.

ASSIGNOR SECURED PARTY/LIEN CLAIMANT/ASSIGNEE

COLLATERAL CLASSIFICATION  
CONSUMER

GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MOTOR VEHICLE DATE OF MATURITY OR MATURITY DATE  
10

YEAR MAKE MODEL V.I.N.

MOTOR VEHICLE GENERAL COLLATERAL DESCRIPTION  
11 12 13 14 15 16 17

KIRWIN PARTNERS LLP (31257/RPL/GP)  
423 PELLISSIER STREET

WINDSOR ON N9A 4L2

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

CONTINUED... 30

CERTIFIED BY/CERTIFIÉES PAR  
*Sabrina Lucetti*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(en21u 06/2019)



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

RUN NUMBER : 057  
 RUN DATE : 2021/02/26  
 ID : 20210226161111.41

|                     |                       |
|---------------------|-----------------------|
| TYPE OF SEARCH      | BUSINESS DEBTOR       |
| SEARCH CONDUCTED ON | TOOLPLAS SYSTEMS INC. |
| FILE CURRENCY       | 25FEB 2021            |

\*\*\* THIS REGISTRATION HAS BEEN DISCHARGED \*\*\*

00  
FILE NUMBER  
724112523

| CAUTION<br>FILING | PAGE<br>NO. OF | TOTAL<br>PAGES | MOTOR VEHICLE<br>SCHEDULE | REGISTRATION<br>NUMBER  | REGISTERED<br>UNDER | REGISTRATION<br>PERIOD |
|-------------------|----------------|----------------|---------------------------|-------------------------|---------------------|------------------------|
| 01                | 01             | 001            |                           | 20170116 1935 1531 8254 | P                   | PPSA 4                 |

|    |        |               |                      |         |           |                         |
|----|--------|---------------|----------------------|---------|-----------|-------------------------|
| 02 | DEBTOR | DATE OF BIRTH | FIRST GIVEN NAME     | INITIAL | SURNAME   | ONTARIO CORPORATION NO. |
| 03 | NAME   | BUSINESS NAME | TOOLPLAS SYSTEMS INC |         |           | ON N0R 1L0              |
| 04 |        | ADDRESS       | 1905 BLACKACRE DRIVE |         | OLDCASTLE |                         |

| 05 | DEPTOR<br>NAME | DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME |
|----|----------------|---------------|------------------|---------|---------|
| 06 |                |               |                  |         |         |

ONTARIO CORPORATION NO.

|    |                 |                                  |            |
|----|-----------------|----------------------------------|------------|
| 08 | SECURED PARTY / | GM FINANCIAL CANADA LEASING LTD. |            |
| 09 | LIEN CLAIMANT   | 2001 SHEPPARD AVE. STE 600       | ON M2J 4Z8 |

| COLLATERAL CLASSIFICATION |           | MOTOR VEHICLE |          | DATE OF   | NO. FIXED        |
|---------------------------|-----------|---------------|----------|-----------|------------------|
| CONSUMER                  | ACCOUNTS  | OTHER         | INCLUDED | MATURITY  | OR MATURITY DATE |
| GOODS                     | EQUIPMENT |               |          |           |                  |
| X                         | X         | X             | X        | 12JAN2021 |                  |
|                           |           |               | 53192    |           |                  |

|    |       |      |            |                   |                   |
|----|-------|------|------------|-------------------|-------------------|
| 11 | MOTOR | YEAR | MAKE       | MODEL             | V.I.N.            |
|    |       | 2017 | GMC TRUCKS | SIERRA 2500HD 4WD | 1GT02REG4HZ181986 |

|    |                        |                                          |         |         |
|----|------------------------|------------------------------------------|---------|---------|
|    | GENERAL                | CANADIAN SECURITIES REGISTRATION SYSTEMS | BURNABY | V5G 3S8 |
| 13 |                        |                                          |         |         |
| 14 | COLLATERAL DESCRIPTION |                                          |         |         |
| 15 |                        |                                          |         |         |
| 16 | REGISTERING AGENT      | ADDRESS 4126 NORLAND AVENUE              |         |         |
| 17 |                        |                                          |         |         |

CERTIFIED BY/CERTIFIÉES PAR  
*Sabrina Pascale*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 2021022616111.41

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

REPORT : PSSR060  
PAGE : 31  
( 2974)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER  
001 1 20210113 1028 1532 4842  
RECORD FILE NUMBER 724112523  
RENEWAL YEARS 1  
CORRECT PERIOD

PAGE AMENDED NO SPECIFIC PAGE AMENDED  
B RENEWAL  
CHANGE REQUIRED  
INITIAL SURNAME

REFERENCE DEBTOR/ TRANSFEROR  
BUSINESS NAME  
TOOLPLAS SYSTEMS INC

OTHER CHANGE  
REASON/  
DESCRIPTION

DEBTOR/  
TRANSFEREE  
BUSINESS NAME  
ADDRESS  
04/07

FIRST GIVEN NAME

INITIAL

SURNAME

ONTARIO CORPORATION NO.

ASSIGNOR  
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE

COLLATERAL CLASSIFICATION  
CONSUMER  
ADDRESS

GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

YEAR MAKE MODEL

V.I.N.

MODEL

DATE OF MATURITY OR NO FIXED MATURITY DATE

AMOUNT

DATE OF MATURITY OR NO FIXED MATURITY DATE

ON L4Z 1H8

MISSISSAUGA

D + H LIMITED PARTNERSHIP

2 ROBERT SPECK PARKWAY, 15TH FLOOR

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

CONTINUED...

32

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(cr/2u 06/2019)



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 32  
( 2975)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER  
001 1 20210128 0908 1532 0189

01 RECORD FILE NUMBER 724112523

21 RENEWAL CORRECT PERIOD  
PAGE AMENDED NO SPECIFIC PAGE AMENDED  
C DISCHARGE  
22 INITIAL SURNAME

23 FIRST GIVEN NAME  
24 BUSINESS NAME TOOLPLAS SYSTEMS INC

25 OTHER CHANGE  
26 REASON/  
27 DESCRIPTION

28 DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02/05 DEBTOR/  
03/ TRANSFEREE BUSINESS NAME  
06 ADDRESS

ONTARIO CORPORATION NO.

29 ASSIGNOR  
30 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE

08 COLLATERAL CLASSIFICATION  
09 ADDRESS

GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED DATE OF NO FIXED  
MOTOR VEHICLE AMOUNT MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR VEHICLE  
12 GENERAL COLLATERAL  
13 DESCRIPTION  
14 REGISTERING AGENT OR  
15 SECURED PARTY/  
16 LIEN CLAIMANT ADDRESS

D + H LIMITED PARTNERSHIP  
2 ROBERT SPECK PARKWAY, 15TH FLOOR

MISSISSAUGA

ON L4Z 1H8

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

CONTINUED... 33

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paslet*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES

(cr/2u 06/2019)





RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

REPORT : PSSR060  
PAGE : 33  
( 2976 )

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                       |                                                                                             |                                  |                               |                            |                                                 |
|----|---------------------------------------|---------------------------------------------------------------------------------------------|----------------------------------|-------------------------------|----------------------------|-------------------------------------------------|
| 00 | FILE NUMBER<br>723546189              |                                                                                             |                                  |                               |                            |                                                 |
| 01 | CAUTION FILING<br>001                 | PAGE NO. OF PAGES<br>1                                                                      | TOTAL<br>20161221 0958 9049 0847 | REGISTRATION NUMBER<br>P PPSA | REGISTERED UNDER<br>P PPSA | REGISTRATION PERIOD<br>06                       |
| 02 | DEBTOR NAME                           | DATE OF BIRTH                                                                               | FIRST GIVEN NAME                 | INITIAL                       | SURNAME                    |                                                 |
| 03 | BUSINESS NAME                         | TOOLPLAS SYSTEMS INC.                                                                       |                                  |                               |                            |                                                 |
| 04 | ADDRESS                               | 1905 BLACKACRE DRIVE<br>OLDCASTLE                                                           |                                  |                               |                            |                                                 |
| 05 | DEBTOR NAME                           | DATE OF BIRTH                                                                               | FIRST GIVEN NAME                 | INITIAL                       | SURNAME                    |                                                 |
| 06 | BUSINESS NAME                         |                                                                                             |                                  |                               |                            |                                                 |
| 07 | ADDRESS                               |                                                                                             |                                  |                               |                            |                                                 |
| 08 | SECURED PARTY / LIEN CLAIMANT         | 957590 ONTARIO INC. O/A GLOBAL LEASING                                                      |                                  |                               |                            |                                                 |
| 09 | ADDRESS                               | 3290 JEFFERSON BLVD.<br>WINDSOR ON N8T 2W8                                                  |                                  |                               |                            |                                                 |
| 10 | COLLATERAL CLASSIFICATION<br>CONSUMER | GOODS                                                                                       | INVENTORY EQUIPMENT              | ACCOUNTS OTHER INCLUDED       | MOTOR VEHICLE AMOUNT       | DATE OF MATURITY OR NO FIXED Maturity DATE<br>X |
| 11 | MOTOR VEHICLE                         | YEAR MAKE                                                                                   | MODEL                            | V.I.N.                        |                            |                                                 |
| 12 | GENERAL COLLATERAL DESCRIPTION        | TOSHIBA E-STUDIO 3555C MFP, SERIAL #C7HE78630, TOSHIBA E-STUDIO 4508A MFP, SERIAL #CGF25956 |                                  |                               |                            |                                                 |
| 13 | REGISTERING AGENT                     | ADDRESS                                                                                     |                                  |                               |                            |                                                 |

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

CONTINUED... 34

CERTIFIED BY/CERTIFIÉES PAR  
*Sarahna Paschke*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SÛRETÉS MOBILIÈRES

(cj1fu 06/2019)







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

REPORT : PSSR060  
PAGE : 35  
( 2978 )

RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

FORM IC FINANCING STATEMENT / CLAIM FOR LIEN

|    |                                |                        |
|----|--------------------------------|------------------------|
| 00 | FILE NUMBER                    | 688972734              |
| 01 | CAUTION FILING                 | TOTAL NO. OF PAGES 002 |
| 02 | DEBTOR NAME                    | DATE OF BIRTH          |
| 03 | BUSINESS NAME                  | BUSINESS NAME          |
| 04 | ADDRESS                        | DATE OF BIRTH          |
| 05 | DEBTOR NAME                    | DATE OF BIRTH          |
| 06 | BUSINESS NAME                  | BUSINESS NAME          |
| 07 | ADDRESS                        | DATE OF BIRTH          |
| 08 | SECURED PARTY / LIEN CLAIMANT  | DATE OF BIRTH          |
| 09 | ADDRESS                        | DATE OF BIRTH          |
| 10 | COLLATERAL CLASSIFICATION      | DATE OF BIRTH          |
| 11 | MOTOR VEHICLE                  | DATE OF BIRTH          |
| 12 | YEAR MAKE                      | DATE OF BIRTH          |
| 13 | GENERAL COLLATERAL DESCRIPTION | DATE OF BIRTH          |
| 14 | REGISTERING AGENT              | DATE OF BIRTH          |
| 15 | ADDRESS                        | DATE OF BIRTH          |
| 16 | ADDRESS                        | DATE OF BIRTH          |
| 17 | ADDRESS                        | DATE OF BIRTH          |

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

CONTINUED...

36

CERTIFIED BY / CERTIFIÉES PAR  
*Sandra Pickett*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY /  
LE REGISTREUR  
DES SURETÉS MOBILIÈRES

(c) 11/06/2019



TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25 FEB 2021

## FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

| CAUTION | PAGE | TOTAL | MOTOR | VEHICLE  | REGISTRATION            | REGISTERED |
|---------|------|-------|-------|----------|-------------------------|------------|
| FILING  | NO.  | OF    | PAGES | SCHEDULE | NUMBER                  | UNDER      |
| 01      | 01   | 001   |       |          | 20191128 1452 1590 1460 |            |

| 21 | RECORD | FILE NUMBER |
|----|--------|-------------|
|    |        | 688972734   |

| RENEWAL PERIOD           | CORRECT PERIOD |
|--------------------------|----------------|
| RENEWAL YEARS            | 10             |
| CHANGE REQUIRED          | B RENEWAL      |
| NO SPECIFIC PAGE AMENDED |                |
| PAGE AMENDED             |                |
| REFERENCED               |                |

| NAME             | DATE | TIME | LOCATION | REMARKS |
|------------------|------|------|----------|---------|
| FIRST GIVEN NAME |      |      |          |         |
| INITIAL          |      |      |          |         |
| SURNAME          |      |      |          |         |

| 23 | REFERENCE |                       |
|----|-----------|-----------------------|
| 24 | DEBTOR/   | BUSINESS NAME         |
|    |           | TOOLPLAS SYSTEMS INC. |

25 OTHER CHANGE

|    | REASON/<br>DESCRIPTION |
|----|------------------------|
| 26 |                        |
| 27 |                        |

28 02/ DATE OF BIRTH

|     | DEBTOR/<br>TRANSFEREE | BUSINESS NAME |
|-----|-----------------------|---------------|
| 05  |                       |               |
| 03/ |                       |               |

06  
04/07

ONTARIO CORPORATION NO.

29 ASSIGNOR  
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE

08  
09 ADDRESS

[illegible]

| YEAR | MAKE | MODEL   |
|------|------|---------|
| 1964 | Ford | Mustang |
| 1965 | Ford | Mustang |
| 1966 | Ford | Mustang |
| 1967 | Ford | Mustang |
| 1968 | Ford | Mustang |
| 1969 | Ford | Mustang |
| 1970 | Ford | Mustang |
| 1971 | Ford | Mustang |
| 1972 | Ford | Mustang |
| 1973 | Ford | Mustang |
| 1974 | Ford | Mustang |
| 1975 | Ford | Mustang |
| 1976 | Ford | Mustang |
| 1977 | Ford | Mustang |
| 1978 | Ford | Mustang |
| 1979 | Ford | Mustang |
| 1980 | Ford | Mustang |
| 1981 | Ford | Mustang |
| 1982 | Ford | Mustang |
| 1983 | Ford | Mustang |
| 1984 | Ford | Mustang |
| 1985 | Ford | Mustang |
| 1986 | Ford | Mustang |
| 1987 | Ford | Mustang |
| 1988 | Ford | Mustang |
| 1989 | Ford | Mustang |
| 1990 | Ford | Mustang |
| 1991 | Ford | Mustang |
| 1992 | Ford | Mustang |
| 1993 | Ford | Mustang |
| 1994 | Ford | Mustang |
| 1995 | Ford | Mustang |
| 1996 | Ford | Mustang |
| 1997 | Ford | Mustang |
| 1998 | Ford | Mustang |
| 1999 | Ford | Mustang |
| 2000 | Ford | Mustang |
| 2001 | Ford | Mustang |
| 2002 | Ford | Mustang |
| 2003 | Ford | Mustang |
| 2004 | Ford | Mustang |
| 2005 | Ford | Mustang |
| 2006 | Ford | Mustang |
| 2007 | Ford | Mustang |
| 2008 | Ford | Mustang |
| 2009 | Ford | Mustang |
| 2010 | Ford | Mustang |
| 2011 | Ford | Mustang |
| 2012 | Ford | Mustang |
| 2013 | Ford | Mustang |
| 2014 | Ford | Mustang |
| 2015 | Ford | Mustang |
| 2016 | Ford | Mustang |
| 2017 | Ford | Mustang |
| 2018 | Ford | Mustang |
| 2019 | Ford | Mustang |
| 2020 | Ford | Mustang |
| 2021 | Ford | Mustang |
| 2022 | Ford | Mustang |
| 2023 | Ford | Mustang |
| 2024 | Ford | Mustang |
| 2025 | Ford | Mustang |
| 2026 | Ford | Mustang |
| 2027 | Ford | Mustang |
| 2028 | Ford | Mustang |
| 2029 | Ford | Mustang |
| 2030 | Ford | Mustang |
| 2031 | Ford | Mustang |
| 2032 | Ford | Mustang |
| 2033 | Ford | Mustang |
| 2034 | Ford | Mustang |
| 2035 | Ford | Mustang |
| 2036 | Ford | Mustang |
| 2037 | Ford | Mustang |
| 2038 | Ford | Mustang |
| 2039 | Ford | Mustang |
| 2040 | Ford | Mustang |
| 2041 | Ford | Mustang |
| 2042 | Ford | Mustang |
| 2043 | Ford | Mustang |
| 2044 | Ford | Mustang |
| 2045 | Ford | Mustang |
| 2046 | Ford | Mustang |
| 2047 | Ford | Mustang |
| 2048 | Ford | Mustang |
| 2049 | Ford | Mustang |
| 2050 | Ford | Mustang |
| 2051 | Ford | Mustang |
| 2052 | Ford | Mustang |
| 2053 | Ford | Mustang |
| 2054 | Ford | Mustang |
| 2055 | Ford | Mustang |
| 2056 | Ford | Mustang |
| 2057 | Ford | Mustang |
| 2058 | Ford | Mustang |
| 2059 | Ford | Mustang |
| 2060 | Ford | Mustang |
| 2061 | Ford | Mustang |
| 2062 | Ford | Mustang |
| 2063 | Ford | Mustang |
| 2064 | Ford | Mustang |
| 2065 | Ford | Mustang |
| 2066 | Ford | Mustang |
| 2067 | Ford | Mustang |
| 2068 | Ford | Mustang |
| 2069 | Ford | Mustang |
| 2070 | Ford | Mustang |
| 2071 | Ford | Mustang |
| 2072 | Ford | Mustang |
| 2073 | Ford | Mustang |
| 2074 | Ford | Mustang |
| 2075 | Ford | Mustang |
| 2076 | Ford | Mustang |
| 2077 | Ford | Mustang |
| 2078 | Ford | Mustang |
| 2079 | Ford | Mustang |
| 2080 | Ford | Mustang |
| 2081 | Ford | Mustang |
| 2082 | Ford | Mustang |
| 2083 | Ford | Mustang |
| 2084 | Ford | Mustang |
| 2085 | Ford | Mustang |
| 2086 | Ford | Mustang |
| 2087 | Ford | Mustang |
| 2088 | Ford | Mustang |
| 2089 | Ford | Mustang |
| 2090 | Ford |         |

11 MOTOR

11 MOTOR

12 VEHICLE

### 13 GENERAL

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING AGENTS

17  
SECURED PARTY

CHAITONS LLP (AK/IV)  
5000 YONGE STREET, 10TH FLOOR

TORONTO

ON M2N 7E9

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

CONTINUED... 37

CERTIFIED BY/CERTIFIÉES PAR

Barbara Duckitt

**REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES**

(erizfu 06/2019)



RUN NUMBER : 057  
RUN DATE : 2021/02/26  
ID : 20210226161111.41

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

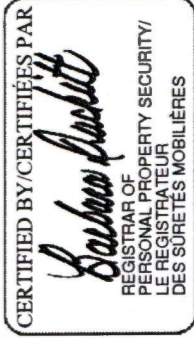
REPORT : PSSR060  
PAGE : 37  
( 2980)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TOOLPLAS SYSTEMS INC.  
FILE CURRENCY : 25FEB 2021

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

| FILE NUMBER | REGISTRATION NUMBER     | REGISTRATION NUMBER     | REGISTRATION NUMBER     |
|-------------|-------------------------|-------------------------|-------------------------|
| 762055425   | 20200522 1405 1462 9576 |                         |                         |
| 760246767   | 20200220 1134 1590 7422 |                         |                         |
| 752342679   | 20190614 1513 6083 2736 |                         |                         |
| 751209552   | 20190514 1752 1862 9262 |                         |                         |
| 750847491   | 20190503 1353 6083 1638 |                         |                         |
| 746318286   | 20181129 0910 1793 7626 | 20190612 1211 6083 2656 |                         |
| 745740342   | 20181109 1429 9049 1288 |                         |                         |
| 735857343   | 20180122 1711 1462 4506 |                         |                         |
| 734015115   | 20171115 1110 1793 3715 |                         |                         |
| 730628181   | 20170808 1044 1590 9818 | 20190111 1002 1462 5636 |                         |
| 724112523   | 20170116 1935 1531 8254 | 20170808 1452 1590 9857 | 20180718 1452 1590 4830 |
| 723546189   | 20161221 0958 9049 0847 | 20210113 1028 1532 4842 | 20210128 0908 1532 0189 |
| 688972734   | 20130729 1046 1862 0683 | 20191128 1452 1590 1460 |                         |


20 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.





This is **Exhibit “J”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Taking

DocuSigned by:  
  
6F056F5F3BC8405...

## ServiceOntario

[Main Menu](#)   [New Enquiry](#)

## Enquiry Result

File Currency: 01MAR 2021



Show All Pages

**Note: All pages have been returned.**

**Type of Search** Business Debtor  
**Search Conducted On** TOOL PROCESSING SOLUTIONS INC.  
**File Currency** 01MAR 2021

| File Number | Family | of Families | Page | of Pages | Expiry Date | Status |
|-------------|--------|-------------|------|----------|-------------|--------|
| 688972734   | 1      | 4           | 1    | 23       | 29JUL 2031  |        |

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number     | Registered Under | Registration Period |
|-------------|----------------|---------|-------------|------------------------|-------------------------|------------------|---------------------|
| 688972734   |                | 001     | 002         |                        | 20130729 1046 1862 0683 | P PPSA           | 8                   |

| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
|-------------------|---------------|------------------|---------|---------|
|-------------------|---------------|------------------|---------|---------|

| Business Debtor       | Business Debtor Name | Ontario Corporation Number |
|-----------------------|----------------------|----------------------------|
| TOOLPLAS SYSTEMS INC. |                      |                            |

| Address              | City      | Province | Postal Code |
|----------------------|-----------|----------|-------------|
| 1905 BLACKACRE DRIVE | OLDCASTLE | ON       | N0R 1L0     |

| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
|-------------------|---------------|------------------|---------|---------|
|-------------------|---------------|------------------|---------|---------|

| Business Debtor                | Business Debtor Name | Ontario Corporation Number |
|--------------------------------|----------------------|----------------------------|
| TOOL PROCESSING SOLUTIONS INC. |                      |                            |

| Address              | City      | Province | Postal Code |
|----------------------|-----------|----------|-------------|
| 1905 BLACKACRE DRIVE | OLDCASTLE | ON       | N0R 1L0     |

| Secured Party    | Secured Party / Lien Claimant |
|------------------|-------------------------------|
| BDC CAPITAL INC. |                               |

| Address                                  | City   | Province | Postal Code |
|------------------------------------------|--------|----------|-------------|
| C/O BUSINESS DEVELOPMENT BANK OF CANADA, | LONDON | ON       | N6A 5P3     |

| 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               |        |          |             |
|-------------------|---------------------------------|--------|----------|-------------|
|                   | HARRISON PENSA LLP (156263/LMM) |        |          |             |
|                   | Address                         | City   | Province | Postal Code |
|                   | 450 TALBOT STREET               | LONDON | ON       | N6A 5J6     |

CONTINUED

|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|-----------------------------------------------------|---------------------------------------|-------------------------|--------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|-------------------------------|--|--|--|--|--|--|--|--|
| <b>Type of Search</b>                               | Business Debtor                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>Search Conducted On</b>                          | TOOL PROCESSING SOLUTIONS INC.        |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>File Currency</b>                                | 01MAR 2021                            |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     | <b>File Number</b>                    | <b>Family</b>           | <b>of Families</b> | <b>Page</b>                   | <b>of Pages</b>            | <b>Expiry Date</b>                | <b>Status</b>              |                            |                               |  |  |  |  |  |  |  |  |
|                                                     | 688972734                             | 1                       | 4                  | 2                             | 23                         | 29JUL 2031                        |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b> |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>File Number</b>                                  | <b>Caution Filing</b>                 | <b>Page of</b>          | <b>Total Pages</b> | <b>Motor Vehicle Schedule</b> | <b>Registration Number</b> | <b>Registered Under</b>           | <b>Registration Period</b> |                            |                               |  |  |  |  |  |  |  |  |
| 688972734                                           |                                       | 002                     | 002                |                               | 20130729 1046 1862 0683    |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                  | <b>First Given Name</b> |                    |                               | <b>Initial</b>             | <b>Surname</b>                    |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       | NIKOLAOS                |                    |                               |                            | MAMATAS                           |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>           |                         |                    |                               |                            | <b>Ontario Corporation Number</b> |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     | <b>Address</b>                        |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |  |  |  |  |  |  |  |  |
|                                                     | C/O 1905 BLACKACRE DRIVE              |                         |                    |                               | OLDCASTLE                  | ON                                | N0R 1L0                    |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                  | <b>First Given Name</b> |                    |                               | <b>Initial</b>             | <b>Surname</b>                    |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>           |                         |                    |                               |                            | <b>Ontario Corporation Number</b> |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     | <b>Address</b>                        |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>Secured Party</b>                                | <b>Secured Party / Lien Claimant</b>  |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     | <b>Address</b>                        |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |  |  |  |  |  |  |  |  |
|                                                     | 148 FULLARTON STREET, SUITE 1000      |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>Collateral Classification</b>                    | <b>Consumer Goods</b>                 | <b>Inventory</b>        | <b>Equipment</b>   | <b>Accounts</b>               | <b>Other</b>               | <b>Motor Vehicle Included</b>     | <b>Amount</b>              | <b>Date of Maturity or</b> | <b>No Fixed Maturity Date</b> |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>Motor Vehicle Description</b>                    | <b>Year</b>                           | <b>Make</b>             |                    |                               | <b>Model</b>               |                                   | <b>V.I.N.</b>              |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>General Collateral Description</b>               | <b>General Collateral Description</b> |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
| <b>Registering Agent</b>                            | <b>Registering Agent</b>              |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |
|                                                     | <b>Address</b>                        |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |  |  |  |  |  |  |  |  |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |  |  |  |  |  |  |  |  |

CONTINUED

|                       |                                |
|-----------------------|--------------------------------|
| <b>Type of Search</b> | Business Debtor                |
|                       | TOOL PROCESSING SOLUTIONS INC. |



|                                                       |                       |              |                                 |          |                                                   |                        |                            |                     |                        |  |
|-------------------------------------------------------|-----------------------|--------------|---------------------------------|----------|---------------------------------------------------|------------------------|----------------------------|---------------------|------------------------|--|
| Search Conducted On                                   |                       |              |                                 |          |                                                   |                        |                            |                     |                        |  |
| File Currency                                         | 01MAR 2021            |              |                                 |          |                                                   |                        |                            |                     |                        |  |
| File Number                                           | Family                | of Families  | Page                            |          | of Pages                                          |                        |                            |                     |                        |  |
| 688972734                                             | 1                     | 4            | 3                               |          | 23                                                |                        |                            |                     |                        |  |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT |                       |              |                                 |          |                                                   |                        |                            |                     |                        |  |
| Caution Filing                                        | Page of               | Total Pages  | Motor Vehicle Schedule Attached |          | Registration Number                               |                        |                            | Registered Under    |                        |  |
|                                                       | 01                    | 001          |                                 |          | 20191128 1452 1590 1460                           |                        |                            |                     |                        |  |
| Record Referenced                                     | File Number           | Page Amended | No Specific Page Amended        |          | Change Required                                   |                        | Renewal Years              | Correct Period      |                        |  |
|                                                       | 688972734             |              |                                 |          | B RENEWAL                                         |                        | 10                         |                     |                        |  |
| Reference Debtor/ Transferor                          | First Given Name      |              | Initial                         |          | Surname                                           |                        |                            |                     |                        |  |
|                                                       |                       |              |                                 |          | Business Debtor Name                              |                        |                            |                     |                        |  |
|                                                       | TOOLPLAS SYSTEMS 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 |                        |                            |                     |                        |  |
|                                                       |                       |              |                                 |          | CHAITONS LLP (AK/IV)                              |                        |                            |                     |                        |  |
|                                                       |                       |              | Address                         |          | City                                              |                        | Province                   | Postal Code         |                        |  |
|                                                       |                       |              | 5000 YONGE STREET, 10TH FLOOR   |          | TORONTO                                           |                        | ON                         | M2N 7E9             |                        |  |

END OF FAMILY

|                                                     |                                                                                                                                                                                                  |                         |                    |                               |                            |                                   |                            |                            |                               |
|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Type of Search</b>                               | Business Debtor                                                                                                                                                                                  |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Search Conducted On</b>                          | TOOL PROCESSING SOLUTIONS INC.                                                                                                                                                                   |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>File Currency</b>                                | 01MAR 2021                                                                                                                                                                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>File Number</b>                                                                                                                                                                               | <b>Family</b>           | <b>of Families</b> | <b>Page</b>                   | <b>of Pages</b>            | <b>Expiry Date</b>                | <b>Status</b>              |                            |                               |
|                                                     | 707367564                                                                                                                                                                                        | 2                       | 4                  | 4                             | 23                         | 23JUN 2025                        |                            |                            |                               |
| <b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b> |                                                                                                                                                                                                  |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>File Number</b>                                  | <b>Caution Filing</b>                                                                                                                                                                            | <b>Page of</b>          | <b>Total Pages</b> | <b>Motor Vehicle Schedule</b> | <b>Registration Number</b> | <b>Registered Under</b>           | <b>Registration Period</b> |                            |                               |
| 707367564                                           |                                                                                                                                                                                                  | 001                     | 8                  |                               | 20150623 1257 1901 3120    | P PPSA                            | 05                         |                            |                               |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                                                                                                                                                                             | <b>First Given Name</b> |                    |                               | <b>Initial</b>             | <b>Surname</b>                    |                            |                            |                               |
|                                                     |                                                                                                                                                                                                  |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>                                                                                                                                                                      |                         |                    |                               |                            | <b>Ontario Corporation Number</b> |                            |                            |                               |
|                                                     | TOOL PROCESSING SOLUTIONS INC.                                                                                                                                                                   |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>Address</b>                                                                                                                                                                                   |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |
|                                                     | 246 EASTLAWN AVENUE                                                                                                                                                                              |                         |                    |                               | WINDSOR                    | ON                                | N8S 3G9                    |                            |                               |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                                                                                                                                                                             | <b>First Given Name</b> |                    |                               | <b>Initial</b>             | <b>Surname</b>                    |                            |                            |                               |
|                                                     |                                                                                                                                                                                                  |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>                                                                                                                                                                      |                         |                    |                               |                            | <b>Ontario Corporation Number</b> |                            |                            |                               |
|                                                     |                                                                                                                                                                                                  |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>Address</b>                                                                                                                                                                                   |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |
|                                                     |                                                                                                                                                                                                  |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Secured Party</b>                                | <b>Secured Party / Lien Claimant</b>                                                                                                                                                             |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | JPMORGAN CHASE BANK, N.A.                                                                                                                                                                        |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>Address</b>                                                                                                                                                                                   |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |
|                                                     | 420 W VAN BUREN ST MAIL CODE IL1-P001                                                                                                                                                            |                         |                    |                               | CHICAGO                    | IL                                | 60606-3534                 |                            |                               |
| <b>Collateral Classification</b>                    | <b>Consumer Goods</b>                                                                                                                                                                            | <b>Inventory</b>        | <b>Equipment</b>   | <b>Accounts</b>               | <b>Other</b>               | <b>Motor Vehicle Included</b>     | <b>Amount</b>              | <b>Date of Maturity or</b> | <b>No Fixed Maturity Date</b> |
|                                                     |                                                                                                                                                                                                  |                         |                    | X                             | X                          |                                   |                            |                            |                               |
| <b>Motor Vehicle Description</b>                    | <b>Year</b>                                                                                                                                                                                      | <b>Make</b>             |                    |                               | <b>Model</b>               |                                   | <b>V.I.N.</b>              |                            |                               |
|                                                     |                                                                                                                                                                                                  |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     |                                                                                                                                                                                                  |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>General Collateral Description</b>               | <b>General Collateral Description</b>                                                                                                                                                            |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | ALL ACCOUNTS RECEIVABLE WHICH ARISE OUT OF THE SALE OF GOODS AND SERVICES BY THE DEBTOR (REFERRED TO AS "SUPPLIER") TO JOHNSON CONTROLS AUTOMOTIVE INTERIORS (SHANGHAI) CO., LTD, YANFENG GLOBAL |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Registering Agent</b>                            | <b>Registering Agent</b>                                                                                                                                                                         |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | AVS SYSTEMS INC.                                                                                                                                                                                 |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>Address</b>                                                                                                                                                                                   |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |
|                                                     | 201 - 1325 POLSON DR.                                                                                                                                                                            |                         |                    |                               | VERNON                     | BC                                | V1T 8H2                    |                            |                               |

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|                            |                                |               |                    |             |                 |                    |               |
|----------------------------|--------------------------------|---------------|--------------------|-------------|-----------------|--------------------|---------------|
| <b>Type of Search</b>      | Business Debtor                |               |                    |             |                 |                    |               |
| <b>Search Conducted On</b> | TOOL PROCESSING SOLUTIONS INC. |               |                    |             |                 |                    |               |
| <b>File Currency</b>       | 01MAR 2021                     |               |                    |             |                 |                    |               |
|                            | <b>File Number</b>             | <b>Family</b> | <b>of Families</b> | <b>Page</b> | <b>of Pages</b> | <b>Expiry Date</b> | <b>Status</b> |
|                            |                                |               |                    |             |                 |                    |               |

|                                              |                                                                                                                                                                                            |                  |             |                            |                         |                        |                     |                     |                        |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------|----------------------------|-------------------------|------------------------|---------------------|---------------------|------------------------|
|                                              | 707367564                                                                                                                                                                                  | 2                | 4           | 5                          | 23                      | 23JUN 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 |                     |                        |
| 707367564                                    |                                                                                                                                                                                            | 002              | 8           |                            | 20150623 1257 1901 3120 |                        |                     |                     |                        |
| 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                                                                                                                                                             |                  |             |                            |                         |                        |                     |                     |                        |
|                                              | INTERIOR LIMITED, AND/OR THEIR SUBSIDIARIES OR AFFILIATES (INDIVIDUALLY OR COLLECTIVELY, "BUYER"), WHICH ACCOUNTS RECEIVABLE ARE NOW OR IN THE FUTURE ASSIGNED AND SOLD BY SUPPLIER TO THE |                  |             |                            |                         |                        |                     |                     |                        |
| Registering Agent                            | Registering Agent                                                                                                                                                                          |                  |             |                            |                         |                        |                     |                     |                        |
|                                              | Address                                                                                                                                                                                    |                  |             |                            |                         |                        |                     |                     |                        |
|                                              | City                                                                                                                                                                                       |                  |             | Province                   | Postal Code             |                        |                     |                     |                        |

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|----------------------------------------------|--------------------------------|------------------|-------------|------------------------|-------------------------|------------------|---------------------|--|
| Type of Search                               | Business Debtor                |                  |             |                        |                         |                  |                     |  |
| Search Conducted On                          | TOOL PROCESSING SOLUTIONS INC. |                  |             |                        |                         |                  |                     |  |
| File Currency                                | 01MAR 2021                     |                  |             |                        |                         |                  |                     |  |
|                                              | File Number                    | Family           | of Families | Page                   | of Pages                | Expiry Date      | Status              |  |
|                                              | 707367564                      | 2                | 4           | 6                      | 23                      | 23JUN 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 |  |
| 707367564                                    |                                | 003              | 8           |                        | 20150623 1257 1901 3120 |                  |                     |  |
| Individual Debtor                            | Date of Birth                  | First Given Name |             |                        | Initial                 | Surname          |                     |  |
|                                              |                                |                  |             |                        |                         |                  |                     |  |

|                                       |                                                                                                                                                                                                         |                  |                         |                 |                |                                   |                 |                            |                               |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------|-----------------|----------------|-----------------------------------|-----------------|----------------------------|-------------------------------|
| <b>Business Debtor</b>                | <b>Business Debtor Name</b>                                                                                                                                                                             |                  |                         |                 |                | <b>Ontario Corporation Number</b> |                 |                            |                               |
|                                       | <b>Address</b>                                                                                                                                                                                          |                  |                         |                 |                | <b>City</b>                       | <b>Province</b> | <b>Postal Code</b>         |                               |
| <b>Individual Debtor</b>              | <b>Date of Birth</b>                                                                                                                                                                                    |                  | <b>First Given Name</b> |                 | <b>Initial</b> |                                   | <b>Surname</b>  |                            |                               |
| <b>Business Debtor</b>                | <b>Business Debtor Name</b>                                                                                                                                                                             |                  |                         |                 |                | <b>Ontario Corporation Number</b> |                 |                            |                               |
|                                       | <b>Address</b>                                                                                                                                                                                          |                  |                         |                 |                | <b>City</b>                       | <b>Province</b> | <b>Postal Code</b>         |                               |
| <b>Secured Party</b>                  | <b>Secured Party / Lien Claimant</b>                                                                                                                                                                    |                  |                         |                 |                |                                   |                 |                            |                               |
|                                       | <b>Address</b>                                                                                                                                                                                          |                  |                         |                 |                | <b>City</b>                       | <b>Province</b> | <b>Postal Code</b>         |                               |
| <b>Collateral Classification</b>      | <b>Consumer Goods</b>                                                                                                                                                                                   | <b>Inventory</b> | <b>Equipment</b>        | <b>Accounts</b> | <b>Other</b>   | <b>Motor Vehicle Included</b>     | <b>Amount</b>   | <b>Date of Maturity or</b> | <b>No Fixed Maturity Date</b> |
| <b>Motor Vehicle Description</b>      | <b>Year</b>                                                                                                                                                                                             | <b>Make</b>      |                         | <b>Model</b>    |                | <b>V.I.N.</b>                     |                 |                            |                               |
| <b>General Collateral Description</b> | <b>General Collateral Description</b>                                                                                                                                                                   |                  |                         |                 |                |                                   |                 |                            |                               |
|                                       | INVESTORS PARTY TO THE RECEIVABLES PURCHASE AGREEMENT AMONG SUPPLIER, THE INVESTORS PARTY THERETO AND THE INVESTOR AGENT PARTY THERETO, AS AMENDED, MODIFIED OR SUPPLEMENTED FROM TIME TO TIME (EACH, A |                  |                         |                 |                |                                   |                 |                            |                               |
| <b>Registering Agent</b>              | <b>Registering Agent</b>                                                                                                                                                                                |                  |                         |                 |                |                                   |                 |                            |                               |
|                                       |                                                                                                                                                                                                         |                  |                         |                 |                |                                   |                 |                            |                               |
|                                       | <b>Address</b>                                                                                                                                                                                          |                  |                         |                 |                | <b>City</b>                       | <b>Province</b> | <b>Postal Code</b>         |                               |
|                                       |                                                                                                                                                                                                         |                  |                         |                 |                |                                   |                 |                            |                               |

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|-----------------------------------------------------|--------------------------------|----------------|-------------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|--|
| <b>Type of Search</b>                               | Business Debtor                |                |                         |                               |                            |                                   |                            |  |
| <b>Search Conducted On</b>                          | TOOL PROCESSING SOLUTIONS INC. |                |                         |                               |                            |                                   |                            |  |
| <b>File Currency</b>                                | 01MAR 2021                     |                |                         |                               |                            |                                   |                            |  |
|                                                     | <b>File Number</b>             | <b>Family</b>  | <b>of Families</b>      | <b>Page</b>                   | <b>of Pages</b>            | <b>Expiry Date</b>                | <b>Status</b>              |  |
|                                                     | 707367564                      | 2              | 4                       | 7                             | 23                         | 23JUN 2025                        |                            |  |
| <b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b> |                                |                |                         |                               |                            |                                   |                            |  |
| <b>File Number</b>                                  | <b>Caution Filing</b>          | <b>Page of</b> | <b>Total Pages</b>      | <b>Motor Vehicle Schedule</b> | <b>Registration Number</b> | <b>Registered Under</b>           | <b>Registration Period</b> |  |
| 707367564                                           |                                | 004            | 8                       |                               | 20150623 1257 1901 3120    |                                   |                            |  |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>           |                | <b>First Given Name</b> |                               | <b>Initial</b>             | <b>Surname</b>                    |                            |  |
|                                                     |                                |                |                         |                               |                            |                                   |                            |  |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>    |                |                         |                               |                            | <b>Ontario Corporation Number</b> |                            |  |
|                                                     |                                |                |                         |                               |                            |                                   |                            |  |
|                                                     | <b>Address</b>                 |                |                         |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |  |
|                                                     |                                |                |                         |                               |                            |                                   |                            |  |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>           |                | <b>First Given Name</b> |                               | <b>Initial</b>             | <b>Surname</b>                    |                            |  |
|                                                     |                                |                |                         |                               |                            |                                   |                            |  |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>    |                |                         |                               |                            | <b>Ontario Corporation Number</b> |                            |  |
|                                                     |                                |                |                         |                               |                            |                                   |                            |  |

|                                |                                                                                                                                                                                             |                               |           |          |       |                        |             |                     |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------|----------|-------|------------------------|-------------|---------------------|
|                                |                                                                                                                                                                                             | 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 |
| Motor Vehicle Description      | Year                                                                                                                                                                                        | Make                          |           | Model    |       | V.I.N.                 |             |                     |
| General Collateral Description | General Collateral Description                                                                                                                                                              |                               |           |          |       |                        |             |                     |
|                                | "PURCHASED RECEIVABLE"), BUT ONLY FROM AND AFTER THE DATE SUCH PURCHASED RECEIVABLES ARE SOLD BY SUPPLIER TO INVESTOR, AND ALL ANCILLARY RIGHTS WITH RESPECT TO SUCH PURCHASED RECEIVABLES. |                               |           |          |       |                        |             |                     |
|                                |                                                                                                                                                                                             |                               |           |          |       |                        |             |                     |
| Registering Agent              | Registering Agent                                                                                                                                                                           |                               |           |          |       |                        |             |                     |
|                                |                                                                                                                                                                                             |                               |           |          |       |                        |             |                     |
|                                |                                                                                                                                                                                             | Address                       |           |          | City  | Province               | Postal Code |                     |
|                                |                                                                                                                                                                                             |                               |           |          |       |                        |             |                     |

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|----------------------------------------------|--------------------------------|------------------|-------------|------------------------|----------------------------|------------------|---------------------|--|
| Type of Search                               | Business Debtor                |                  |             |                        |                            |                  |                     |  |
| Search Conducted On                          | TOOL PROCESSING SOLUTIONS INC. |                  |             |                        |                            |                  |                     |  |
| File Currency                                | 01MAR 2021                     |                  |             |                        |                            |                  |                     |  |
|                                              | File Number                    | Family           | of Families | Page                   | of Pages                   | Expiry Date      | Status              |  |
|                                              | 707367564                      | 2                | 4           | 8                      | 23                         | 23JUN 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 |  |
| 707367564                                    |                                | 005              | 8           |                        | 20150623 1257 1901 3120    |                  |                     |  |
| 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         |  |
|                                              |                                |                  |             |                        |                            |                  |                     |  |

|                                       |                                                                                                                                                                                                       |                  |                  |                 |              |                               |                 |                            |                               |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|-----------------|--------------|-------------------------------|-----------------|----------------------------|-------------------------------|
| <b>Collateral Classification</b>      | <b>Consumer Goods</b>                                                                                                                                                                                 | <b>Inventory</b> | <b>Equipment</b> | <b>Accounts</b> | <b>Other</b> | <b>Motor Vehicle Included</b> | <b>Amount</b>   | <b>Date of Maturity or</b> | <b>No Fixed Maturity Date</b> |
| <b>Motor Vehicle Description</b>      | <b>Year</b>                                                                                                                                                                                           | <b>Make</b>      |                  |                 | <b>Model</b> |                               | <b>V.I.N.</b>   |                            |                               |
| <b>General Collateral Description</b> | <b>General Collateral Description</b>                                                                                                                                                                 |                  |                  |                 |              |                               |                 |                            |                               |
|                                       | "ANCILLARY RIGHTS" SHALL MEAN, WITH RESPECT TO ANY PURCHASED RECEIVABLE, ALL CONTRACT RIGHTS ARISING FROM THE SALE OF GOODS OR THE RENDITION OF SERVICES WHICH GAVE RISE TO SUCH PURCHASED RECEIVABLE |                  |                  |                 |              |                               |                 |                            |                               |
| <b>Registering Agent</b>              | <b>Registering Agent</b>                                                                                                                                                                              |                  |                  |                 |              |                               |                 |                            |                               |
|                                       |                                                                                                                                                                                                       |                  |                  |                 |              |                               |                 |                            |                               |
|                                       | <b>Address</b>                                                                                                                                                                                        |                  |                  |                 |              | <b>City</b>                   | <b>Province</b> | <b>Postal Code</b>         |                               |
|                                       |                                                                                                                                                                                                       |                  |                  |                 |              |                               |                 |                            |                               |

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| <b>Type of Search</b>                               | Business Debtor                      |                         |                    |                               |                                   |                               |                            |                            |                               |
| <b>Search Conducted On</b>                          | TOOL PROCESSING SOLUTIONS INC.       |                         |                    |                               |                                   |                               |                            |                            |                               |
| <b>File Currency</b>                                | 01MAR 2021                           |                         |                    |                               |                                   |                               |                            |                            |                               |
|                                                     | <b>File Number</b>                   | <b>Family</b>           | <b>of Families</b> | <b>Page</b>                   | <b>of Pages</b>                   | <b>Expiry Date</b>            | <b>Status</b>              |                            |                               |
|                                                     | 707367564                            | 2                       | 4                  | 9                             | 23                                | 23JUN 2025                    |                            |                            |                               |
| <b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b> |                                      |                         |                    |                               |                                   |                               |                            |                            |                               |
| <b>File Number</b>                                  | <b>Caution Filing</b>                | <b>Page of</b>          | <b>Total Pages</b> | <b>Motor Vehicle Schedule</b> | <b>Registration Number</b>        | <b>Registered Under</b>       | <b>Registration Period</b> |                            |                               |
| 707367564                                           |                                      | 006                     | 8                  |                               | 20150623 1257 1901 3120           |                               |                            |                            |                               |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                 | <b>First Given Name</b> |                    |                               | <b>Initial</b>                    | <b>Surname</b>                |                            |                            |                               |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>          |                         |                    |                               | <b>Ontario Corporation Number</b> |                               |                            |                            |                               |
|                                                     | <b>Address</b>                       |                         |                    |                               | <b>City</b>                       | <b>Province</b>               | <b>Postal Code</b>         |                            |                               |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                 | <b>First Given Name</b> |                    |                               | <b>Initial</b>                    | <b>Surname</b>                |                            |                            |                               |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>          |                         |                    |                               | <b>Ontario Corporation Number</b> |                               |                            |                            |                               |
|                                                     | <b>Address</b>                       |                         |                    |                               | <b>City</b>                       | <b>Province</b>               | <b>Postal Code</b>         |                            |                               |
| <b>Secured Party</b>                                | <b>Secured Party / Lien Claimant</b> |                         |                    |                               |                                   |                               |                            |                            |                               |
|                                                     | <b>Address</b>                       |                         |                    |                               | <b>City</b>                       | <b>Province</b>               | <b>Postal Code</b>         |                            |                               |
| <b>Collateral Classification</b>                    | <b>Consumer Goods</b>                | <b>Inventory</b>        | <b>Equipment</b>   | <b>Accounts</b>               | <b>Other</b>                      | <b>Motor Vehicle Included</b> | <b>Amount</b>              | <b>Date of Maturity or</b> | <b>No Fixed Maturity Date</b> |
| <b>Motor Vehicle Description</b>                    | <b>Year</b>                          | <b>Make</b>             |                    |                               | <b>Model</b>                      |                               | <b>V.I.N.</b>              |                            |                               |
|                                                     |                                      |                         |                    |                               |                                   |                               |                            |                            |                               |

|                                       |  |                                                                                                                                                                                                      |             |                    |
|---------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------------|
| <b>General Collateral Description</b> |  | <b>General Collateral Description</b>                                                                                                                                                                |             |                    |
|                                       |  | ALL OTHER OBLIGATIONS FOR THE PAYMENT OF MONEY ARISING THEREFROM ALL COLLATERAL, INSURANCE, SUPPORTING OBLIGATIONS, AND GUARANTIES THEREFORE THE RIGHTS TO GOODS AND PROPERTY REPRESENTED THEREBY OR |             |                    |
| <b>Registering Agent</b>              |  | <b>Registering Agent</b>                                                                                                                                                                             |             |                    |
|                                       |  |                                                                                                                                                                                                      |             |                    |
|                                       |  | <b>Address</b>                                                                                                                                                                                       | <b>City</b> | <b>Province</b>    |
|                                       |  |                                                                                                                                                                                                      |             | <b>Postal Code</b> |
|                                       |  |                                                                                                                                                                                                      |             |                    |

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| <b>Type of Search</b>                               | Business Debtor                                                                                                                                                                                               |                         |                    |                               |                                   |                               |                            |                               |
| <b>Search Conducted On</b>                          | TOOL PROCESSING SOLUTIONS INC.                                                                                                                                                                                |                         |                    |                               |                                   |                               |                            |                               |
| <b>File Currency</b>                                | 01MAR 2021                                                                                                                                                                                                    |                         |                    |                               |                                   |                               |                            |                               |
|                                                     | <b>File Number</b>                                                                                                                                                                                            | <b>Family</b>           | <b>of Families</b> | <b>Page</b>                   | <b>of Pages</b>                   | <b>Expiry Date</b>            | <b>Status</b>              |                               |
|                                                     | 707367564                                                                                                                                                                                                     | 2                       | 4                  | 10                            | 23                                | 23JUN 2025                    |                            |                               |
| <b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b> |                                                                                                                                                                                                               |                         |                    |                               |                                   |                               |                            |                               |
| <b>File Number</b>                                  | <b>Caution Filing</b>                                                                                                                                                                                         | <b>Page of</b>          | <b>Total Pages</b> | <b>Motor Vehicle Schedule</b> | <b>Registration Number</b>        | <b>Registered Under</b>       | <b>Registration Period</b> |                               |
| 707367564                                           |                                                                                                                                                                                                               | 007                     | 8                  |                               | 20150623 1257 1901 3120           |                               |                            |                               |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                                                                                                                                                                                          | <b>First Given Name</b> |                    |                               | <b>Initial</b>                    | <b>Surname</b>                |                            |                               |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>                                                                                                                                                                                   |                         |                    |                               | <b>Ontario Corporation Number</b> |                               |                            |                               |
|                                                     | <b>Address</b>                                                                                                                                                                                                |                         |                    |                               | <b>City</b>                       | <b>Province</b>               | <b>Postal Code</b>         |                               |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                                                                                                                                                                                          | <b>First Given Name</b> |                    |                               | <b>Initial</b>                    | <b>Surname</b>                |                            |                               |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>                                                                                                                                                                                   |                         |                    |                               | <b>Ontario Corporation Number</b> |                               |                            |                               |
|                                                     | <b>Address</b>                                                                                                                                                                                                |                         |                    |                               | <b>City</b>                       | <b>Province</b>               | <b>Postal Code</b>         |                               |
| <b>Secured Party</b>                                | <b>Secured Party / Lien Claimant</b>                                                                                                                                                                          |                         |                    |                               |                                   |                               |                            |                               |
|                                                     | <b>Address</b>                                                                                                                                                                                                |                         |                    |                               | <b>City</b>                       | <b>Province</b>               | <b>Postal Code</b>         |                               |
| <b>Collateral Classification</b>                    | <b>Consumer Goods</b>                                                                                                                                                                                         | <b>Inventory</b>        | <b>Equipment</b>   | <b>Accounts</b>               | <b>Other</b>                      | <b>Motor Vehicle Included</b> | <b>Amount</b>              | <b>Date of Maturity or</b>    |
|                                                     |                                                                                                                                                                                                               |                         |                    |                               |                                   |                               |                            | <b>No Fixed Maturity Date</b> |
| <b>Motor Vehicle Description</b>                    | <b>Year</b>                                                                                                                                                                                                   | <b>Make</b>             |                    |                               | <b>Model</b>                      |                               | <b>V.I.N.</b>              |                               |
| <b>General Collateral Description</b>               | <b>General Collateral Description</b>                                                                                                                                                                         |                         |                    |                               |                                   |                               |                            |                               |
|                                                     | ASSOCIATED THEREWITH ALL RIGHTS AND REMEDIES AGAINST THE BUYER AND/OR THIRD PARTIES OBLIGATED THEREON OR GOODS ASSOCIATED THEREWITH THE BOOKS AND RECORDS WITH RESPECT THERETO AND THE PROCEEDS OF ANY OF THE |                         |                    |                               |                                   |                               |                            |                               |
| <b>Registering Agent</b>                            | <b>Registering Agent</b>                                                                                                                                                                                      |                         |                    |                               |                                   |                               |                            |                               |
|                                                     |                                                                                                                                                                                                               |                         |                    |                               |                                   |                               |                            |                               |
|                                                     |                                                                                                                                                                                                               |                         |                    |                               |                                   |                               |                            |                               |

|  | Address | City | Province | Postal Code |
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|-----------------------------------------------------|---------------------------------------|-------------------------|--------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Type of Search</b>                               | Business Debtor                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Search Conducted On</b>                          | TOOL PROCESSING SOLUTIONS INC.        |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>File Currency</b>                                | 01MAR 2021                            |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>File Number</b>                    | <b>Family</b>           | <b>of Families</b> | <b>Page</b>                   | <b>of Pages</b>            | <b>Expiry Date</b>                | <b>Status</b>              |                            |                               |
|                                                     | 707367564                             | 2                       | 4                  | 11                            | 23                         | 23JUN 2025                        |                            |                            |                               |
| <b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b> |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>File Number</b>                                  | <b>Caution Filing</b>                 | <b>Page of</b>          | <b>Total Pages</b> | <b>Motor Vehicle Schedule</b> | <b>Registration Number</b> | <b>Registered Under</b>           | <b>Registration Period</b> |                            |                               |
| 707367564                                           |                                       | 008                     | 8                  |                               | 20150623 1257 1901 3120    |                                   |                            |                            |                               |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                  | <b>First Given Name</b> |                    |                               | <b>Initial</b>             | <b>Surname</b>                    |                            |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>           |                         |                    |                               |                            | <b>Ontario Corporation Number</b> |                            |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>Address</b>                        |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Individual Debtor</b>                            | <b>Date of Birth</b>                  | <b>First Given Name</b> |                    |                               | <b>Initial</b>             | <b>Surname</b>                    |                            |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Business Debtor</b>                              | <b>Business Debtor Name</b>           |                         |                    |                               |                            | <b>Ontario Corporation Number</b> |                            |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>Address</b>                        |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Secured Party</b>                                | <b>Secured Party / Lien Claimant</b>  |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>Address</b>                        |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Collateral Classification</b>                    | <b>Consumer Goods</b>                 | <b>Inventory</b>        | <b>Equipment</b>   | <b>Accounts</b>               | <b>Other</b>               | <b>Motor Vehicle Included</b>     | <b>Amount</b>              | <b>Date of Maturity or</b> | <b>No Fixed Maturity Date</b> |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Motor Vehicle Description</b>                    | <b>Year</b>                           | <b>Make</b>             |                    |                               | <b>Model</b>               |                                   | <b>V.I.N.</b>              |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>General Collateral Description</b>               | <b>General Collateral Description</b> |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | FOREGOING.                            |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
| <b>Registering Agent</b>                            | <b>Registering Agent</b>              |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     |                                       |                         |                    |                               |                            |                                   |                            |                            |                               |
|                                                     | <b>Address</b>                        |                         |                    |                               | <b>City</b>                | <b>Province</b>                   | <b>Postal Code</b>         |                            |                               |
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| <b>Type of Search</b>      | Business Debtor                |  |  |  |  |  |  |  |  |
| <b>Search Conducted On</b> | TOOL PROCESSING SOLUTIONS INC. |  |  |  |  |  |  |  |  |
| <b>File Currency</b>       | 01MAR 2021                     |  |  |  |  |  |  |  |  |



|                                                       |                                                                                                                                                                                                             |                      |                          |                                 |                            |                        |                  |                     |                        |
|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------|---------------------------------|----------------------------|------------------------|------------------|---------------------|------------------------|
|                                                       | File Number                                                                                                                                                                                                 | Family               | of Families              | Page                            | of Pages                   |                        |                  |                     |                        |
|                                                       | 707367564                                                                                                                                                                                                   | 2                    | 4                        | 12                              | 23                         |                        |                  |                     |                        |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT |                                                                                                                                                                                                             |                      |                          |                                 |                            |                        |                  |                     |                        |
|                                                       | Caution Filing                                                                                                                                                                                              | Page of              | Total Pages              | Motor Vehicle Schedule Attached | Registration Number        |                        | Registered Under |                     |                        |
|                                                       |                                                                                                                                                                                                             | 001                  | 7                        |                                 | 20170404 1850 1901 1920    |                        |                  |                     |                        |
| Record Referenced                                     | File Number                                                                                                                                                                                                 | Page Amended         | No Specific Page Amended | Change Required                 | Renewal Years              | Correct Period         |                  |                     |                        |
|                                                       | 707367564                                                                                                                                                                                                   |                      |                          | A AMNDMNT                       |                            |                        |                  |                     |                        |
| Reference Debtor/ Transferor                          | First Given Name                                                                                                                                                                                            |                      |                          | Initial                         | Surname                    |                        |                  |                     |                        |
|                                                       | TOOL PROCESSING SOLUTIONS INC.                                                                                                                                                                              |                      |                          | Business Debtor Name            |                            |                        |                  |                     |                        |
| Other Change                                          | Other Change                                                                                                                                                                                                |                      |                          |                                 |                            |                        |                  |                     |                        |
| Reason / Description                                  | Reason / Description                                                                                                                                                                                        |                      |                          |                                 |                            |                        |                  |                     |                        |
|                                                       | GENERAL COLLATERAL AMENDED                                                                                                                                                                                  |                      |                          |                                 |                            |                        |                  |                     |                        |
| 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                                                                                                                                                                              |                      |                          |                                 |                            |                        |                  |                     |                        |
|                                                       | ALL ACCOUNTS RECEIVABLE WHICH ARISE OUT OF THE SALE OF GOODS AND SERVICES BY THE DEBTOR (REFERRED TO AS "SUPPLIER") TO YANFENG GLOBAL AUTOMOTIVE INTERIOR SYSTEMS CO. LTD., YANFENG AUTOMOTIVE TRIM SYSTEMS |                      |                          |                                 |                            |                        |                  |                     |                        |
| 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             |                        |

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| Type of Search                                                                                                                                                                                             | Business Debtor                |              |                                 |          |                         |                        |               |                     |                        |  |
| Search Conducted On                                                                                                                                                                                        | TOOL PROCESSING SOLUTIONS INC. |              |                                 |          |                         |                        |               |                     |                        |  |
| File Currency                                                                                                                                                                                              | 01MAR 2021                     |              |                                 |          |                         |                        |               |                     |                        |  |
| File Number                                                                                                                                                                                                | Family                         | of Families  | Page                            |          | of Pages                |                        |               |                     |                        |  |
| 707367564                                                                                                                                                                                                  | 2                              | 4            | 13                              |          | 23                      |                        |               |                     |                        |  |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT                                                                                                                                                      |                                |              |                                 |          |                         |                        |               |                     |                        |  |
| Caution Filing                                                                                                                                                                                             | Page of                        | Total Pages  | Motor Vehicle Schedule Attached |          | Registration Number     |                        |               | Registered Under    |                        |  |
|                                                                                                                                                                                                            | 002                            | 7            |                                 |          | 20170404 1850 1901 1920 |                        |               |                     |                        |  |
| Record Referenced                                                                                                                                                                                          | File Number                    | Page Amended | No Specific Page Amended        |          | Change Required         |                        | Renewal Years | Correct Period      |                        |  |
|                                                                                                                                                                                                            | 707367564                      |              |                                 |          |                         |                        |               |                     |                        |  |
| Reference Debtor/ Transferor                                                                                                                                                                               | First Given Name               |              | Initial                         |          | Surname                 |                        |               |                     |                        |  |
| Business Debtor Name                                                                                                                                                                                       |                                |              |                                 |          |                         |                        |               |                     |                        |  |
| 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 |              |                                 |          |                         |                        |               |                     |                        |  |
| CO., LTD., AND/OR THEIR SUBSIDIARIES OR AFFILIATES (INDIVIDUALLY OR COLLECTIVELY, "BUYER"), WHICH ACCOUNTS RECEIVABLE ARE NOW OR IN THE FUTURE ASSIGNED AND SOLD BY SUPPLIER TO THE INVESTORS PARTY TO THE |                                |              |                                 |          |                         |                        |               |                     |                        |  |
| Registering Agent                                                                                                                                                                                          |                                |              |                                 |          |                         |                        |               |                     |                        |  |
| Registering Agent or Secured Party/ Lien Claimant                                                                                                                                                          |                                |              |                                 |          |                         |                        |               |                     |                        |  |
| Address                                                                                                                                                                                                    |                                |              |                                 |          |                         |                        |               |                     |                        |  |
| City                                                                                                                                                                                                       |                                |              |                                 |          |                         |                        |               |                     |                        |  |
| Province                                                                                                                                                                                                   |                                |              |                                 |          |                         |                        |               |                     |                        |  |
| Postal Code                                                                                                                                                                                                |                                |              |                                 |          |                         |                        |               |                     |                        |  |

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|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|--------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------|---------------------------------|----------------------------------------|----------------|-------------------------------|----------------------------|-----------------------------------|-------------------------------|--|
| <b>Type of Search</b>                                        | Business Debtor                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>Search Conducted On</b>                                   | TOOL PROCESSING SOLUTIONS INC.                                        |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>File Currency</b>                                         | 01MAR 2021                                                            |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              | <b>File Number</b>                                                    | <b>Family</b>           | <b>of Families</b>              | <b>Page</b>                            |                |                               | <b>of Pages</b>            |                                   |                               |  |
|                                                              | 707367564                                                             | 2                       | 4                               | 14                                     |                |                               | 23                         |                                   |                               |  |
| <b>FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT</b> |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              | <b>Caution Filing</b>                                                 | <b>Page of</b>          | <b>Total Pages</b>              | <b>Motor Vehicle Schedule Attached</b> |                |                               | <b>Registration Number</b> |                                   | <b>Registered Under</b>       |  |
|                                                              |                                                                       | 003                     | 7                               |                                        |                |                               | 20170404 1850 1901 1920    |                                   |                               |  |
| <b>Record Referenced</b>                                     | <b>File Number</b>                                                    | <b>Page Amended</b>     | <b>No Specific Page Amended</b> | <b>Change Required</b>                 |                |                               | <b>Renewal Years</b>       | <b>Correct Period</b>             |                               |  |
|                                                              | 707367564                                                             |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>Reference Debtor/ Transferor</b>                          | <b>First Given Name</b>                                               |                         |                                 | <b>Initial</b>                         |                | <b>Surname</b>                |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              | <b>Business Debtor Name</b>                                           |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>Other Change</b>                                          | <b>Other Change</b>                                                   |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>Reason / Description</b>                                  | <b>Reason / Description</b>                                           |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>Debtor/ Transferee</b>                                    | <b>Date of Birth</b>                                                  | <b>First Given Name</b> |                                 |                                        | <b>Initial</b> |                               | <b>Surname</b>             |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              | <b>Business Debtor Name</b>                                           |                         |                                 |                                        |                |                               |                            | <b>Ontario Corporation Number</b> |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              | <b>Address</b>                                                        |                         |                                 |                                        | <b>City</b>    |                               | <b>Province</b>            | <b>Postal Code</b>                |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>Assignor Name</b>                                         | <b>Assignor Name</b>                                                  |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>Secured Party</b>                                         | <b>Secured party, lien claimant, assignee</b>                         |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              | <b>Address</b>                                                        |                         |                                 |                                        | <b>City</b>    |                               | <b>Province</b>            | <b>Postal Code</b>                |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>Collateral Classification</b>                             | <b>Consumer Goods</b>                                                 | <b>Inventory</b>        | <b>Equipment</b>                | <b>Accounts</b>                        | <b>Other</b>   | <b>Motor Vehicle Included</b> | <b>Amount</b>              | <b>Date of Maturity or</b>        | <b>No Fixed Maturity Date</b> |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>Motor Vehicle Description</b>                             | <b>Year</b>                                                           | <b>Make</b>             |                                 |                                        | <b>Model</b>   |                               |                            | <b>V.I.N.</b>                     |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              |                                                                       |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
| <b>General Collateral Description</b>                        | <b>General Collateral Description</b>                                 |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              | RECEIVABLES PURCHASE AGREEMENT AMONG SUPPLIER, THE INVESTORS PARTY    |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              | THERETO AND THE INVESTOR AGENT PARTY THERETO, AS AMENDED, MODIFIED OR |                         |                                 |                                        |                |                               |                            |                                   |                               |  |
|                                                              | SUPPLEMENTED FROM TIME TO TIME (EACH, A "PURCHASED RECEIVABLE"), BUT  |                         |                                 |                                        |                |                               |                            |                                   |                               |  |

|                   |                                                   |  |      |                      |
|-------------------|---------------------------------------------------|--|------|----------------------|
| Registering Agent | Registering Agent or Secured Party/ Lien Claimant |  |      |                      |
|                   | Address                                           |  | City | Province Postal Code |
|                   |                                                   |  |      |                      |

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|                                                              |                                                                     |                  |                          |                                 |                         |                            |        |                     |                        |
|--------------------------------------------------------------|---------------------------------------------------------------------|------------------|--------------------------|---------------------------------|-------------------------|----------------------------|--------|---------------------|------------------------|
| Type of Search                                               | Business Debtor                                                     |                  |                          |                                 |                         |                            |        |                     |                        |
| Search Conducted On                                          | TOOL PROCESSING SOLUTIONS INC.                                      |                  |                          |                                 |                         |                            |        |                     |                        |
| File Currency                                                | 01MAR 2021                                                          |                  |                          |                                 |                         |                            |        |                     |                        |
|                                                              | File Number                                                         | Family           | of Families              | Page                            | of Pages                |                            |        |                     |                        |
|                                                              | 707367564                                                           | 2                | 4                        | 15                              | 23                      |                            |        |                     |                        |
| <b>FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT</b> |                                                                     |                  |                          |                                 |                         |                            |        |                     |                        |
|                                                              | Caution Filing                                                      | Page of          | Total Pages              | Motor Vehicle Schedule Attached | Registration Number     | Registered Under           |        |                     |                        |
|                                                              |                                                                     | 004              | 7                        |                                 | 20170404 1850 1901 1920 |                            |        |                     |                        |
| Record Referenced                                            | File Number                                                         | Page Amended     | No Specific Page Amended | Change Required                 | Renewal Years           | Correct Period             |        |                     |                        |
|                                                              | 707367564                                                           |                  |                          |                                 |                         |                            |        |                     |                        |
| Reference Debtor/ Transferor                                 | First Given Name                                                    |                  |                          | Initial                         | Surname                 |                            |        |                     |                        |
|                                                              |                                                                     |                  |                          |                                 |                         |                            |        |                     |                        |
|                                                              | Business Debtor Name                                                |                  |                          |                                 |                         |                            |        |                     |                        |
|                                                              |                                                                     |                  |                          |                                 |                         |                            |        |                     |                        |
| 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                                      |                  |                          |                                 |                         |                            |        |                     |                        |
|                                                              | ONLY FROM AND AFTER THE DATE SUCH PURCHASED RECEIVABLES ARE SOLD BY |                  |                          |                                 |                         |                            |        |                     |                        |

|                                                                                                                                              |         |                                                   |          |             |
|----------------------------------------------------------------------------------------------------------------------------------------------|---------|---------------------------------------------------|----------|-------------|
| SUPPLIER TO INVESTOR, AND ALL ANCILLARY RIGHTS WITH RESPECT TO SUCH<br>PURCHASED RECEIVABLES. "ANCILLARY RIGHTS" SHALL MEAN, WITH RESPECT TO |         |                                                   |          |             |
| Registering Agent                                                                                                                            |         | Registering Agent or Secured Party/ Lien Claimant |          |             |
|                                                                                                                                              | Address | City                                              | Province | Postal Code |
|                                                                                                                                              |         |                                                   |          |             |

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|                                                       |                                        |                      |                                 |                         |                  |                            |        |                     |                        |
|-------------------------------------------------------|----------------------------------------|----------------------|---------------------------------|-------------------------|------------------|----------------------------|--------|---------------------|------------------------|
| Type of Search                                        | Business Debtor                        |                      |                                 |                         |                  |                            |        |                     |                        |
| Search Conducted On                                   | TOOL PROCESSING SOLUTIONS INC.         |                      |                                 |                         |                  |                            |        |                     |                        |
| File Currency                                         | 01MAR 2021                             |                      |                                 |                         |                  |                            |        |                     |                        |
| File Number                                           | Family                                 | of Families          | Page                            | of Pages                |                  |                            |        |                     |                        |
| 707367564                                             | 2                                      | 4                    | 16                              | 23                      |                  |                            |        |                     |                        |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT |                                        |                      |                                 |                         |                  |                            |        |                     |                        |
| Caution Filing                                        | Page of                                | Total Pages          | Motor Vehicle Schedule Attached | Registration Number     | Registered Under |                            |        |                     |                        |
|                                                       | 005                                    | 7                    |                                 | 20170404 1850 1901 1920 |                  |                            |        |                     |                        |
| Record Referenced                                     | File Number                            | Page Amended         | No Specific Page Amended        | Change Required         | Renewal Years    | Correct Period             |        |                     |                        |
|                                                       | 707367564                              |                      |                                 |                         |                  |                            |        |                     |                        |
| Reference Debtor/ Transferor                          | First Given Name                       | Initial              | Surname                         |                         |                  |                            |        |                     |                        |
|                                                       | Business Debtor Name                   |                      |                                 |                         |                  |                            |        |                     |                        |
| 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.                     |        |                     |                        |

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|                                                       |                                        |                  |              |                                 |                 |                         |               |                            |                        |
|-------------------------------------------------------|----------------------------------------|------------------|--------------|---------------------------------|-----------------|-------------------------|---------------|----------------------------|------------------------|
| Type of Search                                        | Business Debtor                        |                  |              |                                 |                 |                         |               |                            |                        |
| Search Conducted On                                   | TOOL PROCESSING SOLUTIONS INC.         |                  |              |                                 |                 |                         |               |                            |                        |
| File Currency                                         | 01MAR 2021                             |                  |              |                                 |                 |                         |               |                            |                        |
|                                                       | File Number                            | Family           | of Families  | Page                            |                 | of Pages                |               |                            |                        |
|                                                       | 707367564                              | 2                | 4            | 17                              |                 | 23                      |               |                            |                        |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT |                                        |                  |              |                                 |                 |                         |               |                            |                        |
|                                                       | Cautious Filing                        | Page of          | Total Pages  | Motor Vehicle Schedule Attached |                 | Registration Number     |               | Registered Under           |                        |
|                                                       |                                        | 006              | 7            |                                 |                 | 20170404 1850 1901 1920 |               |                            |                        |
|                                                       |                                        |                  |              |                                 |                 |                         |               |                            |                        |
| Record Referenced                                     | File Number                            |                  | Page Amended | No Specific Page Amended        | Change Required |                         | Renewal Years | Correct Period             |                        |
|                                                       | 707367564                              |                  |              |                                 |                 |                         |               |                            |                        |
|                                                       |                                        |                  |              |                                 |                 |                         |               |                            |                        |
| Reference Debtor/<br>Transferor                       | First Given Name                       |                  |              |                                 | Initial         | Surname                 |               |                            |                        |
|                                                       | Business Debtor Name                   |                  |              |                                 |                 |                         |               |                            |                        |
|                                                       |                                        |                  |              |                                 |                 |                         |               |                            |                        |
|                                                       |                                        |                  |              |                                 |                 |                         |               |                            |                        |
| 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 |
|                                                       |                                        |                  |              |                                 |                 |                         |               |                            |                        |

|                                  |             |             |              |               |
|----------------------------------|-------------|-------------|--------------|---------------|
| <b>Motor Vehicle Description</b> | <b>Year</b> | <b>Make</b> | <b>Model</b> | <b>V.I.N.</b> |
|                                  |             |             |              |               |

|                                       |                                                                                                                                                                                                            |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>General Collateral Description</b> | <b>General Collateral Description</b>                                                                                                                                                                      |
|                                       | MONEY ARISING THEREFROM, (C) ALL COLLATERAL, INSURANCE, SUPPORTING OBLIGATIONS, AND GUARANTIES THEREFORE, (D) THE RIGHTS TO GOODS AND PROPERTY REPRESENTED THEREBY OR ASSOCIATED THEREWITH, (E) ALL RIGHTS |

|                          |                                                          |
|--------------------------|----------------------------------------------------------|
| <b>Registering Agent</b> | <b>Registering Agent or Secured Party/ Lien Claimant</b> |
|                          |                                                          |

|  |                |             |                 |                    |
|--|----------------|-------------|-----------------|--------------------|
|  | <b>Address</b> | <b>City</b> | <b>Province</b> | <b>Postal Code</b> |
|  |                |             |                 |                    |

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|                                                              |                                               |                         |                                 |                                        |                            |                                   |
|--------------------------------------------------------------|-----------------------------------------------|-------------------------|---------------------------------|----------------------------------------|----------------------------|-----------------------------------|
| <b>Type of Search</b>                                        | Business Debtor                               |                         |                                 |                                        |                            |                                   |
| <b>Search Conducted On</b>                                   | TOOL PROCESSING SOLUTIONS INC.                |                         |                                 |                                        |                            |                                   |
| <b>File Currency</b>                                         | 01MAR 2021                                    |                         |                                 |                                        |                            |                                   |
|                                                              | <b>File Number</b>                            | <b>Family</b>           | <b>of Families</b>              | <b>Page</b>                            | <b>of Pages</b>            |                                   |
|                                                              | 707367564                                     | 2                       | 4                               | 18                                     | 23                         |                                   |
| <b>FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT</b> |                                               |                         |                                 |                                        |                            |                                   |
|                                                              | <b>Caution Filing</b>                         | <b>Page of</b>          | <b>Total Pages</b>              | <b>Motor Vehicle Schedule Attached</b> | <b>Registration Number</b> | <b>Registered Under</b>           |
|                                                              |                                               | 007                     | 7                               |                                        | 20170404 1850 1901 1920    |                                   |
| <b>Record Referenced</b>                                     | <b>File Number</b>                            | <b>Page Amended</b>     | <b>No Specific Page Amended</b> | <b>Change Required</b>                 | <b>Renewal Years</b>       | <b>Correct Period</b>             |
|                                                              | 707367564                                     |                         |                                 |                                        |                            |                                   |
| <b>Reference Debtor/ Transferor</b>                          | <b>First Given Name</b>                       |                         |                                 | <b>Initial</b>                         | <b>Surname</b>             |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
|                                                              | <b>Business Debtor Name</b>                   |                         |                                 |                                        |                            |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
| <b>Other Change</b>                                          | <b>Other Change</b>                           |                         |                                 |                                        |                            |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
| <b>Reason / Description</b>                                  | <b>Reason / Description</b>                   |                         |                                 |                                        |                            |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
| <b>Debtor/ Transferee</b>                                    | <b>Date of Birth</b>                          | <b>First Given Name</b> |                                 | <b>Initial</b>                         | <b>Surname</b>             |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
|                                                              | <b>Business Debtor Name</b>                   |                         |                                 |                                        |                            | <b>Ontario Corporation Number</b> |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
|                                                              | <b>Address</b>                                |                         |                                 | <b>City</b>                            | <b>Province</b>            | <b>Postal Code</b>                |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
| <b>Assignor Name</b>                                         | <b>Assignor Name</b>                          |                         |                                 |                                        |                            |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
| <b>Secured Party</b>                                         | <b>Secured party, lien claimant, assignee</b> |                         |                                 |                                        |                            |                                   |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
|                                                              | <b>Address</b>                                |                         |                                 | <b>City</b>                            | <b>Province</b>            | <b>Postal Code</b>                |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |
|                                                              |                                               | <b>Inventory</b>        | <b>Equipment</b>                | <b>Accounts</b>                        | <b>Other</b>               | <b>Amount</b>                     |
|                                                              |                                               |                         |                                 |                                        |                            |                                   |

| Collateral Classification | Consumer Goods |  |  |  |  | Motor Vehicle Included |  | Date of Maturity or | No Fixed Maturity Date |
|---------------------------|----------------|--|--|--|--|------------------------|--|---------------------|------------------------|
|---------------------------|----------------|--|--|--|--|------------------------|--|---------------------|------------------------|

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

|                                |                                                                                                                                                                                                   |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| General Collateral Description | General Collateral Description                                                                                                                                                                    |
|                                | AND REMEDIES AGAINST THE BUYER AND/OR THIRD PARTIES OBLIGATED THEREON OR GOODS ASSOCIATED THEREWITH, AND (F) THE BOOKS AND RECORDS WITH RESPECT THERETO AND THE PROCEEDS OF ANY OF THE FOREGOING. |

|                   |                                                   |
|-------------------|---------------------------------------------------|
| Registering Agent | Registering Agent or Secured Party/ Lien Claimant |
|-------------------|---------------------------------------------------|

|  | Address | City | Province | Postal Code |
|--|---------|------|----------|-------------|
|  |         |      |          |             |

CONTINUED

Type of Search Business Debtor

Search Conducted On TOOL PROCESSING SOLUTIONS INC.

File Currency 01MAR 2021

| File Number | Family | of Families | Page | of Pages |
|-------------|--------|-------------|------|----------|
| 707367564   | 2      | 4           | 19   | 23       |

**FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT**

| Caution Filing | Page of | Total Pages | Motor Vehicle Schedule Attached | Registration Number     | Registered Under |
|----------------|---------|-------------|---------------------------------|-------------------------|------------------|
|                | 001     | 1           |                                 | 20200214 1247 1901 2905 |                  |

| Record Referenced | File Number | Page Amended | No Specific Page Amended | Change Required | Renewal Years | Correct Period |
|-------------------|-------------|--------------|--------------------------|-----------------|---------------|----------------|
|                   | 707367564   |              |                          | B RENEWAL       | 05            |                |

| Reference Debtor/ Transferor | First Given Name               | Initial | Surname |
|------------------------------|--------------------------------|---------|---------|
|                              |                                |         |         |
|                              | Business Debtor Name           |         |         |
|                              | TOOL PROCESSING SOLUTIONS 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                          | TOOL PROCESSING SOLUTIONS INC.      |                  |             |                        |           |                         |                            |                     |                        |
| File Currency                                | 01MAR 2021                          |                  |             |                        |           |                         |                            |                     |                        |
|                                              | File Number                         | Family           | of Families | Page                   | of Pages  | Expiry Date             | Status                     |                     |                        |
|                                              | 730628145                           | 3                | 4           | 20                     | 23        | 08AUG 2050              |                            |                     |                        |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN |                                     |                  |             |                        |           |                         |                            |                     |                        |
| File Number                                  | Caution Filing                      | Page of          | Total Pages | Motor Vehicle Schedule |           | Registration Number     | Registered Under           | Registration Period |                        |
| 730628145                                    |                                     | 001              | 1           |                        |           | 20170808 1044 1590 9817 | P PPSA                     | 25                  |                        |
| Individual Debtor                            | Date of Birth                       | First Given Name |             |                        | Initial   | Surname                 |                            |                     |                        |
|                                              |                                     |                  |             |                        |           |                         |                            |                     |                        |
| Business Debtor                              | Business Debtor Name                |                  |             |                        |           |                         | Ontario Corporation Number |                     |                        |
|                                              | TOOL PROCESSING SOLUTIONS INC.      |                  |             |                        |           |                         |                            |                     |                        |
|                                              | Address                             |                  |             |                        | City      | Province                | Postal Code                |                     |                        |
|                                              | 1905 BLACKACRE DRIVE                |                  |             |                        | OLDCASTLE | ON                      | N0R 1L0                    |                     |                        |
| Individual Debtor                            | Date of Birth                       | First Given Name |             |                        | Initial   | Surname                 |                            |                     |                        |
|                                              |                                     |                  |             |                        |           |                         |                            |                     |                        |
| Business Debtor                              | Business Debtor Name                |                  |             |                        |           |                         | Ontario Corporation Number |                     |                        |
|                                              | TOOL PROCESSING SOLUTIONS INC.      |                  |             |                        |           |                         |                            |                     |                        |
|                                              | Address                             |                  |             |                        | City      | Province                | Postal Code                |                     |                        |
|                                              | 3920 NORTH TALBOT ROAD              |                  |             |                        | OLDCASTLE | ON                      | N0R 1L0                    |                     |                        |
| Secured Party                                | Secured Party / Lien Claimant       |                  |             |                        |           |                         |                            |                     |                        |
|                                              | BUSINESS DEVELOPMENT BANK OF CANADA |                  |             |                        |           |                         |                            |                     |                        |
|                                              | Address                             |                  |             |                        | City      | Province                | Postal Code                |                     |                        |
|                                              | 2485 OUELLETTE AVENUE,, STE. 200    |                  |             |                        | WINDSOR   | ON                      | N8X 1L5                    |                     |                        |
| 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                       |                            |                     |                        |
|                                              | Year                                | Make             |             |                        | Model     |                         | V.I.N.                     |                     |                        |

|                                |                                    |         |          |             |
|--------------------------------|------------------------------------|---------|----------|-------------|
| Motor Vehicle Description      |                                    |         |          |             |
| General Collateral Description | General Collateral Description     |         |          |             |
|                                |                                    |         |          |             |
| Registering Agent              | Registering Agent                  |         |          |             |
|                                | KIRWIN PARTNERS LLP (31153/RPL/DP) |         |          |             |
|                                | Address                            | City    | Province | Postal Code |
|                                | 423 PELISSIER STREET               | WINDSOR | ON       | N9A 4L2     |

CONTINUED

|                                                       |                                        |                  |                          |                                 |                            |                        |        |                     |                        |
|-------------------------------------------------------|----------------------------------------|------------------|--------------------------|---------------------------------|----------------------------|------------------------|--------|---------------------|------------------------|
| Type of Search                                        | Business Debtor                        |                  |                          |                                 |                            |                        |        |                     |                        |
| Search Conducted On                                   | TOOL PROCESSING SOLUTIONS INC.         |                  |                          |                                 |                            |                        |        |                     |                        |
| File Currency                                         | 01MAR 2021                             |                  |                          |                                 |                            |                        |        |                     |                        |
|                                                       | File Number                            | Family           | of Families              | Page                            | of Pages                   |                        |        |                     |                        |
|                                                       | 730628145                              | 3                | 4                        | 21                              | 23                         |                        |        |                     |                        |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT |                                        |                  |                          |                                 |                            |                        |        |                     |                        |
|                                                       | Caution Filing                         | Page of          | Total Pages              | Motor Vehicle Schedule Attached | Registration Number        | Registered Under       |        |                     |                        |
|                                                       |                                        | 01               | 001                      |                                 | 20170808 1452 1590 9856    |                        |        |                     |                        |
| Record Referenced                                     | File Number                            | Page Amended     | No Specific Page Amended | Change Required                 | Renewal Years              | Correct Period         |        |                     |                        |
|                                                       | 730628145                              |                  |                          | B RENEWAL                       | 6                          |                        |        |                     |                        |
| Reference Debtor/ Transferor                          | First Given Name                       |                  |                          | Initial                         | Surname                    |                        |        |                     |                        |
|                                                       |                                        |                  |                          |                                 |                            |                        |        |                     |                        |
|                                                       | Business Debtor Name                   |                  |                          |                                 |                            |                        |        |                     |                        |
|                                                       | TOOL PROCESSING SOLUTIONS 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 |      |       |         |          |             |  |  |
|                                | KIRWIN PARTNERS LLP (31153/RPL/DP)                |      |       |         |          |             |  |  |
|                                | Address                                           |      |       | City    | Province | Postal Code |  |  |
|                                | 423 PELISSIER STREET                              |      |       | WINDSOR | ON       | N9A 4L2     |  |  |

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|                                                       |                                        |                      |                                 |                         |                            |                |  |
|-------------------------------------------------------|----------------------------------------|----------------------|---------------------------------|-------------------------|----------------------------|----------------|--|
| Type of Search                                        | Business Debtor                        |                      |                                 |                         |                            |                |  |
| Search Conducted On                                   | TOOL PROCESSING SOLUTIONS INC.         |                      |                                 |                         |                            |                |  |
| File Currency                                         | 01MAR 2021                             |                      |                                 |                         |                            |                |  |
| File Number                                           | Family                                 | of Families          | Page                            | of Pages                |                            |                |  |
| 730628145                                             | 3                                      | 4                    | 22                              | 23                      |                            |                |  |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT |                                        |                      |                                 |                         |                            |                |  |
| Caution Filing                                        | Page of                                | Total Pages          | Motor Vehicle Schedule Attached | Registration Number     | Registered Under           |                |  |
|                                                       | 01                                     | 001                  |                                 | 20180718 1452 1590 4831 |                            |                |  |
| Record Referenced                                     | File Number                            | Page Amended         | No Specific Page Amended        | Change Required         | Renewal Years              | Correct Period |  |
|                                                       | 730628145                              |                      |                                 | B RENEWAL               | 2                          |                |  |
| Reference Debtor/ Transferor                          | First Given Name                       |                      | Initial                         |                         | Surname                    |                |  |
|                                                       | Business Debtor Name                   |                      |                                 |                         |                            |                |  |
|                                                       | TOOL PROCESSING SOLUTIONS 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    |  |
|                                                       |                                        |                      |                                 |                         |                            |                |  |
|                                                       |                                        |                      |                                 |                         |                            |                |  |

END OF FAMILY

| General Collateral Description |                                 | General Collateral Description |          |             |
|--------------------------------|---------------------------------|--------------------------------|----------|-------------|
|                                |                                 |                                |          |             |
| Registering Agent              | Registering Agent               |                                |          |             |
|                                | MILLER THOMSON LLP              |                                |          |             |
|                                | Address                         | City                           | Province | Postal Code |
|                                | 40 KING STREET WEST, SUITE 5800 | TORONTO                        | ON       | M5H 3S1     |

LAST PAGE

**Note: All pages have been returned.**[BACK TO TOP](#)

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Last Modified: November 03, 2019

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This is **Exhibit “K”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

DocuSigned by:



\_\_\_\_\_  
A Commissioner for Taking Affidavits

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## **SUBORDINATION AND PRIORITIES AGREEMENT**

**Alterinvest II Fund L.P.**

by its general partner, Business Development Bank of Canada

and

**BDC Capital Inc.**

a wholly-owned subsidiary of Business Development Bank of Canada

and

**The Toronto-Dominion Bank**

and its affiliates and divisions, including

**TD Asset Finance**

and

**TD Equipment Finance Canada**

as lender

and

**Toolplas Systems Inc.**

as Debtor

**DATED** December 21st, 2017.

## **SUBORDINATION AND PRIORITIES AGREEMENT**

AMONG: **ALTERINVEST II FUND L.P.** by its general partner,  
**BUSINESS DEVELOPMENT BANK OF CANADA**  
(“**Alterinvest**”)

**BDC CAPITAL INC.**, a wholly-owned subsidiary of  
**BUSINESS DEVELOPMENT BANK OF CANADA**,  
(“**BDCC**”, and together with Alterinvest, “**BDC**”)

AND: **THE TORONTO-DOMINION BANK** and its affiliates and divisions,  
including **TD ASSET FINANCE** and **TD EQUIPMENT FINANCE**  
**CANADA**, as lender  
(the “**Bank**”)

AND: **TOOLPLAS SYSTEMS INC.**  
(the “**Debtor**”)

### **WHO DECLARE AS FOLLOWS:**

**WHEREAS** (i) the Bank has granted or will grant the Debtor various facilities (the “**Bank Debt**”) pursuant to the terms and conditions of the Bank Credit Agreements; and (ii) the Debtor has granted Liens in favour of the Bank pursuant to the Bank Security;

**AND WHEREAS** (i) Alterinvest has granted or will grant the Debtor various subordinated credit facilities (the “**Alterinvest Debt**”) not exceeding the aggregate principal amount of CAD\$291,686 (together, with any and all interest, fees, costs, expenses and such other obligations owing to Alterinvest by the Debtor from time to time) pursuant to the terms and conditions of the Alterinvest Loan Agreement; (ii) the Debtor has granted Liens in favour of Alterinvest pursuant to the BDC Security;

**AND WHEREAS** (i) BDCC has granted or will grant the Debtor various subordinated credit facilities (the “**BDCC Debt**”) not exceeding the aggregate principal amount of CAD\$600,000 (together, with any and all interest, fees, costs, expenses and such other obligations owing to BDCC by the Debtor from time to time) pursuant to the terms and conditions of the BDCC Loan Agreement; (ii) the Debtor has granted Liens in favour of BDCC pursuant to the BDC Security;

**AND WHEREAS** the Lenders wish to set forth their respective rights, remedies and priorities in respect of the repayment of the Bank Debt and the BDC Debt and security granted by the Debtor to each of them;



**NOW THEREFORE** and in consideration of the covenants and conditions hereinafter described, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **INTERPRETATION**

- 1.1 **Definitions.** Except as otherwise provided herein or unless the context otherwise requires, capitalized terms and expressions used in this Agreement, the recitals hereto and the preamble hereto shall have the meaning set forth below:

**“Agreement”** means this Subordination and Priorities Agreement, as may be amended, restated, supplemented, restated or otherwise modified from time to time;

**“Alterinvest”** has the meaning given to such term in the preamble to this Agreement and includes any of Alterinvest’s successor and assigns;

**“Alterinvest Loan Agreement”** means the assumption of debt and security agreement dated September 29, 2008 with the Debtor, to provide financing to the Debtor, as may be further amended, restated, supplemented, restated or otherwise modified from time to time;

**“Bank”** has the meaning given to such term in the preamble to this Agreement and includes any of the Bank’s affiliates and their successors and assigns;

**“Bank Credit Agreements”** means, including without limitation, the ABL Credit Agreement between the Debtor and TD Asset Finance, a division of The Toronto-Dominion Bank dated with effect as of the date hereof (as it may be amended, supplemented or replaced from time to time, herein called the **“ABL Credit Agreement”**), all equipment loan agreements between the Debtor and TD Equipment Finance Canada, a division of The Toronto-Dominion Bank including the equipment loan agreement dated effect as of the date hereof (as it may be amended, supplemented, restated or replaced from time to time, herein collectively called the **“Equipment Loan Agreement”**);

**“Bank Event of Default”** means any default or event of default occurring under or in connection with the Bank Credit Agreements or any other Loan Documents relating to the Bank Debt;

**“Bank Notice of Default”** has the meaning ascribed thereto in Section 3.2 herein;

**“Bank Security”** means, individually or collectively, all Security granted or to be granted by the Debtor to and in favour of the Bank to guarantee and/or secure the repayment of the Bank Debt;

**“BDC Debt”** means the Alterinvest Debt and the BDCC Debt, as the case may be;

**“BDC Event of Default”** means any default or event of default occurring under or in connection with the BDC Loan Agreements or any other Loan Documents relating to the BDC Debt;

**“BDC Loan Agreements”** means each of the Alterinvest Loan Agreement and the BDCC Loan Agreement, as the case may be;

**“BDC Notice of Default”** has the meaning ascribed thereto in Section 2.5 herein;

**“BDC Security”** means, individually or collectively, all Security granted or to be granted by the Debtor to and in favour of BDC to guarantee and/or secure the repayment and performance of the BDC Debt;

**“BDCC”** has the meaning given to such term in the preamble to this Agreement and includes any of BDCC’s successor and assigns;

**“BDCC Loan Agreement”** means the the commitment letters dated July 10, 2013 and February 9<sup>th</sup>, 2015 between BDCC and the Debtor, as may be further amended, restated, supplemented, restated or otherwise modified from time to time;

**“Business Day”** means any day, except Saturday or Sunday, when the Bank is open to do business in Toronto, Ontario;

**“Debtor”** has the meaning given to such term in the preamble to this Agreement and includes any of the Debtor’s successor and assigns;

**“Dollars”** or **“\$”** means lawful money of Canada;

**“Event of Default”** means a Bank Event of Default or BDC Event of Default, as the case may be;

**“GAAP”** means the generally accepted accounting principles in force in Canada, as accepted or established by the Canadian Institute of Chartered Accountants, as they may be modified from time to time, but applied in a consistent manner;

**“Government Authority”** means Canada, the province mentioned in Section 12.2 herein, and any other regional, municipal, local or other subdivision of that province, any other governmental organization of such jurisdiction, including any agency, commission, office, department, ministry, organization or other person carrying on executive, legislative, judicial, regulatory or administrative functions arising out of or related thereto;

**“Insolvency Event”** means any proceeding initiated under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada), the *US Bankruptcy Code* and any similar statute or law in any jurisdiction of similar application;

**“Lenders”** mean, as the case may be, the Bank, Alterinvest and/or BDCC or all or any combination;

**“Lien”** means, collectively, any security interest, lien, charge, hypothec, deemed trust, adverse claim or right and other encumbrances;

**“Loan Documents”** means, collectively, any loan agreement, credit agreement, letter of intent, loan offer, security agreement, guarantee or other instrument, document or agreement relating to the loans and the Security in connection with the Bank Debt or the BDC Debt, as the case may be, all as amended, restated, supplemented, restated or otherwise modified from time to time;

**“PPSA”** means, collectively, the *Personal Property Security Act* (Ontario) and any other personal property security legislation of any jurisdiction that may govern any of the assets, properties or undertaking of the Debtor;

**“Receiver”** means a receiver, a manager, receiver and manager, or agent or other person having similar parties or authority appointed by the Bank or BDC or another creditor, whether by way of a private or court appointment in respect of the Debtor or any of the Debtor’s assets

**“Security”** means, individually or collectively, all guarantees, deeds, documents and agreements, including any amendment, substitution, supplement, restatement or replacement thereof, relating or useful to complete and confirm the guarantees and Liens granted to the Bank or to BDC, as the case may be, in accordance with the laws of any Governmental Authority having jurisdiction over the properties and rights of the Debtor subject to such security; and

**“Standstill Period”** means the period described in Section 6.3 hereof.

- 1.2 **Titles.** The titles have been inserted in this Agreement for convenience of reference only and shall not in any manner affect its interpretation. The section numbers refer to the sections of this Agreement.
- 1.3 **Preamble.** The preamble hereinabove forms an integral part of this Agreement.
- 1.4 **Accounting Terms.** Each accounting term used in this Agreement has the meaning generally ascribed to it by GAAP unless another definition is given herein, and any reference to an item of a balance sheet or income statement must be construed according to its presentation in the appropriate statement established in accordance with GAAP as modified from time to time by any accounting norms adopted by the Canadian Institute of Chartered Accountants.
- 1.5 **Singular Plural.** In this Agreement, words importing the singular number also include the plural and *vice versa*, and person (or persons) includes an individual, firm, company, corporation, government, governmental body or agency, unincorporated association or partnership. Information that is provided in the schedules hereto shall be consistent with the definitions, terms and conditions of this Agreement.
- 1.6 **Consent.** Each of the Lenders hereby consents to the:
  - (a) indebtedness and obligations provided for in the Bank Credit Agreements and the BDC Loan Agreements;

- (b) creation and issuance by the Debtor to the Bank of the Bank Security and to BDC of the BDC Security; and
- (c) existence of the Bank Debt and the BDC Debt generally.

## 2. **SUBORDINATION AND POSTPONEMENT**

- 2.1 The BDC Security is hereby unconditionally and absolutely postponed and subordinated to the Bank Security.
- 2.2 Unless otherwise acknowledged in writing by BDC but subject to the proviso in Section 2.4(b) hereof, the subordination herein provided does not affect the rights of BDC in any suretyship granted in its favour by any person which is not a Loan Party (as defined in an under the Bank Credit Agreements), nor the rights of BDC in any Security held in connection with such suretyship. Unless otherwise acknowledged in writing by the Bank, the subordination herein provided does not affect the rights of the Bank in any suretyship granted in its favour by any person which is not a Loan Party, nor the rights of the Bank in any Security held in connection with such suretyship.
- 2.3 The subordinations and postponements herein provided shall remain in force for as long as the Bank is not indefeasibly repaid in full the amounts due by the Debtor and the Bank Credit Agreements have not been terminated by the Bank in writing, and shall apply in all events and circumstances regardless of:
  - (a) the respective dates of execution and registration attachment or perfection of the BDC Security as well as the Bank Security;
  - (b) the date or dates of any advances made or that will be made to the Debtor by the Bank or BDC;
  - (c) the date or dates of any Event of Default; or
  - (d) any other cause of priority by any principle of law or equity or any statute, including the PPSA, between the Bank and BDC.
- 2.4 Subject to the provisions of this Agreement, including without limitation, all provisions relating to the subordination and standstill provisions and restrictions imposed on BDC during a Standstill Period, the subordination and postponement herein:
  - (a) shall not prevent BDC from obtaining the regularly scheduled payments of principal, interest (including default interest, if applicable), account management fees, royalties, additional interest, bonus interest, cash flow sweeps and accessory payments up to the maximum aggregate amount of \$50,000 per month in respect of the Alterinvest Debt and \$200,000 per year in respect of the BDCC Debt, all in accordance with the terms and conditions of the BDC Loan Agreements, as in effect as of the date hereof, unamended;

- (b) shall not prevent BDC from exercising its right under any suretyship held by it with respect to the BDC Debt provided it does not result in any contribution or subrogation claim by any such surety against any Loan Party unless and until the Bank Debt has been indefeasibly repaid in full;
- (c) shall not prevent BDC from filing a proof of claim with any trustee in bankruptcy in case of (i) bankruptcy or assignment of property by the Debtor, or (ii) filing by the Debtor of a notice of intention or a proposal pursuant to the *Bankruptcy and Insolvency Act* or filing of an arrangement under the *Companies' Creditors Arrangement Act* (R.S.C., c. C-36); and
- (d) shall not prevent BDC from invoking an Event of Default with respect to the BDC Debt, nor to exercise its rights and remedies in such circumstances, whether by judicial means or otherwise, provided always that the further exercise of its rights and remedies in such circumstances, whether by judicial means or otherwise and any realization of the BDC Security remains subject to the subordination and standstill provisions imposed on BDC during a Standstill Period provided for in this Agreement as long as it remains in force.

2.5 If a BDC Event of Default occurs and BDC wishes to call its loan, initiate proceedings in view of obtaining repayment of same or realizing upon the BDC Security, it must give prior written notice to the Bank informing the Bank of its intention to do so. If the Bank does not notify BDC in writing that it avails itself of the provisions regarding the implementation of a Standstill Period and this Agreement within a period of 10 Business Days from its receipt of the notice of default transmitted by BDC (the “**BDC Notice of Default**”), BDC may then, after the expiry of such 10 Business Day Period and subject to the priorities set out herein, realize upon the BDC Security and take any measures deemed useful or necessary to protect its rights with respect to the Debtor. For greater certainty, a BDC Notice of Default shall constitute an immediate Bank Event of Default entitling the Bank, if it chooses, to implement a Standstill Period.

### 3. CONSENT TO PAYMENTS

- 3.1 Until such time as the Bank Debt is indefeasibly repaid in full by the Debtor and each of the Bank Credit Agreements have been terminated in writing by the Bank, BDC covenants and agrees that the repayment of the BDC Debt is unconditionally and absolutely postponed and subordinated to the prior repayment of the Bank Debt. However except during a Standstill Period but subject to Section 3.2 below, BDC may receive regularly scheduled payments of principal, interest (including default interest, if applicable), account management fees, royalties, additional interest, bonus interest, cash flow sweeps and accessory payments up to the maximum aggregate amount of \$50,000 per month in respect of the Alterinvest Debt and \$200,000 per year in respect of the BDCC Debt, all in accordance with the terms and conditions of the BDC Loan Agreements, each as in effect as of the date hereof, unamended.
- 3.2 The parties hereby agree that any payment in connection with the BDC Debt made to BDC, which was made during the occurrence of an Event of Default or resulted in an Event of

Default and was made within 30 days prior to the issuance by the Bank of a Bank Event of Default (a “**Bank Notice of Default**”) imposing a Standstill Period; will be deemed, to have been received by BDC, acting as mandatary and in trust for the Bank and shall be remitted to the Bank by BDC, as soon as possible. In that event, the loan account between the Debtor and BDC shall be adjusted to reflect that no payment has been made by the Debtor to BDC, and for the purposes of Article 6, the Standstill Period shall be deemed to have commenced on such earlier date of payment to BDC where BDC is required to remit funds received prior to the receipt of the Bank Notice of Default.

- 3.3 If a Bank Event of Default is cured to the satisfaction of the Bank in its sole discretion, the Bank will promptly advise BDC of such cure, and the Debtor may resume payments relating to the BDC Debt in accordance with the terms and conditions of the BDC Loan Agreements, each as in effect as of the date hereof, unamended, as well as all of the arrears of such payments, including the interest on the unpaid interest, provided that any of such payments of arrears would not result in an Event of Default.
- 3.4 The Bank shall have no obligation to inquire into the source of any funds received by the Bank from the Debtor or any other person nor will the Bank be considered a trustee or constructive trustee with respect to any proceeds of any of the BDC Security and the Bank will be free to apply any funds the Bank receives from the Debtor or any other person against the Bank Debt as it sees fit.
- 3.5 Subject to Section 3.4, the Bank shall have no obligation with respect to any money or cash deposited in any account of any Loan Party. In addition, without limiting any of its rights hereunder or at law, BDC and the Debtor acknowledge and agree that the Bank is irrevocably and unconditionally authorized (but not obligated) at any time, without notice to, or consent of, any of BDC and the Debtor, subject to Section 3.4, to apply any credit balance in any disbursement account relating to any Loan Party in favour of the Debtor or against the Bank Debt.

#### 4. **SECURITY HELD BY THE LENDERS**

- 4.1 Each Lender declares and represents that the Security is described on **Schedule “A”** hereto. BDC hereby consents to the creation and issue by the Debtor of the Bank Security and the Bank Debt and the Bank hereby consents to the creation and issue by the Debtor of the BDC Security and the BDC Debt.
- 4.2 The Bank Security and the BDC Security shall have the priorities set out herein and the Bank and BDC shall cede the priority of rank of their respective Security in order to give effect to such priorities.
- 4.3 Unless otherwise acknowledged in writing by BDC and the Bank but subject to the proviso in Section 2.4(b) hereof, the rights and remedies of the Bank pursuant to any suretyship held with respect to the Bank Debt, and the rights and remedies of BDC pursuant to any suretyship held in relation to the BDC Debt, other than a suretyship granted by the Loan Parties, are not subject to this Agreement.

- 4.4 Should new Security be granted by any Loan Party in favour of BDC, such Security shall be unconditionally subordinated to the rights of the Bank with respect to the Bank Security and the Bank Debt, the whole pursuant to the provisions hereof.
- 4.5 Any proceeds, including, without limitation, any insurance proceeds received by any Loan Party, BDC or the Bank in respect of the collateral charged by the BDC Security or the Bank Security shall be dealt with according to the preceding provisions hereof as though such proceeds were paid or payable as proceeds of realization of the collateral for which they compensate.
- 4.6 The Debtor hereby confirms to and agrees with BDC and the Bank that so long as any of the indebtedness of the Debtor to BDC and the Bank remains outstanding, it shall stand possessed of its assets so charged for BDC and for the Bank in accordance with their respective interests and priorities as herein set out.
- 4.7 If any of the BDC Security or the Bank Security is claimed or found by a trustee in bankruptcy, any third party, or a court of competent jurisdiction to be unenforceable, invalid, unregistered or unperfected, then the priorities set out in this Agreement shall continue to apply notwithstanding that such security is so found to be unenforceable, invalid, unregistered or unperfected.
- 4.8 This Agreement is not intended to affect the priority of any third party claims and no such third party or the Debtor may benefit from anything contained herein or enforce any of the provisions hereof.
- 4.9 Neither Lender shall take any action to defeat the priorities set out in this Agreement. For greater certainty, neither Lender shall contest the validity, perfection, priority or enforceability of the BDC Debt and the BDC Security, or the Bank Debt and the Bank Security. Each Lender hereby waives any right the other may have to require the other to marshal in its favour.
- 4.10 BDC hereby covenants and agrees not to exercise any voting right or other privilege that it may have from time to time in any of the actions or proceedings in favour of any plan, proposal, compromise, arrangement or similar transaction that would place BDC in a separate class from the Bank, or that is not supported by the Bank or would defeat: (i) the right of the Bank to receive payments and distributions otherwise payable or deliverable upon or with respect to the Bank Debt in accordance with the terms hereof, so long as any of the Bank Debt remains outstanding; or (ii) the obligation of BDC to receive, hold in trust, and pay over the Senior Lender certain payments and distributions as contemplated by this Agreement.

## 5. **MODIFICATIONS TO THE CONDITIONS OF THE BANK DEBT**

- 5.1 Subject to the provisions of Section 5.2 hereof, the Bank shall be entitled to modify any of the terms and conditions of the Bank Credit Agreements and the other Loan Documents among the Bank and the Debtor without any authorization from BDC.

5.2 At all times, BDC's authorization will be required in the following cases:

- (a) if the Bank wishes to increase the aggregate limits of available amounts under the Bank Credit Agreements for any non-revolving term facility above the amount currently contemplated thereunder;
- (b) if the Bank wishes to revise or amend any financial covenant ratio currently set out in the Bank Credit Agreements as of the date hereof to make it more onerous.

5.3 Notwithstanding the foregoing and for greater certainty, should the modifications requested by the Bank not be authorized by BDC, there shall be no prohibition on the Bank instituting a Standstill Period, upon a breach by the Debtor of the pre-modified terms and conditions of the Bank Credit Agreements.

## 6. **STANDSTILL PERIOD**

6.1 If a Bank Event of Default occurs, the Bank may, but without any obligation to do so, give BDC a Bank Notice of Default imposing a Standstill Period on BDC with respect to the exercise of its rights regarding the BDC Debt and BDC Security.

6.2 In order for the Bank to exercise its right to impose a Standstill Period, the Bank shall give to BDC the Bank Notice of Default advising of the Bank Event of Default and setting out the nature of the Bank Event of Default that has occurred and is continuing. Upon receipt of the Bank Notice of Default, BDC shall stay all proceedings engaged in view of realizing upon the BDC Security, or, as the case may be, not initiate any proceedings against the Debtor in order to collect the BDC Debt or realize upon the BDC Security, with such stay or non-initiation of proceedings being limited to the earlier of (a) the expiration of the Standstill Period, (b) such earlier time when the Bank has initiated any proceeding to enforce any of the Bank Security, and (c) the Bank Event of Default is waived by the Bank or cured by the Debtor in accordance with the Bank Credit Agreements.

6.3 The Standstill Period shall be limited to 135 days commencing on the date the Bank delivers the Bank Notice of Default.

6.4 During a Standstill Period, BDC:

- (a) shall not be entitled to receive any payments due to BDC by the Debtor whatsoever;
- (b) may not prohibit the Debtor or the Bank from using any of the assets subject to the BDC Security; and
- (c) not take any enforcement action, initiate any proceeding or take any step to enforce the BDC Security or collect the BDC Debt, other than (i) demanding repayment of the BDC Debt, (ii) filing a proof of claim in any proceeding commenced in respect of the Debtor, (iii) commencing an action for non-payment of the BDC Debt for the purposes of obtaining monetary judgment in respect thereof provided that no measure is taken to enforce any judgment granted in such action, (iv) take action that is required to preserve the validity, efficacy or priority of the BDC Debt, and/or



(v) take action for conversion of any non-fixed charge to a fixed charge to the extent applicable.

- 6.5 The Bank may only initiate two Standstill Periods during any 12 consecutive months provided that, in any event, the total cumulative number of days of Standstill Periods during any consecutive twelve (12) month period may not exceed two hundred and seventy (270) days. Once a Standstill Period has been requested, the Bank may not request a subsequent Standstill Period unless it relates to an Event of Default of a different nature than the Event of Default relied upon in respect of the previous Standstill Period(s) unless the Event of Default was cured in accordance with the Bank Credit Agreements or is cumulative with any prior Event of Default.
- 6.6 The Standstill Period will terminate upon the earlier of: (a) the expiration of the term fixed for such Standstill Period, (b) all amounts due with respect to the Bank Debt shall have been indefeasibly repaid in full, the Bank Credit Agreements have been terminated by the Bank in writing and there remains no further obligation of the Bank to advance funds to the Debtor, (c) the Bank provides written notice to BDC that the Bank Event of Default described in the Bank Notice of Default has been remedied to its satisfaction in its sole discretion, (d) the occurrence of an Insolvency Event, or (e) the Bank has commenced any action in respect of the enforcement of any of the Bank Security. If the Debtor has not remedied the Event of Default to the satisfaction of the Bank in its discretion before the expiration of the Standstill Period, BDC may, subject to the priorities set out herein, upon expiry of Standstill Period, start realizing upon its own Security and take any useful or necessary measures to protect its rights with respect to the Debtor, including the disposition of the assets of the Debtor subject to the BDC Security.
- 6.7 In the event of the delivery of a BDC Notice of Default, the Bank may in its absolute and sole discretion, but without any obligation to do so, remedy the default of the Debtor relating to the BDC Debt, in which case, any payment made by the Bank will be considered as an advance of funds under the Bank Credit Agreements.

## **7. ADDITIONAL RIGHTS OF BDC DURING AND SUBSEQUENT TO ANY STANDSTILL PERIOD**

- 7.1 During, and subsequent to, any Standstill Period, BDC shall have the right to require the Debtor to provide BDC with the following requests which shall be honored by the Debtor:
- (a) to have its own appointed representative to attend, as an observer, to all meetings of the board of directors of the Debtor, during which meetings such observer shall be entitled to participate in discussions but not be entitled to vote;
  - (b) to hold a meeting of the board of directors each month, at a place and date acceptable to BDC;
  - (c) to have its own appointed representative to attend, as an observer, to all general or special shareholders' meetings of the Debtor, during which meetings such observer shall be entitled to participate in discussions but not be entitled to vote;

- (d) to receive a copy of any notice of meeting to directors' or shareholders' meetings, as the case may be, at least five (5) days in advance, as well as all the relevant documentation delivered to the directors and/or shareholders of the Debtor; and

receive a copy of the minutes of the directors' and shareholders' meetings, within five (5) business days of such meeting, even if the observer appointed by BDC was not present at the meeting.

## 8. **DURATION**

This Agreement shall remain in force until the first of the following dates:

- (a) the date of cancellation of the Agreement following the written consent of the Lenders;
- (b) the date on which any and all amounts due with respect to the Bank Debt will have been indefeasibly repaid in full and the Bank Credit Agreements have been terminated in its entirety by the Bank; or
- (c) the date on which any and all amounts due with respect to the BDC Debt will have been repaid in full and the BDC Loan Agreements each has been cancelled to the entire satisfaction of BDC.

## 9. **DOCUMENTATION**

Each Lender shall, upon request of the other Lender and no later than 15 days of such request, sign any deed, agreement or other document, and shall do any act deemed useful or necessary in order to give effect to the Agreement hereof, including, as the case may be, assigning the priority of rank with respect to their respective Security.

## 10. **DEFAULT AND NOTICE OF DEFAULT**

- 10.1 BDC and the Bank agree to act reasonably when exercising their respective rights and remedies under the terms of the Bank Debt and the BDC Debt.
- 10.2 BDC and the Bank also agree to provide each other with copies of any letter or any notice transmitted in writing by one or the other to the Debtor relating to any Event of Default under the terms of the Bank Debt, the BDC Debt, as the case may be, and the Debtor hereby authorizes each Lender in connection with same and consent to same, but the failure to do so shall not affect the rights, obligations and priorities set out herein.

## 11. **NOTICE**

- 11.1 All notices or requests provided for in this Agreement shall be transmitted in writing to the party to which it is sent or given. Any notice or request is validly transmitted by its delivery to its recipient, either: personally (in which case, the delivery shall be accepted); or by registered and prepaid mail; or by facsimile, telex, cable or telegram; or served to the addresses hereinafter mentioned:

**For BDC:**

c/o BDC Capital Inc.  
 148 Fullarton St., Suite 1000, 10<sup>th</sup> Floor  
 London, ON N6A 5P3

Attention: Jeff Hill

Email: \_\_\_\_\_

Fax: \_\_\_\_\_

**For the Bank:**

TD Asset Finance, a division of The Toronto-Dominion Bank  
 100 Wellington Street West, 29<sup>th</sup> Floor  
 Toronto, ON M5K 1A2

Attention: Zami Salaria, Director, TD Asset Finance

Email: [zami.salaria@td.com](mailto:zami.salaria@td.com)

Fax: 416-983-6522

**with a copy to:**

TD Equipment Finance Canada, a division of The Toronto-Dominion Bank  
 2020 Winston Park Drive, Suite 301  
 Oakville, ON L6H 6X7

Attention: Daniel Nowak, Director, Equipment Finance

Email: [daniel.nowak@td.com](mailto:daniel.nowak@td.com)

Fax: \_\_\_\_\_

**For the Debtor:**

Toolplas Systems Inc.  
 1905 Blackacre Drive  
 Oldcastle, ON N0R 1L0

Attention: Geoff Deliberato

Email: [gdeliberato@toolplas.com](mailto:gdeliberato@toolplas.com)

Fax: \_\_\_\_\_

- 11.2 Any notice given or any request made as provided for hereinabove is deemed to have been received upon its delivery, if personally delivered, or at the time of its service, if served, or on the third Business Day following its mailing, if sent by mail, or on the Business Day following its transmittal, if transmitted by fax, telex, cable or telegram, as the case may be. However, if the mail service is interrupted by a strike, a slowdown, an act of God or any other cause, the party sending the notice or the request shall use one of the services that is not interrupted or shall deliver such notice or request in a manner that such notice or request

is received as soon as possible. Each party may advise the other parties of any change of address in the manner hereinabove mentioned for the purposes of this Agreement.

12. **MISCELLANEOUS**

- 12.1 **Successors and Assigns.** The terms and conditions herein shall apply and enure to the benefit of the successors and assigns of BDC and the Bank. Any assignee of the rights of (a) the Bank according to the Bank Debt shall benefit from the rights of the Bank in accordance with the terms hereof, and (b) BDC pursuant to the BDC Debt shall assume in writing the obligations of BDC described herein and BDC agrees to obtain such assumption from such assignee.
- 12.2 **Governing Laws.** The provisions hereof shall be governed exclusively (without regard to any rules or principals relating to conflicts of laws) by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 12.3 **Counterparts.** The Agreement hereof may be executed in any number of counterparts and by fax or PDF, each of which when so executed and delivered shall be deemed to be an original, and all of which taken together shall constitute one and the same agreement. Execution of this Agreement may be made by each party by signing a copy of the Agreement and sending such signature by facsimile or PDF or otherwise.

[4 SIGNATURE PAGES FOLLOW]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement in the following manner:

Alterinvest, at \_\_\_\_\_, Province of Ontario, this 21st day of December, 2017.

**ALTERINVEST II FUND L.P.**, by its general partner,  
**BUSINESS DEVELOPMENT BANK OF CANADA**

By: 

Name: Scott Lewis

Title: Managing Director

By: \_\_\_\_\_

Name: Marvin Junop

Title: Director

I/We have authority to bind the Bank.

BDCC, at \_\_\_\_\_, Province of Ontario, this 21st day of December, 2017.

**BDC CAPITAL INC.**, a wholly-owned subsidiary of  
**BUSINESS DEVELOPMENT BANK OF CANADA**

By: 

Name: Scott Lewis

Title: Managing Director

By: \_\_\_\_\_

Name: Marvin Junop

Title: Director

I/We have authority to bind the Bank.

The Bank, at \_\_\_\_\_, Province of Ontario, this 21st day of December, 2017.

Lender:

**TORONTO-DOMINION BANK**

By: \_\_\_\_\_

Name:

**Zamir Salaria**

Title:

**Director Asset Finance**

By: \_\_\_\_\_

Name:

**DARCY MACK**

Title:

**AVP**

I/We have authority to bind the Bank.

The Debtor, at \_\_\_\_\_, Province of Ontario, this 21st day of December, 2017.

Debtor:

**TOOLPLAS SYSTEMS INC.**

By: \_\_\_\_\_

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

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

By: \_\_\_\_\_

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

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

I/We have authority to bind the Corporation.



## SCHEDULE A SECURITY

### 1. LIST OF THE BANK SECURITY

The Bank declares that as of the date of these presents, the Bank Security held is the following:

- (a) General Security Agreement granted by the Debtor;
- (b) Assignment of Insurance Policies; and
- (c) and any other security which may be held by the Bank now or hereafter on the property and assets of the Debtor for its existing indebtedness and any future indebtedness of the Debtor.

### 2. LIST OF THE ALTERINVEST SECURITY

Alterinvest declares that at the date of these presents, the Security held is the following:

- (a) General Security Agreement dated September 29, 2008 from the Debtor;
- (b) a Conditional Guarantee from Nikolaos Mamatos (“**Nik**”) and Tool Processing Solutions Inc.;
- (c) a Guarantee from Tool Processing Solutions Inc.;
- (d) Assignment of Life Insurance from Nik;
- (e) Postponement from Nik and Rob Downie; and
- (f) any other security which may be held by Alterinvest now or hereafter on the property and assets of the Debtor for its existing indebtedness and any future indebtedness of the Debtor to Alterinvest (including all security heretofore granted Alterinvest by Tool-Plas Systems Inc. (“**Oldco**”) over those assets of the Debtor acquired by the Debtor from Oldco’s Receiver, RSM Richter Inc., on the closing of the transaction contemplated by the Court-approved “Offer to Purchase” agreement dated September 29, 2008 between RSM Richter Inc., as vendor of those assets, and the Debtor, as purchaser, which security, in accordance with the terms thereof and with Alterinvest’s consent was assigned to and has been assumed by the Debtor).

### 3. LIST OF THE BDCC SECURITY

BDCC declares that at the date of these presents, the Security held is the following:

- (a) General Security Agreement dated July 30, 2013 from the Debtor and Tool Processing Solutions Inc.;

- (b) a Conditional Guarantee from Nik;
- (c) a Guarantee from Tool Processing Solutions Inc.;
- (d) Assignment of Life Insurance from Nik;
- (e) Postponement from Nik and Rob Downie; and
- (f) and any other security which may be held by BDCC now or hereafter on the property and assets of the Debtor for its existing indebtedness and any future indebtedness of the Debtor.

**SECOND AMENDED AND RESTATED SUBORDINATION AND  
PRIORITIES AGREEMENT**

**Business Development Bank of Canada**

and

**BDC Capital Inc.**

a wholly-owned subsidiary of Business Development Bank of Canada

and

**The Toronto-Dominion Bank**

and its affiliates and divisions, including

**TD Asset Finance**

and

**TD Equipment Finance Canada**

as lender

and

**Toolplas Systems Inc.**

as Debtor

and

**Tool Processing Solutions Inc.**

as a guarantor

and

**Mamatas Real Estate Holdings Unlimited  
Liability Company**

DATED January 14, 2020.

## SECOND AMENDED AND RESTATED SUBORDINATION AND PRIORITIES AGREEMENT

### BUSINESS DEVELOPMENT BANK OF CANADA (“BBC”)

- AND: **BDC CAPITAL INC.**, a wholly-owned subsidiary of **BUSINESS DEVELOPMENT BANK OF CANADA**, (“**BDCC**”, and together with BBC, “**BDC**”)
- AND: **THE TORONTO-DOMINION BANK** and its affiliates and divisions, including **TD ASSET FINANCE** and **TD EQUIPMENT FINANCE CANADA**, as lender (the “**Bank**”)
- AND: **TOOLPLAS SYSTEMS INC.** (the “**Debtor**”)
- AND: **TOOL PROCESSING SOLUTIONS INC.** (“**TPS**”)
- AND: **MAMATAS REAL ESTATE HOLDINGS UNLIMITED LIABILITY COMPANY** (“**Mamatas**”)

### WHO DECLARE AS FOLLOWS:

**WHEREAS** (i) the Bank has granted or will grant the Debtor various facilities (the “**Bank Debt**”) pursuant to the terms and conditions of the Bank Credit Agreements; and (ii) the Debtor has granted Liens in favour of the Bank pursuant to the Bank Security;

**AND WHEREAS** TPS has executed and delivered or intends to execute and deliver certain guarantees and/or security agreements to the Bank in connection with the Bank Debt;

**AND WHEREAS** (i) Alterinvest II Fund L.P. (“**Alterinvest**”) had granted the Debtor various subordinated credit facilities (the “**Alterinvest Debt**”) which have been indefeasibly repaid in full and any and all Liens and registrations in respect thereof and any and all other debt and security are hereby absolutely, unconditionally and irrevocably terminated and discharged;

**AND WHEREAS** (i) BDCC has granted or will grant the Debtor various subordinated credit facilities (the “**BDCC Debt**”) not exceeding the aggregate principal amount of CAD\$2,850,000 (together, with any and all current or future interest, fees, costs, expenses and such other obligations owing to BDCC by the Debtor from time to time) pursuant to the terms and conditions of the BDCC Loan Agreement or any future agreement with BDCC; (ii) the Debtor and TPS have granted or may grant Liens in favour of BDCC pursuant to the BDC Security;

**AND WHEREAS** the Debtor and TPS has executed and delivered and intend to execute and deliver further guarantees and/or security agreements to BBC in connection with indebtedness owing per Offer Letter – Loan 122201-04 dated December 9, 2019, as amended by a Letter dated

December 24, 2019 or which in the future may be owing, to it by the Debtor and TPS from time to time in respect of certain real property term loans made by BBC to the Debtor's affiliate Mamatas (collectively, the "**BBC Debt**");

**AND WHEREAS** the Lenders wish to set forth their respective rights, remedies and priorities in respect of the repayment of the Bank Debt and the BDC Debt and security granted or to be granted by the Debtor and TPS to each of the Bank and BDC;

**NOW THEREFORE** and in consideration of the covenants and conditions hereinafter described, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

# 1. **INTERPRETATION**

1.1 **Definitions.** Except as otherwise provided herein or unless the context otherwise requires, capitalized terms and expressions used in this Agreement, the recitals hereto and the preamble hereto shall have the meaning set forth below:

"**Agreement**" means this Second Amended and Restated Subordination and Priorities Agreement, as may be amended, restated, supplemented, restated or otherwise modified from time to time;

"**Bank**" has the meaning given to such term in the preamble to this Agreement and includes any of the Bank's affiliates and their successors and assigns;

"**Bank Credit Agreements**" collectively means, including without limitation, the ABL Credit Agreement between the Debtor and TD Asset Finance, a division of The Toronto-Dominion Bank dated with effect as of December 21, 2017 and any other future agreement between the parties, (as they may be amended, supplemented, restated, extended or replaced from time to time, herein called the "**ABL Credit Agreement**") and all equipment loan agreements between the Debtor and TD Equipment Finance Canada, a division of The Toronto-Dominion Bank including the equipment loan agreement dated effect as of December 21, 2017 (as they may be amended, supplemented, restated, extended or replaced from time to time, herein collectively called the "**Equipment Loan Agreement**");

"**Bank Event of Default**" means any default or event of default occurring under or in connection with the Bank Credit Agreements or any other Loan Documents relating to the Bank Debt;

"**Bank Notice of Default**" has the meaning ascribed thereto in Section 3.2 herein;

"**Bank Security**" means, individually or collectively, all Security granted or to be granted by the Debtor and/or TPS to and in favour of the Bank to guarantee and/or secure the repayment of the Bank Debt;

"**BBC**" has the meaning given to such term in the preamble to this Agreement and includes any of BBC's affiliates, successors and assigns;

**“BDC Debt”** means the BBC Debt and the BDCC Debt, as the case may be;

**“BDC Event of Default”** means any default or event of default occurring under or in connection with the BDC Loan Agreements or any other Loan Documents relating to the BDC Debt;

**“BDC Loan Agreements”** means the BDCC Loan Agreement and any other loan agreement in respect of the BDC Debt, as the case may be;

**“BDC Notice of Default”** has the meaning ascribed thereto in Section 2.5 herein;

**“BDC Security”** means, individually or collectively, all Security granted or to be granted by the Debtor and/or TPS to and in favour of BDC to guarantee and/or secure the repayment and performance of the BDC Debt;

**“BDCC”** has the meaning given to such term in the preamble to this Agreement and includes any of BDCC’s successor and assigns;

**“BDCC Loan Agreement”** means the commitment letters dated July 10, 2013, February 9<sup>th</sup>, 2015 and December 18, 2019 as amended by a letter dated January 13, 2020 between BDCC and the Debtor and any other future agreement between the parties, as may be further amended, restated, supplemented, restated or otherwise modified from time to time;

**“Business Day”** means any day, except Saturday or Sunday, when the Bank is open to do business in Toronto, Ontario;

**“Debtor”** has the meaning given to such term in the preamble to this Agreement and includes any of the Debtor’s successor and assigns;

**“Dollars”** or **“\$”** means lawful money of Canada;

**“Event of Default”** means a Bank Event of Default or BDC Event of Default, as the case may be;

**“GAAP”** means the generally accepted accounting principles in force in Canada, as accepted or established by the Canadian Institute of Chartered Accountants, as they may be modified from time to time, but applied in a consistent manner;

**“Government Authority”** means Canada and any province or other regional, municipal, local or other subdivision of that province, any other governmental organization of such jurisdiction, including any agency, commission, office, department, ministry, organization or other person carrying on executive, legislative, judicial, regulatory or administrative functions arising out of or related thereto;

**“Insolvency Event”** means any proceeding initiated under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada), the *US Bankruptcy Code*, the *Winding Up and Restructuring Act* (Canada), any governing corporate statute

relating to arrangements and any similar statute or law in any jurisdiction of similar application;

“**Lenders**” mean, as the case may be, the Bank, BBC and/or BDCC or all or any combination;

“**Lien**” means, collectively, any security interest, lien, charge, hypothec, deemed trust, adverse claim or right and any other encumbrances;

“**Loan Documents**” means, collectively, any loan agreement, credit agreement, letter of intent, loan offer, letter of credit and security agreement, guarantee or other instrument, document or agreement relating to the loans and the Security in connection with the Bank Debt or the BDC Debt, as the case may be, all as amended, restated, supplemented, restated or otherwise modified from time to time;

“**PPSA**” means, collectively, the *Personal Property Security Act* (Ontario) and any other personal property security legislation of any jurisdiction that may govern any of the assets, properties or undertaking of the Debtor;

“**Receiver**” means a receiver, a manager, receiver and manager, or agent or other person having similar parties or authority appointed by the Bank or BDC or another creditor, whether by way of a private or court appointment in respect of the Debtor and/or TPS or any of their assets

“**Security**” means, individually or collectively, all guarantees, deeds, documents and agreements, including any amendment, substitution, supplement, restatement or replacement thereof, relating or useful to complete and confirm the guarantees and Liens granted to the Bank or to BDC, as the case may be, in accordance with the laws of any Governmental Authority having jurisdiction over the properties and rights of the Debtor and/or TPS subject to such security; and

“**Standstill Period**” means the period described in Section 6.3 hereof.

“**TPS**” has the meaning give to such term in the preamble to this Agreement and includes TPS’s successors and assigns.

- 1.2 **Titles.** The titles have been inserted in this Agreement for convenience of reference only and shall not in any manner affect its interpretation. The section numbers refer to the sections of this Agreement.
- 1.3 **Preamble.** The preamble hereinabove forms an integral part of this Agreement and BDC hereby confirms the truth and accuracy of the preamble relating to the Alterinvest Debt.
- 1.4 **Accounting Terms.** Each accounting term used in this Agreement has the meaning generally ascribed to it by GAAP unless another definition is given herein, and any reference to an item of a balance sheet or income statement must be construed according to its presentation in the appropriate statement established in accordance with GAAP as

modified from time to time by any accounting norms adopted by the Canadian Institute of Chartered Accountants.

- 1.5 **Singular Plural.** In this Agreement, words importing the singular number also include the plural and *vice versa*, and person (or persons) includes an individual, firm, company, corporation, government, governmental body or agency, unincorporated association or partnership. Information that is provided in the schedules hereto shall be consistent with the definitions, terms and conditions of this Agreement.
- 1.6 **Consent.** Subject to the limitations set out in Section 5.4 hereof, each of the Lenders hereby consents to the:
- (a) indebtedness and obligations provided for in the Bank Credit Agreements and the BDC Loan Agreements;
  - (b) creation and issuance by the Debtor to the Bank of the Bank Security and to BDC of the BDC Security; and
  - (c) existence of the Bank Debt and the BDC Debt.

## 2. **SUBORDINATION AND POSTPONEMENT**

- 2.1 The BDC Security is hereby unconditionally and absolutely postponed and subordinated to the Bank Security except for the life insurance policy or policies relating to Nick Mamatas and the proceeds thereof now or hereafter assigned to BDCC.
- 2.2 Unless otherwise acknowledged in writing by BDC but subject to the proviso in Section 2.4(b) hereof, the subordination herein provided does not affect the rights of BDC in any suretyship granted in its favour by any person which is not a Loan Party (as defined in and under the Bank Credit Agreement and which definition includes TPS), nor the rights of BDC in any Security held in connection with such suretyship. Unless otherwise acknowledged in writing by the Bank, the subordination herein provided does not affect the rights of the Bank in any suretyship granted in its favour by any person which is not a Loan Party (which definition includes TPS), nor the rights of the Bank in any Security held in connection with such suretyship.
- 2.3 The subordinations and postponements herein provided shall remain in force for as long as the Bank is not indefeasibly repaid in full the amounts due by the Debtor and the Bank Credit Agreements have not been terminated by the Bank in writing, and shall apply in all events and circumstances regardless of:
- (a) the respective dates of execution, delivery or registration, attachment or perfection of the BDC Security or the Bank Security;
  - (b) the date or dates of any advances made or that will be made to the Debtor by the Bank or BDC;
  - (c) the date or dates of any Event of Default; or



- (d) any other cause of priority by any principle of law or equity or any statute, including the PPSA, between the Bank and BDC.

2.4 Subject to the provisions of this Agreement, including without limitation, all provisions relating to the subordination and standstill provisions and restrictions imposed on BDC during a Standstill Period, the subordination and postponement herein:

- (a) shall not prevent BDCC from obtaining the regularly scheduled payments of principal, interest (including default interest, if applicable), account management fees, royalties, additional interest, bonus interest, cash flow sweeps and accessory payments up to the maximum aggregate amount of \$1,230,000 (plus any additional amounts approved by the Bank in its absolute and sole discretion) per year in respect of the BDCC Debt, all in accordance with the terms and conditions of the BDC Loan Agreements, as applicable and as in effect as of the date hereof, unamended;
- (b) shall not prevent BDC from exercising its right under any suretyship in respect of any person which is not a Loan Party (which definition includes TPS) held by it with respect to the BDC Debt provided it does not result in any contribution or subrogation claim by any such surety against any such Loan Party unless and until the Bank Debt has been indefeasibly repaid in full;
- (c) shall not prevent BDC from filing a proof of claim with any trustee in bankruptcy in case of (i) bankruptcy or assignment of property by the Debtor or TPS, or (ii) filing by the Debtor or TPS of a notice of intention or a proposal pursuant to the *Bankruptcy and Insolvency Act* or filing of an arrangement under the *Companies' Creditors Arrangement Act* (R.S.C., c. C-36); and
- (d) shall not prevent BDC from invoking an Event of Default with respect to the BDC Debt, nor to exercise its rights and remedies in such circumstances, whether by judicial means or otherwise, provided always that the further exercise of its rights and remedies in such circumstances, whether by judicial means or otherwise and any realization of the BDC Security remains subject to the subordination and standstill provisions imposed on BDC during a Standstill Period provided for in this Agreement as long as it remains in force.

2.5 If a BDC Event of Default occurs and BDC wishes to call its loan, initiate proceedings in view of obtaining repayment of same or realizing upon the BDC Security, it must give prior written notice to the Bank informing the Bank of its intention to do so. If the Bank does not notify BDC in writing that it avails itself of the provisions regarding the implementation of a Standstill Period under this Agreement within a period of 10 Business Days from its receipt of the notice of default transmitted by BDC (the "**BDC Notice of Default**"), BDC may then, after the expiry of such 10 Business Day Period and subject to the priorities set out herein, realize upon the BDC Security and take any measures deemed useful or necessary to protect its rights with respect to the Debtor. For greater certainty, a BDC Notice of Default shall constitute an immediate Bank Event of Default entitling the Bank, if it chooses, to implement a Standstill Period.

### 3. CONSENT TO PAYMENTS

- 3.1 Until such time as the Bank Debt is indefeasibly repaid in full by the Debtor and each of the Bank Credit Agreements have been terminated in writing by the Bank, BDC covenants and agrees that the repayment of the BDC Debt by the Debtor is unconditionally and absolutely postponed and subordinated to the prior repayment of the Bank Debt. However except during a Standstill Period but subject to Section 3.2 below, BDCC may receive regularly scheduled payments of principal, interest (including default interest, if applicable), account management fees, royalties, additional interest, bonus interest, cash flow sweeps and accessory payments up to the maximum aggregate amount of \$1,230,000 (plus any additional amounts approved by the bank in its absolute and sole discretion) per year in respect of the BDCC Debt, all in accordance with the terms and conditions of the applicable BDC Loan Agreements, each as in effect as of the date hereof, unamended.
- 3.2 The parties hereby agree that any payment in connection with the BDC Debt made to BDC, which was made during the occurrence of an Event of Default or resulted in an Event of Default and was made within 30 days prior to the issuance by the Bank of a Bank Event of Default (a “**Bank Notice of Default**”) imposing a Standstill Period; will be deemed, to have been received by BDC, acting as mandatarly and in trust for the Bank and shall be remitted to the Bank by BDC, as soon as possible. In that event, the loan account between the Debtor and BDC shall be adjusted to reflect that no payment has been made by the Debtor to BDC, and for the purposes of Article 6, the Standstill Period shall be deemed to have commenced on such earlier date of payment to BDC where BDC is required to remit funds received prior to the receipt of the Bank Notice of Default.
- 3.3 If a Bank Event of Default is cured to the satisfaction of the Bank in its sole discretion, the Bank will promptly advise BDC of such cure, and the Debtor may resume payments relating to the BDC Debt in accordance with the terms and conditions of the BDC Loan Agreements, each as in effect as of the date hereof, unamended, as well as all of the arrears of such payments, including the interest on the unpaid interest, provided that any of such payments of arrears would not result in an Event of Default.
- 3.4 The Bank shall have no obligation to inquire into the source of any funds received by the Bank from the Debtor, TPS or any other person nor will the Bank be considered a trustee or constructive trustee with respect to any proceeds of any of the BDC Security and the Bank will be free to apply any funds the Bank receives against the Bank Debt as it sees fit.
- 3.5 Subject to Section 3.4, the Bank shall have no obligation with respect to any money or cash deposited in any account of any Loan Party (including TPS). In addition, without limiting any of its rights hereunder or at law, BDC and the Debtor and TPS acknowledge and agree that the Bank is irrevocably and unconditionally authorized (but not obligated) at any time, without notice to, or consent of, any of BDC and the Debtor or TPS, subject to Section 3.4, to apply any credit balance in any disbursement account relating to any Loan Party (including TPS) against the Bank Debt.

#### 4. **SECURITY HELD BY THE LENDERS**

- 4.1 Each Lender declares and represents that the Security is as described on **Schedule "A"** hereto. Subject to the limitations set out in Section 5.4 hereof, BDC hereby consents to the creation and issue by the Debtor and TPS of the Bank Security and the Bank Debt and the Bank hereby consents to the creation and issue by the Debtor and TPS of the BDC Security and the BDC Debt.
- 4.2 The Bank Security and the BDC Security shall have the priorities set out herein and the Bank and BDC hereby subordinate and cede the priority of rank of their respective Security in order to give effect to such priorities.
- 4.3 Unless otherwise acknowledged in writing by BDC and the Bank but subject to the proviso in Section 2.4(b) hereof, the rights and remedies of the Bank pursuant to any suretyship held with respect to the Bank Debt, and the rights and remedies of BDC pursuant to any suretyship held in relation to the BDC Debt, other than a suretyship granted by the Loan Parties (including TPS), are not subject to this Agreement.
- 4.4 Should new Security be granted by any Loan Party (including TPS) in favour of BDC, such Security shall be unconditionally subordinated to the rights of the Bank with respect to the Bank Security and the Bank Debt, the whole pursuant to the provisions hereof.
- 4.5 Any proceeds, including, without limitation, any insurance proceeds received by any Loan Party (including TPS), BDC or the Bank in respect of the collateral charged by the BDC Security or the Bank Security shall be dealt with according to the preceding provisions hereof as though such proceeds were paid or payable as proceeds of realization of the collateral for which they compensate.
- 4.6 Each of the Debtor and TPS hereby confirm to and agree with BDC and the Bank that so long as any of the indebtedness of the Debtor to BDC and the Bank remains outstanding, it shall stand possessed of its assets so charged for BDC and for the Bank in accordance with their respective interests and priorities as herein set out.
- 4.7 If any of the BDC Security or the Bank Security is claimed or found by a trustee in bankruptcy, any third party, or a court of competent jurisdiction to be unenforceable, invalid, unregistered or unperfected, then the priorities set out in this Agreement shall continue to apply notwithstanding that such security is so found to be unenforceable, invalid, unregistered or unperfected.
- 4.8 This Agreement is not intended to affect the priority of any third party claims and no such third party or the Debtor or TPS may benefit from anything contained herein or enforce any of the provisions hereof.
- 4.9 Neither Lender shall take any action to defeat the priorities set out in this Agreement. For greater certainty, neither Lender shall contest the validity, perfection, priority or enforceability of the BDC Debt and the BDC Security, or the Bank Debt and the Bank Security. Each Lender hereby waives any right the other may have to require the other to marshal in its favour.

- 4.10 BDC hereby covenants and agrees not to exercise any voting right or other privilege that it may have from time to time in any of the actions or proceedings in favour of any plan, proposal, compromise, arrangement or similar transaction that would place BDC in a separate class from the Bank, or that is not supported by the Bank or would defeat: (i) the right of the Bank to receive payments and distributions otherwise payable or deliverable upon or with respect to the Bank Debt in accordance with the terms hereof, so long as any of the Bank Debt remains outstanding; or (ii) the obligation of BDC to receive, hold in trust, and pay over the Senior Lender certain payments and distributions as contemplated by this Agreement.

## 5. **MODIFICATIONS TO THE CONDITIONS OF THE BANK DEBT**

- 5.1 Subject to the provisions of Section 5.2 hereof, the Bank shall be entitled to modify any of the terms and conditions of the Bank Credit Agreements and the other Loan Documents among the Bank and the Debtor without any authorization from BDC.
- 5.2 At all times, BDC's authorization will be required in the following cases:
- (a) if the Bank wishes to increase the aggregate limits of available amounts under the Bank Credit Agreements for any non-revolving term facility above the amount currently contemplated thereunder;
  - (b) if the Bank wishes to revise or amend any financial covenant ratio currently set out in the Bank Credit Agreements as of the date hereof to make it more onerous.
- 5.3 Notwithstanding the foregoing and for greater certainty, should the modifications requested by the Bank not be authorized by BDC, there shall be no prohibition on the Bank instituting a Standstill Period, upon a breach of the pre-modified terms and conditions of the Bank Credit Agreements.
- 5.4 The Debtor, TPS, Mamatas and BDC hereby covenant and agree to and in favour of the Bank that Mamatas will not incur any non trade / supplier, bank or secured or unsecured indebtedness from BDCC whatsoever (other than as a guarantor) and will not incur any such indebtedness from BBC in excess of the aggregate amount of \$5,020,000, and that the Debtor and TPS will not incur any such indebtedness from BBC whatsoever and the Debtor and TPS will not incur such indebtedness from BDCC in excess of \$2,850,000 provided that BDCC funds the additional amount of \$2,250,000 to the Debtor pursuant to the BDCC Loan Agreement without the Bank's prior written authorization and which authorization will be required for BDC to increase the amount of any authorized limit / amount of any such indebtedness and it is also hereby understood, acknowledged, confirmed and agreed that notwithstanding any of the BDC Security or any guarantee executed and delivered by the Debtor and/or TPS to and in favour of BDC or any other matter or thing whatsoever in law or in equity, the Debtor's and/or TPS's guarantee of any indebtedness owing by Mamatas or any other entity to BDC whatsoever, shall be limited to the aggregate amount of \$3,099,000 under any and all circumstances.

## 6. **STANDSTILL PERIOD**

- 6.1 If a Bank Event of Default occurs, the Bank may, but without any obligation to do so, give BDC a Bank Notice of Default imposing a Standstill Period on BDC with respect to the exercise of its rights regarding the BDC Debt and BDC Security.
- 6.2 In order for the Bank to exercise its right to impose a Standstill Period, the Bank shall give to BDC the Bank Notice of Default advising of the Bank Event of Default and setting out the nature of the Bank Event of Default that has occurred and is continuing. Upon receipt of the Bank Notice of Default, BDC shall stay all proceedings engaged in view of realizing upon the BDC Security, or, as the case may be, not initiate any proceedings against the Debtor or TPS in order to collect the BDC Debt or realize upon the BDC Security, with such stay or non-initiation of proceedings being limited to the earlier of (a) the expiration of the Standstill Period, (b) such earlier time when the Bank has initiated any proceeding to enforce any of the Bank Security, and (c) the Bank Event of Default is waived by the Bank or cured by the Debtor in accordance with the Bank Credit Agreements.
- 6.3 The Standstill Period shall be limited to 135 days commencing on the date the Bank delivers the Bank Notice of Default.
- 6.4 During a Standstill Period, BDC:
  - (a) shall not be entitled to receive any payments due to BDC whatsoever;
  - (b) may not prohibit the Debtor or TPS or the Bank from using any of the assets subject to the BDC Security; and
  - (c) not take any enforcement action, initiate any proceeding or take any step to enforce the BDC Security or collect the BDC Debt, other than (i) demanding repayment of the BDC Debt, (ii) filing a proof of claim in any proceeding commenced in respect of the Debtor or TPS, (iii) commencing an action for non-payment of the BDC Debt for the purposes of obtaining monetary judgment in respect thereof provided that no measure is taken to enforce any judgment granted in such action, (iv) take action that is required to preserve the validity, efficacy or priority of the BDC Debt, and/or (v) take action for conversion of any non-fixed charge to a fixed charge to the extent applicable.
- 6.5 The Bank may only initiate two Standstill Periods during any 12 consecutive months provided that, in any event, the total cumulative number of days of Standstill Periods during any consecutive twelve (12) month period may not exceed two hundred and seventy (270) days. Once a Standstill Period has been requested, the Bank may not request a subsequent Standstill Period unless it relates to an Event of Default of a different nature than the Event of Default relied upon in respect of the previous Standstill Period(s) unless the Event of Default was cured in accordance with the Bank Credit Agreements or is cumulative with any prior Event of Default.
- 6.6 The Standstill Period will terminate upon the earlier of: (a) the expiration of the term fixed for such Standstill Period, (b) all amounts due with respect to the Bank Debt shall have

been indefeasibly repaid in full, the Bank Credit Agreements have been terminated by the Bank in writing and there remains no further obligation of the Bank to advance funds to the Debtor, (c) the Bank provides written notice to BDC that the Bank Event of Default described in the Bank Notice of Default has been remedied to its satisfaction in its sole discretion, (d) the occurrence of an Insolvency Event, or (e) the Bank has commenced any action in respect of the enforcement of any of the Bank Security. If the Debtor has not remedied the Event of Default to the satisfaction of the Bank in its discretion before the expiration of the Standstill Period, BDC may, subject to the priorities set out herein, upon expiry of Standstill Period, start realizing upon its own Security and take any useful or necessary measures to protect its rights with respect to the Debtor and/or TPS, including the disposition of the assets of the Debtor and/or TPS subject to the BDC Security.

- 6.7 In the event of the delivery of a BDC Notice of Default, the Bank may in its absolute and sole discretion, but without any obligation to do so, remedy the default relating to the BDC Debt, in which case, any payment made by the Bank will be considered as an advance of funds under the Bank Credit Agreements.

7. **ADDITIONAL RIGHTS OF BDC DURING AND SUBSEQUENT TO ANY STANDSTILL PERIOD**

- 7.1 During, and subsequent to, any Standstill Period, BDCC shall have the right to require the Debtor to provide it with the following requests which shall be honored by the Debtor:
- (a) to have its own appointed representative to attend, as an observer, to all meetings of the board of directors of the Debtor, during which meetings such observer shall be entitled to participate in discussions but not be entitled to vote;
  - (b) to hold a meeting of the board of directors each month, at a place and date acceptable to it;
  - (c) to have its own appointed representative to attend, as an observer, to all general or special shareholders' meetings of the Debtor, during which meetings such observer shall be entitled to participate in discussions but not be entitled to vote;
  - (d) to receive a copy of any notice of meeting to directors' or shareholders' meetings, as the case may be, at least five (5) days in advance, as well as all the relevant documentation delivered to the directors and/or shareholders of the Debtor; and
  - (e) receive a copy of the minutes of the directors' and shareholders' meetings, within five (5) business days of such meeting, even if the observer appointed by it was not present at the meeting.

8. **DURATION**

This Agreement shall remain in force until the first of the following dates:

- (a) the date of cancellation of the Agreement following the written consent of the Lenders;

- (b) the date on which any and all amounts due with respect to the Bank Debt will have been indefeasibly repaid in full and the Bank Credit Agreements have been terminated in its entirety by the Bank; or
- (c) the date on which any and all amounts due with respect to the BDC Debt will have been repaid in full and the BDC Loan Agreements each has been cancelled to the entire satisfaction of BDC.

9. **DOCUMENTATION**

Each Lender shall, upon request of the other Lender and no later than 15 days of such request, sign any deed, agreement or other document, and shall do any act deemed useful or necessary in order to give effect to the Agreement hereof, including, as the case may be, assigning the priority of rank with respect to their respective Security.

10. **DEFAULT AND NOTICE OF DEFAULT**

- 10.1 BDC and the Bank agree to act reasonably when exercising their respective rights and remedies under the terms of the Bank Debt and the BDC Debt.
- 10.2 BDC and the Bank also agree to provide each other with copies of any letter or any notice transmitted in writing by one or the other to the Debtor relating to any Event of Default under the terms of the Bank Debt, the BDC Debt, as the case may be, and the Debtor hereby authorizes each Lender in connection with same and consent to same, but the failure to do so shall not affect the rights, obligations and priorities set out herein.

11. **NOTICE**

- 11.1 All notices or requests provided for in this Agreement shall be transmitted in writing to the party to which it is sent or given. Any notice or request is validly transmitted by its delivery to its recipient, either: personally (in which case, the delivery shall be accepted); or by registered and prepaid mail; or by facsimile, telex, cable or telegram; or served to the addresses hereinafter mentioned:

**For BDC:**

c/o BDC Capital Inc.  
148 Fullarton St., Suite 1000, 10<sup>th</sup> Floor  
London, ON N6A 5P3

Attention: Scott Lewis  
Email: scott.lewis@bdc.ca  
Fax: \_\_\_\_\_

**with a copy to BDC:**

2485 Ouellette Avenue, Suite 200  
Windsor, ON N8X 1L5

Attention: Celso Oliveira  
Email: celso.oliverira@bdc.ca

**For the Bank:**

TD Asset Finance, a division of The Toronto-Dominion Bank  
100 Wellington Street West, 29<sup>th</sup> Floor  
Toronto, ON M5K 1A2

Attention: Zami Salaria, Director, TD Asset Finance  
Email: [zami.salaria@td.com](mailto:zami.salaria@td.com)  
Fax: 416-983-6522

**with a copy to:**

TD Equipment Finance Canada, a division of The Toronto-Dominion Bank  
2020 Winston Park Drive, Suite 301  
Oakville, ON L6H 6X7

Attention: Daniel Nowak, Director, Equipment Finance  
Email: [daniel.nowak@td.com](mailto:daniel.nowak@td.com)  
Fax: \_\_\_\_\_

**For the Debtor and TPS:**

Toolplas Systems Inc.  
1905 Blackacre Drive  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas  
Email: [nmamatas@toolplas.com](mailto:nmamatas@toolplas.com)  
Fax: \_\_\_\_\_

- 11.2 Any notice given or any request made as provided for hereinabove is deemed to have been received upon its delivery, if personally delivered, or at the time of its service, if served, or on the third Business Day following its mailing, if sent by mail, or on the Business Day following its transmittal, if transmitted by fax, telex, cable or telegram, as the case may be. However, if the mail service is interrupted by a strike, a slowdown, an act of God or any other cause, the party sending the notice or the request shall use one of the services that is not interrupted or shall deliver such notice or request in a manner that such notice or request is received as soon as possible. Each party may advise the other parties of any change of address in the manner hereinabove mentioned for the purposes of this Agreement.

12. **MISCELLANEOUS**

- 12.1 **Successors and Assigns.** The terms and conditions herein shall apply and enure to the benefit of the successors and assigns of BDC and the Bank. Any assignee of the rights of (a) the Bank according to the Bank Debt shall benefit from the rights of the Bank in



accordance with the terms hereof, and (b) BDC pursuant to the BDC Debt shall assume in writing the obligations of BDC described herein and BDC agrees to obtain such assumption from such assignee.

12.2 **Governing Laws.** The provisions hereof shall be governed exclusively (without regard to any rules or principals relating to conflicts of laws) by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

12.3 **Counterparts.** The Agreement hereof may be executed in any number of counterparts and by fax or PDF, each of which when so executed and delivered shall be deemed to be an original, and all of which taken together shall constitute one and the same agreement. Execution of this Agreement may be made by each party by signing a copy of the Agreement and sending such signature by facsimile or PDF or otherwise.

12.4 **Restatement.**

- (a) This Agreement amends and restates the provisions of the Amended and Restated Subordination and Priority Agreement among certain of the Parties hereto dated with effect as of October 15, 2018 (the “**Original Agreement**”) and shall not be considered a novation thereof.
- (b) The Debtor and TPS hereby represent, warrant, acknowledge and agree with the Lenders that all Security executed and delivered by them to the Lenders continue in full force and effect and remain valid and enforceable in accordance with their terms.
- (c) Furthermore, BDC, the Debtor and TPS each hereby confirm, acknowledge and agree that any reference to the Original Agreement in any Security delivered pursuant to the Original Agreement shall be a reference to this Agreement and the Security is hereby amended to that effect or that any reference to a “Loan Party” in the Original Agreement is hereby deemed to include TPS.

[4 SIGNATURE PAGES FOLLOW]

BDCC, at London, Province of Ontario, this 14 day of January, 2020.

**BDC CAPITAL INC., a wholly-owned subsidiary of  
BUSINESS DEVELOPMENT BANK OF CANADA**

By: 

Name:

Title:

**Scott Lewis**

**Managing Director**

**Growth & Transition Capital**

By: 

Name:

Title:

**Marvin Junop**

**Director, Growth & Transition Capital**

**BDC Capital**

I/We have authority to bind the Bank.

BBC, at WINDSOR, Province of Ontario, this 14<sup>th</sup> day of January, 2020.

**BUSINESS DEVELOPMENT BANK OF CANADA**

By:



Name: MICHAEL CATAURO

Title: SENIOR ACCOUNT MANAGER

By:



Name: Lucy Hendrickson

Title: senior client relationship officer

I/We have authority to bind the Bank.

The Bank, at Toronto, Province of Ontario, this 14 day of January, 2020.

Lender:

**TORONTO-DOMINION BANK**

By: 

Name: **Zami Salaria**  
Title: **Director Asset Finance**

By: 

Name: **DARCY MACK**  
Title: **AVP**

I/We have authority to bind the Bank.

The Debtor, TPS and Mamatas, at Windsor, Province of Ontario, this 14 day of January, 2020.

Debtor:

**TOOLPLAS SYSTEMS INC.**

By: 

Name: NICHOLAS MAMATAS

Title: C.E.O.

By: \_\_\_\_\_

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

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

I/We have authority to bind the Corporation.

Debtor:

**TOOL PROCESSING SOLUTIONS INC.**

By: 

Name: NICHOLAS MAMATAS

Title: V.P.

I/We have authority to bind the Corporation.

**MAMATAS REAL ESTATE HOLDINGS  
UNLIMITED LIABILITY COMPANY:**

By: 

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

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

By: \_\_\_\_\_

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

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

I/We have authority to bind the Corporation.

## **SCHEDULE A SECURITY**

### **1. LIST OF THE BANK SECURITY**

The Bank declares that as of the date of these presents, the Bank Security held is the following:

- (a) General Security Agreement granted by the Debtor and by TPS;
- (b) Guarantee granted by TPS;
- (c) Assignment of Insurance Policies; and
- (d) and any other security which may be held by the Bank now or hereafter on the property and assets of the Debtor and/or TPS for its existing indebtedness and any future indebtedness of the Debtor and/or TPS.

### **2. LIST OF THE BDCC SECURITY**

BDCC declares that at the date of these presents, the Security held is the following:

- (a) General Security Agreement dated July 30, 2013 from the Debtor and Tool Processing Solutions Inc.;
- (b) a Conditional Guarantee from Nik;
- (c) a Guarantee from Tool Processing Solutions Inc.;
- (d) Assignment of Life Insurance from Nik;
- (e) Postponement from Nik;
- (f) Guarantee from Mamatas and General Security Agreement from Mamatas; and
- (g) and any other security which may be held by BDCC now or hereafter on the property and assets of the Debtor and/or TPS for its existing indebtedness and any future indebtedness of the Debtor and/or TPS.

### **3. LIST OF THE BBC SECURITY**

BBC declares that at the date of these presents, the Security held is the following:

- (a) a Guarantee from the Debtor in respect of indebtedness owing by Mamatas to BBC;
- (b) a General Security Agreement from the Debtor in respect of indebtedness owing by Mamatas to BBC;
- (c) a Guarantee from TPS in respect of indebtedness owing by Mamatas to BBC;

- (d) a General Security Agreement from TPS in respect of indebtedness owing by Mamatas to BBC; and
- (e) any other security which may be held by BDC now or hereafter on the property and assets of the Debtor and/or TPS for its existing indebtedness and any future indebtedness of the Debtor and/or TPS as it relates to Offer Letter – Loan 122201-04 dated December 9, 2019 as amended by a Letter dated December 24, 2019.

44268631.1

**THIRD AMENDED AND RESTATED SUBORDINATION AND  
PRIORITIES AGREEMENT**

**Business Development Bank of Canada**

and

**BDC Capital Inc.**

a wholly-owned subsidiary of Business Development Bank of Canada

and

**The Toronto-Dominion Bank**

and its affiliates and divisions, including

**TD Asset Finance**

and

**TD Equipment Finance Canada**

as lender

and

**Toolplas Systems Inc.**

as Debtor

and

**Tool Processing Solutions Inc.**

as a guarantor

and

**Mamatas Real Estate Holdings Unlimited**

**Liability Company**

**DATED** August 14, 2020.



### THIRD AMENDED AND RESTATED SUBORDINATION AND PRIORITIES AGREEMENT

#### BUSINESS DEVELOPMENT BANK OF CANADA (“BBC”)

- AND: **BDC CAPITAL INC.**, a wholly-owned subsidiary of **BUSINESS DEVELOPMENT BANK OF CANADA**, (“**BDCC**”, and together with BBC, “**BDC**”)
- AND: **THE TORONTO-DOMINION BANK** and its affiliates and divisions, including **TD ASSET FINANCE** and **TD EQUIPMENT FINANCE CANADA**, as lender (the “**Bank**”)
- AND: **TOOLPLAS SYSTEMS INC.** (the “**Debtor**”)
- AND: **TOOL PROCESSING SOLUTIONS INC.** (“**TPS**”)
- AND: **MAMATAS REAL ESTATE HOLDINGS UNLIMITED LIABILITY COMPANY** (“**Mamatas**”)

#### WHO DECLARE AS FOLLOWS:

**WHEREAS** (i) the Bank has granted or will grant the Debtor various facilities (the “**Bank Debt**”) pursuant to the terms and conditions of the Bank Credit Agreements; and (ii) the Debtor has granted Liens in favour of the Bank pursuant to the Bank Security;

**AND WHEREAS** TPS has executed and delivered or intends to execute and deliver certain guarantees and/or security agreements to the Bank in connection with the Bank Debt;

**AND WHEREAS** (i) Alterinvest II Fund L.P. (“**Alterinvest**”) had granted the Debtor various subordinated credit facilities (the “**Alterinvest Debt**”) which have been indefeasibly repaid in full and any and all Liens and registrations in respect thereof and any and all other debt and security are hereby absolutely, unconditionally and irrevocably terminated and discharged;

**AND WHEREAS** (i) BDCC has granted or will grant the Debtor various subordinated credit facilities (the “**BDCC Debt**”) not exceeding the aggregate principal amount of CAD\$6,850,000 (together, with any and all current or future interest, fees, costs, expenses and such other obligations owing to BDCC by the Debtor from time to time) pursuant to the terms and conditions of the BDCC Loan Agreement or any future agreement with BDCC; (ii) the Debtor and TPS have granted or may grant Liens in favour of BDCC pursuant to the BDC Security;

**AND WHEREAS** the Debtor and TPS has executed and delivered and intend to execute and deliver further guarantees and/or security agreements to BBC in connection with indebtedness owing per Offer Letter – Loan 122201-04 dated December 9, 2019, as amended by a Letter dated

December 24, 2019 or which in the future may be owing, to it by the Debtor and TPS from time to time in respect of certain real property term loans made by BBC to the Debtor's affiliate Mamatas (collectively, the "**BBC Debt**");

**AND WHEREAS** the Lenders wish to set forth their respective rights, remedies and priorities in respect of the repayment of the Bank Debt and the BDC Debt and security granted or to be granted by the Debtor and TPS to each of the Bank and BDC;

**NOW THEREFORE** and in consideration of the covenants and conditions hereinafter described, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

# 1. **INTERPRETATION**

1.1 **Definitions.** Except as otherwise provided herein or unless the context otherwise requires, capitalized terms and expressions used in this Agreement, the recitals hereto and the preamble hereto shall have the meaning set forth below:

"**Agreement**" means this Third Amended and Restated Subordination and Priorities Agreement, as may be amended, restated, supplemented, restated or otherwise modified from time to time;

"**Bank**" has the meaning given to such term in the preamble to this Agreement and includes any of the Bank's affiliates and their successors and assigns;

"**Bank Credit Agreements**" collectively means, including without limitation, the ABL Credit Agreement between the Debtor and TD Asset Finance, a division of The Toronto-Dominion Bank dated with effect as of December 21, 2017 and any other future agreement between the parties, (as they may be amended, supplemented, restated, extended or replaced from time to time, herein called the "**ABL Credit Agreement**") and all equipment loan agreements between the Debtor and TD Equipment Finance Canada, a division of The Toronto-Dominion Bank including the equipment loan agreement dated effect as of December 21, 2017 (as they may be amended, supplemented, restated, extended or replaced from time to time, herein collectively called the "**Equipment Loan Agreement**");

"**Bank Event of Default**" means any default or event of default occurring under or in connection with the Bank Credit Agreements or any other Loan Documents relating to the Bank Debt;

"**Bank Notice of Default**" has the meaning ascribed thereto in Section 3.2 herein;

"**Bank Security**" means, individually or collectively, all Security granted or to be granted by the Debtor and/or TPS to and in favour of the Bank to guarantee and/or secure the repayment of the Bank Debt;

"**BBC**" has the meaning given to such term in the preamble to this Agreement and includes any of BBC's affiliates, successors and assigns;

**“BDC Debt”** means the BBC Debt and the BDCC Debt, as the case may be;

**“BDC Event of Default”** means any default or event of default occurring under or in connection with the BDC Loan Agreements or any other Loan Documents relating to the BDC Debt;

**“BDC Loan Agreements”** means the BDCC Loan Agreement and any other loan agreement in respect of the BDC Debt, as the case may be;

**“BDC Notice of Default”** has the meaning ascribed thereto in Section 2.5 herein;

**“BDC Security”** means, individually or collectively, all Security granted or to be granted by the Debtor and/or TPS to and in favour of BDC to guarantee and/or secure the repayment and performance of the BDC Debt;

**“BDCC”** has the meaning given to such term in the preamble to this Agreement and includes any of BDCC’s successor and assigns;

**“BDCC Loan Agreement”** means the commitment letters dated December 18, 2019 as amended by a letter dated January 13, 2020 and the commitment letter dated July 22, 2020 between BDCC and the Debtor and any other future agreement between the parties, as may be further amended, restated, supplemented, restated or otherwise modified from time to time;

**“Business Day”** means any day, except Saturday or Sunday, when the Bank is open to do business in Toronto, Ontario;

**“Debtor”** has the meaning given to such term in the preamble to this Agreement and includes any of the Debtor’s successor and assigns;

**“Dollars”** or **“\$”** means lawful money of Canada;

**“Event of Default”** means a Bank Event of Default or BDC Event of Default, as the case may be;

**“GAAP”** means the generally accepted accounting principles in force in Canada, as accepted or established by the Canadian Institute of Chartered Accountants, as they may be modified from time to time, but applied in a consistent manner;

**“Government Authority”** means Canada and any province or other regional, municipal, local or other subdivision of that province, any other governmental organization of such jurisdiction, including any agency, commission, office, department, ministry, organization or other person carrying on executive, legislative, judicial, regulatory or administrative functions arising out of or related thereto;

**“Insolvency Event”** means any proceeding initiated under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada), the *US Bankruptcy Code*, the *Winding Up and Restructuring Act* (Canada), any governing corporate statute

relating to arrangements and any similar statute or law in any jurisdiction of similar application;

“**Lenders**” mean, as the case may be, the Bank, BBC and/or BDCC or all or any combination;

“**Lien**” means, collectively, any security interest, lien, charge, hypothec, deemed trust, adverse claim or right and any other encumbrances;

“**Loan Documents**” means, collectively, any loan agreement, credit agreement, letter of intent, loan offer, letter of credit and security agreement, guarantee or other instrument, document or agreement relating to the loans and the Security in connection with the Bank Debt or the BDC Debt, as the case may be, all as amended, restated, supplemented, restated or otherwise modified from time to time;

“**PPSA**” means, collectively, the *Personal Property Security Act* (Ontario) and any other personal property security legislation of any jurisdiction that may govern any of the assets, properties or undertaking of the Debtor;

“**Receiver**” means a receiver, a manager, receiver and manager, or agent or other person having similar parties or authority appointed by the Bank or BDC or another creditor, whether by way of a private or court appointment in respect of the Debtor and/or TPS or any of their assets

“**Security**” means, individually or collectively, all guarantees, deeds, documents and agreements, including any amendment, substitution, supplement, restatement or replacement thereof, relating or useful to complete and confirm the guarantees and Liens granted to the Bank or to BDC, as the case may be, in accordance with the laws of any Governmental Authority having jurisdiction over the properties and rights of the Debtor and/or TPS subject to such security; and

“**Standstill Period**” means the period described in Section 6.3 hereof.

“**TPS**” has the meaning give to such term in the preamble to this Agreement and includes TPS’ successors and assigns.

- 1.2 **Titles.** The titles have been inserted in this Agreement for convenience of reference only and shall not in any manner affect its interpretation. The section numbers refer to the sections of this Agreement.
- 1.3 **Preamble.** The preamble hereinabove forms an integral part of this Agreement and BDC hereby confirms the truth and accuracy of the preamble relating to the Alterinvest Debt.
- 1.4 **Accounting Terms.** Each accounting term used in this Agreement has the meaning generally ascribed to it by GAAP unless another definition is given herein, and any reference to an item of a balance sheet or income statement must be construed according to its presentation in the appropriate statement established in accordance with GAAP as

modified from time to time by any accounting norms adopted by the Canadian Institute of Chartered Accountants.

- 1.5 **Singular Plural.** In this Agreement, words importing the singular number also include the plural and *vice versa*, and person (or persons) includes an individual, firm, company, corporation, government, governmental body or agency, unincorporated association or partnership. Information that is provided in the schedules hereto shall be consistent with the definitions, terms and conditions of this Agreement.
- 1.6 **Consent.** Subject to the limitations set out in Section 5.4 hereof, each of the Lenders hereby consents to the:
- (a) indebtedness and obligations provided for in the Bank Credit Agreements and the BDC Loan Agreements;
  - (b) creation and issuance by the Debtor to the Bank of the Bank Security and to BDC of the BDC Security; and
  - (c) existence of the Bank Debt and the BDC Debt.

## 2. **SUBORDINATION AND POSTPONEMENT**

- 2.1 The BDC Security is hereby unconditionally and absolutely postponed and subordinated to the Bank Security except for the life insurance policy or policies relating to Nick Mamatas and the proceeds thereof now or hereafter assigned to BDCC.
- 2.2 Unless otherwise acknowledged in writing by BDC but subject to the proviso in Section 2.4(b) hereof, the subordination herein provided does not affect the rights of BDC in any suretyship granted in its favour by any person which is not a Loan Party (as defined in and under the Bank Credit Agreement and which definition includes TPS), nor the rights of BDC in any Security held in connection with such suretyship. Unless otherwise acknowledged in writing by the Bank, the subordination herein provided does not affect the rights of the Bank in any suretyship granted in its favour by any person which is not a Loan Party (which definition includes TPS), nor the rights of the Bank in any Security held in connection with such suretyship.
- 2.3 The subordinations and postponements herein provided shall remain in force for as long as the Bank is not indefeasibly repaid in full the amounts due by the Debtor and the Bank Credit Agreements have not been terminated by the Bank in writing, and shall apply in all events and circumstances regardless of:
- (a) the respective dates of execution, delivery or registration, attachment or perfection of the BDC Security or the Bank Security;
  - (b) the date or dates of any advances made or that will be made to the Debtor by the Bank or BDC;
  - (c) the date or dates of any Event of Default; or

- (d) any other cause of priority by any principle of law or equity or any statute, including the PPSA, between the Bank and BDC.

2.4 Subject to the provisions of this Agreement, including without limitation, all provisions relating to the subordination and standstill provisions and restrictions imposed on BDC during a Standstill Period, the subordination and postponement herein:

- (a) shall not prevent BDCC from obtaining the regularly scheduled payments of principal, interest (including default interest, if applicable), account management fees, royalties, additional interest, bonus interest, cash flow sweeps and accessory payments in respect of the BDCC Debt up to the maximum aggregate amount of:

- (i) \$ 1,830,000 for the year commencing July 24, 2020 to including July 23, 2021;
- (ii) \$ 1,830,000 for year commencing July 24, 2021 to and including July 23, 2022;
- (iii) \$6,230,000 for year commencing July 24, 2022 to and including July 23, 2023; and
- (iv) \$1,230,000 per year for each year thereafter commencing July 24 of one year and ending July 23 of the next year,

plus any additional amounts approved by the Bank in its absolute and sole discretion in respect of the BDCC Debt, all in accordance with the terms and conditions of the BDC Loan Agreements, as applicable and as in effect as of the date hereof, unamended;

- (b) shall not prevent BDC from exercising its right under any suretyship in respect of any person which is not a Loan Party (which definition includes TPS) held by it with respect to the BDC Debt provided it does not result in any contribution or subrogation claim by any such surety against any such Loan Party unless and until the Bank Debt has been indefeasibly repaid in full;
- (c) shall not prevent BDC from filing a proof of claim with any trustee in bankruptcy in case of (i) bankruptcy or assignment of property by the Debtor or TPS, or (ii) filing by the Debtor or TPS of a notice of intention or a proposal pursuant to the *Bankruptcy and Insolvency Act* or filing of an arrangement under the *Companies' Creditors Arrangement Act* (R.S.C., c. C-36); and
- (d) shall not prevent BDC from invoking an Event of Default with respect to the BDC Debt, nor to exercise its rights and remedies in such circumstances, whether by judicial means or otherwise, provided always that the further exercise of its rights and remedies in such circumstances, whether by judicial means or otherwise and any realization of the BDC Security remains subject to the subordination and standstill provisions imposed on BDC during a Standstill Period provided for in this Agreement as long as it remains in force.



- 2.5 If a BDC Event of Default occurs and BDC wishes to call its loan, initiate proceedings in view of obtaining repayment of same or realizing upon the BDC Security, it must give prior written notice to the Bank informing the Bank of its intention to do so. If the Bank does not notify BDC in writing that it avails itself of the provisions regarding the implementation of a Standstill Period under this Agreement within a period of 10 Business Days from its receipt of the notice of default transmitted by BDC (the “**BDC Notice of Default**”), BDC may then, after the expiry of such 10 Business Day Period and subject to the priorities set out herein, realize upon the BDC Security and take any measures deemed useful or necessary to protect its rights with respect to the Debtor. For greater certainty, a BDC Notice of Default shall constitute an immediate Bank Event of Default entitling the Bank, if it chooses, to implement a Standstill Period.
- 2.6 For greater certainty, nothing in this Agreement affects the priority of any security over Mamatas’s real property interests held by BDCC or BBC. The real property interests of Mamatas are excluded from the subordinations and postponements of this Agreement.

### 3. **CONSENT TO PAYMENTS**

- 3.1 Until such time as the Bank Debt is indefeasibly repaid in full by the Debtor and each of the Bank Credit Agreements have been terminated in writing by the Bank, BDC covenants and agrees that the repayment of the BDC Debt by the Debtor is unconditionally and absolutely postponed and subordinated to the prior repayment of the Bank Debt. However except during a Standstill Period but subject to Section 3.2 below, BDCC may receive regularly scheduled payments of principal, interest (including default interest, if applicable), account management fees, royalties, additional interest, bonus interest, cash flow sweeps and accessory payments in respect of the BDCC Debt up to the maximum aggregate amount of:

- (i) \$ 1,830,000 for the year commencing July 24, 2020 to including July 23, 2021;
- (ii) \$ 1,830,000 for year commencing July 24, 2021 to and including July 23, 2022;
- (iii) \$6,230,000 for year commencing July 24, 2022 to and including July 23, 2023; and
- (iv) \$1,230,000 per year for each year thereafter commencing July 24 of one year and ending July 23 of the next year,

plus any additional amounts approved by the Bank in its absolute and sole discretion in respect of the BDCC Debt, all in accordance with the terms and conditions of the applicable BDC Loan Agreements, each as in effect as of the date hereof, unamended.

- 3.2 The parties hereby agree that any payment in connection with the BDC Debt made to BDC, which was made during the occurrence of an Event of Default or resulted in an Event of Default and was made within 30 days prior to the issuance by the Bank of a Bank Event of Default (a “**Bank Notice of Default**”) imposing a Standstill Period; will be deemed, to

have been received by BDC, acting as mandatary and in trust for the Bank and shall be remitted to the Bank by BDC, as soon as possible. In that event, the loan account between the Debtor and BDC shall be adjusted to reflect that no payment has been made by the Debtor to BDC, and for the purposes of Article 6, the Standstill Period shall be deemed to have commenced on such earlier date of payment to BDC where BDC is required to remit funds received prior to the receipt of the Bank Notice of Default.

- 3.3 If a Bank Event of Default is cured to the satisfaction of the Bank in its sole discretion, the Bank will promptly advise BDC of such cure, and the Debtor may resume payments relating to the BDC Debt in accordance with the terms and conditions of the BDC Loan Agreements, each as in effect as of the date hereof, unamended, as well as all of the arrears of such payments, including the interest on the unpaid interest, provided that any of such payments of arrears would not result in an Event of Default.
- 3.4 The Bank shall have no obligation to inquire into the source of any funds received by the Bank from the Debtor, TPS or any other person nor will the Bank be considered a trustee or constructive trustee with respect to any proceeds of any of the BDC Security and the Bank will be free to apply any funds the Bank receives against the Bank Debt as it sees fit.
- 3.5 Subject to Section 3.4, the Bank shall have no obligation with respect to any money or cash deposited in any account of any Loan Party (including TPS). In addition, without limiting any of its rights hereunder or at law, BDC and the Debtor and TPS acknowledge and agree that the Bank is irrevocably and unconditionally authorized (but not obligated) at any time, without notice to, or consent of, any of BDC and the Debtor or TPS, subject to Section 3.4, to apply any credit balance in any disbursement account relating to any Loan Party (including TPS) against the Bank Debt.

#### 4. **SECURITY HELD BY THE LENDERS**

- 4.1 Each Lender declares and represents that the Security is as described on **Schedule "A"** hereto. Subject to the limitations set out in Section 5.4 hereof, BDC hereby consents to the creation and issue by the Debtor and TPS of the Bank Security and the Bank Debt and the Bank hereby consents to the creation and issue by the Debtor and TPS of the BDC Security and the BDC Debt.
- 4.2 The Bank Security and the BDC Security shall have the priorities set out herein and the Bank and BDC hereby subordinate and cede the priority of rank of their respective Security in order to give effect to such priorities.
- 4.3 Unless otherwise acknowledged in writing by BDC and the Bank but subject to the proviso in Section 2.4(b) hereof, the rights and remedies of the Bank pursuant to any suretyship held with respect to the Bank Debt, and the rights and remedies of BDC pursuant to any suretyship held in relation to the BDC Debt, other than a suretyship granted by the Loan Parties (including TPS), are not subject to this Agreement.
- 4.4 Should new Security be granted by any Loan Party (including TPS) in favour of BDC, such Security shall be unconditionally subordinated to the rights of the Bank with respect to the Bank Security and the Bank Debt, the whole pursuant to the provisions hereof.



- 4.5 Any proceeds, including, without limitation, any insurance proceeds received by any Loan Party (including TPS), BDC or the Bank in respect of the collateral charged by the BDC Security or the Bank Security shall be dealt with according to the preceding provisions hereof as though such proceeds were paid or payable as proceeds of realization of the collateral for which they compensate.
- 4.6 Each of the Debtor and TPS hereby confirm to and agree with BDC and the Bank that so long as any of the indebtedness of the Debtor to BDC and the Bank remains outstanding, it shall stand possessed of its assets so charged for BDC and for the Bank in accordance with their respective interests and priorities as herein set out.
- 4.7 If any of the BDC Security or the Bank Security is claimed or found by a trustee in bankruptcy, any third party, or a court of competent jurisdiction to be unenforceable, invalid, unregistered or unperfected, then the priorities set out in this Agreement shall continue to apply notwithstanding that such security is so found to be unenforceable, invalid, unregistered or unperfected.
- 4.8 This Agreement is not intended to affect the priority of any third party claims and no such third party or the Debtor or TPS may benefit from anything contained herein or enforce any of the provisions hereof.
- 4.9 Neither Lender shall take any action to defeat the priorities set out in this Agreement. For greater certainty, neither Lender shall contest the validity, perfection, priority or enforceability of the BDC Debt and the BDC Security, or the Bank Debt and the Bank Security. Each Lender hereby waives any right the other may have to require the other to marshal in its favour.
- 4.10 BDC hereby covenants and agrees not to exercise any voting right or other privilege that it may have from time to time in any of the actions or proceedings in favour of any plan, proposal, compromise, arrangement or similar transaction that would place BDC in a separate class from the Bank, or that is not supported by the Bank or would defeat: (i) the right of the Bank to receive payments and distributions otherwise payable or deliverable upon or with respect to the Bank Debt in accordance with the terms hereof, so long as any of the Bank Debt remains outstanding; or (ii) the obligation of BDC to receive, hold in trust, and pay over the Senior Lender certain payments and distributions as contemplated by this Agreement.

## 5. **MODIFICATIONS TO THE CONDITIONS OF THE BANK DEBT**

- 5.1 Subject to the provisions of Section 5.2 hereof, the Bank shall be entitled to modify any of the terms and conditions of the Bank Credit Agreements and the other Loan Documents among the Bank and the Debtor without any authorization from BDC.
- 5.2 At all times, BDC's authorization will be required in the following cases:
  - (a) if the Bank wishes to increase the aggregate limits of available amounts under the Bank Credit Agreements for any non-revolving term facility above the amount currently contemplated thereunder;

- (b) if the Bank wishes to revise or amend any financial covenant ratio currently set out in the Bank Credit Agreements as of the date hereof to make it more onerous.
- 5.3 Notwithstanding the foregoing and for greater certainty, should the modifications requested by the Bank not be authorized by BDC, there shall be no prohibition on the Bank instituting a Standstill Period, upon a breach of the pre-modified terms and conditions of the Bank Credit Agreements.
- 5.4 The Debtor, TPS, Mamatas and BDC hereby covenant and agree to and in favour of the Bank that:
  - (a) Mamatas will not incur any non trade / supplier, bank or secured or unsecured indebtedness from BDCC whatsoever (other than as a guarantor of the BDCC Debt) and will not incur any such indebtedness from BBC in excess of the aggregate amount of \$5,020,000;
  - (b) the Debtor and TPS will not incur any such indebtedness from BBC whatsoever; and
  - (c) the Debtor and TPS will not incur such indebtedness from BDCC in excess of the principal amount of \$6,850,000 (excluding interest, fees and bonus) provided that:
    - i) BDCC funds the additional amount of \$4,000,000 to the Debtor pursuant to the BDCC Loan Agreement (if BDCC only funds the first tranche of \$3,000,000 then the principal indebtedness from BDCC will not exceed \$5,850,000 (excluding interest, fees and bonus) ; and
    - i) any additional amounts in excess of the principal amount of \$6,850,000 shall not be funded by BDCC without the Bank's prior written authorization, and which authorization will be required for BDC to increase the amount of any authorized limit / amount of any such indebtedness.

It is also hereby understood, acknowledged, confirmed and agreed that notwithstanding anything stated herein or any of the BDC Security or any guarantee executed and delivered by the Debtor and/or TPS to and in favour of BDC or any other matter or thing whatsoever in law or in equity, the Debtor's and/or TPS's guarantee of any indebtedness owing by Mamatas or any other entity to BDC whatsoever, shall be limited to the aggregate amount of \$3,099,000 under any and all circumstances.

## 6. **STANDSTILL PERIOD**

- 6.1 If a Bank Event of Default occurs, the Bank may, but without any obligation to do so, give BDC a Bank Notice of Default imposing a Standstill Period on BDC with respect to the exercise of its rights regarding the BDC Debt and BDC Security.
- 6.2 In order for the Bank to exercise its right to impose a Standstill Period, the Bank shall give to BDC the Bank Notice of Default advising of the Bank Event of Default and setting out the nature of the Bank Event of Default that has occurred and is continuing. Upon receipt of the Bank Notice of Default, BDC shall stay all proceedings engaged in view of realizing upon the BDC Security, or, as the case may be, not initiate any proceedings against the Debtor or TPS in order to collect the BDC Debt or realize upon the BDC Security, with

such stay or non-initiation of proceedings being limited to the earlier of (a) the expiration of the Standstill Period, (b) such earlier time when the Bank has initiated any proceeding to enforce any of the Bank Security, and (c) the Bank Event of Default is waived by the Bank or cured by the Debtor in accordance with the Bank Credit Agreements.

- 6.3 The Standstill Period shall be limited to 135 days commencing on the date the Bank delivers the Bank Notice of Default.
- 6.4 During a Standstill Period, BDC:
- (a) shall not be entitled to receive any payments due to BDC whatsoever;
  - (b) may not prohibit the Debtor or TPS or the Bank from using any of the assets subject to the BDC Security; and
  - (c) not take any enforcement action, initiate any proceeding or take any step to enforce the BDC Security or collect the BDC Debt, other than (i) demanding repayment of the BDC Debt, (ii) filing a proof of claim in any proceeding commenced in respect of the Debtor or TPS, (iii) commencing an action for non-payment of the BDC Debt for the purposes of obtaining monetary judgment in respect thereof provided that no measure is taken to enforce any judgment granted in such action, (iv) take action that is required to preserve the validity, efficacy or priority of the BDC Debt, and/or (v) take action for conversion of any non-fixed charge to a fixed charge to the extent applicable.
- 6.5 The Bank may only initiate two Standstill Periods during any 12 consecutive months provided that, in any event, the total cumulative number of days of Standstill Periods during any consecutive twelve (12) month period may not exceed two hundred and seventy (270) days. Once a Standstill Period has been requested, the Bank may not request a subsequent Standstill Period unless it relates to an Event of Default of a different nature than the Event of Default relied upon in respect of the previous Standstill Period(s) unless the Event of Default was cured in accordance with the Bank Credit Agreements or is cumulative with any prior Event of Default.
- 6.6 The Standstill Period will terminate upon the earlier of: (a) the expiration of the term fixed for such Standstill Period, (b) all amounts due with respect to the Bank Debt shall have been indefeasibly repaid in full, the Bank Credit Agreements have been terminated by the Bank in writing and there remains no further obligation of the Bank to advance funds to the Debtor, (c) the Bank provides written notice to BDC that the Bank Event of Default described in the Bank Notice of Default has been remedied to its satisfaction in its sole discretion, (d) the occurrence of an Insolvency Event, or (e) the Bank has commenced any action in respect of the enforcement of any of the Bank Security. If the Debtor has not remedied the Event of Default to the satisfaction of the Bank in its discretion before the expiration of the Standstill Period, BDC may, subject to the priorities set out herein, upon expiry of Standstill Period, start realizing upon its own Security and take any useful or necessary measures to protect its rights with respect to the Debtor and/or TPS, including the disposition of the assets of the Debtor and/or TPS subject to the BDC Security.

- 6.7 In the event of the delivery of a BDC Notice of Default, the Bank may in its absolute and sole discretion, but without any obligation to do so, remedy the default relating to the BDC Debt, in which case, any payment made by the Bank will be considered as an advance of funds under the Bank Credit Agreements.

7. **ADDITIONAL RIGHTS OF BDC DURING AND SUBSEQUENT TO ANY STANDSTILL PERIOD**

- 7.1 During, and subsequent to, any Standstill Period, BDCC shall have the right to require the Debtor to provide it with the following requests which shall be honored by the Debtor:
- (a) to have its own appointed representative to attend, as an observer, to all meetings of the board of directors of the Debtor, during which meetings such observer shall be entitled to participate in discussions but not be entitled to vote;
  - (b) to hold a meeting of the board of directors each month, at a place and date acceptable to it;
  - (c) to have its own appointed representative to attend, as an observer, to all general or special shareholders' meetings of the Debtor, during which meetings such observer shall be entitled to participate in discussions but not be entitled to vote;
  - (d) to receive a copy of any notice of meeting to directors' or shareholders' meetings, as the case may be, at least five (5) days in advance, as well as all the relevant documentation delivered to the directors and/or shareholders of the Debtor; and
  - (e) receive a copy of the minutes of the directors' and shareholders' meetings, within five (5) business days of such meeting, even if the observer appointed by it was not present at the meeting.

8. **DURATION**

This Agreement shall remain in force until the first of the following dates:

- (a) the date of cancellation of the Agreement following the written consent of the Lenders;
- (b) the date on which any and all amounts due with respect to the Bank Debt will have been indefeasibly repaid in full and the Bank Credit Agreements have been terminated in its entirety by the Bank; or
- (c) the date on which any and all amounts due with respect to the BDC Debt will have been repaid in full and the BDC Loan Agreements each has been cancelled to the entire satisfaction of BDC.

9. **DOCUMENTATION**

Each Lender shall, upon request of the other Lender and no later than 15 days of such request, sign any deed, agreement or other document, and shall do any act deemed useful or necessary in order to give effect to the Agreement hereof, including, as the case may be, assigning the priority of rank with respect to their respective Security.

10. **DEFAULT AND NOTICE OF DEFAULT**

10.1 BDC and the Bank agree to act reasonably when exercising their respective rights and remedies under the terms of the Bank Debt and the BDC Debt.

10.2 BDC and the Bank also agree to provide each other with copies of any letter or any notice transmitted in writing by one or the other to the Debtor relating to any Event of Default under the terms of the Bank Debt, the BDC Debt, as the case may be, and the Debtor hereby authorizes each Lender in connection with same and consent to same, but the failure to do so shall not affect the rights, obligations and priorities set out herein.

11. **NOTICE**

11.1 All notices or requests provided for in this Agreement shall be transmitted in writing to the party to which it is sent or given. Any notice or request is validly transmitted by its delivery to its recipient, either: personally (in which case, the delivery shall be accepted); or by registered and prepaid mail; or by facsimile, telex, cable or telegram; or served to the addresses hereinafter mentioned:

**For BDC:**

c/o BDC Capital Inc.  
148 Fullarton St., Suite 1000, 10<sup>th</sup> Floor  
London, ON N6A 5P3

Attention: Scott Lewis  
Email: scott.lewis@bdc.ca  
Fax: \_\_\_\_\_

**with a copy to BDC:**

2485 Ouellette Avenue, Suite 200  
Windsor, ON N8X 1L5

Attention: Celso Oliveira  
Email: celso.oliverira@bdc.ca

**For the Bank:**

TD Asset Finance, a division of The Toronto-Dominion Bank  
100 Wellington Street West, 29<sup>th</sup> Floor  
Toronto, ON M5K 1A2

Attention: Zami Salaria, Director, TD Asset Finance  
 Email: [zami.salaria@td.com](mailto:zami.salaria@td.com)  
 Fax: 416-983-6522

**with a copy to:**

TD Equipment Finance Canada, a division of The Toronto-Dominion Bank  
 2020 Winston Park Drive, Suite 301  
 Oakville, ON L6H 6X7

Attention: Daniel Nowak, Director, Equipment Finance  
 Email: [daniel.nowak@td.com](mailto:daniel.nowak@td.com)  
 Fax: \_\_\_\_\_

**For the Debtor and TPS:**

Toolplas Systems Inc.  
 1905 Blackacre Drive  
 Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas  
 Email: [nmamatas@toolplas.com](mailto:nmamatas@toolplas.com)  
 Fax: \_\_\_\_\_

- 11.2 Any notice given or any request made as provided for hereinabove is deemed to have been received upon its delivery, if personally delivered, or at the time of its service, if served, or on the third Business Day following its mailing, if sent by mail, or on the Business Day following its transmittal, if transmitted by fax, telex, cable or telegram, as the case may be. However, if the mail service is interrupted by a strike, a slowdown, an act of God or any other cause, the party sending the notice or the request shall use one of the services that is not interrupted or shall deliver such notice or request in a manner that such notice or request is received as soon as possible. Each party may advise the other parties of any change of address in the manner hereinabove mentioned for the purposes of this Agreement.

**12. MISCELLANEOUS**

- 12.1 **Successors and Assigns.** The terms and conditions herein shall apply and enure to the benefit of the successors and assigns of BDC and the Bank. Any assignee of the rights of (a) the Bank according to the Bank Debt shall benefit from the rights of the Bank in accordance with the terms hereof, and (b) BDC pursuant to the BDC Debt shall assume in writing the obligations of BDC described herein and BDC agrees to obtain such assumption from such assignee.
- 12.2 **Governing Laws.** The provisions hereof shall be governed exclusively (without regard to any rules or principals relating to conflicts of laws) by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

12.3 **Counterparts.** The Agreement hereof may be executed in any number of counterparts and by fax or PDF, each of which when so executed and delivered shall be deemed to be an original, and all of which taken together shall constitute one and the same agreement. Execution of this Agreement may be made by each party by signing a copy of the Agreement and sending such signature by facsimile or PDF or otherwise.

12.4 **Restatement.**

- (a) This Agreement amends and restates the provisions of the Second Amended and Restated Subordination and Priority Agreement among certain of the Parties hereto dated with effect as of January 14, 2020 (the “**Original Agreement**”) and shall not be considered a novation thereof.
- (b) The Debtor and TPS hereby represent, warrant, acknowledge and agree with the Lenders that all Security executed and delivered by them to the Lenders continue in full force and effect and remain valid and enforceable in accordance with their terms.
- (c) Furthermore, BDC, the Debtor and TPS each hereby confirm, acknowledge and agree that any reference to the Original Agreement in any Security delivered pursuant to the Original Agreement shall be a reference to this Agreement and the Security is hereby amended to that effect or that any reference to a “Loan Party” in the Original Agreement is hereby deemed to include TPS.

[4 SIGNATURE PAGES FOLLOW]

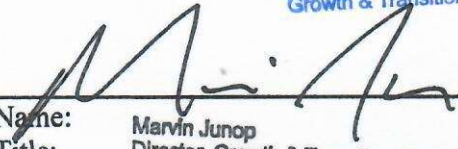


**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement in the following manner:

BDCC, at London, Province of Ontario, this 14 day of August, 2020.

**BDC CAPITAL INC., a wholly-owned subsidiary of  
BUSINESS DEVELOPMENT BANK OF CANADA**

By:   
Name: \_\_\_\_\_  
Title: **Angelo Zeni  
Managing Director  
Growth & Transition Capital**

By:   
Name: \_\_\_\_\_  
Title: **Marvin Junop  
Director, Growth & Transition Capital  
BDC Capital**

I/We have authority to bind the Bank.



BBC, at WINDSOR ON, Province of Ontario, this 14 day of August, 2020.

**BUSINESS DEVELOPMENT BANK OF CANADA**

By: Michael Catauro

Name: MICHAEL CATAURO

Title: S2 ACCOUNT MANAGER (WINDSOR)

By: Michael Catauro (PER: CELSO OLIVEIRA)

Name: CELSO OLIVEIRA

Title: BUSINESS CENTRE MANAGER (WINDSOR)

I/We have authority to bind the Bank.

The Bank, at Toronto, Province of Ontario, this 14 day of August, 2020.

Lender:

**TORONTO-DOMINION BANK**

By: 

Name: Zami Salaria

Title: Director

By: 

Name: Chaz Louisy

Title: Manager - Commercial Credit

I/We have authority to bind the Bank.

The Debtor, TPS and Mamatas, at Windsor, Province of Ontario, this 14 day of August, 2020.

Debtor:

**TOOLPLAS SYSTEMS INC.**

By: \_\_\_\_\_

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

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

By: \_\_\_\_\_

Name: Nikolaos Mamatas

Title: Chief Executive Officer

I/We have authority to bind the Corporation.

Debtor:

**TOOL PROCESSING SOLUTIONS INC.**

By: \_\_\_\_\_

Name: Nikolaos Mamatas

Title: Vice President

I/We have authority to bind the Corporation.

**MAMATAS REAL ESTATE HOLDINGS  
UNLIMITED LIABILITY COMPANY:**

By: \_\_\_\_\_

Name: Nikolaos Mamatas

Title: Authorized Signing Officer

By: \_\_\_\_\_

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

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

I/We have authority to bind the Corporation.

## **SCHEDULE A SECURITY**

### **1. LIST OF THE BANK SECURITY**

The Bank declares that as of the date of these presents, the Bank Security held is the following:

- (a) General Security Agreement granted by the Debtor and by TPS;
- (b) Guarantee granted by TPS;
- (c) Assignment of Insurance Policies; and
- (d) and any other security which may be held by the Bank now or hereafter on the property and assets of the Debtor and/or TPS for its existing indebtedness and any future indebtedness of the Debtor and/or TPS.

### **2. LIST OF THE BDCC SECURITY**

BDCC declares that at the date of these presents, the Security held is the following:

- (a) General Security Agreement dated July 30, 2013 from the Debtor and Tool Processing Solutions Inc.;
- (b) a Conditional Guarantee from Nik;
- (c) a Guarantee from Nik;
- (d) a Guarantee from Tool Processing Solutions Inc.;
- (e) Assignment of Life Insurance from Nik;
- (f) Postponement from Nik;
- (g) Guarantee from Mamatas and General Security Agreement from Mamatas; and
- (h) and any other security which may be held by BDCC now or hereafter on the property and assets of the Debtor and/or TPS for its existing indebtedness and any future indebtedness of the Debtor and/or TPS.

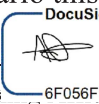
### **3. LIST OF THE BBC SECURITY**

BBC declares that at the date of these presents, the Security held is the following:

- (a) a Guarantee from the Debtor in respect of indebtedness owing by Mamatas to BBC;
- (b) a General Security Agreement from the Debtor in respect of indebtedness owing by Mamatas to BBC;

- (c) a Guarantee from TPS in respect of indebtedness owing by Mamatas to BBC;
- (d) a General Security Agreement from TPS in respect of indebtedness owing by Mamatas to BBC; and
- (e) any other security which may be held by BDC now or hereafter on the property and assets of the Debtor and/or TPS for its existing indebtedness and any future indebtedness of the Debtor and/or TPS as it relates to Offer Letter – Loan 122201-04 dated December 9, 2019 as amended by a Letter dated December 24, 2019.

This is **Exhibit “L”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Tak  \_\_\_\_\_  
DocuSigned by:  
6F056F5F3BC8405...

January 8, 2020

**THE TORONTO-DOMINION BANK** and its affiliates and divisions, including  
**TD ASSET FINANCE** and **TD EQUIPMENT FINANCE CANADA**  
100 Wellington Street West, 29<sup>th</sup> Floor  
Toronto, ON M5K 1A2  
Attention: Zami Salaria, Director, TD Asset Finance

Re: PPSA Filing #707367564

Ladies and Gentlemen:

JPMorgan Chase Bank, National Association ("Investor Agent") has entered into a Receivables Purchase Agreement with Tool Processing Solutions Inc. ("Supplier") pursuant to which one or more investors, which may include Investor Agent ("Investors"), may purchase and be assigned certain accounts receivable which arise out of the sale of goods or services of Supplier to Yanfeng Global Automotive Interior Systems Co. Ltd. and/or their subsidiaries or affiliates (referred to individually or collectively as "Buyer").

The Investor Agent has filed PPSA Filing #707367564 against the Supplier as debtor and hereby confirms that the Investor's security interest related to such filing is limited to all accounts receivable which arise out of the sale of goods or services by the Supplier to Buyer, which accounts receivable are now or in the future assigned and sold by Supplier to the Investors party to the Receivables Purchase Agreement among Supplier, the Investors party thereto and the Investor Agent party thereto, as amended, modified or supplemented from time to time, but only from and after the date such accounts receivable are sold by Supplier to Investor and such Investor has remitted the purchase price to the Supplier ("Purchased Receivable"), and all Ancillary Rights with respect to such Purchased Receivables. "Ancillary Rights" shall mean, with respect to any Purchased Receivable, all contact rights arising from the sale of goods or the rendition of services which gave rise to such Purchased Receivable; all other obligations for the payment of money arising therefrom; all collateral, insurance, supporting obligations, and guaranties therefore; the rights to goods and property represented thereby or associated therewith; all rights and remedies against the Buyer and/or third parties obligated thereon or goods associated therewith; the books and records with respect thereto and the proceeds of any of the foregoing.

Very truly yours,


JPMORGAN CHASE BANK, N.A. as Investor Agent

By: 

Its: Keith Branch  
Assistant Vice President

This is **Exhibit “M”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Taki

DocuSigned by:  
  
6F056F5F3BC8405...





**MILLER THOMSON**  
AVOCATS | LAWYERS

**MILLER THOMSON LLP**  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

T 416.595.8500  
F 416.595.8695

[MILLERTHOMSON.COM](http://MILLERTHOMSON.COM)

February 22, 2021

**Private and Confidential**

**Delivered via Email to:**  
**JLeslie@dickinson-wright.com**

**Jeffrey C. Carhart**  
Direct Line: 416.595.8615  
Direct Fax: 416.595.8695  
[jcarhart@millerthomson.com](mailto:jcarhart@millerthomson.com)

File: 0024411.0075

Toolplas Systems Inc.  
1905 Blackacre Drive,  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas

-and-

Tool Processing Solutions Inc.  
1905 Blackacre Drive,  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas

Dear Sirs/Mesdames

**Re:** Notice of Default - Financing by The Toronto-Dominion Bank (the “**Lender**”) of Toolplas Systems Inc. (the “**Borrower**”)

Please be advised that we are counsel for the Lender.

Reference is made to the credit agreement dated December 21, 2017 between the Borrower, Tool Processing Solutions Inc., as guarantor, and the Lender (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the “**Credit Agreement**”). All capitalized terms not defined herein shall have the meanings ascribed thereto in the Credit Agreement.

The Borrower is in default of its obligations under the Credit Agreement as result of the following breaches:

- (a) Breach of the minimum EBITDA financial covenant under Section 12(o)(i) of the Credit Agreement (the “**Minimum EBITDA Covenant**”) for the reporting periods of August 2020, September 2020 and November 2020 (collectively, the “**Existing Minimum EBITDA Defaults**”), and the particulars of which are set out in the table below.

| <b>MINIMUM EBITDA COVENANT</b><br><b>(set 10% below Borrower's financial forecasts)</b> |              |              |                   |
|-----------------------------------------------------------------------------------------|--------------|--------------|-------------------|
| Date                                                                                    | TEST         | Actual       | Result            |
| August 2020                                                                             | -\$4,664,000 | -\$5,538,000 | Out of Compliance |
| September 2020                                                                          | -\$5,529,000 | -\$6,167,000 | Out of Compliance |
| November 2020                                                                           | -\$6,746,000 | -\$7,234,000 | Out of Compliance |

- (b) Breach of the Borrowing Base obligations set out under the Credit Agreement, including pursuant to Section 9(b) of the Credit Agreement, for the calendar months of January 2021 and February 2021 (inclusive) (the “**Borrowing Base Defaults**”, and together with the Existing Minimum EBITDA Defaults, the “**Existing Events of Defaults**”), and the particulars of which are set out in the table below. The Borrowing Base Defaults have resulted in unauthorized overdraft positions under the Revolving Loans, in their respective currencies.

| <b>Borrowing Base – Overdraft Positions</b> |               |               |
|---------------------------------------------|---------------|---------------|
| Date                                        | Cdn.\$        | U.S.\$        |
| January 27, 2021                            | \$-10,738.66  | \$-8,458.97   |
| February 3, 2021                            | \$-121,128.41 | \$-94,609.40  |
| February 4, 2021                            | \$-135,536.74 | \$-106,066.24 |
| February 5, 2021                            | \$-21,067.72  | \$-16,498.47  |
| February 8, 2021                            | \$-3,931.33   | \$-3,078.69   |
| February 9, 2021                            | \$-693.00     | \$-543.89     |
| February 10, 2021                           | \$-316,371.99 | \$-249,170.66 |
| February 11, 2021                           | \$-315,617.24 | \$-248,703.55 |
| February 12, 2021                           | \$-295,268.70 | \$-232,531.66 |
| February 17, 2021                           | \$-219,952.53 | \$-173,477.82 |




Each of the Existing Events of Default constitutes an Event of Default under the Credit Agreement and you are hereby given formal notice of such defaults.

The Lender does not waive compliance with the obligations provided for in the Credit Agreement and the Loan Documents, and the Lender hereby expressly reserves any and all of its rights and remedies under the Credit Agreement, the Loan Documents and such other agreements and security provided in favour of the Lender in connection with the Loans provided for in the Credit Agreement arising as a result of the Existing Events of Defaults or any other additional or subsequent breach or Event of Default – including the Lender's right to demand payment of the Loans advanced to the Borrower pursuant to the Credit Agreement at any time in the future.

Yours truly,

**MILLER THOMSON LLP**

Per: 

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart.

cc. Jeffrey Swan  
Paul Casey



This is **Exhibit “N”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Taking

DocuSigned by:



6F056F5F3BC8405...

Delivered via regular mail &  
via email to [nmamas@toolplas.com](mailto:nmamas@toolplas.com)

**NOTICE OF RENT DEFAULT**

FROM: 1128686 ONTARIO LIMITED

("LANDLORD")

TO: TOOLPLAS SYSTEMS INC.

("TENANT")

RE: OUTSTANDING RENT ARREARS OWING BY TOOLPLAS SYSTEMS INC. UNDER ITS LEASE WITH 1128686 ONTARIO LIMITED, DATED THE 1<sup>ST</sup> DAY OF JANUARY 2014-1905 BLACK ACRE DRIVE, TECUMSEH, ONTARIO.

---

We advise you, Toolplas System Inc, as the Tenant under the above-noted Lease, renewed by the Renewal Agreement dated effective as of January 1<sup>st</sup>, 2021, you are in arrears in payment of the Minimum Rent in the **amount of \$109,145.00** (Rental Months; December 2020, January 2021, and February 2021).

Therefore we hereby give you notice of your default under the above noted Lease and hereby give you **15 DAYS'** notice to cure such default, namely by 11:59 PM, the 7<sup>th</sup> day of March, 2021.

Failure by the Tenant to cure such default within the 15 day period will result in the Landlord's exercising, without further notice to you, all remedies available to it pursuant to the Lease, or otherwise at law, including, without limitation, terminating the Lease and your tenancy at the premises and holding you liable for all outstanding Rent arrears and for all future damages as a result of the Landlord's losing the benefits of the aforementioned Lease over its unexpired term, as well as for all charges and expenses incurred by or on behalf of the Landlord with respect to your default, including, without limitation, all professional and legal fees,

Kindly govern yourself accordingly

DATE at Windsor this 20 day of February 2021.

1128686 ONTARIO LIMITED

Per: 

TONY TOBESCO

*I have authority to bind this corporation*

This is **Exhibit “O”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2<sup>nd</sup> day of March, 2021

DocuSigned by:



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A Commissioner for Taking Affidavits

FORM 115

**Notice of Intention to Enforce Security**

**(Subsection 244(1))**

**TO:** Toolplas Systems Inc. ("**Toolplas**"), an insolvent person

Take notice that:

1. The Toronto-Dominion Bank (the "**Lender**"), a secured creditor, intends to enforce its security on all property described as collateral for the obligations of Toolplas to the Lender in the following documentation:
  - (a) a security agreement for specific assets (equipment) dated December 21, 2017 related to term loan agreement (loan agreement 17004910) granted by Toolplas in favour of the Lender;
  - (b) a general security agreement dated December 21, 2017 granted by Toolplas in favour of the Lender;
  - (c) Bank Act security granted by Toolplas in favour of the Lender, being:
    - (i) a bank act security agreement dated December 21, 2017;
    - (ii) a bank act security & warehouse liens/bills of lading application for credit dated December 21, 2017; and
    - (iii) a notice of intention dated November 30, 2017;
  - (d) an assignment of policies dated December 21, 2017 granted by Toolplas in favour of the Lender;
  - (e) tripartite agreement for sold accounts dated on or around December 2017 among Export Development Canada, Toolplas and the Lender; and
  - (f) an assignment of material contracts dated July 7, 2020 granted by Toolplas in favour of the Lender.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated 26 day of February, 2021.

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

Dated at Toronto this 26 day of February, 2021

**THE TORONTO-DOMINION BANK.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





February 26, 2021

**Private and Confidential**

**Delivered via Email to:**  
**JLeslie@dickinson-wright.com**

**TOOLPLAS SYSTEMS INC.**

1905 Blackacre Drive,  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas

Dear Sir:

**RE: Notice of Demand - Financing by The Toronto-Dominion Bank (the "Lender") of Toolplas Systems Inc. (the "Borrower")**

The Lender has made available to the Borrower certain credit facilities (the "**Credit Facilities**") pursuant to: a) a credit agreement dated December 21, 2017 between the Borrower, Tool Processing Solutions Inc., as guarantor, and the Lender (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the "**Credit Agreement**"); and b) certain Term Loan Agreements. All capitalized terms not defined herein shall have the meanings ascribed thereto in the Credit Agreement.

As security for the obligations under the Credit Agreement and the Term Loan Agreement(s) the Borrower issued certain security in favour of the Lender, including, but not limited to, the following:

- (a) a security agreement for specified assets (equipment) dated December 21, 2017 related Term Loan Agreement (loan agreement 17004910) granted by the Borrower in favour of the Lender;
- (b) a general security agreement dated December 21, 2017 granted by the Borrower in favour of the Lender;
- (c) Bank Act Security granted by the Borrower in favour of the Lender:
  - (i) a bank act security agreement dated December 21, 2017;
  - (ii) a bank act security & warehouse liens/bills of lading application for credit dated December 21, 2017; and

- (iii) a notice of intention dated November 30, 2017;
- (d) an assignment of policies dated December 21, 2017 granted by the Borrower in favour of the Lender;
- (e) tripartite agreement for sold accounts dated on or around December 2017 among Export Development Canada, the Borrower and the Lender; and
- (f) an assignment of material contracts dated July 7, 2020 granted by the Borrower in favour of the Lender (collectively, the “**Security**”).

To date, the Borrower has committed a number of defaults on its obligations under the Credit Agreement, the Term Loan Agreement(s) and the Security. These defaults include, but are not limited to, the following:

- (a) the defaults set out in the default letter dated February 22, 2021 (the “**Default Letter**”), a copy of which is attached hereto as Schedule A (collectively, the “**Existing Defaults**”); and
- (b) each of the additional defaults under the Credit Agreement and Term Loan Agreement(s) and Security as a result of:
  - (i) breach of the Borrowing Base obligations set out under Section 9(b) of the Credit Agreement (the “**Borrowing Base Default**”), as a result of a borrowing base deficiency based on the Borrower’s cash flow forecast and borrowing base calculation dated February 25, 2021; and
  - (ii) breach of the financial reporting obligations set out under Section 9(d) of the Credit Agreement (the “**Financial Reporting Default**” and together with the Borrowing Base Default, the “**Additional Defaults**” and the Existing Defaults and the Additional Defaults, are collectively referred to as the “**Defaults**”).

On account of Defaults under the Credit Agreement, the Term Loan Agreement(s) and the Security, all amounts owing to the Lender thereunder are now due and payable. As at February 26, 2021, the Borrower is obligated or otherwise liable to the Lender for advances, accrued interest and fees, including consulting fees, under each of the Credit Facilities described in Schedule B hereto in such amounts as described therein (collectively, the “**Outstanding Indebtedness**”).

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender, including under the Credit Agreement, the Term Loan Agreement(s) and Security, to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness owing by the Borrower to the Lender must be paid by 2:00 p.m. on March 10, 2021. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by March 10, 2021 or the Borrower does not demonstrate, by March 10, 2021 their ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with



respect to the appointment of a receiver and/or manager pursuant to all security which the Borrower executed in favour of the Lender, and which includes the Security and any other security as more particularly described in the Credit Agreement and the Term Loan Agreement(s).

The Lender reserves its right to act before March 10, 2021 if, for example, the Lender considers the property under its security to be in peril.

In addition to the foregoing, we advise you of the following:

- (a) the Revolving Credit Commitment has been reduced to Fifteen Million U.S. Dollars (U.S. 15,000,000) or its Canadian Dollar Equivalent Amount (the **"Reduced Revolving Credit Commitment"**) in accordance with the terms of the Credit Agreement, and the Aggregate Commitment under the Credit Agreement has also be reduced to reflect such reduction. For greater certainty the Lender shall be under no obligation whatsoever at any time to provide or permit the Borrower to borrow a Revolving Loan amount that exceeds the Reduced Revolving Credit Commitment; and
- (b) in connection with the Reduced Revolving Credit Commitment, the Lender reserves its entitlement to dishonour any and all cheques drawn in contravention of the current loan arrangements between the Borrower and the Lender as set out in the Credit Agreement and the Term Loan Agreement(s), and please further note that the fact the Lender may elect to pay certain cheques, even though the Borrower is in default of such loan arrangements, does not bind the Lender to pay any other cheques.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:   
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Jeffrey Swan  
Paul Casey



## **SCHEDULE A**

### **Default Letter**

See attached.



**MILLER THOMSON**  
AVOCATS | LAWYERS

**MILLER THOMSON LLP**  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

T 416.595.8500  
F 416.595.8695

[MILLERTHOMSON.COM](http://MILLERTHOMSON.COM)

February 22, 2021

**Private and Confidential**

**Delivered via Email to:**  
**JLeslie@dickinson-wright.com**

**Jeffrey C. Carhart**  
Direct Line: 416.595.8615  
Direct Fax: 416.595.8695  
[jcarhart@millerthomson.com](mailto:jcarhart@millerthomson.com)

File: 0024411.0075

Toolplas Systems Inc.  
1905 Blackacre Drive,  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas

-and-

Tool Processing Solutions Inc.  
1905 Blackacre Drive,  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas

Dear Sirs/Mesdames

**Re:** Notice of Default - Financing by The Toronto-Dominion Bank (the “**Lender**”) of Toolplas Systems Inc. (the “**Borrower**”)

Please be advised that we are counsel for the Lender.

Reference is made to the credit agreement dated December 21, 2017 between the Borrower, Tool Processing Solutions Inc., as guarantor, and the Lender (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the “**Credit Agreement**”). All capitalized terms not defined herein shall have the meanings ascribed thereto in the Credit Agreement.

The Borrower is in default of its obligations under the Credit Agreement as result of the following breaches:

- (a) Breach of the minimum EBITDA financial covenant under Section 12(o)(i) of the Credit Agreement (the “**Minimum EBITDA Covenant**”) for the reporting periods of August 2020, September 2020 and November 2020 (collectively, the “**Existing Minimum EBITDA Defaults**”), and the particulars of which are set out in the table below.

| <b>MINIMUM EBITDA COVENANT</b><br><b>(set 10% below Borrower's financial forecasts)</b> |              |              |                   |
|-----------------------------------------------------------------------------------------|--------------|--------------|-------------------|
| Date                                                                                    | TEST         | Actual       | Result            |
| August 2020                                                                             | -\$4,664,000 | -\$5,538,000 | Out of Compliance |
| September 2020                                                                          | -\$5,529,000 | -\$6,167,000 | Out of Compliance |
| November 2020                                                                           | -\$6,746,000 | -\$7,234,000 | Out of Compliance |

- (b) Breach of the Borrowing Base obligations set out under the Credit Agreement, including pursuant to Section 9(b) of the Credit Agreement, for the calendar months of January 2021 and February 2021 (inclusive) (the “**Borrowing Base Defaults**”, and together with the Existing Minimum EBITDA Defaults, the “**Existing Events of Defaults**”), and the particulars of which are set out in the table below. The Borrowing Base Defaults have resulted in unauthorized overdraft positions under the Revolving Loans, in their respective currencies.

| <b>Borrowing Base – Overdraft Positions</b> |               |               |
|---------------------------------------------|---------------|---------------|
| Date                                        | Cdn.\$        | U.S.\$        |
| January 27, 2021                            | \$-10,738.66  | \$-8,458.97   |
| February 3, 2021                            | \$-121,128.41 | \$-94,609.40  |
| February 4, 2021                            | \$-135,536.74 | \$-106,066.24 |
| February 5, 2021                            | \$-21,067.72  | \$-16,498.47  |
| February 8, 2021                            | \$-3,931.33   | \$-3,078.69   |
| February 9, 2021                            | \$-693.00     | \$-543.89     |
| February 10, 2021                           | \$-316,371.99 | \$-249,170.66 |
| February 11, 2021                           | \$-315,617.24 | \$-248,703.55 |
| February 12, 2021                           | \$-295,268.70 | \$-232,531.66 |
| February 17, 2021                           | \$-219,952.53 | \$-173,477.82 |




Each of the Existing Events of Default constitutes an Event of Default under the Credit Agreement and you are hereby given formal notice of such defaults.

The Lender does not waive compliance with the obligations provided for in the Credit Agreement and the Loan Documents, and the Lender hereby expressly reserves any and all of its rights and remedies under the Credit Agreement, the Loan Documents and such other agreements and security provided in favour of the Lender in connection with the Loans provided for in the Credit Agreement arising as a result of the Existing Events of Defaults or any other additional or subsequent breach or Event of Default – including the Lender's right to demand payment of the Loans advanced to the Borrower pursuant to the Credit Agreement at any time in the future.

Yours truly,

**MILLER THOMSON LLP**

Per: 

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart.

cc. Jeffrey Swan  
Paul Casey



## SCHEDULE B

### Outstanding Indebtedness as at February 26, 2021

| Statement of Indebtedness                                |                    |                       |                 |              |                 |
|----------------------------------------------------------|--------------------|-----------------------|-----------------|--------------|-----------------|
| As at: February 26, 2021                                 |                    |                       |                 |              |                 |
| Borrower(s):                                             |                    | Toolplas Systems Inc. |                 |              |                 |
| Facility Type                                            | Loan Number        | Currency              | Principal       | Interest     | Total           |
| ABL Revolver <sup>(1)</sup>                              | ***9451-1104       | CAD                   | \$4,664,300.03  | \$10,285.64  | \$4,674,585.67  |
| ABL Revolver <sup>(1)</sup>                              | ***4140-1104       | USD                   | \$727,446.10    | \$239.37     | \$727,685.47    |
| ABL Revolver - LIBOR <sup>(1)</sup>                      | ***4480-1104       | USD                   | \$5,000,000.00  | \$0.00       | \$5,000,000.00  |
| Foreign Exchange Derivatives                             | n/a                | USD                   | \$0.00          | \$0.00       | \$0.00          |
| TD Equipment Financing Lease                             | Contract #17004910 | USD                   | \$3,941,440.35  | \$274,806.97 | \$4,216,247.32  |
| TD Equipment Financing Lease                             | Contract #18000310 | USD                   | \$372,399.26    | \$28,202.39  | \$400,601.65    |
| TD Equipment Financing Lease                             | Contract #18014410 | USD                   | \$231,329.24    | \$6,107.96   | \$237,437.20    |
| Unpaid Consulting Fees                                   | Deloitte           | CAD                   | \$156,758.39    | \$0.00       | \$156,758.39    |
| Unpaid Legal Fees                                        | Miller Thomson LLP | CAD                   | \$16,000.00     | \$0.00       | \$16,000.00     |
| Total Outstanding Balance and Fees                       |                    | CAD                   | \$4,837,058.42  | \$10,285.64  | \$4,847,344.06  |
| Total Outstanding Balance and Fees                       |                    | USD                   | \$10,272,614.95 | \$309,356.69 | \$10,581,971.64 |
| Total Outstanding Balance and Fees (in CDN\$ Equivalent) |                    |                       | \$17,708,644.95 | \$397,909.57 | \$18,106,554.52 |
| Total Outstanding Balance and Fees (in US\$ Equivalent)  |                    |                       | \$14,132,996.77 | \$317,565.50 | \$14,450,562.27 |

(1) ABL Revolver outstanding balance as at February 26, 2021; balance fluctuates daily

|              |         |
|--------------|---------|
| USD/CAD Rate | 1.25300 |
|--------------|---------|

\*Bank of Canada Daily Exchange Rates as at February 25, 2021



FORM 115

**Notice of Intention to Enforce Security**

**(Subsection 244(1))**


**TO:** Tool Processing Solutions Inc. ("**TPS**"), an insolvent person

Take notice that:

1. The Toronto-Dominion Bank (the "**Lender**"), a secured creditor, intends to enforce its security on all property described as collateral for the obligations of TPS to the Lender in the following documentation:
  - (a) a guarantee dated July 7, 2020 granted by TPS in favour of the Lender, pursuant to which TPS guaranteed the present and future obligations of Toolplas Systems Inc. to the Lender;
  - (b) a general security agreement dated July 7, 2020 granted by TPS in favour of the Lender; and
  - (c) an assignment of policies dated July 7, 2020 granted by TPS in favour of the Lender.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated 26 day of February, 2021 from Miller Thomson LLP to the Borrower.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 26 day of February, 2021

**THE TORONTO-DOMINION BANK.** by its  
lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
AVOCATS | LAWYERS

**MILLER THOMSON LLP**  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

**T** 416.595.8500  
**F** 416.595.8695

**MILLERTHOMSON.COM**

February 26, 2021

**Private and Confidential**

**Delivered via Email to:**

**JLeslie@dickinson-wright.com**

**TOOL PROCESSING SOLUTIONS INC.**

1905 Blackacre Drive,  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas

Dear Sirs/Mesdames:

**Re:** Guarantee granted by Tool Processing Solutions Inc. (the **Guarantor**), in favour of The Toronto-Dominion Bank (the **Lender**) in respect to the obligations owing by Toolplas Systems Inc. (the **Borrower**)

The Lender has made available to the Borrower certain credit facilities (the **Credit Facilities**) pursuant to: a) a credit agreement dated December 21, 2017 between the Borrower, the Guarantor, and the Lender (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the **Credit Agreement**); and b) certain Term Loan Agreements. All capitalized terms not defined herein shall have the meanings ascribed thereto in the Credit Agreement.

According to the Lender's records, the Guarantor is obligated to the Lender for any amounts outstanding under the Credit Facilities. In that regard, the Lender holds a guarantee dated July 7, 2020 granted by the Guarantor in favour of the Lender, pursuant to which the Guarantor guaranteed the present and future obligations of the Borrower to the Lender (the **Guarantee**).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of the Guarantee.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 10 day of March, 2021 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in blue ink, appearing to read 'GM', followed by a horizontal line and a small flourish.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Jeffrey Swan  
Paul Casey





February 26, 2021

**Private and Confidential**

**Delivered via Email to:**  
**JLeslie@dickinson-wright.com**

**TOOLPLAS SYSTEMS INC.**

1905 Blackacre Drive,  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas

Dear Sir:

**RE: Notice of Demand - Financing by The Toronto-Dominion Bank (the “Lender”) of Toolplas Systems Inc. (the “Borrower”)**

The Lender has made available to the Borrower certain credit facilities (the “**Credit Facilities**”) pursuant to: a) a credit agreement dated December 21, 2017 between the Borrower, Tool Processing Solutions Inc., as guarantor, and the Lender (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the “**Credit Agreement**”); and b) certain Term Loan Agreements. All capitalized terms not defined herein shall have the meanings ascribed thereto in the Credit Agreement.

As security for the obligations under the Credit Agreement and the Term Loan Agreement(s) the Borrower issued certain security in favour of the Lender, including, but not limited to, the following:

- (a) a security agreement for specified assets (equipment) dated December 21, 2017 related Term Loan Agreement (loan agreement 17004910) granted by the Borrower in favour of the Lender;
- (b) a general security agreement dated December 21, 2017 granted by the Borrower in favour of the Lender;
- (c) Bank Act Security granted by the Borrower in favour of the Lender:
  - (i) a bank act security agreement dated December 21, 2017;
  - (ii) a bank act security & warehouse liens/bills of lading application for credit dated December 21, 2017; and

- (iii) a notice of intention dated November 30, 2017;
- (d) an assignment of policies dated December 21, 2017 granted by the Borrower in favour of the Lender;
- (e) tripartite agreement for sold accounts dated on or around December 2017 among Export Development Canada, the Borrower and the Lender; and
- (f) an assignment of material contracts dated July 7, 2020 granted by the Borrower in favour of the Lender (collectively, the “**Security**”).

To date, the Borrower has committed a number of defaults on its obligations under the Credit Agreement, the Term Loan Agreement(s) and the Security. These defaults include, but are not limited to, the following:

- (a) the defaults set out in the default letter dated February 22, 2021 (the “**Default Letter**”), a copy of which is attached hereto as Schedule A (collectively, the “**Existing Defaults**”); and
- (b) each of the additional defaults under the Credit Agreement and Term Loan Agreement(s) and Security as a result of:
  - (i) breach of the Borrowing Base obligations set out under Section 9(b) of the Credit Agreement (the “**Borrowing Base Default**”), as a result of a borrowing base deficiency based on the Borrower’s cash flow forecast and borrowing base calculation dated February 25, 2021; and
  - (ii) breach of the financial reporting obligations set out under Section 9(d) of the Credit Agreement (the “**Financial Reporting Default**” and together with the Borrowing Base Default, the “**Additional Defaults**” and the Existing Defaults and the Additional Defaults, are collectively referred to as the “**Defaults**”).

On account of Defaults under the Credit Agreement, the Term Loan Agreement(s) and the Security, all amounts owing to the Lender thereunder are now due and payable. As at February 26, 2021, the Borrower is obligated or otherwise liable to the Lender for advances, accrued interest and fees, including consulting fees, under each of the Credit Facilities described in Schedule B hereto in such amounts as described therein (collectively, the “**Outstanding Indebtedness**”).

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender, including under the Credit Agreement, the Term Loan Agreement(s) and Security, to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness owing by the Borrower to the Lender must be paid by 2:00 p.m. on March 10, 2021. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by March 10, 2021 or the Borrower does not demonstrate, by March 10, 2021 their ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with



respect to the appointment of a receiver and/or manager pursuant to all security which the Borrower executed in favour of the Lender, and which includes the Security and any other security as more particularly described in the Credit Agreement and the Term Loan Agreement(s).

The Lender reserves its right to act before March 10, 2021 if, for example, the Lender considers the property under its security to be in peril.

In addition to the foregoing, we advise you of the following:

- (a) the Revolving Credit Commitment has been reduced to Fifteen Million U.S. Dollars (U.S. 15,000,000) or its Canadian Dollar Equivalent Amount (the **"Reduced Revolving Credit Commitment"**) in accordance with the terms of the Credit Agreement, and the Aggregate Commitment under the Credit Agreement has also be reduced to reflect such reduction. For greater certainty the Lender shall be under no obligation whatsoever at any time to provide or permit the Borrower to borrow a Revolving Loan amount that exceeds the Reduced Revolving Credit Commitment; and
- (b) in connection with the Reduced Revolving Credit Commitment, the Lender reserves its entitlement to dishonour any and all cheques drawn in contravention of the current loan arrangements between the Borrower and the Lender as set out in the Credit Agreement and the Term Loan Agreement(s), and please further note that the fact the Lender may elect to pay certain cheques, even though the Borrower is in default of such loan arrangements, does not bind the Lender to pay any other cheques.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:   
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Jeffrey Swan  
Paul Casey



## **SCHEDULE A**

### **Default Letter**

See attached.



**MILLER THOMSON**  
AVOCATS | LAWYERS

**MILLER THOMSON LLP**  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

T 416.595.8500  
F 416.595.8695

[MILLERTHOMSON.COM](http://MILLERTHOMSON.COM)

February 22, 2021

**Private and Confidential**

**Delivered via Email to:**  
**JLeslie@dickinson-wright.com**

**Jeffrey C. Carhart**  
Direct Line: 416.595.8615  
Direct Fax: 416.595.8695  
[jcarhart@millerthomson.com](mailto:jcarhart@millerthomson.com)

File: 0024411.0075

Toolplas Systems Inc.  
1905 Blackacre Drive,  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas

-and-

Tool Processing Solutions Inc.  
1905 Blackacre Drive,  
Oldcastle, ON N0R 1L0

Attention: Nikolaos Mamatas

Dear Sirs/Mesdames

**Re:** Notice of Default - Financing by The Toronto-Dominion Bank (the “**Lender**”) of Toolplas Systems Inc. (the “**Borrower**”)

Please be advised that we are counsel for the Lender.

Reference is made to the credit agreement dated December 21, 2017 between the Borrower, Tool Processing Solutions Inc., as guarantor, and the Lender (as the same may have been or may be further amended, supplemented, restated, replaced or renewed from time to time, the “**Credit Agreement**”). All capitalized terms not defined herein shall have the meanings ascribed thereto in the Credit Agreement.

The Borrower is in default of its obligations under the Credit Agreement as result of the following breaches:

- (a) Breach of the minimum EBITDA financial covenant under Section 12(o)(i) of the Credit Agreement (the “**Minimum EBITDA Covenant**”) for the reporting periods of August 2020, September 2020 and November 2020 (collectively, the “**Existing Minimum EBITDA Defaults**”), and the particulars of which are set out in the table below.



| <b>MINIMUM EBITDA COVENANT</b><br><b>(set 10% below Borrower's financial forecasts)</b> |              |              |                   |
|-----------------------------------------------------------------------------------------|--------------|--------------|-------------------|
| Date                                                                                    | TEST         | Actual       | Result            |
| August 2020                                                                             | -\$4,664,000 | -\$5,538,000 | Out of Compliance |
| September 2020                                                                          | -\$5,529,000 | -\$6,167,000 | Out of Compliance |
| November 2020                                                                           | -\$6,746,000 | -\$7,234,000 | Out of Compliance |

- (b) Breach of the Borrowing Base obligations set out under the Credit Agreement, including pursuant to Section 9(b) of the Credit Agreement, for the calendar months of January 2021 and February 2021 (inclusive) (the “**Borrowing Base Defaults**”, and together with the Existing Minimum EBITDA Defaults, the “**Existing Events of Defaults**”), and the particulars of which are set out in the table below. The Borrowing Base Defaults have resulted in unauthorized overdraft positions under the Revolving Loans, in their respective currencies.

| <b>Borrowing Base – Overdraft Positions</b> |               |               |
|---------------------------------------------|---------------|---------------|
| Date                                        | Cdn.\$        | U.S.\$        |
| January 27, 2021                            | \$-10,738.66  | \$-8,458.97   |
| February 3, 2021                            | \$-121,128.41 | \$-94,609.40  |
| February 4, 2021                            | \$-135,536.74 | \$-106,066.24 |
| February 5, 2021                            | \$-21,067.72  | \$-16,498.47  |
| February 8, 2021                            | \$-3,931.33   | \$-3,078.69   |
| February 9, 2021                            | \$-693.00     | \$-543.89     |
| February 10, 2021                           | \$-316,371.99 | \$-249,170.66 |
| February 11, 2021                           | \$-315,617.24 | \$-248,703.55 |
| February 12, 2021                           | \$-295,268.70 | \$-232,531.66 |
| February 17, 2021                           | \$-219,952.53 | \$-173,477.82 |




Each of the Existing Events of Default constitutes an Event of Default under the Credit Agreement and you are hereby given formal notice of such defaults.

The Lender does not waive compliance with the obligations provided for in the Credit Agreement and the Loan Documents, and the Lender hereby expressly reserves any and all of its rights and remedies under the Credit Agreement, the Loan Documents and such other agreements and security provided in favour of the Lender in connection with the Loans provided for in the Credit Agreement arising as a result of the Existing Events of Defaults or any other additional or subsequent breach or Event of Default – including the Lender's right to demand payment of the Loans advanced to the Borrower pursuant to the Credit Agreement at any time in the future.

Yours truly,

**MILLER THOMSON LLP**

Per: 

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart.

cc. Jeffrey Swan  
Paul Casey



## SCHEDULE B

### Outstanding Indebtedness as at February 26, 2021

| Statement of Indebtedness                                |                    |                       |                 |              |                 |
|----------------------------------------------------------|--------------------|-----------------------|-----------------|--------------|-----------------|
| As at: February 26, 2021                                 |                    |                       |                 |              |                 |
| Borrower(s):                                             |                    | Toolplas Systems Inc. |                 |              |                 |
| Facility Type                                            | Loan Number        | Currency              | Principal       | Interest     | Total           |
| ABL Revolver <sup>(1)</sup>                              | ***9451-1104       | CAD                   | \$4,664,300.03  | \$10,285.64  | \$4,674,585.67  |
| ABL Revolver <sup>(1)</sup>                              | ***4140-1104       | USD                   | \$727,446.10    | \$239.37     | \$727,685.47    |
| ABL Revolver - LIBOR <sup>(1)</sup>                      | ***4480-1104       | USD                   | \$5,000,000.00  | \$0.00       | \$5,000,000.00  |
| Foreign Exchange Derivatives                             | n/a                | USD                   | \$0.00          | \$0.00       | \$0.00          |
| TD Equipment Financing Lease                             | Contract #17004910 | USD                   | \$3,941,440.35  | \$274,806.97 | \$4,216,247.32  |
| TD Equipment Financing Lease                             | Contract #18000310 | USD                   | \$372,399.26    | \$28,202.39  | \$400,601.65    |
| TD Equipment Financing Lease                             | Contract #18014410 | USD                   | \$231,329.24    | \$6,107.96   | \$237,437.20    |
| Unpaid Consulting Fees                                   | Deloitte           | CAD                   | \$156,758.39    | \$0.00       | \$156,758.39    |
| Unpaid Legal Fees                                        | Miller Thomson LLP | CAD                   | \$16,000.00     | \$0.00       | \$16,000.00     |
| Total Outstanding Balance and Fees                       |                    | CAD                   | \$4,837,058.42  | \$10,285.64  | \$4,847,344.06  |
| Total Outstanding Balance and Fees                       |                    | USD                   | \$10,272,614.95 | \$309,356.69 | \$10,581,971.64 |
| Total Outstanding Balance and Fees (in CDN\$ Equivalent) |                    |                       | \$17,708,644.95 | \$397,909.57 | \$18,106,554.52 |
| Total Outstanding Balance and Fees (in US\$ Equivalent)  |                    |                       | \$14,132,996.77 | \$317,565.50 | \$14,450,562.27 |

(1) ABL Revolver outstanding balance as at February 26, 2021; balance fluctuates daily

|              |         |
|--------------|---------|
| USD/CAD Rate | 1.25300 |
|--------------|---------|

\*Bank of Canada Daily Exchange Rates as at February 25, 2021

This is **Exhibit “P”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario

DocuSigned by:



6F056F5F3BC8405...

A Commissioner for Taking Affidavits

**(Subsection 244(1) of the BIA)**

TAKE NOTE THAT:

DATED at MICHIGAN USA this 2<sup>ND</sup> day of March, 2021.

Per:

I have the authority to bind the corporation

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the BIA)**

To: THE TORONTO-DOMINION BANK (the “**Lender**”)

TAKE NOTE THAT:

1. The undersigned hereby acknowledges receipt of a Notice of Intention to Enforce Security dated February 26, 2021 pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada) with respect to the assets of the undersigned, waives its right to the ten-day notice period and to redeem the collateral, and consents to the immediate enforcement of the security held by the Lender.

A signed copy of this consent and waiver delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy.

DATED at Windsor this 3<sup>rd</sup> day of March, 2021.

) TOOL PROCESSING SOLUTIONS INC.  
)

Per:


Name: Lawrence Jeun

Title: President

I have the authority to bind the corporation

This is **Exhibit “Q”** referred to in the Affidavit  
of Jeffrey Swan and SWORN BEFORE ME via  
video-conference with the deponent in the City of  
Toronto, Ontario, and the Commissioner in the City  
of Mississauga, Ontario this 2nd day of March, 2021

\_\_\_\_\_  
A Commissioner for Takir

DocuSigned by:  
  
6F056F5F3BC8405...

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

THE TORONTO-DOMINION BANK

Applicant

-and-

TOOLPLAS SYSTEMS INC. and TOOL PROCESSING SOLUTIONS INC. o/a TPS GLOBAL

Respondents

**CONSENT TO ACT AS RECEIVER AND MANAGER**

**TAKE NOTICE THAT** Deloitte Restructuring Inc. hereby consents to being appointed receiver and manager in the within application.

**DATED** at Toronto, Ontario this 2<sup>nd</sup> day of March, 2021.

)  
)  
)  
)  
)  
)  
)  
)  
)

**Deloitte Restructuring Inc.**

Per:



Paul M. Casey, CPA, CA, FCIRP, LIT  
Senior Vice-President

I/We have the authority to bind the corporation



|  |                                                                                                                                                                                                                                                                                                                                              |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p><i>ONTARIO</i></p> <p><b>SUPERIOR COURT OF JUSTICE</b></p> <p><b>Proceeding commenced at Toronto</b></p>                                                                                                                                                                                                                                  |
|  | <p><b>RECEIVER'S CONSENT</b></p>                                                                                                                                                                                                                                                                                                             |
|  | <p><b>MILLER THOMSON LLP</b><br/>Scotia Plaza<br/>40 King Street West, Suite 5800<br/>P.O. Box 1011<br/>Toronto, ON Canada M5H 3S1</p> <p><b>Jeffrey C. Carhart LSO#: 40947B</b><br/>Email: jcarhart@millerthomson.com</p> <p><b>Asim Iqbal LSO#: 61884B</b><br/>Email: aiqbal@millerthomson.com</p> <p><b>Lawyers for the Applicant</b></p> |

# TAB 3

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

|                    |   |                    |
|--------------------|---|--------------------|
| THE HONOURABLE MR. | ) | WEDNESDAY, THE 3RD |
|                    | ) |                    |
| JUSTICE KOEHNEN    | ) | DAY OF MARCH, 2021 |

**THE TORONTO-DOMINION BANK**

Applicant

- and -

**TOOLPLAS SYSTEMS INC. and TOOL PROCESSING SOLUTIONS INC.**

Respondents

**ORDER**  
**(appointing Receiver)**

THIS APPLICATION made by the Applicant, The Toronto-Dominion Bank, 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 Deloitte Restructuring Inc. as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of each of Toolplas Systems Inc. and Tool Processing Solutions Inc. (each, a "Debtor" and collectively, the "Debtors") acquired for, or used in relation to a business carried on by the Debtors, was heard this day by video conference.

ON READING the affidavit of Jeffrey Swan sworn March 2, 2021 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, counsel for the Debtors and counsel for Business Development Bank of Canada, no other party having received prior notice of this

Order as appears from the affidavit of service of Shallon Garrafa sworn March 2<sup>nd</sup>, 2021 and on reading the consent of Deloitte Restructuring 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 Application is properly returnable today.

### **APPOINTMENT**

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Deloitte Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the each of the Debtors acquired for, or used in relation to a business carried on by that 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 each of the Debtors, 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 each of the Debtors;

- (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 each of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to each of the Debtors and to exercise all remedies of each of the Debtors in collecting such monies, including, without limitation, to enforce any security held by each of the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to each of the Debtors;
- (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 each of the Debtors, 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 each of the Debtors, 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 \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*.

- (l) to apply for any vesting order, reverse 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 each of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of each of the Debtors, including, without limiting the generality of the

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

- (q) to exercise any shareholder, partnership, joint venture or other rights which each of the Debtors 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 the Receiver shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

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

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, advisors, 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 each of the Debtors, 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 DEBTORS OR THE PROPERTY**

9. THIS COURT ORDERS that no Proceeding against or in respect of each of the Debtors, their directors, officers, employees and agents, 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 each of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court. For greater certainty, the stay of proceedings shall not preclude the commencement or continuation of a Proceeding against the directors, officers, employees and agents of the Debtors in respect of a personal guarantee.

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

10. THIS COURT ORDERS that all rights and remedies against each of the Debtors, 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 either of the Debtors to carry on any business which either of the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or either of the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment to which either of the Debtors are subject, (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 either of the Debtors, 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 either of the Debtors 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 either of the Debtors 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 either of the Debtors' 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 each of the Debtors 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 each of the Debtors shall remain the employees of such Debtor until such time as the Receiver, on such 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 each of the Debtors, 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 their 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 \$500,000

(or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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/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: [www.insolvencies.deloitte.ca/en-ca/Toolplas](http://www.insolvencies.deloitte.ca/en-ca/Toolplas)

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, facsimile or electronic mail transmission to any of the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery, facsimile or electronic mail 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 either of the Debtors.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or any other foreign jurisdiction 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 each of the Debtors' estates 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, the Applicant 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.

33. THIS COURT ORDERS that the Receiver, its counsel and counsel for the Applicant may serve or distribute this Order, or any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the applicable Debtor's creditors or other interested parties and their advisors (if any). For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

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## SCHEDULE "A"

### RECEIVER CERTIFICATE

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

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

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver and manager (the "**Receiver**") of the assets, undertakings and properties of Toolplas Systems Inc. and Tool Processing Systems Inc, o/a TPS Global (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by each of the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 3rd day of March, 2021 (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 The Toronto-Dominion Bank 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\_\_.

Deloitte Restructuring Inc., solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

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

Name:

Title:

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceeding commenced at Toronto

**ORDER**

**MILLER THOMSON LLP**  
Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

**Jeffrey C. Carhart LSO#: 40947B**  
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aiqbal@millerthomson.com

Lawyers for the Applicant

Court File No.

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE ~~MR.~~ ) ~~WEEKDAY~~ WEDNESDAY, THE #3RD  
JUSTICE ~~MR.~~ KOEHNEN )  
DAY OF ~~MONTH~~ MARCH, ~~20YR~~ 2021

**PLAINTIFF<sup>1</sup>**

**Plaintiff**

THE TORONTO-DOMINION BANK

Applicant

- and -

**DEFENDANT**

**Defendant**

TOOLPLAS SYSTEMS INC. and TOOL PROCESSING SOLUTIONS INC.

Respondents

**ORDER**  
**(appointing Receiver)**

THIS ~~MOTION~~ APPLICATION made by the ~~Plaintiff<sup>2</sup>~~ Applicant, The Toronto-Dominion Bank, 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,

<sup>1</sup> ~~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.~~

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

c. C.43, as amended (the "CJA") appointing ~~[RECEIVER'S NAME]~~ Deloitte Restructuring Inc. as receiver ~~[and manager]~~ (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~ (the "Debtor" each of Toolplas Systems Inc. and Tool Processing Solutions Inc. o/a TPS Global (each, a "Debtor" and collectively, the "Debtors") acquired for, or used in relation to a business carried on by the ~~Debtor~~ Debtors, was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ by video conference.

ON READING the affidavit of ~~[NAME]~~ Jeffrey Swan sworn ~~[DATE]~~ March 2, 2021 and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~, ~~no one appearing for [NAME] although duly served~~ the Applicant, counsel for the Debtors and counsel for Business Development Bank of Canada, no other party having received prior notice of this Order as appears from the affidavit of service of ~~[NAME]~~ Shallon Garrafa sworn ~~[DATE]~~ March 2<sup>nd</sup>, 2021 and on reading the consent of ~~[RECEIVER'S NAME]~~ Deloitte Restructuring 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 validated<sup>3</sup> so that this ~~motion~~ 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, ~~[RECEIVER'S NAME]~~ Deloitte Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the ~~Debtor~~ each of the Debtors acquired for, or used in relation to a business carried on by ~~the~~ that Debtor, including all proceeds thereof (~~the collectively, the~~ the "Property").

<sup>3</sup> ~~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.~~

**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 each of the ~~Debtor~~ Debtors, 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 each of the ~~Debtor~~ Debtors;
- (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 each of the ~~Debtor~~ Debtors or any part or parts thereof;

- (f) to receive and collect all monies and accounts now owed or hereafter owing to each of the DebtorDebtors and to exercise all remedies of each of the DebtorDebtors in collecting such monies, including, without limitation, to enforce any security held by each of the DebtorDebtors;
- (g) to settle, extend or compromise any indebtedness owing to each of the DebtorDebtors;
- (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 each of the DebtorDebtors, 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 each of the DebtorDebtors, the Property or the Receiver, and to settle or compromise any such proceedings.<sup>4</sup> 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 \$ 500,000, provided that the aggregate

<sup>4</sup> ~~This 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.~~

consideration for all such transactions does not exceed \$1,000,000; and

- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, ~~[or section 31 of the Ontario *Mortgages Act*, as the case may be,]<sup>5</sup> shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.~~

- (l) to apply for any vesting order, reverse 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 each ~~of the Debtor~~ Debtors;

<sup>5</sup> ~~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.~~

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of each of the ~~Debtor~~ Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by each of the ~~Debtor~~ Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which each of the ~~Debtor~~ Debtors 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~~ Debtors, 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~~ Debtors, (ii) all of ~~its~~ their current and former directors, officers, employees, agents, advisors, 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 each of the ~~Debtor~~ Debtors, 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~~DEBTORS OR THE PROPERTY**

9. THIS COURT ORDERS that no Proceeding against or in respect of each of the ~~Debtor~~Debtors, its directors, officers, employees and agents 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 each of the ~~Debtor~~Debtors 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 each of the ~~Debtor~~Debtors, 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 either of the ~~Debtor~~Debtors to carry on any business which either of the ~~Debtor~~Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or either of the ~~Debtor~~Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment to which either of the Debtors are subject, (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 either of the ~~Debtor~~Debtors, 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 either of the ~~Debtor~~Debtors 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 either of the ~~Debtor~~Debtors 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~~either of the Debtors' 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 each of the ~~Debtor~~Debtors 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 each of the ~~Debtor~~Debtors shall remain the employees of ~~the~~such Debtor until such time as the Receiver, on ~~the~~such 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 each of the Debtor~~Debtors~~, 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.<sup>61</sup>

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass ~~its~~their 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.

<sup>61</sup> 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".

## 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 \$ 500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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/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: ~~“@”~~ [www.insolvencies.deloitte.ca/en-ca/Toolplas](http://www.insolvencies.deloitte.ca/en-ca/Toolplas)

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 or electronic mail](#) transmission to [any of the Debtor's Debtors'](#) creditors or other interested parties at their respective addresses as last shown on the records of the ~~Debtor~~ [Debtors](#) and that any such service or distribution by courier, personal delivery ~~or~~ [facsimile or electronic mail](#) 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~~ [either of the Debtors](#).

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 or any other foreign jurisdiction](#) 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~~Applicant shall have its costs of this ~~motion~~Application, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff~~Applicant's security or, if not so provided by the ~~Plaintiff~~Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from each of the ~~Debtor's-estate~~Debtors' estates 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, the Applicant 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.

33. THIS COURT ORDERS that the Receiver, its counsel and counsel for the Applicant may serve or distribute this Order, or any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the applicable Debtor's creditors or other interested parties and their advisors (if any). For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).



## SCHEDULE "A"

## RECEIVER CERTIFICATE

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

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

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ Deloitte Restructuring Inc., the receiver and manager (the "Receiver") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ of Toolplas Systems Inc. and Tool Processing Systems Inc. o/a TPS Global (collectively, the "Debtors") acquired for, or used in relation to a business carried on by each of the ~~Debtor~~ Debtors, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 3rd day of March, 2021 (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 The Toronto-Dominion 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]~~ Deloitte Restructuring Inc., solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

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

The Toronto-Dominion Bank and Toolplas Systems Inc. et. al.

Court File No.: »

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceeding commenced at Toronto

**ORDER**

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Lawyers for the Applicant

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| Document 1 ID | iManage://mtdmswssc.millerthomson.corp/Legal/52749418/1 |
| Description   | #52749418v1<Legal> - Model Receivership Order           |
| Document 2 ID | iManage://mtdmswssc.millerthomson.corp/Legal/52751304/4 |
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| Padding cell      |  |
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| Style change   | 0     |
| Format changed | 0     |
| Total changes  | 265   |

THE TORONTO-DOMINION BANK  
Applicant

and TOOLPLAS SYSTEMS INC. et al  
Respondents

Court File No:

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(Commercial List)**

## Proceeding commenced at Toronto

# APPLICATION RECORD

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## Lawyers for the Applicant