

THE KING'S BENCH
WINNIPEG CENTRE

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF
POLAR WINDOW OF CANADA LTD., ACCURATE DORWIN (2020) INC.,
GLASS 8 INC., NATIONAL INTERIORS (2021) INC.,
12986647 CANADA LTD. (O/A ALLSCO WINDOWS & DOORS),
12986591 CANADA LTD. (O/A ALWEATHER WINDOWS & DOORS),
POLAR HOLDING LTD., 10064720 MANITOBA LTD., and
12986914 CANADA LTD.

APPLICANTS

PRE-FILING REPORT OF THE PROPOSED MONITOR
DELOITTE RESTRUCTURING INC.

FEBRUARY 7, 2023

PROPOSED MONITOR

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INTRODUCTION

1. Deloitte Restructuring Inc. (“**Deloitte**”) has been advised that Polar Window of Canada Ltd. (“**Polar Window**”), Accurate Dorwin (2020) Inc. (“**Accurate Dorwin**”), Glass 8 Inc. (“**Glass 8**”), National Interiors (2021) Inc. (“**National Interiors**”), 12986647 Canada Ltd. (o/a Allsco Windows & Doors) (“**Allsco**”), 12986591 Canada Ltd. (o/a Alweather Windows & Doors) (“**Alweather**”), Polar Holding Ltd. (“**Polar Holdco**”), 10064720 Manitoba Ltd. (“**1006**”), and 12986914 Canada Ltd. (“**6914**”) (collectively the “**Companies**” or the “**Applicants**”) intend to file an application to the Court of King’s Bench in Manitoba (the “**Court**”) seeking certain relief under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). Deloitte has been requested to act as the Monitor for the purposes of the CCAA proceedings by the Companies and has consented to being appointed as such (the “**Proposed Monitor**”, and if appointed by the Court, the “**Monitor**”).
2. Deloitte understands that the initial application will be made on February 10, 2023, whereat the Applicants will seek an initial order (the “**Initial Order**”):
 - (a) declaring that the Applicants are companies to which the CCAA applies and commencing the CCAA proceedings;
 - (b) establishing an initial stay of proceedings to February 20, 2023 (the “**Initial Stay Period**”);
 - (c) appointing Deloitte as Monitor in the CCAA proceedings;
 - (d) authorizing the Applicants to file a plan of arrangement;
 - (e) authorizing the Applicants to carry on business in a manner consistent with the preservation of the Companies’ businesses and property;
 - (f) authorizing the Applicants to pay the reasonable expenses incurred by the Companies in carrying out their business in the ordinary course, including repayment of the Present Advance (as defined below) which was provided to the Applicants by The Toronto-Dominion Bank (“**TD Bank**”) on January 26, 2023,

prior to the date of the Initial Order;

- (g) staying all proceedings, rights, and remedies against or in respect of the Applicants, its directors and officers, guarantors, and the Monitor during the Initial Stay Period;
 - (h) approving the debtor in possession (“**DIP**”) financing in the amount of \$1.2 million to be provided by the DIP Lender (as defined below) in accordance with the DIP Facility Term Sheet (as defined below) to enable the Companies to continue operations until the Comeback Hearing (as defined below);
 - (i) approving the charges over the assets and property of the Applicants in the following priorities:
 - (i) First – a charge in favour of the Monitor, its legal counsel, and the Applicants’ legal counsel in respect of their fees and disbursements to a maximum amount of \$500,000;
 - (ii) Second – a charge in favour of the DIP Lender;
 - (iii) Third – a charge in favour of the directors and officers of the Applicants to a maximum amount of \$300,000; and
 - (iv) Fourth – a charge in favour of certain key employees of the Applicants for amounts to be paid under a proposed KERP (as defined below) in the amount of \$300,000;
 - (j) sealing the information pertaining to the KERP; and
 - (k) such further and other relief as may be sought by the Applicants and this Honourable Court may deem appropriate in the CCAA proceedings.
3. The Applicants will seek to amend the Initial Order (the “**Amended and Restated Initial Order**”) at a motion to be heard on February 14, 2023 (the “**Comeback Hearing**”).
4. The Initial Order along with the application materials and all other documents filed in

the CCAA proceedings will be posted on the Proposed Monitor's website at www.insolvencies.deloitte.ca/en-ca/AccurateGroup.

PURPOSE

5. This pre-filing report (the “**Report**”) has been prepared by the Proposed Monitor to assist the Court in considering the requests for relief that are to be made by the Applicants and to provide the Court with information concerning the following:
 - (a) the Proposed Monitor's prior relationship with the Applicants;
 - (b) Deloitte's qualifications to act as Monitor;
 - (c) the business, financial affairs, and financial results of the Applicants;
 - (d) the history of actions taken and alternatives considered by the Applicants to resolve their financial challenges;
 - (e) the cash management system;
 - (f) the Applicants' 13-week cash flow forecast;
 - (g) the DIP financing;
 - (h) the authorizations and charges in the draft Initial Order; and
 - (i) the Proposed Monitor's conclusions.

6. In this Report, reference is made to the Affidavit of Stephen Segal (“**Segal**”) sworn February 6, 2023, in support of the application filed by the Applicants in these proceedings (the “**Segal Affidavit**”). Capitalized terms not otherwise defined in this Report are as defined in the Segal Affidavit or in the application materials filed by the Applicants.

TERMS OF REFERENCE

7. In preparing this Report, the Proposed Monitor has relied upon unaudited interim and annual financial information, the Applicants' books and records, the Segal Affidavit, and

discussions with management (“**Management**”) and their financial and legal advisors.

8. The financial information of the Companies has not been audited, reviewed or otherwise verified by the Proposed Monitor as to its accuracy or completeness, nor has it necessarily been prepared in accordance with generally accepted accounting principles and the reader is cautioned that this Report may not disclose all significant matters about the Companies. Additionally, none of the Proposed Monitor’s procedures were intended to detect defalcations or other irregularities. If the Proposed Monitor were to perform additional procedures or to undertake an audit examination of the financial statements in accordance with generally accepted auditing standards, additional matters may have come to the Proposed Monitor’s attention. Accordingly, the Proposed Monitor does not express an opinion nor does it provide any other form of assurance on the financial or other information presented herein. The Proposed Monitor may refine or alter its observations as further information is obtained or brought to its attention after the date of this Report.
9. An examination of the financial forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information referred to or relied upon in this Report is based on Management’s assumptions regarding future events and conditions that are not ascertainable. Accordingly, actual results achieved will vary from this information, and the variations may be material. The future orientated financial information has been prepared solely for the purpose of reflecting Management’s best estimate of the cash flow of the Applicants in their CCAA proceedings, and readers are cautioned that such information may not be appropriate for other purposes.
10. The Proposed Monitor assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of this Report. Any use that any party makes of this Report, or any reliance on or decisions to be made based on it is the responsibility of such party.
11. Unless otherwise stated, all monetary amounts contained in this Report are expressed in Canadian dollars.

PROPOSED MONITOR'S PRIOR RELATIONSHIP WITH THE APPLICANTS

12. The Proposed Monitor's affiliated accounting firm, Deloitte LLP, is not the auditor of the Applicants.
13. On January 10, 2023, Deloitte was retained by the Companies as financial advisor ("**Financial Advisor**") to provide financial consulting and reorganization services. The Financial Advisor appointment included assisting the Companies with assessing various informal and formal restructuring alternatives, assisting with the preparation cash flow projections, and interfacing with constituencies and interested stakeholders.
14. On or about January 16, 2023, Management determined that commencing a formal proceeding under the CCAA would provide the Companies with the flexibility and time needed to restructure operations. Since January 16, 2023, Deloitte has been working with Management and the Companies' legal counsel, reviewing available financial information to gain further knowledge of the business and financial affairs of the Companies, and has been preparing for the anticipated CCAA application.

QUALIFICATIONS TO ACT AS MONITOR

15. Deloitte is a Licensed Insolvency Trustee within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act* (the "**BIA**"). In accordance with section 11.7(2) of the CCAA, neither Deloitte nor any of its representatives or affiliates have been at any time in the two (2) preceding years the auditor, accountant, a director, officer or employee of the Applicants or otherwise related to the Applicants or to any director or officer of the Applicants or a trustee (or related to any such trustee) under a trust indenture issued by the Applicants or any person related to the Applicants. Accordingly, Deloitte is of the view that the restrictions as to who may be appointed as a Monitor under section 11.7(2) of the CCAA do not preclude Deloitte from acting as Monitor of the Applicants.
16. Deloitte is related to Deloitte LLP. Deloitte LLP is an independent international professional services firm providing among other things, bankruptcy, insolvency, and restructuring services. The senior Deloitte professional personnel with carriage of this matter include experienced insolvency and restructuring practitioners who are Chartered Professional Accountants, Chartered Insolvency and Restructuring Professionals, and

Licensed Insolvency Trustees (Canada), each of whom have acted in matters of a similar nature and scale in Canada.

17. Deloitte has consented to act as Monitor should this Court grant the Applicants' request for an Initial Order in the CCAA proceedings. Deloitte's consent to act as Monitor is attached hereto as Appendix A.
18. The Proposed Monitor has retained McDougall Gauley LLP (the "**Proposed Monitor's Legal Counsel**") to act as independent legal counsel in the CCAA proceedings.

BUSINESS, FINANCIAL AFFAIRS, AND FINANCIAL RESULTS

19. As detailed in the Segal Affidavit, Polar Window, Accurate Dorwin, Glass 8, National Interiors, Allsco, and Alweather (collectively the "**Opcos**") are an affiliated group of operating corporations with a common ownership, controlled by Polar Holding Canada, LLC ("**Polar Canada**") and 7440783 Manitoba Ltd. ("**744**"). Polar Holdco, 1006, and 6914 (collectively the "**Holdcos**") are holding corporations which are affiliated with Polar Canada and 744, respectively, holding shares in the Opcos. An organizational chart depicting the legal ownership structure of the Applicants is attached hereto as Appendix B.
20. Each of the Opcos is a private corporation engaged in the supply of window, door, and flooring products and services for commercial and/or residential projects in several provinces throughout Canada and the United States. Detailed below is a summary of when each of the Opcos were acquired, along with the operating locations and current active employee headcounts.

Polar Window

- (a) Polar Window was incorporated on December 14, 2007, pursuant to the laws of Manitoba, with its registered office located in Winnipeg, Manitoba. Segal, Tim Morris ("**Morris**"), and Brant Enderle ("**Enderle**") (collectively the "**Owners**") acquired Polar Window through their holding companies by way of a share purchase transaction in January 2017. Polar Window is a direct-to-market seller, manufacturing and installing its own energy efficient PVC windows and

composite doors for both the residential and commercial markets.

- (b) Polar Window operates out of three (3) leased locations: 971 Wall Street (showroom) in Winnipeg, Manitoba (“**971 Wall**”); 75-77 Bannister Road (parts and service) in Winnipeg, Manitoba; and 6636 50 St. NW (showroom, parts, and service) in Edmonton, Alberta. Polar Window has nine (9) active employees and contracts with a number of private installers. Polar Window operates in Alberta, Saskatchewan, Manitoba, and Ontario.

Accurate Dorwin

- (c) Accurate Dorwin was incorporated on February 5, 2020, pursuant to the laws of Manitoba, with its registered office located in Winnipeg, Manitoba. The Owners incorporated Accurate Dorwin to complete a private asset purchase transaction in March 2020 with the former owner of Accurate Dorwin Inc., a supplier of quality fiberglass and aluminum windows and doors servicing general contractors, custom home builders, and discerning homeowners.
- (d) Accurate Dorwin operates out of leased facilities at 1535 Seel Avenue in Winnipeg (the “**Seel Head Office**”) and has fifty-four (54) active employees. Accurate Dorwin operates in Manitoba with sales in Canada and the United States.

Glass 8

- (e) Glass 8 was incorporated on November 9, 2015, pursuant to the laws of Canada, with its registered office located in Winnipeg, Manitoba. The Owners acquired Glass 8 through a private share purchase transaction in July 2020. Glass 8 operates as a glass and glazing contractor in Western Canada, and is an authorized aluminum fabricator and installer of all products manufactured by Kawneer Company of Canada and Alumicor Limited.
- (f) Glass 8 operates out of the Seel Head Office, and has a leased office located at 17310 108 Avenue in Edmonton, Alberta. Glass 8 has seventy-four (74) active employees and operates in Manitoba and Alberta.

National Interiors

- (g) National Interiors was incorporated on March 10, 2021, pursuant to the laws of Manitoba, with its registered office located in Winnipeg, Manitoba. The Owners incorporated National Interiors to complete a private asset purchase transaction with the former owner of National Flooring Limited Partnership (operating as National Interiors) in April 2021. National Interiors is involved in installing, marketing, and distributing flooring, tile, and window coverings for commercial and residential properties.
- (h) National Interiors operates out of 971 Wall and has seventeen (17) active employees. National Interiors operates exclusively in Manitoba.

Allsco

- (i) The predecessor company to Allsco was incorporated on February 21, 2018, pursuant to the laws of Canada, with its registered office located in Moncton, New Brunswick. The Owners acquired the assets of Allsco from the Atis Group in July 2021 during the companies' CCAA proceedings. Allsco manufactures windows and doors and services the residential and commercial markets in Nova Scotia, Prince Edward Island, and New Brunswick.
- (j) Allsco operates out of leased premises at 70 Rideout Street, Moncton, New Brunswick (the "**Allsco Head Office**"), and has three (3) leased satellite sales offices and distribution locations (615 St. George Blvd., Moncton, New Brunswick; 222 Edinburgh Drive, Moncton, New Brunswick; and the Alweather Head Office (as defined below)). Allsco has 135 active employees.

Alweather

- (k) The predecessor company to Alweather was incorporated on February 12, 1973, pursuant to the laws of Canada, with its registered office located in Stewiacke, Nova Scotia. Similar to Allsco, the Owners acquired the assets of Alweather from the Atis Group in July 2021 during the companies' CCAA proceedings. Alweather offers a comprehensive product line of doors, windows, garage doors,

and customized exterior siding to the residential and commercial renovation market in Atlantic Canada.

- (l) Alweather operates out of leased premises at 27 Troop Avenue, Dartmouth, Nova Scotia (the “**ALW Head Office**”), and has five (5) leased satellite showroom locations (95 Young St., Truro, Nova Scotia; 289 Nova Scotia Trunk 10, Cookville, Nova Scotia; 153 Commercial St., Berwick, Nova Scotia; 20 Maple Ave., Amherst, Nova Scotia; and 271 Sherwood Rd., Charlottetown, Prince Edward Island). Alweather has forty-six (46) active employees.

21. Collectively the Opcos employs 335 active employees.

Background

22. As detailed in the Segal Affidavit, prior to the Owners acquiring Polar Window in 2017, Segal was the President of Polar Window. Commencing in 2013, Polar Window began to experience financial difficulties, and in 2017, the Owners purchased the shares of Polar Window for a nominal amount in exchange for the assumption of a portion of Polar Window debt. Subsequent to the acquisition, the Owners worked to return Polar Window to profitability.
23. Commencing in 2020, the Owners believed that there were synergies that could be capitalized upon in the commercial/residential building and remodeling space by acquiring complimentary businesses to Polar Window, and the Owners began an aggressive acquisition strategy over a very short period of time. From March 1, 2020 to July 1, 2021 (the “**Acquisition Period**”), the Owners acquired five (5) of the six (6) Opcos. During the Acquisition Period, Management’s attention was focused on growing the overall business footprint, with the end state goal of consolidating certain of the entities, reducing head counts, and leveraging the synergies amongst the operations.
24. Unfortunately during the Acquisition Period, a number of issues arose that negatively impacted operations:
 - (a) The Companies had to manage through the Covid-19 pandemic. This not only resulted in plant closures and supply chain disruptions, but the various wage

subsidy programs obscured the true ongoing performance of the Opcos.

- (b) Supply chain issues not only resulted in higher input prices, but also impacted the Opcos' ability to source sufficient materials to complete contracts. Overhead costs remained relatively constant, but the Opcos were completing fewer projects.
- (c) As projects were typically locked in with fixed prices, when project delays resulted from the Covid-19 pandemic, the Opcos were faced with higher input costs at the time of project delivery, resulting in reduced margins, as the rising costs of glass and aluminum could not be passed on to the end customer.
- (d) Certain of the senior officers of the newly acquired businesses left shortly after the acquisition(s), resulting in the loss of organizational knowledge, inefficiencies, and errors on projects, significantly impacting ongoing operations and the ability to integrate the Opcos.
- (e) Financial performance began to deteriorate, and the Opcos began facing cash flow and debt servicing issues as the Opcos were undercapitalized. Allsco and Alweather began factoring customer accounts receivable to advance the collection of receipts, and four (4) of the Opcos (Polar Window, Glass 8, Allsco, and Alweather) approached non-conventional lenders for financing and cash advances, which were accompanied by aggressive and expensive repayment plans.
- (f) The Opco's procurement-to-cash cycle became very mismatched. Supplier payment terms became more aggressive, changing from sixty (60) to thirty (30) days, while customer payment terms were extended.

25. As a result of the above, the Applicants found themselves faced with a serious liquidity crisis, and the ultimate insolvency of each of the Opcos.

Financial Results

26. The tables below summarize the most recent financial results for the various Opcos for the indicated periods. As detailed in the Segal Affidavit, financial statements have never

been prepared for Polar Holdco and 6914 (as they have no income), and Glass 8 and 1006 are presented on a consolidated basis (as “Glass 8”), as it was the Owners’ intention to eventually amalgamate the two (2) entities.

**Financial Performance of the Opcos
For the Period Ending**

	Polar Window 31-Dec-21	Polar Window 31-Dec-22 (12 months)	Accurate Dorwin 31-Dec-21	Accurate Dorwin 30-Nov-22 (11 months)	Glass 8 31-Dec-21	Glass 8 30-Nov-22 (11 months)
Sales	\$ 12,315,868	\$ 7,423,370	\$ 14,015,063	\$ 11,477,643	\$ 11,087,132	\$ 10,999,291
Cost of Sales	8,341,035	6,053,875	11,279,637	8,391,842	9,384,499	9,058,987
Gross Profit	3,974,832	1,369,495	2,735,426	3,085,801	1,702,633	1,940,303
Operating Costs						
Salaries and Benefits	2,076,893	1,898,161	1,745,798	2,110,010	1,074,157	1,375,828
Leasehold Operating Expenses	642,923	510,521	698,866	707,908	119,533	103,017
Communication Expense	35,440	27,490	28,971	24,653	11,532	18,832
Fleet Expense	39,814	38,837	230,627	173,496	194,035	159,037
Office Expense	181,149	83,237	113,168	176,018	92,424	75,877
Marketing Expense	264,323	219,921	12,902	12,727	-	10,779
Advertising Expense	26,659	26,065	32,527	10,705	30,202	21,229
Miscellaneous Expense	14,275	1,473	276,720	50,720	53,426	48,340
Start-up Costs	-	-	-	-	2,044	-
Professional Fees	96,949	87,965	236,585	139,844	22,721	151,904
Bank and Service Charges	5,496	4,309	20,327	72,384	46,932	66,518
Total Operating Expenses	3,383,922	2,897,977	3,396,491	3,478,465	1,647,006	2,031,360
Other Expenses						
Interest / Merchant Advances	421,092	375,736	228,437	251,143	86,383	64,809
Non Operating Charges	-	-	-	-	-	-
Depreciation	-	-	875,885	167,241	511,212	63,636
Taxes	196,736	99,077	(12,476)	5,810	69,571	-
Total Other Expenses	617,828	474,813	1,091,846	424,194	667,166	128,445
Net Income (Loss)	\$ (26,917)	\$ (2,003,295)	\$ (1,752,911)	\$ (816,858)	\$ (611,539)	\$ (219,502)

Source: Externally reviewed (2021) and internally prepared (2022) financial statements

**Financial Performance of the Opcos
For the Period Ending**

	National Interiors 31-Dec-21 (12 months)	National Interiors 31-Dec-22 (12 months)	Allsco 31-Dec-21	Allsco 30-Sep-22 (9 months)	Alweather 31-Dec-21	Alweather 30-Sep-22 (9 months)
Sales	\$ 7,455,701	\$ 7,537,059	\$ 11,139,478	\$ 15,303,082	\$ 4,583,652	\$ 6,727,602
Cost of Sales	5,667,894	6,389,914	7,611,876	10,708,835	2,960,384	4,748,927
Gross Profit	1,787,807	1,147,145	3,527,602	4,594,247	1,623,268	1,978,675
Operating Costs						
Salaries and Benefits	874,773	1,484,936	1,453,891	1,774,586	647,918	1,068,306
Leasehold Operating Expenses	157,966	214,924	655,136	1,049,591	272,511	403,712
Communication Expense	26,960	32,684	19,593	53,729	11,666	44,019
Fleet Expense	100,327	125,147	394,511	545,021	105,351	164,826
Office Expense	203,446	189,010	197,225	145,145	39,881	56,809
Marketing Expense	12,364	13,541	123,670	160,280	12,385	28,275
Advertising Expense	31,321	58,008	-	-	4,920	22,482
Miscellaneous Expense	21,849	66,005	177,115	387,182	2,503	16,169
Start-up Costs	-	-	-	-	-	-
Professional Fees	404,710	279,128	-	-	-	-
Bank and Service Charges	40,184	145,846	49,328	125,070	67,825	99,440
Total Operating Expenses	1,873,901	2,609,229	3,070,469	4,240,604	1,164,960	1,904,038
Other Expenses						
Interest / Merchant Advances	95,475	117,222	337,606	571,489	5,028	8,647
Non Operating Charges	-	-	98,782	-	-	-
Depreciation	424,565	108,609	25,985	59,560	-	7,234
Taxes	-	-	-	-	-	-
Total Other Expenses	520,041	225,832	462,373	631,049	5,028	15,881
Net Income (Loss)	\$ (606,135)	\$ (1,687,916)	\$ (5,240)	\$ (277,406)	\$ 453,280	\$ 58,756

Source: Externally reviewed (2021) and internally prepared (2022) financial statements

27. As evidenced above, other than Alweather, all entities have been operating in a net loss position for the 2021 to 2022 calendar years. The cumulative net loss for all Opcos from January 1, 2021 to the end of 2022 approximated \$8.0 million.

28. The table below summarizes the most recent available financial position of the various Opcos as at the date(s) indicated (Note: Allsco and Alweather have been reported on a combined basis).

**Financial Position of the Opcos
As at the Month Ended**

	Polar Window 31-Dec-22	Accurate Dorwin 30-Nov-22	Glass 8 30-Nov-22	National Interiors 31-Dec-22	Allsco & Alweather 30-Sep-22
Assets					
Cash	\$ 10,643	\$ 50,027	\$ -	\$ -	\$ -
Accounts Receivable	400,000	2,956,222	3,287,076	1,270,279	1,760,941
Inventory	1,250,000	1,778,929	656,290	1,382,541	6,387,117
Capital Assets	327,906	1,132,144	396,337	313,960	422,397
Intangible Assets	7,219	475,000	1,476,633	2,039,572	300,000
Due from Related Parties	-	1,555,220	201,784	-	2,273,309
Other Assets	300,000	43,912	20,582	91,045	143,103
Total Assets	2,295,768	7,991,454	6,038,703	5,097,397	11,286,867
Liabilities					
Bank Indebtedness	-	2,700,695	1,291,844	1,504,576	703,706
Accounts Payable and Other Liabilities	2,125,000	3,961,238	2,555,179	3,131,010	3,751,338
Customer Deposits	1,200,000	-	-	-	2,423,065
Merchant Cash Advances	428,636	-	161,875	-	341,764
Long Term Debt	119,894	2,327,642	1,931,831	2,429,146	-
Due to Related Parties	1,089,585	835,412	1,053,240	326,642	-
Total Liabilities	4,963,115	9,824,987	6,993,969	7,391,373	7,219,873
Shareholders' Equity					
Retained Earnings	(664,053)	(1,016,675)	(735,764)	(606,060)	4,285,644
Profit (Loss)	(2,003,295)	(816,858)	(219,502)	(1,687,916)	(218,650)
Total Liabilities	(2,667,347)	(1,833,533)	(955,266)	(2,293,976)	4,066,994
Total Liabilities and Shareholders' Equity	\$ 2,295,768	\$ 7,991,454	\$ 6,038,703	\$ 5,097,397	\$ 11,286,867

Source: Internally prepared financial statements

29. As detailed above, on a consolidated basis, the Opcos have total assets approximating \$32.7 million and total liabilities approximating \$36.4 million.

Bank and Credit Facilities

30. As detailed in Part III – Bank and Credit Facilities (paragraphs 32 to 109) of the Segal Affidavit, the Applicants and the Owners have granted various registrations, security interests, and personal guarantees to a number of lenders. Based on the Personal Property Security Registries (the “PPR”) and various priority agreements, the following is the Companies’ perceived ranking of the general priority interests:

Priority Interest Position Summary

	Polar Window	Accurate Dorwin	Opcos			Allsco	Alweather	Polar Holdco	Holdcos	
			Glass 8	National Interiors	Allsco				1006	6914
TD Bank (Operating / Term)		1	1	1	2	2	2	2		
First West Credit Union Capital Corp.	1	2	2	2			1			
Sallyport Commercial Finance, LLC					1	1				1
CanCap										
Merchant Growth			4		3			1		
6967478 Manitoba Ltd. (VTB - Richard Brodner)		3								
7252359 Manitoba Ltd. (VTB - National Flooring)				3						
The Borys Group (as defined in the Segal Affidavit)			3							

31. The table below summarizes the estimated balances owing to the priority secured lenders

of the Applicants as at January 24, 2023 (excluding all purchase money security interest (“PMSI”) registrations over specific collateral (i.e. serialized equipment registrations)):

Priority Secured Debt Estimated as at the January 26, 2023							
	Notes	Polar Window 31-Dec-22	Accurate Dorwin 30-Nov-22	Glass 8 30-Nov-22	National Interiors 31-Dec-22	Allsco & Alweather 30-Sep-22	Total
TD Bank (Operating / Term)	(1)	-	4,044,452	2,659,337	2,948,711	-	9,652,500
First West Credit Union Capital Corp.	(2)	-	650,000	-	-	-	650,000
Sallyport Commercial Finance, LLC		-	-	-	-	500,000	500,000
Canacap		103,954	-	-	-	-	142,479
Merchant Growth		-	-	161,875	-	341,764	503,639
6967478 Manitoba Ltd. (VTB - Richard Brodner)		-	100,171	-	-	-	100,171
7252359 Manitoba Ltd. (VTB - National Flooring)		-	-	-	1,042,314	-	1,042,314
The Borys Group (as defined in the Segal Affidavit)		-	-	402,028	-	-	402,028
Total Secured Debt		103,954	4,794,623	3,223,240	3,991,025	880,289	12,993,131

Source: Internally prepared financial information provided by Management.

Notes:

(1) TD Bank obtained additional security over Polar Window, Allsco, and Alweather by way of the Present Advance under the January 26, 2023 Forbearance Agreement.

(2) FWCU advanced funds to the following co-borrowers - Polar Window, Accurate Dorwin, Glass 8, National Interiors, Polar Holdco, and 1006. The Applicants recorded the FWCU advance in Accurate Dorwin.

32. As further detailed in the Segal Affidavit, TD Bank is the first secured creditor over all of the assets of Accurate Dorwin, Glass 8, and National Interiors, and the second secured creditor over all of the assets of Allsco and Alweather. As at January 24, 2023, TD Bank was owed approximately \$9.7 million (the “**TD Indebtedness**”).

33. As the Opcos had been operating at or near the cap of the TD Bank facilities for some time, the Applicants resorted to non-conventional, higher priced lending to obtain additional liquidity from the following entities:

- (a) First West Credit Union Capital Corp. (“**FWCU**”);
- (b) Merchant cash advances (from the purchase and sale of receivables) from 9859870 Canada Inc. (“**Canacap**”), 11302078 Canada Ltd. O/A Sheaves Capital (“**Sheaves**”), 2M7 Financial Solutions (“**2M7**”), and Merchant Opportunities Fund Limited Partnership (“**Merchant**”); and
- (c) Cash advances from SallyPort Commercial Finance ULC (“**SallyPort**”), secured by Allsco and Alweather equipment (Note: since the acquisition of Allsco and Alweather in July 2021, Management has also been factoring Allsco and Alweather accounts receivable with SallyPort).

(collectively the “**Additional Funding**”).

34. In addition to the Additional Funding, since the Companies began experiencing liquidity issues, the Owners have advanced the Opcos in excess of \$1.2 million (the “**Owners’**”).

Advances”).

35. Since late 2022, the Opcos have been utilizing the Additional Funding, the TD Bank facilities, and the Owners’ Advances to meet cash requirements and fund operating losses. Credit terms with various suppliers have reached their limits, and the Opcos have negotiated various repayment arrangements with vendors in order to continue to procure materials.
36. Additionally, as at the date of this Report, Polar Window and Alweather have each received approximately \$1.0 million in customer deposits, which the Opcos have utilized for ongoing operations.
37. As the Opcos could no longer satisfy their current obligations in the ordinary course of business, and the Applicants had exhausted all available liquidity, on January 26, 2023, the Applicants entered into a forbearance agreement (the “**Forbearance Agreement**”) with TD Bank, attached as Exhibit 8 to the Segal Affidavit. In accordance with the terms of the Forbearance Agreement, TD Bank agreed to provide Accurate Dorwin with interim financing of \$0.8 million (the “**Present Advance**”, as defined in the Forbearance Agreement), specifically for the purpose of enabling the Applicants to continue to make critical payments during the pre-CCAA filing period. In return for the Present Advance, Polar Window, Allsco, and Alweather provided TD Bank with general security agreements (“**GSA**”).
38. Concurrent with the execution of the Forbearance Agreement, on January 26, 2023, TD Bank issued formal demands (the “**Demands**”) to the Applicants, along with a notice to enforce a security in accordance with the BIA. The Demands indicated that full payment of the TD Indebtedness was due on or before February 6, 2023.
39. As the Applicants were not in a position to satisfy the Demands, with the support of TD Bank, the Applicants made the determination that a formal filing under the CCAA was the best option available to provide the Opcos with time to restructure. As further detailed below, given the inter-dependencies amongst the Opcos, including all Opcos and Holdcos in the filing was determined to be necessary and appropriate in the circumstances.

Other Priority Creditors

40. Management advised the Proposed Monitor that the Opcos’ priority creditors are as follows:

**Priority Creditors
Estimated as at February 3, 2023**

	Notes	Payroll Source Deductions	Wages	Accrued Vacation	GST/HST	PST	Health and Education Tax
Polar Window		-	-	142,861	36,876	8,575	-
Accurate Dorwin		-	-	71,217	-	8,752	-
Glass 8	(1)	354,862	-	75,826	9,340	10,172	86,916
National Interiors		-	-	41,375	875	29,322	-
Allsco		-	-	70,017	234,677	-	-
Alweather		-	-	94,741	501,566	-	-
Total		354,862	-	496,038	783,335	56,821	86,916

Notes:

(1) Management advised that on January 30, 2023, CRA completed its review and determined that \$432,650.39 (inclusive of penalties and interest) remained unremitted on account of payroll source deductions, which amount pre-dates the Owners acquiring Glass 8.

All payroll source deduction remittances and employee wages are current, but for an amount that was recently reassessed by Canada Revenue Agency (“**CRA**”) in respect of Glass 8. On January 30, 2023, CRA completed its review and assessed that Glass 8 failed to remit \$354,862 (\$432,650 with interest and penalties) in payroll source deductions. Management advised that this amount relates to the period in time prior to the Owners acquiring Glass 8 in July 2020.

41. Management advised the Proposed Monitor that Glass 8 and Allsco provide employees with a group retirement savings plan (“**GRSP**”) by way of registered retirement savings plan (“**RRSP**”) contribution matching, and that there are no contribution arrears. Management further advised that two (2) Opcos have certain unionized employees: Accurate Dorwin has a collective agreement with International Union of Painters and Allied Trades – Local Union No 738 (“**IUPAT**”), and Allsco has a collective agreement with UFCW Canada, Local 1288P (“**UFCW**”). Accurate Dorwin is currently in arrears of \$14,742 to IUPAT on account of unpaid union dues, and Allsco is current with UFCW on account of same.

Landlords and unsecured Creditors

42. The following two (2) tables summarize the Opcos’ landlord arrears and unsecured liabilities as at January 24, 2023:

**Landlord Arrears
Estimated as at January 24, 2023**

Opcos	Location	Landlord	Arrears
Polar Window	75-77 Bannister Road, Winnipeg, MB 6636 50 th Street, NW, Edmonton, AB	Bannister Industrial Park Ltd. 50 th Street Equities Inc.	85,199 10,370
Accurate Dorwin	1535 Seel Avenue, Winnipeg, MB	Shelter Canadian Properties Limited	-
Glass 8	17310 108 Avenue, Edmonton, AB	One Seventy Holdings Inc.	3,712
National Interiors	971 Wall Street, Winnipeg, MB	60737 Manitoba Ltd.	11,407
Allsco	70 Rideout, Moncton, NB 222 Edinburgh Drive, Moncton, NB 615 St. George Blvd., Moncton, NB	Atlantic Commercial Properties Inc. ProReit/CRESPOINT Real Estate RE Atlantic Commercial Properties Inc.	- - -
Alweather	27 Troop Avenue, Dartmouth, NS 95 Young Street, Truro, NS 289 Nova Scotia, Trunk 10, Cookville, NS 153 Commercial Street, Berwick, NS 20 Maple Avenue, Amherst, NS 271 Sherwood Rd., Charlottetown, PEI	Rock Investments Rock Investments Rock Investments Rock Investments Rock Investments Rock Investments	- - - - - -
Total			110,687

**Unsecured Trade Creditor Summary
Estimated as at January 24, 2023**

	Vendor Count	Outstanding Balance
Polar Window	70	2,056,903
Accurate Dorwin	102	1,571,735
Glass 8	82	1,575,677
National Interiors	92	928,116
Allsco	110	1,867,014
Alweather	8	18,663
Total	464	8,018,109

Inter-Dependency of the Entities

43. Management advised that there are various common vendors as between the Opcos, and that certain of the Opcos are mutually dependent on one another (i.e. Accurate Dorwin and Allsco supply manufactured products to Polar Window; Allsco supplies manufactured products to Alweather). Additionally, as the Opcos began to face liquidity issues, in order to maintain operations at each of the Opcos, Management began transferring available cash from one Opcos to another to meet daily operating costs.
44. Given the supply and customer inter-dependencies, along with the usage of available cash to maintain operations, Management is of the view that inclusion of all Opcos in the CCAA filing is necessary and appropriate in order to allow all interested stakeholders an opportunity to benefit from a successful restructuring.
45. Additionally, as further detailed in the Segal Affidavit, as the Holdcos are affiliated with the Opcos and hold shares in the Opcos, Management is of the view that it is necessary

for the Holdcos to be included in the CCAA filing. The Proposed Monitor is of the view that inclusion of the Opcos and the Holdcos in the CCAA proceedings is necessary and appropriate given the above.

HISTORY OF ACTIONS TAKEN AND ALTERNATIVES CONSIDERED BY THE APPLICANTS TO RESOLVE THEIR FINANCIAL CHALLENGES

46. Subsequent to the Acquisition Period, Management retained certain external consultants to assist with informally restructuring operations with the objective of making the Opcos individually, or collectively, more attractive for a going concern sale. Unfortunately, as a result of the Opcos' continued under performance and cash flow constraints, sales efforts were abandoned prior to formally exposing any of the Opcos to the market.
47. Although Management has advised that certain parties have expressed an interest in Glass 8, Accurate Dorwin, and National Interiors, no formal process has been commenced, nor has any due diligence been performed by any of the interested parties as at the date of this Report.
48. As at the date of this Report, the Applicants have not yet developed a plan of arrangement for consideration by the various stakeholders. Immediately upon filing, the Applicants intend to stabilize stakeholder relationships (i.e. employees, contractors, customers, vendors, etc.) with rapid communication of the CCAA proceedings. Thereafter, while continuing to facilitate ongoing operations, the Applicants intend to assess the operational performance and viability of each Opco, inclusive of the interrelationships amongst the Opcos. Management will also consider going concern sales opportunities, which may necessitate a formal sales and investor solicitation process ("**SISP**"), to be approved by the Court, for one or more of the Opcos, as well as whether a formal liquidation process may be more appropriate for any Opco determined to not be viable in the long term.

CASH MANAGEMENT SYSTEM

49. The Applicants maintain a centralized cash management system (the "**Cash Management System**") which is used to manage cash for the Opcos. The Cash Management System is managed centrally from the Seel Head Office.

50. The Proposed Monitor has been advised by Management that each of the Opcos maintains its own Canadian dollar operating account with TD Bank, and that Accurate Dorwin, Allsco, and Alweather also maintain USD deposit accounts with TD Bank.

51. As at the date of this Report, Management advised that all of the TD Bank operating facilities are at, or are very near, the maximum availabilities as follows:

- (a) Polar Window – deposit account only;
- (b) Accurate Dorwin - \$2.75 million revolving facility;
- (c) 1006 (utilized by Glass 8) - \$1.3 million revolving facility;
- (d) National Interiors - \$1.5 million revolving facility;
- (e) Allsco – deposit account only; and
- (f) Alweather – deposit account only.

(collectively the “**TD Operating Accounts**”)

52. In addition to the TD Operating Accounts, Management advised that Glass 8, Accurate Dorwin, and National Interiors each have a TD Credit Card with a \$50,000 limit (the “**TD Credit Cards**”), and that each of the TD Credit Cards is at, or very near, the credit limit.

53. The Applicants intend to continue using the TD Operating Accounts so as not to disrupt the flow of receipts from customers and payments to vendors, and the Applicants anticipate transferring cash amongst the Opcos to meet ongoing operational requirements (consistent with historical operations). Additionally, Management has undertaken to stop all pre-authorized automatic disbursements from the various TD Operating Accounts. Management does not intend to use the TD Credit Cards post-filing, but is currently in discussions with TD Bank to see if new cards can be issued to facilitate certain vendor payments.

54. The Applicants further intend to continue with the factoring agreement that Allsco and

Alweather have arranged with Sallyport during the CCAA proceedings.

55. The Applicants are seeking the approval of the Court to continue with the Cash Management System, and the Proposed Monitor has no objection with same.

APPLICANTS' 13-WEEK CASH FLOW FORECAST

56. Management has prepared an Opco level and consolidated cash flow forecast (collectively the “Cash Flow Statement”) that estimates the financing requirements of the Applicants during the 13-week period from February 6, 2023 to May 5, 2023 (the “Cash Flow Period”), using assumptions as detailed in the notes and summary of assumptions (the “Notes and Assumptions”) appended thereto. A copy of the Cash Flow Statement is attached hereto as Appendix C, and is summarized below.

Opcos Consolidated Cash Flow Projection For the 13-Week Period Ended May 5, 2023	
Consolidated	Weeks 1 to 13 Total
Receipts	
Accounts Receivable	16,013,079
Bank Bulge Advance (TD)	-
Deposits	560,000
Sally Port	-
Transfers from Other Entities	-
Transfers from USD	-
Total Receipts	16,573,079
Disbursements	
Accounts Payable (Vendors) and Misc. Payments	7,347,162
Bank Bulge Retirement (TD)	-
Benefits / WCB / DC Pension / Union Dues	303,206
GST / HST Remittances	590,049
Insurance	42,544
Interest	3,000
Lease Payments	143,457
Merchant Cash Advance	58,778
Payroll / Source Deductions / Commissions	5,586,516
Rent / Property Taxes	502,087
Transfers to Other Entities	-
Utilities	115,190
Visa (Credit Card) / Loan	377,575
Total Disbursements	15,069,565
Net Cash Inflows / (Outflows) from Operations	1,503,514
Restructuring Costs	
Accurate Group's Legal Counsel	225,000
Monitor	325,000
Monitor's Legal Counsel	135,000
CRO	195,000
DIP Fees / Interest	47,500
Present Advance Repayment	800,000
KERP	150,000
Contingency	250,000
Total Restructuring Costs	2,127,500
Net Cash Inflows / (Outflows) after Restructuring Costs	(623,986)

57. The Cash Flow Statement shows the receipt of funds from ongoing operations, primarily through the collection of existing and ongoing accounts receivable. Receipts will be used to fund the Applicants' working capital requirements during the CCAA proceedings.
58. The Cash Flow Statement estimates that for the Cash Flow Period the Applicants will have total receipts of approximately \$16.6 million, and total operating disbursements of approximately \$15.1 million, for a net cash inflow of \$1.5 million from operations.
59. Although the net cash position is forecast to be positive over the Cash Flow Period, in the two (2) week period preceding the CCAA filing, the Companies were expected to experience a cash shortfall. At the request of Management, TD Bank provided the Applicants with the Present Advance (\$0.8 million) to enable operations to continue on an uninterrupted basis while the CCAA application materials were being prepared. Additionally, during the Cash Flow Period, as a result of the repayment of the Present Advance and restructuring costs, the Cash Flow Statement indicates that the Opcos will operate in a net deficit position with the peak shortfall of approximately \$1.0 million during the week of April 7, 2023. Management indicated that this shortfall will be covered by a proposed DIP Facility (as defined below) discussed later in this Report.
60. Management's Representation Letter on the Cash Flow Statement is attached hereto as Appendix D.
61. The Proposed Monitor's review of the Cash Flow Statement consisted of inquiries, analytical procedures, and discussions related to the information supplied to us by Management. Since the Notes and Assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Statement. We have also reviewed the support provided by Management for the Notes and Assumptions, and the preparation and presentation of the Cash Flow Statement.
62. Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:
 - (a) The Notes and Assumptions are not consistent with the purposes of the Cash Flow

Statement;

- (b) As at the date of this Report, the Notes and Assumptions developed by Management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow Statement, given the Notes and Assumptions; or
- (c) The Cash Flow Statement does not reflect the Notes and Assumptions.

DEBTOR IN POSSESSION FINANCING

- 63. Based on the Cash Flow Statement, in order for the Applicants to continue to pursue a plan of arrangement, it will be necessary for the Opcos to obtain an interim financing facility within the CCAA proceedings (the “**DIP Facility**”).
- 64. As at the date of this Report, the Applicants have secured a DIP Facility from TD Bank (the “**DIP Lender**”) in the amount of \$1.2 million. The DIP Facility is expected to provide sufficient funding to allow the Applicants to begin to reorganize their affairs in these proceedings. The Applicants and their advisors believe that the DIP Facility is the most appropriate source of funding available, given the necessity of the proposed filing, the minimal level of existing cash on hand, and interest of the TD Bank in the overall CCAA proceeding. In the event that the Court approves the DIP Facility and grants the Initial Order at the hearing scheduled for February 10, 2023, and the Amended and Restated Initial Order at the Comeback Hearing, the Proposed Monitor has been advised that the Applicants intent to draw upon the DIP Facility as follows:
 - (a) Tranche #1 – approximately \$200,000 during the week ended February 10, 2023 to address the various pre-filing restructuring costs; and
 - (b) Tranche #2 – as needed to support the Applicants restructuring in accordance with the Cash Flow Statement and the DIP Facility Term Sheet.
- 65. The draft DIP Facility Term Sheet (the “**DIP Facility Term Sheet**”) is attached to the Segal Affidavit as Exhibit 90, and a summary of the salient DIP Facility terms are detailed below:

Summary of DIP Facility Terms (capitalized terms are as defined in the Interim Facility Loan Agreement)	
Financing	<ul style="list-style-type: none"> • Senior secured super-priority revolving interim credit facility in the maximum principal amount of CDN \$1,200,000.
Borrowers	<ul style="list-style-type: none"> • Polar Window of Canada Ltd., Accurate Dorwin (2020) Inc., Glass 8 Inc., National Interiors (2021) Inc., 12986647 Canada Ltd., 12986591 Canada Ltd., Polar Holding Ltd., 10064720 Manitoba Ltd., and 12986914 Canada Ltd.
Purpose of Financing	<ul style="list-style-type: none"> • To fund the payment of debts determined to be Critical Payments in accordance with the Rolling Thirteen Week Cash Flow Projection.
Term	<ul style="list-style-type: none"> • The earlier of the date on which any of the following occurs (unless extended in writing by the Lender): <ul style="list-style-type: none"> • May 8, 2023; • The date of implementation of any plan of compromise and arrangement sanctioned by final Order of the CCAA Court; • The effective date of any recapitalization of the Borrowers pursuant to a CCAA Plan; • The sale of all or substantially all of the Property of the Borrowers, taken as a whole, under and pursuant to the SISF and an Order of the CCAA Court; • The date on which the CCAA Stay expires without being extended by an Order of the CCAA Court or the CCAA Proceeding is terminated or dismissed; or • The date on which there occurs and is continuing an Event of Default and the Lender declares all of the Interim Facility to be immediately due and payable and demands the repayment in full thereof.
Payment	<ul style="list-style-type: none"> • On the first Business Day of each week following the Commencement Date, the Borrowers shall pay 100% of all amounts paid in the prior week to the Borrowers other than Advances or amounts to be held in trust by the Borrowers, but including any amounts released from trust in repayment of the Bulge Facility (referred to as the “Present Advance” in the Forbearance Agreement and this Report). • If there is an Asset Disposition by the Borrower, then <ul style="list-style-type: none"> • if the Current Security or Bulge Security ranks in priority to all Liens against the Property subject to such Asset Disposition other than the interim Facility Charge and the other CCAA Charges, the Net Proceeds of such Asset Disposition shall be paid forthwith to the Lender and applied by the Lender in repayment of the Current Obligations and Bulge Obligations, as applicable; and • if the Current Security or Bulge Security does not rank in priority to all Liens against the Property subject to such Asset Disposition other than the Interim Facility Charge and the other CCAA Charges, such portion of the Net Proceeds as required by the Lender shall be paid to the Lender in permanent repayment of the Interim Facility Obligations, and any portion of the Net Proceeds in excess thereof shall be held by the Monitor subject to further Order of the CCAA Court. If the Net Proceeds or a portion thereof are applied in repayment of the Interim Facility Obligations, the Maximum Amount shall be reduced by the amount applied to the Interim Facility Obligations. To the extent required under the CCAA or any CCAA Order, the Borrowers

	<p>shall apply to the CCAA Court for an Order authorizing and directing the Borrowers and/or the Monitor to make such payment.</p> <ul style="list-style-type: none"> • If the aggregate amount of the Advances at any time exceeds the Maximum Amount or any other limit to Facility Availability, the Borrowers shall immediately repay to the Lender the amount of excess, whether or not the Lender has given notice to the Borrowers requiring such payment. • The full amount of the Interim Facility Obligations shall become automatically due and payable to the Lender on the Termination Date without notice or demand.
Significant Terms	<ul style="list-style-type: none"> • The Borrowers are authorized and directed to repay the Bulge Obligations as noted in the payment terms above. • Borrowers will take any steps necessary to ensure that the Lender is at all times considered an unaffected creditor in the CCAA Proceeding in respect of the Interim Facility, the Interim Facility Obligations, the Bulge Facility and the Bulge Obligations, and the Interim Obligations and Bulge Obligations will not be subject to any compromise or arrangement under any CCAA Plan. • The Borrowers to deliver the financial statements and any other information required under the Current Loan Agreements within the time periods specified therein. • Other covenants which appear customary under the circumstances.
Fees and Interest	<ul style="list-style-type: none"> • Prime plus 4%. • \$25,000 facility fee.
Security	<ul style="list-style-type: none"> • A first-ranking super-priority charge and security in favour of the Lender created by the CCAA Court in the Initial Order (the “Interim Facility Charge”) against all of the Property of each Borrower (collectively, the “Collateral”) to secure the Interim Facility Obligations and Bulge Obligations.
DIP Charge	<ul style="list-style-type: none"> • Interim Facility Charge will rank in priority to all Liens attaching to the Collateral other than the Administration Charge for Administration Costs up to \$500,000, and will rank in priority to the Directors’ Charge and the KERP Charge.

66. The Proposed Monitor notes that funding under the DIP Facility is required by the Applicants on an urgent basis. The quantum of the DIP Facility reflects the cash needs of the Applicants, taking into consideration the Applicants’ immediate planned course of action and the retirement of the Present Advance. The fees and interest rate associated with the DIP Facility appear reasonable in relation to the fees and rates for similar lending in other CCAA matters. Additionally, it is expected that the DIP Facility will be administered in a manner that furthers the goals of these CCAA proceedings.

KEY EMPLOYEE RETENTION PLAN

67. Management has identified certain individuals who are critical to the Companies’ restructuring efforts and managing the day-to-day operations. In order to retain and incentivize these individuals, the Applicants have developed a key employee retention

plan (“**KERP**”), attached as Confidential Exhibit A to the Segal Affidavit. Under the provisions of the proposed KERP, the following milestone payments will be made:

- (a) First installment payment of \$150,000 to plan participants upon the Court granting the extension of the Initial Stay Period at the Comeback Hearing; and
- (b) Second installment payment of \$150,000 to plan participants upon the completion of the CCAA proceedings, the discharge of the Monitor, and the payment in full of the TD Indebtedness.

68. The KERP was developed by the Applicants, in consultation with the Proposed Monitor, and is supported by TD Bank. The Proposed Monitor is of the view that the proposed KERP is reasonable and appropriate in the circumstances as the KERP:

- (a) will provide stability to the Opcos and continuity of leadership and knowledge during the CCAA proceedings, as replacement management with the requisite industry knowledge and understanding of the Opcos inter-dependencies is not available in the short term;
- (b) will enable an efficient and cost-effective execution of a restructuring plan which will benefit all stakeholders; and
- (c) ensures the continued support of the KERP participants, as the final balloon payment is tied to the completion of the CCAA proceedings and repayment of the TD Indebtedness.

69. The Proposed Monitor is of the view that the terms of the proposed KERP are commercially reasonable given the circumstances and the complexity involved with the six (6) Opcos, and that the quantum of the KERP is consistent with employee retention plans in other such CCAA proceedings. Further, given the confidential nature of the KERP, the Proposed Monitor is of the view that the Applicants’ request to seal same is reasonable in the circumstances.

70. In addition to the proposed KERP, Management intends to retain a Chief Restructuring Officer (“**CRO**”) to assist with the strategic restructuring and possible sale of one or more

of the Opcos. As at the date of this Report, Management is continuing discussions with selected individuals to fulfill the CRO mandate (and the estimated costs associated with the CRO have been included in the Cash Flow Statement).

AUTHORIZATIONS AND CHARGES IN THE DRAFT INITIAL ORDER

71. The Proposed Monitor has reviewed the proposed Initial Order and provides comments on certain provisions below.

Cash Management System

72. As previously indicated, it is proposed that the Applicants shall be entitled to continue to utilize the existing Cash Management System, or replace it with another substantially similar central cash management system.
73. In the Proposed Monitor's view, the maintenance of the existing Cash Management System is important to ensure cash receipts continue to be received and that payments are made in accordance with the established terms to stakeholder groups who are entitled to receive payments in the CCAA proceedings.

Proposed Court Ordered Charges over the Assets of the Applicants

Administration Charge

74. The Applicants' proposed form of Initial Order provides for an administration charge (the "**Administration Charge**") in an amount of \$500,000 in favour of the Proposed Monitor, the Proposed Monitor's Legal Counsel, and counsel for the Applicants as security for professional fees and disbursements incurred before and after the making of the Initial Order in respect of these CCAA proceedings. The Administration Charge has been established based on the respective professionals' previous history and experience with similar restructurings.
75. To date, the Applicants, the Applicants' legal counsel, the Proposed Monitor, and the Proposed Monitor's Legal Counsel have incurred professional fees in preparation for the CCAA proceedings, which include preparing the initial application materials, preparing this Report, and communicating with certain key stakeholders, including TD Bank, about

potential strategies for restructuring the Applicants. In addition, the Proposed Monitor has also prepared statutory notices, mailings, and communications required by the CCAA should the Initial Order be granted.

76. These proceedings require the involvement of professional advisors to guide a successful restructuring, and accordingly, the Proposed Monitor is of the view that the Administration Charge is required and is reasonable and appropriate in the circumstances to ensure the continued support of the professionals in the Applicants' efforts to restructure.
77. In addition, the Proposed Monitor is advised that the Applicants have given notice of the application for the Initial Order (and therefore the Administration Charge to be created thereunder), to all of the secured creditors who are likely to be affected by the Administration Charge, as required by section 11.52(1) of the CCAA.

DIP Lender's Charge

78. It is proposed that the Applicants be authorized to enter into the DIP Facility agreement with TD Bank to finance the Applicants' working capital requirements and other general corporate purposes. As security for the DIP Facility, it is proposed that the DIP Lender be granted a charge (the "**DIP Lender's Charge**") on all of the assets of Applicants.
79. The DIP Lender's Charge is necessary in order to ensure that the DIP Lender has security for the DIP Facility. The proposed quantum of the DIP Facility has been determined based upon the projected cash flow needs set out in the Applicants' Cash Flow Statement and taking into consideration the Present Advance.
80. With respect to the DIP Lender's Charge, Section 11.2(1) of the CCAA specifically states "*The security or charge may not secure an obligation that exists before the order is made.*" Tranche #2 of the DIP Facility contemplates funding of ongoing operations and the repayment of the Present Advance provided under the Forbearance Agreement, which advance was solely made to enable the Opcos to continue with operations while the Applicants prepared for the CCAA filing. In the absence of the Present Advance, the CCAA filing would not have been possible, and accordingly, the Proposed Monitor is of

the view that the DIP Facility and the DIP Lender's Charge is reasonable and appropriate in the circumstances.

Directors' and Officers' Charge

81. It is proposed that the Applicants indemnify their directors and officers (the "**Indemnification**") against obligations and liabilities that they may incur after the commencement of these proceedings, except to the extent that the obligation or liability was incurred as a result of the directors' or officers' gross negligence or willful misconduct.
82. The Proposed Monitor has been advised that the Indemnification is necessary for the continued service of the directors and officers of the Applicants during the restructuring. Given that the Applicants will require the committed involvement of the directors and officers to successfully restructure, the Proposed Monitor believes the Indemnification is required and reasonable in these circumstances.
83. The Applicants are seeking a charge (the "**Directors' Charge**") against the assets of the Applicants to a maximum amount of \$300,000 as security for the Indemnification. The Director's Charge is intended to secure amounts that may be incurred subsequent to the Initial Order and address claims that may be brought against directors and officers that are not covered under existing insurance, or to the extent coverage is insufficient. As detailed in the Segal Affidavit, the directors' and officers' insurance policy remains in place until February 1, 2024 and provides \$5.0 million in coverage.
84. The Proposed Monitor is of the view that the continued support and services of the directors and officers of the Applicants during the CCAA proceedings is necessary to preserve value and maximize recoveries for all stakeholders. The Proposed Monitor has reviewed the underlying assumptions upon which the Applicants have based the estimate of potential liability exposure and is of the view that the Director's Charge is reasonable and appropriate in the circumstances.

KERP Charge

85. The Applicants are seeking a charge for the proposed KERP (the "**KERP Charge**") over

the Companies' assets in an amount not to exceed \$300,000 as security for all amounts becoming payable under the proposed KERP. The details of the proposed KERP have been provided to this Honourable Court by the Applicants, and a sealing request is being made for same.

86. As noted above, the Proposed Monitor has reviewed the proposed KERP and is of the view that the KERP Charge is reasonable and appropriate in the circumstances.

Priority of Charges Created by the Initial Order

87. The proposed priorities of the charges to be created under the Initial Order are as follows:

- (a) First – Administration Charge (to the maximum amount of \$500,000);
- (b) Second – DIP Lender's Charge;
- (c) Third – Directors' Charge (to the maximum amount of \$300,000); and
- (d) Fourth – KERP Charge (to the maximum amount of \$300,000).

88. The Proposed Monitor has reviewed the calculations and initial documentation that support the Administration Charge, the DIP Lender's Charge, the Directors' Charge, and the KERP Charge and believes the amounts are reasonable in the circumstances.

Other Relief

89. In addition to the above, the Applicants are seeking a stay of the guarantees in respect of 744, Polar Canada, and the Owners' personal guarantee (collectively the "**Guarantors**"). Such a stay is necessary in the circumstances as enforcement against 744 and Polar Holding puts at risk the shares of the Applicants, and potentially the entire restructuring.

90. In respect of the personal guarantees, the Owners are also the directors of the Applicants, and are critical for a successful restructuring. Segal is the only director resident in Canada, and if actions were taking against the Guarantors, not only would it be distracting during the CCAA proceedings, if any such action resulted in the bankruptcy of Segal, the Applicants would be without a resident director.

91. Given the above, the Proposed Monitor is of the view that staying the guarantees is necessary and appropriate in the circumstances.

PROPOSED MONITOR'S CONCLUSIONS

92. The Proposed Monitor concurs with the Applicants' view that they are insolvent and are facing immediate liquidity issues which have created the need to undertake the restructuring as contemplated by these CCAA proceedings.
93. The Applicants remain in default of certain obligations under their debt facilities and they have ceased paying their current obligations in the ordinary course of business as they generally become due. These proceedings will afford the Applicants an opportunity to complete a restructuring in a manner that (i) maximizes value for the Applicants' various stakeholders, (ii) helps to retain as many as 335 jobs, and (iii) best protects the interests of the various stakeholders while the Applicants work to complete a restructuring, which may include a Court approved SISF for certain sale transactions.
94. The Proposed Monitor has concluded that a DIP Facility is required in order for the Applicants to continue to operate on an uninterrupted basis through the projected restructuring period.
95. The DIP Facility represents the necessary financing which will afford the Applicants the ability to operate as a going concern while pursuing the restructuring. The Proposed Monitor believes that, apart from the DIP Facility, there exists no reasonable prospect of obtaining similar interim financing in the circumstances.
96. Further to the Proposed Monitor's review of the proposed form of Initial Order, the Proposed Monitor also supports the Administration Charge, the DIP Lender's Charge, the Directors' Charge, and the KERP Charge being requested in the Applicants' draft Initial Order as being reasonable and required in the circumstances.
97. The Applicants are also seeking, and the Proposed Monitor supports their request, to continue to operate the Cash Management System in substantially the same manner as existed prior to the commencement of the CCAA proceedings, should an Initial Order be granted.

98. The Proposed Monitor also supports the amounts and rankings of the Court ordered charges and the financial thresholds proposed in the draft Initial Order.

All of which is respectfully submitted at Winnipeg, Manitoba, this 7th day of February, 2023.

DELOITTE RESTRUCTURING INC.

In its capacity as Proposed Monitor of
Polar Window of Canada Ltd., Accurate Dorwin (2020) Inc.,
Glass 8 Inc., National Interiors (2021) Inc.,
12986647 Canada Ltd. (o/a Allsco Windows & Doors),
12986591 Canada Ltd. (o/a Alweather Windows & Doors),
Polar Holding Ltd., 10064720 Manitoba Ltd., and 12986914 Canada Ltd.
and not in its personal capacity.



Per: Brent Warga, CPA, CA, CIRP, LIT
Senior Vice-President

Appendix A – Consent to Act as Monitor

THE KING'S BENCH
WINNIPEG CENTRE

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF
POLAR WINDOW OF CANADA LTD., ACCURATE DORWIN (2020) INC.,
GLASS 8 INC., NATIONAL INTERIORS (2021) INC.,
12986647 CANADA LTD. (O/A ALLSCO WINDOWS & DOORS),
12986591 CANADA LTD. (O/A ALWEATHER WINDOWS & DOORS)
POLAR HOLDING LTD., 10064720 MANITOBA LTD., and
12986914 CANADA LTD.

APPLICANTS

CONSENT TO ACT AS MONITOR

TAKE NOTICE THAT pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, Deloitte Restructuring Inc. ("**Deloitte**") hereby consents to acting as the monitor of the Applicants, POLAR WINDOW OF CANADA LTD., ACCURATE DORWIN (2020) INC., GLASS 8 INC., NATIONAL INTERIORS (2021) INC., 12986647 CANADA LTD. (O/A ALLSCO WINDOWS & DOORS), 12986591 CANADA LTD. (O/A ALWEATHER WINDOWS & DOORS), POLAR HOLDING LTD., 10064720 MANITOBA LTD., and, 12986914 CANADA LTD. should this Honourable Court be disposed to make an Order so appointing it, in accordance with an order substantially in the form of the Draft Order filed in support of this application, as such order may be amended in a manner satisfactory to Deloitte.

Dated at the City of Winnipeg, in the Province of Manitoba this 3rd day of February, 2023.

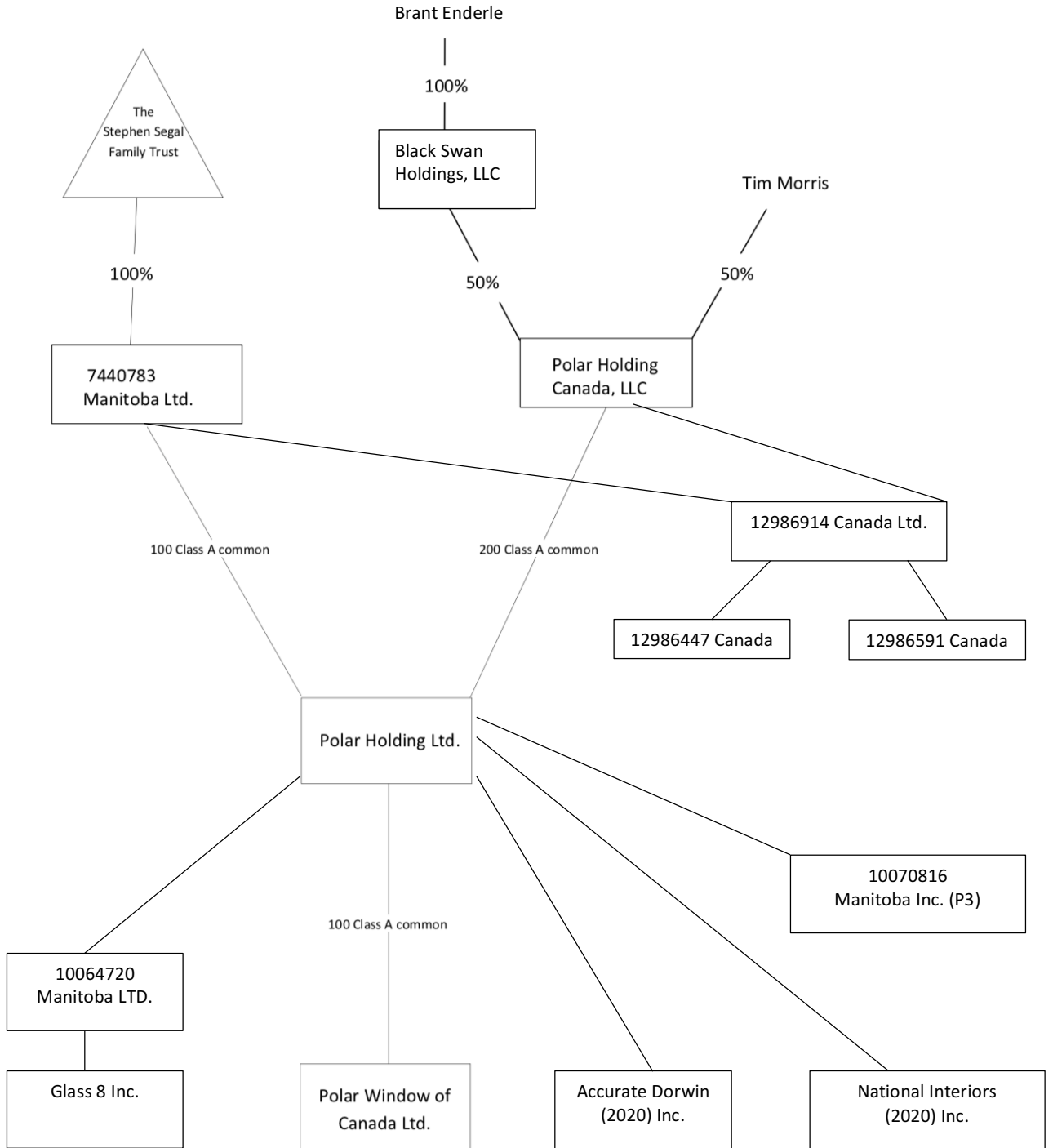
DELOITTE RESTRUCTURING INC.



Name: Brent Warga, CPA, CA, CIRP, LIT
Title: Senior Vice-President

Appendix B – Organizational Chart

POLAR HOLDING LTD



Appendix C – Cash Flow Statement for the Period February 6, 2023 to May 5, 2023

Accurate Group of Companies
Cash Flow Projection
For the Week Ended

Consolidated	Notes	Week	Week	Week	Week	Week	Week	Post-Filing	Week	Week	Week	Week	Week	Week	Week	
		1 10-Feb-23	2 17-Feb-23	3 24-Feb-23	4 1-Mar-23	5 10-Mar-23	6 17-Mar-23	7 24-Mar-23	8 31-Mar-23	9 7-Apr-23	10 14-Apr-23	11 21-Apr-23	12 28-Apr-23	13 5-May-23	14 12-May-23	15 19-May-23
Receivables																
Accounts Receivable	1	1,153,279	1,165,000	1,145,000	1,240,000	1,240,000	1,240,000	1,240,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	16,013,079
Deposits	2	25,000	35,000	39,000	40,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	560,000
Total Receipts		1,178,079	1,190,000	1,184,000	1,280,000	1,290,000	1,290,000	1,290,000	1,315,000	1,315,000	1,315,000	1,315,000	1,315,000	1,315,000	1,315,000	16,573,079
Disbursements																
Accounts Payable (Vendors) and Misc. Payments	3	-	464,505	545,722	592,451	601,947	572,000	558,486	557,271	604,361	585,500	568,500	568,500	608,411	569,500	7,347,162
Benefits / WCB / DC Pension / Union Dues	4	-	-	43,349	20,000	19,700	32,000	43,369	19,700	19,700	36,700	36,700	53,669	19,700	-	303,206
GST / HST Remittances	5	4,349	-	-	129,000	29,000	-	-	31,000	31,000	-	-	37,000	167,700	-	390,049
Insurance	6	-	4,487	-	-	-	-	-	-	-	-	-	-	-	-	42,544
Interest	7	3,000	-	-	11,190	-	-	4,487	-	-	7,190	4,000	-	7,190	4,000	-
Lease Payments	8	-	15,926	-	2,008	28,158	-	1,367	-	-	-	-	-	-	-	3,000
Merchant Cash Advance	9	-	-	-	-	-	-	-	2,008	19,478	8,968	5,926	14,508	19,083	7,401	142,457
Payroll / Source Deductions / Commissions	10	554,268	266,000	605,000	204,248	605,000	266,000	605,000	200,000	605,000	266,000	-	605,000	200,000	605,000	5,586,516
Rent / Property Taxes	11	-	21,010	-	153,500	-	-	11,000	6,000	69,101	89,688	11,000	69,101	80,688	-	502,087
Utilities	4	6,880	16,600	5,000	11,358	1,900	16,600	3,000	3,000	6,000	12,500	16,600	16,600	2,827	12,500	115,190
VISA (Credit Card) / Loan	12	10,000	10,000	10,000	101,525	10,000	10,000	10,000	7,827	32,500	7,000	16,600	16,600	41,005	12,500	372,575
Total Disbursements		1,101,760	923,122	1,313,959	1,160,826	1,221,667	928,368	1,229,279	1,173,880	1,343,656	894,126	1,316,277	1,137,036	1,326,289	15,069,565	
Net Cash Inflows / (Outflows)		76,299	266,878	(149,459)	119,174	68,133	361,632	60,721	141,120	(28,656)	420,874	(1,277)	177,964	(11,289)	1,503,514	
Opening Bank Balance / Availability (Shortfall)		-	(173,702)	(308,122)	(811,585)	(811,585)	(942,826)	(719,326)	(922,922)	(906,602)	(997,758)	(631,884)	(688,161)	(560,192)	-	
Net Cash Flows by Coco																
AIWeather Windows & Doors (ALW)		40,395	6,910	(65,000)	51,033	12,000	31,910	40,000	(28,967)	9,000	19,810	40,000	(28,967)	25,000	153,225	
Alisco Windows & Doors (ALC)		33,413	(34,877)	101,100	(138,995)	191,300	(9,677)	208,100	(112,941)	179,846	(20,200)	199,500	(77,888)	63,777	106,298	
Accurate Down (2020) Inc. (ADI)		21,439	112,900	(64,708)	43,252	191,300	112,900	(60,788)	76,177	(95,992)	165,000	165,000	(82,614)	89,500	348,572	
Glass B Inc. (GLB)		79,296	105,791	(62,000)	91,280	(65,000)	108,271	(55,870)	89,700	(52,460)	136,164	(82,614)	(52,276)	75,665	(54,210)	
National Interiors (2021) Inc. (NTI)		(70,253)	79,483	(50,721)	70,564	(40,000)	89,238	(21,000)	20,381	(15,161)	85,000	(22,000)	70,381	(15,161)	165,772	
Polar Windows Canada Ltd. (PLW)		(27,990)	(3,500)	(7,000)	42,241	(15,000)	29,000	(21,000)	20,381	(15,161)	85,000	(22,000)	70,381	(15,161)	165,772	
Total		76,299	266,878	(149,459)	119,174	68,133	361,632	60,721	141,120	(28,656)	420,874	(1,277)	177,964	(11,289)	1,503,514	
Restructuring Costs																
Accurate Group's Legal Counsel	13	(75,000)	(50,000)	(30,000)	(10,000)	(10,000)	(10,000)	(10,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(225,000)
Monitor	13	(75,000)	(50,000)	(30,000)	(10,000)	(10,000)	(10,000)	(10,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(225,000)
Monitor's Legal Counsel	13	(30,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(135,000)
CFO	14	(15,000)	(15,000)	(15,000)	(10,000)	(10,000)	(15,000)	(15,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(195,000)
CLP Fees / Interest	15	(25,000)	-	-	-	-	-	-	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(147,500)
Present Advance Repayment	16	-	(76,299)	-	-	(119,374)	(66,133)	(269,316)	-	-	-	-	-	-	-	(800,000)
KEPP	17	-	(150,000)	(266,873)	-	-	-	-	-	-	-	-	-	-	-	(500,000)
Contingency	18	(30,000)	(20,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(10,000)	(350,000)
Total		(330,000)	(461,299)	(501,773)	(421,000)	(439,374)	(138,133)	(334,316)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(52,500)	(2,127,500)
Closing Bank Balance / Availability (Shortfall)		(173,702)	(308,122)	(308,459)	(811,585)	(942,826)	(719,326)	(922,922)	(906,602)	(997,758)	(631,884)	(688,161)	(560,192)	(623,986)	(623,986)	

Unaudited Cash Flow Projection to be read in conjunction with the Notes and Assumptions and the Proposed Monitors Report on the Cash Flow Forecast.

Polar Window of Canada Ltd.
Accurate Down (2020) Inc.
Glass B Inc.
National Interiors (2021) Inc.
1298647 Canada Ltd. (aka Alisco Windows & Doors)
1298593 Canada Ltd. (aka AIWeather Windows & Doors)
Polar Holding Ltd.
10084720 Manitoba Ltd.
1298914 Canada Ltd.

Deloitte Restructuring Inc., in its capacity as Proposed Monitor of
Polar Window of Canada Ltd.
Accurate Down (2020) Inc.
Glass B Inc.
National Interiors (2021) Inc.
1298647 Canada Ltd. (aka Alisco Windows & Doors)
1298593 Canada Ltd. (aka AIWeather Windows & Doors)
Polar Holding Ltd.
10084720 Manitoba Ltd.
1298914 Canada Ltd.
and not in its personal capacity

SSECOL
Sylvain S. Sécoul
President and CEO

B. Warren
Brent Warren, CPA, CA, CFP, LIT
Senior Vice-President

Notes and Assumptions

Disclaimer

In preparing the Cash Flow Forecast, the Applicants have relied on unaudited internal financial information and has not attempted to verify the accuracy or completeness of such information. The Cash Flow Forecast includes the assumptions detailed below with respect to the requirements and impact of a CCAA filing. Since the Cash Flow Forecast is based on assumptions about future events that are not ascertainable, the actual results achieved may vary, even if the assumptions materialize, and such variations may be material. There is no representation, warranty, or other assurance that any of the estimates or forecasts will be realized.

- (1) Opcos continue in the ordinary course of operations post-CCAA filing and there are no disruptions to ongoing projects (i.e. cancellation of projects, liens, supply issues, delays, etc.), and customers continue to pay in accordance with the project terms. Sallyport continues factoring accounts receivable for Allsco and Alweather in accordance with the current agreement.
- (2) Deposits are received in the ordinary course for new residential projects.
- (3) Critical suppliers continue to supply products post-filing on a cash on delivery (COD) basis.
- (4) Payments expected to continue in the ordinary course of operations.
- (5) Tax remittances will continue on a monthly basis.
- (6) Monthly insurance premiums will continue in the ordinary course.
- (7) Interest payments on operating lines with TD Bank will cease post-filing.
- (8) Lease payments for certain vehicles and office equipment will continue in the ordinary course.
- (9) Merchant cash advance repayments will cease upon filing.
- (10) Salaries, wages, and contract workers are paid in the ordinary course of operations and there is limited turnover.
- (11) Monthly rental payments for the fourteen (14) leased locations will continue in the ordinary course.
- (12) Ongoing credit card payments for the continued usage of the TD Bank corporate credit cards.
- (13) Estimated based on expenses already incurred and future expenses pertaining to professional services to be provided with respect to the initial February 10, 2023 hearing, the Comeback Hearing, and the commencement of the CCAA proceedings.
- (14) Estimated fees associated with the retention of a Chief Restructuring Officer (CRO) to assist with the Applicants' restructuring efforts and plan development.
- (15) Estimated fees associated with the DIP Facility.
- (16) Present Advance repayment in accordance with the DIP Facility term sheet.
- (17) Payments associated with a key employee retention plan (KERP).
- (18) Contingency for unforeseen events impacting the Applicants operations and cash flow projections.

Accurate Group of Companies
Cash Flow Projection
For the Week Ended

	Week 1 10-Feb-23	Week 2 17-Feb-23	Week 3 24-Feb-23	Week 4 3-Mar-23	Week 5 10-Mar-23	Week 6 17-Mar-23	Week 7 24-Mar-23	Post-Filing Week 8 31-Mar-23	Week 9 7-Apr-23	Week 10 14-Apr-23	Week 11 21-Apr-23	Week 12 28-Apr-23	Week 13 5-May-23	Weeks 1 to 13 Total
(1) AllWeather Windows & Doors (ALW)														
Receipts														
Accounts Receivable	150,000	150,000	140,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	2,190,000
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	150,000	150,000	140,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	2,190,000
Disbursements														
Accounts Payable (Vendor Payments)	38,000	75,000	75,000	79,867	91,000	75,000	75,000	79,867	91,000	75,000	75,000	79,867	75,000	984,600
Benefits / WCB / Life Insurance	-	-	-	-	12,000	-	-	-	-	12,000	-	-	-	24,000
GST / HST Remittance	-	-	70,000	5,000	-	-	-	-	-	-	-	-	100,000	275,000
Interest	-	-	-	-	-	-	-	100,000	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Payments	-	2,090	-	-	-	2,090	-	-	-	-	2,090	-	-	6,269
Merchant Cash Advance (daily auto payments)	11,605	-	-	-	-	-	-	-	-	-	-	-	-	11,605
Payroll / Source Deductions	60,000	66,000	60,000	-	60,000	66,000	60,000	-	60,000	66,000	60,000	-	60,000	618,000
Rent / Property Taxes	-	-	-	24,101	-	-	-	24,101	-	-	-	-	24,101	72,302
Transfers to Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Visa (Credit Card) / Loan	-	-	15,000	-	-	-	-	-	15,000	-	-	-	-	45,000
Total Disbursements	109,605	143,090	205,000	123,967	163,000	143,090	135,000	203,967	166,000	155,090	135,000	203,967	150,000	2,036,775
Net Cash Inflows / (Outflows)	40,395	6,910	(65,000)	51,033	12,000	31,910	40,000	(28,967)	9,000	19,910	40,000	(28,967)	25,000	153,225
(2) Allco Windows & Doors (ALC)														
Receipts														
Accounts Receivable (Sales/Lease Factorial)	300,000	340,000	280,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	4,320,000
Deposits	25,000	25,000	20,000	40,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	560,000
Salary/Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	325,000	365,000	300,000	380,000	390,000	390,000	390,000	390,000	390,000	390,000	390,000	390,000	390,000	4,880,000
Disbursements														
Accounts Payable (Vendor Payments)	214,037	178,500	178,900	188,500	178,500	178,500	178,900	188,500	178,500	178,500	178,500	188,900	178,500	2,387,237
Benefits / WCB / Life Insurance	-	4,700	-	19,700	20,000	4,700	-	19,700	-	24,700	-	19,700	-	113,200
GST / HST Remittance	-	-	15,000	10,000	-	-	-	35,000	-	-	-	4,700	-	54,700
Interest	-	4,487	-	7,190	-	-	4,487	7,190	-	-	-	7,190	-	30,544
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Payments	-	-	-	16,951	-	-	-	16,951	-	-	-	16,951	-	50,854
Merchant Cash Advance	12,464	-	-	-	-	-	-	-	-	-	-	-	-	12,464
Payroll / Source Deductions	62,268	200,000	-	200,000	-	200,000	-	200,000	-	200,000	-	200,000	-	1,202,268
Rent / Property Taxes	-	-	-	52,654	-	-	-	45,000	-	7,654	-	-	7,654	157,961
Transfers to Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	2,880	12,000	5,000	-	-	12,000	3,000	-	9,000	7,000	-	12,000	-	80,880
Visa (Credit Card) / Loan	-	-	15,000	-	-	-	-	-	15,000	-	-	-	-	45,000
Total Disbursements	291,589	399,687	198,900	518,995	198,500	399,687	181,900	502,341	210,154	410,200	190,500	482,441	210,154	4,195,047
Net Cash Inflows / (Outflows)	33,411	(34,687)	101,100	(138,995)	191,500	(9,687)	208,100	(112,341)	179,846	(20,200)	199,500	(92,441)	179,846	684,953
(3) Accurate Dorwin (2000) Inc. (ADI)														
Receipts														
Accounts Receivable	242,235	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,642,235
Bank Baloo	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	242,235	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,642,235
Disbursements														
Accounts Payable (Vendor Payments)	71,796	82,500	82,500	103,500	82,500	82,500	82,500	102,500	96,000	95,000	95,000	115,000	96,000	1,187,296
Benefits / WCB / Life Insurance	-	-	20,000	-	-	-	-	15,000	-	-	-	15,000	-	30,000
GST / HST Remittance	-	-	11,000	5,000	-	-	-	12,000	-	-	-	12,000	-	80,000
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	3,000	-	-	-	-	-	-	-	-	-	-	-	-	3,000
Lease Payments	-	-	1,288	923	1,367	-	1,288	923	1,367	-	1,288	923	-	9,366
Merchant Cash Advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll / Source Deductions	142,000	-	150,000	-	150,000	-	150,000	-	150,000	-	150,000	-	150,000	1,642,000
Rent / Property Taxes	-	-	-	42,025	-	-	-	42,025	-	-	-	-	42,025	126,075
Transfers to Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	4,000	4,600	-	2,000	1,500	4,600	-	3,500	-	4,600	-	4,600	-	28,300
Visa (Credit Card) / Loan	-	-	-	3,400	-	-	-	300	3,000	-	-	200	-	9,000
Total Disbursements	220,796	87,100	244,788	156,748	235,367	87,100	260,788	123,723	295,892	95,000	277,888	136,223	294,525	2,535,937
Net Cash Inflows / (Outflows)	21,439	112,900	(64,788)	43,252	(35,367)	112,900	(60,788)	76,277	(95,892)	105,000	(77,888)	63,777	(94,525)	106,298
(4) Class B Inc. (GLB)														
Receipts														
Accounts Receivable	385,844	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	3,385,844
Bank Baloo	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	385,844	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	3,385,844
Disbursements														
Accounts Payable (Vendor Payments)	110,418	112,500	110,330	110,000	110,000	110,000	110,150	110,000	110,000	110,000	110,000	110,150	110,000	1,433,548
Benefits / WCB / Life Insurance	-	27,893	-	-	-	-	27,893	-	-	-	-	27,893	-	83,680
GST / HST Remittance	4,349	-	16,000	3,000	-	-	10,000	-	20,000	-	10,000	20,000	-	83,349
Insurance	-	-	4,000	-	-	-	-	-	-	4,000	-	-	4,000	12,000
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Payments	-	3,836	-	-	-	3,836	-	-	-	-	-	-	-	12,000
Merchant Cash Advance	6,779	-	720	3,460	-	-	720	-	3,460	3,836	-	720	-	24,051
Payroll / Source Deductions	185,000	-	185,000	4,248	185,000	-	185,000	-	185,000	-	185,000	-	185,000	1,399,248
Rent / Property Taxes	-	-	-	3,712	-	-	-	-	-	-	-	-	-	3,712
Transfers to Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Visa (Credit Card) / Loan	-	-	-	30,300	-	-	-	30,300	-	-	-	-	-	90,900
Total Disbursements	306,546	144,229	312,050	158,720	295,000	141,729	305,870	160,300	302,460	113,836	333,614	160,450	302,460	3,037,267
Net Cash Inflows / (Outflows)	79,298	105,771	(62,050)	91,280	(45,000)	108,271	(55,870)	89,700	(52,460)	136,164	(83,614)	89,550	(52,460)	348,577

	Week 1 10-Feb-23	Week 2 17-Feb-23	Week 3 24-Feb-23	Week 4 3-Mar-23	Week 5 10-Mar-23	Week 6 17-Mar-23	Week 7 24-Mar-23	Post-Filing Week 8 31-Mar-23	Week 9 7-Apr-23	Week 10 14-Apr-23	Week 11 21-Apr-23	Week 12 28-Apr-23	Week 13 5-May-23	Week 1 to 13 Total
(5) National Interiors (2021) Inc. (NTI)														
Receipts														
Accounts Receivable	25,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,825,000
Bank D/e	-	-	-	-	-	-	-	-	-	-	-	-	-	9,827
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	25,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,825,000
Disbursements														
Accounts Payable (Vendor Payments)	30,255	57,232	55,721	75,586	55,000	57,486	55,721	64,000	55,000	55,000	55,000	55,000	55,000	726,000
Benefits / WCB / Life Insurance	-	3,276	-	-	-	3,276	-	-	-	-	-	3,276	-	6,552
GST / HST Remittance	-	-	10,000	3,000	-	-	9,000	15,000	-	-	9,000	15,000	-	61,000
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Merchant Cash Advance	-	-	-	2,683	-	-	-	1,693	-	-	-	-	1,209	5,495
Payroll / Source Deductions	65,000	-	135,000	-	135,000	-	135,000	-	135,000	-	135,000	-	135,000	875,000
Rent / Property Taxes	-	10,010	-	10,010	-	-	-	-	10,010	-	-	-	10,010	40,039
Transfers to Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	358	-	-	-	2,827	-	-	-	-	2,827	6,011
Visa (Credit Card) / Loan	-	-	-	-	-	-	-	20,300	4,000	-	-	-	-	24,300
Total Disbursements	95,255	70,517	200,721	119,436	190,000	60,762	199,721	163,730	204,010	55,000	202,276	74,335	204,010	1,775,771
Net Cash Inflows / (Outflows)	(70,255)	79,483	(50,721)	30,564	(40,000)	89,238	(49,721)	46,270	(54,010)	95,000	(52,276)	75,665	(54,010)	48,229
(6) Polar Windows Canada Ltd. (PLW)														
Receipts														
Accounts Receivable	50,000	75,000	125,000	125,000	125,000	125,000	125,000	150,000	150,000	150,000	150,000	150,000	150,000	1,650,000
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	50,000	75,000	125,000	125,000	125,000	125,000	125,000	150,000	150,000	150,000	150,000	150,000	150,000	1,650,000
Disbursements														
Accounts Payable (Vendor Payments)	-	40,000	40,000	44,404	55,000	55,000	55,000	59,494	55,000	55,000	55,000	55,000	59,494	628,482
Benefits / WCB / Life Insurance	-	7,500	-	-	-	7,500	-	-	-	-	-	7,500	-	22,500
GST / HST Remittance	-	-	7,000	3,000	-	-	-	10,000	-	-	6,000	10,000	-	36,000
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Payments	-	10,000	-	4,141	-	12,500	-	-	4,141	-	12,500	-	4,141	47,422
Merchant Cash Advance	27,990	-	-	-	-	-	-	-	-	-	-	-	-	27,990
Payroll / Source Deductions / Commissions	40,000	-	75,000	21,000	75,000	-	75,000	-	75,000	-	75,000	-	75,000	490,000
Rent / Property Taxes	-	11,000	-	21,000	-	11,000	6,000	-	21,000	-	11,000	-	21,000	102,000
Transfers to Other Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Visa (Credit Card) / Loan	10,000	10,000	10,000	10,125	10,000	10,000	10,125	10,000	10,000	10,000	10,000	10,125	10,000	110,375
Total Disbursements	77,990	78,500	132,000	82,759	140,000	96,000	146,000	79,619	165,141	65,000	177,000	79,619	165,141	1,484,768
Net Cash Inflows / (Outflows)	(27,990)	(3,500)	(7,000)	42,241	(15,000)	29,000	(21,000)	70,381	(15,141)	85,000	(27,000)	70,381	(15,141)	165,232

Unaudited Cash Flow Projection to be read in conjunction with the Notes and Assumptions and the Proposed Monitor Report on the Cash Flow Forecast.

Polar Window of Canada Ltd.
 Accurate Dorwin (2020) Inc.
 Glass B Inc.
 National Interiors (2021) Inc.
 12986647 Canada Ltd. (o/a Allco Windows & Doors)
 12986591 Canada Ltd. (o/a AllWeather Windows & Doors)
 Polar Holding Ltd.
 10064720 Manitoba Ltd.
 12986914 Canada Ltd.

SSECOL
 Stephen Seol
 Director and CEO

Deloitte Restructuring Inc., in its capacity as Proposed Monitor of
 Polar Window of Canada Ltd.
 Accurate Dorwin (2020) Inc.
 Glass B Inc.
 National Interiors (2021) Inc.
 12986647 Canada Ltd. (o/a Allco Windows & Doors)
 12986591 Canada Ltd. (o/a AllWeather Windows & Doors)
 Polar Holding Ltd.
 10064720 Manitoba Ltd.
 12986914 Canada Ltd.
 and not in its personal capacity
B. Wang
 Brent Wang, CPA, CA, CRP, LLT
 Senior Vice-President

Appendix D – Management’s Representation Letter on the Cash Flow Statement

February 1, 2023

Deloitte Restructuring Inc.
360 Main Street, Suite 2300
Winnipeg, MB R3C 3Z3

Attention: Mr. Brent Warga, CPA, CA, CIRP, LIT
Senior Vice President

Dear Sir:

Re: Proceedings under the *Companies' Creditors Arrangement Act* ("**CCAA**")
Responsibilities / Obligations and Disclosures with Respect to Cash Flow Projections

In connection with the application by Polar Window of Canada Ltd., Accurate Dorwin (2020) Inc., Glass 8 Inc., National Interiors (2021) Inc., 12986647 Canada Ltd. (o/a Allsco Windows & Doors), 12986591 Canada Ltd. (o/a AllWeather Windows & Doors), Polar Holding Ltd., 10064720 Manitoba Ltd., and 12986914 Canada Ltd. (collectively the "**Companies**") for the commencement of proceedings under the CCAA in respect of the Companies, the management of the Companies ("**Management**") has prepared the attached cash flow forecast (the "**Cash Flow Statement**") and the assumptions on which the Cash Flow Statement is based.

The Companies confirm that:

1. The Cash Flow Statement and the underlying assumptions are the responsibility of the Companies;
2. All material information relevant to the Cash Flow Statement and to the underlying assumptions has been made available to Deloitte Restructuring Inc. in its capacity as Proposed Monitor; and
3. Management has taken all actions that it considers necessary to ensure:
 - a. That the individual assumptions underlying the Cash Flow Statement are appropriate in the circumstances;
 - b. That the assumptions underlying the Cash Flow Statement, taken as a whole, are appropriate in the circumstances; and
 - c. That all relevant assumptions have been properly presented in the Cash Flow Statement or in the notes accompanying the Cash Flow Statement.
4. Management understands and agrees that the determination of what constitutes a material adverse change in the projected cash flow or financial circumstances, for the purposes of our monitoring the on-going activities of the Companies, is ultimately at your sole discretion, notwithstanding that Management may disagree with such determination.
5. Management understands its duties and obligations under the CCAA and that a breach of these duties and obligations could make Management liable to fines and imprisonment in certain circumstances.
6. The Cash Flow Statement and assumptions have been reviewed and approved by the Companies' board of directors, or Management has been duly authorized by the Companies' board of directors to prepare and approve the cash flow assumptions.

Yours Truly,

Polar Window of Canada Ltd.

S. SECOL
Signature of authorized signing officer

STEPHEN SECOL
Name

CEO
Title

Feb 1/2023
Date

Accurate Dorwin (2020) Inc.

S. SECOL
Signature of authorized signing officer

STEPHEN SECOL
Name

CEO
Title

Feb 1/2023
Date

Glass 8 Inc.

S. SECOL
Signature of authorized signing officer

STEPHEN SECOL
Name

CEO
Title

Feb 1/2023
Date

National Interiors (2021) Inc.

S. SEGAL
Signature of authorized signing officer

STEPHEN SEGAL
Name

CEO
Title

Feb 1/2023
Date

12986647 Canada Ltd. (o/a Allsco Windows & Doors)

S. SEGAL
Signature of authorized signing officer

STEPHEN SEGAL
Name

CEO
Title

Feb 1/2023
Date

12986591 Canada Ltd. (o/a AllWeather Windows & Doors Ltd.)

S. SEGAL
Signature of authorized signing officer

STEPHEN SEGAL
Name

CEO
Title

Feb 1/2023
Date

Polar Holding Ltd.

S SECOL
Signature of authorized signing officer

STEPHEN SECOL
Name

CEO
Title

Feb 1/2023
Date

10064720 Manitoba Ltd.,

S SECOL
Signature of authorized signing officer

STEPHEN SECOL
Name

CEO
Title

Feb 1/2023
Date

12986914 Canada Ltd.

S SECOL
Signature of authorized signing officer

STEPHEN SECOL
Name

CEO
Title

Feb 1/2023
Date